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February 23, 2018

## BY ELECTRONIC FILING

Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: *Dominion Energy, Inc., SCANA Corporation, and  
South Carolina Electric & Gas Company*  
Joint Application for Approval under Section 203 of the Federal Power Act and  
Request for Waivers and Confidential Treatment**

Dear Secretary Bose:

Enclosed for filing please find the Joint Application of Dominion Energy, Inc. (“Dominion Energy”), SCANA Corporation (“SCANA”), and South Carolina Electric & Gas Company (“SCE&G”) (together, the “Applicants”) pursuant to Section 203 of the Federal Power Act and Part 33 of the regulations of the Federal Energy Regulatory Commission (“Commission”) respectfully requesting Commission authorization for a proposed business combination between SCANA and Dominion Energy (the “Transaction”). Under the Transaction, SCE&G will become a wholly-owned indirect subsidiary of Dominion Energy.

The Applicants respectfully request that the Commission (i) adopt the standard 60-day notice period for interested parties to comment on the Application; and (ii) issue an order approving the Transaction *by no later than July 31, 2018*. The Applicants also respectfully request that the Commission grant limited waivers of certain Part 33 filing requirements as discussed below.

The filing is supported by the affidavit of Julie R. Solomon, Managing Director of Navigant Consulting, Inc. Pursuant to Sections 33.8, 388.107(d) and 388.112 of the Commission’s regulations, 18 C.F.R. §§ 33.8, 388.107(d) and 388.112 (2017), the Applicants respectfully request privileged and confidential treatment for certain information contained in the workpapers supporting Ms. Solomon’s analysis. Such information relates to confidential and proprietary aspects of the computer modeling software and programs used by Ms. Solomon to perform her analysis of the Transaction. Accordingly, the Applicants will submit, via courier delivery, both a public version and a non-public version of Ms. Solomon’s workpapers on CDs to the Commission. The CD containing the privileged version of Ms. Solomon’s workpapers is

Kimberly D. Bose  
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marked “CUI//PRIV PRIVILEGED MATERIAL – Contains Privileged Information Subject to 18 C.F.R. § 388.112 – DO NOT RELEASE.” In accordance with Section 33.9 of the Commission’s regulations, the Applicants have included a proposed protective agreement as Attachment 2 to the Application.

Please do not hesitate to contact the undersigned with any questions, including any questions regarding the request for confidential treatment.

Respectfully submitted,

/s/ Steven J. Ross

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Attachments

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Dominion Energy, Inc.** ) **Docket No. EC18-\_\_\_-000**  
**SCANA Corporation** )  
**South Carolina Electric and Gas Company** )

**JOINT APPLICATION FOR APPROVAL  
UNDER SECTION 203 OF THE FEDERAL POWER ACT  
AND REQUEST FOR WAIVERS AND CONFIDENTIAL TREATMENT**

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February 23, 2018

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**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Dominion Energy, Inc.** ) **Docket No. EC18-\_\_\_-000**  
**SCANA Corporation** )  
**South Carolina Electric and Gas Company** )

**JOINT APPLICATION FOR APPROVAL  
UNDER SECTION 203 OF THE FEDERAL POWER ACT  
AND REQUEST FOR WAIVERS AND CONFIDENTIAL TREATMENT**

Pursuant to sections 203(a)(1) and 203(a)(2) of the Federal Power Act (“FPA”), 16 U.S.C. §§ 824b(a)(1) and (a)(2) (2012), and Part 33 of the Regulations of the Federal Energy Regulatory Commission (“Commission” or “FERC”), 18 C.F.R. Part 33 (2017), Dominion Energy, Inc. (“Dominion Energy”), SCANA Corporation (“SCANA”), and South Carolina Electric & Gas Company (“SCE&G,” and collectively with Dominion Energy and SCANA, the “Applicants”)<sup>1</sup> submit this joint application (the “Application”) requesting Commission authorization for a proposed transaction whereby SCANA and SCE&G will become wholly-owned subsidiaries of Dominion Energy (the “Transaction”). The Applicants respectfully request that the Commission issue an order approving the Transaction ***by no later than July 31, 2018.***

The Transaction satisfies the requirements of FPA Section 203(a)(4) and Part 33 of the Commission’s regulations because the Transaction will not have an adverse effect on competition, rates or regulation and will not result in cross-subsidization of a non-utility

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<sup>1</sup> In addition, all subsidiaries of Dominion Energy and SCANA that are public utilities subject to the Commission’s jurisdiction also request the Commission’s approval of the Transaction pursuant to FPA Section 203 to the extent such approval is required. These subsidiaries are identified in Part I and Exhibit B of the Application.

associate company or the pledge or encumbrance of utility assets for the benefit of an associate company.<sup>2</sup>

First, the Transaction will not have adverse competitive effects. The Transaction does not raise horizontal market power concerns. The vast majority of power sold from generation controlled by Virginia Electric and Power Company doing business in Virginia as Dominion Energy Virginia and in North Carolina as Dominion Energy North Carolina (“VEPCO”) is used to serve its native and wholesale requirements loads within PJM Interconnection, L.L.C. (“PJM”). Likewise, SCE&G’s generation is used to serve its native and wholesale requirements loads, within its own balancing authority area (“BAA”). There is no geographic overlap among VEPCO and SCE&G, and the evidence shows that these utilities currently do not compete for long or short-term wholesale sales. Further, Dominion Energy’s merchant generation in the relevant market is either under long-term wholesale contracts or committed in the PJM capacity market, and thus the horizontal effects of the Transaction in the relevant markets are immaterial or well within the Commission’s screening thresholds.

The Transaction does not raise vertical market power issues. Dominion Energy owns a very small percentage of the pipelines that serve the Southeast. In addition, because the upstream market is not highly concentrated, the Transaction does not raise vertical market power concerns irrespective of the degree of concentration of the downstream market. In addition, the introduction of new pipeline capacity is expanding competitive alternatives. In the downstream market, the combined company will serve (through Dominion Energy’s limited pipeline

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<sup>2</sup> See generally *Transactions Subject to FPA Section 203*, Order No. 669, FERC Stats. & Regs. ¶ 31,200 (2005) (“Order No. 669”), *order on reh’g*, Order No. 669-A, FERC Stats. & Regs. ¶ 31,214 (2006) (“Order No. 669-A”), *order on reh’g*, Order No. 669-B, FERC Stats. & Regs. ¶ 31,225 (2006).

ownership and SCANA's local distribution companies ("LDCs")) only a very small number of third-party gas-fired generators. The fact that the Applicants are combining generation and transmission facilities will also not harm competition because the Applicants' respective electric transmission systems are generally remote from each other's generation, so there is no incentive or ability to exercise vertical market power. In addition, Dominion Energy's public utility has turned over operational control of its transmission facilities to PJM and SCE&G's transmission is subject to a Commission-approved open access transmission tariff ("SCE&G OATT").

Second, the Transaction will have no adverse effect on wholesale rates. There will be no adverse impact on wholesale rates because the Dominion Energy and SCANA public utilities' wholesale power rates and transmission service rates, which are governed by Commission-approved tariffs, will be unaffected by the Transaction. Moreover, as discussed below, the Applicants commit to hold wholesale customers harmless from any transaction costs incurred in connection with the Transaction.

Third, the Transaction will not have an adverse impact on regulation. The Commission's jurisdiction over service to wholesale transactions and state jurisdiction over retail electric and gas customers will remain unaffected. Moreover, the Transaction will not affect Dominion Energy's or SCANA's status as a holding company under the Public Utility Holding Company Act of 2005.

Fourth, the Transaction will not result in the cross-subsidization of an unregulated company by a traditional public utility because the Transaction is a bona fide, arms-length, bargained-for exchange among non-affiliates.

Finally, the Transaction provides significant benefits to SCE&G's electric customers. It will help offset previous and future costs related to the abandoned V.C. Summer nuclear project,

including (1) a \$1.3 billion cash payment to all customers, worth about \$1,000 for an average residential customer; (2) an estimated 7 percent retail rate reduction, worth about \$10 per month for a typical residential customer;<sup>3</sup> (3) about \$1.7 billion in write-offs of existing V.C. Summer costs, allowing for recovery of the remaining project costs over 20 years rather than 50-60 years; and (4) the acquisition of the Columbia Energy Center, a natural gas-fired electric generating station, along with a commitment not to include the capital costs of the acquisition in rates. SCANA will operate as a wholly-owned subsidiary of Dominion Energy, but will continue its significant presence in South Carolina and SCE&G's headquarters will remain in the state. Further, the combination strengthens SCANA and its utility subsidiaries and provides additional opportunities for the combined companies to meet growing demand in the Southeast.

Accordingly and as demonstrated in greater detail below, the Transaction is consistent with the public interest and should be approved.

## **I. DESCRIPTION OF THE APPLICANTS**

### **A. Dominion Energy, Inc.**

Dominion Energy,<sup>4</sup> a Virginia corporation, is a holding company, as defined in the Public Utility Holding Company Act of 2005, headquartered in Richmond, Virginia. Together with its subsidiaries, Dominion Energy is a diversified energy company, with both regulated and unregulated utility operations, that supplies, delivers, and processes energy for its customers. A list of Dominion Energy's energy subsidiaries and affiliates is attached as Exhibit B-1.

VEPCO, is a regulated, vertically integrated public utility engaged in the generation, transmission, distribution, and sale of electric energy, and is a wholly-owned subsidiary of

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<sup>3</sup> This reduction also accounts for the impact of federal tax law changes.

<sup>4</sup> Effective May 10, 2017, Dominion Resources, Inc. changed its name to Dominion Energy, Inc.

Dominion Energy. VEPCO owns and operates nuclear, fossil fuel, renewable, and hydroelectric generating units located in the PJM region with an aggregate generating capacity of approximately 20,800 MW, as well as approximately 57,900 miles of electric distribution lines. VEPCO also owns approximately 6,600 miles of transmission facilities that are under the operational control of PJM pursuant to which service over the VEPCO system is made available under the PJM Open Access Transmission Tariff (“PJM OATT”).<sup>5</sup> VEPCO sells electric energy at retail in Virginia and North Carolina and also sells electric energy at wholesale on a short-term basis and under long-term contracts to rural electric cooperatives, municipalities, and wholesale electricity markets. VEPCO has authority to make wholesale sales at market-based rates.<sup>6</sup>

Other Dominion Energy subsidiaries include Dominion Energy Generation Marketing, Inc. (“DEGM”) (formerly known as Dominion Energy Marketing, Inc.), a power marketer with a Commission-approved market-based rate tariff,<sup>7</sup> and Dominion Generation, Inc. (“DGI”) (formerly Dominion Energy, Inc.), which directly or indirectly owns various subsidiaries that own and operate electric generating facilities in the United States. Dominion Energy, through DGI, indirectly owns or controls generation facilities in the ISO New England, Inc. (“ISO-NE”), California Independent System Operator, Inc. (“CAISO”), Imperial Irrigation District (“IID”), PacifiCorp-East (“PACE”), and Tennessee Valley Authority (“TVA”) BAAs, and indirectly

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<sup>5</sup> *PJM Interconnection, L.L.C.*, 109 FERC ¶ 61,012 (2004) (order approving expansion of PJM to include VEPCO’s transmission facilities).

<sup>6</sup> *Virginia Elec. and Power Co.*, Docket No. ER98-3771-000 (Aug. 13, 1998) (unpublished letter order); *see also Virginia Elec. and Power Co.*, 80 FERC ¶ 61,275 (1997); *Virginia Elec. and Power Co.*, 86 FERC ¶ 61,027 (1999) (order accepting settlement agreement and terminating Docket No. ER97-3561-000); and *Virginia Elec. and Power Co.*, 91 FERC ¶ 61,209 (2000).

<sup>7</sup> *Dominion Energy Marketing, Inc.*, Docket No. ER01-468-000 (Dec. 15, 2000) (unpublished letter order).

owns, controls, or is affiliated with various Qualifying Facility solar photovoltaic facilities that are located in the CAISO, ISO-NE, Midcontinent Independent System Operator, Inc. (“MISO”), Southern Company (“SOCO”), and the BAA operated by SCE&G (the “SCEG BAA”).

In addition to these electric interests, Dominion Energy also owns or holds an interest in (1) three gas utility LDCs, (2) five interstate gas pipeline companies, and (3) Dominion Energy Solutions, Inc.,<sup>8</sup> a retail marketing entity that sells natural gas. The three LDCs, (1) The East Ohio Gas Company d/b/a Dominion Energy Ohio, (2) Hope Gas, Inc. d/b/a Dominion Energy West Virginia, and (3) Questar Gas Company,<sup>9</sup> provide retail gas services to customers in Ohio, West Virginia, and Utah, Wyoming, and Idaho, respectively. The interstate gas pipeline companies are (1) Dominion Energy Questar Pipeline, LLC; (2) Dominion Energy Transmission, Inc. (“DETI”);<sup>10</sup> (3) Dominion Energy Cove Point LNG, LP;<sup>11</sup> (4) Dominion Energy Carolina Gas Transmission, LLC (“Carolina Gas Transmission”);<sup>12</sup> and (5) Iroquois Gas Transmission System, LP (“Iroquois”). A combined 50% interest in Iroquois is owned by Dominion Iroquois, Inc. and Dominion Energy Midstream Partners, LP.<sup>13</sup> DETI, Dominion Iroquois, Inc., and

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<sup>8</sup> Previously known as Dominion Retail, Inc. Effective May 12, 2017, the company has a new name.

<sup>9</sup> Questar Gas Company operates under three “doing business as” names based on geography; Dominion Energy Utah, Dominion Energy Wyoming, and Dominion Energy Idaho.

<sup>10</sup> Previously known as Dominion Transmission, Inc. Effective May 12, 2017, the company has a new name.

<sup>11</sup> Previously known as Dominion Cove Point LNG, LP. Effective May 12, 2017, the company has a new name.

<sup>12</sup> Previously known as Dominion Carolina Gas Transmission, LLC. Effective May 12, 2017 the company has a new name.

<sup>13</sup> Previously known as Dominion Midstream Partners, LP. Effective May 12, 2017 the company has a new name.

Dominion Energy Ohio are direct subsidiaries of Dominion Energy Gas Holdings, LLC,<sup>14</sup> a wholly-owned subsidiary of Dominion Energy. Carolina Gas Transmission and Dominion Energy Questar Pipeline, LLC are direct subsidiaries of Dominion Energy Midstream Partners, LP. Dominion Energy and its subsidiaries own 100% of the general partnership interests, and various outstanding limited partnership interests, in Dominion Energy Midstream Partners, LP. Dominion Energy also owns a 50% interest in Blue Racer Midstream, LLC, a joint venture midstream services company, and a 48% interest in the Atlantic Coast Pipeline, LLC (“ACP”) project that currently is under development.

**B. SCANA Corporation**

SCANA is an energy-based holding company, based in Cayce, South Carolina, whose businesses include regulated electric and natural gas utility operations, telecommunications, and other non-regulated businesses. In addition to SCE&G, other SCANA subsidiaries include Public Service Company of North Carolina (“PSNC”), a natural gas LDC company located in North Carolina, SCANA Energy Marketing, Inc., a natural gas marketer that participates in the Georgia competitive retail natural gas market and provides natural gas-related asset management services in the Southeast.<sup>15</sup> A list of SCANA’s energy subsidiaries and affiliates is attached as Exhibit B-2.

**C. South Carolina Electric & Gas Company**

SCE&G is a public utility engaged in the generation, transmission, distribution, and sale of electricity to retail and wholesale customers, and is the principal subsidiary of SCANA.

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<sup>14</sup> Previously known as Dominion Gas Holdings, LLC. Effective May 12, 2017 the company has a new name.

<sup>15</sup> In addition to SCE&G, only one other SCANA subsidiary, South Carolina Generating Company, Inc. (“GENCO”), is a public utility under the FPA. GENCO owns a single generating facility and sells all of the output of that facility to SCE&G under a long-term contract.



SCE&G owns and operates facilities for the transmission of electric energy in interstate commerce and provides transmission service over those facilities pursuant to the terms of its Commission-approved SCE&G OATT.<sup>16</sup> SCE&G owns or controls approximately 5,750 MW of generation.<sup>17</sup> SCE&G sells wholesale electric energy and capacity at cost-based rates within the SCEG BAA and is authorized to sell electric energy and capacity at market-based rates outside the SCE&G BAA.<sup>18</sup> SCE&G's electric service territory extends into 24 counties covering nearly 17,000 square miles in the central, southern, and southwestern portions of South Carolina. SCE&G supplies natural gas to retail customers in all or part of 35 counties in South Carolina covering more than 25,000 square miles and SCE&G purchases and distributes natural gas in support of its retail natural gas sales. SCE&G's retail electricity and retail natural gas activities are subject to the jurisdiction of the Public Service Commission of South Carolina ("South Carolina PSC").

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<sup>16</sup> See *South Carolina Electric & Gas Co.*, 122 FERC ¶ 61,070 (2008) (accepting SCE&G's Order No. 890 compliance filing) ("January 31 Order"); *South Carolina Electric & Gas Co.*, Docket No. OA07-36-001 (May 27, 2008) (unpublished letter order) (accepting revised tariff sheets complying with the January 31 Order).

<sup>17</sup> On January 22, 2018, SCE&G filed an application with the Commission requesting authorization under Section 203 for a transaction by which SCE&G will acquire the Columbia Energy Center, an approximately 540 MW combined cycle natural gas powered generation facility located near Gaston, South Carolina, and certain associated assets, from Columbia Energy LLC. *South Carolina Electric & Gas Company*, Docket No. EC18-50-000 (Jan. 22, 2018).

<sup>18</sup> See *South Carolina Electric & Gas Co.*, Docket No. ER10-2498-002 (Aug. 19, 2015) (letter order); *South Carolina Electric & Gas Co.*, 128 FERC ¶ 61,043 (2009).

## II. DESCRIPTION OF THE TRANSACTION

On January 2, 2018, Dominion Energy, Sedona Corporation (“Sedona”),<sup>19</sup> and SCANA entered into an Agreement and Plan of Merger (“Merger Agreement”) setting forth the terms of the Transaction. The boards of directors of SCANA and Dominion Energy have approved and authorized the Transaction. A copy of the Merger Agreement is provided in Exhibit I to this Application.

As provided by the Merger Agreement, upon consummation of the Transaction, each issued and outstanding share of common stock of SCANA (other than the cancelled shares as defined in Section 2.01(b) of the Merger Agreement) will be converted into the right to receive 0.6690 validly issued, fully paid and non-assessable shares of common stock of Dominion Energy, the equivalent of \$55.35 per share, or about \$7.9 billion based on Dominion Energy’s volume-weighted average stock price of the last 30 trading days ended January 2, 2018. Including assumption of debt, the value of the Transaction as of the date of its announcement was approximately \$14.6 billion based on Dominion Energy’s volume-weighted average stock price of the last 30 trading days ended January 2, 2018.

Upon consummation of the Transaction, each issued and outstanding share of common stock of Sedona will be converted into and become one validly issued, fully paid, and non-assessable share of common stock of SCANA, which will be the surviving corporation. Thus, as a result of the Transaction, Dominion Energy (which currently owns all the stock of Sedona) will

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<sup>19</sup> Sedona is a wholly-owned subsidiary of Dominion Energy created to implement the Transaction. Sedona owns no public utility assets and provides no public utility services.

own all the stock of SCANA and SCANA will become a wholly-owned subsidiary of Dominion Energy.<sup>20</sup>

Also at the close of the Transaction, SCE&G will remain a direct, wholly-owned subsidiary of SCANA and will continue to exist as a separate legal entity, and VEPCO will remain a separate legal entity; in other words, SCE&G and VEPCO will not merge their operations or be operated on a joint basis. Following the Transaction, Dominion Energy and SCANA plan to operate VEPCO and SCE&G, as well as their respective LDCs, in substantially the same manner as they are operated today.

As further detailed in Exhibit L, the Transaction is contingent upon approval of SCANA's shareholders, clearance from the U.S. Federal Trade Commission under the Hart-Scott-Rodino Act ("HSR"), authorization of the Nuclear Regulatory Commission, various state regulators, and this Commission. The Transaction received early termination of the HSR waiting period on February 1, 2018.

### **III. COMMISSION JURISDICTION**

The Applicants seek authorization under Sections 203(a)(1) and 203(a)(2) of the FPA for the Transaction. Section 203(a)(1)(A) provides, in pertinent part, that Commission authorization is required for a public utility to "sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of

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<sup>20</sup> Immediately following the time the Transaction is effective ("Effective Time"), the officers of SCANA will be those persons that were the officers of SCANA immediately prior to the Effective Time. After the Effective Time, changes to the officers of SCANA may be made based upon integration efforts and Dominion Energy's standard entity management conventions.

\$10,000,000.”<sup>21</sup> SCE&G is a public utility and the Transaction will affect the upstream ownership of SCE&G’s jurisdictional facilities.

Section 203(a)(2) of the FPA provides, in pertinent part, that Commission authorization is required for a holding company of an electric utility to “purchase, acquire, or take any security with a value in excess of \$10,000,000 of . . . a holding company in a holding company system that includes a transmitting utility, or an electric utility company, with a value in excess of \$10,000,000.”<sup>22</sup> Dominion Energy is a holding company within the meaning of Section 203(a)(2) and is taking securities in excess of \$10,000,000 in SCANA, which is a holding company that includes an electric utility (*i.e.*, SCE&G).

#### **IV. THE TRANSACTION IS CONSISTENT WITH THE PUBLIC INTEREST**

Under Section 203(a)(4), the Commission must authorize a proposed transaction if it determines that the transaction “will be consistent with the public interest.”<sup>23</sup> The Commission historically has reviewed three factors when evaluating proposed transactions under the Section 203 public interest standard: (1) the effect on competition; (2) the effect on rates; and (3) the effect on regulation.<sup>24</sup> If the Commission finds that a proposed transaction will not adversely

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<sup>21</sup> 16 U.S.C. § 824b(a)(1)(A).

<sup>22</sup> 16 U.S.C. § 824b(a)(2).

<sup>23</sup> 16 U.S.C. § 824b(a)(4). Section 203 does not require a demonstration that a proposed transaction will result in a positive benefit to the public. Rather, the Commission need only conclude that the proposed transaction is *consistent with* the public interest. *See, e.g., Tex.-N.M. Power Co.*, 105 FERC ¶ 61,028 at P 23 (2003).

<sup>24</sup> *Analysis of Horizontal Market Power Under the Federal Power Act, Order Reaffirming Commission Policy and Terminating Proceeding*, 138 FERC ¶ 61,109 at P 3 (2012). *See also* 18 C.F.R. § 2.26 (2017); *Inquiry Concerning the Commission’s Merger Policy Under the Federal Power Act: Policy Statement*, Order No. 592, FERC Stats. & Regs. ¶ 31,044 at 30,111 (1996) (“Merger Policy Statement”), *on reh’g*, Order No. 592-A, 79 FERC ¶ 61,321 (1997); *FPA Section 203 Supplemental Policy Statement*, 120 FERC ¶ 61,060 (2007) (“Supplemental Policy Statement”); *Revised Filing Requirements Under Part 33 of the*

(Continued ...)

affect competition, rates or regulation, it must approve the transaction if it also determines that the transaction “will not result in cross-subsidization of a non-utility associate company or the pledge or encumbrance of utility assets for the benefit of an associate company, unless that cross-subsidization, pledge, or encumbrance will be consistent with the public interest.”<sup>25</sup> As shown below, the Transaction is consistent with the public interest because the Transaction will have no adverse effect on competition, rates, or regulation. In addition, the Transaction will not cause, now or in the future, cross-subsidization of a non-utility associate company, or any impermissible pledge or encumbrance of utility assets for the benefit of an associate company.

**A. The Transaction Will Not Have an Adverse Effect on Competition**

Order No. 642 identifies two types of analyses relevant to determining that a transaction subject to Commission approval under Section 203 does not pose potential adverse effects on competition: a horizontal market power analysis and a vertical market power analysis.<sup>26</sup> In order to confirm the lack of competitive harm resulting from the Transaction, the Applicants have engaged Julie R. Solomon, Managing Director of Navigant Consulting, Inc., to prepare an “Appendix A Analysis,” also known as the “Competitive Analysis Screen,” and a vertical competitive analysis required by the Commission.<sup>27</sup> In the affidavit provided as Exhibit J (“Solomon Affidavit”), Ms. Solomon presents the results of her evaluation of the potential competitive effect of the Transaction. As summarized below, and as Ms. Solomon concludes in

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*Commission’s Regulations*, Order No. 642, FERC Stats. & Regs. ¶ 31,111 (2000) (“Order No. 642”), *on reh’g*, Order No. 642-A, 94 FERC ¶ 61,289 (2001).

<sup>25</sup> 16 U.S.C. § 824b(a)(4).

<sup>26</sup> *See generally* Order No. 642.

<sup>27</sup> The Appendix A Analysis was first described in the Merger Policy Statement at 30,130-36. The requirements of the Appendix A Analysis since have been incorporated into the Commission’s Merger Regulations at 18 C.F.R. § 33.3.

her affidavit, that evaluation shows that the Transaction will not have adverse competitive effects.

***1. The Transaction Will Have No Adverse Effect on Horizontal Competition***

As discussed in the Solomon Affidavit, a key element of Ms. Solomon’s horizontal competitive analysis of the Transaction is the geographic location of generation owned or controlled by affiliates of Dominion Energy and SCANA, including by SCE&G, in the relevant markets. The generating assets affiliated with Dominion Energy and SCANA are summarized in Table 1 below. As shown, the vast majority of generation affiliated with Dominion Energy is located in PJM, and all of SCANA’s generation is located in the SCEG BAA. SCEG is two “wheels” away from PJM connecting through the Duke Energy Carolinas, LLC or Duke Energy Progress, LLC BAAs (“DUK” and “CPLE”, respectively), which explains in part why the utilities do not compete at wholesale.

**Table 1: Summary of Generation Owned or Purchased Under Long-term Contract by Affiliates of Dominion Energy and SCANA (MW)<sup>28</sup>**

<b>Market/Balancing Authority Area (“BAA”)</b>	<b>Dominion Energy</b>	<b>SCANA</b>
PJM	24,136	0
SCEG	81*	6,039
Markets First-Tier to SCEG or PJM	197**	0
ISO New England Inc.(“ISO-NE”)	2,492	0
<b>Total</b>	<b>26,906</b>	<b>6,039</b>
* This generation is fully committed under long-term contract to SCE&G.		
** This generation is fully committed under long-term contracts to third parties.		

Ms. Solomon explains that, although affiliates of Dominion Energy own 81 MW of generation in SCEG, these solar projects were developed by a third party and are committed under full output long-term contracts to SCE&G that predate the Transaction and, hence, there is

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<sup>28</sup> This does not include generation affiliated with Dominion Energy in the Western Electricity Coordinating Council (“WECC”).

no geographic overlap among Applicants in SCEG. Likewise, she points out that there is no geographic overlap in PJM. All of Dominion Energy's affiliated generation in markets first-tier to SCEG or PJM is committed under long-term contracts with unaffiliated third-parties. Thus, Ms. Solomon concludes that there are no common markets with respect to generation ownership.

Ms. Solomon's analysis focuses on the SCEG and PJM BAAs to determine how much of Dominion Energy's generation can theoretically compete in SCEG, and how much of SCANA's generation can theoretically compete in PJM. Consistent with the Commission's regulations, she also examined markets first-tier to SCEG, namely the DUK, CPLE, Santee Cooper ("SC"), and SOCO BAAs.<sup>29</sup> Ms. Solomon's conclusions regarding these markets are as follows:

First, the vast majority of power sold from generation controlled by Dominion Energy (in the PJM BAA) and SCE&G (in its BAA) is used to serve their respective native and wholesale requirements loads. There is virtually no competition between them for wholesale sales to third parties in any geographic market. Only 2.1 percent of SCANA's sales in 2016 (and much less in 2015 and 2017) consisted of wholesale sales outside of the SCEG BAA, and these occurred in its first-tier markets (DUK, CPL, SC and SOCO). To put these sales to other Southeast BAAs in perspective, they totaled an equivalent of 2 MW of round-the-clock power. No sales were made by SCE&G or SCANA into PJM. Dominion Energy made no sales into Southeast markets, other than those relating to Dominion Energy-owned solar projects that are committed under long-term contracts, including two small solar projects in SCEG that are under full output long-term contracts to SCE&G which predate the Transaction.

Thus, the participation of the Applicants in wholesale markets in which the other Applicant controls generation is virtually non-existent. Further, in combination with these facts

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<sup>29</sup> See Solomon Affidavit at 4 (*citing* 18 CFR § 33.3(c)(2)).

there is no evidence that the Applicants are potential competitors. Indeed, as Ms. Solomon states, she was informed by the Applicants that, historically, affiliates of Dominion Energy have not responded to requests for proposals (“RFPs”) for generation supply issued by SCANA’s affiliates; that SCANA’s affiliates have not responded to RFPs for generation supply issued by affiliates of Dominion Energy; and that their respective affiliates have not competed against each other in response to RFPs issued by third parties for any wholesales sales or customers’ loads, or participated in any of the various auctions in PJM to serve Provider of Last Resort load. Ms. Solomon concludes that the combination of Dominion Energy and SCANA will have no material effect on horizontal competition in either PJM or SCEG, and there is no reduction in horizontal competition caused by the Transaction. Likewise, to the extent there have been any actual sales in common markets geographically “between” PJM and SCEG, they are not material, and, with respect to Dominion Energy, consist solely of long-term contractual sales. Ms. Solomon’s Competitive Analysis Screen, or Delivered Price Test (“DPT”), confirms that there is no reduction in competition caused by the Transaction.<sup>30</sup>

Second, Ms. Solomon concludes that the horizontal effect of the Transaction in PJM is immaterial. In PJM, Dominion Energy is affiliated with approximately 24,000 MW of generation and purchases, but has peak load obligations of about 20,000 MW. Installed capacity in PJM is approximately 182,000 MW. Ms. Solomon finds that the DPT is easily passed for both Economic Capacity (“EC”) and Available Economic Capacity (“AEC”) in PJM. Because both VEPCO and SCE&G are load-serving entities, Ms. Solomon explains that, consistent with Commission precedent, AEC is the more relevant metric in the context of the Transaction,

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<sup>30</sup> See Solomon Affidavit at 21-27. The data sources and methodology relevant to conducting the DPT are described in Exhibit J-4.



because both SCE&G and VEPCO retain load-serving obligations.<sup>31</sup> SCANA has some AEC, but only a small amount of its AEC is allocated as potential supply into the PJM market, and only in a few time periods.<sup>32</sup> As a result, changes in the Herfindahl-Hirschman Index (“HHI”) measure of market concentration are very small (and the PJM market is unconcentrated) as summarized in Ms. Solomon’s Table 2 below.

**Table 2: DPT Results for PJM (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
PJM	S_SP1	\$ 150	3,561	3.1%	-	0.0%	113,094	548	3,561	3.1%	548	-
PJM	S_SP2	\$ 65	5,723	4.8%	14	0.0%	118,799	515	5,736	4.8%	515	0
PJM	S_P	\$ 35	4,573	4.2%	-	0.0%	108,783	537	4,573	4.2%	537	-
PJM	S_OP	\$ 25	1,766	2.3%	-	0.0%	76,625	588	1,766	2.3%	588	-
PJM	W_SP	\$ 50	6,013	5.5%	-	0.0%	108,580	494	6,013	5.5%	494	-
PJM	W_P	\$ 32	1,165	1.5%	-	0.0%	79,603	575	1,165	1.5%	575	-
PJM	W_OP	\$ 28	1,165	1.5%	-	0.0%	76,042	634	1,165	1.5%	634	-
PJM	SH_SP	\$ 50	6,013	5.5%	42	0.0%	110,217	481	6,055	5.5%	482	0
PJM	SH_P	\$ 33	5,710	5.6%	-	0.0%	101,503	496	5,710	5.6%	496	-
PJM	SH_OP	\$ 26	3,060	3.7%	-	0.0%	83,051	516	3,060	3.7%	516	-

Third, the horizontal effect of the Transaction in SCEG is small. Dominion Energy is allocated a small amount of potential supply into the SCEG market. As a result, changes in market concentration are relatively small, as Ms. Solomon shows in Table 3. Ms. Solomon explains that the SCEG market is unconcentrated to moderately concentrated, Dominion Energy’s market share is no more than about one percent, and HHI changes are all within screening thresholds.

<sup>31</sup> See Solomon Affidavit at 6.

<sup>32</sup> The DPT analysis factors SCE&G’s requirement to pay two point-to-point charges to deliver power to the PJM BAA. The same applies to Dominion Energy’s ability to deliver power to the SCEG BAA.

**Table 3: DPT Results for SCEG (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Mkt Share	Market HHI	MW	Mkt Share	Market HHI	MW	Mkt Share	Market HHI	HHI Chg
SCEG	S_SP1	\$ 150	23	0.9%	-	0.0%	2,601	865	23	0.9%	865	-
SCEG	S_SP2	\$ 62	27	0.9%	300	10.3%	2,901	907	326	11.2%	926	19
SCEG	S_P	\$ 39	17	0.5%	969	27.1%	3,570	1,138	985	27.6%	1,163	25
SCEG	S_OP	\$ 30	22	0.8%	270	9.4%	2,871	764	292	10.2%	778	15
SCEG	W_SP	\$ 48	16	1.4%	241	21.1%	1,141	779	257	22.5%	836	58
SCEG	W_P	\$ 35	9	0.7%	309	25.6%	1,209	940	318	26.3%	978	38
SCEG	W_OP	\$ 31	8	0.8%	151	14.4%	1,051	660	159	15.2%	683	23
SCEG	SH_SP	\$ 42	25	1.0%	517	20.8%	2,490	831	542	21.8%	873	42
SCEG	SH_P	\$ 31	20	0.8%	530	21.2%	2,503	774	550	22.0%	808	33
SCEG	SH_OP	\$ 30	28	1.2%	294	13.0%	2,267	693	322	14.2%	725	32

Fourth, Ms. Solomon concludes that the horizontal effect of the Transaction resulting from the combination of generation in SCEG’s first-tier markets is small and changes in market concentration are well within the screening thresholds. Markets first-tier to SCEG include, as noted earlier, DUK, CPLE, SC, and SOCO. DUK and CPLE each are first-tier to both SCEG and PJM. SC and SOCO each are second-tier to PJM (through DUK or CPLE, or through TVA, respectively). Ms. Solomon concludes that, in all instances, the HHI changes under the AEC measure are mostly in the single digits (and the DPT for EC also is passed). The screens also are cleared when Ms. Solomon conducted sensitivity analyses using slightly higher and lower prices (changing prices by 10 percent).

In sum, Ms. Solomon concludes that the Transaction will not have an adverse effect on horizontal competition.

***2. The Transaction Will Have No Adverse Effect on Vertical Competition***

Affiliates of Dominion Energy own interstate pipeline capacity in the Southeast and PJM. Affiliates of Dominion Energy also own LDCs in PJM and affiliates of SCANA own LDCs in South Carolina and North Carolina. Therefore, Ms. Solomon evaluated whether the Transaction has any adverse vertical competition effects.

In Order No. 642, the Commission set out several vertical market power issues potentially arising from mergers with input suppliers. The principal issue identified is whether the merger may create or enhance the ability of the merged firm to exercise market power in downstream electricity markets by virtue of its control over the supply of inputs used by rival producers of electricity. Three potential abuses have been identified: (1) the upstream firm acts to raise rivals' costs or foreclose them from the market in order to increase prices received by the downstream affiliate; (2) the upstream firm acts to facilitate collusion among downstream firms; or (3) transactions between vertical affiliates are used to frustrate regulatory oversight of the cost/price relationship of prices charged by the downstream electricity supplier.<sup>33</sup> The Commission has expressed its concern regarding vertical market power in three primary contexts: (1) mergers between electric utilities and natural gas pipelines that "may create or enhance the incentive and/or ability for the merged firm to adversely affect prices and output in the downstream electricity market and to discourage entry by new generators;"<sup>34</sup> (2) mergers involving owners of electric transmission facilities that may use those facilities to benefit their electric generation facilities; and (3) mergers involving the ownership of other inputs to the generation of electricity.

With regards to the combination of generation and natural gas distribution facilities, the Commission has stated that in order for a merger to create or enhance vertical market power, both the upstream (fuel/transportation) and downstream (electric) markets must be highly

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<sup>33</sup> See Order No. 642 at 31,904.

<sup>34</sup> *Id.*

concentrated (i.e., an HHI more than 1,800).<sup>35</sup> The Commission has stated that a merger raises potential vertical market concerns only if *both* of these markets are concentrated.<sup>36</sup>

Ms. Solomon explains and Table 4 below shows that Dominion Energy’s existing presence in the Southeast, through its ownership of Carolina Gas Transmission, is very small.

**Table 4: “State-to-State” Pipeline Capacity (2016)**

	"Into" Capacity (mmcf/d)	Share
<b>South Carolina</b>		
<b>Dominion Carolina Gas Transmission</b>	<b>190</b>	<b>3.9%</b>
Southern Natural Gas Co	454	9.4%
Transcontinental Gas P L Co	4,199	86.7%
Total	4,843	100.0%
<b>Georgia</b>		
<b>Dominion Carolina Gas Transmission</b>	<b>190</b>	<b>2.4%</b>
East Tennessee Nat Gas Co	222	2.8%
Southern Natural Gas Co	2,760	34.8%
Transcontinental Gas P L Co	4,758	60.0%
Total	7,930	100.0%

There also are three new pipelines (Dominion Energy is a part owner of one of these) entering the market that provide additional opportunities for competitive alternatives for transportation capacity in relevant markets.

Ms. Solomon’s analysis demonstrates that the upstream market is not highly concentrated when focusing on contracted-for capacity. While the Applicants have firm contractual rights for natural gas deliveries into the Virginia, North Carolina and South Carolina area, and SCANA has bundled storage rights and storage on SCANA’s LDC system, their combined share of such

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<sup>35</sup> *Id.* at 31,911; *see also Nat’l Grid Plc Keyspan Corp.*, 117 FERC ¶ 61,080 at P 45 (2006) (no adverse effect on competition because relevant upstream and downstream markets were not highly concentrated or merger did not combine assets); *Duke Energy Corp. Cinergy Corp.*, 113 FERC ¶ 61,297 at P 98 (2005) (no vertical market power issue because neither the upstream nor the downstream markets were highly concentrated).

<sup>36</sup> *Exelon Corp. Pub. Serv. Enter. Corp., Inc.*, 113 FERC ¶ 61,299 at P 20 (2005).

capacity is about 21 percent (taking into account some of the new pipeline capacity expected to be on line in 2018 and 2019). Ms. Solomon notes that as customers on the interstate pipelines, the Applicants do not have the ability to withhold capacity or take other actions (such as curtailing service or imposing other restrictions on shippers) that theoretically might be available to a pipeline seeking to raise the costs to rivals to affiliated downstream generation. As customers, the Applicants have no inside knowledge of the operations of generators connected to the pipeline on which they have rights, and the Applicants cannot impede entry because they have no control over pipeline expansion or the availability and costs of new connections.

Moreover, Ms. Solomon notes that both pipelines and holders of long-term firm rights are subject to the open access and capacity release requirements, and the Commission monitors any attempts of anticompetitive behavior. Finally, the Commission's standards of conduct preclude the pipelines from providing any non-public information to affiliated gas marketers.<sup>37</sup> Further, much of the long-term firm rights are controlled by LDCs who have load-serving obligations and do not have incentives to withhold.

There are three new pipelines approved by the Commission and expected in service by 2019 that also were included in Ms. Solomon's analysis. First, ACP (described above) will add approximately 1.5 million Dth/day of capacity into North Carolina, Virginia and West Virginia. Second, Transco's Atlantic Sunrise pipeline will provide approximately 1.7 million Dth/day of incremental firm transmission service from Transco Zone 6 in Pennsylvania to Alabama (including markets in Pennsylvania, Maryland, Zone 5 (Virginia, North Carolina and South

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<sup>37</sup> *Standards of Conduct for Transmission Providers*, Order No. 717, FERC Stats. & Regs. ¶ 31,280 (2008), *on reh'g and clarification*, Order No. 717-A, FERC Stats. & Regs. ¶ 31,297 (2009), *on reh'g and clarification*, Order No. 717-B, 129 FERC ¶ 61,123 (2009), *on reh'g and clarification*, Order No. 717-C, 131 FERC ¶ 61,045 (2010), *on reh'g and clarification*, Order No. 717-D, 135 FERC ¶ 61,017 (2011).

Carolina), and Zone 4 (Georgia and Alabama). Third, Mountain Valley Pipeline (“MVP”) will provide up to 2 million Dth/day from West Virginia to Transco in Virginia. Each of the pipelines has held open seasons and secured binding precedent agreements with shippers.<sup>38</sup> Ms. Solomon undertook several analyses of this new capacity.

In her most conservative analyses, Ms. Solomon included the additional ACP capacity and most of the MVP capacity and assigned 100 percent of capacity contracted by shippers that would deliver outside the relevant market (“Pass-Through Capability”) to a single supplier even though it is clear that the capacity is held by several entities. Even with those conservative assumptions, the market HHI is 1800 and thus the market is not considered to be highly concentrated.<sup>39</sup>

Ms. Solomon conducted four additional sensitivities to further demonstrate the relevant upstream market is not highly concentrated. First, Ms. Solomon considered only current capacity on Transco into Z5 (*i.e.*, excluding the new pipelines), but assigned the Pass-Through Capability to 5 equal-sized entities based on her determination that there were more than twenty entities with deliveries into Zone 6, the largest of which held under 20 percent. This analysis yields market concentration of 1623 points, well below highly concentrated.<sup>40</sup> Second, Ms. Solomon undertook the same calculation for the 2018/2019 period (with ACP and MVP included) and again assigned the Pass-Through Capability to 5 equal-sized entities. This reduces the market concentration from 1800 points to 1655 points; again well below highly

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<sup>38</sup> See Solomon Affidavit at Table 15.

<sup>39</sup> See *id.* at Table 16 and Exhibit J-11.

<sup>40</sup> See Exhibit J-11a.

concentrated.<sup>41</sup> In the third sensitivity, Ms. Solomon included two MVP contracts that potentially reflect Pass-Through Capability (each 250,000 Dth/d), which further reduces market concentration to 1503 points if the Pass-Through Capability is treated as a single entity and to 1389 points if that capability is divided among five entities.<sup>42</sup> Finally, Ms. Solomon included the Atlantic Sunrise capacity as incremental supply, which reduces market concentration to 1404 points if the Pass-Through Capability remains treated as a single entity and 1299 points if it is divided among five entities.<sup>43</sup>

Because the upstream market is not highly concentrated, Ms. Solomon concludes that the Transaction does not raise vertical market power concerns irrespective of the degree of concentration of the downstream market so she did not conduct a full downstream analysis. In order to provide a more complete understanding of the effects of the transaction, however, Ms. Solomon provided additional information on competitive conditions in the downstream market. First, Ms. Solomon notes that SCE&G does not serve any third-party gas-fired generation, but that PSNC serves (or will serve) three third-party facilities (Duke Energy's Asheville and Cliffside plants, and Southern Power's Cleveland County plant) all located in CPLE or CPLW, which total approximately 1,900 MW. Second, Dominion Energy (through Carolina Gas Transmission) serves three SCE&G gas-fired facilities (approximately 1,100 MW), one plant

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<sup>41</sup> See Exhibit J-11b.

<sup>42</sup> See Exhibit J-11c.

<sup>43</sup> See Exhibit J-11d. Atlantic Sunrise is unique in that it is interconnecting into Transco, but will allow the capability of moving to either Northeast or Southern markets. Ms. Solomon notes that some of the marketing entities have indicated their intent to deliver to both mid-Atlantic and Southeastern markets. See e.g., *Seneca Resources Corporation*, Docket No. CP15-138 (April 29, 2015) (Comments in Support of the Atlantic Sunrise Application); *Anadarko Energy Services Company*, Docket No. CP15-138 (February 3, 2016) (same); *Chief Oil and Gas*, Docket No. CP15-138 (February 4, 2016) (same).

under contract (and being sold) to SCE&G (approximately 540 MW), and one Duke Energy facility (Darlington) (approximately 450 MW).<sup>44</sup> Post-Transaction, third-party gas-fired facilities served by the Applicants total approximately 2,300 MW through Carolina Gas Transmission or PSNC.<sup>45</sup> All of this generation has long-term contracts for delivery, allowing limited or no ability for the Applicants to discriminate with respect to these customers. Relative to the total generation in the Southeast BAAs examined in Ms. Solomon's DPT analysis, post-Transaction the Applicants will account for deliveries to only about 2 percent of total generation (and about 5 percent of total gas-fired generation).<sup>46</sup> Ms. Solomon concludes that because gas-fired generation competes with other fossil generation as well as nuclear and renewables, total generation is the appropriate metric to use in evaluating the Applicants' activities in serving downstream electricity markets.

The fact that the Applicants are combining generation and transmission facilities will not harm competition. The Commission has made clear that "both the ability and incentive to exercise vertical market power are necessary for a merger to harm competition."<sup>47</sup> The Applicants' electric transmission systems are generally remote from each other's generation, so there is no incentive or ability to exercise vertical market power.<sup>48</sup> In addition, VEPCO has

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<sup>44</sup> Other than generation resources owned (or to-be-owned) by SCE&G, there are no other gas-fired generation resources located in the SCEG BAA that are used to make wholesale sales, and there is only 16 MW of unaffiliated natural gas-fired generation capacity in the SCEG BAA, all owned by the City of Orangeburg, which does not make any wholesale sales.

<sup>45</sup> See Exhibit J-12.

<sup>46</sup> For the largest potentially affected customer for third-party deliveries, Duke Energy, only about five percent of its total generation relies on fuel deliveries by the Applicants. Moreover, the Duke Energy electric utilities and the Duke Energy LDCs each have significant reservations on the pipelines into the Zone 5 market.

<sup>47</sup> *Nat'l Grid Plc Keyspan Corp.*, 117 FERC ¶ 61,080 at P 45.

<sup>48</sup> See *Duke Energy Corp., Cinergy Corp.*, 113 FERC ¶ 61,297 at P 99.



turned over operational control of its transmission facilities to PJM,<sup>49</sup> so it cannot use its transmission assets to harm competition in downstream electricity markets.<sup>50</sup> As noted above, SCE&G's transmission also is subject to a Commission-approved OATT.

Thus, the Transaction does not raise the possibility of market foreclosure or raising rivals' costs in order to harm competition.

**B. The Transaction Will Not Have an Adverse Effect on Rates**

Under Order No. 642, the Commission must determine whether a proposed transaction will have any adverse impact on the rates charged to wholesale power customers.<sup>51</sup> The Commission's primary concern is "the protection of wholesale ratepayers and transmission customers."<sup>52</sup>

There will be no adverse impact on wholesale power rates because no costs will flow through to either VEPCO's or SCE&G's wholesale customers, because the Transaction is merely a change in the upstream ownership of SCE&G. In other words, neither utility is acquiring any generation facilities, merging facilities, or changing the operation of its facilities as a result of the Transaction. For the same reasons, there will be no adverse impact on transmission customers: VEPCO's transmission rates and services, which are administered through the PJM OATT, will

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<sup>49</sup> See *supra* n. 3. The only transmission owned by Dominion Energy not under control by PJM consists of the limited and discrete facilities necessary to interconnect its generation affiliates' generation to the grid.

<sup>50</sup> *Duke Energy Corp., Cinergy Corp.*, 113 FERC ¶ 61,297 at P 99; *Exelon Corp. Pub. Serv. Enter. Corp., Inc.*, 112 FERC ¶ 61,011 at P 198 (2005) (no vertical market power concerns because, *inter alia*, applicants, prior to the merger, transferred operational control over their transmission facilities to PJM).

<sup>51</sup> Order No. 642 at 31,914; *see also* Merger Policy Statement at 30,123.

<sup>52</sup> See *New England Power Co.*, 82 FERC ¶ 61,179 at 61,659, *order on reh'g*, 83 FERC ¶ 61,275 (1998), *aff'd sub nom. Town of Norwood v. FERC*, 202 F.3d 392 (1<sup>st</sup> Cir. 2000).

be unaffected by the Transaction, and SCE&G's transmission rates and services will be unaffected by the Transaction and will continue to be governed by the SCE&G OATT.

While some of SCE&G's services (including investor relations, governance, finance, treasury, tax, accounting, legal, information technology, telecommunications, insurance, purchasing, contracting, environmental management, safety, audit, and human resources) may be provided in the future through Dominion Energy Services, Inc. ("DES"), rather than SCANA Services, Inc., the costs of any services provided to SCE&G by DES will be in full accordance with the Commission's precedent and policy concerning affiliated service companies' cost allocations. The Commission has recognized that centralized provision of these services benefit ratepayers through increased efficiency and economies of scale.<sup>53</sup>

Finally, the Applicants commit to comply with the applicable Commission policies to hold their respective wholesale power and transmission customers harmless from any Transaction-related costs for a period of five years after consummation of the Transaction absent a filing under FPA Section 205 demonstrating that Transaction-related savings exceed Transaction-related costs.<sup>54</sup> The Commission has approved this type of commitment in its Merger Policy Statement and in a number of subsequent cases.<sup>55</sup> The Applicants have put in

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<sup>53</sup> See e.g., *Cross-Subsidization Restrictions on Affiliate Transactions*, 122 FERC ¶ 61,155 at P 12 (2008).

<sup>54</sup> See *Policy Statement on Hold Harmless Commitments*, 155 FERC ¶ 61,189 at PP 44-45 (2016). See, e.g., *Osprey*, 152 FERC ¶ 61,066 at PP 45-46; *Exelon Corp.*, 149 FERC ¶ 61,148 at PP 106-09.

<sup>55</sup> *Merger Policy Statement* at 30,124; see also *Duke Energy Co., Progress Energy Inc.*, 136 FERC ¶ 61,245 at P 169 (2011); *Great Plains Energy, Inc.*, 121 FERC ¶ 61,069 at P 48 & n.63 (2007), *reh'g denied*, 122 FERC ¶ 61,177 (2008) (citing cases); *Ameren Corp.*, 108 FERC ¶ 61,094 at PP 62-68 (2004).

place appropriate accounting controls and procedures to designate, record, and track such Transaction-related costs, consistent with Commission requirements.<sup>56</sup>

**C. The Transaction Will Not Have an Adverse Effect on Regulation**

The Transaction will not have an adverse impact on regulation, at either the federal or state level. The Commission’s review of a transaction’s effect on regulation is focused on whether a transaction results in a regulatory gap at the federal level or at the state level.<sup>57</sup> The Transaction creates no such regulatory gap. The Application will not affect Dominion Energy’s or SCANA’s status as holding companies under the Public Utility Holding Company Act of 2005. The Transaction also will not affect VEPCO’s or SCE&G’s status as public utilities, as VEPCO’s and SCE&G’s respective wholesale sales and transmission services will continue to be subject to the Commission’s jurisdiction. VEPCO’s retail rates will continue to be subject to the Virginia State Corporation Commission’s and the North Carolina Utility Commission’s (“NCUC”) jurisdiction, and SCE&G’s retail activities, including its retail rates, will continue to be subject to the South Carolina PSC’s jurisdiction. Finally, the Transaction is under review by the NCUC, the Georgia Public Service Commission (“GPSC”), and the South Carolina PSC.<sup>58</sup>

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<sup>56</sup> See *Policy Statement on Hold Harmless Commitments* at P 70.

<sup>57</sup> See, e.g., *Tucson Elec. Power*, 151 FERC ¶ 61,089 at P 47 (2015) (citing Order No. 592, FERC Stats. & Regs. ¶ 31,044 at 30,124).

<sup>58</sup> See *Joint Application and Petition for Review and Approval of a Proposed Business Combination Between SCANA Corporation and Dominion Energy, Inc.*, South Carolina Electric & Gas Company and Dominion Energy, Inc., Docket No. 2017-370-E (S.C. Pub. Serv. Comm’n Jan. 12, 2018); *Joint Application and Petition of SCANA Energy Marketing Inc. and Dominion Energy, Inc. for Review and Approval of Amendment to Interim Certificate*, SCANA Energy Marketing, Inc., Docket No. 9536-U (G.A. Pub. Serv. Comm’n Jan. 19, 2018); *Joint Application to Engage in a Business Combination Transaction*, Dominion Energy, Inc. and SCANA Corporation, Docket Nos. E-22, Sub 551 and G-5, Sub 585 (N. C. Utilities Comm’s Jan. 24, 2018). VEPCO is not required to obtain approval of the Transaction from the Virginia State Corporation Commission.

For these reasons, neither federal nor state regulation will be impaired and the Transaction satisfies this element of the Commission’s public interest analysis.

**D. The Transaction Does Not Raise Any Cross-Subsidization Concerns**

Under FPA Section 203, as amended by the Energy Policy Act of 2005, the Commission will approve a proposed transaction “if it finds that the proposed transaction will be consistent with the public interest, and will not result in cross-subsidization of a non-utility associate company or the pledge or encumbrance of utility assets for the benefit of an associate company, unless the Commission determines that the cross-subsidization, pledge, or encumbrance will be consistent with the public interest.”<sup>59</sup> The Commission has stated that “the concern arises in a corporate structure that has at least one franchised public utility with captive customers and one or more non-utility affiliates or market-regulated affiliates.”<sup>60</sup>

Further, the Commission has identified certain categories of “safe harbor” transactions that are unlikely to raise cross-subsidization concerns.<sup>61</sup> The Commission has stated that “where a transaction involves only market-regulated and/or non-utility affiliated entities or is a bona fide, arms-length, bargained-for exchange, then the transaction is not likely to result in inappropriate cross-subsidization and the detailed explanation and evidentiary support required Here, the Transaction is a bona fide, arms-length, bargained-for exchange among non-affiliates, which should qualify it for a “safe harbor” meaning that Exhibit M may not be warranted.”<sup>62</sup>

Although the Applicants respectfully submit that no more detailed showing is required concerning the absence of any cross-subsidization concerns, the Applicants nevertheless verify

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<sup>59</sup> 16 U.S.C. § 824b(a)(4).

<sup>60</sup> Supplemental Policy Statement at P 14.

<sup>61</sup> *Id.* at P 16.

<sup>62</sup> *Id.* at P 15.

that there are no existing pledges or encumbrances of traditional utility assets for the benefit of an associate company relating to the Transaction and state that based on facts and circumstances known to them or that are reasonably foreseeable, the Transaction will not, at the time of the Transaction or in the future, result in:

(A) Any transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company;

(B) Any new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company;

(C) Any new pledge or encumbrance of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or

(D) Any new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under [FPA] sections 205 and 206.<sup>63</sup>

#### **V. PART 33 FILING REQUIREMENTS**

Other than those information requirements for which a waiver is requested, the Applicants submit the following information pursuant to the filing requirements in 18 C.F.R. § 33.2. In Order No. 642, the Commission stated that applicants may request waiver of specific information requirements.<sup>64</sup> The Commission's practice is to grant such a waiver when the

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<sup>63</sup> 18 C.F.R. § 33.2(j)(1)(ii).

<sup>64</sup> Order No. 642 at 31,877.

application contains “sufficient information to evaluate the proposed transaction.”<sup>65</sup> The Applicants respectfully request full or partial waiver of certain of the information requirements under Part 33 on the ground that such information is not required for the Commission to determine that the Transaction is in the public interest.

**A. The Exact Names and Principal Business Addresses of the Applicants  
(18 C.F.R. § 33.2(a))**

Dominion Energy, Inc.  
120 Tredegar Street  
Richmond, Virginia 23219

SCANA Corporation  
220 Operation Way, Mail Code D-308  
Cayce, South Carolina 29033

**B. Names and Addresses of Persons Authorized to Receive Notices and  
Communications (18 C.F.R. § 33.2(b))**

*For Dominion Energy:*

Michael C. Regulinski  
Managing General Counsel  
Dominion Energy, Inc.  
120 Tredegar Street  
Richmond, VA 23219  
michael.regulinski@dominionenergy.com

Steven J. Ross  
J.A. Bouknight, Jr.  
Karen Bruni  
Steptoe & Johnson LLP  
1330 Connecticut Ave., NW  
Washington, DC 20036  
sross@steptoe.com  
kbruni@steptoe.com

*For SCANA and SCE&G:*

Sara C. Weinberg  
Assistant General Counsel  
SCANA Corporation  
220 Operation Way, Mail Code C-222  
Cayce, SC 29033  
sara.weinberg@scana.com

Kenneth B. Driver  
Jones Day  
51 Louisiana Ave., NW  
Washington, DC 20001  
kbdriver@JonesDay.com

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<sup>65</sup> *PSI Energy, Inc.*, 60 FERC ¶ 62,131 at 63,342 (1992); *see also Citizens Utils. Co.*, 41 FERC ¶ 62,064 at 63,180 (1987).

**C. Exhibit A – Description of the Applicants – All Business Activities, Including Regulatory Authorizations (18 C.F.R. § 33.2(c)(1))**

A description of the relevant parties and their business activities has been provided in Part I of this Application. To the extent necessary, the Applicants seek waiver of the requirement to file Exhibit A.

**D. Exhibit B – List of Energy Subsidiaries and Affiliates, the Applicant’s Ownership Interest and Description of their Primary Business (18 C.F.R. § 33.2(c)(2))**

Descriptions of the Applicants’ relevant energy subsidiaries and affiliates are provided in Part I of this Application. A list of the relevant energy subsidiaries and affiliates is also provided in Exhibit B.

**E. Exhibit C – Organizational Charts (18 C.F.R. § 33.2(c)(3))**

Exhibit C-1 shows the pre-Transaction organizational structure of SCANA (which will not change as a result of the Transaction). Exhibit C-2 shows the organizational structure of Dominion Energy prior to the Transaction. Exhibit C-3 shows the organizational structure of Dominion Energy after the Transaction.

**F. Exhibit D – Description of All Joint Ventures, Strategic Alliances, Tolling Arrangements or Other Business Arrangements, Including Transfers of Operational Control to a Commission-Approved RTO (18 C.F.R. § 33.2(c)(4))**

The Transaction involves no jurisdictional arrangements among the parties except as described above. The Transaction will not affect any joint ventures, strategic alliances, tolling arrangements, or other business arrangements other than as described herein. The Applicants therefore seek a waiver of the requirement to file Exhibit D.

**G. Exhibit E – Common Officers or Directors (18 C.F.R. § 33.2(c)(5))**

Up until the consummation of the Transaction, the Applicants do not share any officers or directors. Immediately following that time, the officers of SCANA will be those persons who

were the officers of SCANA immediately prior to the closing. To the extent necessary, the Applicants respectfully request waiver of the requirement to file Exhibit E.

**H. Exhibit F – Description of Wholesale Power Customers and Unbundled Transmission Customers (18 C.F.R. § 33.2(c)(6))**

The Applicants have included a description and location of VEPCO's and SCE&G's respective wholesale requirements power sales customers in Exhibit F. Because the Transaction will not alter the existing terms of any agreement under which VEPCO or SCE&G provide wholesale power sales or unbundled transmission service, the Applicants request waiver of the requirements of Section 33.2(c)(6) of the Commission's regulations to the extent it would require the Applicants to describe wholesale sales customers served under short-term arrangements or list VEPCO's or SCE&G's unbundled transmission customers.

**I. Exhibit G – Description of the Applicants' Jurisdictional Facilities (18 C.F.R. § 33.2(d))**

A description of jurisdictional facilities owned, operated, or controlled by the Applicants is provided in Part I of this Application. The Transaction will affect the upstream ownership of SCE&G's jurisdictional facilities, which are described in Part I of this Application and Exhibit B-2. To the extent necessary, the Applicants seek waiver of the requirement to file Exhibit G.

**J. Exhibit H – Facilities Associated with or Affected by the Transaction (18 C.F.R. § 33.2(e)(2))**

A narrative description of the Transaction is provided in Part II above. In short, the Transaction is a business combination between Dominion Energy and SCANA, under which SCE&G will become a wholly-owned indirect subsidiary of Dominion Energy. Other than the jurisdictional facilities discussed above in Part II, there are no other jurisdictional facilities associated with or affected by the Transaction. To the extent necessary, the Applicants seek waiver of the requirement to file Exhibit H.



**K. Exhibit I – Contracts Related to the Proposed Transaction (18 C.F.R. § 33.2(e)(f))**

The Merger Agreement entered into on January 2, 2018, between Dominion Energy, Sedona, and SCANA and setting forth the terms of the Transaction is attached as Exhibit I.

**L. Exhibit J – Public Interest Discussion and any Other Information Related to the Transaction (18 C.F.R. § 33.2(g))**

The Transaction is in the public interest for the reasons set forth in Part IV of this Application and in Ms. Solomon’s analysis included in Exhibit J. Therefore, because the required information is provided in the body of this Application, the Applicants respectfully request waiver of the requirement to provide such information in Exhibit J. In accordance with Section 33.2(g) of the Commission’s regulations, the Applicants will supplement the Application promptly to reflect in their analysis any material changes that may occur after the date this filing is made with the Commission, but before final Commission action.

**M. Exhibit K – Maps (18 C.F.R. § 33.2(h))**

A map showing the Applicants’ service territories is provided in Exhibit K.

**N. Exhibit L – Orders from Other Regulatory Bodies (18 C.F.R. § 33.2(i))**

A list of the necessary regulatory approvals for the Transaction is provided in Exhibit L. In accordance with Section 33.2(i) of the Commission’s regulations, the Applicants will supplement the Application with copies of any orders of such regulatory bodies pertaining to the Transaction that may be issued while the Application is pending.

**O. Exhibit M – Explanation Providing Assurance that the Proposed Transaction Will Not Result in Cross-Subsidization or Pledges or Encumbrances of Utility Assets (18 C.F.R. § 33.2(j))**

The facts demonstrating that the Transaction will not result in cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company are provided in Part IV.D of this Application. The Applicants additionally

submit Exhibit M with this Application to confirm that the Transaction will not result in impermissible cross-subsidization.

**P. Proposed Accounting Entries (18 C.F.R. § 33.5)**

The Applicants do not intend to reflect any aspect of the Transaction on the books of any public utility company that is required to keep its books in accordance with the Commission's Uniform System of Accounts and therefore there are no pro forma accounting entries to provide. If, however, the Transaction were to impact the books of any such entity, the Applicants will submit the required accounting entries within six months of the consummation of the Transaction.

**Q. Verifications (18 C.F.R. § 33.7)**

Verifications signed by representatives having authority for Dominion Energy, SCANA, and SCE&G with respect to this Application and having knowledge of matters related to the Transaction are included in Attachment 1.

**VI. REQUEST FOR PRIVILEGED AND CONFIDENTIAL TREATMENT**

Pursuant to Sections 33.8, 388.107(d) and 388.112 of the Commission's regulations, 18 C.F.R. §§ 33.8, 388.107(d) and 388.112, the Applicants respectfully request privileged and confidential treatment for certain information contained in the workpapers supporting Ms. Solomon's analysis. Such information relates to confidential and propriety aspects of the computer modeling software and programs used by Ms. Solomon to perform her analysis of the Transaction. Accordingly, the Applicants are submitting both a public version and a non-public version of Ms. Solomon's workpapers on CDs to the Commission. The CD containing the privileged version of Ms. Solomon's workpapers is marked "CUI//PRIV PRIVILEGED MATERIAL – Contains Privileged Information Subject to 18 C.F.R. § 388.112 – DO NOT RELEASE." Also included as Attachment 2 to this Application is a proposed form of protective

agreement that parties may execute to access the privileged and confidential materials; interested parties may make the necessary arrangements with the following person:

Steven J. Ross  
Steptoe & Johnson LLP  
1330 Connecticut Ave., NW  
Washington, DC 20036  
(202) 429-6279  
sross@steptoe.com

## VII. CONCLUSION

WHEREFORE, the Applicants respectfully request that the Commission authorize the Transaction described herein.

Respectfully submitted,

/s/ Steven J. Ross

Steven J. Ross  
J.A. Bouknight, Jr.  
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*Counsel for Dominion Energy, Inc.*

*Counsel for Dominion Energy, Inc.*

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*Assistant General Counsel*  
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*Counsel for SCANA Corporation and  
South Carolina Electric & Gas Company*

*Counsel for SCANA Corporation and  
South Carolina Electric & Gas Company*

Washington, DC  
February 23, 2018

**Exhibit B – Lists of Energy Subsidiaries and Affiliates**

**Dominion Energy, Inc.:** A list of Dominion Energy’s energy subsidiaries and affiliates is attached as Exhibit B-1.

**SCANA Corporation:** A list of SCANA Corporation’s energy subsidiaries and affiliates is attached as Exhibit B-2.

**Exhibit B-1 – List of Dominion Energy, Inc. Energy Subsidiaries and Affiliates**

<b>Name of Energy Subsidiary or Affiliate</b>	<b>Dominion Energy Affiliated Parent</b>	<b>Ownership Percentage</b>	<b>Primary Business</b>
96WI 8me LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities
Alamo Solar, LLC	Dominion Solar Holdings III, LLC	100	Invests in the development of photovoltaic solar power generation facilities
Atlantic Coast Pipeline, LLC	Dominion Atlantic Coast Pipeline, LLC	48	Natural gas transmission and related business
Azalea Solar, LLC	Dominion Solar Holdings I, LLC	100	Owns and operates solar power facilities
Blue Racer Midstream, LLC	Dominion Natrium Holdings, Inc.	50	Develops the business of wet gas, lean gas, crude and condensate gathering, processing, and fractionation and natural gas liquids transportation
Buckingham Solar I LLC	Virginia Solar 2017 Projects LLC	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in Virginia
CID Solar, LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and engages in any related or incidental activities
CNG Coal Company	Dominion Energy, Inc.	100	Held coal properties (inactive); maintains existence due to environmental reps
CNG Power Services Corporation	Dominion Generation, Inc.	100	Was formed to develop power marketing sites; now a holding company
Catalina Solar 2, LLC	Dominion Solar Holdings III, LLC	100	Owns, operates or invests in the development of photovoltaic solar power generation facilities and engages in any related or incidental activities

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Catalyst Old River Hydroelectric Limited Partnership	Dominion Capital, Inc.	25	Electric power production
Clearsky Power & Technology Fund I, LLC	Dominion Investments, Inc.	21	Investment services
Clipperton Holdings LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities
Correctional Solar LLC	Virginia Solar 2017 Projects LLC	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in Virginia
Cottonwood Solar, LLC	Dominion Solar Holdings III, LLC	100	Invests in the development of photovoltaic solar power generation facilities
Cove Point GP Holding Company, LLC	Dominion Energy Midstream Partners, LP	100	Engages in any related or incidental activities to the Cove Point LNG facility
DLM Newco, LLC	Dominion Energy Technologies, Inc.	50	Continues the development of a distribution network on-wire communication system
Dominion ACP Holding, Inc.	Dominion Energy, Inc.	100	Organized to engage in any lawful business not required by the Virginia Stock Corporation Act to be stated in the Articles of Incorporation
Dominion Alternative Energy Holdings, Inc.	Dominion Energy, Inc.	100	Holding company for AES
Dominion Atlantic Coast Pipeline, LLC	Dominion ACP Holding, Inc.	100	Natural gas transmission and related business

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Bridgeport Fuel Cell, LLC	Dominion Generation, Inc.	100	Owns and operates fuel cell projects
Dominion Brine, LLC	Dominion Energy Transmission, Inc.	100	Owns brine leaching facilities in order to create gas storage caverns and pay a third party to process the brine (inactive)
Dominion Capital REMIC, Inc.	Dominion Capital, Inc.	100	Holds REMIC residuals and bonds; transferred from DCI
Dominion Capital Ventures Corporation	Dominion Capital, Inc.	100	Middle market commercial lending
Dominion Capital, Inc.	Dominion Energy, Inc.	100	Financial services and land development
Dominion Cogen WV, Inc.	Dominion Generation, Inc.	100	50% ownership of a Cogeneration plant in West Virginia - Morgantown Energy Association
Dominion Cove Point, Inc.	Dominion Energy, Inc.	100	Holding company for Cove Point facility
Dominion Energy Carolina Gas Services, Inc.	Dominion Energy, Inc.	100	Services company for Dominion Carolina Gas Transmission, LLC employees
Dominion Energy Carolina Gas Transmission, LLC	Dominion Energy Midstream Partners, LP	100	Natural gas transmission and related business
Dominion Energy Cove Point LNG, LP	Cove Point GP Holding Company, LLC	100 GP	Liquefied natural gas import facility

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Energy Cove Point LNG, LP	Dominion Gas Projects Company, LLC	100 LP	Liquefied natural gas import facility
Dominion Energy Fairless, LLC	Dominion Fairless Hills, Inc.	100	Engages in the business of leasing, operating and selling electricity exclusively at wholesale from an approximately 1180 MW electric generating facility located in Bucks County, Pennsylvania
Dominion Energy Field Services, Inc.	Dominion Energy, Inc.	100	Engages in activities involving domestic natural gas supply, including gathering and the administration of supply contracts; provides natural gas storage facilities and services to customers
Dominion Energy Fuel Services, Inc.	Dominion Energy, Inc.	100	Performs fuel management services as agent for Virginia Power Services Energy Corp., Inc. as well as for other third parties
Dominion Energy Gas Holdings, LLC	Dominion Energy, Inc.	100	Holding company for gas transmission and distribution
Dominion Energy Generation Marketing, Inc.	Dominion Generation, Inc.	100	Sells electricity, on a portfolio basis, from generation projects
Dominion Energy Kewaunee, Inc.	Dominion Nuclear Projects, Inc.	100	Owner of the Kewaunee nuclear power plant in northeastern Wisconsin
Dominion Energy Manchester Street, Inc.	Dominion Generation, Inc.	100	Holds/owns Manchester Street plant assets
Dominion Energy Midstream GP, LLC	Dominion Cove Point, Inc.	100	Engages in any related or incidental activities to the Cove Point LNG facility



Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Energy Midstream Partners, LP	Dominion Energy Midstream GP, LLC	GP	Engages in any related or incidental activities relating to natural gas terminalling, processing, storage, transportation and related assets
Dominion Energy Midstream Partners, LP	QPC Holding Company	9.8 LP	Engages in any related or incidental activities relating to natural gas terminalling, processing, storage, transportation and related assets
Dominion Energy Midstream Partners, LP	Dominion MLP Holding Company, LLC	43.9 LP	Engages in any related or incidental activities relating to natural gas terminalling, processing, storage, transportation and related assets
Dominion Energy Nuclear Connecticut, Inc.	Dominion Energy Generation Marketing, Inc.	100	Owner of Millstone nuclear power plants
Dominion Energy Overthrust Pipeline, LLC	Dominion Energy Questar Pipeline, LLC	100	Owner of pipeline in southwestern Wyoming
Dominion Energy Payroll Company, Inc.	Dominion Energy, Inc.	100	Payroll management for divested employees
Dominion Energy Questar Corporation	Dominion Energy, Inc.	100	Holding company for non-Questar Pipeline affiliated Questar subsidiaries
Dominion Energy Questar Pipeline Services, Inc.	Dominion Energy Questar Corporation	100	Service company for non-Questar Pipeline affiliated Questar subsidiaries
Dominion Energy Questar Pipeline, LLC	Dominion Energy Midstream Partners, LP	100	Interstate natural gas pipeline company
Dominion Energy Services, Inc.	Dominion Energy, Inc.	100	Provides shared services such as accounting, legal and payroll to all of the Dominion subsidiaries

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Energy Solar CA, LLC	Dominion Generation, Inc.	100	Hold California solar employees
Dominion Energy Solutions, Inc.	Dominion Energy, Inc.	100	Energy marketing - engages in the business of selling natural gas and electricity to retail customers under utility retail choice programs
Dominion Energy Technical Solutions, Inc.	Dominion Energy, Inc.	100	Provides engineering, construction and other services (build transmission lines and substations for third-party generators)
Dominion Energy Technologies II, Inc.	Dominion Alternative Energy Holdings, Inc.	100	Holds passive investments for AES group
Dominion Energy Technologies, Inc.	Dominion Alternative Energy Holdings, Inc.	100	Investor in emerging energy related technologies and companies
Dominion Energy Terminal Company, Inc.	Dominion Generation, Inc.	100	Former holder of 20% General Partnership interest in Dominion Terminal Associates (unaffiliated entity - operates a dock in Newport News/coal); sold interest in DTA April, 2008; entity currently has outstanding bonds
Dominion Energy Transmission, Inc.	Dominion Energy Gas Holdings, LLC	100	Natural gas transmission and related business
Dominion Energy Wexpro Services Company	Dominion Energy Questar Corporation	100	Services company for Wexpro employees (beginning 2018)
Dominion Energy, Inc.			Corporate parent holding company (publically traded on NYSE: D)
Dominion Equipment III, Inc.	Dominion Generation, Inc.	100	Lessee in the synthetic lease for the Fairless project; sublease to Fairless Energy, LLC; owns the land that Fairless is on

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Equipment, Inc.	Dominion Generation, Inc.	100	Lessee to synthetic leases at Armstrong, Pleasants and Troy facilities; construction manager for Dresden facility
Dominion Fairless Hills, Inc.	Dominion Generation, Inc.	100	Holding company for Fairless Energy, LLC
Dominion First Source, LLC	Dominion Capital, Inc.	100	Holding company
Dominion Fowler Ridge Wind, LLC	Dominion Wind Projects, Inc.	100	Holds ownership interest in Fowler I Holdings LLC
Dominion Gas Projects Company, LLC	Dominion Cove Point, Inc.	100	Engages in any related or incidental activities of the Cove Point LNG facility
Dominion Gathering & Processing, Inc.	Dominion Energy Gas Holdings, LLC	100	Holds FERC abandoned midstream gathering and processing assets.
Dominion Generation, Inc.	Dominion Energy, Inc.	100	Nonutility power production and oil and gas development
Dominion Greenbrier, Inc.	Dominion Energy, Inc.	100	Holds Dominion's interest in the Greenbrier Pipeline
Dominion High Voltage Holdings, Inc.	Dominion Energy, Inc.	100	Merchant transmission provider that owns and operates electric transmission facilities
Dominion High Voltage MidAtlantic, Inc.	Dominion High Voltage Holdings, Inc.	100	Bids, constructs and owns electric transmission projects in PJM outside of DOM zone

<b>Name of Energy Subsidiary or Affiliate</b>	<b>Dominion Energy Affiliated Parent</b>	<b>Ownership Percentage</b>	<b>Primary Business</b>
Dominion Investments, Inc.	Dominion Energy, Inc.	100	Holds investment interest in Clear Sky technology fund
Dominion Iroquois, Inc.	Dominion Energy Gas Holdings, LLC	100	Owns general partnership interest (approximately 24.72%) in Iroquois Gas Transmission System L.P.
Dominion Keystone Pipeline Holdings, Inc.	Dominion Energy, Inc.	100	Holding company for interstate natural gas pipeline.
Dominion Keystone Pipeline, LLC	Dominion Keystone Pipeline Holdings, Inc.	100	Proposed interstate natural gas pipeline
Dominion Land Management Company - Williamsburg	Dominion Capital, Inc.	100	Real estate management
Dominion Lands - Williamsburg, Inc.	Dominion Lands, Inc.	100	Land development
Dominion Lands, Inc.	Dominion Capital, Inc.	100	Land development
Dominion MLP Holding Company II, Inc.	Dominion Energy, Inc.	100	Limited partner of Dominion Midstream Partners, LP
Dominion MLP Holding Company III, Inc.	Dominion Energy, Inc.	100	Serves as a limited partner of Dominion Midstream Partners, LP (DM) and engages in related or other lawful activities, including the purchase and sale of DM units in the secondary market.
Dominion MLP Holding Company, LLC	Dominion Cove Point, Inc.	100	Limited partner of Dominion Midstream Partners, LP

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Modular LNG Holdings, Inc.	Dominion Energy, Inc.	100	Holds Dominion Energy's interest in Niche LNG, LLC (joint project company with REV LNG, LLC).
Dominion Mt. Storm Wind, LLC	Dominion Generation, Inc.	100	Holding company for wind project in WV
Dominion Natrium Holdings, Inc.	Dominion Energy, Inc.	100	Holding company for gas processing and fractionation
Dominion North Star Generation, Inc.	Dominion Generation, Inc.	100	Holding company - power generation development projects
Dominion Nuclear Projects, Inc.	Dominion Generation, Inc.	100	Holding Company for new generation of nuclear projects
Dominion Oklahoma Texas Exploration & Production, Inc.	Dominion Energy, Inc.	100	Oil and gas resales; formerly gas and oil exploration; surviving entity of merger with LDNGC
Dominion Person, Inc.	Dominion Generation, Inc.	100	Person County, NC 1100 MW combined cycle proposed project; dormant, but holds land in NC
Dominion Privatization Florida, LLC	Dominion Privatization Holdings, Inc.	100	Utility facilities on military installations
Dominion Privatization Georgia, LLC	Dominion Privatization Holdings, Inc.	100	Utility facilities on military installations
Dominion Privatization Holdings, Inc.	Dominion Energy, Inc.	100	Holds interest in privatization project entities

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Privatization Kentucky, LLC	Dominion Privatization Holdings, Inc.	100	Utility facilities on military installations
Dominion Privatization South Carolina, LLC	Dominion Privatization Holdings, Inc.	100	Utility facilities on military installations
Dominion Privatization Texas, LLC	Dominion Privatization Holdings, Inc.	100	Utility facilities on military installations
Dominion Products and Services, Inc.	Dominion Energy, Inc.	100	Market energy related services
Dominion Projects Services, Inc.	Dominion Energy, Inc.	100	Services company for employees of acquired companies on a short-term basis.
Dominion Resources Capital Trust III	Dominion Energy, Inc.	3	Special purpose entity - Business Trust - Millstone
Dominion Solar Construction and Maintenance, LLC	Dominion Solar Holdings I, LLC	100	Constructs, operates and/or maintains solar power facilities
Dominion Solar Gen-Tie, LLC	Dominion Solar Holdings II, LLC	100	Provides services to solar projects
Dominion Solar Holdings I, LLC	Dominion Solar Projects A, Inc.	66	Hold interests in solar projects
Dominion Solar Holdings I, LLC	Dominion Solar Projects B, Inc.	1	Holds interests in solar projects

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Solar Holdings II, LLC	Dominion Solar Projects A, Inc.	66	Owns solar generation companies or projects
Dominion Solar Holdings II, LLC	Dominion Solar Projects B, Inc.	1	Owns solar generation companies or projects
Dominion Solar Holdings III, LLC	Dominion Solar Projects I, Inc.	66	Holds interests in solar projects
Dominion Solar Holdings III, LLC	Dominion Solar Projects II, Inc.	1	Holds interests in solar projects
Dominion Solar Holdings IV, LLC	Dominion Solar Projects C, Inc.	99	Holds interests in solar projects
Dominion Solar Holdings IV, LLC	Dominion Solar Projects D, Inc.	1	Holds interests in solar projects
Dominion Solar Projects A, Inc.	SBL Holdco, LLC	100	Holds interests in solar projects
Dominion Solar Projects B, Inc.	SBL Holdco, LLC	100	Holds interests in solar projects
Dominion Solar Projects C, Inc.	Dominion Generation, Inc.	100	Holds interests in solar projects
Dominion Solar Projects D, Inc.	Dominion Generation, Inc.	100	Holds interests in solar projects

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion Solar Projects I, Inc.	SBL Holdco, LLC	100	Holds interests in solar projects
Dominion Solar Projects II, Inc.	SBL Holdco, LLC	100	Holds interests in solar projects
Dominion Solar Projects III, Inc.	Dominion Generation, Inc.	100	Holds interests in solar projects
Dominion Solar Projects IV, Inc.	Dominion Generation, Inc.	100	Holds interests in solar projects
Dominion Solar Projects V, Inc.	Dominion Generation, Inc.	100	Holds interests in solar projects
Dominion Solar Services, Inc.	Dominion Generation, Inc.	100	Provision of support and related services associated with solar projects.
Dominion South Holdings I, Inc.	Dominion Energy, Inc.	100	Holding Company
Dominion South Holdings II, LLC	Dominion South Holdings I, Inc.	100	Holding Company (owns LP interest in pipeline company)
Dominion South Pipeline Company, LP	Dominion South Holdings I, Inc.	1	Interconnect between two non-affiliated gas pipelines in Texas
Dominion South Pipeline Company, LP	Dominion South Holdings II, LLC	99	Interconnect between two non-affiliated gas pipelines in Texas



Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Dominion State Line, LLC	Dominion Generation, Inc.	100	Holding Company for State Line power station (515-Mw coal-fired generation facility outside Hammond, IN)
Dominion Systems Group, LLC	Vidalia Gichner Holdings, Inc.	100	Formerly developed, constructed and sold military enclosures (inactive)
Dominion Voltage, Inc.	Dominion Alternative Energy Holdings, Inc.	100	Holds, licenses or sells software in the field of voltage conservation
Dominion Wholesale, Inc.	Dominion Generation, Inc.	100	Assists in the procurement, storage and maintenance of materials, machinery, equipment, and supplies for use by affiliated non-utility subsidiaries and incidental sales of equipment to non-affiliated third parties
Dominion Wind Development, LLC	Dominion Wind Projects, Inc.	100	Electric wind generation facilities
Dominion Wind Projects, Inc.	Dominion Generation, Inc.	100	Holding company for wind powered, electric generating facilities
Eastern Shore Solar LLC	Dominion Solar Projects IV, Inc.	100	Invests in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities.
Enterprise Solar, LLC	Four Brothers Solar, LLC	100	Invests in development of photovoltaic solar power generation facilities
Escalante Solar I, LLC	Four Brothers Solar, LLC	100	Invests in development of photovoltaic solar power generation facilities
Escalante Solar II, LLC	Four Brothers Solar, LLC	100	Invests in development of photovoltaic solar power generation facilities

<b>Name of Energy Subsidiary or Affiliate</b>	<b>Dominion Energy Affiliated Parent</b>	<b>Ownership Percentage</b>	<b>Primary Business</b>
Escalante Solar III, LLC	Four Brothers Solar, LLC	100	Invests in development of photovoltaic solar power generation facilities
FFI Acquisition Corp.	First Dominion Capital, L.L.C.	2.3	Designer, importer and sales of dinnerware
Farmington Properties, Inc.	Tioga Properties, LLC	100	Buys and sells property
First Dominion Capital, L.L.C.	Dominion Capital Ventures Corporation	100	Middle Market commercial lending
Four Brothers Solar, LLC	Dominion Solar Projects III, Inc.	50	Holds interests in solar projects
Fowler I Holdings LLC	Dominion Fowler Ridge Wind, LLC	50	Develops, owns, finances, operates Phase I Wind Farm; sole manager of Fowler Ridge Wind Farm LLC
Fowler Ridge Wind Farm LLC	Fowler I Holdings LLC	100	Develops, owns, finances, operates Phase I Wind Farm
Fremont Farm, LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities.
Governor's Land Associates	Dominion Lands - Williamsburg, Inc.	50	Residential development in Williamsburg
Governor's Land Associates	Dominion Lands, Inc.	50	Residential development in Williamsburg

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Granite Mountain Holdings, LLC	Dominion Solar Projects III, Inc.	50	Holds interests in solar projects
Granite Mountain Solar East, LLC	Granite Mountain Holdings, LLC	100	Invests in development of photovoltaic solar power generation facilities
Granite Mountain Solar West, LLC	Granite Mountain Holdings, LLC	100	Invests in development of photovoltaic solar power generation facilities
Greenbrier Marketing Company, LLC	Greenbrier Pipeline Company, LLC	100	Markets excess transmission capacity on Greenbrier pipeline
Greenbrier Pipeline Company, LLC	Dominion Greenbrier, Inc.	100	Proposed interstate natural gas pipeline
Hecate Energy Cherrydale LLC	Dominion Solar Projects IV, Inc.	100	Owns, operates or invests in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities
Hecate Energy Clarke County LLC	Dominion Solar Projects IV, Inc.	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities
HelioSage, LLC	Dominion Energy Technologies, Inc.	4.24	Develops solar projects
Hope Gas, Inc.	Dominion Energy, Inc.	100	Gas Utility
Imperial Valley Solar Company (IVSC) 2, LLC	Dominion Solar Holdings III, LLC	100	Owns, operates or invests in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities

<b>Name of Energy Subsidiary or Affiliate</b>	<b>Dominion Energy Affiliated Parent</b>	<b>Ownership Percentage</b>	<b>Primary Business</b>
Indy Solar Development, LLC	Dominion Solar Holdings I, LLC	100	Owns/leases property for development of photovoltaic solar power generation facilities
Indy Solar I, LLC	Dominion Solar Holdings I, LLC	100	Invests in development of photovoltaic solar power generation facilities
Indy Solar II, LLC	Dominion Solar Holdings I, LLC	100	Invests in development of photovoltaic solar power generation facilities
Indy Solar III, LLC	Dominion Solar Holdings I, LLC	100	Invests in development of photovoltaic solar power generation facilities
Innovative Solar 37, LLC	Dominion Solar Holdings IV, LLC	100	Own, operate or invest in the development of photovoltaic solar power generation facilities
Iron Springs Holdings, LLC	Dominion Solar Projects III, Inc.	50	Holds interests in solar projects
Iron Springs Solar, LLC	Iron Springs Holdings, LLC	100	Invests in development of photovoltaic solar power generation facilities
Iroquois GP Holding Company, LLC	Dominion Energy Midstream Partners, LP	100	Holding company for ownership of partnership interests in Iroquois Gas Transmission System L.P. and related activities
Iroquois Gas Transmission System L.P.	Iroquois GP Holding Company, LLC	25.93	Gas transmission
Iroquois Gas Transmission System L.P.	Dominion Iroquois, Inc.	24.07	Gas transmission

<b>Name of Energy Subsidiary or Affiliate</b>	<b>Dominion Energy Affiliated Parent</b>	<b>Ownership Percentage</b>	<b>Primary Business</b>
Louisiana Hydroelectric Capital, LLC	Dominion Capital, Inc.	100	Investment company
Maricopa West Solar PV, LLC	Dominion Solar Holdings III, LLC	100	Owns, operates or invests in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities
Microcell Corporation	Dominion Energy Technologies, Inc.	1.17	Fuel cells
Moffett Solar 1, LLC	Dominion Solar Holdings IV, LLC	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in South Carolina
Moorings Farm 2, LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities
Mulberry Farm, LLC	Dominion Solar Holdings II, LLC	100	Invests in the development of photovoltaic solar power generation facilities
Mustang Solar, LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities
NE Hub Partners, L.L.C.	Tioga Properties, LLC	100	Natural gas storage
NE Hub Partners, L.P.	NE Hub Partners, L.L.C.	1	To develop, construct, own and operate gas storage facilities
NE Hub Partners, L.P.	Tioga Properties, LLC	99	To develop, construct, own and operate gas storage facilities

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
NYSEARCH Robotics, LLC	Questar Gas Company	5.1	Receives royalties from natural gas pipeline research and development projects
NedPower Mount Storm LLC	Dominion Mt. Storm Wind, LLC	50	Constructs, owns and operates a wind energy facility in West Virginia
Niche LNG, LLC	Dominion Modular LNG Holdings, Inc.	80	Develops modular LNG liquefaction facilities and provides LNG liquefaction tolling services
North Star Generation, LLC	Dominion North Star Generation, Inc.	91.5	Proposed power generation in Michigan; currently dormant
Pavant Solar LLC	Dominion Solar Holdings III, LLC	100	Invests in the development of photovoltaic solar power generation facilities.
Pikeville Farm, LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities.
Power Assure	Dominion Energy Technologies, Inc.	4	Offers data center infrastructure and energy management software
Power Tagging Technologies, Inc.	Dominion Energy Technologies, Inc.	20	Power line tagging
PowerTree Carbon Company LLC	Virginia Electric and Power Company	3	Environmental services
Prairie Fork Wind Farm, LLC	Dominion Wind Projects, Inc.	100	Develops, construct, own, operate and maintain electric generating facilities (wind generation)

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
QPC Holding Company	Dominion Energy Questar Corporation	100	Holding company for Questar Southern Trails Pipeline Company and Questar InfoComm Inc.
Questar Energy Services, Inc.	Questar InfoComm, Inc.	100	Provides services for natural gas industry
Questar Field Services, LLC	Dominion Energy Questar Pipeline, LLC	100	Owns and operates a CO2 processing facility and gathering lines in Utah
Questar Gas Company	Dominion Energy Questar Corporation	100	A retail natural gas distribution utility
Questar InfoComm, Inc.	QPC Holding Company	100	Provides telecommunication services
Questar Southern Trails Pipeline Company	QPC Holding Company	100	Interstate natural gas pipeline company
Questar White River Hub, LLC	Dominion Energy Questar Pipeline, LLC	100	Holds ownership interest in an interstate natural gas pipeline company
RE Adams East LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and to engage in any related or incidental activities
RE Camelot LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and to engage in any related or incidental activities
RE Columbia Two LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and engages in any related or incidental activities

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
RE Columbia, LLC	RE Camelot LLC	45	Owns and operates solar facility or facilities and engages in any related or incidental activities
RE Columbia, LLC	RE Columbia Two LLC	15	Owns and operates solar facility or facilities and engages in any related or incidental activities
RE Kansas LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and engages in any related or incidental activities
RE Kent South LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and engages in any related or incidental activities
RE Old River One LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and engages in any related or incidental activities
Richland Solar Center, LLC	Dominion Solar Holdings III, LLC	100	Invests in the development of photovoltaic solar power generation facilities.
Ridgeland Solar Farm I, LLC	Dominion Solar Holdings IV, LLC	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in South Carolina
SBL Holdco, LLC	Dominion Generation, Inc.	100	Holds interest in solar entities
Sappony Solar LLC	Virginia Solar 2017 Projects LLC	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in Virginia
Scott-II Solar LLC	Virginia Solar 2017 Projects LLC	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in Virginia.



Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Sedona Corp.	Dominion Energy, Inc.	100	Merger subsidiary to consummate acquisition of SCANA Corporation
Selmer Farm, LLC	Dominion Solar Holdings II, LLC	100	Invests in the development of photovoltaic solar power generation facilities
Somers Solar Center, LLC	Dominion Solar Holdings I, LLC	100	Owns and operates solar power facility(ies)
Southampton Solar LLC	Dominion Solar Projects IV, Inc.	100	Authorized to invest in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities.
Stonehouse Development Company, LLC	Dominion Lands, Inc.	100	Land development - Own and develop certain real property located in James City County
Summit Farms Solar, LLC	Dominion Solar Projects V, Inc.	100	Owns and operates solar power facility(ies).
TA - Acacia, LLC	Dominion Solar Holdings II, LLC	100	Owns and operates solar facility or facilities and to engage in any related or incidental activities.
The East Ohio Gas Company	Dominion Energy Gas Holdings, LLC	100	Gas Utility
Tioga Properties, LLC	Dominion Energy Transmission, Inc.	100	Holding company; purchase and hold all of the outstanding member interests of NE Hub Partners, LLC, all of the general and limited partner interests in NE Hub Partners, L.P. and all of the outstanding capital stock of Farmington Properties, Inc.

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Tredegar Solar Fund I, LLC	Dominion Alternative Energy Holdings, Inc.	100	Invests in development of rooftop solar systems
VP Property, Inc.	Virginia Power Services, LLC	100	Real estate holding company - Holds title to real estate and personal property located in Maryland (dock facilities at Possum Point Power Station)
Vidalia Gichner Holdings, Inc.	Dominion First Source, LLC	100	Holding company for Vidalia and Gichner assets
Virginia Electric and Power Company	Dominion Energy, Inc.	100	Electric utility
Virginia Power Fuel Corporation	Virginia Electric and Power Company	100	Nuclear fuel procurement (uranium) for Virginia Power
Virginia Power Nuclear Services Company	Virginia Power Services, LLC	100	Nuclear management and operations services
Virginia Power Services Energy Corp., Inc.	Virginia Power Services, LLC	100	Performs fuel management services (procurement, transportation, storage and risk management) for VA Power generation operations.
Virginia Power Services, LLC	Virginia Electric and Power Company	100	Holding company
Virginia Solar 2017 Projects LLC	Dominion Solar Projects IV, Inc.	100	Owns, plans, develops, sells, leases, operates and otherwise deals with renewable energy and related facilities in Virginia
Wakefield Solar, LLC	Dominion Solar Holdings IV, LLC	100	Authorized to own, operate or invest in the development of photovoltaic solar power generation facilities and to engage in any related or incidental activities.

Name of Energy Subsidiary or Affiliate	Dominion Energy Affiliated Parent	Ownership Percentage	Primary Business
Wexpro Company	Dominion Energy Questar Corporation	100	Oil and natural gas development and production company
Wexpro Development Company	Dominion Energy Questar Corporation	100	Owns, develops and operates oil and natural gas reserves in the Rocky Mountain Region.
Wexpro II Company	Wexpro Company	100	Oil and natural gas development and production company
White River Hub, LLC	Questar White River Hub, LLC	50	Interstate natural gas pipeline company
Wilshire Holdings, LLC	Dominion Capital, Inc.	100	Venture capital investments
Wilshire Technologies, LLC	Wilshire Holdings, LLC	100	Industrial gloves (inactive)
Xtreme Power, Inc.	Dominion Energy Technologies II, Inc.	0.5	Designs, engineers, installs, and monitors integrated energy storage systems

**Exhibit B-2 – List of SCANA Corporation Energy Subsidiaries and Affiliates**

Name of Energy Subsidiary or Affiliate	Ownership Percentage	Primary Business
APOG, LLC	25	Provides technical, engineering, and procurement support services to and for the benefit of member-owned or operated nuclear facilities
Brandon Shores Coaltech, LLC	10	Manufactures and sells refined coal to reduce emissions
Brunner Island Refined Coal LLC	20	Manufactures and sells refined coal to reduce emissions
Canadys Refined Coal, LLC	40	Manufactures and sells refined coal to reduce emissions
Cardinal Pipeline Company	33	Provides natural gas transmission services
Carolina Virginias Nuclear Power Association, Inc.	25	A non-profit corporation formed in 1956 by member companies to jointly study economic ways to produce and utilize nuclear material and atomic energy
Clean Energy Enterprises, Inc.	100	Sells, installs and services compressed natural gas conversion equipment
Coaltech No. 1, LP	25	No longer utilized and in the process of dissolution
Louisa Refined Coal, LLC	10	Manufactures and sells refined coal to reduce emissions
Magnolia Holding Company, LLC	22	An investment subsidiary of SCANA that holds telecommunications related investments

Name of Energy Subsidiary or Affiliate	Ownership Percentage	Primary Business
Pine Needle LNG Company, LLC	17	Operates a liquefied natural gas storage plant
PSNC Blue Ridge Corporation	100	Renders energy management services
PSNC Cardinal Pipeline Company	100	Provides natural gas transportation services
Public Service Company of North Carolina, Inc. (PSNC)	100	Provides natural gas distribution services in North Carolina
SC Coaltech No. 1, LP	40	No longer utilized and in the process of dissolution
SCANA Communications Holdings, Inc.	100	An investment subsidiary of SCANA that holds telecommunications related investments
SCANA Corporate Security Services, Inc.	100	Engages in technical, operational and management services
SCANA Energy Marketing, Inc. (SEMI)	100	Markets natural gas in Georgia and provides natural gas-related asset management services in the southeast
SCANA Services, Inc.	100	Provides administration, management and other services to SCANA subsidiaries
South Carolina Electric & Gas Company (SCE&G)	100	Public utility that engages in the generation, transmission, distribution, and sale of electricity to retail and wholesale customers

Name of Energy Subsidiary or Affiliate	Ownership Percentage	Primary Business
South Carolina Fuel Company, Inc. (SCFC)	100	Acquires, owns, provides financing for and sells at cost to SCE&G nuclear fuel, certain fossil fuels and emission allowances
South Carolina Generating Company, Inc. (GENCO)	100	Public utility that owns A. M. Williams Generating Station and sells electricity solely to SCE&G
SRFI, LLC	100	A single member LLC holding investments in companies involved with re-engineered fuel

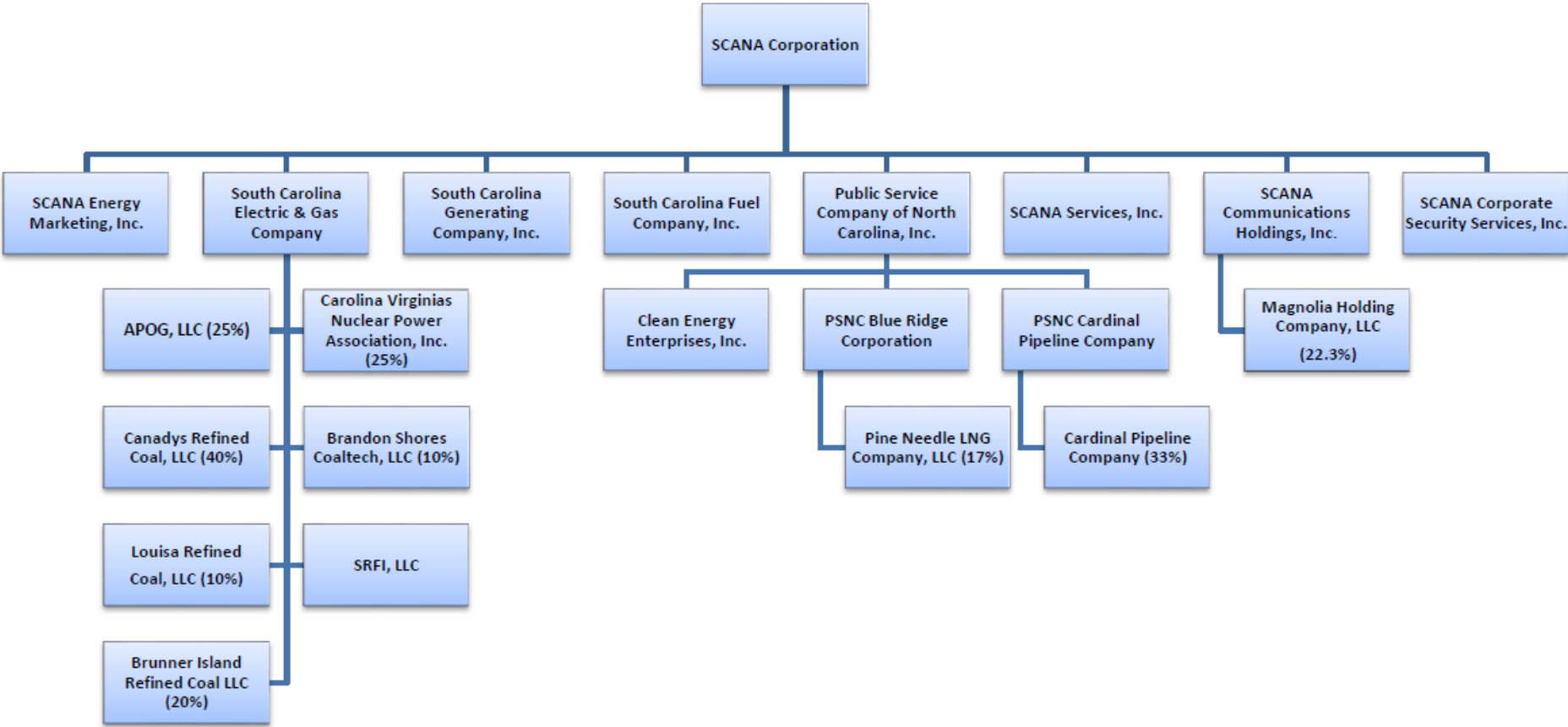
**Exhibit C – Organizational Charts**

**SCANA Corporation:** An organizational chart for SCANA Corporation is attached as Exhibit C-1.

**Dominion Energy, Inc.:** Organizational charts for Dominion Energy prior to the Transaction are attached as Exhibit C-2.

Organizational charts for Dominion Energy after the Transaction are attached as Exhibit C-3.

**Exhibit C-1 – SCANA Corporation Organizational Chart**  
 (All subsidiaries are 100% owned unless otherwise indicated)



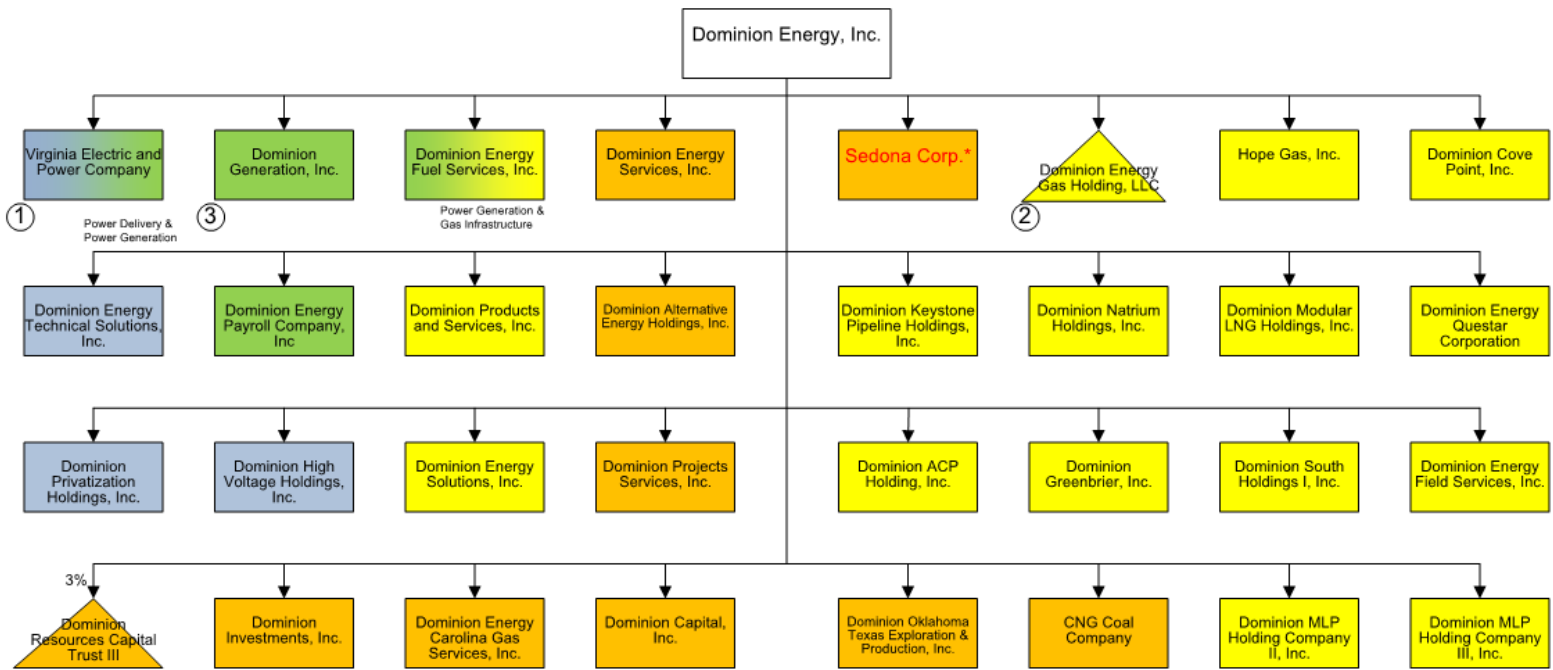
In addition to the entities listed above, SCE&G has an interest in two entities that are no longer utilized and are in the process of dissolution. The entities are SC Coaltech No. 1, LP (SCE&G 40% interest) and Coaltech No. 1, LP (SCE&G 25% interest), and both were incorporated in Delaware and registered to do business in South Carolina. Both entities have been dissolved in Delaware and are in the process of cancelling the entity registrations in South Carolina.

Additionally, SCANA Corporation and SCE&G have interests in the following nonprofit organizations: SCE&G Foundation, Inc., formerly SCANA Summer Foundation, (SCANA Corporation 100% interest); SCANA Employee Good Neighbor Fund (SCANA Corporation 100% interest); Otarre Property Owners Association, Inc. (membership comprised of SCE&G and all property owners in Otarre development); and South Carolina Electric & Gas Project Share (SCE&G 100% interest).



Exhibit C-2 – Dominion Energy, Inc. Organizational Charts prior to the Transaction

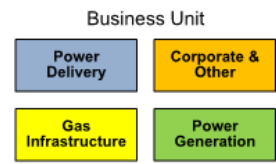
Before SCANA Merger



1. See Attachment A for subsidiaries of Virginia Electric and Power Company.  
 2. See Attachment B for subsidiaries of Dominion Energy Gas Holdings.  
 3. See Attachment C for subsidiaries of Dominion Generation, Inc.

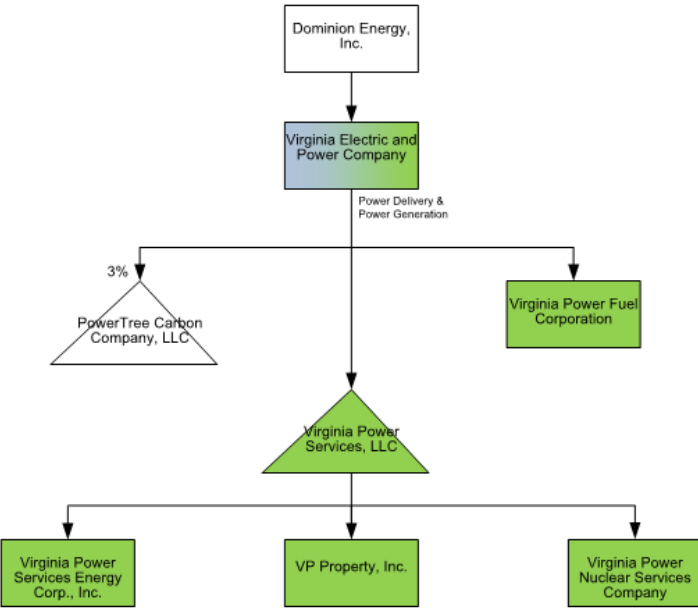
*\*Sedona Corp. will merge with SCANA Corporation, and SCANA Corporation will be the surviving entity.*

- Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.
- Unless otherwise noted, ownership of 100%.



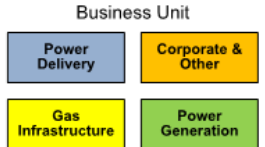
Updated as of 1/8/2018

Before SCANA Merger  
[Attachment A]

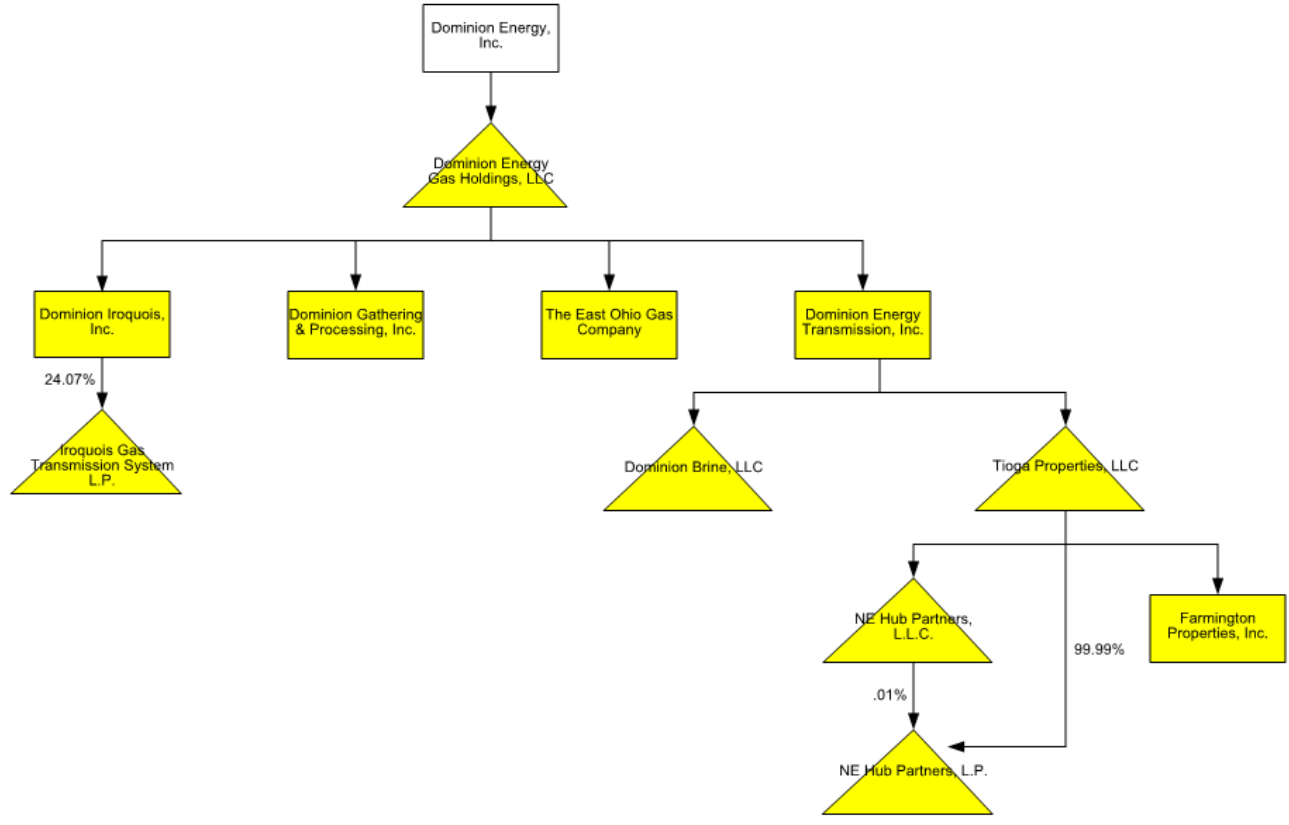


• Unless otherwise noted, ownership of 100%.

Updated as of 1/8/2018

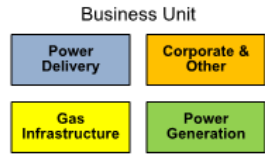


Before SCANA Merger  
 [Attachment B]

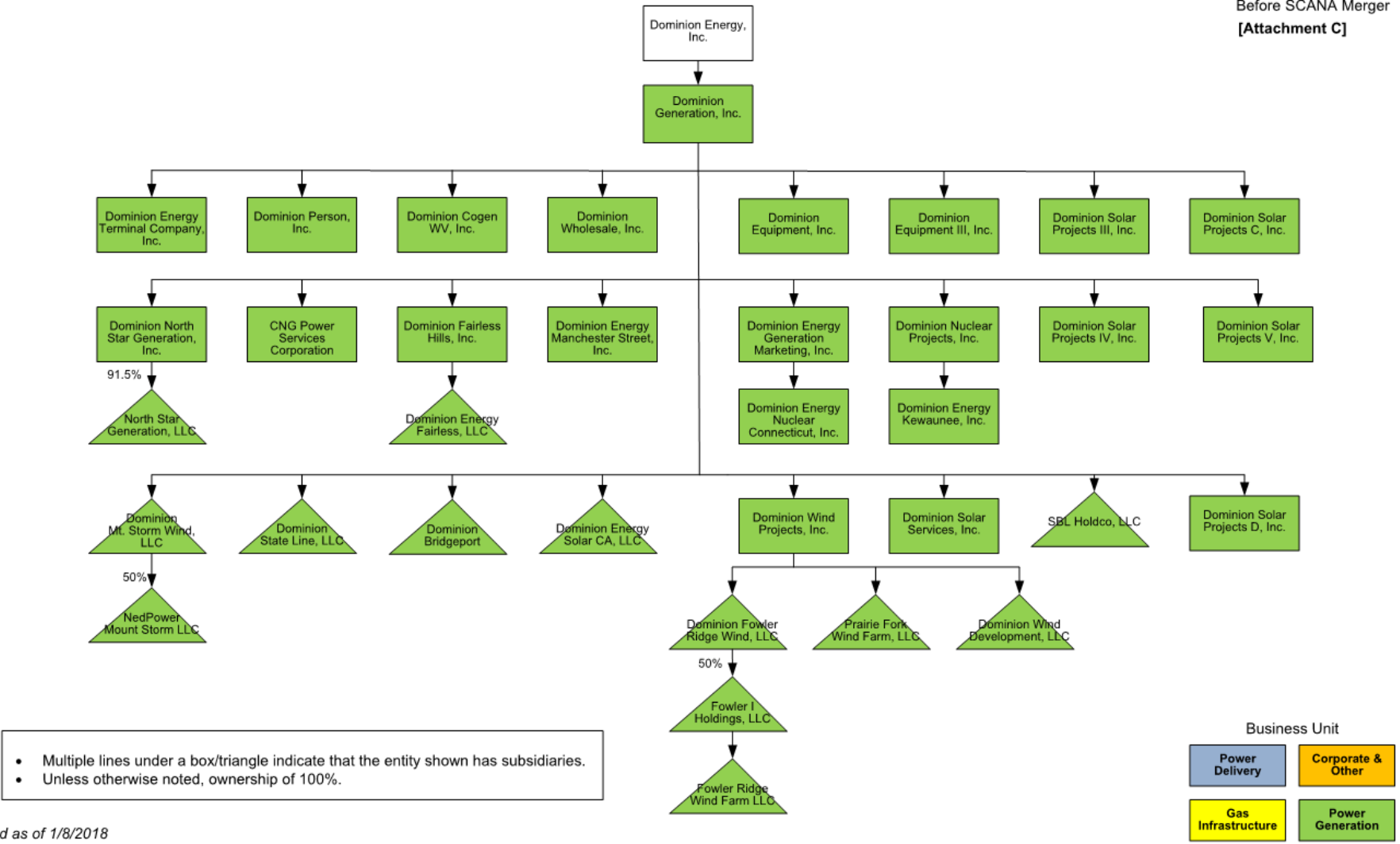


• Unless otherwise noted, ownership of 100%.

Updated as of 1/8/2018



Before SCANA Merger  
[Attachment C]

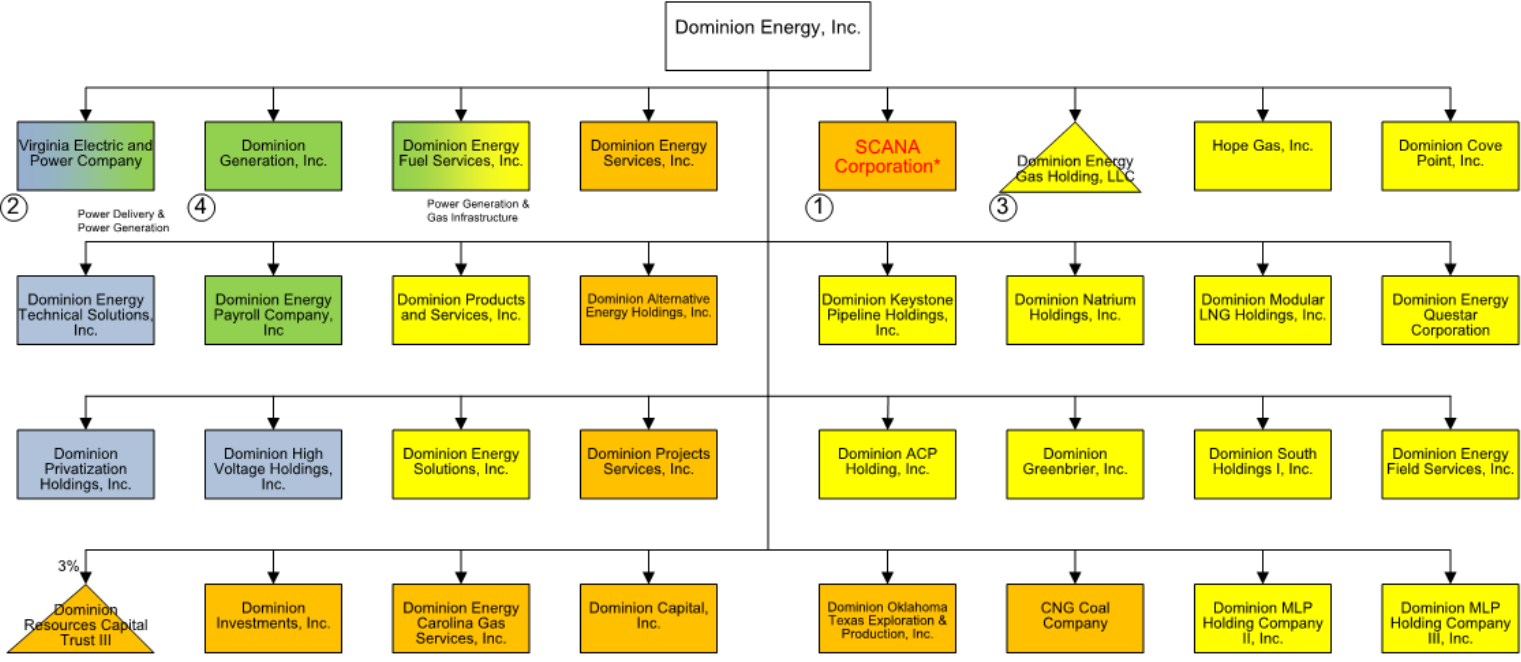


- Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.
- Unless otherwise noted, ownership of 100%.

Updated as of 1/8/2018

Exhibit C-3 – Dominion Energy, Inc. Organizational Charts after the Transaction

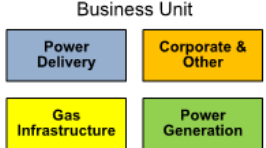
After SCANA Merger



1. See Attachment A for subsidiaries of SCANA Corporation.  
 2. See Attachment B for subsidiaries of Virginia Electric and Power Company.  
 3. See Attachment C for subsidiaries of Dominion Energy Gas Holdings.  
 4. See Attachment D for subsidiaries of Dominion Generation, Inc.

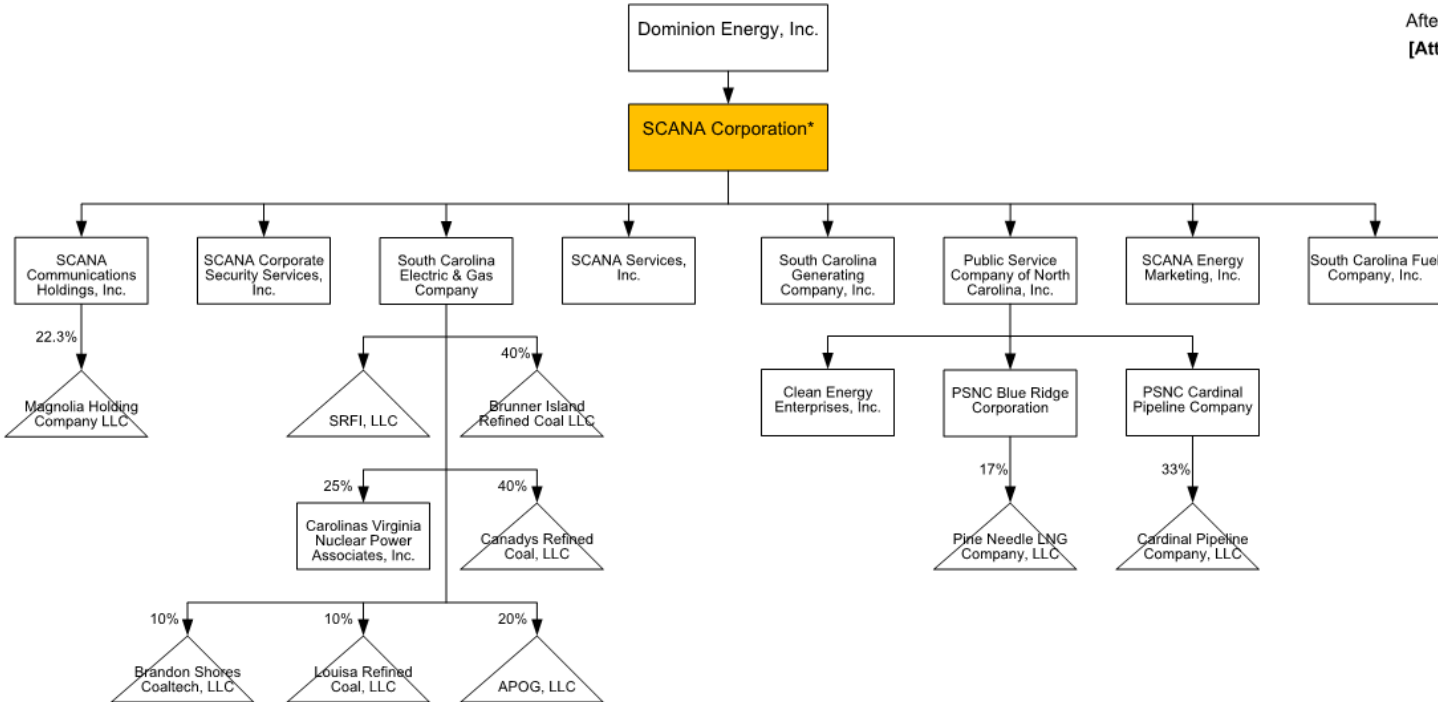
*\*SCANA Corporation will be the surviving entity of its merger with the Dominion Energy merger subsidiary, Sedona Corp.*

- Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.
- Unless otherwise noted, ownership of 100%.



Updated as of 1/9/2018

After SCANA Merger  
[Attachment A]



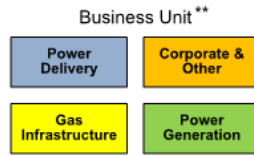
**\*SCANA Corporation will be the surviving entity of its merger with the Dominion Energy merger subsidiary, Sedona Corp.**  
**\*\*Business Unit designation of SCANA Corporation subsidiaries to be determined.**

- Unless otherwise noted, ownership of 100%.

*Note: In addition to the entities listed above, SCE&G has an interest in two entities that are no longer utilized and are in the process of dissolution. The entities are SC Coaltech No. 1, LP (SCE&G 40% interest) and Coaltech No. 1, LP (SCE&G 25% interest), and both were incorporated in Delaware and registered to do business in South Carolina. Both entities have been dissolved in Delaware and are in the process of cancelling the entity registrations in South Carolina.*

*Additionally, SCANA Corp. and SCE&G have interests in the following nonprofit organizations: SCE&G Foundation, Inc., formerly SCANA Summer Foundation, (SCANA Corp. 100% interest); SCANA Employee Good Neighbor Fund (SCANA Corp. 100% interest); Otarre Property Owners Association, Inc. (membership comprised of SCE&G and all property owners in Otarre development); and South Carolina Electric & Gas Project Share (SCE&G 100% interest).*

Updated as of 1/9/2018



After SCANA Merger  
**[Attachment B]**



• Unless otherwise noted, ownership of 100%.

Updated as of 1/9/2018

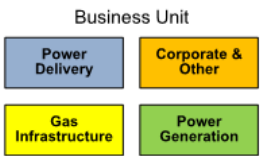
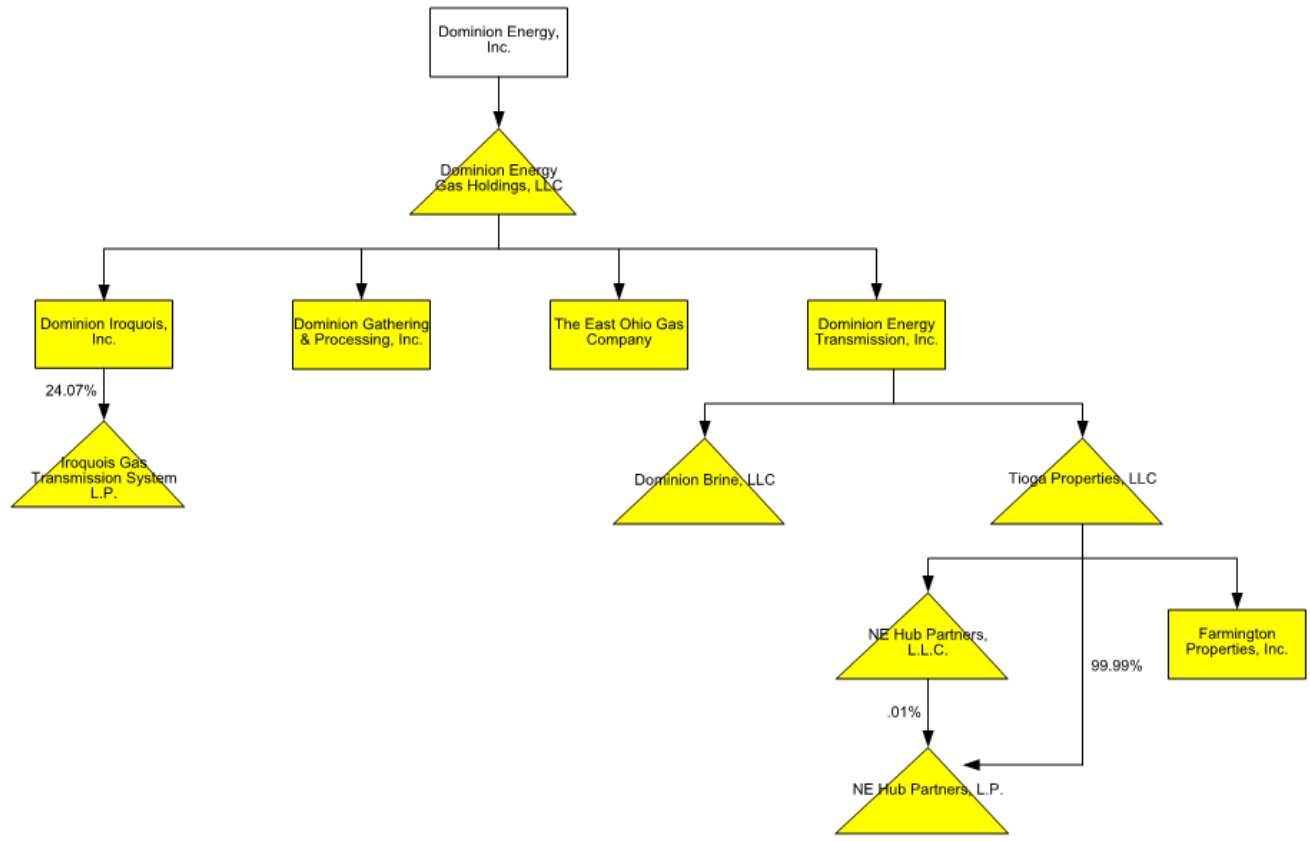
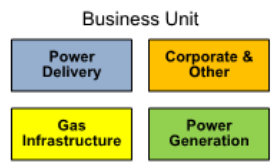


Exhibit C-3

After SCANA Merger  
 [Attachment C]



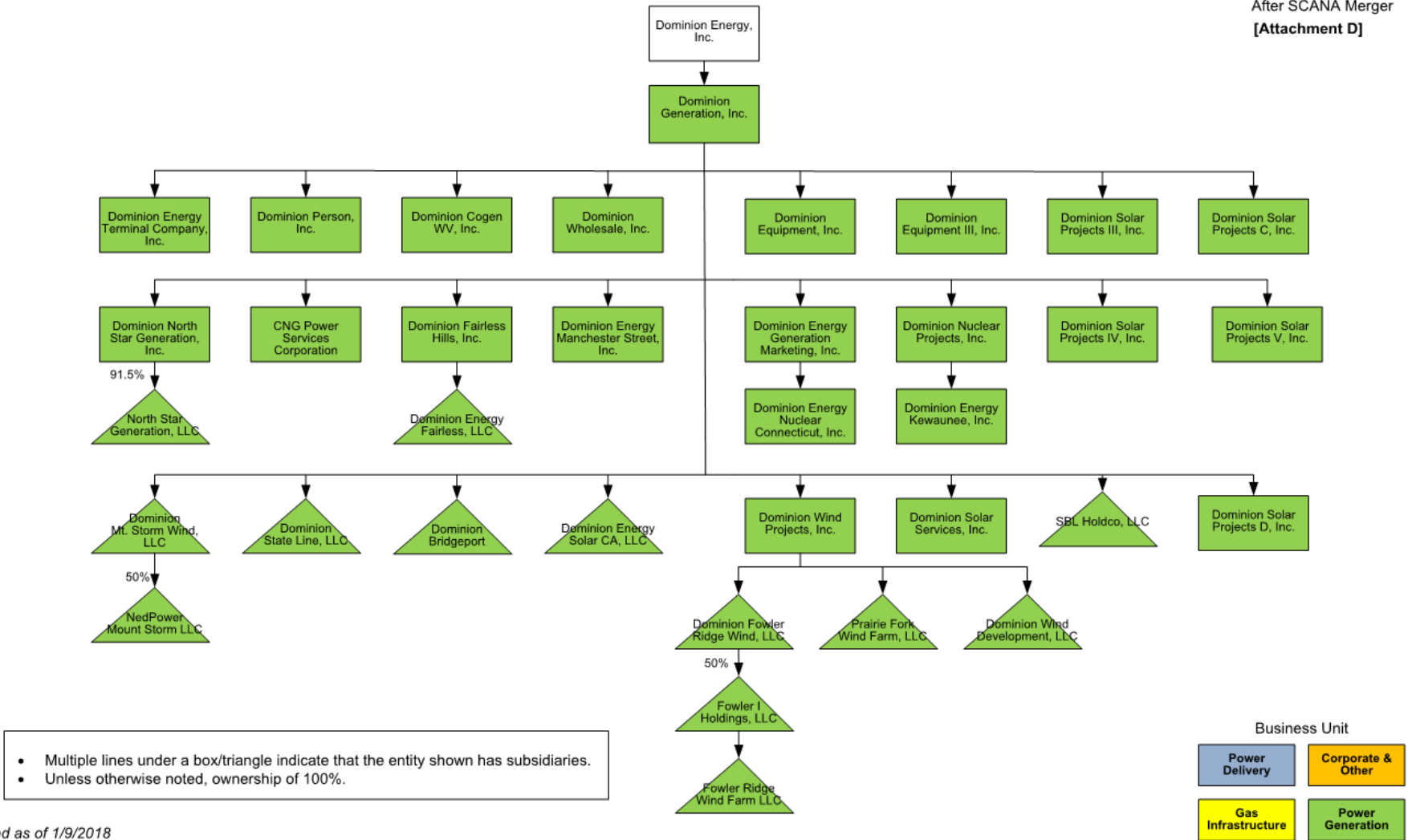
• Unless otherwise noted, ownership of 100%.



Updated as of 1/9/2018



After SCANA Merger  
[Attachment D]



Updated as of 1/9/2018

Exhibit C-3

**Exhibit F – Description of Wholesale Power Customers**

**SCE&G's long-term wholesale customers are:**

1. Town of McCormick, South Carolina
2. The City of Orangeburg, South Carolina
3. Town of Winnsboro, South Carolina

**VEPCO's long-term wholesale customers are:**

1. Craig Botetourt Electric Cooperative, Virginia and West Virginia
2. Virginia Municipal Electric Association No.1, Virginia
3. Town of Windsor, North Carolina

Additionally, VEPCO has partial requirement contracts to supply the supplemental power needs of the North Carolina Electric Membership Cooperative.

**Exhibit I – Agreement and Plan of Merger**

AGREEMENT AND PLAN OF MERGER

by and among

DOMINION ENERGY, INC.,

SEDONA CORP.

and

SCANA CORPORATION

Dated as of January 2, 2018

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Exhibit A – Definitions

## **AGREEMENT AND PLAN OF MERGER**

This AGREEMENT AND PLAN OF MERGER, dated as of January 2, 2018 (this “Agreement”), is entered into by and among DOMINION ENERGY, INC., a Virginia corporation (“Parent”), SEDONA CORP., a South Carolina corporation and a wholly-owned Subsidiary of Parent (“Merger Sub”) and SCANA CORPORATION, a South Carolina corporation (the “Company”).

### **RECITALS**

WHEREAS, the board of directors of Parent has approved this Agreement and the transactions contemplated by this Agreement, including the merger of Merger Sub with and into the Company (the “Merger”), on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors of the Company (the “Company Board”) has (a) determined that it is in the best interests of the Company and the shareholders of the Company that the Company enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (b) adopted this Agreement and approved the transactions contemplated by this Agreement, including the Merger, (c) directed that the approval of this Agreement be submitted to a vote at a meeting of the shareholders of the Company and (d) resolved to recommend that the shareholders of the Company approve this Agreement;

WHEREAS, the board of directors of Merger Sub has (a) determined that it is in the best interests of Merger Sub and the sole shareholder of Merger Sub that Merger Sub enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (b) adopted this Agreement and approved the transactions contemplated by this Agreement, including the Merger and (c) resolved to recommend that the sole shareholder of Merger Sub approve this Agreement;

WHEREAS, for U.S. federal income tax purposes, the Merger is intended to qualify as a “reorganization” within the meaning of Section 368(a) of the Code (the “Intended Tax Treatment”), and this Agreement is intended to be a “plan of reorganization” for purposes of Sections 354 and 361 of the Code; and

WHEREAS, the Company, Parent and Merger Sub desire to make certain representations, warranties, covenants and agreements in connection with the Merger and also to prescribe various conditions to the Merger.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained in this Agreement, and intending to be legally bound hereby, the Company, Parent and Merger Sub hereby agree as follows:

### **ARTICLE I**

#### **THE MERGER**

SECTION 1.01. The Merger. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the SCBCA, at the Effective Time, Merger Sub shall be merged with and into the Company and the separate corporate existence of Merger Sub shall thereupon cease and the Company shall continue as the surviving corporation in the Merger (the “Surviving Corporation”) and



a wholly-owned Subsidiary of Parent. The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the SCBCA.

SECTION 1.02. Closing. The closing of the Merger (the “Closing”) shall take place at the offices of Mayer Brown LLP, 71 South Wacker Drive, Chicago, Illinois 60606, at 9:00 a.m., local time, on the third (3<sup>rd</sup>) Business Day following the day on which all of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at the Closing) have been satisfied or waived in accordance with this Agreement, or at such other time and place as the Company and Parent may agree in writing. The date on which the Closing occurs is referred to in this Agreement as the “Closing Date”.

SECTION 1.03. Effective Time. As soon as practicable on the Closing Date, the Company and Parent will cause the Merger to become effective by filing the articles of merger (the “Articles of Merger”) with the Secretary of State of the State of South Carolina, which Articles of Merger will be executed and filed in accordance with the applicable provisions of the SCBCA. The Merger shall become effective at the time when the Articles of Merger have been duly filed with the Secretary of State of the State of South Carolina or at such later time as may be agreed by Parent and the Company in writing and specified in the Articles of Merger (the “Effective Time”).

SECTION 1.04. Articles of Incorporation; Bylaws.

(a) At the Effective Time, the articles of incorporation of the Company, as in effect immediately prior to the Effective Time, shall be the articles of incorporation of the Surviving Corporation until thereafter amended in accordance with the provisions thereof and applicable Law; provided, however, that no such amendment shall be inconsistent with the obligations of Parent under Section 5.08(b).

(b) At the Effective Time, the bylaws of the Company, as in effect immediately prior to the Effective Time, shall be amended as of the Effective Time to be in the form of the bylaws of Merger Sub as of the date hereof (except with respect to the name of the Company, which shall be “SCANA Corporation”), with any changes necessary so that such bylaws shall be in compliance with Section 5.08 and, to the extent not inconsistent with any of the foregoing, such other changes as Parent deems necessary or appropriate) and as so amended shall be the bylaws of the Surviving Corporation until thereafter amended as provided therein or by applicable Law; provided, however, that no such amendment shall be inconsistent with the obligations of Parent under Section 5.08(b).

SECTION 1.05. Directors and Officers.

(a) The directors of Merger Sub will be appointed by Parent pursuant to applicable Law to be the directors of the Surviving Corporation after the Effective Time following the resignation or removal of the individuals serving as directors of the Company prior to the Effective Time in accordance with Section 5.15, with such directors appointed by Parent to serve until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and the bylaws of the Surviving Corporation.

(b) The officers of the Company as of immediately prior to the Effective Time shall, from and after the Effective Time, be the officers of the Surviving Corporation until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and the bylaws of the Surviving Corporation.

SECTION 1.06. Plan of Merger. This Agreement will constitute a “plan of merger” for purposes of the SCBCA.

## ARTICLE II

### EFFECT OF THE MERGER ON THE CAPITAL STOCK OF THE CONSTITUENT CORPORATIONS

SECTION 2.01. Effect on Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent, Merger Sub or the holders of any shares of capital stock of the Company, Parent or Merger Sub:

(a) Merger Consideration. Each Company Share issued and outstanding immediately prior to the Effective Time (other than the Cancelled Shares, which shall be treated in accordance with Section 2.01(b)) shall cease to be outstanding, shall be cancelled and shall cease to exist, and each such Company Share, whether represented by a certificate (“Certificate”) or in non-certificated form and represented by book-entry (“Book-Entry Share”), shall automatically be converted into the right to receive 0.6690 validly issued, fully paid and non-assessable Parent Shares (the “Merger Consideration”). Following the Effective Time, the holders of Company Shares as of immediately prior to the Effective Time shall cease to have any rights with respect thereto, except for the rights set forth in Section 2.03(b)(v).

(b) Cancellation of Cancelled Shares. Each Company Share owned by Parent, Merger Sub or any other wholly-owned Subsidiary of Parent and each Company Share owned by the Company or any wholly-owned Subsidiary of the Company (collectively, the “Cancelled Shares”) shall cease to be outstanding, shall be cancelled without payment of any consideration therefor and shall cease to exist.

(c) Capital Stock of Merger Sub. Each share of common stock, without par value, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one (1) validly issued, fully paid and non-assessable share of common stock, without par value, of the Surviving Corporation, and all such shares together shall constitute the only outstanding shares of capital stock of the Surviving Corporation.

### SECTION 2.02. Treatment of Company Equity Awards.

(a) Treatment of Performance Shares. At the Effective Time, each performance share award granted under a Company Equity Award Plan that is outstanding immediately prior to the Effective Time (a “Company Performance Share Award”) shall fully vest at the target level of performance and shall be cancelled and converted automatically into the right to receive the Equity Award Consideration in respect of each Company Share underlying such Company Performance Share Award.

(b) Treatment of Restricted Stock Units. At the Effective Time, each restricted stock unit award in respect of Company Shares granted under a Company Equity Award Plan that is outstanding immediately prior to the Effective Time (a “Company RSU”) shall fully vest and shall be cancelled and converted automatically into the right to receive the Equity Award Consideration in respect of each Company Share underlying such Company RSU.

(c) Treatment of Deferred Units. At the Effective Time, each deferred unit in respect of Company Shares credited or deemed credited to the Company stock ledger under the Director

Compensation and Deferral Plan or the Executive Deferred Compensation Plan that is outstanding immediately prior to the Effective Time (a “Company Deferred Unit”) shall be converted automatically into a number of deferred unit(s) in respect of Parent Shares equal to the product of (x) the Company Deferred Unit multiplied by (y) the Merger Consideration, to be payable pursuant to the terms of the applicable plan.

(d) Payment. The Surviving Corporation shall pay the Equity Award Consideration as required under Section 2.02(a) and Section 2.02(b) as soon as reasonably practicable after the Effective Time (but in any event within three (3) Business Days thereafter); provided, however, that to the extent any such payment relates to any Company Performance Share Awards or Company RSUs that are nonqualified deferred compensation subject to Section 409A of the Code, the Surviving Corporation shall make such payment at the earliest time permitted under, and in accordance with, the terms of the applicable award agreement or other relevant documents and in accordance with Section 409A of the Code.

(e) Corporate Actions. At or prior to the Effective Time, the Company, the Company Board or any authorized committee thereof, as applicable, shall adopt any resolutions and take any actions that are necessary to effectuate the provisions of Section 2.02(a), Section 2.02(b) and Section 2.02(c). The Company shall take all actions necessary to ensure that, from and after the Effective Time, neither Parent nor the Surviving Corporation will be required to deliver Company Shares or other capital stock of the Company to any Person pursuant to or in settlement of Company Performance Share Awards, Company RSUs, Company Deferred Units or any other awards under any Company Equity Award Plan.

#### SECTION 2.03. Exchange of Company Shares.

(a) Exchange Agent. Prior to the Effective Time, Parent shall select a paying and exchange agent reasonably acceptable to the Company (the “Exchange Agent”) and enter into an agreement with such Exchange Agent in form and substance reasonably acceptable to the Company pursuant to which the Exchange Agent will (i) act as agent for the shareholders of the Company in connection with the Merger and receive payment and delivery of the Merger Consideration to which the shareholders of the Company shall become entitled pursuant to Section 2.01(a) and (ii) act as agent for Parent in transmitting the Merger Consideration to such shareholders following the occurrence of the Effective Time in accordance with this Agreement. At or prior to the Effective Time, Parent shall deposit, or cause to be deposited, with the Exchange Agent, in trust for the benefit of the holders of Company Shares, an amount of Parent Shares in book-entry form sufficient for the Exchange Agent to pay and deliver the Merger Consideration required to be paid and delivered by Parent in accordance with Section 2.01(a). In addition, Parent shall deposit, or cause to be deposited, with the Exchange Agent, from time to time after the Effective Time, (A) any dividends or other distributions payable pursuant to Section 2.03(g) and (B) cash in lieu of any fractional Parent Shares payable pursuant to Section 2.03(h). All cash and Parent Shares, together with any dividends or other distributions, deposited with the Exchange Agent pursuant to this Section 2.03(a) shall be referred to as the “Exchange Fund.”

(b) Exchange Procedures.

(i) Transmittal Materials and Instructions. Promptly after the Effective Time (and in any event within three (3) Business Days thereafter), Parent shall cause the Exchange Agent to mail or otherwise provide to each holder of record of Company Shares (other than holders of Cancelled Shares) (A) transmittal materials, including a letter of transmittal in form as agreed by Parent and the Company, specifying that delivery shall be effected, and risk of loss and title shall

pass, with respect to Book-Entry Shares, only upon delivery of an “agent’s message” regarding the book-entry transfer of Book-Entry Shares (or such other evidence, if any, of the transfer as the Exchange Agent may reasonably request), and with respect to Certificates, only upon delivery of the Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.03(f) to the Exchange Agent), such transmittal materials to be in such form and have such other provisions as Parent and the Company may reasonably agree, and (B) instructions for use in effecting the surrender of the Book-Entry Shares or Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.03(f)) to the Exchange Agent.

(ii) Certificates. Upon surrender of a Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.03(f)) to the Exchange Agent in accordance with the terms of transmittal materials and instructions referred to in Section 2.03(b)(i), the holder of such Certificate shall be entitled to receive in exchange therefor (A) a cash amount in immediately available funds equal to (1) any dividends and other distributions such holder has the right to receive pursuant to Section 2.03(g) plus (2) any cash in lieu of any fractional Parent Shares such holder has the right to receive pursuant to Section 2.03(h) and (B) the number of Parent Shares, in uncertificated book-entry form, equal to the number of Company Shares represented by such Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.03(f)) multiplied by the Merger Consideration. No interest will be paid or accrued on any cash amount payable upon due surrender of the Certificates.

(iii) Book-Entry Shares. Notwithstanding anything to the contrary contained in this Agreement, any holder of Book-Entry Shares shall not be required to deliver a Certificate or an executed letter of transmittal to the Exchange Agent to receive the aggregate Merger Consideration that such holder is entitled to receive as a result of the Merger pursuant to Section 2.01(a). In lieu thereof, each holder of record of one or more Book-Entry Shares (other than Cancelled Shares) shall upon receipt by the Exchange Agent of an “agent’s message” in customary form (it being understood that the holders of Book-Entry Shares shall be deemed to have surrendered such Company Shares upon receipt by the Exchange Agent of such “agent’s message” or such other evidence, if any, as the Exchange Agent may reasonably request) be entitled to receive, and Parent shall cause the Exchange Agent to pay and deliver as promptly as practicable after the Effective Time, (A) a cash amount in immediately available funds equal to (1) any dividends and other distributions such holder has the right to receive pursuant to Section 2.03(g) plus (2) any cash in lieu of any fractional Parent Shares such holder has the right to receive pursuant to Section 2.03(h) and (B) the number of Parent Shares, in uncertificated book-entry form, equal to the number of Company Shares represented by such Book-Entry Shares multiplied by the Merger Consideration. No interest will be paid or accrued on any cash amount payable upon due surrender of the Book-Entry Shares.

(iv) Unrecorded Transfers; Other Payments. In the event of a transfer of ownership of Company Shares that is not registered in the transfer records of the Company or if payment and delivery of the Merger Consideration and the other payments contemplated by Section 2.01(a) and this Section 2.03 is to be made to a Person other than the Person in whose name the surrendered Certificate or Book-Entry Share is registered, such Certificate or Book-Entry Share may be exchanged in accordance with this Article II if the Certificate or Book-Entry Share formerly representing such Company Shares is presented to the Exchange Agent accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable transfer or other similar Taxes have been paid or are not applicable.

(v) Rights of Holders of Company Shares; Expenses. Until surrendered or exchanged pursuant to this Section 2.03(b), each Certificate or Book-Entry Share shall be deemed at any

time after the Effective Time to represent only the right to receive upon such surrender or exchange the Merger Consideration pursuant to Section 2.01(a), any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h). Parent shall pay all charges and expenses, including those of the Exchange Agent, in connection with the exchange of Company Shares pursuant to this Article II.

(c) Termination of the Exchange Fund; No Liability. Any portion of the Exchange Fund (including the proceeds of any investment thereof) that remains undistributed one (1) year after the Effective Time shall be delivered to Parent or the Surviving Corporation, upon demand by Parent. Any holders of Company Shares (other than Cancelled Shares) who have not theretofore complied with this Article II shall thereafter be entitled to look only to Parent and the Surviving Corporation for payment and delivery of the Merger Consideration pursuant to Section 2.01(a), any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h) upon surrender of their Certificates or exchange of their Book-Entry Shares in accordance with the provisions set forth in Section 2.03(b), and Parent and the Surviving Corporation shall remain liable for (subject to applicable abandoned property, escheat or other similar Law) payment of their claims for the Merger Consideration payable upon surrender of their Certificates or exchange of their Book-Entry Shares. Notwithstanding the foregoing, none of the Surviving Corporation, Parent, the Company, the Exchange Agent or any other Person shall be liable to any former holder of Company Shares for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or other similar Law.

(d) Investment of the Exchange Fund. The Exchange Agent shall invest the cash portion of the Exchange Fund as directed by Parent; provided, however, that such investments shall be in obligations of or guaranteed by the United States of America, in commercial paper obligations rated A-1 or P-1 or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, respectively, in certificates of deposit, bank repurchase agreements or banker's acceptances of commercial banks with capital exceeding \$1 billion, or in money market funds which are invested in instruments that consist of U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations or having a rating in the highest investment category granted by a recognized credit rating agency at the time of acquisition or a combination of the foregoing and, in any such case, no such instrument shall have a maturity that could prevent or delay payments to be made pursuant to this Agreement. Subject to Section 2.03(c), to the extent that there are losses with respect to such investment of the cash portion of the Exchange Fund, or the cash portion of the Exchange Fund diminishes for other reasons, such that the amount of cash in the Exchange Fund is below the level required to make prompt cash payment of any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h), Parent shall promptly replace or restore the cash in the Exchange Fund lost through such investments or other events so as to ensure that the Exchange Fund is at all applicable times maintained at a level sufficient to make such cash payments. Any interest and other income resulting from such investment shall become a part of the Exchange Fund, and any amounts in excess of the aggregate amount of the payments described in the immediately preceding sentence will be promptly returned to Parent or the Surviving Corporation, as requested by Parent. The Exchange Fund shall not be used for any purpose other than as contemplated by Section 2.03(a) and this Section 2.03(d).

(e) Transfers. From and after the Effective Time, the stock transfer books of the Company shall be closed and there shall be no transfers on the stock transfer books of the Company of the Company Shares that were outstanding immediately prior to the Effective Time. If, after the Effective Time, acceptable evidence of a Certificate or Book-Entry Share is presented to the Surviving Corporation, Parent or the Exchange Agent for transfer, (i) in the case of Certificates, the holder of such Certificate shall be given a copy of the transmittal materials and instructions referred to in Section

2.03(b)(i) and instructed to comply with the instructions thereto in order to receive the Merger Consideration pursuant to Section 2.01(a) and (ii) in the case of Book-Entry Shares, such Book-Entry Share shall be cancelled and exchanged as contemplated by this Article II.

(f) Lost Certificates. In the case of any Certificate that has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by the Exchange Agent or Parent, the posting by such Person of a bond in a reasonable amount as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall pay and deliver in exchange for such Certificate the Merger Consideration pursuant to Section 2.01(a), any dividends or other distributions payable pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h).

(g) Dividends.

(i) Certificates. No dividends or other distributions declared or made with respect to Parent Shares with a record date after the Effective Time shall be paid to the holder of any Certificate with respect to the Parent Shares that such holder would be entitled to receive upon surrender of such Certificate, until such holder shall surrender such Certificate in accordance with Section 2.03(b)(ii). Subject to applicable Law, following surrender of any such Certificate, there shall be paid to the holder of Parent Shares issued in exchange therefor, without interest, (A) promptly after the time of such surrender, the amount of dividends and other distributions with a record date after the Effective Time but prior to such surrender and a payment date prior to such surrender payable with respect to such Parent Shares and (B) at the appropriate payment date, the amount of dividends and other distributions with a record date after the Effective Time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such Parent Shares.

(ii) Book-Entry Shares. Subject to applicable Law, there shall be paid to the holder of Parent Shares issued in exchange for Book-Entry Shares in accordance with Section 2.03(b)(iii), without interest, (A) promptly upon receipt by the Exchange Agent of an "agent's message" (or such other evidence, if any, of surrender as the Exchange Agent may reasonably request), the amount of dividends and other distributions with a record date after the Effective Time but prior to such receipt and a payment date prior to such receipt payable with respect to such Parent Shares and (B) at the appropriate payment date, the amount of dividends and other distributions with a record date after the Effective Time but prior to such receipt and a payment date subsequent to such receipt payable with respect to such Parent Shares.

(h) Fractional Shares. No certificates or scrip representing fractional Parent Shares shall be issued upon the conversion of the Company Shares into the Merger Consideration pursuant to Section 2.01(a), and such fractional share interests shall not entitle the owner thereof to vote or to any rights of a holder of Parent Shares. For purposes of this Section 2.03(h), all fractional shares to which a single record holder would be entitled shall be aggregated and calculations shall be rounded to four (4) decimal places. In lieu of any such fractional Parent Shares, each holder of Company Shares who would otherwise be entitled to such fractional Parent Shares shall be entitled to receive an amount in cash, without interest, rounded to the nearest cent, equal to the product of (i) the amount of such fractional Parent Share and (ii) the Average Price.

SECTION 2.04. Withholding Rights. Each of Parent and the Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Company Shares, Company Performance Share Awards and Company RSUs

such amounts as it is required to deduct and withhold with respect to the making of such payment under the Code or any other applicable state, local or foreign Tax Law, taking into account any applicable exemption under such Law. To the extent that amounts are so withheld by Parent or the Surviving Corporation, as the case may be, such withheld amounts (a) shall be promptly remitted by Parent or the Surviving Corporation, as applicable, to the applicable Governmental Entity and (b) shall be treated for all purposes of this Agreement as having been paid to the holder of Company Shares, Company Performance Share Awards and Company RSUs (as applicable) in respect of which such deduction and withholding were made by the Surviving Corporation or Parent, as the case may be.

SECTION 2.05. No Dissenters' Rights. In accordance with Section 33-13-102(B) of the SCBCA, no holder of Company Shares shall be entitled to exercise dissenters' rights, appraisal rights or other similar rights in connection with the Merger and the other transactions contemplated by this Agreement.

SECTION 2.06. Adjustments. In the event of any change to the Company Shares or Parent Shares (or securities convertible thereto or exchangeable or exercisable therefor) issued and outstanding in the period between the date of this Agreement and the Effective Time as a result of a reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, exchange or readjustment of shares, merger, issuer tender or exchange offer, or other similar transaction, the Merger Consideration and any other payments to be made pursuant to this Article II shall be equitably adjusted, without duplication, to provide the holders of Company Shares, Company Performance Share Awards, Company RSUs and Company Deferred Units the same economic effect contemplated by this Agreement prior to such change; provided, however, that nothing in this Section 2.06 shall be construed to permit the Company, Parent, any of their respective Subsidiaries or any other Person to take any action that is otherwise prohibited by the terms of this Agreement; and provided, further, that any adjustment pursuant to this Section 2.06 to any Company Performance Share Awards, Company RSUs and Company Deferred Units shall be done in all respects in accordance with Section 409A of the Code, if applicable, and the terms of the applicable Company Equity Award Plan.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties of the Company. Except (x) as disclosed in the SEC Reports of the Company or South Carolina Electric & Gas Company (each, a "Reporting Company") filed with or furnished to the SEC since January 1, 2016 and publicly available at least twenty-four (24) hours prior to the date of this Agreement (excluding any disclosures set forth in any risk factor section or in any other section to the extent such disclosures are forward-looking statements or are cautionary, predictive or forward-looking in nature) or (y) as set forth in the Company Disclosure Letter (it being agreed that disclosure of any item in any section or subsection of the Company Disclosure Letter shall also be deemed disclosed with respect to any other section or subsection of this Agreement to which the relevance of such item is reasonably apparent), the Company represents and warrants to Parent and Merger Sub as follows:

(a) Organization, Standing and Corporate Power. The Company is a corporation duly incorporated and validly existing under the Laws of the State of South Carolina and has all requisite corporate power and authority to carry on its business as currently conducted and is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be

expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company's Subsidiaries is a legal entity duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Law of its jurisdiction of organization and has all requisite corporate or similar power and authority to carry on its business as currently conducted, and each of the Company's Subsidiaries is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company has made available to Parent a true and complete copy of the Restated Articles of Incorporation of the Company and any amendments thereto (collectively, the "Company Articles of Incorporation") and the Amended and Restated Bylaws of the Company (the "Company Bylaws" and together with the Company Articles of Incorporation, the "Company Organizational Documents").

(b) Subsidiaries. Section 3.01(b) of the Company Disclosure Letter sets forth a list of all Subsidiaries of the Company. All of the outstanding shares of capital stock of, or other equity interests in, each Subsidiary of the Company have, in all cases, been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights, and are wholly-owned, directly or indirectly, by the Company free and clear of all pledges, liens, charges, mortgages, encumbrances, adverse claims and interests, licenses, purchase options, call options, rights of first offer and rights of first refusal, easements, rights-of-way, security interests and other use agreements, covenants and encroachments of any kind or nature whatsoever (including any restriction on the right to vote or transfer the same, except for such transfer restrictions of general applicability as may be provided under the Securities Act, the "blue sky" Laws of the various States of the United States or similar Law of other applicable jurisdictions) (collectively, "Liens"), other than transfer restrictions contained in the articles of incorporation, bylaws and limited liability company agreements (or any equivalent constituent documents) of such Subsidiary. Except for its interests in its Subsidiaries, the Company does not own, directly or indirectly, any capital stock of, or other equity interests in, any Person. The Company has made available to Parent true and complete copies of the articles of incorporation, bylaws and limited liability company agreements (or equivalent constituent documents) of each Subsidiary of the Company as in effect on the date of this Agreement.

(c) Capital Structure.

(i) The authorized capital stock of the Company consists of 200,000,000 Company Shares. The Company is not authorized to issue any preferred stock. At the close of business on December 29, 2017, there were (A) 142,916,916.594 Company Shares issued and outstanding and (2) 269,647.326 Company Shares held by the Company in its treasury, (B) 454,325 Company Shares underlying the outstanding Company Performance Share Awards (assuming target level performance), (C) 215,200 Company Shares underlying the outstanding Company RSUs (assuming achievement of required performance measure(s)) and (D) 269,647.326 Company Shares underlying ledgers pursuant to the Director Compensation and Deferral Plan. Except as set forth in the immediately preceding sentence, at the close of business on December 29, 2017, no shares of capital stock or other voting securities of the Company were issued or outstanding or subject to outstanding awards under the Company Equity Award Plans. Since December 29, 2017 to the date of this Agreement, (x) there have been no issuances by the Company of shares of capital stock or other voting securities of the Company other than pursuant to the exercise or vesting of equity awards under the Company Equity Award Plans, in each case, outstanding as of December 29, 2017 and (y) there have been no issuances by the Company of options, warrants, other rights to acquire shares of capital stock of the Company or other rights that give the holder



thereof any economic interest of a nature accruing to the holders of Company Shares. All outstanding Company Shares are, and all such Company Shares that may be issued prior to the Effective Time will be when issued, duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights.

(ii) No Subsidiary of the Company owns any Company Shares or other shares of capital stock of the Company. There are no bonds, debentures, notes or other Indebtedness of the Company or of any of its Subsidiaries that give the holders thereof the right to vote (or that are convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of Company Shares may vote (“Voting Company Debt”). Except for any obligations pursuant to this Agreement or as otherwise set forth in Section 3.01(c)(i), as of December 29, 2017, there are no options, warrants, rights (including preemptive, conversion, stock appreciation, redemption or repurchase rights), convertible or exchangeable securities, stock-based performance units, Contracts or undertakings of any kind to which the Company or any of its Subsidiaries is a party or by which any of them is bound (A) obligating the Company or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other securities of, or equity interests in, or any security convertible or exchangeable for any capital stock or other security of, or equity interest in, the Company or any of its Subsidiaries or any Voting Company Debt, (B) obligating the Company or any of its Subsidiaries to issue, grant or enter into any such option, warrant, right, security, unit, Contract or undertaking to declare or pay any dividend or distribution or (C) that give any Person the right to subscribe for or acquire any securities of the Company or any of its Subsidiaries, or to receive any economic interest of a nature accruing to the holders of Company Shares or otherwise based on the performance or value of shares of capital stock of the Company or any of its Subsidiaries. As of the date of this Agreement, there are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interest of the Company or any of its Subsidiaries, other than pursuant to the Company Equity Award Plans. There are no voting agreements, voting trusts, shareholders agreements, proxies or other agreements to which the Company or any of its Subsidiaries is bound with respect to the voting of the capital stock or other equity interests of the Company, or restricting the transfer of, or providing registration rights with respect to, such capital stock or equity interests.

(d) Authority; Noncontravention.

(i) The Company has all requisite corporate power and authority to execute and deliver, and perform its obligations under, this Agreement and to consummate the transactions contemplated by this Agreement, subject, in the case of the Merger only, to receipt of the Company Requisite Vote. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Company, subject, in the case of the Merger only, to receipt of the Company Requisite Vote. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each of the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject, as to enforceability, bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors’ rights and to general equity principles. The Company Board has duly and validly adopted resolutions (A) determining that it is in the best interests of the Company and the shareholders of the Company that the Company enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (B) adopting this Agreement and

approving the transactions contemplated by this Agreement, including the Merger, (C) directing that the approval of this Agreement be submitted to a vote at a meeting of the shareholders of the Company and (D) recommending that the shareholders of the Company approve this Agreement (the “Company Board Recommendation”), which resolutions, as of the date of this Agreement, have not been rescinded, modified or withdrawn in any way.

(ii) The execution, delivery and performance by the Company of this Agreement do not, and the consummation of the Merger and the other transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to any right (including a right of termination, cancellation or acceleration of any obligation or any right of first refusal, participation or similar right) under, or cause the loss of any benefit under, or result in the creation of any Lien (other than Permitted Liens) upon any of the properties or assets of the Company or any of its Subsidiaries under, any provision of (A) the Company Organizational Documents or the comparable organizational documents of any of the Company’s Subsidiaries or (B) subject to the filings and other matters referred to in Section 3.01(d)(iii), (1) any Contract, or (2) any Law, in each case, applicable to the Company or any of its Subsidiaries or any of their respective properties or assets, other than, in the case of the foregoing clause (B), any such conflicts, violations, defaults, rights, losses or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) No Consent of, or registration, declaration or filing with, or notice to, any Governmental Entity is required to be obtained or made by or with respect to the Company or any of its Subsidiaries in connection with the execution, delivery and performance of this Agreement by the Company or the consummation by the Company of the Merger and the other transactions contemplated by this Agreement, except for (A) the Regulatory Conditions and any other Consents of or under, and compliance with any other applicable requirements of, (1) the HSR Act, (2) the Federal Energy Regulatory Commission (the “FERC”), (3) the U.S. Nuclear Regulatory Commission (the “NRC”), (4) the Federal Communications Commission (the “FCC”), (5) the North Carolina Utilities Commission (the “NCUC”), and (6) the Georgia Public Service Commission (the “GPSC”) (the items set forth in this clause (A), collectively, the “Company Regulatory Clearances”), (B) the filing with the SEC of such reports and other documents (including the filing of the Proxy Statement/Prospectus) under, and compliance with all other applicable requirements of, the Securities Act or the Exchange Act and the rules and regulations promulgated thereunder and any applicable state securities, takeover and “blue sky” Laws, (C) the filing of the Articles of Merger with the Secretary of State of the State of South Carolina, (D) any filings under, and compliance with all other applicable requirements of, the rules and regulations of the NYSE and (E) such other Consents, registrations, declarations, filings and notices, the failure of which to be obtained or made has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect and would not reasonably be expected to prevent, or materially impair or delay, the consummation of the Merger or any of the other material transactions contemplated by this Agreement.

(e) Applicable Company SEC Reports; Financial Statements; Undisclosed Liabilities.

(i) The Reporting Companies have filed or furnished, as applicable, all SEC Reports such companies were required or otherwise obligated to file with or furnish to the SEC since June 30, 2016 (such SEC Reports, the “Applicable Company SEC Reports”). As of their respective dates of filing, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of

this Agreement, the Applicable Company SEC Reports complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, each as in effect on the date of any such filing. As of the time of filing with the SEC (or, if amended prior to the date of this Agreement, as of the date of such amendment), none of the Applicable Company SEC Reports so filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except to the extent that the information in such Applicable Company SEC Reports has been amended or superseded by a later Applicable Company SEC Report.

(ii) As of their respective dates, the audited and unaudited financial statements (consolidated, as applicable, and including any related notes thereto) of each of the Reporting Companies and their Subsidiaries, as applicable, included in the Applicable Company SEC Reports have been prepared in all material respects (except, as applicable, as permitted by Form 10-Q of the SEC or other applicable rules and regulations of the SEC) in accordance with United States generally accepted accounting principles (“GAAP”) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of each Reporting Company and its Subsidiaries, as applicable, as of the respective dates thereof (taking into account the notes thereto) and the consolidated results of their operations and cash flows for the periods indicated (taking into account the notes thereto) and subject, in the case of unaudited financial statements, to normal year-end adjustments.

(iii) Each Reporting Company maintains disclosure controls and procedures required by Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act and such disclosure controls and procedures are effective in all material respects to ensure that information required to be disclosed by such Reporting Company in the SEC Reports it files or submits under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of such Reporting Company’s SEC Reports and other public disclosure documents. Each Reporting Company maintains internal control over financial reporting required by Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act and such internal control is effective in all material respects in providing reasonable assurance regarding the reliability of such Reporting Company’s financial reporting and such Reporting Company’s preparation of financial statements for external purposes in accordance with GAAP. Each Reporting Company has disclosed, based on its most recent evaluation prior to the date of this Agreement, to such Reporting Company’s outside auditors and the audit committee of such Reporting Company’s board of directors, (A) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect such Reporting Company’s ability to record, process, summarize and report financial information and (B) to the Knowledge of the Company, any fraud that involves management or other employees of such Reporting Company who have a significant role in such Reporting Company’s internal control over financial reporting.

(iv) There are no liabilities or obligations of any Reporting Company or any Subsidiary of any Reporting Company of a nature that would be required under GAAP to be reflected or reserved on a balance sheet (consolidated, as applicable) of such Reporting Company, other than (A) liabilities or obligations reflected or reserved against in such Reporting Company’s most recent balance sheet (including the notes thereto) included in the Applicable Company SEC Reports filed prior to the date hereof, (B) liabilities or obligations incurred in the ordinary course

of business consistent with past practice since September 30, 2017, (C) liabilities or obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement and (D) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(f) Absence of Certain Changes or Events.

(i) Since January 1, 2017, there have not been any changes, developments, circumstances, effects, events or occurrences (changes, developments, circumstances, effects, events and occurrences being collectively referred to as "Changes") that have had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Since January 1, 2017, except as contemplated or required by this Agreement, the Company and its Subsidiaries have conducted their respective businesses in all material respects in the ordinary course of business consistent with past practice.

(g) Litigation. There is no (i) material suit, action, arbitration, mediation or legal, arbitral, administrative or other proceeding (a "Proceeding") pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries, (ii) to the Knowledge of the Company, pending or threatened material investigation or inquiry by a Governmental Entity of the Company or any of its Subsidiaries and (iii) Order, decree or writ of any Governmental Entity outstanding or, to the Knowledge of the Company, threatened to be imposed against the Company or any of its Subsidiaries.

(h) Contracts. Except for this Agreement and the Contracts set forth in Section 3.01(h) of the Company Disclosure Letter and Company Benefit Plans, as of the date of this Agreement, neither the Company nor any of its Subsidiaries is a party to any Company Material Contract. Each Company Material Contract required to be filed by the Company as a "material contract" pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act has been so filed. Each of the Company Material Contracts is valid and binding on the Company or the Subsidiary of the Company party thereto and, to the Knowledge of the Company as of the date hereof, each other party thereto, and is in full force and effect, except for such failures to be valid and binding or to be in full force and effect that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no default under any Company Material Contract by the Company or any of its Subsidiaries or, to the Knowledge of the Company as of the date hereof, by any other party thereto, in each case except for such defaults that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(i) Compliance with Law; Permits. Since January 1, 2016, the Company and each of its Subsidiaries have been in compliance with and have not been in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Entity regarding any actual or possible violation of, or failure to comply with, any Law, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company and its Subsidiaries are in possession of all franchises, grants, permits, easements, variances, exceptions, Consents, certificates, permissions, qualifications and registrations and Orders of all Governmental Entities (collectively, "Permits"), and have filed all tariffs, reports, notices, and other documents with all Governmental Entities, necessary for

the Company and its Subsidiaries to own, lease and operate their properties and assets and to carry on their businesses as currently conducted, except where the failure to possess any of such Permits or make any such filings has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All such Permits are valid and in full force and effect and there are no pending or, to the Knowledge of the Company, threatened administrative or judicial Proceedings that would reasonably be expected to result in modification, termination or revocation thereof, except where the failure to be in full force and effect or any modification, termination or revocation thereof has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, the Company and each of its Subsidiaries have been in compliance with the terms and requirements of such Permits, except where the failure to be in compliance has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(j) Labor and Employment Matters.

(i) Neither the Company nor any of its Subsidiaries is a party to any collective bargaining agreement or other similar agreement with a labor union, works council or similar organization. To the Knowledge of the Company, as of the date hereof, (A) there are no union or other labor organizing activities occurring concerning any employees of the Company or any of its Subsidiaries and (B) there are no labor strikes, slowdowns, work stoppages or lockouts pending or threatened in writing against the Company or any of its Subsidiaries, except, in each case, as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, the Company and its Subsidiaries have not engaged in any action that required any notifications under the Workers Adjustment and Retraining Notification (WARN) Act of 1989, as amended, except as has not had and would not reasonably be expected to have, individually or in the aggregate a Company Material Adverse Effect.

(ii) The Company and its Subsidiaries are in compliance with all applicable Law respecting labor, employment, discrimination in employment, payroll, worker classification, wages and hours, occupational safety and health and employment practices, other than instances of non-compliance that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) The list that has been provided by the Company to Parent prior to the date of this Agreement of each employee of the Company and its Subsidiaries setting forth (as applicable) each employee's annual base salary or base wage rate, target annual cash bonus, target long term incentive and other employee data is complete and accurate in all material respects as of the date of this Agreement.

(k) Employee Benefit Matters.

(i) Section 3.01(k)(i) of the Company Disclosure Letter sets forth a complete and accurate list of each material Company Benefit Plan. The Company has made available to Parent correct and complete copies of, to the extent applicable: (A) the current plan document for each material Company Benefit Plan, (B) the most recent annual report on Form 5500 required to be filed with the Department of Labor with respect to each material Company Benefit Plan, (C) the most recent summary plan description for each material Company Benefit Plan, (D) the most recent actuarial reports and financial statements for each material Company Benefit Plan, (E) each trust agreement relating to any material Company Benefit Plan, and (F) the most recent determination or opinion letter, as applicable, for each Qualified Plan.

(ii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (A) each Company Benefit Plan (and any related trust or other funding vehicle) has been established, operated and administered in accordance with its terms and is in compliance with ERISA, the Code and all other applicable Law, (B) all contributions or other amounts payable by the Company or any Commonly Controlled Entity with respect to each Company Benefit Plan in respect of current or prior plan years have been paid or accrued in accordance with GAAP, (C) each Company Benefit Plan (and any related trust) that is intended to be qualified under Section 401(a) of the Code (each, a “Qualified Plan”) is the subject of a favorable determination or opinion letter issued by the Internal Revenue Service, and, to the Knowledge of the Company, no condition exists that would reasonably be expected to result in the loss of any such Qualified Plan’s qualified status and (D) to the Knowledge of the Company, there has been no non-exempt prohibited transaction (as defined in Section 4975 of the Code or Section 406 of ERISA) or breach of fiduciary duty under Section 404 of ERISA with respect to any Company Benefit Plan.

(iii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, as of the date hereof, (A) no Proceedings (other than routine claims for benefits in the ordinary course of business) are pending or, to the Knowledge of the Company, threatened relating to or otherwise in connection with any Company Benefit Plan or the assets thereof and (B) to the Knowledge of the Company, there are no pending or threatened administrative investigations, audits or other administrative Proceedings by the Department of Labor, the Pension Benefit Guaranty Corporation, the Internal Revenue Service or other Governmental Entity relating to any Company Benefit Plan.

(iv) None of the Company or any Commonly Controlled Entity has, within the past six (6) years, sponsored, maintained, contributed to or been required to maintain or contribute to, or has any liability under, any employee benefit plan (within the meaning of Section 3(3) of ERISA) that is (and no Company Benefit Plan is) subject to Section 302 or Title IV of ERISA or Sections 412 or 4971 of the Code, or is otherwise a defined benefit plan (as defined in Section 4001 of ERISA). With respect to any plan set forth in Section 3.01(k)(iv) of the Company Disclosure Letter, the Pension Benefit Guaranty Corporation (the “PBGC”) has not instituted Proceedings to terminate any such plan (and, to the Knowledge of the Company, no condition exists that would reasonably be expected to result in such Proceedings being instituted) and the Company and its Commonly Controlled Entities do not have any material liability to the PBGC with respect to such plan other than premium payments required by ERISA. Neither the Company nor any Commonly Controlled Entity has, within the past six (6) years, sponsored, maintained, contributed to or been required to maintain or contribute to, nor has any liability under, any multiemployer plan (as defined in Section 3(37) of ERISA).

(v) The Company has no liability for providing health, medical or life insurance or other welfare benefits after retirement or other termination of employment (other than for continuation coverage required under Section 4980(B)(f) of the Code or other similar applicable Law), except for such liabilities that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. With respect to any plan set forth in Section 3.01(k)(v) of the Company Disclosure Letter, to the Knowledge of the Company, the Company has the right to amend or terminate such plan in its discretion without the consent of any participant.

(vi) None of the execution and delivery of this Agreement, obtaining the Company Requisite Vote or the consummation of the Merger (alone or in conjunction with any other event, including any termination of employment on or following the Effective Time) would reasonably

be expected to (A) entitle any current or former director, officer, employee or independent contractor of the Company or any of its Subsidiaries to any compensation or material benefit, (B) accelerate the time of payment or vesting, or trigger any payment or funding, of any compensation or material benefits or trigger any other material obligation under any Company Benefit Plan, (C) result in any material breach or violation of, or material default under, or limit the Company's right to amend, modify, terminate or transfer the assets of, any Company Benefit Plan, (D) directly or indirectly cause the Company to transfer or set aside any assets to fund any benefits, or otherwise give rise to any material liability, under any Company Benefit Plan or (E) result in payments to any "disqualified individual" (as defined for purposes of Section 280G(c) of the Code) which would not be deductible under Section 280G of the Code.

(l) Taxes.

(i) All material Tax Returns required to be filed by or with respect to the Company or any of its Subsidiaries have been timely filed (taking into account any extension of time within which to file) and all such Tax Returns are correct and complete in all material respects.

(ii) All material Taxes of the Company and its Subsidiaries that are required to be paid or discharged, other than Taxes being contested in good faith by appropriate proceedings, have been timely paid and discharged.

(iii) No material deficiency with respect to Taxes has been proposed, asserted or assessed against the Company or any of its Subsidiaries which has not been fully paid or adequately reserved in the SEC Reports filed or furnished by the applicable Reporting Company to the SEC.

(iv) There are no material Tax Liens, other than Permitted Liens, on any asset of the Company or any of its Subsidiaries.

(v) Neither the Company nor any of its Subsidiaries has executed any outstanding waiver of any statute of limitations for the assessment or collection of any material Tax.

(vi) As of the date hereof, no audit or other examination or Proceeding of, or with respect to, any material Tax Return or material amount of Taxes of the Company or any of its Subsidiaries is pending and, between January 1, 2016 and the date hereof, no written notice thereof has been received by the Company or any of its Subsidiaries.

(vii) None of the Company or any of its Subsidiaries (A) is a party to any material Tax allocation, Tax sharing, or Tax indemnity agreement (other than commercial Contracts the primary purpose of which is not Taxes) or (B) is under an obligation under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law) or as transferee or successor, such that, in each case, the Company or any of its Subsidiaries is, after the date hereof or after the Closing (as the case may be), liable for any material amount of Taxes of another Person (other than the Company or any of its Subsidiaries).

(viii) There are no material closing agreements, private letter rulings, technical advice memoranda or rulings that have been entered into or issued by any Tax authority with respect to the Company or any of its Subsidiaries which are still in effect as of the date of this Agreement.

(ix) Neither the Company nor any of its Subsidiaries has "participated" within the meaning of Treasury Regulation Section 1.6011-4(c)(3)(i)(A) in any "listed transaction" within

the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, as in effect and as amended by any guidance published by the Internal Revenue Service for the applicable period.

(x) Each of the Company and its Subsidiaries has properly and timely withheld or collected and timely paid over to the appropriate Governmental Entity (or each is properly holding for such timely payment) all material amounts of Taxes required to be withheld, collected and paid over by applicable Law.

(xi) To the Knowledge of the Company, the Company and its Subsidiaries have complied with the normalization rules described in Section 168(i)(9) of the Code and any other applicable provisions of the Code or the Treasury Regulations thereunder with respect to any “public utility property” (as defined in Section 168(i)(10) of the Code).

(xii) Neither the Company nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(m) Environmental Matters. Except for those matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) each of the Company and its Subsidiaries is, and since January 1, 2016 has been, in compliance with all applicable Environmental Law and, as of the date hereof, neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Entity alleging that the Company or any of its Subsidiaries is in violation of, or has any liability under, any Environmental Law, (ii) each of the Company and its Subsidiaries possesses and is in compliance with all Permits required under applicable Environmental Law to conduct its business as currently conducted, and all such Permits are valid and in good standing and neither the Company nor any of its Subsidiaries has received notice from any Governmental Entity seeking to modify, revoke or terminate any such Environmental Permits, (iii) there are no Proceedings pursuant to any Environmental Law pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries, (iv) there have been no releases of Hazardous Materials at or on any property owned, leased or operated by the Company or any of its Subsidiaries, in each case, in a manner that would reasonably be expected to result in any obligation to conduct any investigation, remediation or other corrective or responsive action by the Company or any of its Subsidiaries and (v) neither the Company nor any of its Subsidiaries is subject to any consent decrees, Orders, settlements or compliance agreements that impose any current or future obligations on the Company and its Subsidiaries under Environmental Law.

(n) Insurance. The Company and its Subsidiaries maintain, or are entitled to the benefits of, insurance in such amounts and against such risks as the Company believes to be customary for companies of a comparable size in the industries in which it and its Subsidiaries operate. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, all material insurance policies carried by or covering the Company and its Subsidiaries with respect to their business, assets and properties are in full force and effect, and, to the Knowledge of the Company, no notice of cancellation has been given with respect to any such policy.

(o) Real Property.

(i) Subject, as to enforceability, to bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors’ rights and to general equity principles, each Contract under which the Company or any Subsidiary thereof is the tenant, subtenant or occupant



(each, a “Company Real Property Lease”) with respect to material real property leased, subleased, licensed or otherwise occupied (whether as tenant, subtenant or pursuant to other occupancy arrangements) by the Company or any of its Subsidiaries (collectively, including the improvements thereon, the “Company Leased Real Property”) is valid and binding on the Company or the Subsidiary of the Company party thereto, and, to the Knowledge of the Company, each other party thereto, and is in full force and effect, except for such failures to be valid and binding or to be in full force and effect that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no uncured default of any material provision of any Company Real Property Lease by the Company or any of its Subsidiaries or, to the Knowledge of the Company, by any other party thereto, and no event has occurred that with the lapse of time or the giving of notice or both would reasonably be expected to constitute a default thereunder by the Company or any of its Subsidiaries or, to the Knowledge of the Company, by any other party thereto, in each case except for such defaults and events that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) The Company or one of its Subsidiaries has good and valid title to all material real property currently owned by the Company or any of its Subsidiaries (collectively, “Company Owned Real Property”) free and clear of all Liens (other than Permitted Liens), except where absence of good and valid title or any such Lien has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) Each of the Company and its Subsidiaries has such consents, easements, rights-of-way, permits and licenses with respect to any real property (collectively, “Rights-of-Way”) as are sufficient to conduct its business in the manner described, and subject to the limitations, qualifications, reservations and encumbrances contained, in any Applicable Company SEC Report, except for such Rights-of-Way the absence of which has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All pipelines and electric transmission assets owned or operated by the Company and its Subsidiaries are subject to Rights-of-Way, there are no encroachments or encumbrances or other Rights-of-Way that affect the use thereof and there are no gaps in the Rights-of-Way that are material for such pipelines or electric transmission assets, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iv) Each of the Company and its Subsidiaries have sufficient rights with respect to their Company Leased Real Property and Company Owned Real Property and under their Rights-of-Way to conduct its business as currently conducted, except where a failure to have such rights would not have and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(p) Intellectual Property, Privacy, and Information Technology.

(i) The Company and its Subsidiaries own or have the right to use all Intellectual Property necessary for the operation of the business of the Company and its Subsidiaries, except where the failure to own or have the right to use such Intellectual Property has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, the operation of the business of the Company and its Subsidiaries does not infringe upon or misappropriate any Intellectual Property of any other Person as of the date of this Agreement, except for such matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company

Material Adverse Effect. The Company and its Subsidiaries have taken commercially reasonable precautions to protect the secrecy and confidentiality of the trade secrets owned by the Company and its Subsidiaries, except where the failure to take reasonable precautions has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (A) to the Knowledge of the Company, the Company has not suffered any security breach of its IT Systems that has caused any loss of data, disruption or damage to the Company's operations, (B) the Company has not experienced any security breaches of personal data or IT Systems that required or would require law enforcement or Governmental Entity notification or any remedial action under applicable Law or any Data Privacy Legal Requirement, (C) to the Knowledge of the Company, since January 1, 2016, there has been no unauthorized access to, or other misuse of, personal data or IT Systems and (D) there are no pending or expected complaints, claims, actions, fines, or other penalties facing the Company in connection with any of the foregoing.

(iii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the Company has security, back-ups, disaster recovery arrangements, and administrative, physical, and technical safeguards in place that are reasonably appropriate for a company in the business in which the Company is engaged and the Company has implemented security patches or upgrades that are reasonably available for the IT Systems where such patches or upgrades are reasonably required to maintain the security of such IT Systems.

(q) Regulatory Matters.

(i) All filings (other than immaterial filings) required to be made by the Company or any of its Subsidiaries since January 1, 2016 with the FERC, the Department of Energy (the "DOE"), the NRC, the FCC, the North American Electric Reliability Corporation (the "NERC"), the SCPSC, the SCORS, the NCUC, the GPSC, the United States Pipeline Hazardous Materials Safety Administration (the "PHMSA") and the United States Department of Transportation (the "DOT"), as the case may be, have been made, including all forms, notices, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Since January 1, 2016, none of the Company or any of its Subsidiaries has received any written notice or, to the Company's Knowledge, any other communication from the FERC, the DOE, the NRC, the FCC, the NERC, the SCPSC, the SCORS, the NCUC, the GPSC, the PHMSA or the DOT regarding any actual or possible material violation of, or material failure to comply with, any Law.

(iii) To the Knowledge of the Company, except as has not had and would not reasonably be expected to have a material impact on the Company and its Subsidiaries, the

operations of the Virgil C. Summer Nuclear Station in Jenkinsville, South Carolina (the “Summer Station”), including the operation of the NND Project and the construction, and cessation of the construction, of such project, are and have been conducted in compliance with applicable health, safety, regulatory and other requirements under applicable Laws.

(iv) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the financial assurance for decommissioning relating to the Summer Station provided to comply with NRC’s requirements in 10 CFR 50.75 and 72.30 consists of one or more trusts that are validly existing and in good standing under the Laws of their respective jurisdictions of formation with all requisite authority to conduct their affairs as currently conducted.

(r) Voting Requirements. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), the affirmative vote of holders of at least two-thirds of the outstanding Company Shares entitled to vote thereon at the Shareholders Meeting or any adjournment or postponement thereof to approve this Agreement (the “Company Requisite Vote”) is the only vote of the holders of any class or series of capital stock of the Company necessary for the Company to approve this Agreement and approve and consummate the Merger and the other transactions contemplated by this Agreement.

(s) Brokers and Other Advisors. No broker, investment banker, financial advisor or other Person, other than Morgan Stanley & Co. LLC and RBC Capital Markets, LLC, is entitled to any broker’s, finder’s or financial advisor’s fee or commission in connection with the Merger and the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

(t) Opinions of Financial Advisors. The Company Board has received the oral opinions of Morgan Stanley & Co. LLC and RBC Capital Markets, LLC to the effect that, as of the date of such opinions and based upon and subject to the various matters, limitations, qualifications and assumptions set forth therein, the Merger Consideration is fair, from a financial point of view, to the holders of Company Shares (other than Cancelled Shares). Signed, true and complete written copies of such opinions will be made available to Parent, which Parent and Merger Sub acknowledge and agree (i) are being provided to Parent for informational purposes only and (ii) may not be relied upon by Parent or Merger Sub.

(u) State Takeover Statutes. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), the Company Board has taken all action necessary to render inapplicable to this Agreement and the transactions contemplated by this Agreement all potentially applicable state anti-takeover statutes or regulations and any similar provisions in the Company Articles of Incorporation and the Company Bylaws. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), as of the date of this Agreement, no “fair price”, “business combination”, “moratorium”, “control share acquisition” or other state takeover Law or similar Law (collectively, “Takeover Statutes”) enacted by any state will prohibit or impair the consummation of the Merger or the other transactions contemplated by this Agreement.

(v) Information Supplied. None of the information supplied by the Company specifically for inclusion or incorporation by reference in the registration statement on Form S-4 in connection with the issuance by Parent of the aggregate Merger Consideration (the “Form S-4”) or the Proxy Statement/Prospectus, at (i) the time the Form S-4 is declared effective, (ii) the date the Proxy Statement/Prospectus is first published or mailed to the holders of Company Shares or (iii) the time of the Shareholders Meeting (except, with respect to the foregoing clauses (i) through (iii), to the extent

that any such information is amended or superseded by any subsequent SEC Reports of Parent or the Company), will contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

SECTION 3.02. Representations and Warranties of Parent and Merger Sub. Except (x) as disclosed in the SEC Reports of Parent or its wholly-owned Subsidiaries filed with or furnished to the SEC since January 1, 2016 and publicly available at least twenty-four (24) hours prior to the date of this Agreement (excluding any disclosures set forth in any risk factor section or in any other section to the extent such disclosures are forward-looking statements or are cautionary, predictive or forward-looking in nature) or (y) as set forth in the Parent Disclosure Letter (it being agreed that disclosure of any item in any section or subsection of the Parent Disclosure Letter shall also be deemed disclosed with respect to any other section or subsection of this Agreement to which the relevance of such item is reasonably apparent), Parent and Merger Sub represent and warrant to the Company as follows:

(a) Organization, Standing and Corporate Power. Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing (where such concept is recognized under applicable Law) under the Laws of the Commonwealth of Virginia, in the case of Parent, and the Laws of the State of South Carolina, in the case of Merger Sub, and has all requisite corporate power and authority to carry on its business as currently conducted and is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Each of Parent's Subsidiaries is a legal entity duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Law of its jurisdiction of organization and has all requisite corporate power and authority to carry on its business as currently conducted, and each of Parent's Subsidiaries is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Parent has made available to the Company a true and complete copy of the organizational documents of Parent (the "Parent Organizational Documents"), and the comparable organizational documents of Merger Sub, in each case as amended and in effect as of the date of this Agreement.

(b) Subsidiaries. All of the outstanding shares of capital stock of, or other equity interests in, each wholly-owned Subsidiary of Parent have, in all cases, been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights, and are wholly-owned, directly or indirectly, by Parent free and clear of all Liens, other than transfer restrictions contained in the articles of incorporation, bylaws and limited liability company agreements (or any equivalent constituent documents) of such wholly-owned Subsidiary.

(c) Capital Structure.

(i) The authorized capital stock of Parent consists of 1,000,000,000 Parent Shares and 20,000,000 shares of preferred stock (such preferred stock, the "Parent Preferred Stock"). At the close of business on December 29, 2017, there were (A) 644,571,202 Parent Shares issued and outstanding and (B) no shares of Parent Preferred Stock issued or outstanding. Except as set forth in the immediately preceding sentence, at the close of business on December 29, 2017, no shares

of capital stock or other voting securities of Parent were issued or outstanding. Since December 29, 2017 to the date of this Agreement, (x) there have been no issuances by Parent of shares of capital stock or other voting securities of Parent other than pursuant to the exercise or vesting of equity awards under any Parent equity award plans or pursuant to Parent's dividend reinvestment and direct stock purchase plan, in each case, outstanding as of December 29, 2017 and (y) there have been no issuances by Parent of options, warrants, other rights to acquire shares of capital stock of Parent or other rights that give the holder thereof any economic interest of a nature accruing to the holders of Parent Shares. All outstanding Parent Shares are, and all such Parent Shares that may be issued prior to the Effective Time will be when issued, duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights.

(ii) No Subsidiary of Parent (it being understood and agreed that, for purposes of this Section 3.02(c)(ii), Subsidiaries of Parent shall not include (x) any benefit plan maintained by Parent or any of its Subsidiaries or (y) any nuclear decommissioning trusts maintained by Parent or any of its Subsidiaries) owns any Parent Shares or other shares of capital stock of Parent. There are no bonds, debentures, notes or other Indebtedness of Parent or of any of its Subsidiaries that give the holders thereof the right to vote (or that are convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of Parent Shares may vote ("Voting Parent Debt"). Except for any obligations pursuant to this Agreement or as otherwise set forth in Section 3.02(c)(i), as of December 29, 2017, there are no options, warrants, rights (including preemptive, conversion, stock appreciation, redemption or repurchase rights), convertible or exchangeable securities, stock-based performance units, Contracts or undertakings of any kind to which Parent or any of its Subsidiaries is a party or by which any of them is bound (A) obligating Parent or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other securities of, or equity interests in, or any security convertible or exchangeable for any capital stock or other security of, or equity interest in, Parent or any of its wholly-owned Subsidiaries or any Voting Parent Debt, (B) obligating Parent or any of its wholly-owned Subsidiaries to issue, grant or enter into any such option, warrant, right, security, unit, Contract or undertaking to declare or pay any dividend or distribution or (C) that give any Person the right to subscribe for or acquire any securities of Parent or any of its wholly-owned Subsidiaries, or to receive any economic interest of a nature accruing to the holders of Parent Shares or otherwise based on the performance or value of shares of capital stock of Parent or any of its wholly-owned Subsidiaries. As of the date of this Agreement, there are no outstanding obligations of Parent or any of its wholly-owned Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interest, other than pursuant to any Parent equity award plans. There are no voting agreements, voting trusts, shareholders agreements, proxies or other agreements to which Parent or any of its Subsidiaries is bound with respect to the voting of the capital stock or other equity interests of Parent, or restricting the transfer of, or providing registration rights with respect to, such capital stock or equity interests.

(d) Authority; Noncontravention.

(i) Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver, and perform its obligations under, this Agreement and to consummate the transactions contemplated by this Agreement, subject, in the case of the Merger, to the delivery by Parent of the written consent, as sole shareholder of Merger Sub, referenced in Section 5.11. The execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of each of Parent and Merger Sub, subject, in the case of the Merger, to the delivery by Parent of the written consent, as

sole shareholder of Merger Sub, referenced in Section 5.11. This Agreement has been duly executed and delivered by each of Parent and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes a legal, valid and binding obligation of each of Parent and Merger Sub, enforceable against each of Parent and Merger Sub in accordance with its terms, subject, as to enforceability, to bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors' rights and to general equity principles. The board of directors of Parent has duly and validly adopted resolutions approving this Agreement and the transactions contemplated by this Agreement, including the Merger, and the board of directors of Merger Sub has duly and validly adopted resolutions (A) determining that it is in the best interests of Merger Sub and its sole shareholder that Merger Sub enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (B) adopting this Agreement and approving the transactions contemplated by this Agreement, including the Merger and (C) recommending that the sole shareholder of Merger Sub approve this Agreement, which resolutions of Parent and Merger Sub, in each case, have not been rescinded, modified or withdrawn in any way.

(ii) The execution, delivery and performance by Parent and Merger Sub of this Agreement do not, and the consummation of the Merger and the other transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to any right (including a right of termination, cancellation or acceleration of any obligation or any right of first refusal, participation or similar right) under, or cause the loss of any benefit under, or result in the creation of any Lien (other than Permitted Liens) upon any of the properties or assets of Parent or Merger Sub or any of their respective Subsidiaries under, any provision of (A) the Parent Organizational Documents or the comparable organizational documents of any of Parent's Subsidiaries, including Merger Sub or (B) subject to the filings and other matters referred to in Section 3.02(d)(iii), (1) any Contract or (2) any Law, in each case, applicable to Parent or Merger Sub or any of their respective Subsidiaries or any of their respective properties or assets, other than, in the case of foregoing clause (B), any such conflicts, violations, defaults, rights, losses or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(iii) No Consent of, or registration, declaration or filing with, or notice to, any Governmental Entity is required to be obtained or made by or with respect to Parent or Merger Sub or any of their respective Subsidiaries in connection with the execution, delivery and performance of this Agreement by Parent and Merger Sub or the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement, except for (A) the Regulatory Conditions and any other Consents of or under, and compliance with any other applicable requirements of, (1) the HSR Act, (2) the FERC, (3) the NRC, (4) the FCC, (5) the NCUC, and (6) the GPSC (the items set forth in this clause (A), collectively, the "Parent Regulatory Clearances") and together with the Company Regulatory Clearances, the "Regulatory Clearances"), (B) the filing with the SEC of such reports and other documents (including the filing of the Form S-4) under, and compliance with all other applicable requirements of, the Securities Act or the Exchange Act and the rules and regulations promulgated thereunder and any applicable state securities, takeover and "blue sky" Laws, (C) the filing of the Articles of Merger with the Secretary of State of the State of South Carolina, (D) any filings under, and compliance with all other applicable requirements of, the rules and regulations of the NYSE and (E) such other Consents, registrations, declarations, filings and notices, the failure of which to be obtained or made has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect and would not reasonably be expected to prevent, or

materially impair or delay, the consummation of the Merger or any of the other material transactions contemplated by this Agreement.

(e) Applicable Parent SEC Reports; Financial Statements; Undisclosed Liabilities.

(i) Parent and its Subsidiaries have filed or furnished, as applicable, all SEC Reports such companies were required or otherwise obligated to file with or furnish to the SEC since June 30, 2016 (such SEC Reports, the “Applicable Parent SEC Reports”). As of their respective dates of filing, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, the Applicable Parent SEC Reports complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, each as in effect on the date of any such filing. As of the time of filing with the SEC (or, if amended prior to the date of this Agreement, as of the date of such amendment), none of the Applicable Parent SEC Reports so filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except to the extent that the information in such Applicable Parent SEC Reports has been amended or superseded by a later Applicable Parent SEC Report.

(ii) As of their respective dates, the audited and unaudited financial statements (consolidated, as applicable, and including any related notes thereto) of each of Parent and its Subsidiaries, as applicable, included in the Applicable Parent SEC Reports have been prepared in all material respects (except, as applicable, as permitted by Form 10-Q of the SEC or other applicable rules and regulations of the SEC) in accordance with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of Parent and its Subsidiaries, as applicable, as of the respective dates thereof (taking into account the notes thereto) and the consolidated results of their operations and cash flows for the periods indicated (taking into account the notes thereto) and subject, in the case of unaudited financial statements, to normal year-end adjustments.

(iii) Parent maintains disclosure controls and procedures required by Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act and such disclosure controls and procedures are effective in all material respects to ensure that information required to be disclosed by Parent in the SEC Reports it files or submits under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of Parent’s SEC Reports and other public disclosure documents. Parent maintains internal control over financial reporting required by Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act and such internal control is effective in all material respects in providing reasonable assurance regarding the reliability of Parent’s financial reporting and Parent’s preparation of financial statements for external purposes in accordance with GAAP. Parent has disclosed, based on its most recent evaluation prior to the date of this Agreement, to Parent’s outside auditors and the audit committee of Parent’s board of directors (A) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect Parent’s ability to record, process, summarize and report financial information and (B) to the Knowledge of Parent, any fraud that involves management or other employees of Parent who have a significant role in Parent’s internal control over financial reporting.

(iv) There are no liabilities or obligations of Parent or any of its Subsidiaries of a nature that would be required under GAAP to be reflected or reserved on a financial statement (consolidated, as applicable) of Parent, other than (A) liabilities or obligations reflected or reserved against in such entity's most recent balance sheet (including the notes thereto) included in the Applicable Parent SEC Reports filed prior to the date hereof, (B) liabilities or obligations incurred in the ordinary course of business consistent with past practice since September 30, 2017, (C) liabilities or obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement and (D) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(f) Absence of Certain Changes or Events.

(i) Since January 1, 2017, there have not been any Changes that have had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(ii) Since January 1, 2017, except as contemplated or required by this Agreement, Parent and its wholly-owned Subsidiaries have conducted their respective businesses in all material respects in the ordinary course of business consistent with past practice.

(g) Litigation. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, there is no (i) Proceeding pending or, to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries, (ii) to the Knowledge of Parent, pending or threatened material investigation or inquiry by a Governmental Entity of Parent or any of its Subsidiaries and (iii) Order, decree or writ of any Governmental Entity outstanding or, to the Knowledge of Parent, threatened to be imposed against Parent or any of its Subsidiaries.

(h) Compliance with Law. Since January 1, 2016, Parent and each of its Subsidiaries have been in compliance with and have not been in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Since January 1, 2016, neither Parent nor any of its Subsidiaries has received any written notice from any Governmental Entity regarding any violation of, or failure to comply with, any Law, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(i) Taxes.

(i) All material Tax Returns required to be filed by or with respect to Parent or any of its wholly-owned Subsidiaries have been timely filed (taking into account any extension of time within which to file) and all such Tax Returns are correct and complete in all material respects.

(ii) All material Taxes of Parent and its wholly-owned Subsidiaries that are required to be paid or discharged, other than Taxes being contested in good faith by appropriate proceedings, have been timely paid and discharged.

(iii) There are no material Tax Liens, other than Permitted Liens, on any asset of Parent or any of its wholly-owned Subsidiaries.



(iv) Neither Parent nor any of its wholly-owned Subsidiaries has executed any outstanding waiver of any statute of limitations for the assessment or collection of any material Tax.

(v) As of the date hereof, no audit or other examination or Proceeding of, or with respect to, any material Tax Return or material amount of Taxes of Parent or any of its wholly-owned Subsidiaries is pending and, between January 1, 2016 and the date hereof, no written notice thereof has been received by Parent or any of its wholly-owned Subsidiaries.

(vi) None of Parent or any of its wholly-owned Subsidiaries (A) is a party to any material Tax allocation, Tax sharing, Tax indemnity or similar agreement or (B) is under an obligation under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law) or as transferee or successor, such that, in each case, Parent or any of its wholly-owned Subsidiaries is, after the date hereof or after the Closing (as the case may be), liable for any material amount of Taxes of another Person (other than Parent or any of its wholly-owned Subsidiaries).

(vii) There are no material closing agreements, private letter rulings, technical advice memoranda or rulings that have been entered into or issued by any Tax authority with respect to Parent or any of its wholly-owned Subsidiaries which are still in effect as of the date of this Agreement.

(viii) Neither Parent nor any of its wholly-owned Subsidiaries has “participated” within the meaning of Treasury Regulation Section 1.6011-4(c)(3)(i)(A) in any “listed transaction” within the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, as in effect and as amended by any guidance published by the Internal Revenue Service for the applicable period.

(ix) Neither Parent nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(j) Regulatory Matters.

(i) All filings (other than immaterial filings) required to be made by Parent or any of its Subsidiaries since January 1, 2016 with the FERC, the DOE, the NRC, and the NERC, as the case may be, have been made, including all forms, notices, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(ii) Since January 1, 2016, none of Parent or any of its wholly-owned Subsidiaries has received any written notice or, to Parent’s Knowledge, any other communication from the FERC, the DOE, the NRC or the NERC regarding any actual or possible material violation of, or material failure to comply with, any Law.

(k) No Vote Required. Other than the approval of this Agreement by the sole shareholder of Merger Sub referenced in Section 5.11, no vote or consent of the holders of any class or series of capital stock of Parent or any of its Affiliates is necessary for Parent and Merger Sub to approve this Agreement and approve and consummate the Merger and the other transactions contemplated by this Agreement.

(l) Brokers and Other Advisors. Except for fees or commissions to be paid by Parent, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's or financial advisor's fee or commission in connection with the Merger and the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or Merger Sub.

(m) Ownership and Operation of Merger Sub. The authorized capital stock of Merger Sub consists solely of one thousand (1,000) shares of common stock, without par value, one hundred (100) of which are validly issued and outstanding as of the date hereof. All of the issued and outstanding capital stock of Merger Sub is, and at and immediately prior to the Effective Time will be, owned by Parent. Merger Sub has been formed solely for the purpose of engaging in the transactions contemplated by this Agreement and prior to the Effective Time will have engaged in no other business activities and will have no assets, liabilities or obligations of any nature other than those incident to its formation and its entry into this Agreement and the consummation of the Merger and the other transactions contemplated by this Agreement.

(n) Ownership of Shares. None of Parent, Merger Sub or any of their Subsidiaries (it being understood and agreed that, for purposes of this Section 3.02(n), Subsidiaries of Parent and Merger Sub shall not include (x) any benefit plan maintained by Parent or any of its Subsidiaries or (y) any nuclear decommissioning trusts maintained by Parent or any of its Subsidiaries) is, directly or indirectly, a "beneficial owner" (as such term is defined in Rule 13d-3 under the Exchange Act) of any (i) Company Shares, (ii) securities that are convertible into or exchangeable or exercisable for Company Shares, or (iii) any rights to acquire or vote any Company Shares, or any option, warrant, convertible security, stock appreciation right, swap agreement or other security, contract right or derivative position, whether or not presently exercisable, that provides Parent, Merger Sub, or any of their respective Subsidiaries with an exercise or conversion privilege or a settlement payment or mechanism at a price related to the value of Company Shares or a value determined in whole or part with reference to, or derived in whole or part from, the value of the Company Shares, in any case without regard to whether (A) such derivative conveys any voting rights in such securities to such Person, (B) such derivative is required to be, or capable of being, settled through delivery of securities or (C) such Person may have entered into other transactions that hedge the economic effect of such derivative, other than any Company Shares or securities, rights, options, warrants, agreements and derivatives with respect to any Company Shares in an amount equal to, in the aggregate, less than five percent (5%) of the total number of issued and outstanding Company Shares.

(o) Information Supplied. None of the information supplied by Parent specifically for inclusion or incorporation by reference in the Form S-4 or the Proxy Statement/Prospectus, at (i) the time the Form S-4 is declared effective, (ii) the date the Proxy Statement/Prospectus is first published or mailed to the holders of Company Shares or (iii) the time of the Shareholders Meeting (except, with respect to the foregoing clauses (i) through (iii), to the extent that any such information is amended or superseded by any subsequent SEC Reports of Parent or the Company), will contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

(p) Financial Ability. Parent has, and at the Closing Parent will have, sufficient immediately available funds and the financial ability to pay all amounts payable to holders of Company Performance Share Awards and Company RSUs pursuant to Section 2.02 and any repayment or refinancing of then outstanding Indebtedness of the Company or any of its Subsidiaries, which repayment or refinancing is required as a result of the Merger, as set forth in Section 3.02(p) of the Company Disclosure Letter, after taking into account any consents or waivers obtained from any holder of such Indebtedness prior to the Effective Time.

## ARTICLE IV

### COVENANTS RELATING TO CONDUCT OF BUSINESS

#### SECTION 4.01. Conduct of Business Pending the Merger.

(a) Conduct of Business by the Company. From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly contemplated by this Agreement, set forth in Section 4.01(a) of the Company Disclosure Letter, required by applicable Law, required by a Governmental Entity or with the prior written consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed), (x) the Company shall, and shall cause each of its Subsidiaries to, conduct its business in all material respects in the ordinary course consistent with past practice and shall use commercially reasonable efforts to preserve substantially intact its current business organizations, maintain adequate and comparable insurance coverage, and preserve its relationships with its employees, counterparties, customers and suppliers and Governmental Entities with jurisdiction over the Company or any of its Subsidiaries and (y) without limiting the foregoing, the Company shall not, and shall not permit any of its Subsidiaries to:

(i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than (A) regular quarterly cash dividends payable by the Company in respect of Company Shares not in excess of the amount set forth in Section 4.01(a)(i) of the Company Disclosure Letter and (B) dividends or distributions by a Subsidiary of the Company to the Company or to any wholly-owned Subsidiary of the Company;

(ii) split, combine or reclassify any of its capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, other ownership interests or voting securities, other than transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company's wholly-owned Subsidiaries;

(iii) purchase, redeem or otherwise acquire any of its or its Subsidiaries' shares of capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or any rights, warrants or options to acquire any such shares of capital stock, interests or securities, other than (A) the withholding of Company Shares to satisfy Tax obligations or the exercise price with respect to awards granted pursuant to the Company Equity Award Plans or settlement of awards granted pursuant to the Company Equity Award Plans and (B) the acquisition by the Company of awards granted pursuant to the Company Equity Award Plans in connection with the forfeiture or settlement of such awards or rights, in each case, that are outstanding as of the date hereof and in

accordance with their terms as of the date hereof or granted after the date hereof in accordance with this Agreement;

(iv) issue, deliver, sell, pledge, dispose of, encumber or subject to any Lien, any shares of its capital stock, other ownership interests or voting securities (other than the issuance of shares by a wholly-owned Subsidiary of the Company to the Company or another wholly-owned Subsidiary of the Company), or any securities convertible into, exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares of capital stock, interests or voting securities or any “phantom” stock, “phantom” stock rights, stock appreciation rights or stock-based performance units, other than upon the exercise, vesting or settlement of awards granted pursuant to the Company Equity Award Plans that are outstanding as of the date hereof or granted after the date hereof in accordance with this Agreement, in each case, exercised, vested or settled in accordance with their terms;

(v) amend (A) any of the Company Organizational Documents or (B) the comparable organizational documents of any Subsidiary of the Company, other than, in the case of this clause (B), amendments that effect solely ministerial changes to such documents;

(vi) acquire (whether by merger, consolidation, purchase of property or assets (including equity interests) or otherwise) any corporation, partnership or other business organization or division thereof or any material assets or interests in any Person with a value in excess of \$50 million in the aggregate, other than transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company’s wholly-owned Subsidiaries;

(vii) sell, license, lease, transfer, assign, divest, cancel, encumber, abandon or otherwise dispose of any of its properties, rights or assets which (A) are material to the Company and its Subsidiaries, taken as a whole, or (B) have a value in excess of \$25 million, other than (1) sales, transfers and dispositions of obsolete, non-operating or worthless assets or properties and (2) sales, leases, transfers or other dispositions made in connection with (x) any immaterial transactions in the ordinary course of business consistent with past practice or (y) any transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company’s wholly-owned Subsidiaries;

(viii) incur, redeem, prepay, defease, cancel, or, in any material respect, modify any indebtedness for borrowed money, issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Company or any of its Subsidiaries, guarantee, assume or endorse or otherwise as an accommodation become responsible for any such indebtedness or any debt securities or other financial obligations of another Person or enter into any “keep well” or other agreement to maintain any financial statement condition of another Person (collectively, “Indebtedness”), other than (A) borrowings under existing revolving credit facilities (or replacements thereof on comparable terms, including in regards to maturity) or commercial paper programs in the ordinary course of business, (B) other than as set forth in the foregoing clause (A) and in Section 4.01(a)(viii) of the Company Disclosure Letter, incurring any Indebtedness in the ordinary course of business (including interest rate swaps on customary commercial terms consistent with past practice) not in excess of \$200,000,000, (C) other than as set forth in Section 4.01(a)(viii) of the Company Disclosure Letter, redeeming, prepaying, defeasing, cancelling or modifying any Indebtedness in the ordinary course of business (including interest rate swaps on customary commercial terms consistent with past practice) not to exceed \$200,000,000, (D) incurring, redeeming, prepaying, defeasing, cancelling or modifying any Indebtedness among the Company or any of its Subsidiaries, (E) incurring any Indebtedness to replace, renew, extend,

refinance or refund any existing Indebtedness in the same principal amount of such existing Indebtedness and upon the maturity of such existing Indebtedness and to the extent such existing Indebtedness is Indebtedness of the Company, on terms that can be redeemed or prepaid at any time upon payment of the outstanding principal amount plus accrued interest without any make whole or similar prepayment penalty, and (F) providing guarantees and other credit support by the Company with respect to the obligations of any of its Subsidiaries; provided, however, no such Indebtedness shall contain any term that would accelerate the payment thereof or require its immediate repayment due to the transactions contemplated by this Agreement;

(ix) settle any claim, investigation or Proceeding with a Governmental Entity or third party, in each case, threatened, made or pending against the Company or any of its Subsidiaries, which (A) provides injunctive relief which is material to the Company or any of its Subsidiaries or (B) requires payment in excess of \$10 million in the aggregate, other than the settlement of any claims, investigations or Proceedings made in the ordinary course of business or for an amount (excluding any amounts that are covered by any insurance policies of the Company or its Subsidiaries, as applicable) not in excess of the amount reflected or reserved therefor in the most recent financial statements (or the notes thereto) of the Company included in the Company's SEC Reports; provided, however, that neither the Company nor any of its Subsidiaries shall settle any claim, investigation or Proceeding with a Governmental Entity or third party, in each case, threatened, made or pending against the Company or any of its Subsidiaries relating to or arising out of (A) the construction (or cessation of the construction), abandonment or disposal of nuclear power Units 2 and 3 at the Summer Station, (B) the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof), or (C) any other aspect of the NND Project (collectively, the "NND Project Litigation") (it being understood and agreed that this proviso shall not apply to (x) the termination of any Contract related to the NND Project so long as such termination results in no additional liability of the Company or any of its Subsidiaries in excess of \$5 million in the aggregate or (y) any immaterial amendment of any Contract related to the NND Project) other than as follows: (a) except as set forth in subclause (b) below, neither the Company nor any of its Subsidiaries shall settle any claim, investigation or Proceeding with a third party who is not a Governmental Entity relating to or arising out of the NND Project Litigation without prior consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed), (b) the Company or its Subsidiaries may, after prior notice to Parent, settle any mechanic liens related to the cessation of construction of the NND Project including those more specifically described as item 1(y) of Section 3.01(g) of the Company Disclosure Letter (it being understood and agreed that the \$10 million limitation referred to in the fourth line of this Section 4.01(a)(ix) shall not apply to such settlement of mechanic's liens) and (c) neither the Company nor its Subsidiaries may settle any claim, investigation or Proceeding with a Governmental Entity relating to or arising out of the NND Project Litigation without prior consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed);

(x) make or agree to make any capital expenditure in any fiscal year, except (A) for capital expenditures made in accordance with the capital expenditures plan set forth in Section 4.01(a)(x) of the Company Disclosure Letter in an amount not to exceed \$50 million in excess of the amounts set forth in such capital expenditure plan during any calendar year, (B) for capital expenditures related to operational emergencies, equipment failures or outages or expenditures that the Company reasonably determines are then necessary to maintain the safety and integrity of any asset or property in response to any unanticipated or unforeseen and subsequently discovered events, occurrences or developments, or (C) as required by Law or a Governmental Entity;

(xi) except as required pursuant to the terms of any Company Benefit Plan or other written agreement, in each case, in effect on the date hereof, (A) grant to any director or officer any increase in compensation or pay, or award any bonuses or incentive compensation, including in the case of any Company officer, any changes associated with promotions or other position changes, regardless of whether such promotions or changes were previously announced, (B) grant to any current or former director, officer or employee any increase in severance, retention or termination pay, (C) grant or amend any equity awards, (D) enter into any new, or modify any existing, employment or consulting agreement with any current or former director or officer or enter into any new, or modify any existing, employment or consulting agreement with any individual consultant pursuant to which the annual base salary of such individual under such agreement exceeds \$250,000.00 or the term of which exceeds twelve (12) months, (E) establish, adopt, enter into or amend in any material respect any material collective bargaining agreement or material Company Benefit Plan, (F) take any action to accelerate any rights or benefits under any Company Benefit Plan, or (G) hire or promote any new officer (other than any officer whose hiring or promotion has previously been publicly announced, but that has not yet taken effect as of the date hereof); provided, however, that, other than as set forth in subclause (A), the foregoing shall not restrict the Company or any of its Subsidiaries from entering into or making available to newly hired employees or to employees in the context of promotions based on job performance or workplace requirements, in each case, in the ordinary course of business, plans, agreements, benefits and compensation arrangements (including incentive grants, whether cash or equity, but excluding any individual severance arrangements) that have a value that is consistent with its past practice of making compensation and benefits available to newly hired or promoted employees in similar positions and under similar circumstances;

(xii) other than as required (A) by GAAP (or any interpretation thereof), including pursuant to standards, guidelines and interpretations of the Financial Accounting Standards Board or any similar organization or (B) by a Governmental Entity or Law (including pursuant to any applicable SEC rule or policy), make any change in accounting methods, principles or practices where such changes would reasonably be expected to be material to the Company and its Subsidiaries, taken as a whole;

(xiii) (A) make, change or rescind any material Tax election, any Tax accounting period, or adopt or change any material method of Tax accounting, (B) settle or compromise any material Tax liability or consent to any material claim or assessment or obtain any material ruling relating Taxes, (C) file any amended material Tax Return or (D) enter into any material closing agreement relating to Taxes;

(xiv) other than in the ordinary course of business consistent with past practice, materially amend, modify or terminate, or waive any material rights under, or enter into any Contract which if entered into prior to the date of this Agreement would have been deemed, a Company Material Contract;

(xv) adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization, other than the Merger and any other mergers, consolidations, restructurings, recapitalizations or other reorganizations solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company's wholly-owned Subsidiaries;

(xvi) materially change or enter into any IT Systems or cyber-security Contracts that are material to the Company and its Subsidiaries (other than routine maintenance and upgrades to existing IT Systems); or

(xvii) authorize any of, or commit or agree to take any of, the foregoing actions prohibited pursuant to clauses (i) through (xvi) of this Section 4.01(a).

(b) Conduct of Business by Parent. From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly contemplated by this Agreement, set forth in Section 4.01(b) of the Parent Disclosure Letter, required by applicable Law, required by a Governmental Entity or with the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed), (x) Parent shall, and shall cause each of the Parent Significant Subsidiaries to, conduct its business in all material respects in the ordinary course of business consistent with past practice and shall use commercially reasonable efforts to preserve substantially intact its current business organizations, maintain adequate and comparable insurance coverage and preserve its relationships with its employees, counterparties, customers and suppliers and Governmental Entities with jurisdiction over Parent or any of the Parent Significant Subsidiaries and (y) without limiting the foregoing, Parent shall not:

(i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than regular quarterly cash dividends payable by Parent in respect of Parent Shares;

(ii) split, combine or reclassify any of its capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, other ownership interests or voting securities, other than transactions solely between or among Parent and its wholly-owned Subsidiaries;

(iii) purchase, redeem or otherwise acquire any of its or the Parent Significant Subsidiaries' shares of capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or any rights, warrants or options to acquire any such shares of capital stock, interests or securities, other than (A) the withholding of Parent Shares or any of Parent's Subsidiaries' capital stock to satisfy Tax obligations or the exercise price with respect to awards granted pursuant to any of Parent's equity award plans or (B) purchasing, redeeming or acquiring any of Parent's equity awards pursuant to any of Parent's equity award plans;

(iv) except for any Parent Shares issued in an offering for cash at a price no lower than ninety-five percent (95%) of the market price for Parent Shares on the NYSE at the time of such offering, issue, deliver, sell, pledge, dispose of, encumber or subject to any Lien, any shares of its capital stock, other ownership interests or voting securities, or, except for equity units or mandatorily convertible securities issued in an offering for cash with a conversion premium, any securities convertible into, exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares of capital stock, interests or securities or any "phantom" stock, "phantom" stock rights, stock appreciation rights or stock-based performance units, other than upon the exercise, vesting or settlement of awards granted pursuant to any Parent equity award plans or pursuant to Parent's dividend reinvestment and direct stock purchase plan;

(v) amend (A) any of the Parent Organizational Documents or (B) the comparable organizational documents of any Parent Significant Subsidiary, in each case, in a manner that would materially adversely affect the holders of Company Shares whose Company Shares shall, pursuant to Section 2.01(a), convert in part into Parent Shares at the Effective Time; or

(vi) authorize any of, or commit or agree to take any of, the foregoing actions prohibited pursuant to clauses (i) through (v) of this Section 4.01(b).

(c) From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, neither the Company nor Parent shall take or permit any of their respective Subsidiaries to take any action that would reasonably be expected to prevent, or materially impair or delay, the consummation of the Merger or any of the other transactions contemplated by this Agreement.

**SECTION 4.02. Acquisition Proposals.**

(a) The Company agrees that, except as permitted by this Section 4.02, neither it nor any of its Subsidiaries, or any of their respective directors or officers, shall, and it shall instruct and use its reasonable best efforts to cause its and its Subsidiaries' employees, investment bankers, attorneys, accountants and other advisors or representatives (collectively, "Representatives") not to, directly or indirectly (i) initiate, solicit or knowingly encourage any Acquisition Proposal or the making of any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (ii) engage in, continue or otherwise participate in any discussions or negotiations regarding any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (iii) furnish or provide any information or data to any Person in connection with any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (iv) otherwise knowingly facilitate any effort or attempt with respect to the foregoing. Any violation of the restrictions set forth in this Section 4.02 by any director, officer or investment banker of the Company or any of its Subsidiaries shall be deemed to be a breach of this Section 4.02 by the Company.

(b) The Company agrees that it and its Subsidiaries and their respective directors, officers, and employees, shall, and it shall instruct and use its reasonable best efforts to cause its and its Subsidiaries' Representatives to, immediately (i) cease and cause to be terminated any solicitation, discussions, negotiations or knowing facilitation or encouragement with any Person that may be ongoing with respect to any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (ii) terminate any such Person's access to any physical or electronic data rooms and (iii) request that any such Person and its Representatives promptly return or destroy all confidential information concerning the Company and its Subsidiaries theretofore furnished thereto by or on behalf of the Company or any of its Subsidiaries, and destroy all analyses and other materials prepared by or on behalf of such Person that contain, reflect or analyze such information, in each case, to the extent required by, and in accordance with, the terms of the applicable confidentiality agreement between the Company and such Person.

(c) The Company shall promptly (but in any event within forty-eight (48) hours) notify Parent in writing of the receipt of any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, any Acquisition Proposal, indicating (i) the identity of the Person making such Acquisition Proposal and (ii) the material terms and conditions of such Acquisition Proposal and providing Parent with the most current version (if any) of such inquiry, indication of interest, proposal or offer and all related material documentation. With respect to any Acquisition Proposal described in the immediately preceding sentence, the Company shall keep Parent reasonably informed, on a prompt basis (but in any event within forty-eight (48) hours of any such event), of (x) any changes or modifications to the terms of any such Acquisition Proposal and (y) any communications from such Person to the Company or from the Company to such Person with respect to any changes or modifications to the terms of any such Acquisition Proposal. Except as required by applicable Law, the Company shall not terminate, amend, modify, waive or fail to enforce any



provision of any standstill or similar obligation with respect to any class of equity securities of the Company or any of its Subsidiaries.

(d) Notwithstanding anything to the contrary contained in Section 4.02(a) or Section 4.02(b), prior to the Company Requisite Vote, in response to an unsolicited bona fide written Acquisition Proposal that did not result from a breach of this Section 4.02, if the Company Board determines in good faith (x) after consultation with the Company's financial advisors and outside legal counsel, that such Acquisition Proposal is, or could reasonably be expected to lead to, a Superior Proposal and (y) after consultation with the Company's outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law, the Company may, subject to providing Parent prior notice, (i) furnish or provide information (including non-public information or data) regarding, and afford access to, the business, properties, assets, books, records and personnel of, the Company and its Subsidiaries, to the Person making such Acquisition Proposal and its Representatives; provided, however, that the Company shall as promptly as is reasonably practicable make available to Parent any non-public information concerning the Company or its Subsidiaries that is provided to any Person pursuant to this clause (i) to the extent such information was not previously made available to Parent and (ii) engage in discussions and negotiations with such Person and its Representatives with respect to such Acquisition Proposal; provided, further, that, prior to taking any of the actions set forth in the foregoing clauses (i) or (ii) above, the Person making such Acquisition Proposal has entered into an Acceptable Confidentiality Agreement (it being understood that the negotiation of such Acceptable Confidentiality Agreement shall not be deemed to be a breach of Section 4.02(a) or Section 4.02(b)).

(e) Except as set forth in Section 4.02(f) and Section 4.02(g), the Company shall not, and the Company Board (and each committee thereof) shall not (i) (A) withdraw, change, qualify, withhold or modify, or propose to do any of the foregoing, in a manner adverse to Parent or Merger Sub, the Company Board Recommendation, (B) adopt, approve or recommend, or propose to adopt, approve or recommend, any Acquisition Proposal, (C) fail to include the Company Board Recommendation in the Proxy Statement/Prospectus, (D) fail to recommend against any Acquisition Proposal subject to Regulation 14D promulgated under the Exchange Act in any solicitation or recommendation statement made on Schedule 14D-9 within ten (10) Business Days after Parent so requests in writing, (E) if an Acquisition Proposal or any material modification thereof is made public or sent to the holders of Company Shares, fail to issue a press release that reaffirms the Company Board Recommendation within ten (10) Business Days after Parent so requests in writing or (F) agree or resolve to take any action set forth in the foregoing clauses (A) through (E) (any action set forth in this clause (i), a "Company Adverse Recommendation Change") or (ii) authorize, cause or permit the Company or any of its Affiliates to enter into any letter of intent, memorandum of understanding, agreement in principle, definitive agreement, or other similar commitment that would reasonably be expected to lead to an Acquisition Proposal (other than an Acceptable Confidentiality Agreement) (an "Alternative Acquisition Agreement").

(f) Notwithstanding anything to the contrary in this Agreement, at any time prior to obtaining the Company Requisite Vote, the Company Board may make a Company Adverse Recommendation Change (and, solely with respect to a Superior Proposal, terminate this Agreement pursuant to Section 7.01(c)(i)) if (i) the Company has received a Superior Proposal other than as a result of a breach of this Section 4.02 and the Company Board (or a duly authorized committee thereof) determines in good faith, after consultation with the Company's outside legal counsel, that the failure to make a Company Adverse Recommendation Change in response to the receipt of such Superior Proposal would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and (ii) (A) the Company provides Parent prior written notice of its intent to make any Company Adverse Recommendation Change or terminate this Agreement pursuant to Section 7.01(c)(i) at least

four (4) Business Days prior to taking such action to the effect that, absent any modification to the terms and conditions of this Agreement that would cause the Superior Proposal to no longer be a Superior Proposal, the Company Board has resolved to effect a Company Adverse Recommendation Change or to terminate this Agreement pursuant to Section 7.01(c)(i), which notice shall specify the basis for such Company Adverse Recommendation Change or termination, shall provide the material terms and conditions of such Superior Proposal and shall attach the most current draft of any Alternative Acquisition Agreement, and any other material documents with respect to the Superior Proposal that (x) include any terms and conditions of the Superior Proposal and (y) were not produced by the Company, any of its Subsidiaries or any of its or their Representatives solely for internal purposes, if applicable (a “Notice of Recommendation Change”) (it being understood that such Notice of Recommendation Change shall not in itself be deemed a Company Adverse Recommendation Change and that any change in price or material revision or material amendment to the terms of a Superior Proposal, if applicable, shall require a new notice to which the provisions of clauses (A), (B) and (C) of this Section 4.02(f) shall apply *mutatis mutandis* except that, in the case of such a new notice, all references to four (4) Business Days in this Section 4.02(f) shall be deemed to be two (2) Business Days), (B) during such four (4) Business Day period, if requested by Parent, the Company shall make its Representatives reasonably available to negotiate in good faith with Parent and its Representatives regarding any modifications to the terms and conditions of this Agreement that Parent proposes to make and (C) at the end of such four (4) Business Day period and taking into account any modifications to the terms of this Agreement proposed by Parent to the Company in a written, binding and irrevocable offer, the Company Board determines in good faith (x) after consultation with the Company’s financial advisors and outside legal counsel, that such Superior Proposal still constitutes a Superior Proposal and (y) after consultation with the Company’s outside legal counsel, that the failure to make such a Company Adverse Recommendation Change would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

(g) Notwithstanding anything to the contrary in this Agreement, other than in connection with an Acquisition Proposal (which shall be governed by Section 4.02(f)), at any time prior to obtaining the Company Requisite Vote, the Company Board may make a Company Adverse Recommendation Change if (i) an Intervening Event occurs and in response thereto the Company Board determines in good faith, after consultation with the Company’s outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and (ii) (A) the Company provides Parent prior written notice of its intent to make any Company Adverse Recommendation Change at least four (4) Business Days prior to taking such action to the effect that the Company Board has resolved to effect a Company Adverse Recommendation Change, which notice shall specify the basis therefor and include a reasonably detailed description of the Intervening Event, (B) during such four (4) Business Day period, if requested by Parent, the Company shall make its Representatives reasonably available to negotiate in good faith with Parent and its Representatives regarding any modifications to the terms and conditions of this Agreement that Parent proposes to make and (C) at the end of such four (4) Business Day period and taking into account any modifications to the terms of this Agreement proposed by Parent to the Company in a written, binding and irrevocable offer, the Company Board determines in good faith, after consultation with the Company’s outside legal counsel, that the failure to make such a Company Adverse Recommendation Change would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law. Each time there is a material change to the facts or circumstances relating to the Intervening Event prior to obtaining the Company Requisite Vote, the Company will be required to deliver to Parent prompt written notice of such material change (which notice shall include a reasonably detailed description of such material change) and the Company will provide Parent with an additional two (2) Business Day period prior to making a Company Adverse Recommendation Change, such period shall begin upon the date of Parent’s receipt of the notice of such material change.

(h) Nothing contained in this Section 4.02 or elsewhere in this Agreement shall prohibit the Company or any of its Subsidiaries from (i) complying with its disclosure obligations under U.S. federal or state Law, (ii) making any “stop, look or listen” communication to the shareholders of the Company pursuant to Rule 14d-9(f) promulgated under the Exchange Act (or any similar communications to the shareholders of the Company) or (iii) making any other disclosure to its shareholders if the Company Board determines in good faith after consultation with the Company’s outside legal counsel that the failure to make such disclosure would be inconsistent with its fiduciary duties under applicable Law.

## ARTICLE V

### ADDITIONAL AGREEMENTS

#### SECTION 5.01. Proxy Statement/Prospectus; Shareholders Meeting.

(a) As soon as reasonably practicable following the date of this Agreement, but in any event within thirty (30) Business Days thereafter, (i) the Company and Parent shall jointly prepare and cause to be filed with the SEC the proxy statement/prospectus (together with any amendment or supplement thereto, the “Proxy Statement/Prospectus”), as part of the Form S-4, that includes (A) a proxy statement of the Company for use in the solicitation of proxies for the Shareholders Meeting and (B) a prospectus with respect to the issuance of Parent Shares in the Merger and (ii) Parent shall prepare and cause to be filed with the SEC the Form S-4. The Company and Parent shall use their respective reasonable best efforts to (A) have the Form S-4 declared effective under the Securities Act as promptly as practicable after the Form S-4 is filed, (B) ensure that the Form S-4 and the Proxy Statement/Prospectus complies in all material respects with the applicable provisions of the Securities Act, the Exchange Act and the rules and regulations thereunder and (C) keep the Form S-4 effective for as long as may be reasonably requested in connection with the preparation, filing and distribution of the Form S-4 and the Proxy Statement/Prospectus. As promptly as practicable after the date of this Agreement, each of the Company and Parent will furnish or cause to be furnished to the other party the information relating to itself and its Subsidiaries, and cooperate with the other party, as may reasonably be requested, in connection with the preparation, filing and distribution of the Form S-4 and the Proxy Statement/Prospectus. The Form S-4 and Proxy Statement/Prospectus shall include all information reasonably requested by the parties hereto pursuant to the immediately preceding sentence.

(b) Each party hereto shall promptly notify the other parties of the receipt of any comments of the SEC to the Form S-4 or the Proxy Statement/Prospectus and of any request by the SEC for any amendment or supplement thereto or for additional information in connection therewith. As promptly as practicable after receipt of any such comment or request from the SEC, the party that received such comment or request shall provide the other parties copies of all correspondence between the receiving party and its Representatives, on the one hand, and the SEC, on the other hand, regarding such comments or request. The Company and Parent shall each use its reasonable best efforts to promptly provide responses to the SEC with respect to all comments received on the Form S-4 or the Proxy Statement/Prospectus from the SEC.

(c) Notwithstanding the foregoing, prior to filing the Form S-4 (or any amendment or supplement thereto) or mailing the Proxy Statement/Prospectus (or any amendment or supplement thereto) or responding to any comments of the SEC with respect thereto, each of the Company and Parent shall (i) provide the other party an opportunity to review and comment on such document or response (including the proposed final version of such document or response) and shall consider such comments in good faith and (ii) promptly provide the other party with a copy of any such document or response.

(d) Each of the Company and Parent shall advise the other, promptly after receipt of notice thereof, of the time of effectiveness of the Form S-4, the issuance of any stop order relating thereto or the suspension of the qualification of the Parent Shares to be issued in connection with the consummation of the transactions contemplated by this Agreement for offering or sale in any jurisdiction. Each of the Company and Parent shall use its reasonable best efforts to have any such stop order or suspension lifted, reversed or otherwise terminated. Each of the Company and Parent shall also take any other action required to be taken under the Securities Act, the Exchange Act, any applicable foreign or state securities or “blue sky” laws and the rules and regulations thereunder in connection with the Merger and the issuance of the Parent Shares to be issued in connection with the consummation of the transactions contemplated by this Agreement.

(e) If, prior to the Effective Time, any event occurs with respect to any party hereto or any of its Subsidiaries, or any change occurs with respect to other information supplied by such party for inclusion in the Form S-4 or the Proxy Statement/Prospectus, which is required to be described in an amendment of, or a supplement to, the Form S-4 or the Proxy Statement/Prospectus, such party shall promptly notify the other parties hereto of such event, and the Company and Parent shall cooperate (i) in the prompt filing with the SEC of any necessary amendment or supplement to the Form S-4 or the Proxy Statement/Prospectus so that such documents would not include any misstatement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading and (ii) to the extent required by Law, in disseminating the information contained in such amendment or supplement to the holders of Company Shares.

(f) Subject to the fiduciary duties of the Company Board under applicable Law, the Company will take, in accordance with applicable Law and the Company Organizational Documents, all action necessary to call, give notice of, convene and hold a meeting of holders of Company Shares (the “Shareholders Meeting”) as promptly as practicable after the Form S-4 is declared effective under the Securities Act, to consider and vote upon the approval of this Agreement. Subject to Section 4.02, the Company Board shall recommend such approval and shall take all lawful action to solicit and obtain the Company Requisite Vote. Notwithstanding anything to the contrary in this Agreement, the Company may, but shall not be required to, adjourn or postpone the Shareholders Meeting (i) to the extent necessary to ensure that any necessary supplement or amendment to the Proxy Statement/Prospectus (including with respect to an Acquisition Proposal) is provided to the holders of Company Shares a reasonable amount of time in advance of a vote on the approval of this Agreement, (ii) if the Company reasonably believes it is necessary and advisable to do so in order to solicit additional proxies in order to obtain the Company Requisite Vote, (iii) if, as of the time for which the Shareholders Meeting is originally scheduled, there are insufficient Company Shares represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of such meeting or (iv) as required by applicable Law.

(g) Parent shall use its reasonable best efforts to cause to be delivered to the Company two (2) letters from Parent’s independent accountants, one dated a date within two (2) Business Days before the date on which the Form S-4 shall become effective and one dated a date within two (2) Business Days before the Closing Date, each addressed to the Company, in form and substance reasonably satisfactory to the Company and customary in scope and substance for comfort letters delivered by independent public accountants in connection with registration statements similar to the Form S-4.

(h) The Company shall use its reasonable best efforts to cause to be delivered to Parent two (2) letters from the Company’s independent accountants, one dated a date within two (2) Business Days before the date on which the Form S-4 shall become effective and one dated a date

within two (2) Business Days before the Closing Date, each addressed to Parent, in form and substance reasonably satisfactory to Parent and customary in scope and substance for comfort letters delivered by independent public accountants in connection with registration statements similar to the Form S-4.

SECTION 5.02. Filings; Other Actions; Notification.

(a) Subject to the terms and conditions set forth in this Agreement, each of the Company, Parent and Merger Sub shall (and shall cause its respective Subsidiaries to) cooperate and use its respective reasonable best efforts to (i) promptly make any required submissions and filings under applicable Law or to Governmental Entities with respect to the Merger and the other transactions contemplated by this Agreement, (ii) promptly furnish information requested in connection with such submissions and filings to such Governmental Entities or under such applicable Law, (iii) keep the other parties reasonably informed with respect to the status of any such submissions and filings to such Governmental Entities or under such applicable Law, including with respect to: (A) the occurrence or receipt of any Consent under such applicable Law, (B) the expiration or termination of any waiting period, (C) the commencement or proposed or threatened commencement of any investigation, litigation or administrative or judicial action or proceeding under such applicable Law, and (D) the nature and status of any objections raised or proposed or threatened to be raised under such applicable Law with respect to the Merger or the other transactions contemplated by this Agreement, (iv) obtain all Consents and Permits from any Governmental Entity (including the Regulatory Clearances) or any other Person necessary to consummate the transactions contemplated by this Agreement as soon as practicable, and (v) take or cause to be taken all other actions, and do or cause to be done all other things, reasonably necessary to consummate and make effective the Merger and the other transactions contemplated by this Agreement as soon as practicable.

(b) In furtherance and not in limitation of the foregoing: each of the Company, Parent and Merger Sub shall (i) (A) make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by this Agreement as promptly as reasonably practicable following the date of this Agreement (and in any event within fifteen (15) Business Days after the date hereof (unless the parties otherwise agree)), (B) furnish as soon as practicable any additional information and documentary material that may be required or requested pursuant to the HSR Act and (C) use its reasonable best efforts to take, or cause to be taken, all other actions consistent with this Section 5.02 necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act (including any extensions thereof) as soon as practicable and (ii) (A) make or cause to be made the appropriate filings (including notice filings) as soon as practicable (and in any event by the date with respect to each such filing set forth in Section 5.02(b) of the Company Disclosure Letter (unless the parties otherwise agree)) with the FERC, the NRC, the FCC, the SCPSC, the NCUC and the GPSC relating to the transactions contemplated by this Agreement, (B) supply as soon as practicable any additional information and documentary material that may be required or requested by the FERC, the NRC, the FCC, the SCPSC, the SCORS, the NCUC and the GPSC, as applicable, in connection with the Regulatory Clearances and (C) use its reasonable best efforts to take or cause to be taken all other actions consistent with this Section 5.02 as necessary to obtain any necessary Consents and Permits from the FERC, the NRC, the FCC, the SCPSC, the NCUC and the GPSC, as applicable, in connection with the Regulatory Clearances as soon as practicable.

(c) In furtherance and not in limitation of the foregoing, as promptly as reasonably practicable following the date of this Agreement, the Company and Parent shall (i) work together in good faith to finalize the terms of the SCPCS Petition and (ii) jointly file the SCPSC Petition. Each of the Company, Parent and Merger Sub shall furnish as soon as practicable any additional information and documentary material that may be required by the SCPSC or any other Government Entity in connection with the SCPSC Petition and use its reasonable best efforts to take, or cause to be taken, all

other actions consistent with this Section 5.02 and as set forth in the SCPSC Petition necessary to obtain the SCPSC Petition Approval as soon as practicable.

(d) The Company, Parent and Merger Sub shall, subject to applicable Law relating to the exchange of information: (i) promptly notify the other parties of (and if in writing, furnish the other parties with copies of) any communication to such Person from any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity regarding the filings and submissions described in this Section 5.02 and permit the other parties to review and discuss in advance (and to consider in good faith any comments made by the others in relation to) any proposed written response to any communication from any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity regarding such filings and submissions, (ii) keep the other parties reasonably informed of any developments, meetings or discussions with any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity in respect of any filings, submissions, investigations, or inquiries concerning the transactions contemplated by this Agreement and (iii) not independently participate in any meeting or discussion with any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity in respect of any filings, submissions, investigations or inquiries concerning the transactions contemplated by this Agreement without giving the other party or parties hereto prior notice of such meeting or discussions to the extent it is reasonably practical to do so and, unless prohibited by such third party or Governmental Entity or otherwise not reasonably practical, the opportunity to attend or participate; provided, however, that (x) the Company, Parent and Merger Sub shall be permitted to redact any correspondence, filing, submission or communication prior to furnishing it to the other parties to the extent such correspondence, filing, submission or communication contains competitively or commercially sensitive information, including information relating to the valuation of the transactions contemplated by this Agreement and (y) for the avoidance of doubt, the foregoing clause (iii) shall not prohibit the Company, Parent or Merger Sub from independently participating in meetings and discussions with third parties or Governmental Entities that solely relate to an explanation of the terms of this Agreement, including the conditions set forth in Article VI.

(e) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 5.02, Parent, Merger Sub and the Company agree to take promptly any and all steps necessary to avoid, eliminate or resolve each and every impediment to and obtain all Consents under applicable Laws that may be required by any Governmental Entity (including any Regulatory Clearances and the SCPSC Petition Approval), so as to enable the parties to consummate the Merger and the other transactions contemplated by this Agreement as soon as practicable, including committing to and effecting, by consent decree, hold separate orders, trust, or otherwise, (i) selling, licensing, holding separate or otherwise disposing of assets or businesses of Parent or the Company or any of their respective Subsidiaries, (ii) terminating, relinquishing, modifying, or waiving existing relationships, ventures, contractual rights, obligations or other arrangements of Parent or the Company or any of their respective Subsidiaries and (iii) creating any relationships, ventures, contractual rights, obligations or other arrangements of Parent or the Company or any of their respective Subsidiaries (each, a "Remedial Action"); provided, however, that any Remedial Action may, at the discretion of the Company or Parent, be conditioned upon consummation of the transactions contemplated by this Agreement.

(f) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 5.02, in the event that any Proceeding is commenced, threatened or is reasonably foreseeable challenging any of the transactions contemplated by this Agreement and such Proceeding seeks, or would reasonably be expected to seek, to prevent, materially impede or materially delay the consummation of such transactions, Parent shall use reasonable best efforts to take or cause to

be taken any and all action, including a Remedial Action, to avoid or resolve any such Proceeding as promptly as practicable. In addition, each of the Company, Parent and Merger Sub shall cooperate with each other and use its respective reasonable best efforts to contest, defend and resist any such litigation, action or proceeding and to have vacated, lifted, reversed or overturned any Order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents, delays, interferes with or restricts consummation of the transactions contemplated by this Agreement as promptly as practicable.

(g) From the date hereof until the earlier of the Effective Time and the date this Agreement is terminated pursuant to Article VII, neither Parent, Merger Sub, nor Company shall, nor shall they permit their respective Subsidiaries to, acquire or agree to acquire any rights, assets, business, Person or division thereof (through acquisition, license, joint venture, collaboration or otherwise), if such acquisition would reasonably be expected to materially increase the risk of not obtaining, or would reasonably be expected to prevent or prohibit, or materially impede, interfere with or delay, obtaining, any applicable Consent under applicable Laws (including any Regulatory Clearance and the SCPSC Petition Approval) with respect to the transactions contemplated by this Agreement. Section 5.02(g) of the Company Disclosure Letter sets forth the approach to the coordination of matters related to the Company's pending acquisition described as Item 3 of Section 3.01(f) of the Company Disclosure Letter and matters related to this Agreement.

(h) The Company and its Subsidiaries (as applicable) shall, to the extent reasonably practicable, subject to applicable Law relating to the exchange of information and except as would be in violation of, or result in a waiver or loss of, the attorney-client privilege or work-product doctrine: (i) within 48 hours of receipt thereof, notify Parent of (and if in writing, furnish Parent with copies of) any material communication to the Company or its Subsidiaries from any Governmental Entity related to or arising out of any material claim, hearing, investigation or Proceeding, whether criminal or civil in nature, relating to or arising out of the construction, or cessation of the construction, of nuclear power Units 2 and 3 at the Summer Station or the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof) (collectively, "Nuclear Litigation") and permit Parent to review and discuss in advance (and consider in good faith any comments made by Parent in relation to) any proposed written response to any material communication from any Governmental Entity related to or arising out of any Nuclear Litigation, (ii) keep Parent reasonably informed of any developments, meetings or discussions with any Governmental Entity related to or arising out of any Nuclear Litigation, and (iii) use good faith efforts to give Parent notice (which notice shall be prior notice to the extent providing prior notice is reasonably practical) of any material meetings or discussions relating to or arising out of any Nuclear Litigation (and consider in good faith any comments or guidance from Parent in relation to such meeting or discussions) and, if appropriate in the Company's reasonable judgment, provide Parent the opportunity to attend or participate in such meetings or discussions.

(i) Notwithstanding anything set forth in this Agreement, Parent and its Affiliates shall not be required to and the Company and its Affiliates shall not be required to, unless conditioned on the Closing, and without the prior written consent of Parent (which consent may be withheld at Parent's sole discretion) the Company shall not and shall cause its Subsidiaries not to, in connection with obtaining any Consent or Permit, or with respect to any actions required under this Section 5.02, offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment or sanction (including any Remedial Action), that constitutes a Burdensome Condition.

(j) Notwithstanding anything set forth in this Agreement, Parent and its Affiliates shall not be required to and the Company and its Affiliates shall not be required to, unless conditioned on the Closing, and without the prior written consent of Parent (which consent may be withheld at

Parent's sole discretion) the Company shall not and shall cause its Subsidiaries not to, in connection with the SCPSC Petition, offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment or sanction (including any Remedial Action) that (i) materially changes the proposed terms, conditions, or undertakings set forth in the SCPSC Petition or (ii) significantly changes the economic value of the proposed terms set forth in the SCPSC Petition, in each case, as reasonably determined by Parent in good faith.

SECTION 5.03. Access and Reports; Confidentiality.

(a) Subject to applicable Law relating to the exchange of information, upon reasonable notice, the Company and Parent shall, and shall cause each of their respective Subsidiaries to, afford to the other party's Representatives reasonable access, during normal business hours throughout the period prior to the Effective Time, to its employees, properties, books, contracts and records. During such period, the Company and Parent shall, and shall cause each of their respective Subsidiaries to, furnish promptly to the other party (i) to the extent not publicly available, a copy of each report, schedule, registration statement and other document (A) filed by it during such period pursuant to applicable Law or (B) filed with, furnished to or sent to the SEC, the FERC, the FCC, the NRC, the SCPSC, the SCORS, the NCUC, the GPSC or any other federal or state regulatory agency or commission and (ii) all information concerning its business, properties and personnel as may reasonably be requested by the other party; provided, however, that no investigation pursuant to this Section 5.03(a) shall affect or be deemed to modify any representation or warranty made herein; provided, further, that the foregoing shall not require the Company and Parent to (A) permit any inspection, or to disclose any information, that in the reasonable judgment of such party, would result in the disclosure of any trade secrets of third parties or violate any of its obligations to a third party with respect to confidentiality if the Company or Parent, as applicable, shall have used commercially reasonable efforts to obtain the consent of such third party to such inspection or disclosure, (B) disclose any privileged information of such party or any of its Subsidiaries, (C) permit any invasive environmental testing or sampling at any property or (D) take or allow any action that would unreasonably interfere with such party's or any of its Subsidiaries' business or operations. All requests for information made pursuant to this Section 5.03 shall be directed to the executive officer or other Person designated by the Company or Parent, as applicable. Notwithstanding the foregoing, with respect to Parent and its Subsidiaries, the access to and exchange of information described in this Section 5.03(a) shall be limited to the extent reasonably necessary or related to the consummation of the Merger and the other transactions contemplated by this Agreement.

(b) Each of the Company, Parent and Merger Sub will comply with the terms and conditions of that certain letter agreement, dated October 8, 2017, between Parent and the Company (as may be amended from time to time, the "Confidentiality Agreement"), and will hold and treat, and will cause their respective Representatives to hold and treat, in confidence all documents and information exchanged pursuant to Section 5.03(a) in accordance with the Confidentiality Agreement, which Confidentiality Agreement shall remain in full force and effect in accordance with its terms.



SECTION 5.04. Stock Exchange Delisting and Listing.

(a) Prior to the Closing Date, the Company shall cooperate with Parent and use its reasonable best efforts to take or cause to be taken all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under applicable Law and rules and policies of the NYSE to enable the delisting by the Surviving Corporation of the Company Shares from the NYSE and the deregistration of the Company Shares under the Exchange Act as promptly as practicable after the Effective Time and in accordance with applicable Law.

(b) Parent shall use its reasonable best efforts to cause the Parent Shares to be issued in connection with the transactions contemplated by this Agreement to be approved for listing on the NYSE, subject to official notice of issuance, prior to the Closing Date.

SECTION 5.05. Publicity. The initial news release regarding the Merger shall be a joint news release reasonably agreed between Parent and the Company and, except with respect to any action taken pursuant to Section 4.02 or Section 7.01, thereafter the Company and Parent each shall consult with each other prior to issuing, and give each other the opportunity to review and comment upon, any news releases or otherwise making public announcements with respect to the Merger and the other transactions contemplated by this Agreement, except as such party may reasonably conclude may be required by Law or by obligations pursuant to any listing agreement with or rules of any national securities exchange or interdealer quotation service or as may be requested by any Governmental Entity.

SECTION 5.06. Employee Matters.

(a) Following the Effective Time and until December 31, 2019 (the “Continuation Period”), Parent shall provide, or shall cause the Surviving Corporation to provide, the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time and not covered by any collective bargaining agreement (the “Company Non-Union Employees”) with (i) annual base compensation no less than the annual base compensation provided to such Company Non-Union Employees immediately prior to the Effective Time, (ii) annual target cash incentive opportunities that are no less than the annual target cash incentive opportunities provided to such Company Non-Union Employees immediately prior to the Effective Time, subject to the satisfaction of performance criteria determined by Parent (consistent with the form and terms and conditions (including performance criteria) of such awards provided to other similarly situated employees of Parent) and other terms and conditions of Parent’s annual incentive program, (iii) long-term target incentive award opportunities that are no less than the long-term target incentive award opportunities provided to such Company Non-Union Employees immediately prior to the Effective Time (such long-term incentive awards to be provided in such a form, and subject to such performance and vesting criteria and other terms and conditions, as Parent shall determine, consistent with the form and terms and conditions (including performance criteria) of such awards provided to other similarly situated employees of Parent), (iv) employment within a 50-mile radius from each such Company Non-Union Employee’s location of employment immediately prior to the Effective Time and duties and responsibilities similar to what such Company Non-Union Employee had immediately prior to the Effective Time, (v) severance benefits that are no less favorable than those set forth in Section 5.06(a) of the Company Disclosure Letter and (vi) other employee benefits that are substantially comparable in the aggregate to the employee benefits provided to such Company Non-Union Employees immediately prior to the Effective Time. Further Parent shall provide, or shall cause the Surviving Corporation to provide, the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time and who are covered by a collective bargaining agreement with (A) compensation and benefits and other terms and conditions of employment in accordance with the terms of such collective bargaining agreement or any subsequently adopted collective

bargaining agreement, as in effect from time to time, and (B) severance benefits that are no less favorable than those set forth in Section 5.06(a) of the Company Disclosure Letter.

(b) Without limiting the generality of Section 5.06(a) but subject to the obligations set forth in Section 5.06(a), from and after the Effective Time, Parent shall, or shall cause the Surviving Corporation to, assume, honor and continue during the Continuation Period or, if later, until all obligations thereunder have been satisfied, all of the Company's employment, severance, retention, termination, deferred compensation, and change in control plans, policies, programs, agreements and arrangements maintained by the Company or any of its Subsidiaries, in each case, as in effect at the Effective Time, including with respect to any payments, benefits or rights arising as a result of the transactions contemplated by this Agreement (either alone or in combination with any other event), and Parent or the Surviving Corporation may not amend, modify or terminate any such plan, policy, program, agreement or arrangement unless and solely to the extent permitted under the terms thereof as in effect at the Effective Time or otherwise as required to comply with applicable Law. In addition, to the extent required by the express terms of any Company Benefit Plan, Parent shall, or shall cause the Surviving Corporation to, expressly assume and agree to perform all obligations under and with respect to the terms of each such Company Benefit Plan. Notwithstanding anything to the contrary herein, Parent shall, or shall cause the Surviving Corporation to, maintain without amendment (other than as required to comply with applicable Law) for the duration of the Continuation Period each of the Company Benefit Plans listed on Section 5.06(b) of the Company Disclosure Letter. For avoidance of doubt, Parent shall assume, honor and continue the Company's change in control plans in accordance with the foregoing solely with respect to any payments, benefits or rights arising as a result of the transactions contemplated by this Agreement (either alone or in combination with any other event), and shall not be obligated to provide any additional payments, benefits or rights under such plans in connection with any subsequent change in control of Parent or the Surviving Corporation that may occur after the Merger.

(c) With respect to all plans maintained by Parent, the Surviving Corporation or their respective Subsidiaries in which the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time (the "Company Employees") are eligible to participate after the Closing Date (including any vacation, paid time-off and severance plans) for purposes of determining eligibility to participate, level of benefits and vesting (but not benefit accruals under any defined benefit pension plan), each Company Employee's service with the Company or any of its Subsidiaries (as well as service with any predecessor employer of the Company or any such Subsidiary, to the extent service with the predecessor employer is recognized by the Company or such Subsidiary) shall be treated as service with Parent, the Surviving Corporation or any of their respective Subsidiaries or any Commonly Controlled Entity, in each case, to the extent such service would have been recognized by the Company or its Subsidiaries under analogous Company Benefit Plans prior to the Effective Time; provided, however, that such service need not be recognized to the extent that such recognition would result in any duplication of benefits for the same period of service; and, provided further, that no Company Employee shall be entitled based on such prior credited service or otherwise to participate in any frozen or grandfathered plan or benefit formula of Parent or any of its Subsidiaries that would not be offered to employees first hired by Parent or its Subsidiaries after the Effective Time.

(d) Without limiting the generality of Section 5.06(a), Parent shall, or shall cause the Surviving Corporation to, waive any pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods under any welfare benefit plan maintained by Parent, the Surviving Corporation or any of their respective Subsidiaries in which Company Employees (and their eligible dependents) will be eligible to participate from and after the Effective Time, except to the extent that such pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods would not have been satisfied or waived under the comparable Company Benefit Plan immediately prior to the Effective Time; provided, however, that in the case of an insured plan, such waivers shall be made only to

the extent the insurer consents thereto, and Parent and the Surviving Corporation shall use commercially reasonable efforts to obtain such consent. Parent shall, or shall cause the Surviving Corporation to, recognize the dollar amount of all co-payments, deductibles and similar expenses incurred by each Company Employee (and his or her eligible dependents) during the calendar year or plan year in which the Effective Time occurs for purposes of satisfying such year's deductible and co-payment limitations under the relevant welfare benefit plans in which they will be eligible to participate from and after the Effective Time; provided, however, that in the case of an insured plan, such amounts shall be taken into account only to the extent the insurer consents thereto, and Parent and the Surviving Corporation shall use commercially reasonable efforts to obtain such consent.

(e) The provisions of this Section 5.06 are solely for the benefit of the parties to this Agreement, and no other Person (including any current or former employee of the Company or its Subsidiaries or any beneficiary or dependent thereof) shall be regarded for any purpose as a third-party beneficiary of this Section 5.06, and no provision of this Section 5.06 shall create such rights in any such Persons. Except as set forth in Section 5.06(b), no provision of this Agreement shall be construed (i) as a guarantee of continued employment of any employee of the Company or its Subsidiaries, (ii) to prohibit Parent or its Subsidiaries (including the Surviving Corporation) from having the right to terminate the employment of any such employee, (iii) to require Parent or its Subsidiaries to continue to pay or provide any such employee any compensation or benefits after such termination of employment, other than any severance benefits that may be provided pursuant to Section 5.06(a)(v); (iv) to permit the amendment, modification or termination of any Company Benefit Plan or employee benefit plan of Parent or its Subsidiaries (in each case solely to the extent any such amendment, modification or termination is prohibited in accordance with the terms of the applicable plan) or (v) as an amendment or modification of the terms of any Company Benefit Plan or employee benefit plan or Parent or its Subsidiaries.

SECTION 5.07. Expenses. Except as set forth in Section 5.09(c), whether or not the Merger is consummated, all costs and expenses incurred in connection with this Agreement and the Merger and the other transactions contemplated by this Agreement shall be paid by the party incurring such expenses.

SECTION 5.08. Indemnification; Directors' and Officers' Insurance.

(a) From and after the Effective Time, Parent shall indemnify and hold harmless, to the fullest extent permitted under applicable Law, each present and former director and officer of the Company and its Subsidiaries (in each case, when acting in such capacity) (collectively, the "Indemnified Parties") from and against any and all costs and expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages and liabilities (collectively, "Costs") incurred in connection with any Proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to matters existing or occurring at or prior to the Effective Time, including the transactions contemplated by this Agreement. From and after the Effective Time, Parent shall advance expenses to each Indemnified Party claiming indemnification pursuant to this Section 5.08 as incurred to the fullest extent permitted under applicable Law; provided, however, that such Indemnified Party provides an undertaking to repay such advances if it is ultimately determined that such Indemnified Party is not entitled to such indemnification.

(b) From and after the Effective Time, Parent shall cause the Surviving Corporation to honor the provisions regarding (i) exculpation of directors, (ii) limitation of liability of directors and officers, (iii) advancement of expenses and (iv) indemnification, in each case, contained in the Company Organizational Documents (as in effect as of the date hereof), the comparable organizational documents of any of the Company's Subsidiaries (as in effect as of the date hereof) or any indemnification Contract set forth in Section 5.08(b) of the Company Disclosure Letter between the

applicable Indemnified Party and the Company or any of its Subsidiaries existing immediately prior to the Effective Time (it being understood and agreed that, for the avoidance of doubt and without limiting the generality of the foregoing, the foregoing obligation of Parent shall apply with respect to, and remain in full force and effect as to any pending or future claim, hearing, investigation or Proceeding relating to or arising out of the construction, or cessation of the construction, of nuclear power Units 2 and 3 at the Summer Station or the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof)). For a period of three (3) years following the Effective Time, Parent shall cause the Surviving Corporation and its Subsidiaries not to amend, replace or otherwise modify the provisions regarding (A) exculpation of directors, (B) limitation of liability of directors and officers, (C) advancement of expenses and (D) indemnification, in each case, contained in their respective organizational documents; provided, however, that such three (3) year period shall be extended for so long as any Proceeding is pending or asserted against an Indemnified Party that implicates the rights set forth in the foregoing clauses (A) through (D); provided, further, that such prohibition on amendments, replacements and other modifications shall not apply to amendments, replacements and other modifications that are prospective in their application and exclude any effect on the Indemnified Parties.

(c) From and after the Effective Time, Parent shall cause the Surviving Corporation to maintain for a period of at least six (6) years following the Effective Time directors' and officers' liability insurance and fiduciary liability insurance policies (collectively, "D&O Insurance") from an insurance carrier with the same or better credit rating as the Company's current insurance carrier with benefits, levels of coverage and terms and conditions at least as favorable as the Company's D&O Insurance existing immediately prior to the Effective Time with respect to matters existing or occurring at or prior to the Effective Time, including for acts or omissions in connection with this Agreement and the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing, in no event shall Parent or the Surviving Corporation be required to expend for such D&O Insurance coverage an annual premium amount greater than three hundred percent (300%) of the aggregate amount of the annual premiums currently paid by the Company for D&O Insurance immediately prior to the Effective Time (such aggregate amount of premiums currently paid, the "Maximum Annual Premium"). If the annual premiums of such D&O Insurance coverage exceed the Maximum Annual Premium, Parent and the Surviving Corporation shall obtain a policy with as much coverage as reasonably available for an annual cost not exceeding the Maximum Annual Premium.

(d) Notwithstanding Section 5.08(c), the Company may in its sole discretion obtain, prior to the Effective Time, six (6) year pre-paid "tail" insurance coverage, at an aggregate cost no greater than six times the Maximum Annual Premium, providing for D&O Insurance not materially less favorable than that described in Section 5.08(c). If the Company has obtained such policy pursuant to this Section 5.08(d), Parent will cause such policy to be maintained in full force and effect for its full term and cause all obligations thereunder to be honored by the Surviving Corporation, and Parent will have no further obligation to purchase or pay for insurance pursuant to Section 5.08(c).

(e) If Parent, the Surviving Corporation or any of their respective successors or assigns (i) consolidates or merges with or into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns of Parent or the Surviving Corporation, as applicable, shall assume and comply with all of the obligations applicable to Parent or the Surviving Corporation, respectively, set forth in this Section 5.08.

(f) The provisions of this Section 5.08 are intended to be for the benefit of, and shall be enforceable by, each of the Indemnified Parties. The obligations of Parent and the Surviving

Corporation in this Section 5.08 may not be terminated or modified in any manner that adversely affects any Indemnified Party without the consent of such Indemnified Party. Parent will honor, guaranty and stand as surety for, and will cause the Surviving Corporation and its Subsidiaries and successors to honor and comply with, the covenants contained in this Section 5.08.

(g) The rights of the Indemnified Parties under this Section 5.08 shall be in addition to, and not in limitation of, any rights such Indemnified Parties may have under the Company Organizational Documents or any of the comparable organizational documents of any of the Company's Subsidiaries, or under any applicable Contracts or Law.

SECTION 5.09. Financing.

(a) The Company shall, and shall cause its Subsidiaries to, (i) provide commercially reasonable assistance with the preparation of rating agency presentations and lender, underwriter and initial purchaser presentations, offering memoranda and prospectuses and any discussions regarding the business, financial statements, and management discussion and analysis of the Company and its Subsidiaries, all for use in connection with the financing activities of Parent, including any registration statement filed with the SEC where Parent determines that the inclusion of such information is required or desirable, and (ii) request that its independent accountants provide customary and reasonable assistance to Parent or any of its Subsidiaries, as applicable, in connection with providing customary comfort letters in connection with the financing activities of Parent; provided, further, that nothing in this Agreement shall require the Company to cause the delivery of (A) legal opinions or reliance letters or any certificate as to solvency or any other certificate necessary for such financing activities, other than as allowed by the preceding clause (ii), (B) any audited financial information or any financial information prepared in accordance with Regulation S-K or Regulation S-X under the Securities Act or any financial information in a form not customarily prepared by the Company with respect to any period or (C) any financial information with respect to a month or fiscal period that has not yet ended or has ended less than forty-five (45) days prior to the date of such request.

(b) Notwithstanding anything to the contrary contained in this Agreement (including this Section 5.09): (i) nothing in this Agreement (including this Section 5.09) shall require any such cooperation set forth in Section 5.09(a) to the extent that it would require the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives to (A) pay any commitment or other fees, reimburse any expenses or otherwise incur any liabilities or give any indemnities prior to the Effective Time, (B) provide any cooperation that would unreasonably interfere with the ongoing business or operations of the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives, (C) enter into or approve any agreement or other documentation effective prior to the Effective Time or agree to any change or modification of any existing agreement or other documentation that would be effective prior to the Effective Time, (D) require the Company to provide *pro forma* financial statements or *pro forma* adjustments reflecting the financing activities of Parent or any description of all or any component of such financing activities (it being understood that the Company shall use reasonable best efforts to assist in preparation of *pro forma* financial adjustments to the extent otherwise relating to the Company and required by the financing activities of Parent), (E) require the Company or the Subsidiaries of the Company to provide *pro forma* financial statements or *pro forma* adjustments reflecting transactions contemplated or required hereunder (it being understood that the Company shall use reasonable best efforts to assist in preparation of *pro forma* financial adjustments to the extent otherwise relating to the Company and required by the financing activities of Parent), (F) provide any cooperation or take any action that, in the reasonable judgment of the Company, would result in a violation of any confidentiality agreement or material agreement or the loss of any attorney-client or other similar privilege, (G) make any representation or warranty in connection with the financing activities of Parent or the marketing or arrangement thereof, (H) provide any

cooperation, or take any action, that would cause any representation or warranty in this Agreement to be breached or any condition to the Closing set forth in this Agreement to fail to be satisfied or (I) cause the Company, any of its Subsidiaries or any of their respective boards of directors (or equivalent bodies) to approve or authorize the financing activities of Parent, and (ii) no action, liability or obligation (including any obligation to pay any commitment or other fees or reimburse any expenses) of the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives under any certificate, agreement, arrangement, document or instrument relating to the financing activities of Parent shall be effective until the Effective Time.

(c) Parent shall (i) promptly reimburse the Company for all reasonable and out-of-pocket costs or expenses (including reasonable and documented costs and expenses of counsel and accountants) incurred by the Company, any of its Subsidiaries and any of their respective Representatives in connection with any cooperation provided for in Section 5.09(a) and (ii) indemnify and hold harmless the Company, each of its Subsidiaries and each of their respective Representatives against any claim, loss, damage, injury, liability, judgment, award, penalty, fine, Tax, cost (including cost of investigation), expense (including fees and expenses of counsel and accountants) or settlement payment incurred as a result of, or in connection with, any cooperation provided for in Section 5.09(a) or the financing activities of Parent and any information used in connection therewith, unless the Company acted in bad faith or engaged in willful misconduct and other than in the case of fraud.

(d) Without limiting the generality of the foregoing, promptly following Parent's request, the Company shall deliver to each of the lenders with respect to the Indebtedness set forth in Section 5.09(d) of the Parent Disclosure Letter (the "Existing Loan Lenders") a notice (an "Existing Loan Notice") prepared by Parent, in form and substance reasonably acceptable to the Company, notifying each of the Existing Loan Lenders of this Agreement and the contemplated Merger. At Parent's election, the Existing Loan Notice with respect to one or more of the Existing Loan Lenders may include a request for a consent, in form and substance reasonably acceptable to the Company (an "Existing Loan Consent"), to (i) the consummation of the Merger and the other transactions contemplated by this Agreement, and (ii) certain modifications of (or waivers under or other changes to) any agreement or documentation relating to the Company's or its Subsidiaries', as applicable, relationship with such Existing Loan Lender; provided, however, that no such modifications, waivers or changes shall be effective prior to the Effective Time.

(e) Parent and Merger Sub acknowledge and agree that the obtaining of any Existing Loan Consent is not a condition to the Closing.

SECTION 5.10. Rule 16b-3. Prior to the Effective Time, each of the Company and Parent shall take such steps as may be reasonably necessary or advisable to cause (a) any dispositions of Company equity securities (including derivative securities) pursuant to the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act and (b) any acquisitions of Parent equity securities (including derivative securities) pursuant to the transactions contemplated by this Agreement by each individual who may become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent to be exempt under Rule 16b-3 promulgated under the Exchange Act.

SECTION 5.11. Parent Consent. Within twenty-four (24) hours after the execution of this Agreement, Parent shall execute and deliver, in accordance with Chapter 11 of the SCBCA and in its capacity as the sole shareholder of Merger Sub, a written consent approving this Agreement.

SECTION 5.12. Merger Sub and Surviving Corporation Compliance. Parent shall cause Merger Sub or the Surviving Corporation, as applicable, to comply with all of its respective obligations under this Agreement, and prior to the Effective Time, Merger Sub shall not engage in any activities of any nature except as provided in or in furtherance of, or contemplated by this Agreement.

SECTION 5.13. Takeover Statutes. If any Takeover Statute is or may become applicable to the Merger or the other transactions contemplated by this Agreement, Parent, Merger Sub, the Company and the Company Board shall use reasonable best efforts to take such actions as are necessary so that such transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise act to eliminate or minimize the effects of such Takeover Statute on such transactions.

SECTION 5.14. Control of Operations. Without limiting any party's rights or obligations under this Agreement, the parties hereto understand and agree that (a) nothing contained in this Agreement will give any party hereto, directly or indirectly, the right to control, direct or influence any other party's operations prior to the Effective Time and (b) prior to the Effective Time, each party will exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations.

SECTION 5.15. Resignation of Directors. The Company will cause each of the directors of the Company to submit at the Closing a letter of resignation in form reasonably satisfactory to Parent and effective as of the Effective Time. Notwithstanding the foregoing, the Company will not be in breach of this Section 5.15 if it fails to obtain the resignation of any such director if Parent will have the power, directly or indirectly, to remove any such Person from his or her position as a director of the Company without cause immediately after the Effective Time with no liability in excess of \$500,000 in the aggregate.

SECTION 5.16. Additional Matters. Parent hereby confirms that, subject to the occurrence of the Effective Time, it:

(a) intends to maintain South Carolina Electric & Gas Company's corporate headquarters in Cayce, South Carolina;

(b) will make a good faith commitment to give the employees of the Company and its Subsidiaries due and fair consideration for other employment and promotion opportunities within the larger Parent organization, both inside and outside of South Carolina, to the extent any employment positions are re-aligned, reduced or eliminated in the future as a result of the Merger;

(c) intends that Parent's board of directors will take all necessary action as soon as practical after the Effective Time to appoint a mutually agreeable current member of the Company Board or the Company's executive management as a director to serve on Parent's board of directors; and

(d) intends to increase the Company's historic level of corporate contributions to charities identified by the Company's leadership by \$1,000,000.00 per year for at least five (5) years after the Effective Time and to maintain or increase historic levels of community involvement, low income funding and economic development efforts in the Company's current operating area.

SECTION 5.17. Shareholder Litigation. The Company shall advise Parent promptly in writing of any Proceeding brought by a holder of Company Shares or any other Person against the Company or its directors or officers arising out of or relating to this Agreement or the transactions

contemplated by this Agreement (the “Shareholder Litigation”) and shall keep Parent reasonably informed regarding any such matter. The Company shall not settle any such shareholder litigation without Parent’s consent, not to be unreasonably withheld or delayed.

SECTION 5.18. Advice of Changes. Each of Parent and the Company will, to the extent not in violation of applicable Law, promptly advise the other of any Change of which it has Knowledge, (a) having or reasonably likely to have, individually or in the aggregate, a Parent Material Adverse Effect or a Company Material Adverse Effect, as the case may be, or (b) that would or would be reasonably likely to cause or constitute a material breach of any of its representations, warranties or covenants contained in this Agreement; provided, however, that (i) no such notification will operate as a waiver of or otherwise affect the representations, warranties or covenants of the parties or the conditions to the obligations of the parties under this Agreement, (ii) the delivery of any notice pursuant to this Section 5.18 shall not limit or otherwise affect the remedies available under this Agreement to the party receiving such notice and (iii) a failure to comply with this Section 5.18 shall not constitute the failure of any condition set forth in Article VI.

SECTION 5.19. Certain Tax Matters.

(a) Each of the parties shall use its reasonable best efforts to cause the Merger to qualify for the Intended Tax Treatment. None of the parties shall (and each of the parties shall cause their respective Subsidiaries not to) take any action (or fail to take any action) if taking (or failing to take) such action could reasonably be expected to cause the Merger to fail to qualify for the Intended Tax Treatment. The parties shall consider in good faith such amendments to this Agreement as may be reasonably required to cause the Merger to qualify for the Intended Tax Treatment.

(b) Each of the parties shall use its reasonable best efforts to obtain the Tax opinions to be attached as exhibits to the Proxy Statement/Prospectus and the Form S-4, including by (i) delivering to Morgan, Lewis & Bockius LLP and Mayer Brown LLP, prior to the filing of the Proxy Statement/Prospectus and the Form S-4, Tax representation letters in substantially the forms set forth in Section 5.19(b) of the Parent Disclosure Letter and Section 5.19(b) of the Company Disclosure Letter, respectively, and (ii) delivering to Morgan, Lewis & Bockius LLP and Mayer Brown LLP, dated and executed as of the Closing Date, Tax representation letters in substantially the forms set forth in Section 5.19(b) of the Parent Disclosure Letter and Section 5.19(b) of the Company Disclosure Letter, respectively. Each of the parties shall use its reasonable best efforts not to, and not permit any of its Affiliates to, take or cause to be taken any action that would cause to be untrue (or fail to take or cause not to be taken any action which inaction would cause to be untrue) any of the representations, warranties and covenants made to counsel in the Tax representation letters described in this Section 5.19(b).

(c) This Agreement is intended to constitute, and the parties hereto adopt this Agreement as, a “plan of reorganization” for purposes of Sections 354, 361 and 368 of the Code. The parties shall treat the Merger as a “reorganization” within the meaning of Section 368(a) of the Code for United States federal, state and other relevant Tax purposes.

**ARTICLE VI**

**CONDITIONS**

SECTION 6.01. Conditions to Each Party’s Obligation to Effect the Merger. The respective obligation of each party hereto to effect the Merger is subject to the satisfaction or (to the extent permitted by Law) waiver at or prior to the Closing of each of the following conditions:



(a) Shareholder Approval. This Agreement shall have been duly approved by holders of Company Shares constituting the Company Requisite Vote;

(b) Orders. No Governmental Entity of competent jurisdiction shall have enacted, entered, promulgated or enforced any Law, executive order, ruling, judgment, injunction or other order (collectively, “Orders”) that is in effect and restrains, enjoins, prevents or otherwise prohibits the consummation of the Merger or makes the consummation of the Merger illegal;

(c) Regulatory Conditions. Each of the conditions set forth in Section 6.01(c) of the Company Disclosure Letter with respect to the Consents described therein (the “Regulatory Conditions”) shall have been satisfied;

(d) Approval of SCPSC Petition. The issuance by the SCPSC of an Order approving the SCPSC Petition (other than the request for the SCPSC to take the actions contemplated by Section 6.02(g), which actions are addressed in Section 6.02(g)), unless otherwise consented to by Parent in its sole discretion, without any (i) material changes to the proposed terms, conditions, or undertakings set forth in Section 3 of the key terms summarized in Appendix A attached to this Agreement and incorporated in the SCPSC Petition or (ii) a significant change to the economic value of proposed terms set forth in Section 3 of the key terms summarized in Appendix A attached to this Agreement and incorporated in the SCPSC Petition, in each case as reasonably determined by Parent in good faith (the “SCPSC Petition Approval”) (it being understood and agreed that the condition set forth in this Section 6.01(d) shall be satisfied upon the issuance of such Order by the SCPSC without regard to any rehearing or appeals process (including the filing of any motion for reconsideration or petition for judicial review), or other judicial or administrative process, subsequent to the initial issuance of such Order);

(e) Listing. The Parent Shares to be issued in connection with the transactions contemplated by this Agreement shall have been approved for listing on the NYSE, subject to official notice of issuance; and

(f) Form S-4. The Form S-4 shall have been declared effective under the Securities Act and shall not be subject to any stop order or Proceeding seeking a stop order.

SECTION 6.02. Additional Conditions to Obligations of Parent and Merger Sub. The obligations of Parent and Merger Sub to effect the Merger are further subject to the satisfaction or (to the extent permitted by Law) waiver at or prior to the Closing of each of the following conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties of the Company set forth in Section 3.01 (except for those contained in Section 3.01(c), Section 3.01(d)(i), Section 3.01(f)(i), Section 3.01(r) and Section 3.01(s)) shall be true and correct in all respects (disregarding all qualifications or limitations as to “materiality”, “Company Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), except where the failure of such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (ii) each of the representations and warranties of the Company set forth in Section 3.01(c) shall be true and correct in all respects (except for de minimis inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or

warranty shall be true and correct only as of such specified date), (iii) each of the representations and warranties of the Company set forth in Section 3.01(d)(i) and Section 3.01(s) shall be true and correct in all material respects (disregarding all qualifications or limitations as to “materiality”, “Company Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date) and (iv) each of the representations and warranties of the Company set forth in Section 3.01(f)(i) and Section 3.01(r) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date);

(b) Performance of Obligations of the Company. The Company shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date;

(c) Certificate. Parent shall have received a certificate of the Chief Executive Officer or the Chief Financial Officer of the Company, certifying that the conditions set forth in Section 6.02(a) and Section 6.02(b) have been satisfied;

(d) Absence of Burdensome Condition. No Regulatory Clearance, other approval of a Governmental Entity or other Consent, in each case in connection with the Merger, or Order related to any of the foregoing, shall impose or require any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions, or any structural or remedial actions (including a Remedial Action), that constitute a Burdensome Condition;

(e) No MAE. Since the date of this Agreement, there shall not have occurred any Change or Changes that have or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect;

(f) No Actions Affecting SCPSC Petition. No Governmental Entity of competent jurisdiction shall have enacted any Order and no Change in Law (including no Change to the BLRA or the South Carolina Public Utility Laws) shall have been enacted, in each case which imposes any condition that would reasonably be expected to result in a (i) material change to the proposed terms, conditions, or undertakings set forth in the SCPSC Petition or (ii) a significant change to the economic value of the proposed terms set forth in the SCPSC Petition, in each case as reasonably determined by Parent in good faith;

(g) SCPSC Determination. The SCPSC shall have (i) approved the Merger with no material Changes to the terms of the Merger, (ii) made a finding that the Merger is in the public interest or (iii) made a finding that there is an absence of harm to South Carolina rate payers as a result of the Merger; and

(h) No Change in Law. Since the date of this Agreement, there shall not have occurred any (i) substantive Change in any applicable Law or any Order with respect to the BLRA, as in effect on the date of this Agreement, which has or would reasonably be expected to have an adverse effect on the Company or any of its Subsidiaries or (ii) substantive Change in any applicable Law or any Order with respect to any other South Carolina Public Utility Law, as in effect as of the date of this Agreement, which has or would reasonably be expected to have an adverse effect on the Company or any of its Subsidiaries (such Changes as set forth in (i) and (ii), the “SC Law Changes”).

SECTION 6.03. Additional Conditions to Obligation of the Company. The obligation of the Company to effect the Merger is further subject to the satisfaction or (to the extent permitted by Law) waiver on or prior to the Closing of the following conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02 (except for those contained in Section 3.02(c), Section 3.02(d)(i), Section 3.02(f)(i), Section 3.02(k) and Section 3.02(l)) shall be true and correct in all respects (disregarding all qualifications or limitations as to “materiality”, “Parent Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), except where the failure of such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (ii) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(c) shall be true and correct in all respects (except for de minimis inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), (iii) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(d)(i) and Section 3.02(l) shall be true and correct in all material respects (disregarding all qualifications or limitations as to “materiality”, “Parent Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date) and (iv) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(f)(i) and Section 3.02(k) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date);

(b) Performance of Obligations of Parent and Merger Sub. Each of Parent and Merger Sub shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date; and

(c) Certificate. The Company shall have received a certificate of the Chief Executive Officer or the Chief Financial Officer of Parent, certifying that the conditions set forth in Section 6.03(a) and Section 6.03(b) have been satisfied.

SECTION 6.04. Frustration of Closing Conditions. None of the Company, Parent or Merger Sub may rely on the failure of any condition set forth in Section 6.01, Section 6.02 or Section 6.03, as the case may be, to be satisfied if such failure was primarily caused by such party’s breach of this Agreement.

## ARTICLE VII

### TERMINATION

SECTION 7.01. Termination. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after (except as set forth below) the Company Requisite Vote is obtained:

(a) by mutual written consent of Parent and the Company;

(b) by either Parent or the Company:

(i) if the Merger shall not have been consummated on or before January 2, 2019 (the “Termination Date”); provided, however, that if any condition set forth in Section 6.01(b), Section 6.01(c) or Section 6.01(d) shall not have been satisfied at such time, the Termination Date shall automatically be extended to (and shall thereafter be deemed to be), without any action on the part of any party hereto, April 2, 2019; provided, further, that the right to terminate this Agreement pursuant to this Section 7.01(b)(i) shall not be available to any party if such party (or, in the case of Parent, Merger Sub) has breached its obligations under this Agreement in any manner that shall have been the principal cause of or resulted in the failure of a condition to any party’s obligation to effect the Merger;

(ii) if at the Shareholders Meeting (or any adjournment or postponement thereof done in accordance with this Agreement), the Company Requisite Vote shall not have been obtained; or

(iii) if any Order permanently restraining, enjoining, preventing or otherwise prohibiting consummation of the Merger shall have become final and non-appealable; provided, however, that a party may not terminate this Agreement pursuant to this Section 7.01(b)(iii) if such party (or, in the case of Parent, Merger Sub) has breached its obligations under this Agreement in a manner that shall have been the principal cause of such Order;

(c) by the Company:

(i) if the Company Board has effected a Company Adverse Recommendation Change with respect to a Superior Proposal in accordance with Section 4.02(f) and shall have approved, and concurrently with the termination hereunder the Company shall have entered into, an Alternative Acquisition Agreement with respect to a Superior Proposal; provided, however, that such termination shall not be effective and the Company shall not enter into an Alternative Acquisition Agreement, unless (A) the Company shall have complied with the provisions of Section 4.02(f) and (B) the Company has paid the Company Termination Fee to Parent; provided, further, that the right to terminate this Agreement under this Section 7.01(c)(i) shall not be available after the Company Requisite Vote shall have been obtained; or

(ii) if Parent or Merger Sub shall have breached any of their respective representations or warranties or failed to perform any of their respective covenants or other agreements contained in this Agreement, where such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.03(a) or Section 6.03(b) and (B) cannot be cured by Parent or Merger Sub by the Termination Date, or if capable of being cured, is not cured prior to the earlier of (1) the thirtieth (30<sup>th</sup>) day after written notice thereof is given by the Company to Parent and (2) the third (3<sup>rd</sup>) Business Day immediately preceding the Termination Date; provided, however, that the Company shall not have the right to terminate this Agreement pursuant to this Section 7.01(c)(ii) if the Company is then in material breach of this Agreement;

(d) by Parent:

(i) if the Company Board (or a committee thereof) shall have effected a Company Adverse Recommendation Change; provided, however, that the right to terminate under this

Section 7.01(d)(i) shall not be available after the Company Requisite Vote shall have been obtained; or

(ii) if the Company shall have breached any of its representations or warranties or failed to perform any of its covenants or other agreements contained in this Agreement, where such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.02(a) or Section 6.02(b) and (B) cannot be cured by Company by the Termination Date, or if capable of being cured, is not cured prior to the earlier of (1) the thirtieth (30<sup>th</sup>) day after written notice thereof is given by Parent to the Company and (2) the third (3<sup>rd</sup>) Business Day immediately preceding the Termination Date; provided, however, that Parent shall not have the right to terminate this Agreement pursuant to this Section 7.01(d)(ii) if either Parent or Merger Sub is then in material breach of this Agreement.

SECTION 7.02. Effect of Termination and Abandonment.

(a) Except as provided in Section 7.02(b), in the event of termination of this Agreement and the abandonment of the Merger pursuant to this Article VII, this Agreement shall forthwith become void and of no effect and there shall be no liability or obligation on the part of any party hereto (or of any of its Representatives or Affiliates), except as provided in the last sentence of Section 5.02(c), Section 5.03(b), Section 5.07, Section 5.09(c), this Section 7.02 and Article VIII, which provisions shall survive such termination; provided, however, that subject to Section 7.02(b), Section 7.02(c), and Section 7.02(d), no such termination shall relieve any party hereto (treating Parent and Merger Sub as one party) of any liability for damages to any other party hereto resulting from any Willful Breach by the party (treating Parent and Merger Sub as one party) committing such Willful Breach prior to such termination, and the aggrieved party will be entitled to all rights and remedies available at law or in equity. The parties hereto acknowledge and agree that nothing in this Section 7.02 shall be deemed to affect their right to specific performance under Section 8.12.

(b) The Company shall pay or cause to be paid to Parent or its designee a non-refundable fee of \$240,000,000 (the "Company Termination Fee") if:

(i) this Agreement is terminated by the Company pursuant to Section 7.01(c)(i);

(ii) (A) this Agreement is terminated (1) by Parent or the Company pursuant to Section 7.01(b)(i) or Section 7.01(b)(ii), or (2) by Parent pursuant to Section 7.01(d)(ii), (B) a bona fide Acquisition Proposal shall have been publicly announced or publicly disclosed and not have been withdrawn (1) in the case of a termination pursuant to Section 7.01(b)(i) or Section 7.01(d)(ii), prior to the date of such termination, and (2) in the case of a termination pursuant to Section 7.01(b)(ii), prior to the Shareholders Meeting, and (C) thereafter during the twelve (12) month period immediately following such termination, (1) the Company enters into an Alternative Acquisition Agreement or (2) an Acquisition Proposal is consummated; or

(iii) this Agreement is terminated by Parent pursuant to Section 7.01(d)(i);

If the Company Termination Fee becomes due pursuant to this Section 7.02(b), the Company shall pay Parent or its designee such Company Termination Fee by wire transfer of immediately available funds (x) in the case of a payment required by Section 7.02(b)(i), on the date of termination of this Agreement, (y) in the case of a payment required by Section 7.02(b)(ii), within two (2) Business Days after the earlier of the time when an Acquisition Proposal is consummated or an Alternative Acquisition Agreement is executed and (z) in the case of a payment required by Section 7.02(b)(iii), within two (2) Business Days of the date of termination of this Agreement, it being understood that in no event shall the Company be

required to pay the Company Termination Fee on more than one occasion. Parent shall provide to the Company notice designating an account for purposes of payment of the Company Termination Fee within forty-eight (48) hours of a request by the Company to provide such information. For purposes of Section 7.02(b)(ii), the term “Acquisition Proposal” shall have the meaning assigned to such term in Exhibit A, except that all references to 15% therein shall be deemed to be references to 50%.

(c) Parent shall pay or cause to be paid to the Company or its designee a non-refundable fee of \$280,000,000 (the “Parent Termination Fee”) if:

(i) this Agreement is terminated by Parent or the Company pursuant to Section 7.01(b)(i) and, at the time of any such termination (A) the condition set forth in Section 6.02(d) shall not have been satisfied or waived with respect to one or more Regulatory Conditions and (B) the conditions set forth in Section 6.01(a), Section 6.01(b) – (d) (unless such condition was not satisfied solely due to the proposal of a Burdensome Condition to which Parent has not agreed), Section 6.01(f), Section 6.02(a), Section 6.02(b) and Section 6.02(e) shall have been satisfied or waived (except for any such conditions that have not been satisfied as a result of a breach by Parent or Merger Sub of any of their respective obligations under this Agreement);

(ii) this Agreement is terminated by Parent or the Company pursuant to Section 7.01(b)(iii) and, at the time of any such termination (A) the condition set forth in Section 6.02(d) shall not have been satisfied or waived with respect to one or more Regulatory Conditions and (B) the conditions set forth in Section 6.01(a), Section 6.01(b) – (d) (unless such condition was not satisfied solely due to the proposal of a Burdensome Condition to which Parent has not agreed), Section 6.01(f), Section 6.02(a), Section 6.02(b) and Section 6.02(e) shall have been satisfied or waived (except for any such conditions that have not been satisfied as a result of a breach by Parent or Merger Sub of any of their respective obligations under this Agreement); or

(iii) this Agreement is terminated by the Company pursuant to Section 7.01(c)(ii) due to a material breach by Parent or Merger Sub of its obligations under Section 5.02 which breach has caused the failure of a condition set forth in Section 6.01(b), Section 6.01(c), Section 6.01(d), Section 6.02(d), Section 6.02(f), Section 6.02(g) or Section 6.02(h) to be satisfied.

If the Parent Termination Fee becomes due pursuant to this Section 7.02(c), Parent shall pay the Company or its designee the Parent Termination Fee by wire transfer of immediately available funds within two (2) Business Days of the date of termination of this Agreement, it being understood that in no event shall Parent be required to pay the Parent Termination Fee on more than one occasion. The Company shall provide to Parent notice designating an account for purposes of payment of the Parent Termination Fee within forty-eight (48) hours of a request by Parent to provide such information.

(d) Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated under circumstances in which the Company is required to pay the Company Termination Fee pursuant to Section 7.02(b) and the Company Termination Fee is paid, the payment of the Company Termination Fee shall be Parent’s and Merger Sub’s sole and exclusive remedy against the Company and its Affiliates, and their respective shareholders and Representatives, relating to or arising out of this Agreement, any agreement entered into in connection herewith or the transactions contemplated by this Agreement or thereby. Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated under circumstances in which Parent is required to pay the Parent Termination Fee pursuant to Section 7.02(c) and the Parent Termination Fee is paid, the payment of the Parent Termination Fee shall be the Company’s sole and exclusive remedy against Parent, Merger Sub and their respective Affiliates, and their respective shareholders and Representatives,

relating to or arising out of this Agreement, any agreement entered into in connection herewith or the transactions contemplated by this Agreement or thereby.

(e) Each party acknowledges that the agreements contained in Section 7.02(b) and Section 7.02(c) are an integral part of the transactions contemplated by this Agreement and that, without these agreements, such party would not enter into this Agreement. Accordingly, if the applicable party fails promptly to pay any amount due pursuant to Section 7.02(b) or Section 7.02(c), such party shall also pay any reasonable out-of-pocket costs, fees and expenses incurred by the other party (including reasonable legal fees and expenses) in connection with a Proceeding to enforce this Agreement that results in a final non-appealable Order for such amount against the party failing to promptly pay such amount. Any amount not paid when due pursuant to Section 7.02(b) or Section 7.02(c) shall bear interest from the date such amount is due until the date paid at a rate equal to the prime rate as published in *The Wall Street Journal, Eastern Edition*, in effect on the date of such payment.

## ARTICLE VIII

### MISCELLANEOUS

SECTION 8.01. Non-Survival. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement, including any rights arising out of any breach of such representations, warranties, covenants and agreements, shall survive the Effective Time, except for (a) those covenants and agreements contained herein that by their terms apply or are to be performed in whole or in part after the Effective Time and (b) those contained in this Article VIII.

SECTION 8.02. Modification or Amendment. Subject to the requirements of applicable Law, at any time prior to the Effective Time, the parties hereto (in the case of the Company or Merger Sub, by action of their respective boards of directors to the extent required by Law) may modify or amend this Agreement by written agreement, executed and delivered by duly authorized officers of the respective parties. No modification or amendment will be made which, pursuant to applicable Law or the rules of the NYSE, requires further approval by the holders of Company Shares or the holders of the Parent Shares, as applicable, without such further approval being obtained.

SECTION 8.03. Waiver. Subject to the requirements of applicable Law, at any time prior to the Effective Time, any party hereto may (a) extend the time for the performance of any of the obligations or other acts of the other parties, (b) waive any inaccuracies in the representations and warranties of the other parties contained herein or in any document delivered pursuant hereto, or (c) waive compliance by the other parties with any of the agreements or conditions contained herein; provided, however, that neither Parent nor Merger Sub may perform any of the actions set forth in the foregoing clauses (a), (b) or (c) with respect to Merger Sub or Parent, respectively. No extension or waiver will be made which, pursuant to applicable Law or the rules of the NYSE, requires further approval by the holders of Company Shares or the holders of the Parent Shares, as applicable, without such further approval being obtained. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party or parties to be bound thereby and specifically referencing this Agreement. The failure of any party hereto to assert any rights or remedies shall not constitute a waiver of such rights or remedies.

SECTION 8.04. No Other Representations or Warranties.

(a) Except for the representations and warranties set forth in Section 3.01, each of Parent and Merger Sub acknowledges and agrees that (i) none of the Company, its Subsidiaries or any other Person makes any other express or implied representation or warranty in connection with the transactions contemplated by this Agreement, (ii) it has relied solely on the representations and warranties of the Company expressly set forth in Section 3.01 and (iii) it has not been induced to enter into this Agreement by any representation, warranty or statement of or by the Company, any of its Subsidiaries or any other Person.

(b) Except for the representations and warranties set forth in Section 3.02, the Company acknowledges and agrees that (i) none of Parent, Merger Sub, any of Parent's other Subsidiaries or any other Person makes any other express or implied representation or warranty in connection with the transactions contemplated by this Agreement, (ii) it has relied solely on the representations and warranties of Parent and Merger Sub expressly set forth Section 3.02 and (iii) it has not been induced to enter into this Agreement by any representation, warranty or statement of or by Parent, Merger Sub, any of the other Subsidiaries of Parent or any other Person.

**SECTION 8.05. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed given if delivered personally, faxed (with confirmation), electronically mailed in portable document format (PDF) (with confirmation) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

if to Parent or Merger Sub, to:

Dominion Energy, Inc.  
120 Tredegar Street  
Richmond, Virginia 23219  
Fax No.: (804) 819-2233  
Attention: Mark O. Webb, Senior Vice President – Corporate Affairs and  
Chief Legal Officer  
Carlos M. Brown, Vice President and General Counsel  
Email: mark.webb@dominionenergy.com  
carlos.m.brown@dominionenergy.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP  
Gateway Plaza  
800 East Canal Street  
Richmond, Virginia 23219  
Fax No.: (804) 698-2090  
Attention: Joanne Katsantonis  
John L. Hughes, Jr.  
Email: jkatsantonis@mcguirewoods.com  
jhughes@mcguirewoods.com

if to the Company, to:

SCANA Corporation  
220 Operation Way, Mail Code D-308  
Cayce, South Carolina 29033



Fax No.: (803) 933-7676  
Attention: Jim Stuckey, Senior Vice President and General Counsel  
Email: jim.stuckey@scana.com

with a copy to (which shall not constitute notice):

Mayer Brown LLP  
71 South Wacker Drive  
Chicago, Illinois 60606  
Fax No.: (312) 706-8183  
Attention: Frederick B. Thomas  
William R. Kucera  
Email: fthomas@mayerbrown.com  
wkucera@mayerbrown.com

SECTION 8.06. Definitions. Capitalized terms used in this Agreement have the meanings specified in Exhibit A.

SECTION 8.07. Interpretation.

(a) When a reference is made in this Agreement to an Article, a Section, an Appendix or an Exhibit, such reference shall be to an Article or a Section of, or an Appendix or an Exhibit to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “or” when used in this Agreement is not exclusive.

(c) When a reference is made in this Agreement, the Company Disclosure Letter or the Parent Disclosure Letter to information or documents being “provided”, “made available” or “disclosed” by a party hereto to another party or its Affiliates, such information or documents shall include any information or documents (i) included in the SEC Reports of such disclosing party which are publicly available at least twenty-four (24) hours prior to the date of this Agreement, (ii) furnished prior to the execution of this Agreement in the electronic “data room” maintained by such disclosing party and to which access has been granted to the other party and its Representatives at least twenty-four (24) hours prior to the date of this Agreement, or (iii) otherwise provided in writing (including electronically) to the other party or any of its Affiliates or Representatives at least twenty-four (24) hours prior to the date of this Agreement.

(d) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term.

(e) Any agreement, instrument or statute defined or referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by

succession of comparable successor statutes, and all attachments thereto and instruments incorporated therein.

(f) References to a Person are also to its permitted successors and permitted assigns.

(g) Where this Agreement states that a party “shall”, “will” or “must” perform in some manner, it means that the party is legally obligated to do so under this Agreement.

(h) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, (i) the date that is the reference date in calculating such period shall be excluded and (ii) if the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day.

(i) Unless otherwise specifically indicated, any reference herein to \$ means U.S. dollars.

(j) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

**SECTION 8.08. Counterparts.** This Agreement may be executed in one or more counterparts (including by facsimile or by attachment to electronic mail in portable document format (PDF)), and by the different parties hereto in separate counterparts, each of which when executed shall be deemed an original but all of which taken together shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto.

**SECTION 8.09. Parties in Interest.** This Agreement shall be binding upon and inure solely to the benefit of the parties hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement, other than (a) after the Effective Time, with respect to the provisions of Section 5.08 which shall inure to the benefit of the Indemnified Parties who are intended to be third-party beneficiaries thereof, (b) after the Effective Time, the rights of the holders of Company Shares to receive the Merger Consideration in accordance with the terms and conditions of this Agreement, and (c) after the Effective Time, the rights of the holders of Company Performance Share Awards, Company RSUs and Company Deferred Units to receive the payments contemplated by the applicable provisions of Section 2.02, in each case, in accordance with the terms and conditions of this Agreement. The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of such parties. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 8.03 without notice or liability to any other Person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, Persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

**SECTION 8.10. Governing Law.** This Agreement shall be governed by, and construed in accordance with, the internal Laws and judicial decisions of the State of Delaware applicable to agreements executed and performed entirely within such State, regardless of the Law that might otherwise govern under applicable principles of conflicts of law thereof, except that matters related to the

obligations of the Company Board under the SCBCA and matters that are specifically required by the SCBCA in connection with the transactions contemplated by this Agreement shall be governed by the laws of the State of South Carolina.

SECTION 8.11. Entire Agreement; Assignment. This Agreement (including the Appendices and Exhibits hereto, the Company Disclosure Letter and the Parent Disclosure Letter) and the Confidentiality Agreement constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of the other parties hereto. Any purported assignment in contravention of this Agreement is and shall be null and void. Subject to the immediately preceding two sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

SECTION 8.12. Specific Enforcement; Consent to Jurisdiction.

(a) The parties hereto agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any of the parties hereto do not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder in order to consummate the transactions contemplated by this Agreement) in accordance with its specified terms or otherwise breach such provisions. The parties hereto acknowledge and agree that each party hereto shall be entitled to seek an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which it is entitled at law or in equity. Each of the parties hereto further agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (A) the other party has an adequate remedy at law or (B) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party hereto seeking an Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such Order.

(b) Each of the parties hereto irrevocably (i) submits itself to the personal jurisdiction of the federal courts located in the State of Delaware and any appellate court therefrom, in connection with any claim or matter directly or indirectly based upon, arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement or the actions of Parent, Merger Sub or the Company in the negotiation, administration, performance and enforcement of this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the federal courts located in the State of Delaware and (iv) agrees that the service of any process, summons, notice or document through the notice procedures set forth in Section 8.05 or by U.S. registered mail to the respective addresses set forth in Section 8.05 shall be effective service of process for any Proceeding in connection with this Agreement or the transactions contemplated by this Agreement. Each party hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any Proceeding with respect to this Agreement, any claim that (A) it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve process in accordance with this Section 8.12(b), (B) it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), (C) the Proceeding in any such court is brought in an inconvenient

forum, (D) the venue of such Proceeding is improper, or (E) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Furthermore, each of the Company, Parent and Merger Sub irrevocably waives, to the fullest extent permitted by applicable Law, the benefit of any defense that would hinder, fetter or delay the levy, execution or collection of any amount to which any party is entitled pursuant to the final judgment of any court having jurisdiction. Each party hereto expressly acknowledges that the foregoing waiver is intended to be irrevocable under the Law of the State of Delaware and of the United States of America; provided, however, that each such party's consent to jurisdiction and service contained in this Section 8.12 is solely for the purpose referred to in this Section 8.12 and shall not be deemed to be a general submission to said courts or to courts in the State of Delaware other than for such purpose.

**SECTION 8.13. WAIVER OF JURY TRIAL.** EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) DIRECTLY OR INDIRECTLY BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF PARENT, MERGER SUB OR THE COMPANY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 8.13.

**SECTION 8.14. Severability.** If any term or other provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the fullest extent possible.

**SECTION 8.15. Transfer Taxes.** All transfer, documentary, sales, use, stamp, registration and other Taxes and fees (including penalties and interest) incurred in connection with the Merger shall be paid by Parent and Merger Sub when due.


**SECTION 8.16. Disclosure Letters.** Certain items and matters are listed in the Company Disclosure Letter and the Parent Disclosure Letter for informational purposes only and may not be required to be listed therein by the terms of this Agreement. In no event shall the listing of items or matters in the Company Disclosure Letter or the Parent Disclosure Letter be deemed or interpreted to broaden, or otherwise expand the scope of, the representations and warranties or covenants and agreements contained in this Agreement. No reference to, or disclosure of, any item or matter in any Section of this Agreement or any section or subsection of the Company Disclosure Letter or the Parent Disclosure Letter shall be construed as an admission or indication that such item or matter is material or that such item or matter is required to be referred to or disclosed in this Agreement or in the Company

Disclosure Letter or the Parent Disclosure Letter, as applicable. Without limiting the foregoing, no reference to, or disclosure of, a possible breach or violation of any Contract or Law in the Company Disclosure Letter or the Parent Disclosure Letter shall be construed as an admission or indication that a breach or violation exists or has actually occurred. Each section or subsection of the Company Disclosure Letter and the Parent Disclosure Letter, as the case may be, shall be deemed to qualify the corresponding section or subsection of this Agreement, irrespective of whether or not any particular section or subsection of this Agreement specifically refers to the Company Disclosure Letter or the Parent Disclosure Letter, as the case may be.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the Company, Parent and Merger Sub have caused this Agreement to be signed by their respective officers thereunto duly authorized, all as of the date first written above.

SCANA CORPORATION

By:   
Name: Jimmy E. Addison  
Title: Chief Executive Officer

DOMINION ENERGY, INC.

By: 

Name: Thomas F. Farrell, II

Title: President and Chief Executive Officer

SEDONA CORP.

By: 

Name: Mark F. McGettrick

Title: President

**APPENDIX A**

**SCPSC PETITION**

1. To meet commitments made by South Carolina Electric & Gas Company to the SCPSC, South Carolina Electric & Gas Company and Parent will jointly file the Petition on or before January 12, 2018.
2. The Petition will seek a ruling from the SCPSC (i) approving the Merger with no material changes to the terms of the Merger; (ii) making a finding that the Merger is in the public interest; or (iii) making a finding that there is an absence of harm to South Carolina rate payers as a result of the Merger.
3. The Petition will acknowledge that the Merger can only close if the SCPSC approves the jointly proposed NND Project cost recovery plan, with (x) no material change to the terms, conditions or undertakings set forth in the plan and (y) no significant change to the economic value of the plan, in each case as reasonably determined by Parent in good faith (except in each case unless otherwise consented to by Parent in its sole discretion), which shall include the following terms:
  - a. There will be an aggregate up-front, one-time rate credit totaling \$1.3 billion<sup>1</sup> to all current South Carolina Electric & Gas Company electric customers as of the date of Merger close. The rate credit will be apportioned to all retail electric customer classes based on their 2016 contribution to summer adjusted peak demand as prepared by South Carolina Electric & Gas Company. After the dollar apportionment per customer class and rate schedule is determined on this basis, a rate per kilowatt hour (\$/kWh) will be derived by customer class and rate schedule by dividing the total kWh sales of electricity by customer class and rate schedule over a preceding 12-month period (the “Base Period”) into the apportioned funding amount. The \$/kWh rate will then be applied to each customer’s kWh usage over the Base Period to determine the customer’s up-front rate credit amount. The rate credit will be issued to eligible customers in the form of a check issued within 90 days of Merger close. Eligible customers shall be South Carolina Electric & Gas Company retail electric customers as of record on the date of the close of the Merger.
  - b. South Carolina Electric & Gas Company will immediately upon Merger closing write down its investment in construction work in progress associated with the new nuclear development project by approximately \$1.4 billion, which amount includes approximately \$1.2 billion in assets that have not previously been subject to consideration in setting revised rates and approximately \$200 million that have been so considered. The amounts written down would be permanently excluded from consideration in establishing retail electric rates going forward.
  - c. South Carolina Electric & Gas Company will not seek recovery of the approximately \$320 million in regulatory assets associated with the following items:
    - i. The approximately \$173 million regulatory asset associated with interest rate swap losses related to the debt that was not issued for the NND Project;

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<sup>1</sup> The net proceeds of the Toshiba settlement were utilized by South Carolina Gas & Electric Company to repay indebtedness in 2017, and therefore those funds are unavailable for refund. A portion of the one time rate credit will be funded through issuance of debt and defeasement of the regulatory liability associated with the Toshiba settlement.



- ii. The approximately \$66 million regulatory asset associated with the NND Project Equity AFUDC;
  - iii. The approximately \$52 million regulatory asset associated with the carrying costs on deferred tax assets related to nuclear construction; and
  - iv. The regulatory asset associated with foregone domestic production activities deductions will be written off and not be recovered from customers. The net regulatory asset associated with research and experimentation credit claims, interest, and legal costs expected to be incurred in defending these claims, will be borne by the shareholders and not returned to or collected from customers.
- d. Parent will underwrite an approximately \$575 million refund for amounts previously collected under the NND Project (regulatory liability) which is estimated to provide the 3.5% retail electric rate decrease from the 2017 rate level until accumulated amortization of the cost of abandoned plant lowers South Carolina Electric & Gas Company's revenue requirements. The refund amount is calculated to be sufficient to support the 3.5% retail electric rate reduction for approximately eight (8) years following the closing of the Merger. This amount of time is estimated to be sufficient to avoid a future retail electric rate increase resulting from new nuclear project costs when the refund amount is exhausted.
- e. Parent will reduce retail electric rates further to reflect the impact of federal tax reform passed in December of 2017 which is estimated to lower rates an additional amount resulting in a total estimated rate reduction of approximately 5%.
- f. An SCPSC finding, as necessary, that South Carolina Electric & Gas Company's investment in construction work in progress for new nuclear project in the amount of approximately \$3.3 billion, which reflects the amount of that investment net of write-downs and offsets, was prudent; and that the capital costs and amortization of that \$3.3 billion may be recovered through retail electric rates.
- g. An SCPSC order directing that:
- i. The approximately \$3.3 billion of invested capital for the new nuclear development project shall be included in a regulatory asset and recovered through rates over a 20-year amortization and recovery period that is reflected in retail electric revenue requirements without offset or disallowance until the regulatory asset is fully recovered; and
  - ii. Until the balance in the regulatory asset is fully recovered, the capital costs associated with the unrecovered balance in that account shall be reflected in South Carolina Electric & Gas Company's cost of capital devoted to retail electric operations at a rate that reflects a return on common equity of 10.25%,<sup>2</sup> a weighted average cost of debt of 5.85%, and a capital structure consisting of 52.81% equity and 47.19% debt, with these percentages fixed over the 20-year amortization period.

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<sup>2</sup> The current allowed blended ROE for NND is approximately 10.9% but the proposal is to adjust the rate down to South Carolina Gas & Electric Company's base ROE of 10.25%.

- h. The deferred tax liability associated with the tax abandonment of the NND Project shall reduce the NND Project cost to be recovered from South Carolina Electric & Gas Company customers. The deferred tax asset for the net operating loss carryforward resulting from the tax abandonment of the NND Project shall be reflected as a rate base offset, dollar for dollar, to the deferred tax liability. Reductions in the deferred tax asset shall be subject to Parent's ability to use the net operating loss in filing its consolidated income tax returns and shall not be computed on a separate company basis.
  - i. Adjustments to the deferred tax liability and the deferred tax asset described in item (h) of this subsection resulting from a change in tax laws or tax treatment of the abandonment and/or Parent's ability to use the net operating loss will be returned to or recovered from South Carolina Electric & Gas Company customers in the following manner:
    - i. The regulatory liability resulting from excess deferred tax liabilities on the tax abandonment will be returned to customers over the book recovery period of the property (*i.e.*, 20 years);
    - ii. The regulatory asset resulting from excess deferred tax assets on the net operating loss will be recovered from customers in a manner that coincides with Parent's ability to use the net operating loss in filing its consolidated income tax returns and not on a separate company basis; and
    - iii. As adjusted for any impacts related to the tax treatment of the abandonment loss
  - j. The approximately \$180 million initial capital investment in the Columbia Energy Center, a 540-megawatt combined-cycle, natural gas-fired power plant located in Gaston, S.C., will be excluded from rate base and rate recovery, with only the ongoing costs such as fuel costs, operations and maintenance expense, and maintenance or improvement capital investments associated with the plant to be recovered in future base and fuel rates.
  - k. Transmission projects associated with the new nuclear project will be closed to rate base and removed from BLRA project costs. The revenue of approximately \$32 million per year currently being recovered in base rates will continue to be recovered through base rates notwithstanding the Merger. The associated depreciation and operating and maintenance costs will be captured in a regulatory asset for future rate recovery.
  - l. Except for rate adjustments for fuel and environmental costs, demand side management costs and other rates routinely adjusted on an annual or biannual basis, retail electric base rates will remain frozen at current levels until January 1, 2021.
4. The parties shall request approval of the SCPSC Petition, including the NND Project cost recovery plan, within 6 months from the date of filing.
5. South Carolina Electric & Gas Company and Parent commit to support and advocate for SCPSC approval or adoption of the terms, both individually and collectively, and without modification, identified and described in Paragraphs (2) and (3) above (the "Merger Terms") and will take no action inconsistent with this commitment. In the Petition to be jointly filed on January 12, 2018, South Carolina Electric & Gas Company may also present alternative terms for NND Project cost recovery, consistent with and based on the terms publically disclosed by Mr. Kissam on November

16, 2017 and previously provided to Parent in a more comprehensive form in a proposed draft of the Petition (the “Alternative Terms”). South Carolina Electric & Gas Company may provide any necessary testimony, exhibits or supporting materials in order to meet prior commitments to the SCPSC concerning the substance of South Carolina Electric & Gas Company’s January 12, 2018 filing or to show that the Alternative Terms, as a disfavored alternative to the Merger Terms, are nonetheless just, reasonable, lawful, fair and non-confiscatory and should be adopted by the SCPSC if the Merger is not approved. However, South Carolina Electric & Gas Company will not support or advocate for the Alternative Terms except as an expressly disfavored alternative to the Merger Terms and in each case where it discusses the Alternative Terms in testimony, exhibits or otherwise, will expressly state South Carolina Electric & Gas Company’s overriding commitment to the Merger Terms as being in the best interest of customers and the State of South Carolina, and that the Alternative Terms are a disfavored alternative to be considered only if the Merger is disapproved. South Carolina Electric & Gas Company will not otherwise advocate for any other terms for NND cost recovery differing from those identified in Paragraphs (2) and (3) above (without prior consent of Parent), unless and until the Merger Agreement is terminated.

**EXHIBIT A**  
**DEFINITIONS**

(a) The following terms have the following meanings:

“Acceptable Confidentiality Agreement” means a confidentiality agreement having provisions as to confidential treatment of the Company’s information that are not materially less favorable to those contained in the Confidentiality Agreement.

“Acquisition Proposal” means any bona fide proposal or offer from any Person or group of Persons (other than Parent, Merger Sub or their respective Affiliates) relating to (i) any acquisition or purchase directly or indirectly, in a single transaction or series of transactions, of a business that constitutes more than 15% of the net revenues, net income or consolidated assets of the Company and its Subsidiaries, taken as a whole, or more than 15% of the total voting power of the equity securities of the Company, (ii) any tender offer or exchange offer that if consummated would result in any Person beneficially owning more than 15% of the total voting power of the equity securities of the Company or (iii) any merger, reorganization, consolidation, share exchange, business combination, recapitalization, liquidation, joint venture, partnership, dissolution or similar transaction involving directly or indirectly, in a single transaction or series of transactions, the Company (or any Subsidiary or Subsidiaries of the Company whose business constitutes more than 15% of the net revenues, net income or consolidated assets of the Company and its Subsidiaries, taken as a whole).

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person.

“Atomic Energy Act” means the Atomic Energy Act of 1954, as amended.

“Average Price” means the volume-weighted average price, rounded to four decimal places, of Parent Shares for the ten (10) consecutive trading days ending on and including the second (2<sup>nd</sup>) trading day prior to the Effective Time.

“BLRA” means the South Carolina Base Load Review Act of 2007 as amended, S.C. Code Ann. § 58-33-210 *et seq.*

“Burdensome Condition” shall mean any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions (including any Remedial Action) that, in the aggregate, would have or would reasonably be expected to have, a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole, or of Parent and its Subsidiaries, taken as a whole; provided, however, that, for this purpose, Parent and its Subsidiaries, and after giving effect to the Merger, Parent and its Subsidiaries, shall be deemed to be a consolidated group of entities of the size and scale of a hypothetical company that is 100% of the size and scale of the Company and its Subsidiaries, taken as a whole as of immediately prior to the Effective Time; and provided, further, that any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions relating to implementing, or otherwise arising or resulting from or imposed by, the Social Commitments, or any relief or other matters contemplated by the SCPSC Petition or the SCPSC Petition Approval, shall not constitute or be taken into account in determining whether there has been or is such a material adverse effect.

“Business Day” means any day other than a Saturday or Sunday or a day on which banks in the City of New York are required or authorized to be closed.

“Byproduct Material” means any radioactive material (except Special Nuclear Material) yielded in, or made radioactive by, exposure to radiation in the process of producing or utilizing Special Nuclear Material.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commonly Controlled Entity” means, with respect to the Company, any other Person that, together with the Company, is treated as a single employer under Section 414 of the Code.

“Company Benefit Plan” means any (i) “employee benefit plan” (within the meaning of Section 3(3) of ERISA), (ii) bonus, incentive or deferred compensation or equity or equity-based compensation plan, program, policy or arrangement (including the Company Equity Award Plans), (iii) severance, change in control, employment, consulting, retirement, retention or termination plan, program, agreement, policy or arrangement or (iv) other compensation or benefit plan, program, agreement, policy, practice, Contract, arrangement or other obligation, whether or not in writing and whether or not subject to ERISA, in each case, sponsored, maintained, contributed to or required to be maintained or contributed to by the Company or any Commonly Controlled Entity or with respect to which the Company or any Commonly Controlled Entity had or has any present or future liability, in any case other than any (A) “multiemployer plan” (within the meaning of Section 3(37) of ERISA) or (B) plan, program, policy or arrangement mandated by applicable Law.

“Company Disclosure Letter” means the confidential disclosure letter dated as of the date of this Agreement delivered by the Company to Parent and Merger Sub.

“Company Equity Award Plans” means the 2015 Long-Term Equity Compensation Plan, the 2000 Long-Term Equity Compensation Plan, and the Director Compensation and Deferral Plan, each as amended and restated from time to time.

“Company Material Adverse Effect” means any Change that has a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole; provided, however, that none of the following shall, either alone or in combination, constitute or contribute to a Company Material Adverse Effect: (i) Changes in the economy in the United States or elsewhere in the world, including as a result of changes in geopolitical conditions, (ii) Changes that affect any of the industries in which the Company or any of its Subsidiaries operate, (iii) Changes in the financial, debt, capital, credit or securities markets generally in the United States or elsewhere in the world, including changes in interest rates, (iv) any Change in the stock price, trading volume or credit rating of the Company or any of its Subsidiaries or any failure by the Company to meet published analyst estimates or expectations of its revenue, earnings or other financial performance or results of operations for any period, or any failure by the Company to meet its internal or published projections, budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations for any period (it being understood that the Changes underlying any such Change or failure described in this clause (iv) to the extent not otherwise excluded from the definition of a “Company Material Adverse Effect” may be considered in determining whether there has been a Company Material Adverse Effect), (v) Changes in Law, legislative or political conditions or policy or practices of any Governmental Entity (other than SC Law Changes), (vi) Changes in applicable accounting regulations or principles or interpretations thereof, (vii) an act of terrorism or an outbreak or escalation of hostilities or war (whether declared or not declared) or earthquakes, any weather-related or other force majeure events or other natural disasters or any national or international calamity or crisis, (viii) the announcement,

execution or delivery of this Agreement or the public announcement or pendency of the Merger or the other transactions contemplated by this Agreement, in each case, including any impact thereof on relationships, contractual or otherwise, with Governmental Entities or customers, suppliers, distributors, lenders, partners or employees of the Company and its Subsidiaries, (ix) actions taken or requirements imposed by any Governmental Entities, in connection with obtaining the Regulatory Clearances or the SCPSC Petition Approval, (x) any Shareholder Litigation or Changes with respect thereto and (xi) any Proceedings, claims, investigations or inquiries set forth in Section 3.01(g) of the Company Disclosure Letter (other than with respect to SC Law Changes) or any Changes with respect thereto, provided, further, that any Change set forth in the foregoing clauses (i), (ii), (iii), (v) or (vi), to the extent not otherwise excluded hereunder, may be taken into account in determining whether a Company Material Adverse Effect has occurred solely to the extent that such Change has a materially disproportionate adverse effect on the Company and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the relevant business affected by such Change.

“Company Material Contract” means any Contract (i) required to be filed by the Company as a “material contract” pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act, (ii) that provides for Indebtedness of the Company or any of its Subsidiaries of more than \$50,000,000, (iii) that resulted in expenditures, receipts, liabilities, or payments by the Company or any of its Subsidiaries of more than \$80,000,000 in the 2016 fiscal year or 2017 fiscal year or (iv) that requires the Company or any of its Subsidiaries to incur Indebtedness or liabilities, or to make payments or expenditures, of more than \$80,000,000 in any one future fiscal year, in the case of the foregoing clauses (ii) and (iii), excluding (A) any Contracts that can be terminated for convenience on less than ninety (90) days’ notice without material payment or penalty and (B) any Contracts for the supply of natural gas capacity or commodity.

“Company Share” means a share of common stock, without par value, of the Company.

“Consent” means any consent, clearance, approval, Order, authorization, waiver, license, notice filing, action or non-action.

“Contract” means a contract, purchase order, license, sublicense, lease, sublease, option, warrant, guaranty, indenture, note, bond, mortgage or other legally binding agreement or instrument, whether written or unwritten.

“control” (including in the terms “controlling”, “controlled”, “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

“Data Privacy Legal Requirements” mean (i) all applicable requirements imposed by applicable Laws relating to (A) the security or privacy of information systems, networks, or data; (B) the use, collection, recording, storing, altering, retrieving, transferring, disclosing (whether authorized or unauthorized) or otherwise processing of data owned or used by the Company or its Subsidiaries; (C) the unauthorized access, acquisition, use, modification, disclosure or misuse of data; (D) the notification to affected parties, regulators, or credit reporting agencies as a result of any breach of systems, networks or data; or (E) any other cybersecurity or data privacy incident requiring reporting outside of the Company; (ii) all contractual standards, rules and requirements that the Company or any of its Subsidiaries is or has been contractually obligated to comply with; and (iii) each published external or internal, past or present Company privacy policy or security policy applicable to any information systems, networks, or data, including personal data and any published policy of the Company or its Subsidiaries relating to: (A) the privacy of any Person, (B) financial records or information pertaining to any Person, (C) the collection,

storage, disclosure, transfer, disposal, other processing or security of any personal data, or (D) personally identifying information, sensitive customer information, financial records, security records and associated information, about Persons.

“Director Compensation and Deferral Plan” means the Company Director Compensation and Deferral Plan.

“Environmental Law” means any Law relating to pollution or protection of the environment or natural resources, including ambient air, soil, surface water or groundwater, sediment, flora and fauna, or, as it relates to the exposure to hazardous, deleterious or toxic materials, human health or safety.

“Equity Award Consideration” means an amount in cash, without interest, equal to the product of (i) the Merger Consideration multiplied by (ii) the Average Price.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Executive Deferred Compensation Plan” means the Company Executive Deferred Compensation Plan.

“Governmental Entity” means any federal, state, local, or non-United States government, any court or tribunal of competent jurisdiction, any administrative, regulatory (including any stock exchange) or other governmental or quasi-governmental agency, commission, branch or authority or other governmental entity or body (it being understood and agreed that no reference to “Governmental Entity” in this Agreement shall be deemed to include Santee Cooper in its capacity as a commercial counterparty of the Company in connection with the NND Project or otherwise).

“Hazardous Materials” means any substance, waste or material defined or regulated as hazardous, acutely hazardous or toxic or that could reasonably be expected to result in liability under any applicable Environmental Law currently in effect, including petroleum, petroleum products, High-Level Waste, Spent Nuclear Fuel, by-products and distillates, pesticides, dioxin, polychlorinated biphenyls, mold, biological hazards, asbestos and asbestos-containing materials.

“High-Level Waste” means (i) irradiated nuclear reactor fuel, (ii) liquid wastes resulting from the operation of the first cycle solvent extraction system, or its equivalent, and the concentrated wastes from subsequent extraction cycles, or their equivalent, in a facility for reprocessing irradiated reactor fuel and (iii) solids into which such liquid wastes have been converted.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Intellectual Property” means all intellectual property and proprietary rights, and applications with respect thereto, including (i) patents and patent applications, (ii) trademarks, service marks, trade dress, logos, Internet domain names, trade names and corporate names, whether registered or unregistered, and the goodwill associated therewith, together with any registrations and applications for registration thereof, (iii) copyrights and rights under copyrights, whether registered or unregistered, and any registrations and applications for registration thereof, (iv) trade secrets and other rights in know-how and confidential or proprietary information, including any technical data, specifications, techniques,

inventions and discoveries, in each case, to the extent that it qualifies as a trade secret under applicable Law and (v) all other intellectual property rights recognized by applicable Law.

“Intervening Event” means any material event, development or change in circumstances that materially affects the business, assets or operations of the Company and its Subsidiaries, taken as a whole, that first becomes known to the Company Board or any of the Persons set forth in Section 8.06 of the Company Disclosure Letter or their successors after the date of this Agreement but before the Company Requisite Vote is obtained, to the extent that such event, development or change in circumstances was not reasonably foreseeable as of or prior to the date of this Agreement or which would not reasonably be expected to have become known after reasonable investigation or inquiry as of or prior to the date of this Agreement; provided, however, that in no event will (i) the receipt, existence or terms of an Acquisition Proposal or any matter relating thereto or consequence thereof, (ii) any action taken by the parties pursuant to or in compliance with this Agreement, including any action taken in connection with seeking any Regulatory Clearances, (iii) any changes in Law or the settlement of any lawsuits, investigations, inquiries or Proceedings, (iv) changes in the market price or trading volume of the Company Shares or Parent Shares, or the Company or Parent or any their respective Subsidiaries meeting or exceeding internal or published projections, forecasts or revenue or earnings predictions for any period, (v) changes in the energy markets or industry or to rates, or (vi) any event, development or change relating solely to Parent or its Affiliates, in each case, constitute an “Intervening Event” or be taken into account in determining whether an Intervening Event has occurred or would reasonably be expected to result.

“IT Systems” means all computer systems, computer programs, networks, hardware, software, software engines, electronic databases and websites used to process, store, maintain and operate data, information and control systems owned, used or provided by the Company.

“Knowledge” means (i) with respect to the Company, the actual knowledge, after reasonable inquiry, of any of the Persons set forth in Section 8.06 of the Company Disclosure Letter and their successors and (ii) with respect to Parent or Merger Sub, the actual knowledge, after reasonable inquiry, of any of the Persons set forth in Section 8.06 of the Parent Disclosure Letter and their successors.

“Law” means any federal, state, local or non-United States law, statute, regulation, rule, ordinance, Order or decree of any Governmental Entity.

“Low-Level Waste” means radioactive material that (i) is not High-Level Waste, Mixed Waste, Spent Nuclear Fuel or Byproduct Material as defined in section 11e.(2) of the Atomic Energy Act, and (ii) the NRC classifies as low-level radioactive waste.

“Mixed Waste” means waste that (i) contains both a hazardous waste component regulated under the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*) and a radioactive component of Source Material, Byproduct Material or Special Nuclear Material and (ii) the NRC classifies as mixed waste or that constitutes “mixed waste” as defined in 42 U.S.C. § 6903(41).

“NND Project” means the New Nuclear Development Project under which the Company and Santee Cooper undertook to construct two Westinghouse AP1000 Advanced Passive Safety nuclear units in Jenkinsville, South Carolina.

“Nuclear Material” means Source Material, Special Nuclear Material, Low-Level Waste, High-Level Waste, the radioactive component of Mixed Waste, Byproduct Material and Spent Nuclear Fuel.



“NYSE” means the New York Stock Exchange.

“Parent Disclosure Letter” means the confidential disclosure letter dated as of the date of this Agreement delivered by Parent to the Company.

“Parent Material Adverse Effect” means any Change that has a material adverse effect on the business, financial condition, assets, liabilities or results of operations of Parent and its Subsidiaries, taken as a whole; provided, however, that none of the following shall, either alone or in combination, constitute or contribute to a Parent Material Adverse Effect: (i) Changes in the economy in the United States or elsewhere in the world, including as a result of changes in geopolitical conditions, (ii) Changes that affect any of the industries in which Parent or any of its Subsidiaries operate, (iii) Changes in the financial, debt, capital, credit or securities markets generally in the United States or elsewhere in the world, including changes in interest rates, (iv) any Change in the stock price, trading volume or credit rating of Parent or any of its Subsidiaries or any failure by Parent to meet published analyst estimates or expectations of its revenue, earnings or other financial performance or results of operations for any period, or any failure by Parent to meet its internal or published projections, budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations for any period (it being understood that the Changes underlying any such Change or failure described in this clause (iv) to the extent not otherwise excluded from the definition of a “Parent Material Adverse Effect” may be considered in determining whether there has been a Parent Material Adverse Effect), (v) Changes in Law, legislative or political conditions or policy or practices of any Governmental Entity (other than SC Law Changes), (vi) Changes in applicable accounting regulations or principles or interpretations thereof, (vii) an act of terrorism or an outbreak or escalation of hostilities or war (whether declared or not declared) or earthquakes, any weather-related or other force majeure events or other natural disasters or any national or international calamity or crisis, (viii) the announcement, execution or delivery of this Agreement or the public announcement or pendency of the Merger or the other transactions contemplated by this Agreement, in each case, including any impact thereof on relationships, contractual or otherwise, with Governmental Entities or customers, suppliers, distributors, lenders, partners or employees of Parent and its Subsidiaries, (ix) actions taken or requirements imposed by any Governmental Entities, in connection with obtaining the Regulatory Clearances or the SCPSC Petition Approval, (x) any Shareholder Litigation or any Changes with respect thereto, and (xi) any Proceedings, claims, investigations or inquiries set forth in Section 3.02(g) of the Parent Disclosure Letter or any Changes with respect thereto, provided, further, that any Change set forth in the foregoing clauses (i), (ii), (iii), (v) or (vi), to the extent not otherwise excluded hereunder, may be taken into account in determining whether a Parent Material Adverse Effect has occurred solely to the extent that such Change has a materially disproportionate adverse effect on the Parent and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the relevant business affected by such Change.

“Parent Severance Program” means the severance program sponsored by Parent and described in the summary plan description attached as Section 5.06 of the Parent Disclosure Letter.

“Parent Share” means a share of common stock, without par value, of Parent.

“Parent Significant Subsidiaries” means the significant subsidiaries (as defined in Rule 1-02(w) of Regulation S-X) of Parent, excluding, if otherwise included, Dominion Energy Midstream Partners LP.

“Permitted Liens” means, with respect to any Person, (i) mechanics’, materialmen’s, carriers’, workmen’s, repairmen’s, vendors’, operators’ or other like Liens, if any, that do not materially detract from the value of or materially interfere with the use of any of the assets of such Person and its Subsidiaries as currently conducted, (ii) Liens arising under original purchase price conditional sales

Contracts and equipment leases with third parties entered into in the ordinary course of business, (iii) title defects or Liens (other than those constituting Liens for the payment of Indebtedness), if any, that do not or would not, individually or in the aggregate, impair in any material respect the use or occupancy of the assets of such Person and its Subsidiaries, taken as a whole, (iv) Liens for Taxes that are not yet due or payable or that may thereafter be paid without penalty, (v) Liens supporting surety bonds, performance bonds and similar obligations issued in connection with the businesses of such Person and its Subsidiaries, (vi) Liens not created by such Person or its Subsidiaries that affect the underlying fee interest of a Company Leased Real Property, (vii) Liens that are disclosed on the most recent consolidated balance sheet of such Person included in its SEC Reports or notes thereto or securing liabilities reflected on such balance sheet, (viii) Liens arising under or pursuant to the organizational documents of such Person or any of its Subsidiaries, (ix) grants to others of rights-of-way, surface leases or crossing rights and amendments, modifications, and releases of rights-of-way, surface leases or crossing rights in the ordinary course of business, (x) with respect to rights-of-way, restrictions on the exercise of any of the rights under a granting instrument that are set forth therein or in another executed agreement, that is of public record or to which such Person or any of its Subsidiaries otherwise has access, between the parties thereto, (xi) Liens which an accurate up-to-date survey would show, (xii) Liens resulting from any facts or circumstances relating to, if such Person is the Company, Parent, Merger Sub or any of their Affiliates or, if such Person is Parent or Merger Sub, the Company or any of its Affiliates and (xiii) Liens that do not and would not reasonably be expected to materially impair the continued use of a Company Owned Real Property or a Company Leased Real Property as currently operated.

“Person” means an individual, corporation (including not-for-profit), Governmental Entity, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, unincorporated organization, other entity of any kind or nature or group (as defined in Section 13(d)(3) of the Exchange Act).

“Santee Cooper” means the South Carolina Public Service Authority, a body corporate and politic and agency of the State of South Carolina established under Chapter 31 of Title 58 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002, as amended.

“SCBCA” means the South Carolina Business Corporation Act of 1988, as amended.

“SCORS” means the South Carolina Office of Regulatory Staff, the administrative and regulatory body established under Title 58, Chapter 4 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“SCPSC” means the South Carolina Public Service Commission, the regulatory commission established under Title 58, Chapter 3 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“SCPSC Petition” means a petition to be filed jointly by the Company and Parent with the SCPSC for approval of the Merger and for approval of terms for cost recovery and other regulatory matters with respect to the NND Project, including the key terms summarized in Appendix A attached to this Agreement.

“SEC” means the United States Securities and Exchange Commission.

“SEC Reports” means all forms, statements, certifications, reports and other documents a Person is required or otherwise obligated to file or furnish with the SEC, including (i) those filed or

furnished subsequent to the date of this Agreement and (ii) all exhibits and other information incorporated therein and all amendments and supplements thereto.

“Securities Act” means the Securities Act of 1933, as amended.

“Social Commitments” means the undertakings, terms, conditions, liabilities, obligations, commitments and sanctions set forth in Section 5.16.

“Source Material” means (i) uranium or thorium, or any combination thereof, in any physical or chemical form or (ii) ores that contain by weight one-twentieth of one percent (0.05%) or more of (A) uranium, (B) thorium or (C) any combination thereof.

“South Carolina Public Utility Laws” means the Laws of the State of South Carolina governing public utilities as contained in Title 58 of the Code of Laws of South Carolina, Annotated, as they may be amended from time to time, including the BLRA, the Laws providing for the organization, powers and terms of officials and members of the SCPSC and the SCORS, and the Laws providing for the establishment, review and adjustment of retail electric and natural gas rates and terms of conditions of service, as found in Title 58 of the Code of Laws of South Carolina, Annotated, in each case, as they may be amended from time to time.

“Special Nuclear Material” means plutonium, uranium-233, uranium enriched in the isotope-233 or in the isotope-235, and any other material that the NRC determines to be “Special Nuclear Material.” Special Nuclear Material also refers to any material artificially enriched by any of the foregoing materials or isotopes. Special Nuclear Material does not include Source Material.

“Spent Nuclear Fuel” means fuel that has been withdrawn from a nuclear reactor following irradiation, and has not been chemically separated into its constituent elements by reprocessing. Spent Nuclear Fuel includes Special Nuclear Material, Byproduct Material, Source Material and other radioactive materials associated with nuclear fuel assemblies.

“Subsidiary” means, with respect to any Person, (i) any other Person (other than a partnership, joint venture or limited liability company) of which 50% or more of the total voting power of shares of stock or other equity interests entitled to vote in the election of directors, managers or trustees is at the time of determination owned or controlled, directly or indirectly, by such first Person and (ii) any partnership, joint venture or limited liability company of which (A) 50% or more of the capital accounts, distribution rights, total equity or voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person, whether in the form of membership, general, special or limited partnership interests or otherwise or (B) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“Superior Proposal” means an unsolicited bona fide written Acquisition Proposal relating to any direct or indirect acquisition or purchase of (i) assets that generate more than 50% of the consolidated total revenues or operating income of the Company and its Subsidiaries, taken as a whole, (ii) assets that constitute more than 50% of the consolidated total assets of the Company and its Subsidiaries, taken as a whole or (iii) more than 50% of the total voting power of the equity securities of the Company, in each case, that the Company Board determines in good faith after consultation with the Company’s financial advisors and outside legal counsel is more favorable to the Company’s shareholders than the Merger, taking into account the Person making the Acquisition Proposal and all legal, financial and regulatory aspects of the Acquisition Proposal (including the likelihood that such Acquisition Proposal would be consummated in accordance with its terms) and all other relevant circumstances.

“Tax Return” means any return, declaration, report, election, claim for refund or information return or any other statement or form filed or required to be filed with any Governmental Entity relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Taxes” means all forms of taxes or duties imposed by any Governmental Entity, or required by any Governmental Entity to be collected or withheld, including charges, together with any related interest, penalties and other additional amounts.

“Willful Breach” means, with respect to any breach or failure to perform any of the covenants or other agreements contained in this Agreement, a breach that is a consequence of an act or failure to act undertaken by the breaching party with actual knowledge that such party’s act or failure to act would result in or constitute a breach of this Agreement. For the avoidance of doubt, the failure of a party hereto to consummate the Closing when required pursuant to Section 1.02, or, on the Closing Date, cause the Effective Time to occur pursuant to Section 1.03, shall be a Willful Breach of this Agreement.

(b) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Agreement.....	Preamble
Alternative Acquisition Agreement.....	4.02(e)
Applicable Company SEC Reports.....	3.01(e)(i)
Applicable Parent SEC Reports.....	3.02(e)(i)
Articles of Merger.....	1.03
Book-Entry Share.....	2.01(a)
Cancelled Shares.....	2.01(b)
Certificate.....	2.01(a)
Changes.....	3.01(f)(i)
Closing.....	1.02
Closing Date.....	1.02
Company.....	Preamble
Company Adverse Recommendation Change.....	4.02(e)
Company Articles of Incorporation.....	3.01(a)
Company Board.....	Recitals
Company Board Recommendation.....	3.01(d)(i)
Company Bylaws.....	3.01(a)
Company Deferred Unit.....	2.02(c)
Company Employees.....	5.06(c)
Company Leased Real Property.....	3.01(o)(i)
Company Non-Union Employees.....	5.06(a)
Company Organizational Documents.....	3.01(a)
Company Owned Real Property.....	3.01(o)(ii)
Company Performance Share Award.....	2.02(a)
Company Real Property Lease.....	3.01(o)(i)
Company Regulatory Clearances.....	3.01(d)(iii)
Company Requisite Vote.....	3.01(r)
Company RSU.....	2.02(b)
Company Termination Fee.....	7.02(b)
Confidentiality Agreement.....	5.03(b)
Continuation Period.....	5.06(a)

Costs.....	5.08(a)
D&O Insurance .....	5.08(c)
DOE .....	3.01(q)(i)
DOT .....	3.01(q)(i)
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Exchange Agent .....	2.03(a)
Exchange Fund.....	2.03(a)
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Existing Loan Lenders .....	5.09(d)
Existing Loan Notice .....	5.09(d)
FCC.....	3.01(d)(iii)
FERC .....	3.01(d)(iii)
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GAAP.....	3.01(e)(ii)
GPSC .....	3.01(d)(iii)
Indebtedness.....	4.01(a)(viii)
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Maximum Annual Premium.....	5.08(c)
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Merger Sub.....	Preamble
Merger Consideration .....	2.01(a)
NCUC .....	3.01(d)(iii)
NERC.....	3.01(q)(i)
NND Project Litigation.....	4.01(a)(ix)
Notice of Recommendation Change .....	4.02(f)
NRC .....	3.01(d)(iii)
Nuclear Litigation .....	5.02(h)
Orders.....	6.01(b)
Parent .....	Preamble
Parent Organizational Documents .....	3.02(a)
Parent Preferred Stock .....	3.02(c)(i)
Parent Regulatory Clearances .....	3.02(d)(iii)
Parent Termination Fee.....	7.02(c)
PBGC .....	3.01(k)(iv)
Permits .....	3.01(i)
PHMSA.....	3.01(q)(i)
Proceeding.....	3.01(g)
Proxy Statement/Prospectus.....	5.01(a)
Qualified Plan .....	3.01(k)(ii)
Regulatory Clearances .....	3.02(d)(iii)
Regulatory Conditions .....	6.01(c)
Remedial Action .....	5.02(e)
Reporting Company .....	3.01
Representatives .....	4.02(a)
Rights-of-Way.....	3.01(o)(iii)
SC Law Changes.....	6.02(h)
SCPSC Petition Approval .....	6.01(d)
Shareholder Litigation .....	5.17
Shareholders Meeting .....	5.01(f)

Summer Station.....3.01(q)(iii)  
Surviving Corporation ..... 1.01  
Takeover Statutes.....3.01(u)  
Termination Date ..... 7.01(b)(i)  
Voting Company Debt ..... 3.01(c)(ii)  
Voting Parent Debt ..... 3.02(c)(ii)

**Exhibit J – Solomon Affidavit**

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Dominion Energy, Inc.** )  
**SCANA Corporation** ) **Docket No. EC18-\_\_-000**  
**South Carolina Electric & Gas Company** )

**AFFIDAVIT OF JULIE R. SOLOMON**

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**INTRODUCTION**

My name is Julie R. Solomon. I am a Managing Director at Navigant Consulting, Inc. My business address is 1200 19<sup>th</sup> Street, N.W., Suite 700, Washington, DC 20036. A large portion of my consulting activities involves electric utility industry restructuring and the transition from regulation to competition. I have been involved extensively in consulting on market power issues concerning mergers, other asset transactions and market rate applications. I have filed a number of affidavits before the Federal Energy Regulatory Commission (“Commission”) in connection with electric utility mergers, the purchase and sale of jurisdictional assets, applications for market-based rates, and triennial updates. My resume is included as Exhibit J-1.

I have been asked by counsel for Dominion Energy, Inc. (“Dominion Energy”) and SCANA Corporation (“SCANA”) and South Carolina Gas & Electric (“SCE&G”) (collectively, the “Applicants”) to evaluate the potential competitive impact on electricity markets of a transaction in which SCANA will merge with a subsidiary of Dominion Energy, with SCANA as the surviving entity, and SCANA would operate as a wholly owned subsidiary of Dominion Energy (“Merger” or “Proposed Transaction”).

The potential horizontal market power effects of the Proposed Transaction are those arising from the combination of the electric generating assets affiliated with Dominion Energy and those affiliated with SCANA that theoretically could enable Dominion Energy, SCANA or their affiliates to increase prices in relevant electricity markets. Potential vertical market power effects arise from barriers to entry that might undercut the presumption that long-run generation markets are competitive, including the potential to use control over fuel supplies, fuel transportation facilities, or electric transmission to exert vertical market power by increasing rivals’ costs.

As I demonstrate below, the Proposed Transaction will not have an adverse effect on horizontal competition in any relevant wholesale electricity market. There also are no vertical effects of the Proposed Transaction that raise market power concerns.

**SUMMARY OF ANALYSIS AND CONCLUSIONS**

A key element of the Proposed Transaction relevant to my horizontal competitive analysis is the geographic location of generation owned or controlled by affiliates of Dominion Energy and SCANA, including by SCE&G, in the relevant markets. The generating assets affiliated with Dominion Energy and SCANA are summarized in Table 1 below.<sup>1</sup> As shown, the vast majority of generation affiliated with Dominion Energy is located in PJM Interconnection, L.L.C. (“PJM”), and all of SCANA’s generation is located in the balancing authority area (“BAA”) operated by SCE&G (the “SCEG” BAA).

**Table 1: Summary of Generation Owned or Purchased Under Long-term Contract by Affiliates of Dominion Energy and SCANA (MW)<sup>2</sup>**

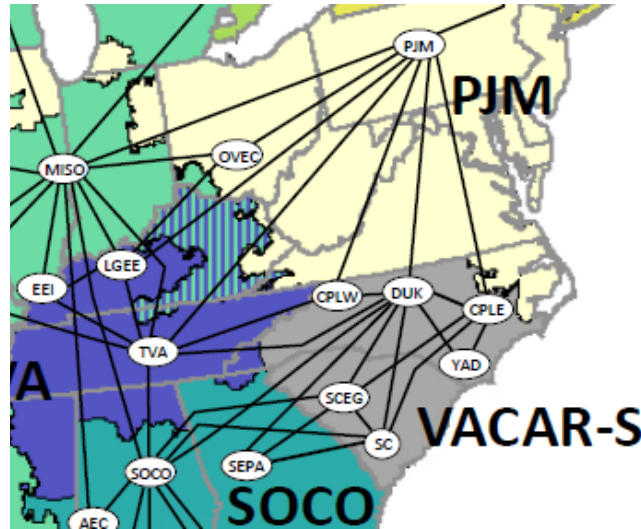
<b>Market/Balancing Authority Area (“BAA”)</b>	<b>Dominion Energy</b>	<b>SCANA</b>
PJM	24,136	0
SCEG	81*	6,039
Markets First-Tier to SCEG or PJM	197**	0
ISO New England Inc.(“ISO-NE”)	2,492	0
<b>Total</b>	<b>26,906</b>	<b>6,039</b>
* This generation is fully committed under long-term contract to SCE&G.		
** This generation is fully committed under long-term contracts to third parties.		

As shown in Figure 1 below, the SCEG BAA is two “wheels” away from PJM connecting through the Duke Energy Carolinas, LLC or Duke Energy Progress, LLC BAAs (“DUK” and “CPLE”, respectively), which explains in part why the utilities do not compete at wholesale.

<sup>1</sup> Unless otherwise noted specifically or by context, references to generation megawatts in my affidavit refer to summer ratings as reported by the Energy Information Administration, Annual Electric Generator data, Form EIA-860 (<http://www.eia.gov/electricity/data/eia860/>). These ratings may not precisely match the generator ratings used for other purposes. See Exhibit J-2 (Dominion Energy) and Exhibit J-3 (SCANA) for details.

<sup>2</sup> This does not include generation affiliated with Dominion Energy in the Western Electricity Coordinating Council (“WECC”).

**Figure 1: Excerpt from NERC “Bubble” Map of BAAs and Interconnections**



The 81 MW of generation in the SCEG BAA owned by an affiliate of Dominion Energy are solar projects that were developed by a third party and are committed under long-term contracts to SCE&G that pre-date the Proposed Transaction and, hence, there is no geographic overlap among Applicants in the SCEG BAA. Likewise, there is no geographic overlap in PJM. All of Dominion Energy’s affiliated generation in markets first-tier to the SCEG BAA or PJM is committed under long-term contracts with unaffiliated third-parties, leading to the conclusion that there are no common markets with respect to generation ownership. For purposes of my horizontal competitive analysis, my analysis is focused on the SCEG BAA and PJM (to determine how much of Dominion Energy’s generation can theoretically compete in SCEG, and how much of SCANA’s generation can theoretically compete in PJM). Consistent with the Commission’s regulations, I also examine markets first-tier to the SCEG BAA, namely the DUK, CPLE, Santee Cooper (“SC”), and Southern Company (“SOCO”) BAAs (as shown in Figure 1).<sup>3</sup>

<sup>3</sup> 18 CFR § 33.3(c)(2) (“Affected customers are, at a minimum, those entities directly interconnected to any of the merging entities and entities that have purchased electricity at wholesale from any of the merging entities during the two years prior to the date of the application.”).

Traditionally, the Commission does not require an analysis of markets first-tier to an RTO. Therefore, other markets first-tier to PJM (e.g., NYISO or MISO) are not relevant to my inquiry in terms of destination markets.

I did not include an analysis of Southeastern Power Administration (“SEPA”), because it is essentially a generation-only BAA. See, for example, *Duke Energy Carolinas, LLC*, 128 FERC ¶ 61,055 (2009); *Carolina Power & Light Company*, 128 FERC ¶ 61,053 (2009); *Duke Energy Carolinas, LLC* (Mar. 4, 2012) (unreported letter order), Docket No. ER10-2566-001 *et al.*, *South Carolina Electric & Gas Company*, 128 FERC ¶ 61,043 (2009), *South Carolina Electric & Gas Co.*, Docket No. ER10-2498-001 (Mar. 7, 2012) (unreported letter order); and *South Carolina Electric & Gas Co.* Docket No. ER10-2498-002 (Aug. 19, 2015) (unreported letter order).

My conclusions regarding these markets are summarized as follows:

First, the vast majority of power sold from generation controlled by Dominion Energy (in the PJM BAA) and SCE&G (in its BAA) is used to serve their respective native and wholesale requirements loads. There is virtually no competition between them for wholesale sales to third parties in any geographic market. The vast majority of power sold from generation controlled by Virginia Electric and Power Company doing business in Virginia as Dominion Energy Virginia and in North Carolina as Dominion Energy North Carolina (“VEPCO”) is used to serve its native and wholesale requirements loads within PJM. Likewise, SCE&G’s generation is used to serve its native and wholesale requirements loads, within its own BAA. Based on Electric Quarterly Reports (“EQR”) data, 2.1 percent of SCANA’s sales in 2016 (and much less in 2015 and 2017) consisted of wholesale sales outside of the SCEG BAA, and these occurred in their first-tier markets (DUK, CPL, SC and SOCO). To put these sales to other Southeast BAAs in perspective, they totaled an equivalent of 2 MW of round-the-clock power. No sales were made by SCE&G or SCANA into PJM. Dominion made no sales into Southeast markets, other than those relating to Dominion-owned solar projects that are committed under long-term contracts, including two small solar projects in SCEG that are under full output long-term contracts to SCE&G which predate the Proposed Transaction. Applicants’ sales, as reported in their respective EQRs (excluding long-term contract sales), are summarized in Table 2 below.

**Table 2: Applicants’ Sales Reported in the EQRs, by BAA**

BAA	2015 (MWh)		2016 MWh		Jan-Sept 2017 MWh	
	Dominion	SCANA	Dominion	SCANA	Dominion	SCANA
PJM	21,891,490	0	29,671,720	0	18,862,071	0
SCEG	0	937,115	0	928,208	0	541,137
DEC	0	1,980	0	7,535	0	0
DEP	0	200	0	1,619	0	1,300
SC	0	2,917	0	8,400	0	30
SOCO	0	50	0	1,920	0	0
<b>TOTAL</b>	<b>21,891,490</b>	<b>942,262</b>	<b>29,671,720</b>	<b>947,682</b>	<b>18,862,071</b>	<b>542,467</b>
PJM	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%
SCEG	0.0%	99.5%	0.0%	97.9%	0.0%	99.8%
Other	0.0%	0.5%	0.0%	2.1%	0.0%	0.2%

Thus, the participation of the Applicants in wholesale markets in which the other Applicant controls generation is virtually non-existent. Further, in combination with these facts there is no evidence that Applicants are potential competitors – I have been informed by the Applicants that

they have not competed against each other in response to any requests for proposals for generation supply, for any wholesale sales or customers' loads, or participated in any of the various auctions in PJM to serve Provider of Last Resort load. Consequently, the combination of Dominion Energy and SCANA will have no material effect on horizontal competition in either PJM or SCEG, and there is no reduction in horizontal competition caused by the transaction. Likewise, to the extent there have been any actual sales in common markets geographically "between" PJM and SCEG, they are not material, and, with respect to Dominion, consist solely of long-term contractual sales. The Competitive Analysis Screen, or Delivered Price Test ("DPT"), confirms that there is no reduction in competition caused by the Proposed Transaction.

Second, the horizontal effect of the Proposed Transaction in PJM is immaterial. In PJM, Dominion Energy is affiliated with approximately 24,000 MW of generation and purchases, but has peak load obligations of about 20,000 MW. Installed capacity in PJM is approximately 182,000 MW.<sup>4</sup> The DPT is easily passed for both Economic Capacity ("EC") and Available Economic Capacity ("AEC") in PJM. Because both VEPCO and SCE&G are load-serving entities, and consistent with Commission precedent, AEC is the more relevant metric in the context of this Proposed Transaction, because both SCE&G and VEPCO retain load-serving obligations.<sup>5</sup> SCANA has some AEC, but only a small amount of its AEC is allocated as potential supply into the PJM market, and only in a few time periods. As a result, changes in the Herfindahl-Hirschman Index ("HHI") measure of market concentration are very small (and the PJM market is unconcentrated) as summarized in Table 3 below.

<sup>4</sup> 2017 Quarterly State of the Market Report for PJM, January-September 2017, Monitoring Analytics, LLC, at Table 1-1, November 9, 2017, [http://www.monitoringanalytics.com/reports/PJM\\_State\\_of\\_the\\_Market/2017/2017q3-som-pjm-sec1.pdf](http://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2017/2017q3-som-pjm-sec1.pdf).

<sup>5</sup> The Commission has given more weight to the results of AEC analyses in non-restructured markets (*i.e.*, where traditional suppliers maintain load-serving responsibility), and, conversely, more weight to the results of EC analyses in substantially restructured markets. *See, e.g., Nevada Power Co.*, 113 FERC ¶ 61,265 at P 15 (2005) (finding that AEC is a more accurate measure for markets where utilities have significant native load obligations). Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 112. *See also Kansas City Power & Light Co.*, 113 FERC ¶ 61,704 at PP 31, 35 (2005) ("[U]tilities with a native load obligation are obligated to secure and devote resources to serve that native load. Depending on load conditions, some or all of those resources are not available to the wholesale market and the available economic capacity measure accounts for that."). Because PJM is comprised of a combination of retail access states and states with traditional load-serving requirements (see note 35), EC remains a relevant metric for PJM, and as discussed below the DPT is passed for EC as well.

**Table 3: DPT Results for PJM (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
PJM	S_SP1	\$ 150	3,561	3.1%	-	0.0%	113,094	548	3,561	3.1%	548	-
PJM	S_SP2	\$ 65	5,723	4.8%	14	0.0%	118,799	515	5,736	4.8%	515	0
PJM	S_P	\$ 35	4,573	4.2%	-	0.0%	108,783	537	4,573	4.2%	537	-
PJM	S_OP	\$ 25	1,766	2.3%	-	0.0%	76,625	588	1,766	2.3%	588	-
PJM	W_SP	\$ 50	6,013	5.5%	-	0.0%	108,580	494	6,013	5.5%	494	-
PJM	W_P	\$ 32	1,165	1.5%	-	0.0%	79,603	575	1,165	1.5%	575	-
PJM	W_OP	\$ 28	1,165	1.5%	-	0.0%	76,042	634	1,165	1.5%	634	-
PJM	SH_SP	\$ 50	6,013	5.5%	42	0.0%	110,217	481	6,055	5.5%	482	0
PJM	SH_P	\$ 33	5,710	5.6%	-	0.0%	101,503	496	5,710	5.6%	496	-
PJM	SH_OP	\$ 26	3,060	3.7%	-	0.0%	83,051	516	3,060	3.7%	516	-

Third, the horizontal effect of the Proposed Transaction in the SCEG BAA is small. Dominion Energy is allocated a small amount of potential supply into the SCEG BAA market. As a result, changes in market concentration are relatively small, as shown in Table 4. The SCEG market is unconcentrated to moderately concentrated, Dominion’s market share is no more than about one percent, and HHI changes are all within screening thresholds.

**Table 4: DPT Results for SCEG (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SCEG	S_SP1	\$ 150	23	0.9%	-	0.0%	2,601	865	23	0.9%	865	-
SCEG	S_SP2	\$ 62	27	0.9%	300	10.3%	2,901	907	326	11.2%	926	19
SCEG	S_P	\$ 39	17	0.5%	969	27.1%	3,570	1,138	985	27.6%	1,163	25
SCEG	S_OP	\$ 30	22	0.8%	270	9.4%	2,871	764	292	10.2%	778	15
SCEG	W_SP	\$ 48	16	1.4%	241	21.1%	1,141	779	257	22.5%	836	58
SCEG	W_P	\$ 35	9	0.7%	309	25.6%	1,209	940	318	26.3%	978	38
SCEG	W_OP	\$ 31	8	0.8%	151	14.4%	1,051	660	159	15.2%	683	23
SCEG	SH_SP	\$ 42	25	1.0%	517	20.8%	2,490	831	542	21.8%	873	42
SCEG	SH_P	\$ 31	20	0.8%	530	21.2%	2,503	774	550	22.0%	808	33
SCEG	SH_OP	\$ 30	28	1.2%	294	13.0%	2,267	693	322	14.2%	725	32

Fourth, the horizontal effect of the Proposed Transaction resulting from the combination of generation in SCEG’s first-tier markets is small and changes in market concentration are well within the screening thresholds. Markets first-tier to SCEG include, as noted earlier, DUK, CPLE,

SC, and SOCO. DUK and CPLE each are first-tier to both SCEG and PJM. SC and SOCO each are second-tier to PJM (through DUK or CPLE, or through Tennessee Valley Authority (“TVA”), respectively). These detailed DPT results are included later in my testimony. In all instances, the HHI changes under the AEC measure are mostly in the single digits (and the DPT for EC also is passed).

Fifth, there are no vertical market power concerns in connection with the Proposed Transaction. Transmission owned by Dominion Virginia Power and Dominion North Carolina is under the operational control of PJM and subject to the terms and conditions of PJM’s Open Access Transmission Tariff (“OATT”) requirement. The only other transmission owned by Dominion Energy consists of the limited and discrete facilities necessary to interconnect its generation affiliates’ generation to the grid. SCE&G’s transmission is also subject to a Commission-approved OATT.

Dominion Energy and SCANA each own local gas distribution companies (“LDCs”) – Dominion Energy in Ohio, West Virginia, Utah, Wyoming and Idaho, and SCANA in South Carolina and North Carolina. There is no geographic overlap between Dominion Energy North Carolina’s electric utility service territory and SCANA’s Public Service Company of North Carolina, Inc. (“PNSC Energy”) gas utility service territory.

Dominion Energy owns interstate gas transmission (pipelines) with operations in PJM (Ohio, West Virginia, Pennsylvania, Maryland and Virginia), New York, South Carolina and Georgia, as well as, through its ownership of Questar Pipeline, in western states (Colorado, Utah and Wyoming) and, through its minority ownership of Iroquois Gas Transmission System, in New York, and Connecticut. However, Dominion Energy’s current pipeline ownership in the Southeast represents a very small share of existing pipeline capacity into the two states in which it operates (South Carolina and Georgia). There also are three new pipelines (Dominion is a part owner of one of these) entering the market that provide additional opportunities for competitive alternatives for transportation capacity in relevant markets.

The Commission has determined that a high degree of concentration (i.e., an HHI more than 1,800) in both the upstream and downstream markets is a necessary (but not sufficient) precondition for the exercise of vertical market power. I demonstrate below that the upstream market

is not highly concentrated when focusing on contracted-for capacity. While both Applicants have firm contractual rights for natural gas deliveries into the Virginia, North Carolina and South Carolina area, and SCANA has bundled storage rights and storage on SCANA's LDC system, their combined share of such capacity is about 21 percent (taking into account some of the new pipeline capacity expected to be on line in 2018 and 2019). Because the upstream market is not highly concentrated, the screen is passed irrespective of the degree of concentration of the downstream market. I also demonstrate that Applicants do not serve a significant amount of third-party gas-fired generation in the relevant Southeast markets.

## **DESCRIPTION OF RELEVANT PARTIES**

A complete description of relevant parties and their affiliates and subsidiaries, and the Proposed Transaction, is included in the Application. Below is a summary of the facts relevant to my analysis.

### **Dominion Energy**

Dominion Energy is a publicly-held holding company, whose wholly-owned public utility subsidiaries include VEPCO, The East Ohio Gas Company (d/b/a Dominion Energy Ohio, Hope Gas, Inc. (d/b/a Dominion Energy West Virginia) and Questar Gas Company (d/b/a Dominion Energy Utah, Dominion Energy Wyoming and Dominion Energy Idaho). Other relevant energy subsidiaries include Dominion Energy Marketing, Inc. ("DEMI"), a wholesale power marketer, and Dominion Retail, Inc. ("Dominion Retail"), a natural gas retail marketing entity. Dominion Energy also indirectly owns various subsidiaries that own and operate electric generating facilities. Exhibit J-2 details the generation affiliated with Dominion Energy in the Eastern Interconnection of the U.S.

Dominion Transmission Company operates a regulated interstate natural gas transmission pipeline and underground storage system in the Northeast, mid-Atlantic and Midwest states, as well as natural gas storage systems (with gas storage fields in New York, Ohio, Pennsylvania and West Virginia) and a liquefied natural gas ("LNG") facility – Cove Point – which imports and stores LNG and delivers it via pipeline to the mid-Atlantic and Northeast markets. Cove Point also has received approval for a bi-directional facility that will be able to export LNG. Dominion Energy also owns a non-controlling partnership interest in Iroquois, an interstate natural gas



pipeline in New York and Connecticut, and in Questar, an interstate natural gas pipeline in Colorado, Utah and Wyoming. In 2015, Dominion Energy acquired Carolina Gas Transmission (“CGT”) from SCANA, a natural gas pipeline in South Carolina and southeastern Georgia.

Dominion has a 48 percent share, along with Duke Energy (47 percent) and Southern Company (5 percent), in the Atlantic Coast Pipeline (“ACP”), an approximately 600-mile natural gas pipeline running from West Virginia through Virginia to North Carolina. ACP is under construction, and expected to be completed in late 2019.

## **SCANA**

SCANA is a utility holding company whose public utility subsidiaries include SCE&G, which is a regulated electric and gas utility with service territories in South Carolina, and South Carolina Generating Company, Inc., which owns the Williams generating station. Exhibit J-3 details the generation affiliated with SCANA.<sup>6</sup>

PSNC Energy is a local gas distribution company that serves customers in North Carolina.

SCANA Energy markets natural gas in the southeast and provides energy-related services. A division of SCANA Energy sells natural gas to customers in Georgia’s deregulated natural gas market.

## **FRAMEWORK FOR THE ANALYSIS**

Market power is defined as the ability of a firm to profitably maintain prices above competitive levels for a significant period of time. Market power analysis of a proposed merger or other combination of assets examines whether a merger or transaction would cause a material increase in the combining firms’ market power or a significant reduction in the competitiveness of relevant markets. The focus is on the effects of the transaction, which means that the analysis examines those business areas in which the combining firms are competitors. This is referred to as horizontal market power assessment. In most instances, a transaction will not affect competition

<sup>6</sup> Included in my analysis (and reflected in Exhibit J-3) is a pending transaction under which SCE&G is acquiring the Columbia Energy Center, a facility that is already under long-term contract to SCE&G. See Joint Application for Federal Power Act Section 203 Approval, *South Carolina Electric & Gas Company*, Docket No. EC18-50, (Jan. 22, 2018).

in markets in which the combining firms do not compete. Of relevance to my analysis, the Proposed Transaction will combine SCANA generation with generation affiliated with Dominion Energy. In the context of the Proposed Transaction, therefore, the focus is properly on those markets in which these entities are actual or potential competitors. The analysis is intended to measure the adverse impact, if any, of the elimination of a competitor as a result of the combination in relevant markets.

Potential vertical market effects of a proposed merger or other combination relate to the combining firms' ability and incentives to use their market position over a product or service to affect competition in a related business or market. For example, vertical effects could result if a transaction created an opportunity and incentive to operate electric transmission facilities in a manner that created market power for the generation activity of the merged company that did not exist previously. The Commission has identified market power as also arising from dominant control over potential generation sites or over fuel supply and fuel transportation systems. Such dominant control could undercut the presumption that long-run generation markets are competitive and could injure competition by raising rivals' costs.

Understanding the competitive impact of a transaction requires defining the relevant market (or markets) in which the combining firms participate. Participants in a relevant market include all suppliers, and in some instances potential suppliers, who can compete to supply the products produced by the combining parties and whose ability to do so diminishes the ability of the combining parties to increase prices. Hence, determining the scope of a market is fundamentally an analysis of the potential for competitors to respond to an attempted price increase. Typically, markets are defined in two dimensions: geographic and product. Thus, the relevant market is composed of companies that can supply a given product (or its close substitute) to customers in a given geographic area.

My analysis is conducted in the context of the Commission's orders governing mergers. In December 1996, the Commission issued Order No. 592,<sup>7</sup> the "Merger Policy Statement," which

<sup>7</sup> *Inquiry Concerning the Comm'n's Merger Policy Statement Under the Federal Power Act, Policy Statement, Order No. 592, FERC Stats. & Regs. ¶ 31,044 (1996) ("Merger Policy Statement" or "Order No. 592"), order on reconsideration, 79 FERC ¶ 61,321 (1997).*

provides a detailed analytic framework for assessing the horizontal market power arising from electric utility mergers (the Appendix A analysis). This analytic framework is organized around a market concentration analysis. The Commission adopted the U.S. Department of Justice (“DOJ”) and Federal Trade Commission (“FTC”) 1992 *Horizontal Merger Guidelines* for measuring market concentration levels by the HHI.<sup>8</sup> On November 15, 2000, the Commission issued its Revised Filing Requirements Under Part 33 of the Commission’s Regulations,<sup>9</sup> which affirmed the screening approach to mergers consistent with the Appendix A analysis set forth in the Merger Policy Statement, and codified the need to file a Competitive Analysis Screen and the exceptions therefrom. The policy was reaffirmed on February 16, 2012.<sup>10</sup> Specifically, the Commission’s regulations require a “delivered price test” to measure EC, defined as energy that can be delivered into a destination market at a delivered cost less than 105 percent of the destination market price. The screening test also provides for an analysis of AEC, defined as energy over and above that required to meet native load and other long-term obligations that meets the delivered price test. If a proposed merger raises no horizontal market power concerns (*i.e.*, passes the Competitive Analysis Screen), the inquiry generally is terminated with respect to horizontal market power.

The Revised Filing Requirements also outline the screening tests for a vertical Competitive Analysis Screen, which consist of analyses of “downstream” and “upstream” markets. The downstream market analysis examines the amount of capacity in the downstream market served by each upstream supplier, whereas the upstream market analysis examines the amount of the input

<sup>8</sup> The HHI is calculated by squaring the market share of each firm competing in the market and summing the results. The HHI increases both as the number of firms in the market decreases and the disparity in size between those firms increases. To determine whether a proposed merger requires further investigation because of the potential for a significant anti-competitive impact, the DOJ/FTC *Guidelines* consider the level of the HHI after the merger (the post-merger HHI) and the change in the HHI that results from the combination of the market shares of the merging entities. In the *Revised Filing Requirements*, the Commission adopted the 1992 *Guidelines*’ standards. Markets with a post-merger HHI of less than 1000 are considered “unconcentrated.” Mergers in such markets are presumed to have no anti-competitive impact. Markets with post-merger HHIs of 1000 to 1800 are considered “moderately concentrated.” In those markets, mergers that result in an HHI increase of 100 points or fewer are considered unlikely to have anti-competitive effects. Finally, post-merger HHIs of more than 1800 are considered to indicate “highly concentrated” markets. In these markets, mergers that increase the HHI by 50 points or fewer are unlikely to have a significant anti-competitive impact, while mergers that increase the HHI by more than 100 points are considered likely to reduce market competitiveness.

<sup>9</sup> *Revised Filing Requirements Under Part 33 of the Comm’n’s Regulations*, FERC Stats. & Regs. ¶ 31,111 (2000) (“Order No. 642”), *order on reh’g*, 94 FERC ¶ 61,289 (2001).

<sup>10</sup> *Analysis of Horizontal Market Power under the Federal Power Act*, 138 FERC ¶ 61,109 (2012).

product (transportation and storage) provided by each upstream supplier. In each instance a post-merger market concentration metric is developed. Importantly, the Commission has determined that a high degree of concentration (i.e., an HHI of over 1,800) in both the upstream and downstream markets is a necessary (but not sufficient) pre-condition for the exercise of vertical market power. If a proposed merger raises no vertical market power concerns (i.e., passes the Competitive Analysis Screen in either the upstream or downstream market), the inquiry generally is terminated with respect to vertical market power.

Both the Merger Policy Statement and the Commission's Revised Filing Requirements provide that a screen analysis (or filing of the data needed for the screen analysis) is not required (i) for the horizontal analysis, where applicants do not sell products in the same geographic markets or the extent of their business transactions in the same geographic markets is *de minimis*;<sup>11</sup> and (ii) for the vertical analysis, where applicants do not provide inputs to electricity products (i.e., upstream relevant products) and electricity products (i.e., downstream relevant products) in the same geographic markets or the extent of the business transactions in the same geographic market is *de minimis*, or the extent of the upstream relevant products currently provided by applicants is used to produce a *de minimis* amount of the relevant downstream products in the relevant destination markets.<sup>12</sup>

<sup>11</sup> Order No. 592 at 30,113 provides: “[I]t will not be necessary for the merger applicants to perform the screen analysis or file the data needed for the screen analysis in cases where the merging firms do not have facilities or sell relevant products in common geographic markets. In these cases, the proposed merger will not have an adverse competitive impact (i.e., there can be no increase in the applicants' market power unless they are selling relevant products in the same geographic markets) so there is no need for a detailed data analysis.”

The Commission's regulations provide that a Competitive Analysis Screen need not be filed if the applicant “[a]ffirmatively demonstrates that the merging entities do not currently conduct business in the same geographic markets or that the extent of the business transactions in the same geographic markets is *de minimis*.” 18 C.F.R. § 33.3(a)(2)(i).

<sup>12</sup> See 18 C.F.R. § 33.4(a)(2)(i).

## **Horizontal Market Power**

### Relevant Product Markets

The Commission generally is concerned with the following relevant product markets: non-firm energy, short-term capacity (firm energy), long-term capacity, and certain ancillary services.<sup>13</sup>

Both EC and AEC are used as measures of energy in conducting the DPT to assess horizontal market power. Under both measures, the capacity that is attributed to a market participant is that capacity controlled by it that can reach the destination market, taking transmission constraints and costs into account, at a price no higher than 105 percent of the destination market price.<sup>14</sup> The Commission in recent years has given more weight to the results of AEC analyses in non-restructured markets (*i.e.*, where traditional suppliers maintain load-serving responsibility),<sup>15</sup> and, conversely, more weight to the results of EC analyses in substantially restructured markets.

### Relevant Geographic Markets

Traditionally, the Commission has defined the relevant geographic markets as centered on the applicants and, for transmission-owning entities, on control areas (now BAAs) directly interconnected with the applicants (*i.e.*, first-tier BAAs). Both Order No. 592 and Order No. 642 continue to define the relevant geographic market in terms of BAAs (or destination markets) in which applicants control generation and first-tier destination markets, where applicable.<sup>16</sup> However, the Commission's practice has been to aggregate customers that have the same supply alternatives into a single destination market, and Regional Transmission Organizations ("RTOs") and Independent System Operators ("ISOs") generally are default markets where applicable. Where transmission constraints exist within an RTO/ISO, the Commission also has considered submarkets as separate geographic markets.<sup>17</sup> As discussed previously, the relevant geographic

<sup>13</sup> See 18 C.F.R. § 33.3(c)(1).

<sup>14</sup> See 18 C.F.R. § 33.3(c)(4).

<sup>15</sup> See footnote 5.

<sup>16</sup> Order No. 592 at 30,119; 18 C.F.R. § 33.3(c)(2).

<sup>17</sup> Order No. 642, FERC Stats. & Regs. ¶ 31,111 at 31,890-1 (2000), citing *Atlantic City Elec. Co.*, 80 FERC ¶ 61,126 (1997); *Consolidated Edison, Inc.*, 91 FERC ¶ 61,225 (2000). To the extent there are internal transmission constraints within these markets, the Commission has considered smaller markets within these single control areas

markets in the context of an energy market analysis of the Proposed Transaction are PJM (and AP South),<sup>18</sup> SCEG, DUK, CPLE, SC and SOCO. I conducted both an EC and AEC analysis, although, as I discuss below, the AEC analysis is of primary relevance here, consistent with the Commission's reliance on AEC in non-restructured markets (which includes both the Southeast and VEPCO).

### Competitive Analysis Screen

The Competitive Analysis Screen is intended to be a conservative screen to determine whether further analysis of market power is necessary.<sup>19</sup> If the Competitive Analysis Screen shows that the relevant entities will not be able to exercise market power in narrowly defined markets in which they or the affiliates own or control generation, it generally follows that they will not have market power in more broadly defined and more geographically remote markets.

As described earlier (see note 8), the Competitive Analysis Screen measures the HHI changes resulting from a transaction. The acceptable HHI changes depend on whether the post-transaction market is unconcentrated, moderately concentrated, or highly concentrated.

### Description of Methodology

I performed the DPT analysis for PJM, SCEG and the SCEG first-tier markets using models that include each potential supplier as a distinct "node" or area that is connected via a transportation (or "pipes") representation of the transmission network. Each link in the network has its own non-simultaneous limit and cost, and a simultaneous import limit ("SIL") is imposed across these individual limits. Potential suppliers may use economically and physically feasible links or paths to reach the destination market. I consider potential supply within these markets and markets first-

as potentially relevant. Likewise, the Commission's indicative screens for purposes of determining eligibility to obtain authority to sell at market-based rates also use BAAs or RTOs/ISOs as default geographic markets. *Order No. 697*, FERC Stats. & Regs. ¶ 31,252 at P 231 and P 246 (citing to a number of Commission decisions involving electric utility mergers).

<sup>18</sup> Dominion Energy has limited generation in PJM's other relevant submarkets, which, in any event, are further remote from the SCEG BAA.

<sup>19</sup> See *Order No. 642* at 31,879 and 31,886-87; *Order No. 592* at 30,119; *Analysis of Horizontal Market Power under the Federal Power Act* at 35.

and second-tier to the Southeast markets, and at least first-tier to PJM.<sup>20</sup> This generally is a conservative approach as it limits import supply to a smaller group of potential market participants than if, for example, participants in second-tier markets were considered as potential supply. To the extent more generation meets the economic element of the DPT (*i.e.*, 105 percent of the market price)<sup>21</sup> than actually can be delivered on the transmission network, scarce transmission capacity is allocated based on the relative amount of economic generation that each party controls at a constrained interface.

The data sources and methodology relevant to conducting the DPT are described in Exhibit J-4.

### Time Periods

For each relevant market, I examined ten time periods, selected to reflect a broad range of system conditions. Broadly, I evaluated hourly load data to aggregate similar hours. I defined periods within three seasons (Summer, Winter and Shoulder) to reflect the differences in unit availability, load and transmission capacity. Hours were first separated into seasons to reflect differences in generating availability and then further differentiated by load levels during each season.<sup>22</sup> For each season, hours were segmented into peak- and off-peak periods.<sup>23</sup> The periods evaluated (and the designations used to refer to these periods in exhibits) are:

#### **SUMMER** (June-July-August)

Super Peak 1 (S_SP1):	Top load hour
Super Peak 2 (S_SP2):	Top 10% of peak load hours
Peak (S_P):	Remaining peak hours

<sup>20</sup> Inclusion of a single wheel from PJM is sufficient to encompass a geographically large pool of potential supply.

<sup>21</sup> See 18 C.F.R. 33.3(c)(4).

<sup>22</sup> Appendix A requires applicants to evaluate the merger's impact on competition under different system conditions. For example, aggregating summer peak and shoulder peak conditions may mask important differences in unit availability and, therefore, a merger could potentially affect competition differently in these seasons. Thus, applicants are directed to evaluate enough sufficiently different conditions to show the merger's impact across a range of system conditions. On the other hand, the DOJ/FTC *Horizontal Merger Guidelines* discuss the ability to "sustain" a price increase, and a finding that a structural test (like the HHI statistic) violates the safe harbor for some small subset of hours during the year may not be indicative of any market power problems.

<sup>23</sup> Peak- and off-peak hours were defined according to NERC's definition, except that I did not consider Saturdays to be peak days.

Off-peak (S\_OP): All off-peak hours

**WINTER** (December-January-February)

Super Peak (W\_SP): Top 10% of peak load hours

Peak (W\_P): Remaining peak hours

Off-peak (W\_OP): All off-peak hours

**SHOULDER** (March-April-May-September-October-November)

Super Peak (SH\_SP): Top 10% of peak load hours

Peak (SH\_P): Remaining peak hours

Off-peak (SH\_OP): All off-peak hours

Study Year

I analyze 2018-2019 (Jun 2018-May 2019) market conditions, consistent with the Order No. 642 requirement that the analysis be forward looking. Even though my analysis approximates 2018-2019 market conditions, the primary source of data on generation is current and recent historical data. Where appropriate, I adjusted relevant data to approximate 2018-2019 conditions. As described in Exhibit J-4, this includes load and generation dispatch (*i.e.*, fuel) costs. I included generation expected to be on-line during 2018-2019. I excluded units already retired or approved for retirement prior to or during 2018-2019.<sup>24</sup>

Market Price Levels

The Commission has indicated that market prices for both a base case and sensitivities are required, stating that “every Delivered Price Test should address three scenarios: the Base Case, in which applicants should use appropriate forecasted market prices to model post-merger competition in the study area, and sensitivity analyses of the Base Case that measure the effect of increasing or decreasing the market prices relative to the Base Case.”<sup>25</sup> The Commission also has indicated a preference for the use of “actual market prices rather than price proxies such as system lambda.”<sup>26</sup> Here, for my base case prices, I rely on two years of historical prices in the relevant

<sup>24</sup> I generally relied on information in the ABB Energy Velocity database for my review of new entry and retirements, as well as information from other public sources, including reports by the RTOs/ISOs.

<sup>25</sup> *Duke Energy Corp.*, 136 FERC ¶ 61,245 at P 118 (2011) (“*Duke Energy*”) (footnote omitted).

<sup>26</sup> *Id.*, at P 121.



markets (as reported in the EQRs for June 2015-May 2017), adjusted to reflect forecasted fuel prices for 2018-2019, and conducted sensitivity analyses using slightly higher and lower prices (changing prices by 10 percent).<sup>27</sup> The underlying cost assumptions in my analysis are consistent with this market price forecast.

*Import Limits and Allocation of Limited Transmission Capacity*

I use SIL data most recently approved by the Commission in connection with the market-based rate triennial filings for PJM,<sup>28</sup> and the pending Southeast Region filings for SCEG, DUK, CPLE, SC and SOCO.<sup>29</sup> Interface limits are based on data from a number of sources, including information submitted by PJM in connection with its SIL analyses,<sup>30</sup> other information published by various regions and OASIS data. Appendix A notes that there are various methods for allocating transmission, and instructs applicants to support the method used.<sup>31</sup> I allocated transmission using a pro rata method based on relative ownership shares of capacity, taking into account both interface limits and SILs.<sup>32</sup> Ultimately, the shares at the destination market represent the prorated share of EC and AEC that is economically and physically feasible.

*DPT Assumptions for PJM vs. Southeast Markets*

In this merger, there are some material differences between PJM and the Southeast markets in terms of load shapes and market prices. Typically, I choose a single set of destination market prices and load shapes for the ten study periods to examine all the relevant destination markets.

<sup>27</sup> *NRG Energy, Inc.*, 141 FERC ¶ 61,207 at P 63 (2012) (“*NRG Energy*”).

<sup>28</sup> *Dominion Energy Marketing, Inc.*, Docket No. ER13-434-005 *et al.*, *Letter Order Accepting Simultaneous Transmission Import Limit (SIL) Studies for the Northeast Region* (PJM only), June 9, 2017.

<sup>29</sup> While the SILs for the Southeast Region have not been accepted, the results in the Southeast BAAs are unlikely to be materially affected by modest changes in the SILs.

<sup>30</sup> See *PJM Interconnection, L.L.C.*, Informational Filing of 2015 Simultaneous Import Limit Study Report for PJM Region, Docket No. AD10-2-007 (filed Sept. 2, 2016).

<sup>31</sup> See Order No. 592, ¶ 31,044 at 30,133: “In many cases, multiple suppliers could be subject to the same transmission path limitation to reach the same destination market and the sum of their economic generation capacity could exceed the transmission capability available to them. In these cases, the available transfer capability must be allocated among the potential suppliers for analytic purposes. There are various methods for accomplishing this allocation. Applicants should support the method used.”

<sup>32</sup> The pro rata methodology used here has been affirmed in a number of Commission orders. See, for example, *PPL Corporation*, 149 FERC ¶ 61,260 at P 84 (2014) (“*PPL*”), and *NRG Energy*, 141 FERC ¶ 61,207 at P 63.

Destination market prices in this instance typically would be centered around SCEG, but because there is not sufficient EQR price data for SCEG, I used prices reported in SCEG and first-tier markets in the Southeast. And, I used SCEG's load shape to determine loads for all competing parties in the DPT. However, as a sensitivity analysis, I also examined the PJM market assuming PJM destination market prices and using PJM's load shapes. The practical effect of this is that SCE&G may have different amounts AEC relative to PJM's load shapes in the ten time periods than based on its own SCEG load shapes.<sup>33</sup>

### **Vertical Market Power**

In the Revised Filing Requirements, the Commission set out several vertical issues potentially arising from transactions involving both generation and input suppliers. The principal issue identified is whether the merger may create or enhance the ability of the merged firm to exercise market power in downstream electricity markets by control over the supply of inputs used by rival producers of electricity. Three potential abuses have been identified: (i) the upstream firm acts to raise rival costs or foreclose them from the market in order to increase prices received by the downstream affiliate; (ii) the upstream firm acts to facilitate collusion among downstream firms; or (iii) transactions between vertical affiliates are used to frustrate regulatory oversight of the cost/price relationship of prices charged by the downstream electricity supplier. The Commission also has expressed concerns that (a) convergence mergers involving an upstream gas supplier serving the downstream merger partner, as well as competitors of that partner, could result in preferential terms of service and (b) a pipeline serving electric generation could provide commercially valuable information to newly affiliated electricity generating or marketing operations. My analysis examines each of these areas. As demonstrated below, none of these concerns is evident in this merger. Potential market power arising from a merger between an electric utility and a gas pipeline is discussed by the Commission principally in its Order No. 642 and Section 33.4 of the Revised Filing Requirements, and in its orders involving convergence mergers.

<sup>33</sup> For example, if the W\_SP period represents the top 10 percent of hours, the defined hours using SCEG's load shape will be different than the defined hours using PJM's load shape.

Foreclosure, or raising rivals' costs, refers to a situation in which a vertically integrated firm withholds inputs produced in its upstream operations (e.g., delivered gas) from rivals in the downstream (e.g., electric generation) market in order to increase the costs of downstream rivals, thereby increasing downstream market prices and creating an opportunity for the integrated firm to achieve increased profits from its downstream operations. If the vertically integrated firm exercises market power in the upstream market after the merger, the costs to rivals in the downstream market could increase. However, if competitors in the downstream market have adequate alternatives to the upstream product, the merged firms cannot exercise market power. Moreover, if conditions in the upstream market are not conducive to the exercise of market power (i.e., the upstream market is competitive), an attempt to raise rivals' cost will be unsuccessful. Similarly, if the upstream or downstream markets are sufficiently competitive, there should be no issue of anticompetitive coordination.

#### Relevant Markets

With respect to the vertical analysis, the Commission proposes defining the downstream market in the same manner as in the horizontal analysis. For upstream markets, the relevant geographic market has not been specifically defined by the Commission. In concept, it should include the area in which suppliers to generators competing in the downstream market are located. The Commission has suggested that the market includes sellers that can provide competitive alternatives, such as those that can provide transportation capacity on comparable terms to those offered by the merging firm.<sup>34</sup>

#### Description of Methodology

My analysis is consistent with the Commission's analytic framework set forth in Section 33.4 of the Revised Filing Requirements. That framework requires that relevant upstream (delivered gas) and downstream (electricity) geographic markets be defined. The analysis of the upstream market requires that the structure of control of transportation capacity be examined. The structure of downstream markets is analyzed using the same DPT methodology as the Commission has mandated for horizontal market power analysis with two modifications. First, gas-fired generation is deemed to be controlled by (i.e., is assigned to) its gas supplier (either a gas pipeline

<sup>34</sup> *Dominion Resources, Inc. and Consolidated Natural Gas Company*, 89 FERC ¶ 61,162 (1999) ("Dominion").

or LDC) rather than to its owner. Second, whereas the focus of the horizontal screening analysis is on the change in market structure, the downstream portion of the vertical screen is not directly concerned with the changes in market concentration, but with the structure of the market post-merger.

The Commission has determined that a high degree of concentration (i.e., an HHI of over 1,800) in both the upstream and downstream markets is a necessary (but not sufficient) precondition for the exercise of vertical market power. As I demonstrate below, the upstream market is not highly concentrated. Hence, the screen is passed, irrespective of the degree of concentration of the downstream market, and therefore I have not conducted a downstream analysis. Nevertheless, in order to provide a more complete understanding of the effects of the transaction, I have provided additional information on competitive conditions in the downstream market.

The relevant upstream product is delivered gas. Since the provision of delivered gas is not vertically integrated, an upstream analysis must be decomposed into component products and services. These are: (a) commodity gas supplies, (b) transportation of these supplies from gas-producing regions and remote storage facilities into the market area (including transportation to and from remote storage facilities), and (c) (for gas not delivered directly from an interstate pipeline transportation system to an end use customer) the local distribution of these supplies to gas-fired electric generating facilities.

Because the Commission has found that the gas commodity market is structurally competitive, no analysis is necessary. Dominion Energy controls interstate natural gas pipelines and storage in relevant markets, and both Dominion Energy and SCANA own LDCs in the Southeast. Additionally, both Applicants have rights to use capacity on interstate gas transportation pipelines and storage facilities owned. Such contracts to purchase transportation and storage services typically do not give them the degree of control necessary to trigger vertical market power concerns, given that any capacity not being used is typically released back to the market. I focused on delivery rights into Transcontinental Pipeline's Zone 5 ("Transco Z5"), which has delivery points throughout South Carolina, North Carolina, and Virginia.

## IMPACT OF THE PROPOSED TRANSACTION ON COMPETITION

### Horizontal Market Power

Consistent with the guidance in the Merger Policy Statement and the Revised Filing Requirements, I examined the relevant markets in which the generation subject to the Proposed Transaction is located, namely SCEG and PJM, as well as markets first-tier to SCEG, as well as relevant submarkets. The Commission does not require first-tier markets to be analyzed if the relevant generation is located in an RTO. My analysis of these markets is detailed below.

#### PJM and AP South

##### *Available Economic Capacity*

Conducting an AEC analysis is complicated in restructured markets such as PJM. While EC is typically the more relevant metric for PJM, the Commission has considered AEC in PJM, noting that some states in PJM – including Virginia and North Carolina where Dominion Energy operates – have not implemented retail choice,<sup>35</sup> and that utilities may retain provider of last resort (“POLR”) obligations even in states with retail competition.<sup>36</sup> In conducting my analysis, I linked load-serving “obligations” to generation in PJM based on available information about which generation is committed to serving PJM utilities’ load obligations. Load obligations for Dominion Energy in PJM are based on its historical and forecasted load commitments. The relevant assumptions are detailed in Exhibit J-4.

As shown in Table 5 below, the DPT screens for AEC are easily passed in the PJM market. The market is unconcentrated. SCANA’s theoretical presence in the market (based on an allocated share of imports) is small, less than 60 MW, as shown in Table 5 below and Exhibit J-5. The results for the price sensitivities are not materially different (see Exhibits J-6 and J-7).

<sup>35</sup> *NRG Energy*, 141 FERC ¶ 61,207 at n. 115 (“The Commission notes that although EC may be the more relevant measure for energy markets where retail competition exists, Applicants’ analyses under the AEC measure is also appropriate because while some states within PJM have implemented retail choice, Indiana, Kentucky, North Carolina, Tennessee, Virginia, and West Virginia have not.”). Customers with more than 5 MW of load have retail access in Virginia; however, less than 0.6 percent of total load in Virginia in 2016 relied on competitive retail (energy-only) suppliers. (Data based on Retail Sales of Electricity by State by Sector by Provider, [https://www.eia.gov/electricity/data/state/sales\\_annual.xlsx](https://www.eia.gov/electricity/data/state/sales_annual.xlsx).)

<sup>36</sup> *PPL*, 149 FERC ¶ 61,260 at P 88.

**Table 5: DPT Results for PJM (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			Mkt	Mkt	Market	Mkt	Mkt	Market	Mkt	Share	HHI	HHI
MW	Share	Size	MW	Share	Size	MW	Share	HHI	MW	Share	HHI	Chg
PJM	S_SP1	\$ 150	3,561	3.1%	-	0.0%	113,094	548	3,561	3.1%	548	-
PJM	S_SP2	\$ 65	5,723	4.8%	14	0.0%	118,799	515	5,736	4.8%	515	0
PJM	S_P	\$ 35	4,573	4.2%	-	0.0%	108,783	537	4,573	4.2%	537	-
PJM	S_OP	\$ 25	1,766	2.3%	-	0.0%	76,625	588	1,766	2.3%	588	-
PJM	W_SP	\$ 50	6,013	5.5%	-	0.0%	108,580	494	6,013	5.5%	494	-
PJM	W_P	\$ 32	1,165	1.5%	-	0.0%	79,603	575	1,165	1.5%	575	-
PJM	W_OP	\$ 28	1,165	1.5%	-	0.0%	76,042	634	1,165	1.5%	634	-
PJM	SH_SP	\$ 50	6,013	5.5%	42	0.0%	110,217	481	6,055	5.5%	482	0
PJM	SH_P	\$ 33	5,710	5.6%	-	0.0%	101,503	496	5,710	5.6%	496	-
PJM	SH_OP	\$ 26	3,060	3.7%	-	0.0%	83,051	516	3,060	3.7%	516	-

Likewise, the DPT results for the AP South submarket indicate a market that is unconcentrated to moderately concentrated, SCANA’s presence is small, and the Transaction readily passes the DPT screens in all periods/load conditions, as shown in Table 6 below and Exhibit J-5. The results of the price sensitivities are not materially different (see Exhibits J-6 and J-7).

**Table 6: DPT Results for AP South (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			Mkt	Mkt	Market	Mkt	Mkt	Market	Mkt	Share	HHI	HHI
MW	Share	Size	MW	Share	Size	MW	Share	HHI	MW	Share	HHI	Chg
AP South	S_SP1	\$ 150	3,503	6.8%	-	0.0%	51,662	709	3,503	6.8%	709	-
AP South	S_SP2	\$ 65	5,667	10.5%	9	0.0%	53,741	700	5,675	10.6%	700	0
AP South	S_P	\$ 35	4,519	9.6%	-	0.0%	46,871	690	4,519	9.6%	690	-
AP South	S_OP	\$ 25	1,716	6.0%	-	0.0%	28,602	553	1,716	6.0%	553	-
AP South	W_SP	\$ 50	5,896	12.3%	-	0.0%	48,105	670	5,896	12.3%	670	-
AP South	W_P	\$ 32	1,109	3.4%	-	0.0%	32,743	613	1,109	3.4%	613	-
AP South	W_OP	\$ 28	1,108	3.8%	-	0.0%	29,230	646	1,108	3.8%	646	-
AP South	SH_SP	\$ 50	5,913	11.5%	28	0.1%	51,608	626	5,942	11.5%	627	1
AP South	SH_P	\$ 33	5,615	12.1%	-	0.0%	46,335	596	5,615	12.1%	596	-
AP South	SH_OP	\$ 26	2,970	8.2%	-	0.0%	36,136	533	2,970	8.2%	533	-

*Load and Market Price Sensitivity Analysis*

As noted above, I also examined the PJM market assuming PJM destination market prices and using PJM’s load shapes. These results are shown in Table 7 below for PJM, and workpapers show the results for the other relevant markets. As shown here, there are some changes in the

Dominion’s and SCE&G’s AEC in PJM compared to Table 5, but there is still only a small amount of SCE&G AEC in PJM and only in a few periods, and the HHI changes are small.

**Table 7: DPT Results for PJM (Available Economic Capacity) – Load and Price Sensitivity**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Mkt Share	HHI	MW	Mkt Share	HHI	Market Size	HHI	MW	Mkt Share
PJM	S_SP1	\$ 150	3,561	3.1%	-	0.0%	113,150	548	3,561	3.1%	548	-
PJM	S_SP2	\$ 65	4,939	4.3%	68	0.1%	115,313	524	5,007	4.3%	524	1
PJM	S_P	\$ 35	4,498	4.1%	-	0.0%	109,361	538	4,498	4.1%	538	-
PJM	S_OP	\$ 25	1,911	2.5%	-	0.0%	77,356	590	1,911	2.5%	590	-
PJM	W_SP	\$ 50	6,562	6.0%	5	0.0%	108,740	495	6,567	6.0%	495	0
PJM	W_P	\$ 32	1,165	1.4%	-	0.0%	80,377	574	1,165	1.4%	574	-
PJM	W_OP	\$ 28	1,165	1.5%	-	0.0%	76,396	635	1,165	1.5%	635	-
PJM	SH_SP	\$ 50	5,594	5.2%	102	0.1%	108,128	486	5,696	5.3%	487	1
PJM	SH_P	\$ 33	5,667	5.5%	-	0.0%	102,239	496	5,667	5.5%	496	-
PJM	SH_OP	\$ 26	3,136	3.8%	-	0.0%	83,479	518	3,136	3.8%	518	-

*Economic Capacity*

The DPT demonstrates that the PJM and AP South markets are unconcentrated, and the Proposed Transaction readily passes the DPT screens in all periods/load conditions, as shown in Exhibit J-8 (and Exhibits J-9 and J-10 for price sensitivities).

*Capacity and Ancillary Services Markets*

Because SCANA does not participate in PJM capacity and ancillary services markets, there are no competitive effects present in those markets.

*Historical Transactions*

In 2016, the output of generation owned or controlled by Dominion Energy affiliates accounted for about 12 percent of PJM load.<sup>37</sup> SCANA made no sales in PJM. These data corroborate broadly the results of the DPT for EC in PJM.

<sup>37</sup> These data are based on reported 2016 net generation in the EIA Form 923 and PJM’s 2016 load.

SCEG

*Available Economic Capacity*

AEC is clearly the relevant metric for the SCEG BAA. As shown in Table 8 below (and Exhibit J-5), the DPT screens for AEC are passed in SCEG. The market is unconcentrated to moderately concentrated. Dominion Energy’s theoretical presence in the market (based on an allocated share of imports) is small, no more than about 30 MW. The results for the price sensitivities are not materially different (see Exhibits J-6 and J-7).

**Table 8: DPT Results for SCEG (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
SCEG	S_SP1	\$ 150	23	0.9%	-	0.0%	2,601	865	23	0.9%	865	-
SCEG	S_SP2	\$ 62	27	0.9%	300	10.3%	2,901	907	326	11.2%	926	19
SCEG	S_P	\$ 39	17	0.5%	969	27.1%	3,570	1,138	985	27.6%	1,163	25
SCEG	S_OP	\$ 30	22	0.8%	270	9.4%	2,871	764	292	10.2%	778	15
SCEG	W_SP	\$ 48	16	1.4%	241	21.1%	1,141	779	257	22.5%	836	58
SCEG	W_P	\$ 35	9	0.7%	309	25.6%	1,209	940	318	26.3%	978	38
SCEG	W_OP	\$ 31	8	0.8%	151	14.4%	1,051	660	159	15.2%	683	23
SCEG	SH_SP	\$ 42	25	1.0%	517	20.8%	2,490	831	542	21.8%	873	42
SCEG	SH_P	\$ 31	20	0.8%	530	21.2%	2,503	774	550	22.0%	808	33
SCEG	SH_OP	\$ 30	28	1.2%	294	13.0%	2,267	693	322	14.2%	725	32

*Economic Capacity*

As required, I have included the DPT results for EC although the Commission has not relied on the EC measure in evaluating competitive conditions in BAAs with traditional load-serving entities such as SCE&G. These results are shown in Exhibit J-8 (and Exhibits J-9 and J-10 for price sensitivities). In this Transaction, there also are no screen failures for EC, consistent with the fact that Dominion is allocated only a small amount of supply into SCEG.



First-Tier Markets

*Available Economic Capacity*

For each of the relevant markets first-tier to SCEG, AEC is the relevant metric. As shown in Table 9 through Table 12 below (and in Exhibit J-5), the DPT screens for AEC in DUK, CPLE, SC and SOCO are easily passed. The results for the price sensitivities are not materially different (see Exhibit J-6 and Exhibit J-7).

**Table 9: DPT Results for DUK (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
DUKE	S_SP1	\$ 150	5	0.3%	-	0.0%	1,911	3,052	5	0.3%	3,052	-
DUKE	S_SP2	\$ 62	7	0.2%	15	0.4%	3,644	3,097	22	0.6%	3,097	0
DUKE	S_P	\$ 39	6	0.2%	-	0.0%	3,180	2,554	6	0.2%	2,554	-
DUKE	S_OP	\$ 30	4	0.3%	-	0.0%	1,507	1,590	4	0.3%	1,590	-
DUKE	W_SP	\$ 48	56	1.4%	-	0.0%	4,029	539	56	1.4%	539	-
DUKE	W_P	\$ 35	32	1.2%	-	0.0%	2,711	482	32	1.2%	482	-
DUKE	W_OP	\$ 31	31	1.0%	-	0.0%	2,940	636	31	1.0%	636	-
DUKE	SH_SP	\$ 42	44	0.7%	67	1.0%	6,501	2,103	111	1.7%	2,105	1
DUKE	SH_P	\$ 31	62	1.7%	-	0.0%	3,708	667	62	1.7%	667	-
DUKE	SH_OP	\$ 30	39	0.9%	-	0.0%	4,528	1,343	39	0.9%	1,343	-

**Table 10: DPT Results for CPLE (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
CPLE	S_SP1	\$ 150	19	0.4%	-	0.0%	4,378	1,399	19	0.4%	1,399	-
CPLE	S_SP2	\$ 62	28	0.6%	44	0.9%	4,843	1,216	72	1.5%	1,217	1
CPLE	S_P	\$ 39	32	0.6%	-	0.0%	5,496	1,237	32	0.6%	1,237	-
CPLE	S_OP	\$ 30	33	0.9%	-	0.0%	3,574	1,117	33	0.9%	1,117	-
CPLE	W_SP	\$ 48	61	1.2%	-	0.0%	5,244	1,077	61	1.2%	1,077	-
CPLE	W_P	\$ 35	24	1.0%	-	0.0%	2,331	588	24	1.0%	588	-
CPLE	W_OP	\$ 31	23	1.0%	-	0.0%	2,329	597	23	1.0%	597	-
CPLE	SH_SP	\$ 42	36	0.6%	74	1.2%	5,964	1,423	110	1.9%	1,424	2
CPLE	SH_P	\$ 31	47	1.3%	-	0.0%	3,539	951	47	1.3%	951	-
CPLE	SH_OP	\$ 30	51	0.9%	-	0.0%	5,336	1,362	51	0.9%	1,362	-

**Table 11: DPT Results for SC (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share	Size	HHI	MW	Mkt Share	HHI	
SC	S_SP1	\$ 150	5	0.5%	-	0.0%	977	984	5	0.5%	984	-
SC	S_SP2	\$ 62	7	0.4%	15	0.9%	1,565	2,922	21	1.4%	2,923	1
SC	S_P	\$ 39	3	0.3%	-	0.0%	867	576	3	0.3%	576	-
SC	S_OP	\$ 30	4	0.5%	-	0.0%	743	550	4	0.5%	550	-
SC	W_SP	\$ 48	46	5.2%	-	0.0%	883	462	46	5.2%	462	-
SC	W_P	\$ 35	38	4.5%	-	0.0%	839	536	38	4.5%	536	-
SC	W_OP	\$ 31	35	4.2%	-	0.0%	839	560	35	4.2%	560	-
SC	SH_SP	\$ 42	37	1.7%	59	2.7%	2,193	1,168	96	4.4%	1,177	9
SC	SH_P	\$ 31	39	2.5%	-	0.0%	1,568	496	39	2.5%	496	-
SC	SH_OP	\$ 30	30	1.9%	-	0.0%	1,568	509	30	1.9%	509	-

**Table 12: DPT Results for SOCO (Available Economic Capacity)**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share	Size	HHI	MW	Mkt Share	HHI	
SOCO	S_SP1	\$ 150	14	0.1%	-	0.0%	13,673	2,457	14	0.1%	2,457	-
SOCO	S_SP2	\$ 62	15	0.1%	102	0.7%	14,575	2,653	118	0.8%	2,653	0
SOCO	S_P	\$ 39	12	0.1%	-	0.0%	15,008	2,898	12	0.1%	2,898	-
SOCO	S_OP	\$ 30	20	0.3%	-	0.0%	6,543	1,128	20	0.3%	1,128	-
SOCO	W_SP	\$ 48	15	0.1%	-	0.0%	16,734	2,668	15	0.1%	2,668	-
SOCO	W_P	\$ 35	5	0.0%	-	0.0%	10,394	2,264	5	0.0%	2,264	-
SOCO	W_OP	\$ 31	2	0.0%	-	0.0%	5,886	1,096	2	0.0%	1,096	-
SOCO	SH_SP	\$ 42	14	0.1%	129	0.7%	17,368	2,324	143	0.8%	2,324	0
SOCO	SH_P	\$ 31	5	0.1%	-	0.0%	5,595	1,551	5	0.1%	1,551	-
SOCO	SH_OP	\$ 30	20	0.2%	-	0.0%	8,357	966	20	0.2%	966	-

*Economic Capacity*

As required, I have included the DPT results for EC although the Commission has not relied on the EC measure in evaluating competitive conditions in BAAs with traditional load-serving entities such as SCE&G. These results are shown in Exhibit J-8 (and Exhibits J-9 and J-10 for price sensitivities). Notably, there also are no screen failures in EC in this instance, consistent with just how small Dominion’s presence is in the Southeast markets under the DPT.

## Vertical Market Power

The Proposed Transaction does not raise any competitive concerns with regard to vertical market power.

### Transmission

There are no issues related to electric transmission ownership. The transmission facilities owned by Dominion Energy in PJM are under the control of PJM and subject to the PJM OATT. The transmission facilities owned by SCANA are subject to SCE&G's OATT. The only other transmission consists of the limited facilities necessary to interconnect and merchant generation to the grid, and such facilities are subject to OATT waivers.

### Interstate Gas Pipelines

Dominion Energy currently owns interstate pipelines in PJM and in the Carolinas. SCANA does not own any interstate pipelines. Dominion Energy's current ownership of interstate pipelines in the Southeast, through its ownership of CGT, is small, as shown in Table 13 below. Dominion Energy owns just 3.9 percent of pipeline capacity into South Carolina and just 2.4 percent of pipeline capacity into Georgia.<sup>38</sup>

**Table 13: "State-to-State" Pipeline Capacity (2016)**

	"Into" Capacity (mmcf/d)	Share
<b>South Carolina</b>		
<b>Dominion Carolina Gas Transmission</b>	<b>190</b>	<b>3.9%</b>
Southern Natural Gas Co	454	9.4%
Transcontinental Gas P L Co	4,199	86.7%
Total	4,843	100.0%
<b>Georgia</b>		
<b>Dominion Carolina Gas Transmission</b>	<b>190</b>	<b>2.4%</b>
East Tennessee Nat Gas Co	222	2.8%
Southern Natural Gas Co	2,760	34.8%
Transcontinental Gas P L Co	4,758	60.0%
Total	7,930	100.0%

<sup>38</sup> Data are from Pipeline State-to-State Capacity, Energy Information Administration, <https://www.eia.gov/naturalgas/pipelines/EIA-StatetoStateCapacity.xls>.

As noted earlier, Dominion Energy has a 48 percent share in ACP, which will add approximately 1.5 million dekatherms per day (“Dth/d”) of natural gas transportation service into Virginia and North Carolina.<sup>39</sup> ACP is under construction, and expected to be completed in late 2019.

#### Transportation and Storage Rights in the Southeast

Dominion Energy owns the Cove Point LNG terminal in Maryland, and is expanding its facilities for gas liquefaction and LNG export. SCANA (through PSNC Energy) has a minority ownership share (17 percent) in Pine Needle LNG Company, LLC, an LNG and storage facility in North Carolina.

My analysis focuses on a Southeast market defined by Transco Zone 5.<sup>40</sup> Transco is a major pipeline from the Gulf Coast through the Southeast into the Northeast. (As shown above in Table 13, Transco owns the majority of pipeline capacity into South Carolina and Georgia (as well as into North Carolina.) Both Applicants have firm contractual rights for natural gas deliveries into the Virginia, North Carolina and South Carolina area through their rights on Transco to deliver into Zone 5, and SCANA has bundled storage rights, and storage on SCANA’s LDC system.<sup>41</sup> Table 14 below summarizes Applicants’ capacity positions on Transco and their storage rights based on peak winter demands.

<sup>39</sup> *Atlantic Coast Pipeline, LLC*, 161 FERC ¶ 61,042 (2017).

<sup>40</sup> Zone 5 includes the Virginia portion of PJM as well.

<sup>41</sup> Much of this data is based on the Applicants’ filing with the North Carolina Utilities Commission (“NCUC”) on January 24, 2018 (*Joint Application of Dominion Energy, Inc. and SCANA Corporation to Engage in a Business Combination Transaction* Docket Nos. E-22, Sub 551 and G-5, Sub 585), specifically Exhibit 5, the report prepared by Charles River Associates. Where appropriate, for purposes of my analysis, I have made some adjustments relating to the three planned pipelines in the region (ACP, Mountain Valley Pipeline (“MVP”) and Atlantic Sunrise Pipeline (“ASP”)). I identify these adjustments in my discussion below.

**Table 14: Applicants’ Capacity Positions on Transco (Dth/day) (Current)**

	FT Rights, Transco Z5 Delivery	Bundled Storage Rights	Storage on LDC System	Pass- Through Capability	Total
<b>Dominion Energy</b>					
VEPCO	503,183	-	-	-	503,183
<b>SCANA</b>					-
SCE&G	309,719	38,393	100,000	-	448,112
PSNC Energy	64,652	1,220	154,500	-	220,372
Combined Companies	877,554	39,613	254,500	-	1,171,667
<b>Current Market Total</b>	<b>2,905,508</b>	<b>199,627</b>	<b>467,993</b>	<b>1,015,739</b>	<b>4,588,867</b>

As reflected in Table 14 (as well as Table 16 below), there is an entry for approximately 1 million Dth/day of “Pass Through Capability”– this is capacity that may traverse (i.e., “pass through”) Zone 5 for delivery north into other zones.<sup>42</sup> It is appropriate to include this capacity because Transco permits owners of such contracts to deliver into Zone 5; to exclude such capacity would understate the delivery capabilities into Zone 5.

There are three new pipelines approved by the Commission and expected in service by 2019 that also are relevant to my analysis. First, ACP, as already described, will add approximately 1.5 million Dth/day of capacity into North Carolina, Virginia and West Virginia. Second, Transco’s Atlantic Sunrise pipeline will provide approximately 1.7 million Dth/day of incremental firm transmission service from Transco Zone 6 in Pennsylvania to Alabama (including markets in Pennsylvania, Maryland, Zone 5 (Virginia, North Carolina and South Carolina), and Zone 4 (Georgia and Alabama).<sup>43</sup> Third, MVP will provide up to 2 million Dth/day from West Virginia to Transco in Virginia.<sup>44</sup> Each of the pipelines has held open seasons and secured binding precedent agreements with shippers, as summarized in Table 15 below.<sup>45</sup>

<sup>42</sup> On the peak delivery date for PSNC in 2017, total deliveries into Zone 5 to electric plants, industrial users, LNG terminals, residential users, and storage facilities was approximately 4,120 MDth. The sum of firm transportation contracts into Zone 5 and bundled storage totaled approximately 3,100 MDth/d. The difference between these two metrics is available third-party firm transport capacity on Transco, and is classified as “pass through capability”.

<sup>43</sup> *Transcontinental Gas Pipe Line Company, LLC*, 158 FERC ¶ 61,125 (2017).

<sup>44</sup> *Mountain Valley Pipeline, LLC*, 161 FERC ¶ 61,043 (2017).

<sup>45</sup> Cabot Oil & Gas Corporation holds 850,000 Dth/d on Atlantic Sunrise. However, 350,000 Dth/d are included in the Transco Z5 quantities (see Table 16), so I have excluded that portion of the reservations here.

**Table 15: New Pipeline Capacity (Dth/day)**

	<b>Atlantic Sunrise (AS)</b>	<b>Atlantic Coast Pipeline (ACP)</b>	<b>Mountain Valley Pipeline (MVP)</b>
<b>Holding Company Name</b>			
Dominion+SCANA		400,000	
Duke Energy Corp		885,000	
Cabot Oil and Gas	500,000		
WGL Holdings Inc	44,048		200,000
Southern Co	60,000		
Anadarko Energy Services Company	44,048		
Chief Oil & Gas LLC	420,000		
Inflection Energy LLC	26,429		
MMGS, Inc.	22,024		
Seneca Resources Corporation	189,405		
Southwestern Energy Services Company	44,048		
AGL Resources Inc		155,000	
EQT Energy, LLC			1,290,000
Roanoke Gas Company			10,000
USG Properties Marcellus Holdings, LLC			250,000
Consolidated Edison of New York, Inc.			250,000
	1,350,002	1,440,000	2,000,000

In the most conservative of my analyses, I included the additional ACP capacity, and most of the MVP capacity (excluding two customers, USG Properties Marcellus Holdings, LLC and Consolidated Edison of New York, Inc.); and also conservatively assigned 100 percent of the Pass-Through Capability to a single supplier even though it is clear that the capacity is held by several entities.<sup>46</sup> Even with such conservative calculations, the market HHI is 1800, just below the Commission’s definition of highly concentrated (and well below the DOJ 2500 HHI definition of highly concentrated), as shown in Table 16 and Exhibit J-11.

<sup>46</sup> These calculations are consistent with the NCUC filing (see note 41).

**Table 16: Market Concentration: Firm Transport and Storage Capacity Transco Zone 5 (circa 2019)**

Holding Company Name	Transco Z5	Atlantic Coast Pipeline (ACP)	Mountain Valley Pipeline (MVP)	Transco Z5 plus ACP and MVP	
	(Dth/Day)			Share	HHI
Dominion+SCANA	1,171,667	400,000		21%	436
Duke Energy Corp	1,287,835	885,000		29%	833
Cabot Oil and Gas	350,000			5%	22
WGL Holdings Inc	143,508		200,000	5%	21
NiSource Inc	133,246			2%	3
Southern Co	75,000			1%	1
Patriots Energy Group	69,503			1%	1
AGL Resources Inc	52,625	155,000		3%	8
Pass-Through Capability	1,015,739			13%	182
EQT Energy, LLC	-		1,290,000	17%	294
Roanoke Gas Company	33		10,000	0%	0
Others (shares and HHIs separately calculated)	289,651			4%	1
	4,588,807	1,440,000	1,500,000	100%	1,800

I conducted additional sensitivities to further demonstrate the relevant upstream market is not highly concentrated. First, I looked at the snapshot for contractual rights including only current capacity on Transco into Z5 (i.e., excluding the new pipelines). However, I made one adjustment to segment the so-called pass-through capability. I determined there were more than 20 entities with deliveries into Zone 6, the largest of which held under 20 percent. On this basis, conservatively, I assumed the Pass-Through Capability was assigned to 5 equal-sized entities. This yields market concentration of 1623 points, well below highly concentrated (see Exhibit J-11a).

Next, I did the same calculation for the 2018/2019 period (with ACP and MVP included), but assuming the Pass-Through Capability was again assigned to 5 equal-sized entities. This reduces the market concentration from 1800 points to 1655 points, well below highly concentrated (see Exhibit J-11b).

Third, I included in MVP two contracts that potentially reflect Pass-Through Capability, each 250,000 Dth/d (by USG Properties Marcellus Holdings, LLC and Consolidated Edison of New York, Inc.) The inclusion of these contracts (relative to the base results in Exhibit J-11), reduces market concentration to 1503 points, again well below highly concentrated if the Pass-

Through Capability remains treated as a single entity and 1389 points if divided among 5 entities (see Exhibit J-11c).

Finally, I included the Atlantic Sunrise capacity as incremental supply. The inclusion of these contracts (relative to the base results in Exhibit J-11), reduces market concentration to 1404 points, again well below highly concentrated if the Pass-Through Capability remains treated as a single entity and 1299 points if divided among 5 entities (see Exhibit J-11d). Atlantic Sunrise is unique in that it is interconnecting into Transco, but will allow the capability of moving to either Northeast or Southern markets. Some of the marketing entities have indicated their intent to deliver to both mid-Atlantic and southeastern markets.<sup>47</sup>

I note that firm interstate pipeline transportation rights, relevant to an analysis of the competitive structure of the transportation market, typically do not create a potential vertical market power issue, particularly when, as shown here, the market is not highly concentrated. In past mergers, potential vertical abuses of the type that the Commission has been concerned with in Order No. 642 and in other orders (the creation of incentives for the gas-related upstream activities to raise costs for rivals of the electricity generation affiliate; the enhanced ability to facilitate coordination of pricing in upstream or downstream markets; and the enhanced ability to evade regulation) do not automatically apply to holders of firm transportation rights. As customers, Applicants do not have the ability to withhold capacity or take other actions (e.g., curtail service, close windows or require alternative nomination locations) that theoretically might be available to a pipeline seeking to raise the costs to rivals to affiliated downstream generation. As customers, Applicants have no inside knowledge of the operations of generators connected to the pipeline on which they have rights. As customers, Applicants cannot impede entry, since they have no control over pipeline expansion or the availability and costs of new connections. Both pipelines and holders of long-term firm rights are subject to the open access requirements and capacity release requirements, and the Commission monitors any attempts of anticompetitive behavior. Moreover, the Commission's standards of conduct preclude the pipelines from providing any non-public information to affiliated gas marketers. Further, much of the long-term

<sup>47</sup> See, for example, Seneca Resources Corporation comments in support of the Atlantic Sunrise Application (Docket No. CP-15-138, April 29, 2015), Anadarko Energy Services Company (Docket No. CP-15-138, February 3, 2016), Chief Oil and Gas (Docket No. CP-15-138, February 4, 2016).



firm rights are controlled by LDCs who have load-serving obligations and do not have incentives to withhold.

#### Additional Downstream Analysis

Because Dominion owns CGT and is a partial owner in ACP, and because SCANA owns and operates LDCs in North Carolina and South Carolina, I considered whether Applicants have the incentive or ability to raise rivals' costs for competing downstream generation.

In this regard, Dominion and SCANA serve a relatively small number of third-party gas-fired generators in the Southeast markets.

First, SCE&G does not serve any third-party gas-fired generation. PSNC serves (or will serve) three third-party facilities (Duke Energy's Asheville and Cliffside plants, and Southern Power's Cleveland County plant) all located in CPLE or CPLW. Asheville and Cliffside are new (or repowered) gas-fired generators that have procured new long-term firm gas deliveries on PSNC. These third-party gas-fired facilities total approximately 1,900 MW. Second, Dominion serves three SCE&G gas-fired facilities (Jasper, McMeekin and Williams) (approximately 1,100 MW), the Columbia plant under contract with (and being sold to) SCE&G (approximately 540 MW), and one Duke facility (Darlington) (approximately 450 MW).

Post-Transaction, third-party gas-fired facilities served by Applicants total approximately 2,300 MW through CGT or PSNC (see Exhibit J-12). All of this generation has long-term contracts for delivery, allowing limited or no ability for Applicants to discriminate with respect to these customers. Other than generation resources owned by SCE&G and the Columbia plant, there are no other gas-fired generation resources located in the SCEG BAA that are used to make wholesale sales. In fact, assuming the completion of SCE&G's transaction to acquire Columbia, there is only 16 MW of unaffiliated natural gas-fired generation capacity in the SCEG BAA, all owned by the City of Orangeburg, which does not make any wholesale sales.

Relative to total generation in the Southeast BAAs examined as part of my DPT analysis, Applicants post-Transaction will account for deliveries to only about 2 percent of total generation (and about 5 percent of total gas-fired generation). For the largest potentially affected customer for third-party deliveries, Duke Energy, only about 5 percent of its total generation relies on fuel

deliveries by Applicants. Because gas-fired generation competes with other fossil generation as well as nuclear and renewables to serve load and participate in wholesale energy markets, total generation would be the appropriate metric to use in evaluating Applicants' activities in serving downstream electricity markets. Notably, the Duke Energy electric utilities and the Duke Energy LDCs each have significant reservations on the pipelines into the Zone 5 market.

#### Conclusion: Upstream and Downstream Markets

The Commission has determined that a high degree of concentration (i.e., an HHI more than 1,800) in both the upstream and downstream markets is a necessary (but not sufficient) precondition for the exercise of vertical market power. As I have demonstrated the upstream market is not highly concentrated – its market concentration is at or well below 1800 points, depending on the specific metric. Hence, the screen is passed, irrespective of the degree of concentration of the downstream market. While an analysis of the downstream market is not necessary in order to pass the screening test for vertical market power, to aid in understanding vertical effects of the transaction, I have provided information on competitive conditions in the downstream market, and demonstrated that Applicants do not serve a significant amount of third-party generation. Further, with three new pipelines entering the market, there are abundant opportunities for competitive alternatives.

#### Other Barriers to Entry

There are no other barriers to entry that raise concerns. Nor is there a basis to overcome the Commission's presumption that long-term markets are competitive.<sup>48</sup> The entry of new generation into PJM and its ownership by numerous independent entities evidences a lack of entry barriers. There is more than 65,000 MW of generation in the active PJM interconnection queue, including approximately 20,000 MW under construction.<sup>49</sup> The Southeast markets have about

<sup>48</sup> *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, FERC Stats. & Regs. ¶ 31,036 at 31,649 n.86 (1996), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048, *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

<sup>49</sup> 2017 *Quarterly State of the Market Report for PJM*, Table 12-3.  
[http://www.monitoringanalytics.com/reports/PJM\\_State\\_of\\_the\\_Market/2017/2017q3-som-pjm-sec12.pdf](http://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2017/2017q3-som-pjm-sec12.pdf).

14,000 MW of planned generation between now and 2020 at various stages of development, including about 3,500 MW of generation under construction.<sup>50</sup> Further, entry of new interstate pipelines is introducing additional competitive alternatives in upstream markets.

In short, none of the vertical market power concerns that the Commission typically considers exists with respect to the Proposed Transaction and hence it does not create or enhance vertical market power.

## **CONCLUSION**

The market power analyses discussed herein demonstrate that the Proposed Transaction will not have adverse competitive effects in any relevant market.

<sup>50</sup> Data from ABB Energy Velocity database, “New Entrants Analysis”.

## Julie R. Solomon

### Managing Director

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### Professional Summary

Julie Solomon is a Managing Director in the Energy practice at Navigant. Julie has more than 25 years of consulting experience, specializing in the areas of regulatory and utility economics, financial analysis and business valuation. Ms. Solomon has participated in analysis of proposed regulatory reforms, supply options and utility industry restructuring in the gas and electric industries. She also has advised utility clients in corporate strategy and corporate restructuring, and consulted to legal counsel on a variety of litigation and regulatory matters, including antitrust litigation and contract disputes. She has filed testimony in numerous proceedings before the Federal Energy Regulatory Commission. Much of her current practice focuses on regulatory and market power issues concerning mergers and acquisitions and compliance filings in the electricity market.

### Areas of Expertise

- **Competition Issues:** Advises clients in the electric and gas utility industry on competition issues, including the impact of mergers on competition. Directed a large number of analytic studies relating to obtaining merger approval from regulatory authorities.
- **Restructuring:** Advises clients in the electric utility industry on restructuring strategies, including potential mergers and acquisitions, market reforms, functional unbundling and cost savings.
- **Regulatory and Litigation Matters:** Consults in the electric and gas utility industries in a variety of regulatory and litigation matters, including rate proceedings, prudence reviews, proposed regulatory reforms, power purchase disputes, analysis of supply options, privatization and restructuring.

### Professional Experience

#### Mergers and Acquisitions (Market Power and Competition Issues)

- Advised clients and conducted analytic studies in connection with a large number of major electric and electric-gas mergers and asset transactions of regulated companies. Provided testimony to FERC for a number of such transactions (see testimony list for examples).
- Advised clients and provided confidential pre-screening analyses for potential mergers and acquisitions.
- Conducted numerous analytic studies in connection with FERC market-based rate applications

and compliance filings for electricity sellers. Provided testimony to FERC for a number of these types of transactions.

- Conducted numerous analytic studies in connection with FERC market-based rate applications and compliance filings for gas storage facilities. Provided testimony to FERC for a number of these types of transactions (see testimony list for examples).

### **Utility Restructuring, Litigation and Stranded Cost**

- Conducted analytic studies and provided litigation support in connection with stranded cost proceedings in a number of states.
- Provided analytic support evaluating the benefits of proposed transmission lines in support of state regulatory proceedings.
- Assisted in the valuation of the interests of several firms in various cogeneration projects for the purpose of combining these interests into a new entity or selling interests to third parties.
- Analyzed the financial feasibility and viability of a large number of cogeneration projects, assisted in the preparation of presentations and filings and presented testimony to the relevant public utility commission.
- Participated in a study to analyze the financial effects of a variety of restructuring options for a utility, including transfer and/or sale of assets and subsequent sale-leasebacks, and debt restructuring alternatives.
- Provided litigation support in major utility rate proceedings, including assisting in the preparation of responses to interrogatories and data requests, preparation of company and outside expert witnesses for deposition and hearings, and assistance in the deposition and cross-examination of intervenor witnesses.

## Work History

Managing Director, Navigant	2010 – Present
Vice President, Charles River Associates	2001 – 2010
Senior Vice President, Putnam, Hayes and Bartlett, Inc. and PHB Hagler Bailly, Inc	1986 – 2000
Economist, Economic Consulting Services, Inc.	1979 – 1986
Economist, U.S. Department of Labor	1976 – 1979

## Education

Master of Business Administration, Finance	The Wharton School, University of Pennsylvania
Bachelor of Arts, Economics	Connecticut College

## Testimony or Expert Report (2015-2017)

- » Affidavit on behalf of Energia Sierra Juarez U.S. 2, LLC, Docket No. ER18-863, application for market-based rates, February 9, 2018.
- » Affidavit on behalf of Ameren Illinois Company, Docket No. ER18-556, market-based rate triennial filing, December 28, 2017.
- » Affidavit on behalf of Northern Indiana Public Service Company, Docket No. ER18-560, market-based rate triennial filing, December 28, 2017.
- » Affidavit on behalf of Exelon Southeast Entities, Docket No. ER17-615 et al., market-based rate triennial filing, December 22, 2017.
- » Affidavit on behalf of Public Service Company of Oklahoma, et al., Docket No. EC18-40, application for authorization of disposition of jurisdictional facilities, December 22, 2017.
- » Affidavit on behalf of Duke Energy Corporation, Docket No. ER12-1946 et al., market-based rate triennial filing, December 21, 2017.
- » Affidavit on behalf of AES MBR Affiliates, Docket No. ER10-3145 et al., market-based rate triennial filing, December 21, 2017.
- » Affidavit on behalf of Dynegy Inc., et al., Docket No. EC18-23, application for authorization of disposition of jurisdictional facilities, November 22, 2017.
- » Affidavit on behalf of CXA Sundevil Power I, Inc. et al., Docket No. EC18-22, application for authorization of disposition of jurisdictional facilities, November 17, 2017.
- » Affidavit (with Matthew E. Arenchild) on behalf of Powerex Corp., Docket No. ER10-3297, market-based rate change in status filing, November 15, 2017.
- » Affidavit on behalf of Panda Hummel Station LLC, Docket No. ER18-276, application for market-based rates, November 9, 2017.
- » Affidavit on behalf of Public Service Company of NH et al., Docket No. EC18-12, application for authorization of disposition of jurisdictional facilities, October 27, 2017.

- » Affidavit on behalf of Aspen Generating, LLC et al., Docket No. EC17-197, application for authorization of disposition of jurisdictional facilities, September 29, 2017.
- » Affidavit on behalf of Calpine Corporation, LLC et al., Docket No. EC17-182, application for authorization of disposition of jurisdictional facilities, September 15, 2017.
- » Affidavit on behalf of Great Valley Solar 3, LLC, Docket No. ER17-2385, application for market-based rates, August 30, 2017.
- » Affidavit on behalf of Stuttgart Solar, LLC, Docket No. ER17-2270, application for market-based rates, August 9, 2017.
- » Affidavit on behalf of Cottonwood Wind Project, LLC, Docket No. ER17-2152, application for market-based rates, July 26, 2017.
- » Affidavit on behalf of Great Valley Solar 1, LLC, Docket No. ER17-2141, application for market-based rates, July 25, 2017.
- » Affidavit on behalf of Great Valley Solar 2, LLC, Docket No. ER17-2142, application for market-based rates, July 25, 2017.
- » Affidavit (with Matthew E. Arenchild) on behalf of PPL Southeast Companies, Docket No. ER10-1511 et al., market-based rate triennial filing, June 30, 2017.
- » Affidavit on behalf of Duke Energy Progress, LLC et al., Docket No. ER17-1963, market-based rate triennial filing, June 30, 2017.
- » Affidavit on behalf of Cube Yadkin Generation, LLC, Docket No. ER17-2026, market-based rate triennial filing, June 30, 2017.
- » Affidavit on behalf of NextEra Companies, Docket No. ER10-1852 et al., market-based rate triennial filing, June 30, 2017.
- » Affidavit on behalf of Brookfield Companies, Docket No. ER11-2292 et al., market-based rate triennial filing, June 30, 2017.
- » Affidavit (with Matthew E. Arenchild) on behalf of Alabama Power Company et al., Docket No. ER10-2881 et al., market-based rate triennial filing, June 30, 2017.
- » Affidavit on behalf of Lockhart Power Company, Docket No. ER10-2651, market-based rate triennial filing, June 29, 2017.
- » Affidavit on behalf of Astoria Energy LLC, Docket No. ER10-2253 et al., market-based rate triennial filing, June 29, 2017.
- » Affidavit on behalf of Cambria CoGen Company, Docket No. ER11-2370, market-based rate triennial filing, June 28, 2017.
- » Affidavit on behalf of ENGIE Northeast MBR Sellers, Docket No. ER17-1370 et al., market-based rate triennial filing, June 28, 2017.
- » Affidavit on behalf of Bishop Hill Energy LLC et al., Docket No. EC17-122, application for authorization of disposition of jurisdictional facilities, May 25, 2017.
- » Affidavit on behalf of Dynegy Buyers and AES Sellers, Docket No. EC17-117, application for authorization of disposition of jurisdictional facilities, May 21, 2017.
- » Affidavit on behalf of Spruce Generation, LLC, Docket No. EC17-102, application for authorization of disposition of jurisdictional facilities, April 6, 2017.

- » Affidavit on behalf of Westar Energy, Inc., Docket No. ER10-2507, market-based rate change in status filing, March 29, 2017.
- » Affidavit on behalf of AEP Generation, Inc., Docket No. EC17-90, application for authorization of disposition of jurisdictional facilities, May 10, 2017.
- » Affidavit on behalf of Chambersburg Energy, LLC et al., Docket No. EC17-83, application for authorization of disposition of jurisdictional facilities, February 17, 2017.
- » Affidavit on behalf of Morgan Stanley Public Utilities, Docket No. ER10-2906, et al., market-based rate triennial filing, December 30, 2016.
- » Affidavit on behalf of AVANGRID Northwest MBR Sellers, Docket No. ER10-2822, et al., market-based rate triennial filing, December 30, 2016.
- » Affidavit (with Julie M. Carey) on behalf of the Constellation Energy Nuclear Group entities under Docket No. ER10-2179, et al., market-based rate triennial filing, December 29, 2016.
- » Affidavit (with Julie M. Carey) on behalf of the Exelon Northeast entities under Docket No. ER10-2997, et al., market-based rate triennial filing, December 29, 2016.
- » Affidavit on behalf of TransAlta MBR Sellers, Docket No. ER10-2847, et al., market-based rate triennial filing, December 29, 2016.
- » Affidavit on behalf of Powerex Corp., Docket No. ER17-704, market-based rate triennial filing, December 29, 2016.
- » Affidavit (with Julie M. Carey) on behalf of the Dominion Northeast Region Companies under Docket No. Dominion Northeast Region Companies, et al., market-based rate triennial filing, December 29, 2016.
- » Affidavit on behalf of the Eversource Companies, Docket No. ER10-1801, et al., market-based rate triennial filing, December 27, 2016.
- » Affidavit on behalf of New Brunswick Energy Marketing Corporation, Docket No. ER14-225, market-based rate triennial filing, December 22, 2016.
- » Affidavit on behalf of Duke Energy Corporation subsidiaries, Docket No. ER10-1325, et al., market-based rate triennial filing, December 21, 2016.
- » Affidavit on behalf of AES MBR Affiliates, Docket No. ER10-3145, et al., market-based rate triennial filing, December 21, 2016.
- » Affidavit on behalf of Helix Generation, LLC et al., Docket No. EC17-38, application for authorization of disposition of jurisdictional facilities, November 21, 2016.
- » Affidavit on behalf of Gavin Power, LLC; Darby Power, LLC; Lawrenceburg Power, LLC; and Waterford Power, LLC, Docket No. EC16-243 et al., application for market-based rates, October 31, 2016.
- » Affidavit on behalf of AEP Generation Resources, Inc. et al., Docket No. EC17-11, application for authorization of disposition of jurisdictional facilities, October 13, 2016.
- » Affidavit on behalf of Panda Stonewall LLC, Docket No. ER16-2643, application for market-based rates, September 22, 2016.
- » Affidavit on behalf of Rutherford Farm, LLC, Docket No. ER16-2509, application for market-based rates, August 30, 2016.



- » Affidavit on behalf of CXA Sundevil I, Inc. s, Docket No. ER16-2496, application for market-based rates, August 26, 2016.
- » Affidavit on behalf of Entergy Nuclear FitzPatrick, LLC and Exelon Generation Company, LLC, Docket No. EC16-169, application for authorization of disposition of jurisdictional facilities, August 19, 2016.
- » Affidavit on behalf of Bluestem Wind Energy, LLC, Docket No. ER16-2363, application for market-based rates, August 2, 2016.
- » Affidavit on behalf of Talen Energy Corporation, et al., Docket No. EC16-151, application for authorization of disposition of jurisdictional facilities, July 15, 2016.
- » Affidavit on behalf of Florida Power & Light Company, Docket No. EC16-148, application for authorization of disposition of jurisdictional facilities, July 13, 2016.
- » Supplemental Affidavit on behalf of Dynegy Inc. et al., Docket Nos. EC16-93 and -94, July 8, 2016.
- » Affidavit on behalf of Arlington Valley, LLC et al., Docket No. ER10-2756 et al., market-based rate triennial filing, June 30, 2016.
- » Affidavit on behalf of Sundevil Holdings et al., Docket No. ER16-2107 et al., market-based rate triennial filing, June 30, 2016.
- » Affidavit (with Matthew E. Arenchild) on behalf of BHE Northwest Companies, Docket No. ER10-3246 et al., market-based rate triennial filing, June 30, 2016.
- » Affidavit on behalf of BHE Renewables, LLC, Docket No. ER13-520 et al., market-based rate triennial filing, June 30, 2016.
- » Affidavit on behalf of Atlantic Renewable Projects II LLC et al., Docket No. ER10-2822 et al., market-based rate triennial filing, June 30, 2016.
- » Affidavit on behalf of the Calpine MBR Sellers, Docket No. ER10-2042 et al., market-based rate triennial filing, June 30, 2016.
- » Affidavit on behalf of the NorthWestern Corporation, Docket No. ER11-1858, market-based rate triennial filing, June 29, 2016.
- » Affidavit on behalf of the ArcLight Energy Marketing et al., LLC, Docket No. ER16-2014 et al., market-based rate triennial filing, June 24, 2016.
- » Affidavit on behalf of River Bend Solar, LLC Docket No. ER16-1913, application for market-based rates, June 10, 2016.
- » Affidavit (with Matthew E. Arenchild) on behalf of Nevada Power Company et al., Docket No. EC16-130, application for authorization of disposition of jurisdictional facilities, June 7, 2016.
- » Affidavit on behalf of Apple Energy, LLC, Docket No. ER16-1887, application for market-based rates, June 6, 2016.
- » Affidavit on behalf of Marshall Solar, LLC, Docket No. ER16-1872, application for market-based rates, June 3, 2016.
- » Affidavit on behalf of the Dominion Companies, Docket No. ER13-2109 et al., notice of change in status filing, May 25, 2016.
- » Affidavit on behalf of Eastern Shore Solar LLC, Docket No. ER16-1750, application for market-based rates, May 20, 2016.

- » Affidavit on behalf of Roswell Solar LLC and Chaves County Solar, LLC, Docket No. ER16-1440 and ER16-1672, applications for market-based rates, May 20, 2016 and May 17, 2016.
- » Affidavit on behalf of Exelon MBR Entities, Docket No. ER10-2997 et al., notice of change in status filing, April 22, 2016.
- » Affidavit on behalf of Live Oak Solar LLC, White Oak Solar, LLC, and White Pine Solar, LLC, Docket No. ER16-1354, ER16-1293 and ER16-1277, applications for market-based rates, April 6, 2016, March 30, 2016 and March 25, 2016.
- » Affidavit on behalf of Atlas Power Finance, LLC, Dynegy Inc., Energy Capital Partners III, LLC, and GDF SUEZ Energy North America, Inc., Docket No. EC16-93, application for authorization of disposition of jurisdictional facilities, March 25, 2016.
- » Affidavit on behalf of Dynegy Inc. and Energy Capital Partners III, LLC, Docket No. EC16-94, application for authorization of disposition of jurisdictional facilities, March 25, 2016.
- » Affidavit on behalf of Grande Prairie Wind, LLC, Docket No. ER16-1258, application for market-based rates, March 22, 2016.
- » Affidavit on behalf of Florida Power & Light Company, Docket No. ER16-628-001, application for market-based rates, March 21, 2016.
- » Affidavit on behalf of Essential Power, LLC, Docket No. EC16-82, application for authorization of disposition of jurisdictional facilities, February 29, 2016.
- » Affidavit on behalf of Duke Energy Florida, LLC, Docket No. EC16-69, application for authorization of disposition of jurisdictional facilities, February 10, 2016.
- » Affidavit on behalf of Nassau Energy, LLC, Docket No. ER16-806, application for market-based rates, January 21, 2016.
- » Affidavit on behalf of ECP MBR Sellers, Docket No. ER16-72, market-based rate triennial filing, December 31, 2015.
- » Affidavit on behalf of SDG&E Sellers, Docket No. ER14-474, market-based rate triennial filing, December 30, 2015.
- » Affidavit on behalf of New Harquahala Generating Company, Docket No. ER15-2013, market-based rate triennial filing, December 30, 2015.
- » Affidavit on behalf of Exelon SPP Entities, Docket No. ER14-474, market-based rate triennial filing, December 29, 2015.
- » Affidavit on behalf of Florida Power & Light Company, Docket No. ER16-628-000, application for market-based rates, December 23, 2015.
- » Affidavit on behalf of ENGIE Portfolio Management, LLC et al, Docket No. ER16-581 et al., application for market-based rates, December 18, 2015.
- » Affidavit on behalf of Marshall Wind Energy, LLC, Docket No. ER16-438, market-based rate triennial filing, December 18, 2015.
- » Affidavit on behalf of Marshall Wind Energy, LLC, Docket No. ER16-438, application for market-based rates, December 1, 2015.
- » Affidavit on behalf of Calpine Granite Holdings, LLC, Docket No. EC16-19, application for authorization of disposition of jurisdictional facilities, October 27, 2015.

- » Affidavit on behalf of Berkshire Hathaway, Inc., Docket No. EC16-10, application for authorization of disposition of jurisdictional facilities, October 8, 2015.
- » Affidavit on behalf of Panda Patriot, LLC, Docket No. ER15-2472, application for market-based rates, September 29, 2015.
- » Affidavit on behalf of Talen Energy Corporation, Docket No. EC14-112, Motion to Amend Mitigation Plan, September 25, 2015.
- » Affidavit on behalf of BHE MBR Sellers, Docket No. ER12-162, notification of change in status, September 25, 2015.
- » Affidavit on behalf of Talen Energy Corporation, Docket No. EC14-112, Motion to Amend Mitigation Plan, September 8, 2015.
- » Affidavit on behalf of BHE MBR Sellers, Docket No. ER13-521, response to Commission Staff Deficiency Letter and Request for Additional Information, September 24, 2015.
- » Affidavit on behalf of BHE MBR Sellers, Docket No. ER13-521, supplemental filing, September 8, 2015.
- » Affidavit on behalf of GDF SUEZ MBR Sellers, Docket No. ER14-1699, notice of change, August 31, 2015.
- » Affidavits on behalf of PacifiCorp and NV Energy, Docket No. ER15-2283, EIM analysis, July 27, 2015.
- » Affidavit on behalf of NorthWestern Corporation and Beethoven Wind, LLC, Docket No. EC15-176, application for authorization of disposition of jurisdictional facilities, July 24 2015.
- » Affidavit on behalf of MidAmerican Energy Services, LLC, Docket No. ER15-2211, application for market-based rates, July 24, 2015.
- » Affidavit on behalf of The Empire District Electric Company, Docket No. ER10-2738, market-based rate triennial filing, June 30, 2015.
- » Affidavit on behalf of Exelon MBR Sellers, Docket No. ER10-2172 *et al.*, market-based rate triennial filing, June 30, 2015.
- » Affidavit on behalf of Oklahoma Gas & Electric, Docket No. ER11-2105, market-based rate triennial filing, June 30, 2015.
- » Affidavit on behalf of LG&E Energy Marketing, Inc., Docket No. ER10-1714, market-based rate triennial filing, June 30, 2015.
- » Affidavit on behalf of Westar Energy, Inc., Docket No. ER10-2507, market-based rate triennial filing, June 29, 2015.
- » Affidavit on behalf of the Alabama Power Company, *et al.*, Docket No. EL15-39, *et al.*, response to show cause order, June 26, 2015.
- » Affidavit on behalf of Wisconsin Electric Power Company, Docket No. ER15-2019 market-based rate triennial filing, June 26, 2015.
- » Affidavit on behalf of Panda Liberty LLC, Docket No. ER15-1841, market-based rate application, June 2, 2015.
- » Affidavit on behalf of CCI U.S. Asset Holdings LLC, Docket No. EC15-108, application for authorization of disposition of jurisdictional facilities, March 31, 2015.

- » Affidavit on behalf of Florida Power & Light Company, Docket No. EC15-102, application for authorization of disposition of jurisdictional facilities, March 23, 2015.
- » Affidavit on behalf of Osprey Energy Center, LLC, Docket No. EC15-96, application for authorization of disposition of jurisdictional facilities, March 13, 2015.
- » Affidavit on behalf of the Berkshire Hathaway Energy MBR Sellers, Docket No. EL15-22, *et al.*, response to show cause order, February 9, 2015.
- » Affidavit on behalf of ECP MBR Sellers, Docket No. ER13-2477, notice of change in status, January 20, 2015.

Testimony list prior to 2015 available upon request.

## Generation Affiliated with Dominion Energy (Eastern Interconnection Only)

BAA/ RTO	Submarket	Plant Name	Capacity (MW)		Ownership	Net Interest (MW)	
			Summer	Winter	Share	Summer	Winter
<b>PJM</b>							
PJM	AP South	Altavista Power Station	51	51	100%	51	51
PJM	AP South	Bath County	3,003	3,003	60%	1,802	1,802
PJM	AP South	Bear Garden	589	622	100%	589	622
PJM	AP South	Bellmeade Power Station	267	267	100%	267	267
PJM	AP South	Bremo Bluff	227	235	100%	227	235
PJM	AP South	Brunswick County Power Station	1,371	1,466	100%	1,371	1,466
PJM	AP South	Buckingham Solar	20	20	100%	20	20
PJM	AP South	Chesapeake	51	69	100%	51	69
PJM	AP South	Chesterfield	1,663	1,763	100%	1,663	1,763
PJM	AP South	Clover	877	881	50%	439	441
PJM	AP South	Correctional Solar	20	20	100%	20	20
PJM	AP South	Cushaw	2	2	100%	2	2
PJM	AP South	Darbytown	336	387	100%	336	387
PJM	East	Eastern Shore Solar, LLC	80	80	100%	80	80
PJM	AP South	Elizabeth River Power Station	348	365	100%	348	365
PJM		Fowler Ridge Wind Farm LLC	600	600	50%	201	201
PJM	AP South	Gaston	220	220	100%	220	220
PJM	AP South	Gordonsville Energy LP	218	268	100%	218	268
PJM	AP South	Gravel Neck	368	428	100%	368	428
PJM	AP South	Greensville County Power Station (2019)	1,585	1,710	100%	1,585	1,710
PJM	AP South	Hecate Energy Cherrydale	20	20	100%	20	20
PJM		Hecate Energy Clarke	10	10	100%	10	10
PJM	AP South	Hopewell Power Station	51	51	100%	51	51
PJM	AP South	Ladysmith	783	915	100%	783	915
PJM	AP South	Low Moor	48	65	100%	48	65
PJM	AP South	Mecklenburg Power Station	138	138	100%	138	138
	AP South	Morgan's Corner	20	20	100%	20	20
PJM		Mt Storm	1,640	1,691	100%	1,640	1,691
PJM		NedPower Mount Storm	264	264	50%	264	264
PJM	AP South	Multitrade of Pittsylvania LP	83	83	100%	83	83
PJM	AP South	North Anna	1,893	1,959	88%	1,673	1,732
PJM	AP South	Northern Neck	47	70	100%	47	70
	AP South	Philip Morris	2	2	100%	2	2
PJM	AP South	Possum Point	1,733	1,851	100%	1,733	1,851
PJM	AP South	Remington	608	748	100%	608	748
PJM	AP South	Roanoke Rapids	95	95	100%	95	95
PJM	AP South	Rosemary Power Station	165	186	100%	165	186
PJM	AP South	Sappony Solar	20	20	100%	20	20
PJM	AP South	Scott Solar Farm	17	17	100%	17	17
PJM	AP South	Scott-II Solar LLC	20	20	100%	20	20
PJM	AP South	Southampton Power Station	51	51	100%	51	51
PJM	AP South	Southampton Solar, LLC	100	100	100%	100	100
PJM	AP South	Summit Farms Solar	60	60	100%	60	60

BAA/ RTO	Submarket	Plant Name	Capacity (MW)		Ownership Share	Net Interest (MW)		
			Summer	Winter		Summer	Winter	
PJM	AP South	Surry	1,676	1,750	100%	1,676	1,750	
PJM		Virginia City Hybrid Energy Center	610	624	100%	610	624	
PJM	AP South	Warren County	1,472	1,472	100%	1,472	1,472	
PJM	AP South	Western Branch High School	1	1	100%	1	1	
PJM	AP South	Whitehouse Solar Farm	20	20	100%	20	20	
PJM	AP South	Woodland Solar Farm	19	19	100%	19	19	
PJM	AP South	Yorktown	1,113	1,119	100%	1,113	1,119	4/
PJM	East	Fairless Energy Center	1,272	1,320	100%	1,272	1,320	
<b>PJM, Subtotal</b>			25,947	27,219		23,689	24,951	
<b>PJM East, Subtotal</b>						1,352	1,400	
<b>PJM 5004/5005, Subtotal</b>						1,352	1,400	
<b>PJM AP South, Subtotal</b>						20,964	22,161	
<b>Long-Term Purchases</b>								
PJM	AP South	Birchwood Power				238	242	
PJM	AP South	Roanoke Valley Energy Facility I				165	167	
PJM	AP South	Roanoke Valley Energy Facility II				44	45	
						447	455	
<b>First-Tier Markets</b>								
SCEG		Moffett Solar Project	71	71	100%	71	71	3/,5/
SCEG		Ridgeland Solar	10	10	100%	10	10	3/,5/
DEP		Innovative Solar 37	79	79	100%	79	79	3/
DEP		Clipperton	5	5	100%	5	5	3/
DEP		Fremont Farm	5	5	100%	5	5	3/
DEP		Moorings Farm 2	5	5	100%	5	5	3/
DEP		Mustang Solar	5	5	100%	5	5	3/
DEP		Pikeville Farm	5	5	100%	5	5	3/
DEP		Wakefield Solar	5	5	100%	5	5	3/
SC		Azalea Solar, LLC	8	8	67%	8	8	3/
SOCO		Richland Solar	20	20	67%	20	20	3/
TVA		Mulberry Farm LLC	16	16	67%	16	16	3/
TVA		Selmer Farm LLC	16	16	67%	16	16	3/
MISO		Indy Solar I, II and III	29	29	67%	29	29	3/
<b>First-Tier Markets, Subtotal</b>						277	277	

BAA/ RTO	Submarket	Plant Name	Capacity (MW)		Ownership Share	Net Interest (MW)	
			Summer	Winter		Summer	Winter
<b>Other Eastern Interconnection Markets</b>							
ISO-NE	Various <sup>6/</sup>					2,492	

Capacity ratings based on EIA data unless otherwise indicated. <http://www.eia.gov/cneaf/electricity/page/eia860.html>

<sup>1/</sup> In January 2018 Dominion Energy announced plans to put the following units in cold reserve. For purposes of the analysis, these units are treated as available.

Bremo 3+4	227	235
Possum 3+4	316	325
Mecklenburg 1+2	138	138
Chesterfield 3+4	260	269
Bellemeade	267	267
	1,208	1,234

<sup>2/</sup> Dominion assumed to control 100% of facility.

<sup>3/</sup> Fully committed under one or more long-term PPAs.

<sup>4/</sup> Yorktown 1 and Yorktown 2 are operational per Department of Energy order as they are needed for local area reliability. These units will be retired when released by PJM and Department of Energy.

<sup>5/</sup> Under long-term contract with South Carolina Electric & Gas Company.

<sup>6/</sup> Ratings from Asset Appendix.

## Generation Affiliated with SCE&amp;G

Market	Unit	Total Capacity (MW)		Ownership Share	Net Interest (MW)		
		Summer	Winter		Summer	Winter	
<b>SCEG</b>							
SCEG	Coit GT	26.0	36.0	100.00%	26.0	36.0	
SCEG	Cope	415.0	415.0	100.00%	415.0	415.0	
SCEG	Fairfield Pumped Storage	576.0	576.0	100.00%	576.0	576.0	
SCEG	Hagood	126.0	141.0	100.00%	126.0	141.0	
SCEG	Hardeeville	9.0	9.0	100.00%	9.0	9.0	
SCEG	Jasper	852.0	924.0	100.00%	852.0	924.0	
SCEG	Kapstone	85.0	85.0	100.00%	85.0	85.0	
SCEG	McMeekin	250.0	250.0	100.00%	250.0	250.0	
SCEG	Neal Shoals	4.4	4.4	100.00%	4.4	4.4	
SCEG	Parr GT	60.0	73.0	100.00%	60.0	73.0	
SCEG	Parr Hydro	15.0	15.0	100.00%	15.0	15.0	
SCEG	Saluda Lexington	198.5	198.5	100.00%	198.5	198.5	
SCEG	Stevens Creek	12.0	15.2	100.00%	12.0	15.2	
SCEG	Urquhart	639.0	677.0	100.00%	639.0	677.0	
SCEG	V C Summer	971.0	992.0	66.70%	647.7	661.7	
SCEG	Wateree	684.0	684.0	100.00%	684.0	684.0	
SCEG	Williams	645.0	662.0	100.00%	645.0	662.0	
SCEG	Columbia Energy Center (pending)	543.0	633.2	100.00%	543.0	633.2	
<b>Subtotal</b>						5,787.6	6,060.0
<b>PPAs</b>							
SCEG	City of Columbia				10.6	10.6	
SCEG	St. Matthews				10.2	10.2	
SCEG	Hampton I				6.8	6.8	
SCEG	Moffett Solar I				71.4	71.4	
SCEG	Estill II				10.2	10.2	
SCEG	Southern Current One				10.2	10.2	
SCEG	Champion				10.9	10.9	
SCEG	Swamp Fox				10.9	10.9	
SCEG	Cameron				20.0	20.0	
SCEG	Estill I				20.2	20.2	
SCEG	Gaston I				10.2	10.2	
SCEG	Gaston II				10.2	10.2	
SCEG	Hampton II				20.0	20.0	
DUKE	Newberry Electric Cooperative, Inc.				0.1	0.1	
DUKE	Newberry Electric Cooperative, Inc.				0.1	0.1	
SC	South Carolina Public Service Authority				0.3	0.3	



**Exhibit J-3**

<b>Market</b>	<b>Unit</b>	<b>Total Capacity (MW)</b>		<b>Ownership Share</b>	<b>Net Interest (MW)</b>	
		<b>Summer</b>	<b>Winter</b>		<b>Summer</b>	<b>Winter</b>
SC	South Carolina Public Service Authority				25.0	25.0
SETH	Southeastern Power Administration				4.0	4.0
<b>Subtotal</b>					251.3	251.3

## MODELING AND DATA INPUTS

The Delivered Price Test (“DPT”) model is a spreadsheet model that includes each potential supplier as a distinct “node” or area that is connected via a transportation (or “pipes”) representation of the transmission network. Each link in the network has its own non-simultaneous limit and cost. Potential suppliers are allowed to use all economically and physically feasible links or paths to reach the destination market. In instances where more generation meets the economic facet of the delivered price test than can actually be delivered on the transmission network, scarce transmission capacity is allocated based on the relative amount of economic generation that each party controls. The model incorporates Simultaneous Import Limits (“SILs”), and allocates a pro rata share of aggregated potential first-tier supply from all sources.

The competitive analysis screen uses the existing market structure of the relevant markets and publicly available data on generation and transmission capacity, supplemented by The Velocity Suite’s databases (“ABB Velocity Suite”).<sup>1</sup> The data inputs were adjusted to reflect June 2018 through May 2019 (“2018/2019”) conditions.

Potential suppliers include generators in the destination market and those located in balancing authority areas (“BAAs”) directly interconnected (first-tier) and, in most instances, second-tier to the relevant market.<sup>2</sup> The model includes all significant generation owners, including traditional utilities, merchant generators, municipal utilities and cooperatives. Each entity is generally modeled as an individual “node.”<sup>3</sup>

<sup>1</sup> ABB Velocity Suite is a set of databases, analytical tools and forecasts published by ABB that is widely used in the industry.

<sup>2</sup> A list of the BAAs included in the analysis is provided in work papers. For the SCEG, DUK, CPLE and SC, suppliers were included if they resided in BAAs first or second-tier. For the PJM and SOCO markets, some second-tier BAAs were excluded (e.g., suppliers in ISO-NE (second-tier to PJM) and SPP (second-tier to SOCO)). Excluding more distant potential suppliers does not have a material impact on the DPT and is conservative given the location of Applicants’ generation.

<sup>3</sup> The term “nodes” is used to denote a region or bubble where load, generation, and/or transmission assets are aggregated.

## A. Generating Resources

The data on generating plant capability is mainly from ABB Velocity Suite. The primary source of such data is publicly-available information such as the EIA-860.<sup>4</sup> These data sources provide information on capacity (nameplate and seasonal (summer and winter) ratings), planned retirements and additions, operating status, primary and secondary fuel, and ownership, including jointly-owned units. Seasonal ratings were used for the analyses, with summer rating used for the Summer season time periods and winter ratings for the Winter and Shoulder time periods. All units with unit status listed as operating, restarted, planned, under construction, site preparation, or testing, and expected to be on-line by the start of summer 2018,<sup>5</sup> were included in the analysis. For jointly-owned plants, shares were assigned to each of the respective owners.

Each supplier's generating resources were adjusted to reflect long-term (one year or more) capacity purchases and sales where they could be identified from publicly available data.<sup>6</sup> In order to verify that the DPT database reflects historical long-term power purchase agreements ("PPAs"), the primary source was ABB Velocity Suite (which reports PPAs from FERC Form 1, RUS 12, EQRs and utilities annual reports). PPAs scheduled to start after the study period were excluded and PPAs that were expiring during this period were treated as no longer long-term and excluded, given the 2018/2019 snapshot being analyzed. Consistent with guidance provided by the Commission, it was assumed that system power sales were comprised of the lowest-cost supply for the seller unless a more representative price could be identified.<sup>7</sup> Public data on purchases and sales, however, are not entirely complete or consistent across sources.

<sup>4</sup> In some instances there may be minor differences in ratings in the DPT and in Exhibits J-2 and J-3, arising from reliance on different data sources (ABB Velocity Suite as compared to EIA-860 raw data).

<sup>5</sup> In identifying generation under construction (or site preparation or testing), I sought to identify fossil fuel-fired units greater than 100 MW scheduled to be on-line by summer 2018. The database also includes some other units greater than 20 MW scheduled to be on line in that time frame. To the extent smaller planned units have not been included (especially smaller renewable facilities), their exclusion is generally conservative from the standpoint of the DPT.

<sup>6</sup> Sources for such information include FERC Form 1 and EIA Forms 411 and 412, utility resource plans and NERC's Electricity Supply and Demand database (as compiled by ABB Velocity Suite). Requirements contracts are treated as the equivalent of native load and potential supplier's Economic Capacity was not adjusted to reflect them.

<sup>7</sup> "[T]he lowest running cost units are used to serve native load and other firm contractual obligations" (Order No. 592 at 30,132). The lowest-cost supply that was available year-round (i.e., excluding hydro) was used. To the

Because the DPT is intended to evaluate energy products, seasonal capacity was de-rated to approximate the actual availability of the units in each period. That is, it was assumed that generation capacity would be unavailable during some hours of the year for either maintenance (planned) or forced (unplanned) outages. Data reported in the NERC “Generating Availability Data System” (“GADS”) was used to calculate the “average equivalent availability factor” to estimate total outages, and the “average equivalent forced outage rate” to estimate forced outages for fossil and nuclear plants.<sup>8</sup> Based on a review of historical planned outages (as reported in the FERC Form 714 (2012-2016)), scheduled maintenance was assumed to occur mostly in the shoulder season (approximately 70 percent), with the remainder (30 percent) scheduled during the winter season. Forced outages were assumed to occur uniformly throughout the year.

Supply curves were developed for each potential supplier, based on estimates of each unit’s incremental costs. The incremental cost is calculated by multiplying the fuel cost for the unit by the unit’s efficiency (heat rate) and adding any additional variable costs that may apply, such as costs for variable operations and maintenance (“VOM”) and costs for environmental controls.

Data used to derive incremental cost estimates for each unit were taken from the following sources:

- Heat Rates – ABB Velocity Suite’s database provides information on heat rates and their sources. The “Fully Loaded Tested Heat Rate” reported by ABB Velocity Suite was used. In a few rare circumstances where units are included in the DPT generation database but not included in the ABB Velocity Suite database, default heat rate estimates were used based on Navigant

extent that long-term sales could be identified specifically as unit sales, the capacity of the specific generating unit was adjusted to reflect the sale, and the variable element of the purchase price attributed to the sale was the variable cost of the unit. The dispatch price for system purchases was based on the energy price reported for long-term purchases in FERC Form 1 where such purchases could be identified and a variable cost price determined. In instances where the purchases could not be matched with FERC Form 1 data, the dispatch price was estimated.

<sup>8</sup> GADS reported data for the most recent five-year period available (2012-2016) was used. In addition to thermal unit availability, hydro unit availability and generation are specified for each time period. Hydro capacity factors have been assigned to each unit based on five years of historical operation as reported in EIA Form 923 monthly generation data. Both reported maximum capacities and, where necessary, assumptions regarding minimum capacity (assumed to be 15 percent of maximum if no data is available) were used. For PJM wind facilities, seasonal capacity factors and shapes were based on data in the PJM State of the Market reports.

estimates. The heat rates used and the specific sources are provided in workpapers.

- Fuel Costs – Regional dispatch costs for fossil fuel units were from projected fuel prices. For gas-fired units, ABB Velocity Suite’s natural gas price forecast was used. Specifically, ABB Velocity Suite provides gas price forecasts on an RTO-wide basis and regions within the RTO. For historical gas prices, ABB Velocity Suite provides data on an RTO-wide basis and for more specific gas pricing points (“Gas Points”) within the RTOs, and provides a mapping of gas-fired generators to a specific Gas Point. Historical gas price differentials were calculated based on the specific Gas Points relative to RTO or RTO sub region average. These differentials were then applied to the RTO-wide or regional RTO forecasted gas price in order to determine forecasted gas prices at each Gas Point, and applied these prices to the Gas Point location of gas-fired generation identified by ABB Velocity Suite.<sup>9</sup> For oil fired units, daily fuel prices (from EIA for June 2016 through May 2017) were used for the relevant fuel type used at each unit, escalated to 2018/2019 based on NYMEX ClearPort and Future crude oil prices. For coal-fired units, plant-specific coal spot prices from the detailed coal transactions reported in FERC Form 423 (for June 2016 through May 2017) were used, supplemented by ABB Velocity Suite’s Spot prices. In instances where no spot price was available for a given unit, prices based on actual fuel costs (contracts) were used. If neither of those data points were provided, a regional average price estimate was used as the default.
- Variable O&M – VOM costs are based on ABB Velocity Suite, by unit, and include emissions costs (see below). ABB Velocity Suite reports VOM costs for hydroelectric generation, fuel cells, solar, and pumped storage generation. The EIA Annual Energy Outlook for 2017 reports zero VOM for wind and solar,<sup>10</sup> as does the National Renewable Energy Laboratory.<sup>11</sup> I used an estimate of \$6/MWh for VOM for onshore wind.<sup>12</sup>
- Environmental Costs – ABB Velocity Suite incorporates unit specific environmental costs as part of its VOM (see workpapers). Therefore, these costs are captured in the estimated dispatch costs by incorporating ABB

<sup>9</sup> This methodology incorporates both ABB Velocity Suite’s regional and RTO gas price forecast and locational gas price differentials based on historical data. This methodology is consistent with the data used to adjust historical energy prices to the forecasted time period to determine destination market prices. Detailed steps are provided in workpapers.

<sup>10</sup> See Annual Energy Outlook, [https://www.eia.gov/outlooks/aeo/assumptions/pdf/table\\_8.2.pdf](https://www.eia.gov/outlooks/aeo/assumptions/pdf/table_8.2.pdf), Table 8.2, Cost and performance characteristics of new central station electricity generating technologies.

<sup>11</sup> [http://www.nrel.gov/analysis/tech\\_lcoe\\_re\\_cost\\_est.html](http://www.nrel.gov/analysis/tech_lcoe_re_cost_est.html).

<sup>12</sup> Although EIA uses zero VOM in its energy models, the VOM cost for wind generation is reported as a DOE estimate in <http://en.openei.org/apps/TCDB/>.

Velocity Suite's unit specific VOM values. For units reported with no cost or zero cost entry, I used a weighted average costs of reported costs based on unit types and installed capacity.

**B. Transmission Costs, Losses and Capability**

The Commission's Appendix A analysis specifies that the transmission system be modeled on the basis of inter-balancing authority area transmission capability using transmission prices based on transmission providers' maximum OATT rates, except where lower rates (*i.e.*, discounts) can be clearly documented. I have implemented this methodology in my analysis. For each exporting BAA, I applied transmission rates and losses based on information from their respective transmission tariffs. The specific data used in the DPT analysis and supporting material are provided in workpapers. In my analysis, I applied transmission rates and losses for deliveries into the relevant markets but did not include transmission costs or losses within the destination market. The data sources for SILs, non-simultaneous limits, and transmission costs are described in the affidavit and provided in workpapers.

**C. AEC Analysis**

Load for SCEG and BAAs outside of the RTO markets were based on their 2015 and 2016 FERC Form 714 for the BAA, and escalated based on forecasts for 2018 contained in the 2016 FERC Form 714. Load served for each entity in its BAA are assigned to reflect their share of the coincident peaks in the 2016 FERC Form 714.

Loads are "shaped" based on SCEG's 2015/2016 hourly load data for my base case analyses. For example, the Winter Super Peak period is defined to include the top 10 percent of peak load hours in December through February. The hourly load data was sorted into peak versus off-peak hours in December through February and then the peak hours were sorted from highest to lowest based on MISO's hourly load. Next, the top 10 percent of the hours were designated as Winter Super Peak. The remaining time periods were aggregated in the same way. Loads for all regions included in the model were based on SCEG's load shape. I also included alternative analyses where loads are shaped based on PJM 2015/2016 hourly data as described in the affidavit.

PJM

For PJM, which has a mix of traditional load-serving commitments, and load served via contracts to serve Provider of Last Resort load, peak load and energy commitments were based on FERC Form 714 data. Hourly load data for PJM were obtained from 2015/2016 FERC Form 714 (as compiled by ABB Velocity Suite) and escalated to 2018/2019 based on the 2016 FERC Form 714 (comparing actual 2015/2016 peak load and total energy and forecasted 2018 peak load and total energy). In conducting my analysis, I linked load-serving “obligations” to generation in PJM based on available information about which generation is committed to serving PJM utilities’ load obligations.

There are four such categories of linkages. First, for traditional load-serving entities within PJM (*i.e.*, utilities located in Virginia, West Virginia and Kentucky), the utilities were assumed to use their owned and contracted-for generation to serve 100 percent of their loads. Their load data was based on peak load reported in the FERC Form 1 for 2016, escalated to 2018/2019, with an hourly load profile based on the MISO overall load shape. Second, in states where standard offer service or default service auctions are conducted and auction/procurement winners are reported (DC, Maryland, New Jersey, Delaware and Ohio), I assigned the load procured in the auction to each generation-owning entity that was a winning bidder in the auction. Third, for utilities in Pennsylvania, where winning bidders are not publicly reported, I assigned load to each generation-owning entity reported as the source of long-term firm purchases reported in the utilities’ FERC Form 1. Fourth, I assumed that generation owned by municipal entities and transmission dependent utilities was fully committed and therefore had zero AEC, and that some small non-utility generation facilities also had no AEC.

### MISO

Hourly load data for MISO were obtained from the 2015 and 2016 FERC Form 714 (as compiled by ABB Velocity Suite) and escalated to 2018/2019 based on the 2016 FERC Form 714 (comparing actual summer 2015/2016 peak load and total energy and forecasted 2018 peak load and total energy). With the exception of Illinois, and to a lesser extent Michigan, none of

the states in MISO has significant retail competition, such that traditional suppliers own generation and have load-serving responsibilities.<sup>13</sup>

#### **D. Market Prices**

Destination market prices for the DPT analyses in the Southeast markets were based primarily on reported EQR data for 2015 and 2016 (full year 2017 data were not yet available from ABB Velocity Suite), Destination market prices in this instance typically would be centered around SCEG, but because there is not sufficient EQR price data for SCEG,<sup>14</sup> I used data on transactions reported in SCEG and first-tier markets in the Southeast.

For PJM, prices were based primarily on two years of historical LMP data (June 2015-May 2016 and June 2016-May 2017 (“2016/2017”) Day Ahead and Real Time prices) as reported by hubs for PJM. Because PJM does not report a single hub price I used the arithmetic average of the different hubs as the proxy for the single PJM BAA price for each hour. The 2015/2017 data was adjusted to reflect forecasted fuel prices for 2018/2019. I used the same prices for AP South.

These historical prices were adjusted to reflect the forward-looking 2018/2019 analysis using the difference in gas prices during the historical and forward-looking periods (using information from ABB Velocity Suite, such that the prices are consistent with the costs included in the model) and supplemented with (i) an analysis of the type of generation operating during each time period (*e.g.*, gas-fired peakers in S\_SP1 versus gas-fired combined-cycles in S\_P) based on actual operations (capacity factors),<sup>15</sup> (ii) review of ABB Velocity Suite’s RTO market price forecasts (which are consistent with its underlying gas price forecast); and (iii)

<sup>13</sup> I have assumed generation owned by utilities in Illinois and Michigan in MISO is committed to serving load obligations in those states. This is conservative because it reduces the amount of potential AEC from rival suppliers in the analysis.

<sup>14</sup> I evaluated whether the “coverage” of the EQR data for SCEG alone was adequate, and determined it was not. This analysis, included in workpapers, compared the coverage to what the Commission relied on in the Duke-Progress merger. In *Duke Energy*, the volume of transactions reported in the EQRs was deemed “sufficiently large to be statistically reliable” and the Commission concluded that “there are a sufficient number of EQR transactions in *every season/load period* to calculate an EQR price that is sufficiently robust.” *Duke Energy Corporation*, 136 FERC ¶ 61,245 at P 126 (2011).

<sup>15</sup> Unit-specific monthly data on historical capacity factors is included in workpapers.



consideration of loads in each of the time periods relative to economic supply. These forecasted prices were “rounded” in some instances, primarily because of concern over what otherwise could be considered to be false precision in determining the destination market prices; and the S\_SP1 price was set at \$150/MWh to capture the majority of generation available at the peak hour. Neither rounding prices nor setting a high S\_SP1 prices has a material impact on the DPT results. The destination market prices tend to imply somewhat higher capacity factors for gas-fired generation than actual capacity factors, because, under the DPT, units are either on or off, rather than operating at minimum or less than full output. The data and specific assumptions are reflected in workpapers.

**E. Historical Information**

Historical information on Applicants’ purchases and sales, capacity factors, transmission reports and data, and other relevant materials are provided in workpapers. This includes information on Applicants’ transactions reported in the Commission’s Electric Quarterly Reports (“EQR”). The historical information was generally obtained from ABB Velocity Suite, MISO’s website or provided in public reports, such as market reports.

**F. Vertical Analysis**

All of the data and calculations supporting my analysis of the gas market are provided in workpapers. In general, the analyses relies upon publicly available information as cited in the affidavit, including data on pipeline capacity from EIA, Index of Customer filings, FERC filings, and information from pipeline owners and shippers. Some of the data from these public sources was retrieved using ABB Velocity Suite.<sup>16</sup>

<sup>16</sup> As noted in my affidavit, I also relied upon data filed by Applicants with the North Carolina Utilities Commission, that in turn is largely based on the same data sources and is provided in workpapers.

## Delivered Price Test Results - Available Economic Capacity

## Base Prices

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Share	Mkt	MW	Share	Mkt	Market Size	HHI	MW	Share
SCEG	S_SP1	\$ 150	23	0.9%	-	0.0%	2,601	865	23	0.9%	865	-
SCEG	S_SP2	\$ 62	27	0.9%	300	10.3%	2,901	907	326	11.2%	926	19
SCEG	S_P	\$ 39	17	0.5%	969	27.1%	3,570	1,138	985	27.6%	1,163	25
SCEG	S_OP	\$ 30	22	0.8%	270	9.4%	2,871	764	292	10.2%	778	15
SCEG	W_SP	\$ 48	16	1.4%	241	21.1%	1,141	779	257	22.5%	836	58
SCEG	W_P	\$ 35	9	0.7%	309	25.6%	1,209	940	318	26.3%	978	38
SCEG	W_OP	\$ 31	8	0.8%	151	14.4%	1,051	660	159	15.2%	683	23
SCEG	SH_SP	\$ 42	25	1.0%	517	20.8%	2,490	831	542	21.8%	873	42
SCEG	SH_P	\$ 31	20	0.8%	530	21.2%	2,503	774	550	22.0%	808	33
SCEG	SH_OP	\$ 30	28	1.2%	294	13.0%	2,267	693	322	14.2%	725	32

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Share	Mkt	MW	Share	Mkt	Market Size	HHI	MW	Share
SC	S_SP1	\$ 150	5	0.5%	-	0.0%	977	984	5	0.5%	984	-
SC	S_SP2	\$ 62	7	0.4%	15	0.9%	1,565	2,922	21	1.4%	2,923	1
SC	S_P	\$ 39	3	0.3%	-	0.0%	867	576	3	0.3%	576	-
SC	S_OP	\$ 30	4	0.5%	-	0.0%	743	550	4	0.5%	550	-
SC	W_SP	\$ 48	46	5.2%	-	0.0%	883	462	46	5.2%	462	-
SC	W_P	\$ 35	38	4.5%	-	0.0%	839	536	38	4.5%	536	-
SC	W_OP	\$ 31	35	4.2%	-	0.0%	839	560	35	4.2%	560	-
SC	SH_SP	\$ 42	37	1.7%	59	2.7%	2,193	1,168	96	4.4%	1,177	9
SC	SH_P	\$ 31	39	2.5%	-	0.0%	1,568	496	39	2.5%	496	-
SC	SH_OP	\$ 30	30	1.9%	-	0.0%	1,568	509	30	1.9%	509	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Share	Mkt	MW	Share	Mkt	Market Size	HHI	MW	Share
CPLE	S_SP1	\$ 150	19	0.4%	-	0.0%	4,378	1,399	19	0.4%	1,399	-
CPLE	S_SP2	\$ 62	28	0.6%	44	0.9%	4,843	1,216	72	1.5%	1,217	1
CPLE	S_P	\$ 39	32	0.6%	-	0.0%	5,496	1,237	32	0.6%	1,237	-
CPLE	S_OP	\$ 30	33	0.9%	-	0.0%	3,574	1,117	33	0.9%	1,117	-
CPLE	W_SP	\$ 48	61	1.2%	-	0.0%	5,244	1,077	61	1.2%	1,077	-
CPLE	W_P	\$ 35	24	1.0%	-	0.0%	2,331	588	24	1.0%	588	-
CPLE	W_OP	\$ 31	23	1.0%	-	0.0%	2,329	597	23	1.0%	597	-
CPLE	SH_SP	\$ 42	36	0.6%	74	1.2%	5,964	1,423	110	1.9%	1,424	2
CPLE	SH_P	\$ 31	47	1.3%	-	0.0%	3,539	951	47	1.3%	951	-
CPLE	SH_OP	\$ 30	51	0.9%	-	0.0%	5,336	1,362	51	0.9%	1,362	-

**Base Prices**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Share	MW	Share	Size	HHI	MW	Share	HHI	
DUKE	S_SP1	\$ 150	5	0.3%	-	0.0%	1,911	3,052	5	0.3%	3,052	-
DUKE	S_SP2	\$ 62	7	0.2%	15	0.4%	3,644	3,097	22	0.6%	3,097	0
DUKE	S_P	\$ 39	6	0.2%	-	0.0%	3,180	2,554	6	0.2%	2,554	-
DUKE	S_OP	\$ 30	4	0.3%	-	0.0%	1,507	1,590	4	0.3%	1,590	-
DUKE	W_SP	\$ 48	56	1.4%	-	0.0%	4,029	539	56	1.4%	539	-
DUKE	W_P	\$ 35	32	1.2%	-	0.0%	2,711	482	32	1.2%	482	-
DUKE	W_OP	\$ 31	31	1.0%	-	0.0%	2,940	636	31	1.0%	636	-
DUKE	SH_SP	\$ 42	44	0.7%	67	1.0%	6,501	2,103	111	1.7%	2,105	1
DUKE	SH_P	\$ 31	62	1.7%	-	0.0%	3,708	667	62	1.7%	667	-
DUKE	SH_OP	\$ 30	39	0.9%	-	0.0%	4,528	1,343	39	0.9%	1,343	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Share	MW	Share	Size	HHI	MW	Share	HHI	
SOCO	S_SP1	\$ 150	14	0.1%	-	0.0%	13,673	2,457	14	0.1%	2,457	-
SOCO	S_SP2	\$ 62	15	0.1%	102	0.7%	14,575	2,653	118	0.8%	2,653	0
SOCO	S_P	\$ 39	12	0.1%	-	0.0%	15,008	2,898	12	0.1%	2,898	-
SOCO	S_OP	\$ 30	20	0.3%	-	0.0%	6,543	1,128	20	0.3%	1,128	-
SOCO	W_SP	\$ 48	15	0.1%	-	0.0%	16,734	2,668	15	0.1%	2,668	-
SOCO	W_P	\$ 35	5	0.0%	-	0.0%	10,394	2,264	5	0.0%	2,264	-
SOCO	W_OP	\$ 31	2	0.0%	-	0.0%	5,886	1,096	2	0.0%	1,096	-
SOCO	SH_SP	\$ 42	14	0.1%	129	0.7%	17,368	2,324	143	0.8%	2,324	0
SOCO	SH_P	\$ 31	5	0.1%	-	0.0%	5,595	1,551	5	0.1%	1,551	-
SOCO	SH_OP	\$ 30	20	0.2%	-	0.0%	8,357	966	20	0.2%	966	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Share	MW	Share	Size	HHI	MW	Share	HHI	
PJM	S_SP1	\$ 150	3,561	3.1%	-	0.0%	113,094	548	3,561	3.1%	548	-
PJM	S_SP2	\$ 65	5,723	4.8%	14	0.0%	118,799	515	5,736	4.8%	515	0
PJM	S_P	\$ 35	4,573	4.2%	-	0.0%	108,783	537	4,573	4.2%	537	-
PJM	S_OP	\$ 25	1,766	2.3%	-	0.0%	76,625	588	1,766	2.3%	588	-
PJM	W_SP	\$ 50	6,013	5.5%	-	0.0%	108,580	494	6,013	5.5%	494	-
PJM	W_P	\$ 32	1,165	1.5%	-	0.0%	79,603	575	1,165	1.5%	575	-
PJM	W_OP	\$ 28	1,165	1.5%	-	0.0%	76,042	634	1,165	1.5%	634	-
PJM	SH_SP	\$ 50	6,013	5.5%	42	0.0%	110,217	481	6,055	5.5%	482	0
PJM	SH_P	\$ 33	5,710	5.6%	-	0.0%	101,503	496	5,710	5.6%	496	-
PJM	SH_OP	\$ 26	3,060	3.7%	-	0.0%	83,051	516	3,060	3.7%	516	-

**Base Prices**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
AP South	S_SP1	\$ 150	3,503	6.8%	-	0.0%	51,662	709	3,503	6.8%	709	-
AP South	S_SP2	\$ 65	5,667	10.5%	9	0.0%	53,741	700	5,675	10.6%	700	0
AP South	S_P	\$ 35	4,519	9.6%	-	0.0%	46,871	690	4,519	9.6%	690	-
AP South	S_OP	\$ 25	1,716	6.0%	-	0.0%	28,602	553	1,716	6.0%	553	-
AP South	W_SP	\$ 50	5,896	12.3%	-	0.0%	48,105	670	5,896	12.3%	670	-
AP South	W_P	\$ 32	1,109	3.4%	-	0.0%	32,743	613	1,109	3.4%	613	-
AP South	W_OP	\$ 28	1,108	3.8%	-	0.0%	29,230	646	1,108	3.8%	646	-
AP South	SH_SP	\$ 50	5,913	11.5%	28	0.1%	51,608	626	5,942	11.5%	627	1
AP South	SH_P	\$ 33	5,615	12.1%	-	0.0%	46,335	596	5,615	12.1%	596	-
AP South	SH_OP	\$ 26	2,970	8.2%	-	0.0%	36,136	533	2,970	8.2%	533	-

## Delivered Price Test Results - Available Economic Capacity

## Prices +10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SCEG	S_SP1	\$ 165	23	0.9%	-	0.0%	2,601	861	23	0.9%	861	-
SCEG	S_SP2	\$ 68	26	0.9%	300	10.3%	2,901	908	326	11.2%	927	19
SCEG	S_P	\$ 43	14	0.4%	986	27.5%	3,587	1,105	1,000	27.9%	1,127	22
SCEG	S_OP	\$ 33	27	0.8%	933	26.4%	3,534	1,026	960	27.2%	1,066	40
SCEG	W_SP	\$ 53	18	1.3%	502	35.8%	1,402	1,608	520	37.1%	1,699	91
SCEG	W_P	\$ 39	8	0.4%	904	50.1%	1,804	2,687	912	50.6%	2,730	44
SCEG	W_OP	\$ 34	8	0.6%	419	31.8%	1,319	1,318	427	32.4%	1,355	37
SCEG	SH_SP	\$ 46	21	0.8%	616	23.8%	2,589	1,150	637	24.6%	1,188	38
SCEG	SH_P	\$ 34	22	0.7%	1,086	35.5%	3,059	1,556	1,108	36.2%	1,606	51
SCEG	SH_OP	\$ 33	23	0.7%	1,364	40.9%	3,337	1,958	1,388	41.6%	2,016	58

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SC	S_SP1	\$ 165	4	0.4%	-	0.0%	1,026	1,136	4	0.4%	1,136	-
SC	S_SP2	\$ 68	7	0.4%	16	1.0%	1,565	2,922	23	1.5%	2,923	1
SC	S_P	\$ 43	3	0.2%	30	2.2%	1,392	2,386	33	2.4%	2,387	1
SC	S_OP	\$ 33	4	0.6%	-	0.0%	743	484	4	0.6%	484	-
SC	W_SP	\$ 53	49	4.2%	12	1.0%	1,171	1,061	61	5.2%	1,070	9
SC	W_P	\$ 39	23	2.8%	-	0.0%	839	536	23	2.8%	536	-
SC	W_OP	\$ 34	21	2.5%	-	0.0%	839	551	21	2.5%	551	-
SC	SH_SP	\$ 46	33	1.3%	102	4.0%	2,561	1,928	134	5.2%	1,939	10
SC	SH_P	\$ 34	23	1.5%	-	0.0%	1,568	512	23	1.5%	512	-
SC	SH_OP	\$ 33	36	2.3%	-	0.0%	1,568	1,138	36	2.3%	1,138	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
CPL	S_SP1	\$ 165	19	0.4%	-	0.0%	4,378	1,389	19	0.4%	1,389	-
CPL	S_SP2	\$ 68	28	0.6%	49	1.0%	4,843	1,217	77	1.6%	1,218	1
CPL	S_P	\$ 43	31	0.5%	196	3.3%	5,964	1,614	228	3.8%	1,617	3
CPL	S_OP	\$ 33	27	0.6%	-	0.0%	4,658	1,213	27	0.6%	1,213	-
CPL	W_SP	\$ 53	64	1.1%	18	0.3%	5,960	1,040	82	1.4%	1,041	1
CPL	W_P	\$ 39	21	0.7%	-	0.0%	2,966	828	21	0.7%	828	-
CPL	W_OP	\$ 34	20	0.6%	-	0.0%	3,139	1,227	20	0.6%	1,227	-
CPL	SH_SP	\$ 46	32	0.5%	110	1.8%	5,964	2,058	142	2.4%	2,060	2
CPL	SH_P	\$ 34	59	1.1%	-	0.0%	5,336	1,663	59	1.1%	1,663	-
CPL	SH_OP	\$ 33	38	0.6%	-	0.0%	5,963	2,442	38	0.6%	2,442	-

Prices +10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Share	Mkt	MW	Share	Mkt	Market	HHI	MW	Share
DUKE	S_SP1	\$ 165	5	0.3%	-	0.0%	1,911	3,051	5	0.3%	3,051	-
DUKE	S_SP2	\$ 68	7	0.2%	17	0.5%	3,644	3,097	24	0.7%	3,097	0
DUKE	S_P	\$ 43	7	0.2%	34	0.7%	4,797	4,059	42	0.9%	4,059	0
DUKE	S_OP	\$ 33	6	0.3%	-	0.0%	2,012	1,935	6	0.3%	1,935	-
DUKE	W_SP	\$ 53	59	1.4%	13	0.3%	4,248	1,263	72	1.7%	1,264	1
DUKE	W_P	\$ 39	19	0.5%	-	0.0%	4,017	1,062	19	0.5%	1,062	-
DUKE	W_OP	\$ 34	19	0.5%	-	0.0%	3,589	896	19	0.5%	896	-
DUKE	SH_SP	\$ 46	47	0.7%	121	1.9%	6,501	2,306	168	2.6%	2,309	3
DUKE	SH_P	\$ 34	41	0.7%	-	0.0%	5,493	1,554	41	0.7%	1,554	-
DUKE	SH_OP	\$ 33	45	0.9%	-	0.0%	5,140	1,645	45	0.9%	1,645	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Share	Mkt	MW	Share	Mkt	Market	HHI	MW	Share
SOCO	S_SP1	\$ 165	13	0.1%	-	0.0%	13,808	2,512	13	0.1%	2,512	-
SOCO	S_SP2	\$ 68	15	0.1%	115	0.8%	14,575	2,651	130	0.9%	2,651	0
SOCO	S_P	\$ 43	6	0.0%	220	1.3%	17,450	3,549	226	1.3%	3,549	0
SOCO	S_OP	\$ 33	11	0.1%	-	0.0%	9,032	1,492	11	0.1%	1,492	-
SOCO	W_SP	\$ 53	32	0.2%	18	0.1%	18,916	2,825	50	0.3%	2,825	0
SOCO	W_P	\$ 39	2	0.0%	-	0.0%	12,969	1,909	2	0.0%	1,909	-
SOCO	W_OP	\$ 34	21	0.2%	-	0.0%	13,591	2,153	21	0.2%	2,153	-
SOCO	SH_SP	\$ 46	23	0.1%	220	1.2%	18,156	2,408	243	1.3%	2,408	0
SOCO	SH_P	\$ 34	45	0.3%	-	0.0%	15,565	2,835	45	0.3%	2,835	-
SOCO	SH_OP	\$ 33	28	0.2%	-	0.0%	16,191	2,546	28	0.2%	2,546	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion			SCE&G			Combined			
			MW	Share	Mkt	MW	Share	Mkt	Market	HHI	MW	Share
PJM	S_SP1	\$ 165	3,561	3.1%	-	0.0%	114,073	550	3,561	3.1%	550	-
PJM	S_SP2	\$ 72	5,723	4.8%	18	0.0%	118,799	515	5,741	4.8%	515	0
PJM	S_P	\$ 39	5,078	4.4%	-	0.0%	115,905	511	5,078	4.4%	511	-
PJM	S_OP	\$ 28	2,252	2.4%	-	0.0%	92,140	561	2,252	2.4%	561	-
PJM	W_SP	\$ 55	6,159	5.6%	-	0.0%	110,533	482	6,159	5.6%	482	-
PJM	W_P	\$ 35	2,877	3.1%	-	0.0%	92,101	527	2,877	3.1%	527	-
PJM	W_OP	\$ 31	1,165	1.4%	-	0.0%	82,281	578	1,165	1.4%	578	-
PJM	SH_SP	\$ 55	6,013	5.5%	86	0.1%	110,244	481	6,099	5.5%	482	1
PJM	SH_P	\$ 36	5,995	5.4%	-	0.0%	110,585	477	5,995	5.4%	477	-
PJM	SH_OP	\$ 29	3,815	4.1%	-	0.0%	92,479	513	3,815	4.1%	513	-

Prices +10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
AP South	S_SP1	\$ 165	3,503	6.7%	-	0.0%	52,621	705	3,503	6.7%	705	-
AP South	S_SP2	\$ 72	5,667	10.5%	12	0.0%	53,741	700	5,678	10.6%	701	0
AP South	S_P	\$ 39	5,024	10.0%	-	0.0%	50,402	661	5,024	10.0%	661	-
AP South	S_OP	\$ 28	2,202	5.7%	-	0.0%	38,365	641	2,202	5.7%	641	-
AP South	W_SP	\$ 55	6,042	12.1%	-	0.0%	49,980	655	6,042	12.1%	655	-
AP South	W_P	\$ 35	2,765	7.7%	-	0.0%	35,795	601	2,765	7.7%	601	-
AP South	W_OP	\$ 31	1,107	3.4%	-	0.0%	32,533	624	1,107	3.4%	624	-
AP South	SH_SP	\$ 55	5,913	11.5%	67	0.1%	51,608	627	5,980	11.6%	630	3
AP South	SH_P	\$ 36	5,898	11.8%	-	0.0%	50,161	605	5,898	11.8%	605	-
AP South	SH_OP	\$ 29	3,722	8.8%	-	0.0%	42,258	570	3,722	8.8%	570	-

## Delivered Price Test Results - Available Economic Capacity

## Prices -10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SCEG	S_SP1	\$ 135	12	0.5%	-	0.0%	2,601	874	12	0.5%	874	-
SCEG	S_SP2	\$ 56	27	0.9%	300	10.3%	2,901	901	327	11.3%	920	19
SCEG	S_P	\$ 35	19	0.6%	680	20.7%	3,281	926	699	21.3%	951	25
SCEG	S_OP	\$ 27	34	1.3%	-	0.0%	2,601	725	34	1.3%	725	-
SCEG	W_SP	\$ 43	6	0.6%	100	10.0%	1,000	609	107	10.7%	622	13
SCEG	W_P	\$ 32	1	0.1%	309	25.6%	1,209	980	310	25.6%	983	4
SCEG	W_OP	\$ 28	1	0.1%	-	0.0%	900	605	1	0.1%	605	-
SCEG	SH_SP	\$ 38	16	0.7%	404	17.0%	2,377	777	420	17.7%	800	23
SCEG	SH_P	\$ 28	43	2.2%	-	0.0%	1,973	479	43	2.2%	479	-
SCEG	SH_OP	\$ 27	18	0.9%	-	0.0%	1,973	897	18	0.9%	897	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SC	S_SP1	\$ 135	2	0.2%	-	0.0%	977	986	2	0.2%	986	-
SC	S_SP2	\$ 56	7	0.4%	10	0.7%	1,565	2,924	17	1.1%	2,925	1
SC	S_P	\$ 35	3	0.4%	-	0.0%	743	503	3	0.4%	503	-
SC	S_OP	\$ 27	10	1.3%	-	0.0%	743	604	10	1.3%	604	-
SC	W_SP	\$ 43	19	2.2%	-	0.0%	883	483	19	2.2%	483	-
SC	W_P	\$ 32	3	0.4%	-	0.0%	839	598	3	0.4%	598	-
SC	W_OP	\$ 28	3	0.3%	-	0.0%	839	620	3	0.3%	620	-
SC	SH_SP	\$ 38	20	1.3%	-	0.0%	1,568	633	20	1.3%	633	-
SC	SH_P	\$ 28	83	5.3%	-	0.0%	1,568	615	83	5.3%	615	-
SC	SH_OP	\$ 27	29	1.8%	-	0.0%	1,568	627	29	1.8%	627	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
CPL	S_SP1	\$ 135	19	0.4%	-	0.0%	4,378	1,409	19	0.4%	1,409	-
CPL	S_SP2	\$ 56	28	0.6%	33	0.7%	4,843	1,120	60	1.2%	1,121	1
CPL	S_P	\$ 35	23	0.8%	-	0.0%	2,820	687	23	0.8%	687	-
CPL	S_OP	\$ 27	33	1.4%	-	0.0%	2,322	614	33	1.4%	614	-
CPL	W_SP	\$ 43	54	1.0%	-	0.0%	5,199	1,107	54	1.0%	1,107	-
CPL	W_P	\$ 32	28	1.2%	-	0.0%	2,331	600	28	1.2%	600	-
CPL	W_OP	\$ 28	28	1.2%	-	0.0%	2,329	612	28	1.2%	612	-
CPL	SH_SP	\$ 38	52	0.9%	-	0.0%	5,857	1,201	52	0.9%	1,201	-
CPL	SH_P	\$ 28	27	1.0%	-	0.0%	2,697	653	27	1.0%	653	-
CPL	SH_OP	\$ 27	41	1.5%	-	0.0%	2,841	612	41	1.5%	612	-



Prices -10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Share	MW	Share	Size	HHI	MW	Share	HHI	
DUKE	S_SP1	\$ 135	5	0.3%	-	0.0%	1,911	3,055	5	0.3%	3,055	-
DUKE	S_SP2	\$ 56	7	0.2%	11	0.3%	3,644	3,100	18	0.5%	3,100	0
DUKE	S_P	\$ 35	3	0.2%	-	0.0%	1,673	1,590	3	0.2%	1,590	-
DUKE	S_OP	\$ 27	9	0.7%	-	0.0%	1,331	1,752	9	0.7%	1,752	-
DUKE	W_SP	\$ 43	49	1.2%	-	0.0%	4,029	638	49	1.2%	638	-
DUKE	W_P	\$ 32	36	1.3%	-	0.0%	2,711	502	36	1.3%	502	-
DUKE	W_OP	\$ 28	37	1.4%	-	0.0%	2,706	527	37	1.4%	527	-
DUKE	SH_SP	\$ 38	47	0.9%	-	0.0%	5,245	1,367	47	0.9%	1,367	-
DUKE	SH_P	\$ 28	35	1.2%	-	0.0%	3,074	551	35	1.2%	551	-
DUKE	SH_OP	\$ 27	43	1.3%	-	0.0%	3,228	1,067	43	1.3%	1,067	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Share	MW	Share	Size	HHI	MW	Share	HHI	
SOCO	S_SP1	\$ 135	7	0.1%	-	0.0%	13,673	2,458	7	0.1%	2,458	-
SOCO	S_SP2	\$ 56	14	0.1%	73	0.5%	14,575	2,656	87	0.6%	2,656	0
SOCO	S_P	\$ 35	1	0.0%	-	0.0%	9,883	1,864	1	0.0%	1,864	-
SOCO	S_OP	\$ 27	1	0.0%	-	0.0%	5,055	1,775	1	0.0%	1,775	-
SOCO	W_SP	\$ 43	19	0.1%	-	0.0%	13,541	2,274	19	0.1%	2,274	-
SOCO	W_P	\$ 32	10	0.2%	-	0.0%	5,686	1,719	10	0.2%	1,719	-
SOCO	W_OP	\$ 28	5	0.1%	-	0.0%	5,230	1,673	5	0.1%	1,673	-
SOCO	SH_SP	\$ 38	20	0.1%	-	0.0%	13,603	1,855	20	0.1%	1,855	-
SOCO	SH_P	\$ 28	7	0.1%	-	0.0%	5,432	1,781	7	0.1%	1,781	-
SOCO	SH_OP	\$ 27	46	0.8%	-	0.0%	5,576	1,256	46	0.8%	1,256	-

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market		Combined			HHI Chg
			MW	Share	MW	Share	Size	HHI	MW	Share	HHI	
PJM	S_SP1	\$ 135	3,534	3.2%	-	0.0%	111,650	543	3,534	3.2%	543	-
PJM	S_SP2	\$ 59	5,723	4.8%	3	0.0%	118,777	516	5,726	4.8%	516	0
PJM	S_P	\$ 32	1,894	2.0%	-	0.0%	96,299	546	1,894	2.0%	546	-
PJM	S_OP	\$ 23	1,248	2.3%	-	0.0%	53,239	656	1,248	2.3%	656	-
PJM	W_SP	\$ 45	4,830	4.5%	-	0.0%	106,335	506	4,830	4.5%	506	-
PJM	W_P	\$ 29	1,165	1.7%	-	0.0%	70,575	603	1,165	1.7%	603	-
PJM	W_OP	\$ 25	1,165	1.9%	-	0.0%	62,229	657	1,165	1.9%	657	-
PJM	SH_SP	\$ 45	6,013	5.5%	-	0.0%	109,570	485	6,013	5.5%	485	-
PJM	SH_P	\$ 30	4,136	4.5%	-	0.0%	92,114	499	4,136	4.5%	499	-
PJM	SH_OP	\$ 23	1,646	2.4%	-	0.0%	67,940	617	1,646	2.4%	617	-

Prices -10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
AP South	S_SP1	\$ 135	3,476	6.9%	-	0.0%	50,341	696	3,476	6.9%	696	-
AP South	S_SP2	\$ 59	5,667	10.5%	2	0.0%	53,741	700	5,669	10.5%	700	0
AP South	S_P	\$ 32	1,841	4.5%	-	0.0%	40,969	619	1,841	4.5%	619	-
AP South	S_OP	\$ 23	1,224	5.0%	-	0.0%	24,587	608	1,224	5.0%	608	-
AP South	W_SP	\$ 45	4,713	10.3%	-	0.0%	45,979	663	4,713	10.3%	663	-
AP South	W_P	\$ 29	1,111	3.9%	-	0.0%	28,737	624	1,111	3.9%	624	-
AP South	W_OP	\$ 25	1,111	5.1%	-	0.0%	21,901	600	1,111	5.1%	600	-
AP South	SH_SP	\$ 45	5,913	11.6%	-	0.0%	51,045	627	5,913	11.6%	627	-
AP South	SH_P	\$ 30	4,043	9.5%	-	0.0%	42,730	565	4,043	9.5%	565	-
AP South	SH_OP	\$ 23	1,560	4.7%	-	0.0%	33,066	558	1,560	4.7%	558	-

## Delivered Price Test Results - Economic Capacity

## Base Prices

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SCEG	S_SP1	\$ 150	8	0.1%	5,161	65.9%	7,827	4,706	5,170	66.1%	4,720	14
SCEG	S_SP2	\$ 62	8	0.1%	5,132	66.0%	7,778	4,716	5,140	66.1%	4,729	13
SCEG	S_P	\$ 39	13	0.2%	4,778	64.5%	7,405	4,453	4,792	64.7%	4,476	23
SCEG	S_OP	\$ 30	24	0.4%	3,489	57.2%	6,105	3,633	3,513	57.5%	3,678	45
SCEG	W_SP	\$ 48	3	0.1%	4,244	82.0%	5,177	6,818	4,247	82.0%	6,829	11
SCEG	W_P	\$ 35	6	0.1%	3,283	78.1%	4,205	6,184	3,288	78.2%	6,205	21
SCEG	W_OP	\$ 31	6	0.2%	2,965	76.5%	3,876	5,953	2,971	76.7%	5,978	25
SCEG	SH_SP	\$ 42	9	0.1%	4,429	68.7%	6,444	4,964	4,438	68.9%	4,983	18
SCEG	SH_P	\$ 31	14	0.3%	3,399	63.0%	5,394	4,235	3,412	63.3%	4,267	32
SCEG	SH_OP	\$ 30	16	0.3%	2,822	58.7%	4,810	3,788	2,839	59.0%	3,828	40

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SC	S_SP1	\$ 150	3	0.0%	450	7.9%	5,683	7,579	453	8.0%	7,580	1
SC	S_SP2	\$ 62	3	0.0%	451	8.0%	5,668	7,576	454	8.0%	7,577	1
SC	S_P	\$ 39	4	0.1%	354	8.0%	4,429	6,967	358	8.1%	6,968	1
SC	S_OP	\$ 30	7	0.3%	347	17.5%	1,982	4,266	354	17.8%	4,279	12
SC	W_SP	\$ 48	6	0.1%	308	6.4%	4,852	6,853	315	6.5%	6,855	2
SC	W_P	\$ 35	10	0.5%	84	4.0%	2,093	4,075	94	4.5%	4,079	4
SC	W_OP	\$ 31	11	0.7%	80	4.9%	1,624	3,166	90	5.6%	3,172	6
SC	SH_SP	\$ 42	7	0.1%	870	15.5%	5,607	5,442	877	15.6%	5,446	4
SC	SH_P	\$ 31	15	0.5%	333	12.1%	2,764	2,644	348	12.6%	2,657	13
SC	SH_OP	\$ 30	14	0.5%	710	25.7%	2,763	2,808	724	26.2%	2,834	26

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
CPLE	S_SP1	\$ 150	68	0.4%	280	1.8%	15,844	6,108	347	2.2%	6,110	2
CPLE	S_SP2	\$ 62	64	0.4%	279	1.8%	15,724	6,126	344	2.2%	6,127	1
CPLE	S_P	\$ 39	61	0.4%	240	1.6%	15,011	6,076	301	2.0%	6,078	1
CPLE	S_OP	\$ 30	57	0.5%	237	2.3%	10,434	5,490	294	2.8%	5,493	2
CPLE	W_SP	\$ 48	64	0.5%	307	2.2%	14,204	5,243	371	2.6%	5,245	2
CPLE	W_P	\$ 35	72	0.6%	198	1.6%	12,702	5,152	270	2.1%	5,153	2
CPLE	W_OP	\$ 31	66	0.6%	191	1.7%	10,938	4,530	257	2.3%	4,532	2
CPLE	SH_SP	\$ 42	52	0.3%	239	1.6%	14,988	6,086	291	1.9%	6,087	1
CPLE	SH_P	\$ 31	50	0.4%	119	1.0%	11,603	5,941	169	1.5%	5,942	1
CPLE	SH_OP	\$ 30	50	0.4%	206	1.8%	11,538	5,927	256	2.2%	5,929	2

**Base Prices**

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
DUKE	S_SP1	\$ 150	10	0.0%	33	0.1%	22,895	7,196	42	0.2%	7,196	0
DUKE	S_SP2	\$ 62	9	0.0%	33	0.1%	22,784	7,247	42	0.2%	7,247	0
DUKE	S_P	\$ 39	10	0.1%	34	0.2%	19,723	6,968	44	0.2%	6,968	0
DUKE	S_OP	\$ 30	10	0.1%	36	0.2%	15,310	7,528	47	0.3%	7,528	0
DUKE	W_SP	\$ 48	58	0.3%	229	1.1%	19,945	6,245	287	1.4%	6,246	1
DUKE	W_P	\$ 35	62	0.4%	301	1.8%	16,558	5,951	363	2.2%	5,953	1
DUKE	W_OP	\$ 31	58	0.4%	288	2.1%	13,710	5,326	346	2.5%	5,327	2
DUKE	SH_SP	\$ 42	49	0.2%	189	0.8%	22,506	6,308	238	1.1%	6,308	0
DUKE	SH_P	\$ 31	58	0.4%	244	1.5%	16,074	5,987	302	1.9%	5,988	1
DUKE	SH_OP	\$ 30	53	0.3%	190	1.2%	15,266	6,014	243	1.6%	6,015	1

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SOCO	S_SP1	\$ 150	8	0.0%	535	1.0%	55,175	5,451	543	1.0%	5,451	0
SOCO	S_SP2	\$ 62	8	0.0%	536	1.0%	54,978	5,464	543	1.0%	5,464	0
SOCO	S_P	\$ 39	11	0.0%	563	1.1%	50,207	5,347	573	1.1%	5,347	0
SOCO	S_OP	\$ 30	8	0.0%	574	1.7%	33,180	4,571	582	1.8%	4,571	0
SOCO	W_SP	\$ 48	23	0.0%	1,059	1.9%	54,681	4,352	1,081	2.0%	4,352	0
SOCO	W_P	\$ 35	36	0.1%	751	1.8%	42,545	4,109	788	1.9%	4,109	0
SOCO	W_OP	\$ 31	27	0.1%	703	1.9%	36,087	3,487	731	2.0%	3,487	0
SOCO	SH_SP	\$ 42	21	0.0%	839	1.6%	51,439	4,812	860	1.7%	4,812	0
SOCO	SH_P	\$ 31	46	0.1%	593	1.7%	34,120	4,058	639	1.9%	4,058	0
SOCO	SH_OP	\$ 30	27	0.1%	867	2.7%	32,621	3,881	894	2.7%	3,881	0

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
PJM	S_SP1	\$ 150	20,978	11.3%	134	0.1%	184,990	595	21,112	11.4%	597	2
PJM	S_SP2	\$ 65	19,487	10.8%	133	0.1%	180,413	591	19,620	10.9%	592	2
PJM	S_P	\$ 35	17,150	10.6%	57	0.0%	162,456	609	17,206	10.6%	610	1
PJM	S_OP	\$ 25	12,488	10.7%	90	0.1%	116,931	675	12,578	10.8%	676	2
PJM	W_SP	\$ 50	16,843	10.2%	264	0.2%	164,513	556	17,107	10.4%	559	3
PJM	W_P	\$ 32	10,493	8.1%	136	0.1%	128,805	599	10,629	8.3%	600	2
PJM	W_OP	\$ 28	8,592	7.4%	145	0.1%	116,062	614	8,737	7.5%	616	2
PJM	SH_SP	\$ 50	17,301	10.6%	200	0.1%	163,763	560	17,500	10.7%	562	3
PJM	SH_P	\$ 33	15,233	10.5%	85	0.1%	145,096	574	15,318	10.6%	575	1
PJM	SH_OP	\$ 26	11,788	9.9%	94	0.1%	119,479	598	11,882	9.9%	599	2

**Base Prices**

Market	Period	Price	Pre-Transaction						Post-Transaction			HHI Chg
			Dominion		SCE&G		Market Size	HHI	Combined			
			MW	Share	MW	Share			MW	Share	HHI	
AP South	S_SP1	\$ 150	20,919	23.8%	75	0.1%	88,043	1,040	20,994	23.8%	1,044	4
AP South	S_SP2	\$ 65	19,430	23.2%	75	0.1%	83,907	1,023	19,504	23.2%	1,027	4
AP South	S_P	\$ 35	17,096	23.3%	23	0.0%	73,423	1,016	17,119	23.3%	1,017	1
AP South	S_OP	\$ 25	12,436	24.8%	43	0.1%	50,120	1,129	12,479	24.9%	1,133	4
AP South	W_SP	\$ 50	16,720	22.7%	142	0.2%	73,819	970	16,863	22.8%	978	9
AP South	W_P	\$ 32	10,374	19.2%	63	0.1%	53,998	865	10,437	19.3%	869	4
AP South	W_OP	\$ 28	8,476	18.0%	75	0.2%	47,212	880	8,551	18.1%	885	6
AP South	SH_SP	\$ 50	17,199	22.2%	134	0.2%	77,358	946	17,333	22.4%	953	8
AP South	SH_P	\$ 33	15,134	22.5%	53	0.1%	67,395	924	15,188	22.5%	928	4
AP South	SH_OP	\$ 26	11,692	21.5%	57	0.1%	54,384	912	11,749	21.6%	916	5

## Delivered Price Test Results - Economic Capacity

Prices +10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SCEG	S_SP1	\$ 165	8	0.1%	5,161	65.9%	7,827	4,706	5,170	66.1%	4,720	14
SCEG	S_SP2	\$ 68	8	0.1%	5,132	66.0%	7,778	4,716	5,140	66.1%	4,729	13
SCEG	S_P	\$ 43	9	0.1%	4,796	64.5%	7,430	4,521	4,805	64.7%	4,537	15
SCEG	S_OP	\$ 33	16	0.2%	4,153	61.4%	6,769	4,099	4,168	61.6%	4,127	28
SCEG	W_SP	\$ 53	3	0.1%	4,505	82.8%	5,438	6,952	4,508	82.9%	6,962	10
SCEG	W_P	\$ 39	6	0.1%	3,878	80.8%	4,800	6,599	3,884	80.9%	6,619	20
SCEG	W_OP	\$ 34	6	0.2%	3,234	78.0%	4,145	6,182	3,240	78.2%	6,206	24
SCEG	SH_SP	\$ 46	7	0.1%	4,528	69.2%	6,543	5,078	4,535	69.3%	5,092	14
SCEG	SH_P	\$ 34	14	0.2%	3,955	66.5%	5,950	4,656	3,968	66.7%	4,687	31
SCEG	SH_OP	\$ 33	13	0.2%	3,893	66.2%	5,881	4,633	3,906	66.4%	4,662	29

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
SC	S_SP1	\$ 165	3	0.0%	449	7.8%	5,732	7,597	452	7.9%	7,598	1
SC	S_SP2	\$ 68	3	0.0%	451	8.0%	5,668	7,576	454	8.0%	7,577	1
SC	S_P	\$ 43	3	0.1%	441	8.9%	4,955	7,267	444	9.0%	7,268	1
SC	S_OP	\$ 33	5	0.3%	347	17.5%	1,982	4,289	352	17.8%	4,298	9
SC	W_SP	\$ 53	6	0.1%	313	6.1%	5,140	7,007	320	6.2%	7,009	1
SC	W_P	\$ 39	9	0.2%	190	5.4%	3,510	5,878	199	5.7%	5,880	3
SC	W_OP	\$ 34	9	0.6%	215	13.3%	1,624	3,093	224	13.8%	3,108	15
SC	SH_SP	\$ 46	6	0.1%	871	14.6%	5,976	5,661	877	14.7%	5,664	3
SC	SH_P	\$ 34	12	0.4%	719	23.6%	3,044	3,151	731	24.0%	3,169	18
SC	SH_OP	\$ 33	11	0.4%	710	24.5%	2,903	3,011	721	24.8%	3,029	18

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
CPLE	S_SP1	\$ 165	67	0.4%	279	1.8%	15,893	6,118	346	2.2%	6,120	1
CPLE	S_SP2	\$ 68	64	0.4%	279	1.8%	15,724	6,126	344	2.2%	6,127	1
CPLE	S_P	\$ 43	63	0.4%	274	1.8%	15,479	6,129	337	2.2%	6,130	1
CPLE	S_OP	\$ 33	58	0.5%	237	1.9%	12,752	6,414	295	2.3%	6,416	2
CPLE	W_SP	\$ 53	64	0.4%	309	2.1%	14,984	4,905	373	2.5%	4,907	2
CPLE	W_P	\$ 39	68	0.5%	324	2.3%	14,101	5,679	392	2.8%	5,681	2
CPLE	W_OP	\$ 34	70	0.6%	345	2.8%	12,125	5,040	415	3.4%	5,043	3
CPLE	SH_SP	\$ 46	53	0.4%	241	1.6%	14,988	6,135	294	2.0%	6,136	1
CPLE	SH_P	\$ 34	50	0.4%	208	1.5%	13,418	5,754	258	1.9%	5,755	1
CPLE	SH_OP	\$ 33	50	0.4%	206	1.7%	12,183	6,294	257	2.1%	6,296	1

Prices +10%

Market	Period	Price	Pre-Transaction						Post-Transaction					
			Dominion			SCE&G			Combined					
			MW	Mkt Share	Share	MW	Mkt Share	Share	Market Size	HHI	MW	Mkt Share	Share	HHI
DUKE	S_SP1	\$ 165	10	0.0%	0.0%	33	0.1%	22,895	7,196	42	0.2%	0.2%	7,196	0
DUKE	S_SP2	\$ 68	9	0.0%	0.0%	33	0.1%	22,784	7,247	42	0.2%	0.2%	7,247	0
DUKE	S_P	\$ 43	9	0.0%	0.0%	33	0.2%	21,340	7,172	42	0.2%	0.2%	7,172	0
DUKE	S_OP	\$ 33	10	0.1%	0.1%	35	0.2%	15,819	7,593	44	0.3%	0.3%	7,594	0
DUKE	W_SP	\$ 53	58	0.3%	0.3%	230	1.1%	20,731	5,914	288	1.4%	1.4%	5,915	1
DUKE	W_P	\$ 39	53	0.3%	0.3%	313	1.8%	17,470	5,950	366	2.1%	2.1%	5,951	1
DUKE	W_OP	\$ 34	55	0.4%	0.4%	320	2.1%	15,292	5,925	375	2.4%	2.4%	5,927	2
DUKE	SH_SP	\$ 46	48	0.2%	0.2%	179	0.8%	22,506	6,282	227	1.0%	1.0%	6,282	0
DUKE	SH_P	\$ 34	53	0.3%	0.3%	191	1.0%	18,246	5,651	245	1.3%	1.3%	5,652	1
DUKE	SH_OP	\$ 33	54	0.3%	0.3%	190	1.2%	15,903	6,130	244	1.5%	1.5%	6,131	1

Market	Period	Price	Pre-Transaction						Post-Transaction					
			Dominion			SCE&G			Combined					
			MW	Mkt Share	Share	MW	Mkt Share	Share	Market Size	HHI	MW	Mkt Share	Share	HHI
SOCO	S_SP1	\$ 165	8	0.0%	0.0%	534	1.0%	55,310	5,460	542	1.0%	1.0%	5,460	0
SOCO	S_SP2	\$ 68	8	0.0%	0.0%	536	1.0%	54,978	5,464	543	1.0%	1.0%	5,464	0
SOCO	S_P	\$ 43	9	0.0%	0.0%	565	1.1%	52,894	5,441	574	1.1%	1.1%	5,441	0
SOCO	S_OP	\$ 33	12	0.0%	0.0%	574	1.5%	38,008	4,924	586	1.5%	1.5%	4,924	0
SOCO	W_SP	\$ 53	23	0.0%	0.0%	1,033	1.8%	56,142	4,442	1,056	1.9%	1.9%	4,442	0
SOCO	W_P	\$ 39	22	0.0%	0.0%	1,133	2.6%	43,581	4,071	1,155	2.6%	2.6%	4,071	0
SOCO	W_OP	\$ 34	23	0.1%	0.1%	1,140	2.7%	42,192	4,037	1,163	2.8%	2.8%	4,038	0
SOCO	SH_SP	\$ 46	17	0.0%	0.0%	781	1.5%	52,280	4,864	798	1.5%	1.5%	4,864	0
SOCO	SH_P	\$ 34	25	0.1%	0.1%	865	2.0%	43,276	4,766	889	2.1%	2.1%	4,767	0
SOCO	SH_OP	\$ 33	23	0.1%	0.1%	856	2.2%	39,599	4,562	878	2.2%	2.2%	4,563	0

Market	Period	Price	Pre-Transaction						Post-Transaction					
			Dominion			SCE&G			Combined					
			MW	Mkt Share	Share	MW	Mkt Share	Share	Market Size	HHI	MW	Mkt Share	Share	HHI
PJM	S_SP1	\$ 165	20,978	11.3%	11.3%	133	0.1%	185,969	599	21,111	11.4%	11.4%	601	2
PJM	S_SP2	\$ 72	19,487	10.8%	10.8%	134	0.1%	180,413	591	19,620	10.9%	10.9%	592	2
PJM	S_P	\$ 39	17,655	10.4%	10.4%	101	0.1%	169,780	588	17,756	10.5%	10.5%	589	1
PJM	S_OP	\$ 28	12,974	9.6%	9.6%	60	0.0%	135,300	632	13,034	9.6%	9.6%	633	1
PJM	W_SP	\$ 55	16,989	10.2%	10.2%	247	0.1%	166,579	548	17,236	10.3%	10.3%	552	3
PJM	W_P	\$ 35	13,398	9.6%	9.6%	111	0.1%	140,005	582	13,509	9.6%	9.6%	583	2
PJM	W_OP	\$ 31	10,256	8.3%	8.3%	123	0.1%	123,925	596	10,379	8.4%	8.4%	598	2
PJM	SH_SP	\$ 55	17,301	10.6%	10.6%	197	0.1%	163,790	559	17,498	10.7%	10.7%	562	3
PJM	SH_P	\$ 36	15,518	10.1%	10.1%	166	0.1%	154,372	548	15,684	10.2%	10.2%	550	2
PJM	SH_OP	\$ 29	12,542	9.7%	9.7%	85	0.1%	129,589	600	12,627	9.7%	9.7%	602	1

Prices +10%

Market	Period	Price	Pre-Transaction						Post-Transaction			HHI Chg
			Dominion		SCE&G		Market Size	HHI	Combined			
			MW	Share	MW	Share			MW	Share	HHI	
AP South	S_SP1	\$ 165	20,919	23.5%	75	0.1%	89,002	1,040	20,994	23.6%	1,044	4
AP South	S_SP2	\$ 72	19,430	23.2%	75	0.1%	83,907	1,023	19,505	23.2%	1,027	4
AP South	S_P	\$ 39	17,600	22.8%	49	0.1%	77,069	987	17,649	22.9%	990	3
AP South	S_OP	\$ 28	12,922	21.6%	31	0.1%	59,954	976	12,953	21.6%	978	2
AP South	W_SP	\$ 55	16,866	22.2%	137	0.2%	75,848	943	17,004	22.4%	951	8
AP South	W_P	\$ 35	13,279	22.7%	51	0.1%	58,390	958	13,330	22.8%	962	4
AP South	W_OP	\$ 31	10,140	19.4%	57	0.1%	52,202	880	10,197	19.5%	885	4
AP South	SH_SP	\$ 55	17,199	22.2%	137	0.2%	77,358	945	17,335	22.4%	953	8
AP South	SH_P	\$ 36	15,419	21.6%	103	0.1%	71,303	897	15,522	21.8%	903	6
AP South	SH_OP	\$ 29	12,445	20.5%	57	0.1%	60,673	871	12,502	20.6%	875	4



## Delivered Price Test Results - Economic Capacity

## Prices -10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
SCEG	S_SP1	\$ 135	8	0.1%	5,161	66.1%	7,814	4,721	5,169	66.2%	4,734	13
SCEG	S_SP2	\$ 56	8	0.1%	5,132	66.0%	7,778	4,716	5,140	66.1%	4,729	13
SCEG	S_P	\$ 35	16	0.2%	4,490	63.1%	7,117	4,282	4,506	63.3%	4,311	29
SCEG	S_OP	\$ 27	16	0.3%	2,543	49.3%	5,159	2,928	2,559	49.6%	2,958	30
SCEG	W_SP	\$ 43	4	0.1%	4,103	81.5%	5,036	6,716	4,106	81.5%	6,728	12
SCEG	W_P	\$ 32	7	0.2%	3,283	78.1%	4,205	6,175	3,289	78.2%	6,199	24
SCEG	W_OP	\$ 28	7	0.3%	1,481	61.9%	2,393	4,060	1,488	62.2%	4,096	36
SCEG	SH_SP	\$ 38	11	0.2%	4,316	68.2%	6,330	4,863	4,327	68.3%	4,886	23
SCEG	SH_P	\$ 28	17	0.4%	2,412	54.7%	4,407	3,367	2,429	55.1%	3,410	43
SCEG	SH_OP	\$ 27	18	0.4%	2,350	54.2%	4,338	3,337	2,368	54.6%	3,382	46

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
SC	S_SP1	\$ 135	3	0.0%	450	7.9%	5,682	7,582	453	8.0%	7,582	1
SC	S_SP2	\$ 56	3	0.0%	451	8.0%	5,668	7,576	454	8.0%	7,577	1
SC	S_P	\$ 35	5	0.2%	354	14.0%	2,520	5,184	359	14.2%	5,190	6
SC	S_OP	\$ 27	7	0.4%	156	10.1%	1,542	3,202	162	10.5%	3,211	9
SC	W_SP	\$ 43	6	0.1%	277	5.7%	4,852	6,853	283	5.8%	6,855	1
SC	W_P	\$ 32	11	0.7%	84	5.2%	1,625	3,103	95	5.9%	3,110	7
SC	W_OP	\$ 28	12	0.7%	80	4.9%	1,624	2,979	92	5.6%	2,987	7
SC	SH_SP	\$ 38	9	0.2%	744	15.2%	4,878	4,895	753	15.4%	4,900	5
SC	SH_P	\$ 28	19	0.7%	333	12.1%	2,764	2,638	352	12.7%	2,654	16
SC	SH_OP	\$ 27	17	0.6%	530	19.2%	2,763	2,660	547	19.8%	2,684	23

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
CPL	S_SP1	\$ 135	68	0.4%	280	1.8%	15,796	6,098	348	2.2%	6,100	2
CPL	S_SP2	\$ 56	64	0.4%	279	1.8%	15,724	6,126	343	2.2%	6,127	1
CPL	S_P	\$ 35	58	0.4%	240	1.9%	12,917	6,332	298	2.3%	6,333	2
CPL	S_OP	\$ 27	63	0.6%	134	1.4%	9,810	5,316	197	2.0%	5,318	2
CPL	W_SP	\$ 43	74	0.5%	342	2.4%	14,204	5,467	416	2.9%	5,469	3
CPL	W_P	\$ 32	64	0.6%	198	1.7%	11,652	4,653	262	2.2%	4,655	2
CPL	W_OP	\$ 28	58	0.6%	191	2.0%	9,515	3,606	248	2.6%	3,608	2
CPL	SH_SP	\$ 38	54	0.4%	209	1.4%	14,881	6,095	263	1.8%	6,096	1
CPL	SH_P	\$ 28	48	0.5%	119	1.2%	10,219	5,478	167	1.6%	5,479	1
CPL	SH_OP	\$ 27	48	0.5%	169	1.7%	10,154	5,465	218	2.1%	5,466	2

## Exhibit J-10

Prices -10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
DUKE	S_SP1	\$ 135	10	0.0%	33	0.1%	22,895	7,196	42	0.2%	7,196	0
DUKE	S_SP2	\$ 56	9	0.0%	33	0.1%	22,784	7,247	42	0.2%	7,247	0
DUKE	S_P	\$ 35	10	0.1%	35	0.2%	17,672	7,669	45	0.3%	7,669	0
DUKE	S_OP	\$ 27	12	0.1%	30	0.3%	9,971	6,369	41	0.4%	6,369	0
DUKE	W_SP	\$ 43	58	0.3%	225	1.2%	19,498	6,298	283	1.5%	6,299	1
DUKE	W_P	\$ 32	55	0.4%	301	2.1%	14,357	5,420	356	2.5%	5,422	2
DUKE	W_OP	\$ 28	51	0.4%	288	2.5%	11,398	4,575	338	3.0%	4,577	2
DUKE	SH_SP	\$ 38	57	0.3%	190	0.9%	21,251	6,112	248	1.2%	6,112	0
DUKE	SH_P	\$ 28	56	0.5%	244	2.1%	11,830	4,831	300	2.5%	4,833	2
DUKE	SH_OP	\$ 27	55	0.5%	173	1.6%	11,089	4,843	228	2.1%	4,845	2

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
SOCO	S_SP1	\$ 135	8	0.0%	535	1.0%	55,175	5,451	542	1.0%	5,451	0
SOCO	S_SP2	\$ 56	8	0.0%	536	1.0%	54,978	5,464	543	1.0%	5,464	0
SOCO	S_P	\$ 35	9	0.0%	572	1.3%	44,670	5,312	581	1.3%	5,312	0
SOCO	S_OP	\$ 27	17	0.1%	420	1.3%	31,477	4,484	437	1.4%	4,485	0
SOCO	W_SP	\$ 43	23	0.0%	1,082	2.1%	51,168	4,365	1,105	2.2%	4,365	0
SOCO	W_P	\$ 32	68	0.2%	751	2.0%	37,769	3,619	819	2.2%	3,620	1
SOCO	W_OP	\$ 28	43	0.1%	703	2.2%	31,558	3,197	746	2.4%	3,198	1
SOCO	SH_SP	\$ 38	22	0.0%	850	1.7%	48,597	4,672	872	1.8%	4,672	0
SOCO	SH_P	\$ 28	69	0.2%	599	1.9%	32,004	3,843	668	2.1%	3,844	1
SOCO	SH_OP	\$ 27	32	0.1%	920	3.0%	30,903	3,781	951	3.1%	3,781	1

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Mkt Share	MW	Mkt Share			MW	Mkt Share	HHI	
PJM	S_SP1	\$ 135	20,951	11.4%	134	0.1%	183,547	593	21,085	11.5%	595	2
PJM	S_SP2	\$ 59	19,487	10.8%	133	0.1%	180,391	591	19,620	10.9%	592	2
PJM	S_P	\$ 32	14,471	9.7%	65	0.0%	148,890	629	14,536	9.8%	630	1
PJM	S_OP	\$ 23	5,590	6.3%	98	0.1%	88,937	747	5,688	6.4%	748	1
PJM	W_SP	\$ 45	15,660	9.7%	249	0.2%	162,110	554	15,909	9.8%	557	3
PJM	W_P	\$ 29	9,303	7.8%	151	0.1%	119,525	619	9,454	7.9%	621	2
PJM	W_OP	\$ 25	6,867	6.8%	152	0.2%	100,315	675	7,019	7.0%	677	2
PJM	SH_SP	\$ 45	17,301	10.6%	185	0.1%	163,116	560	17,486	10.7%	562	2
PJM	SH_P	\$ 30	13,660	10.1%	96	0.1%	134,879	594	13,756	10.2%	595	1
PJM	SH_OP	\$ 23	10,373	9.9%	134	0.1%	105,046	648	10,507	10.0%	650	3

Prices -10%

Market	Period	Price	Pre-Transaction						Post-Transaction			
			Dominion		SCE&G		Market Size	HHI	Combined			HHI Chg
			MW	Share	MW	Share			MW	Share	HHI	
AP South	S_SP1	\$ 135	20,892	24.1%	75	0.1%	86,722	1,045	20,968	24.2%	1,049	4
AP South	S_SP2	\$ 59	19,430	23.2%	74	0.1%	83,907	1,023	19,504	23.2%	1,028	4
AP South	S_P	\$ 32	14,417	21.5%	31	0.0%	67,045	945	14,448	21.5%	947	2
AP South	S_OP	\$ 23	5,539	14.0%	43	0.1%	39,564	967	5,582	14.1%	970	3
AP South	W_SP	\$ 45	15,537	21.7%	125	0.2%	71,535	946	15,662	21.9%	954	8
AP South	W_P	\$ 29	9,185	18.8%	74	0.2%	48,727	899	9,259	19.0%	904	6
AP South	W_OP	\$ 25	6,752	18.3%	75	0.2%	36,872	1,042	6,827	18.5%	1,049	7
AP South	SH_SP	\$ 45	17,199	22.4%	116	0.2%	76,796	946	17,315	22.5%	953	7
AP South	SH_P	\$ 30	13,561	21.4%	59	0.1%	63,498	896	13,620	21.4%	900	4
AP South	SH_OP	\$ 23	10,278	20.2%	78	0.2%	50,905	903	10,356	20.3%	909	6

**Firm Transport and Storage Capacity Transco Zone 5 (circa 2019)**  
**Market Concentration**

<b>Holding Company Name</b>	<b>Transco Z5</b>	<b>Atlantic Coast Pipeline (ACP)</b>	<b>Mountain Valley Pipeline (MVP)</b>	<b>Transco Z5 plus ACP and MVP</b>	
	<b>(Dth/Day)</b>			<b>Share</b>	<b>HHI</b>
Dominion+SCANA	1,171,667	400,000		21%	436
Duke Energy Corp	1,287,835	885,000		29%	833
Cabot Oil and Gas	350,000			5%	22
WGL Holdings Inc	143,508		200,000	5%	21
NiSource Inc	133,246			2%	3
Southern Co	75,000			1%	1
Patriots Energy Group	69,503			1%	1
AGL Resources Inc	52,625	155,000		3%	8
Pass-Through Capability	1,015,739			13%	182
EQT Energy, LLC	-		1,290,000	17%	294
Roanoke Gas Company	33		10,000	0%	0
Others	289,651			4%	1
(shares and HHIs separately calculated)					
	4,588,807	1,440,000	1,500,000	100%	1,800
Fort Hill Natural Gas Authority	45,004			1%	0
Greenville Utilities Commission	31,400			0%	0
Greenwood SC (City of)	26,092			0%	0
Danville Power & Light Dept	20,786			0%	0
Clinton Newberry Natural Gas Authority	19,981			0%	0
Greer Commission of Public Works	16,109			0%	0
Monroe NC (City of)	13,100			0%	0
Shelby NC (City of)	12,088			0%	0
Union SC (City of)	11,710			0%	0
Lexington NC (City of)	11,528			0%	0
Richmond VA (City of)	10,032			0%	0
Southwestern Virginia Gas Co	9,689			0%	0
Laurens Commission of Public Works	7,159			0%	0
International Paper Co	7,000			0%	0
Owens Corning	6,210			0%	0
Sempra Energy	5,809			0%	0
Fountain Inn SC (City of)	5,634			0%	0
Kings Mountain NC (City of)	4,666			0%	0
Texican Natural Gas Co	4,000			0%	0
Cardinal Glass Industries	3,627			0%	0

Holding Company Name	Transco Z5	Atlantic Coast Pipeline (ACP)	Mountain Valley Pipeline (MVP)	Transco Z5 plus ACP and MVP	
		(Dth/Day)		Share	HHI
Wilson NC (City of)	3,500			0%	0
Nucor Corp	2,831			0%	0
Bessemer City (City of)	2,246			0%	0
Centrica plc	2,000			0%	0
Orangeburg SC (City of)	2,000			0%	0
Tyson Foods Inc	2,000			0%	0
York County Natural Gas Authority	683			0%	0
Rock Tenn Co	631			0%	0
Bennettsville SC (City of)	615			0%	0
Alcoa Inc	575			0%	0
Winnsboro SC (Town of)	349			0%	0
Agency Holding Corp	341			0%	0
Bamberg SC (City of)	256			0%	0

**Firm Transport and Storage Capacity Transco Zone 5 (2018)  
Market Concentration (sensitivity re: Pass-Through Capability)**

<b>Holding Company Name</b>	<b>Transco Z5</b>	<b>Transco Z5</b>	
	<b>(Dth/Day)</b>	<b>Share</b>	<b>HHI</b>
Dominion+SCANA	1,171,667	26%	652
Duke Energy Corp	1,287,835	28%	788
Cabot Oil and Gas	350,000	8%	58
WGL Holdings Inc	143,508	3%	10
NiSource Inc	133,246	3%	8
Southern Co	75,000	2%	3
Patriots Energy Group	69,503	2%	2
AGL Resources Inc	52,625	1%	1
Pass-Through Capability (1)	203,148	4%	20
Pass-Through Capability (2)	203,148	4%	20
Pass-Through Capability (3)	203,148	4%	20
Pass-Through Capability (4)	203,148	4%	20
Pass-Through Capability (5)	203,148	4%	20
EQT Energy, LLC	-	0%	-
Roanoke Gas Company	33	0%	0
Others	289,651	6%	3
(shares and HHIs separately calculated)			
	<b>4,588,807</b>	<b>100%</b>	<b>1,623</b>

**Firm Transport and Storage Capacity Transco Zone 5 (circa 2019)  
Market Concentration (sensitivity re: Pass-Through Capability)**

Holding Company Name	Transco Z5	Atlantic Coast Pipeline (ACP)	Mountain Valley Pipeline (MVP)	Transco Z5 plus ACP and MVP	
		(Dth/Day)		Share	HHI
Dominion+SCANA	1,171,667	400,000		21%	436
Duke Energy Corp	1,287,835	885,000		29%	833
Cabot Oil and Gas	350,000			5%	22
WGL Holdings Inc	143,508		200,000	5%	21
NiSource Inc	133,246			2%	3
Southern Co	75,000			1%	1
Patriots Energy Group	69,503			1%	1
AGL Resources Inc	52,625	155,000		3%	8
Pass-Through Capability (1)	203,148			3%	7
Pass-Through Capability (2)	203,148			3%	7
Pass-Through Capability (3)	203,148			3%	7
Pass-Through Capability (4)	203,148			3%	7
Pass-Through Capability (5)	203,148			3%	7
EQT Energy, LLC	-		1,290,000	17%	294
Roanoke Gas Company	33		10,000	0%	0
Others	289,651			4%	1
(shares and HHIs separately calculated)					
	4,588,807	1,440,000	1,500,000	100%	1,655

**Firm Transport and Storage Capacity Transco Zone 5 (circa 2019)  
Market Concentration (sensitivity re: MVP contacts)**

<b>Holding Company Name</b>	<b>Transco Z5</b>	<b>Atlantic</b>	<b>Mountain</b>	<b>Transco Z5 plus ACP and MVP</b>	
		<b>Coast Pipeline (ACP)</b>	<b>Valley Pipeline (MVP)</b>	<b>Share</b>	<b>HHI</b>
		<b>(Dth/Day)</b>			
Dominion+SCANA	1,171,667	400,000		18%	340
Duke Energy Corp	1,287,835	885,000		25%	649
Cabot Oil and Gas	350,000	500,000		10%	99
WGL Holdings Inc	143,508		200,000	4%	16
NiSource Inc	133,246			2%	2
Southern Co	75,000			1%	1
Patriots Energy Group	69,503			1%	1
AGL Resources Inc	52,625	155,000		2%	6
Pass-Through Capability	1,015,739			12%	142
EQT Energy, LLC	-		1,290,000	15%	229
Roanoke Gas Company	33		10,000	0%	0
USG Properties Marcellus Holdings, LLC			250,000	3%	9
Consolidated Edison of New York, Inc.			250,000	3%	9
Others	289,651			3%	1
(shares and HHIs separately calculated)					
	4,588,807	1,940,000	2,000,000	100%	1,503
Market Concentration if Pass-Through Capability among 5 parties					1,389



**Firm Transport and Storage Capacity Transco Zone 5 (circa 2019)**  
**Market Concentration (sensitivity re: AS capacity)**

Holding Company Name	Transco Z5	Atlantic Coast Pipeline (ACP)	Mountain Valley Pipeline (MVP)	Atlantic Sunrise Pipeline (AS)	Transco Z5 plus ACP, MVP and AS	
		(Dth/Day)			Share	HHI
Dominion+SCANA	1,171,667	400,000			18%	313
Duke Energy Corp	1,287,835	885,000			24%	599
Cabot Oil and Gas	350,000			500,000	10%	92
WGL Holdings Inc	143,508		200,000	44,048	4%	19
NiSource Inc	133,246				2%	2
Southern Co	75,000			60,000	2%	2
Patriots Energy Group	69,503				1%	1
AGL Resources Inc	52,625	155,000			2%	5
Pass-Through Capability	1,015,739				11%	131
EQT Energy, LLC	-		1,290,000		15%	211
Roanoke Gas Company	33		10,000		0%	0
Anadarko Energy Services Company				44,048	0%	0
Chief Oil & Gas LLC				420,000	5%	22
Inflection Energy LLC				26,429	0%	0
MMGS, Inc.				22,024	0%	0
Seneca Resources Corporation				189,405	2%	5
Southwestern Energy Services Company				44,048	0%	0
Others	289,651				3%	1
(shares and HHIs separately calculated)						
	4,588,807	1,440,000	1,500,000	1,350,002	100%	1,404
Market Concentration if Pass-Through Capability among 5 parties						1,299

### Electric Generation Served by Dominion and SCANA\*

	Owner	BAA	MW
<b>Units Served by SCANA</b>			
<b>PNSC</b>			
Cliffside	Duke	DUK	844
Cleveland County	Southern	DUK	738
Asheville	Duke	CPLE	324
<b>SCE&amp;G</b>			
Coit	SCE&G	SCEG	26
Parr	SCE&G	SCEG	60
Hagood	SCE&G	SCEG	126
<b>Subtotal, Gas-Fired Generation Served</b>			2,118
 <b>Units Served by Dominion (CGT)</b>			
Darlington County	Duke	CPLE	441
Jasper	SCE&G	SCEG	852
McMeekin	SCE&G	SCEG	250
Williams	SCE&G	SCEG	40
Columbia	SCE&G	SCEG	543
<b>Subtotal, Gas-Fired Generation Served</b>			2,126
 <b>Post-Transaction</b>			
<b>Subtotal, Affiliated Gas-Fired Generation Served</b>			1,897
<b>Subtotal, Third-Party Gas-Fired Generation Served</b>			2,347
<b>Total, Gas-Fired Generation Served</b>			4,244

\* Includes only generation that is primarily gas-fired.

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

Dominion Energy, Inc. )  
SCANA Corporation )  
South Carolina Electric & Gas Company )

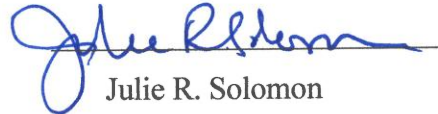
Docket No. EC18-\_\_-000

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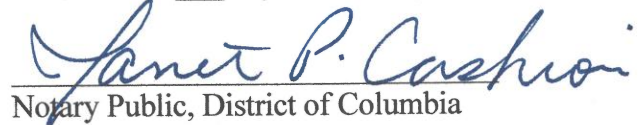
District of Columbia

§  
§  
§

JULIE R. SOLOMON being duly sworn, deposes and states: that she prepared the Affidavit and Exhibits of Julie R. Solomon and that the statements contained therein and the Exhibits attached hereto are true and correct to the best of her knowledge and belief.

  
Julie R. Solomon

SUBSCRIBED AND SWORN TO BEFORE ME, this the 21 day of February 2018.

  
Notary Public, District of Columbia

Printed Name: Janet P. Cashion

My Commission Expires: July 14, 2022



**Exhibit K – Map**

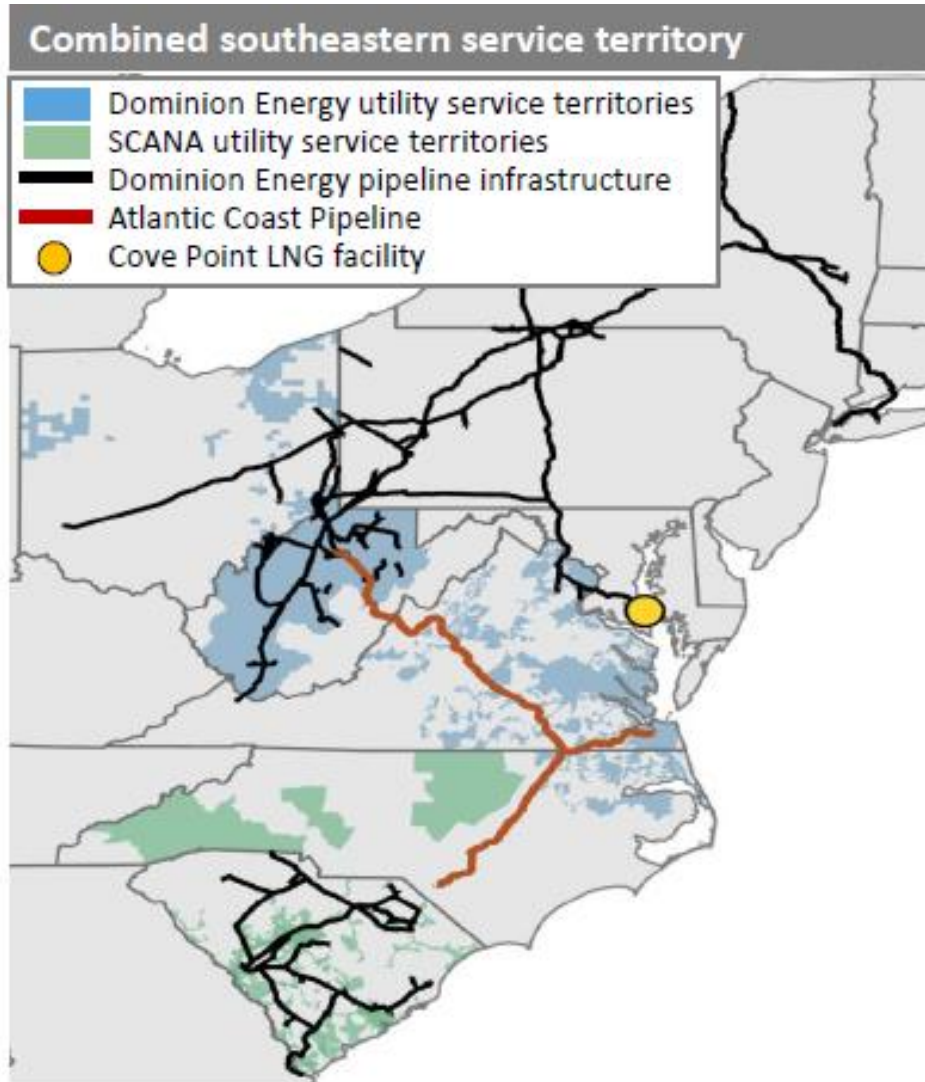


Exhibit K

### **Exhibit L – Other Regulatory Approvals**

#### State Review/ Approvals:

1. South Carolina Public Service Commission (South Carolina PSC): Petition filed on January 12, 2018 in Docket No. 2017-370-E
2. North Carolina Utilities Commission (NCUC): Petition filed on January 24, 2018 in Docket Nos. E-22, Sub 551 and G-5, Sub 585
3. Georgia Public Service Commission (GPSC): Petition filed on January 19, 2018 in Docket No. 9536

#### Federal Review/ Approvals:

1. U.S. Federal Trade Commission (FTC)/U.S. Department of Justice (DOJ): Early termination of waiting period under the Hart-Scott-Rodino Act was granted by the FTC on February 1, 2018
2. Nuclear Regulatory Commission (NRC): Application for approval of transfer of control filed on January 25, 2018 in Docket No. RC-18-0006
3. Federal Communications Commission (FCC): Application for approval of the transfer of certain licenses held by SCANA, SCE&G, and PSNC filed on February 2, 2018

**Exhibit M – Section 33.2(j) Explanation**

**EVIDENCE THAT PROPOSED TRANSACTION WILL NOT RESULT IN  
CROSS-SUBSIDIZATION OF A NON-UTILITY ASSOCIATE COMPANY  
OR PLEDGE OR ENCUMBRANCE OF UTILITY ASSETS FOR THE  
BENEFIT OF AN ASSOCIATE COMPANY**

In accordance with 18 C.F.R. § 33.2(j), the Applicants attest that based on facts and circumstances known to them or that are reasonably foreseeable, the Transaction will not result in, at the time of the Transaction, or in the future, cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company, including:

- (1) any transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company;
- (2) any new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company;
- (3) any new pledge or encumbrance of assets of a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company; or
- (4) any new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under FPA §§ 205 and 206.

**Attachment 1 – Section 33.7 Verifications**

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

Dominion Energy, Inc. ) Docket No. EC18-\_\_-000  
SCANA Corporation )  
South Carolina Electric and Gas Company )

COMMONWEALTH OF VIRGINIA )  
)  
)  
CITY OF Richmond )

Carlos M. Brown, being duly sworn, deposes and says:

That he is the Vice President and General Counsel of Dominion Energy, Inc. and has the authority to verify the foregoing Application, that he has read the Application and is familiar with its contents, and that to the best of his knowledge, information, and belief, the factual statements contained therein are true and correct.



Carlos M. Brown  
*Vice President and General Counsel*  
Dominion Energy, Inc.

Subscribed and sworn to before  
me this 21 day of February, 2018

  
Notary Public

Amy Leigh Bowers  
NOTARY PUBLIC  
Commonwealth of Virginia  
Reg. #7296406  
My Commission Expires 7/31/2021



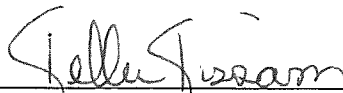
**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Dominion Energy, Inc.** ) **Docket No. EC18-\_\_\_-000**  
**SCANA Corporation** )  
**South Carolina Electric & Gas Company** )

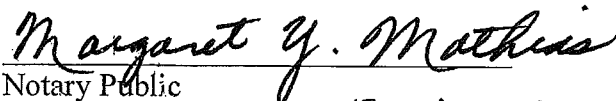
STATE OF SOUTH CAROLINA )  
 )  
 )  
COUNTY OF LEXINGTON )

W. Keller Kissam, being duly sworn, deposes and says:

That he is the Senior Vice President of SCANA Corporation ("SCANA") and Chief Operating Officer & President, Generation, Transmission and Distribution of South Carolina Electric & Gas Company ("SCE&G") and has the authority to verify the foregoing Application on behalf of SCANA and SCE&G, that he has read the Application and is familiar with its contents, and that to the best of knowledge, information, and belief, the factual statements contained therein are true and correct.

  
\_\_\_\_\_  
W. Keller Kissam

Subscribed and sworn to before  
me this 22nd day of February, 2018

  
Notary Public  
My Commission Expires:  
July 14, 2019

**Attachment 2 – Proposed Form of Protective Agreement**

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Dominion Energy, Inc.** ) **Docket No. EC18-\_\_\_-000**  
**SCANA Corporation** )  
**South Carolina Electric and Gas Company** )

**PROTECTIVE AGREEMENT**

1. This Protective Agreement shall govern the use of all Protected Materials produced by, or on behalf of, any Participant. Notwithstanding any order terminating this proceeding, this Protective Agreement shall remain in effect until specifically modified or terminated by the Federal Energy Regulatory Commission (“Commission”).

2. This Protective Agreement applies to the following two categories of materials:

(A) A Participant may designate as protected those materials which customarily are treated by that Participant as sensitive or proprietary, which are not available to the public, and which, if disclosed freely, would subject that Participant or its customers to risk of competitive disadvantage or other business injury; and

(B) A Participant shall designate as protected those materials which contain critical energy infrastructure information, as defined in 18 C.F.R. § 388.113(c)(1) (“Critical Energy Infrastructure Information”).

3. Definitions — For purposes of this Protective Agreement:

(a) The term “Participant” shall mean a Participant as defined in 18 C.F.R. § 385.102(b).

(b) (1) The term “Protected Materials” means (A) materials provided by a Participant and designated by such Participant as protected; (B) any information contained in or obtained from such designated materials; (C) any other materials which are made subject to this Protective Agreement by the Commission, by any court or other body having appropriate authority, or by agreement of the Participants; (D) notes of Protected Materials; and (E) copies of Protected Materials. The Participant producing the Protected Materials shall physically mark them, at least on the first page of each document, as “PROTECTED MATERIALS” or with words of similar import as long as the term “Protected Materials” is included in that designation to indicate that they are Protected Materials. If the Protected Materials contain Critical Energy Infrastructure Information, the Participant producing such information shall additionally mark on each page containing such information the words “Contains Critical Energy Infrastructure Information - Do Not Release.” In addition, and in accordance with the Commission’s April 14, 2017 “Notice of Document Labelling Guidance for Documents Submitted to or Filed With the Commission or

Commission Staff,” documents containing Critical Energy/Electric Infrastructure Information should include in a top center header of each page of the document the text “CUI//CEII,” and Documents containing information that section 388.112 of the Commission’s regulations, 18 C.F.R. § 388.112, recognizes as privileged, and documents containing information within the scope of protective orders and agreements in Commission proceedings, should include in a top center header of each page of the document the text “CUI//PRIV.”

(2) The term “Notes of Protected Materials” means memoranda, handwritten notes, or any other form of information (including electronic form) which copies or discloses Protected Materials. Notes of Protected Materials are subject to the same restrictions provided in this order for Protected Materials except as specifically provided in this Protective Agreement.

(3) Protected Materials shall not include (A) any information or document contained in the files of the Commission, or any other federal or state agency, or any federal or state court, unless the information or document has been determined to be protected by such agency or court, or (B) information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Protective Agreement, or (C) any information or document labeled as “Non-Internet Public” by a Participant, in accordance with Paragraph 30 of FERC Order No. 630, FERC Stat. & Reg. ¶ 31,140. Protected Materials do include any information or document contained in the files of the Commission that has been designated as Critical Energy Infrastructure Information.

(c) By signing this Protective Agreement, a Participant that has been granted access to Protected Materials certifies its understanding that such access to Protected Materials is provided pursuant to the terms and restrictions of this Protective Agreement, and that such Participant has read the Protective Agreement and agrees to be bound by it.

(d) The term “Reviewing Representative” shall mean a person who has executed this Protective Agreement (except that members of the Commission’s Staff need not execute) and who is:

- (1) Commission Staff;
- (2) an attorney who has made an appearance in this proceeding for a Participant;
- (3) an attorney, paralegal, and other employee associated for purposes of this case with an attorney described in Paragraph 3(d)(2);
- (4) an expert or an employee of an expert retained by a Participant for the purpose of advising, preparing for or testifying in this proceeding;
- (5) a person designated as a Reviewing Representative by order of the Commission; or
- (6) an employee or other representative of Participants appearing in this proceeding with significant responsibility for this docket.

4. Protected Materials shall be made available under the terms of this Protective Agreement only to Participants and only through their Reviewing Representatives as provided in Paragraphs 7-9.

5. Protected Materials shall remain available to Participants until the later of the date that an order terminating this proceeding becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Protected Material is concluded and no longer subject to judicial review. If requested to do so in writing after that date, the Participants shall, within fifteen days of such request, return the Protected Materials (excluding Notes of Protected Materials) to the Participant that produced them, or shall destroy the materials, except that copies of filings, official transcripts and exhibits in this proceeding that contain Protected Materials, and Notes of Protected Material may be retained, if they are maintained in accordance with Paragraph 6, below. Within such time period each Participant, if requested to do so, shall also submit to the producing Participant an affidavit stating that, to the best of its knowledge, all Protected Materials and all Notes of Protected Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 6. To the extent Protected Materials are not returned or destroyed, they shall remain subject to the Protective Agreement.

6. All Protected Materials shall be maintained by the Participant in a secure place. Access to those materials shall be limited to those Reviewing Representatives specifically authorized pursuant to Paragraphs 8-9. The Secretary shall place any Protected Materials filed with the Commission in a non-public file. By placing such documents in a non-public file, the Commission is not making a determination of any claim of privilege. The Commission retains the right to make determinations regarding any claim of privilege and the discretion to release information necessary to carry out its jurisdictional responsibilities. For documents submitted to Commission Staff ("Staff"), Staff shall follow the notification procedures of 18 C.F.R. § 388.112 before making public any Protected Materials.

7. Protected Materials shall be treated as confidential by each Participant and by the Reviewing Representative in accordance with this Protective Agreement executed pursuant to Paragraph 9. Reviewing Representatives that are Commission Staff are required to comply with the requirements of this Protective Agreement but need not execute this Protective Agreement. Protected Materials shall not be used except as necessary for the conduct of this proceeding, nor shall they be disclosed in any manner to any person except a Reviewing Representative who is engaged in the conduct of this proceeding and who needs to know the information in order to carry out that person's responsibilities in this proceeding. Reviewing Representatives may make copies of Protected Materials, but such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials.

8. (a) If a Reviewing Representative's scope of employment includes the marketing of energy or the buying or selling of fossil generating assets, the direct supervision of any employee or employees whose duties include the marketing of energy or the buying or selling of fossil generating assets, the provision of consulting services to any person whose duties include the marketing of energy or the buying or selling of fossil generating assets, or the

direct supervision of any employee or employees whose duties include the marketing of energy or the buying or selling of fossil generating assets, such Reviewing Representative may not use information contained in any Protected Materials obtained through this proceeding to give any Participant or any competitor of any Participant, including its own employees or the employees of the party it represents, a commercial advantage or any non-public information regarding operation of fossil generating assets.

(b) In the event that a Participant wishes to designate as a Reviewing Representative a person not described in Paragraph 3(d) above, the Participant shall seek agreement from the Participant providing the Protected Materials. If an agreement is reached, that person shall be a Reviewing Representative pursuant to Paragraph 3(d) above with respect to those materials. If no agreement is reached, the Participant shall submit the disputed designation to the Commission for resolution.

9. (a) A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise be permitted access to Protected Materials pursuant to this Protective Agreement unless that Reviewing Representative has first executed this Protective Agreement, provided that if an attorney qualified as a Reviewing Representative has executed such agreement, the paralegals, secretarial and clerical personnel under the attorney's instruction, supervision or control need not do so. A copy of each Protective Agreement shall be provided to counsel for the Participant asserting confidentiality prior to disclosure of any Protected Material to that Reviewing Representative.

(b) Attorneys qualified as Reviewing Representatives are responsible for ensuring that persons under their supervision or control comply with this Protective Agreement.

10. Any Reviewing Representative may disclose Protected Materials to any other Reviewing Representative as long as the disclosing Reviewing Representative and the receiving Reviewing Representative both have executed a Protective Agreement. In the event that any Reviewing Representative to whom the Protected Materials are disclosed ceases to be engaged in these proceedings, or is employed or retained for a position whose occupant is not qualified to be a Reviewing Representative under Paragraph 3(d), access to Protected Materials by that person shall be terminated. Even if no longer engaged in this proceeding, every person who has executed a Protective Agreement shall continue to be bound by the provisions of this Protective Agreement.

11. Subject to Paragraph 17, the Commission shall resolve any disputes arising under this Protective Agreement. Prior to presenting any dispute under this Protective Agreement to the Commission, the parties to the dispute shall use their best efforts to resolve it. Any Participant that contests the designation of materials as protected shall notify the party that provided the protected materials by specifying in writing the materials for which the designation is contested. This Protective Agreement shall automatically cease to apply to such materials five (5) business days after the notification is made unless the designator, within said five-day period, files a motion with the Commission, with supporting affidavits, demonstrating that the materials should continue to be protected. In any challenge to the designation of materials as protected, the burden of proof shall be on the Participant seeking protection. If the Commission finds that

the materials at issue are not entitled to protection, the procedures of Paragraph 17 shall apply. The procedures described above shall not apply to protected materials designated by a Participant as Critical Energy Infrastructure Information. Materials so designated shall remain protected and subject to the provisions of this Protective Agreement, unless a Participant requests and obtains a determination from the Commission's Critical Energy Infrastructure Information Coordinator that such materials need not remain protected.

12. All copies of all documents reflecting Protected Materials, including the portion of the hearing testimony, exhibits, transcripts, briefs and other documents which refer to Protected Materials shall be filed and served in sealed envelopes or other appropriate containers endorsed to the effect that they are sealed pursuant to this Protective Agreement. Such documents shall be marked "PROTECTED MATERIALS" and shall be filed under seal and served under seal upon the Commission and all Reviewing Representatives who are on the service list. Such documents containing Critical Energy Infrastructure Information shall be additionally marked "Contains Critical Energy Infrastructure Information - Do Not Release." For anything filed under seal, redacted versions or, where an entire document is protected, a letter indicating such will also be filed with the Commission and served on all parties on the service list. Counsel for the producing Participant shall provide to all Participants who request the same, a list of Reviewing Representatives who are entitled to receive such material. Counsel shall take all reasonable precautions necessary to assure that Protected Materials are not distributed to unauthorized persons. If any Participant desires to include, utilize or refer to any Protected Materials or information derived therefrom in testimony or exhibits during these proceedings in such a manner that might require disclosure of such material to persons other than Reviewing Representatives, such Participant shall first notify both counsel for the disclosing participant and the Commission of such desire, identifying with particularity each of the Protected Materials. Thereafter, use of such Protected Material will be governed by procedures determined by the Commission.

13. Nothing in this Protective Agreement shall be construed as precluding any Participant from objecting to the use of Protected Materials on any legal grounds.

14. Nothing in this Protective Agreement shall preclude any Participant from requesting the Commission, or any other body having appropriate authority, to find that this Protective Agreement should not apply to all or any materials previously designated as Protected Materials pursuant to this Protective Agreement. The Commission may alter or amend this Protective Agreement as circumstances warrant at any time during the course of this proceeding.

15. Each party governed by this Protective Agreement has the right to seek changes in it as appropriate from the Commission.

16. All Protected Materials filed with the Commission, or any other judicial or administrative body, in support of, or as a part of, a motion, other pleading, brief, or other document, shall be filed and served in sealed envelopes or other appropriate containers bearing prominent markings indicating that the contents include Protected Materials subject to this Protective Agreement. Such documents containing Critical Energy Infrastructure Information

shall be additionally marked Contains Critical Energy Infrastructure Information — Do Not Release.”

17. If the Commission finds at any time in the course of this proceeding that all or part of the Protected Materials need not be protected, those materials shall, nevertheless, be subject to the protection afforded by this Protective Agreement for three (3) business days from the date of issuance of the Commission’s decision. None of the Participants waives its rights to seek additional administrative or judicial remedies after the Commission’s decision respecting Protected Materials or Reviewing Representatives, or the Commission’s denial of any appeal thereof. The provisions of 18 C.F.R. §§ 388.112 and 388.113 shall apply to any requests for Protected Materials in the files of the Commission under the Freedom of Information Act (5 U.S.C. § 552).

18. Nothing in this Protective Agreement shall be deemed to preclude any Participant from independently seeking through discovery in any other administrative or judicial proceeding information or materials produced in this proceeding under this Protective Agreement.

19. None of the Participants waives the right to pursue any other legal or equitable remedies that may be available in the event of actual or anticipated disclosure of Protected Materials.

20. The contents of Protected Materials or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with this Protective Agreement and shall be used only in connection with this proceeding. Any violation of this Protective Agreement executed hereunder shall constitute a violation of an order of the Commission.

**[The next page is the signature page]**



IN WITNESS WHEREOF, Dominion Energy, Inc., SCANA Corporation, and undersigned Recipient each have caused this Protective Agreement to be signed by its duly authorized representative as of the date set forth below.

By (Recipient): \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Representing: \_\_\_\_\_

Date: \_\_\_\_\_

By (Applicant): \_\_\_\_\_

Title: \_\_\_\_\_

Representing: Dominion Energy, Inc.

Date: \_\_\_\_\_

By (Applicant): \_\_\_\_\_

Title: \_\_\_\_\_

Representing: SCANA Corporation

Date: \_\_\_\_\_

MAYER • BROWN

Mayer Brown LLP  
1999 K Street, N.W.  
Washington, D.C. 20006-1101

Main Tel +1 202 263 3000  
Main Fax +1 202 263 3300  
www.mayerbrown.com

**Meytal McCoy**  
Counsel

Direct Tel +1 202 263 3898  
Direct Fax +1 202 263 5298  
mmccoy@mayerbrown.com

January 19, 2018

BY MESSENGER

Federal Trade Commission  
Bureau of Competition  
Premerger Notification Office  
Constitution Center Building  
400 7<sup>th</sup> St, SW  
Room #5301  
Washington, DC 20024

Office of Operations  
Premerger Notification Unit  
Antitrust Division  
U.S. Department of Justice  
950 Pennsylvania Avenue, N.W.  
Room #3335  
Washington, D.C. 20530

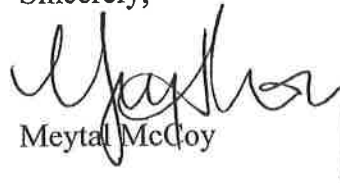
RECEIVED  
PREMERGER NOTIFICATION  
OFFICE  
2018 JAN 19 PM 3:55

Dear Sir or Madam:

Enclosed for filing on behalf of the SCANA Corporation ("SCANA") are two (2) DVDs for the Federal Trade Commission and two (2) DVDs and three (3) copies of the cover letter for the Department of Justice of the Hart-Scott-Rodino filing in connection with merger with Dominion Energy, Inc. This transaction is valued at approximately \$7.9 billion.

If you have any questions, please do not hesitate to call me.

Sincerely,



Meytal McCoy

MAYER • BROWN

Mayer Brown LLP  
1999 K Street, N.W.  
Washington, D.C. 20006-1101

Main Tel +1 202 263 3000  
Main Fax +1 202 263 3300  
www.mayerbrown.com

**Meytal McCoy**  
Counsel

Direct Tel +1 202 263 3898  
Direct Fax +1 202 263 5298  
mmccoy@mayerbrown.com

January 19, 2018

BY MESSENGER

Federal Trade Commission  
Bureau of Competition  
Premerger Notification Office  
Constitution Center Building  
400 7<sup>th</sup> St, SW  
Room #5301  
Washington, DC 20024

Office of Operations  
Premerger Notification Unit  
Antitrust Division  
U.S. Department of Justice  
950 Pennsylvania Avenue, N.W.  
Room #3335  
Washington, D.C. 20530

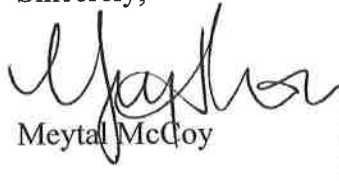
RECEIVED  
OFFICE OF OPERATIONS  
ANTITRUST DIVISION  
2018 JAN 19 PM 4:00

Dear Sir or Madam:

Enclosed for filing on behalf of the SCANA Corporation ("SCANA") are two (2) DVDs for the Federal Trade Commission and two (2) DVDs and three (3) copies of the cover letter for the Department of Justice of the Hart-Scott-Rodino filing in connection with merger with Dominion Energy, Inc. This transaction is valued at approximately \$7.9 billion.

If you have any questions, please do not hesitate to call me.

Sincerely,



Meytal McCoy

**16 C.F.R. Part 803 - Appendix**  
**NOTIFICATION AND REPORT FORM FOR CERTAIN MERGERS AND ACQUISITIONS**

**FEE INFORMATION** (For Payer Only)

TAXPAYER IDENTIFICATION NUMBER \_\_\_\_\_  
 OR SOCIAL SECURITY NUMBER FOR NATURAL PERSONS

AMOUNT PAID \$ \_\_\_\_\_

NAME OF PAYER (if different from PERSON FILING) \_\_\_\_\_

WIRE TRANSFER  or CERTIFIED CHECK / MONEY ORDER ATTACHED

WIRE TRANSFER CONFIRMATION NO. \_\_\_\_\_

FROM (NAME OF INSTITUTION) \_\_\_\_\_

IS THIS A CORRECTIVE FILING?  YES  NO      CASH TENDER OFFER?  YES  NO      BANKRUPTCY?  YES  NO

DO YOU REQUEST EARLY TERMINATION OF THE WAITING PERIOD?  YES  NO  
 (Grants of early termination are published in the Federal Register and on the FTC web site, www.ftc.gov)

(voluntary) IS THIS ACQUISITION SUBJECT TO NON-US FILING REQUIREMENTS?  YES  NO  
 IF YES, list jurisdictions:

**ITEM 1**

<b>1(a) PERSON FILING</b>	NAME	SCANA Corporation		
	HEADQUARTERS ADDRESS	100 SCANA Parkway		
	ADDRESS LINE 2			
	CITY, STATE, COUNTRY	Cayce SC United States		
	ZIP CODE	29033		
	WEB SITE	www.scana.com		

**1(b) PERSON FILING NOTIFICATION IS**  an acquiring person  an acquired person  both

**1(c) PUT AN "X" IN THE APPROPRIATE BOX TO DESCRIBE THE PERSON FILING NOTIFICATION**  
 Corporation  Unincorporated Entity  Natural Person  Other (Specify) \_\_\_\_\_

**1(d) DATA FURNISHED BY**  
 calendar year  fiscal year (specify period): \_\_\_\_\_ (month/year) to \_\_\_\_\_ (month/year)

**1(e) PUT AN "X" IN THE APPROPRIATE BOX BELOW AND GIVE THE NAME AND ADDRESS OF THE ENTITY FILING NOTIFICATION, IF DIFFERENT THAN THE ULTIMATE PARENT ENTITY**

Not Applicable       This report is being filed on behalf of a foreign person pursuant to § 803.4.       This report is being filed on behalf of the ultimate parent entity by another entity within the same person authorized by it to file pursuant to § 803.2(a).

NAME  
ADDRESS  
CITY, STATE, COUNTRY  
ZIP CODE

**1(f) NAME AND ADDRESS OF ENTITY MAKING ACQUISITION OR WHOSE ASSETS, VOTING SECURITIES OR NON-CORPORATE INTERESTS ARE BEING ACQUIRED, IF DIFFERENT FROM THE ULTIMATE PARENT ENTITY IDENTIFIED IN ITEM 1(a)**

NAME  
ADDRESS  
CITY, STATE, COUNTRY  
ZIP CODE

Not Applicable

PERCENT OF VOTING SECURITIES OR NON-CORPORATE INTERESTS THAT THE UPE HOLDS DIRECTLY OR INDIRECTLY IN THE ACQUIRING OR ACQUIRED ENTITY IDENTIFIED IN ITEM 1(f) \_\_\_\_\_ %

**1(g) IDENTIFICATION OF PERSONS TO CONTACT REGARDING THIS REPORT**

<p><b>CONTACT PERSON 1</b></p> <p>FIRM NAME: Meytal McCoy                  BUSINESS ADDRESS: Mayer Brown LLP                  1999 K Street, NW                  CITY, STATE, COUNTRY: Washington DC United States                  ZIP CODE: 20006                  TELEPHONE NUMBER: 202-263-3898                  FAX NUMBER: 202-263-5298                  E-MAIL ADDRESS: mrmccoy@mayerbrown.com</p>	<p><b>CONTACT PERSON 2</b></p> <p>FIRM NAME: William Stallings                  BUSINESS ADDRESS: Mayer Brown LLP                  1999 K Street, NW                  CITY, STATE, COUNTRY: Washington DC United States                  ZIP CODE: 20006                  TELEPHONE NUMBER: 202-263-3807                  FAX NUMBER: 202-830-0328                  E-MAIL ADDRESS: wstallings@mayerbrown.com</p>
---	---

**1(h) IDENTIFICATION OF AN INDIVIDUAL LOCATED IN THE UNITED STATES DESIGNATED FOR THE LIMITED PURPOSE OF RECEIVING NOTICE OF ISSUANCE OF A REQUEST FOR ADDITIONAL INFORMATION OR DOCUMENTS (See § 803.20(b)(2)(iii))**

NAME: Meytal McCoy  
 FIRM NAME: Mayer Brown LLP  
 BUSINESS ADDRESS: 1999 K Street, NW  
 CITY, STATE, COUNTRY: Washington DC United States  
 ZIP CODE: 20006  
 TELEPHONE NUMBER: 202-263-3898  
 FAX NUMBER: 202-263-5298  
 E-MAIL ADDRESS: mrmccoy@mayerbrown.com

**DECLARATION**

**OF**

**Jim Odell Stuckey**

**AUTHORIZED SIGNATORY**

**OF**

**SCANA CORPORATION**

I, Jim Odell Stuckey, as Senior Vice President and General Counsel of SCANA Corporation, and not in my individual capacity, state as follows:

1. I am the Senior Vice President and General Counsel of SCANA Corporation ("SCANA").
2. In such capacity, I am authorized to submit this declaration and submit the accompanying Notification and Report Form on behalf of SCANA pursuant to 16 C.F.R. § 803.5(b) of the Rules of the Federal Trade Commission under Section 7A of the Clayton Act.
3. An Agreement and Plan of Merger has been executed by the parties providing for the transaction described in Item 3 of the Notification and Report Form.
4. This transaction is not subject to Rule 801.30.
5. SCANA has the good faith intention to complete the transaction that is the subject of this Notification and Report Form.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on January 19, 2018.

**SCANA CORPORATION**

By: Jim O. Stuckey

Name: Jim Odell Stuckey

Title: Senior Vice President and General Counsel, SCANA Corporation

**ITEM 2****2(a) LIST NAMES OF ULTIMATE PARENT ENTITIES OF ALL ACQUIRING PERSONS**

NAME	NON-REPORTABLE
Dominion Energy, Inc.	<input type="checkbox"/>

**LIST NAMES OF ULTIMATE PARENT ENTITIES OF ALL ACQUIRED PERSONS**

NAME	NON-REPORTABLE
SCANA Corporation	<input type="checkbox"/>

**2(b) THIS ACQUISITION IS (put an "X" in all the boxes that apply)**

- |  |   |
|--|---|
| <input type="checkbox"/> an acquisition of assets  | <input type="checkbox"/> a consolidation (see § 801.2)                  |
| <input checked="" type="checkbox"/> a merger (see § 801.2)   | <input checked="" type="checkbox"/> an acquisition of voting securities |
| <input type="checkbox"/> an acquisition subject to § 801.2 (e)   | <input type="checkbox"/> a secondary acquisition                        |
| <input type="checkbox"/> a formation of a joint venture or other corporation or unincorporated entity (see § 801.40 or § 801.50) | <input type="checkbox"/> an acquisition subject to § 801.31             |
| <input type="checkbox"/> an acquisition subject to § 801.30 (specify type)   | <input type="checkbox"/> an acquisition of non-corporate interests      |
|  | <input type="checkbox"/> other (specify)                                |

**2(c) INDICATE THE HIGHEST NOTIFICATION THRESHOLD IN § 801.1(h) FOR WHICH THIS FORM IS BEING FILED (acquiring person only in an acquisition of voting securities)**

- \$50 million (as adjusted)     
 \$100 million (as adjusted)     
 \$500 million (as adjusted)     
 25% (see Instructions) (as adjusted)     
 50%     
 N/A

<b>2(d)(i) VALUE OF VOTING SECURITIES ALREADY HELD (\$MM)</b>	<b>(v) VALUE OF NON-CORPORATE INTERESTS ALREADY HELD (\$MM)</b>	
\$ 0	\$ 0	
<b>(ii) PERCENTAGE OF VOTING SECURITIES ALREADY HELD</b>	<b>(vi) PERCENTAGE OF NON-CORPORATE INTERESTS ALREADY HELD</b>	
0 %	0 %	
<b>(iii) TOTAL VALUE OF VOTING SECURITIES TO BE HELD AS A RESULT OF THE ACQUISITION (\$MM)</b>	<b>(vii) TOTAL VALUE OF NON-CORPORATE INTERESTS TO BE HELD AS A RESULT OF THE ACQUISITION (\$MM)</b>	<b>(ix) VALUE OF ASSETS TO BE HELD AS A RESULT OF THE ACQUISITION (\$MM)</b>
\$ 7,900	\$ 0	\$ 0
<b>(iv) TOTAL PERCENTAGE OF VOTING SECURITIES TO BE HELD AS A RESULT OF THE ACQUISITION</b>	<b>(viii) TOTAL PERCENTAGE OF NON-CORPORATE INTERESTS TO BE HELD AS A RESULT OF THE ACQUISITION</b>	<b>(x) AGGREGATE TOTAL VALUE (\$MM)</b>
100 %	0 %	\$ 7,900



**ITEM 3****3(a) DESCRIPTION OF ACQUISITION****ACQUIRING UPE(S)**

NAME Dominion Energy, Inc.  
 ADDRESS 129 Tredegar Street  
 ADDRESS LINE 2  
 CITY, STATE Richmond VA  
 ZIP CODE, COUNTRY 23219 United States

**ACQUIRED UPE(S)**

NAME SCANA Corporation  
 ADDRESS 100 SCANA Parkway  
 ADDRESS LINE 2  
 CITY, STATE Cayce SC  
 ZIP CODE, COUNTRY 29033 United States

**ACQUIRING ENTITY(S)**

NAME Sedona Corp.  
 ADDRESS c/o Dominion Energy, Inc  
 ADDRESS LINE 2 129 Tredegar Street  
 CITY, STATE Richmond VA  
 ZIP CODE, COUNTRY 23219 United States

**ACQUIRED ENTITY(S)**

NAME  
 ADDRESS  
 ADDRESS LINE 2  
 CITY, STATE  
 ZIP CODE, COUNTRY

**TRANSACTION DESCRIPTION**

Pursuant to an Agreement and Plan of Merger by and among Dominion Energy, Inc. ("Dominion"), Sedona Corp. ("Merger Sub"), and SCANA Corporation ("SCANA"), dated as of January 2, 2018 (the "Agreement"), Dominion intends to combine with SCANA by means of a merger of Merger Sub with and into SCANA with SCANA surviving as a wholly owned subsidiary of Dominion. As consideration, each issued and outstanding share of SCANA common stock will be automatically converted into the right to receive 0.6690 shares of Dominion common stock. Not including the assumption of debt, the value of the transaction is approximately \$7.9 billion.

SCANA provides energy products and services to customers in Georgia, North Carolina, and South Carolina.

The parties intend to consummate the transaction, as soon as practicable, pending satisfaction or waiver of certain conditions set forth in the Agreement, including, but not limited to, the termination or expiration of the waiting period prescribed by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

**3(b) SUBMIT A COPY OF THE MOST RECENT VERSION OF THE CONTRACT OR AGREEMENT (or letter of intent to merge or acquire)**

(IF SUBMITTING PAPER, DO NOT ATTACH THE DOCUMENT TO THIS PAGE)

ATTACHMENT NUMBER

1

NAME OF PERSON FILING NOTIFICATION SCANA Corporation

Page 7 of 103  
DATE January 19, 2018**ITEM 4**

PERSONS FILING NOTIFICATION MAY PROVIDE BELOW AN OPTIONAL INDEX OF DOCUMENTS REQUIRED TO BE SUBMITTED BY ITEM 4 (See *Item by Item instructions*). THESE DOCUMENTS SHOULD NOT BE ATTACHED TO THIS PAGE.

**4(a) ENTITIES WITHIN THE PERSON FILING NOTIFICATION THAT FILE ANNUAL REPORTS WITH THE SECURITIES AND EXCHANGE COMMISSION**  None **CENTRAL INDEX KEY NUMBER**

SCANA Corporation	0000754737
South Carolina Electric & Gas Company	0000091882

**4(b) ANNUAL REPORTS AND ANNUAL AUDIT REPORTS**  None **ATTACHMENT OR REFERENCE NUMBER**

Item 4(b): SCANA 2016 Form 10-K	2
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**4(c) STUDIES, SURVEYS, ANALYSES, AND REPORTS**  None **ATTACHMENT OR REFERENCE NUMBER**

Item 4(c): Schedule for Item 4(c)	3
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**4(d) ADDITIONAL DOCUMENTS**  None **ATTACHMENT OR REFERENCE NUMBER**

Item 4(d): Schedule for Item 4(d)	4
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Schedule Item 4(c) for Hart-Scott Rodino Filing  
Name of Person Filing Notification: SCANA Corporation  
Date: January 19, 2018  
Item 4(c): Studies, Surveys, Analyses, and Reports

<b>Attachment Number</b>	<b>Title of Document</b>	<b>Date of Preparation</b>	<b>Author(s) / Title(s)</b>
Item 4c-1	Email from William Brumbach to Catherine Love re: SCANA Media Coverage	August 11, 2017	William Brumbach, Assistant General Counsel, SCANA Corporation

Schedule Item 4(d) for Hart-Scott Rodino Filing  
Name of Person Filing Notification: SCANA Corporation  
Date: January 19, 2018  
Item 4(d): Additional Documents

<b>Attachment Number</b>	<b>Title of Document</b>	<b>Date of Preparation</b>	<b>Author(s) / Title(s)</b>
Item 4d-1	Preliminary Reverse Due Diligence	December 8, 2017	Morgan Stanley; RBC Capital Markets
Item 4d-2	Project Sedona Discussion Materials	December 18, 2017	Morgan Stanley
Item 4d-3	Project Sedona Discussion Materials	December 29, 2017	Morgan Stanley
Item 4d-4	Project Sedona Board of Directors Materials	January 2, 2018	Morgan Stanley

Privilege Log for Hart-Scott-Rodino Filing  
 Name of Person Filing Notification: SCANA Corporation  
 Date: January 19, 2018  
 Item 4(d): Additional Documents (Privilege Log)

Privilege Log Number	HSR Attachment Number	Title of Document	Author	Addressee	Date	Subject Matter	Recipients	Present Location	Who Has Control of the Document	Privilege Claim
P-1	Item 4c-1	Email from William Brumbach to Catherine Love re: SCANA Media Coverage	William Brumbach, Assistant General Counsel, SCANA Corporation	Catherine Love, Vice President, Marketing & Communications	October 6, 2017	SCANA Media Coverage	Catherine Love, Vice President, Marketing & Communications	At the offices of Mayer Brown LLP	Mayer Brown LLP	Reflects attorney advice of William Brumbach*, Assistant General Counsel of SCANA Corporation

**ITEM 5****5(a) DOLLAR REVENUES BY NON-MANUFACTURING INDUSTRY CODE AND BY MANUFACTURED PRODUCT CODE**

Check None at the bottom of the page and provide explanation if you are not reporting revenue

6-DIGIT INDUSTRY CODE AND/OR 10-DIGIT PRODUCT CODE	DESCRIPTION	YEAR	TOTAL DOLLAR REVENUES (\$MM)
		2016	

Attachment:

221111	Hydroelectric power generation		<input type="checkbox"/> Overlap
221112	Fossil fuel electric power generation		<input checked="" type="checkbox"/> Overlap
221113	Nuclear electric power generation		<input checked="" type="checkbox"/> Overlap
221210	Natural gas distribution		<input checked="" type="checkbox"/> Overlap
423310	Lumber, plywood, millwork, and wood panel merchant wholesalers		<input type="checkbox"/> Overlap
423720	Plumbing and heating equipment and supplies (hydronics) merchant wholesalers		<input type="checkbox"/> Overlap
523910	Miscellaneous intermediation		<input type="checkbox"/> Overlap
811412	Appliance repair and maintenance		<input type="checkbox"/> Overlap

NONE  (PROVIDE EXPLANATION)

NAME OF PERSON FILING NOTIFICATION SCANA Corporation

Page 12 of 103  
DATE January 19, 2018**5(b)** COMPLETE ONLY IF ACQUISITION IS IN THE FORMATION OF A JOINT VENTURE CORPORATION OR UNINCORPORATED ENTITY Not Applicable**5(b)(i)** CONTRIBUTIONS THAT EACH PERSON FORMING THE JOINT VENTURE CORPORATION OR UNINCORPORATED ENTITY HAS AGREED TO MAKE

Attachment:

**5(b)(ii)** DESCRIPTION OF CONSIDERATION THAT EACH PERSON FORMING THE JOINT VENTURE CORPORATION OR UNINCORPORATED ENTITY WILL RECEIVE

Attachment:

**5(b)(iii)** DESCRIPTION OF THE BUSINESS IN WHICH THE JOINT VENTURE CORPORATION OR UNINCORPORATED ENTITY WILL ENGAGE

Attachment:

**5(b)(iv)** SOURCE OF DOLLAR REVENUES BY 6-DIGIT INDUSTRY CODE (non-manufacturing) AND BY 10-DIGIT PRODUCT CODE (manufactured)

Attachment:

CODE	DESCRIPTION

**ITEM 6****6(a) ENTITIES WITHIN PERSON FILING NOTIFICATION**Attachment: **5**

NAME	CITY	STATE	COUNTRY

**6(b) HOLDERS OF PERSON FILING NOTIFICATION**

Attachment:

ISSUER/ UNINCORPORATED ENTITY	SHAREHOLDER/ INTEREST HOLDER	HQ ADDRESS	% HELD
SCANA Corporation	The Vanguard Group	100 Vanguard Boulevard Malvern, PA 19355	10.15
SCANA Corporation	BlackRock, Inc.	55 East 52 Street New York, NY 10055	8.6
SCANA Corporation	SCANA Corporation 401(k) Retirement Savings Plan	1400 American Boulevard, Third Floor Pennington, NJ 08534	7.9
SCANA Corporation	State Street Corporation	State Street Financial Center One Lincoln Street Boston, MA 02111	5.09

**6(c)(i) HOLDINGS OF PERSON FILING NOTIFICATION**

Attachment:

UPE OF FILING PERSON	ISSUER/ UNINCORPORATED ENTITY	% HELD
SCANA Corporation	APOG LLC	20
SCANA Corporation	Canadys Refined Coal, LLC	40
SCANA Corporation	Louisa Refined Coal, LLC	10
SCANA Corporation	Brunner Island Refined Coal, LLC	40
SCANA Corporation	Carolina Virginias Nuclear Power Association, Inc.	25
SCANA Corporation	Brandon Shores Coaltech, LLC	10
SCANA Corporation	Pine Needle LNG Company, LLC	17
SCANA Corporation	Cardinal Pipeline Company	33
SCANA Corporation	Magnolia Holding Company, LLC	22.3

**6(c)(ii) HOLDINGS OF ASSOCIATES (ACQUIRING PERSON ONLY)**

Attachment:

TOP LEVEL ASSOCIATE	ISSUER/ UNINCORPORATED ENTITY	% HELD

NAME OF PERSON FILING NOTIFICATION SCANA Corporation

Page 14 of 103  
DATE January 19, 2018


**ITEM 7**

## OVERLAP DOLLAR REVENUES

**7(a) 6-DIGIT NAICS INDUSTRY CODE AND DESCRIPTION** None

CODE	DESCRIPTION	PERSON / ASSOCIATE / BOTH
221112	Fossil fuel electric power generation	PERSON
221113	Nuclear electric power generation	PERSON
221210	Natural gas distribution	PERSON

**7(b)(i) LIST THE NAME OF EACH PERSON THAT ALSO DERIVED DOLLAR REVENUES**

UPE OF OTHER FILING PERSON	ENTITY THAT OVERLAPS (IF DIFFERENT)
Dominion Energy, Inc.	Unknown

**7(b)(ii) LIST THE NAME OF EACH ASSOCIATE OF THE ACQUIRING PERSON THAT ALSO DERIVED DOLLAR REVENUES  
(ACQUIRING PERSON ONLY)**

TOP LEVEL ASSOCIATE	ENTITY THAT OVERLAPS (IF DIFFERENT)

**7(c) GEOGRAPHIC MARKET INFORMATION FOR EACH PERSON THAT ALSO DERIVED DOLLAR REVENUES**

CODE	GEOGRAPHIC MARKET INFORMATION
221112	SC (1 state)
221113	SC (1 state)
221210	GA, NC, SC (3 states)

**7(d) GEOGRAPHIC MARKET INFORMATION FOR ASSOCIATES OF THE ACQUIRING PERSON  
(ACQUIRING PERSON ONLY)**

CODE	GEOGRAPHIC MARKET INFORMATION



**ITEM 8**

## PRIOR ACQUISITIONS (ACQUIRING PERSON ONLY)

NAICS Code			
Acquired Entity			
Former HQ Address			
Acquisition Type	<input type="checkbox"/> Securities	<input type="checkbox"/> Assets	<input type="checkbox"/> Non Corporate Interests
Notes	Date of Acquisition:		

**CERTIFICATION**

This **NOTIFICATION AND REPORT FORM**, together with any and all appendices and attachments thereto, was prepared and assembled under my supervision in accordance with instructions issued by the Federal Trade Commission. Subject to the recognition that, where so indicated, reasonable estimates have been made because books and records do not provide the required data, the information is, to the best of my knowledge, true, correct, and complete in accordance with the statute and rules.

NAME (Please print or type)

Please see attached certification page.

TITLE

SIGNATURE

DATE

Subscribed and sworn to before me at the

City of \_\_\_\_\_, State of \_\_\_\_\_

[SEAL]

this \_\_\_\_\_ day of \_\_\_\_\_, the year \_\_\_\_\_

Signature \_\_\_\_\_

My Commission expires \_\_\_\_\_

NAME OF PERSON FILING NOTIFICATION SCANA Corporation


---

**CERTIFICATION**


---

This **NOTIFICATION AND REPORT FORM**, together with any and all appendices and attachments thereto, was prepared and assembled under my supervision in accordance with instructions issued by the Federal Trade Commission. Subject to the recognition that, where so indicated, reasonable estimates have been made because books and records do not provide the required data, the information is, to the best of my knowledge, true, correct, and complete in accordance with the statute and rules.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

NAME (Please print or type) SCANA Corporation by Jim Odell Stuckey	TITLE Senior Vice President and General Counsel
SIGNATURE 	DATE January 19, 2018

**ENDNOTES**

ENDNOTE NUMBER	PERTAINING TO	ENDNOTE TEXT
1	ITEM 5	On January 12, 2018, SCANA filed an HSR related to its acquisition of assets from LS Power Equity Partners III, L.P., HSR Transaction No. 2018-0609. SCANA understands that the assets acquired in that transaction report revenue in this code: 221112.

**ATTACHMENTS**

AttachTotal: 5

ATTACHMENT NUMBER	ATTACHMENT DESCRIPTION		
1	Paper to Follow	DESCRIPTION	Item 3(b): Agreement and Plan of Merger by and among Dominion Energy, Inc., Sedona Corp., and SCANA Corporation, dated as of January 2, 2018
	ATTACHED TO ITEM	ITEM 3: 3(b) CONTRACT OR AGREEMENT	
2	Web Link	DESCRIPTION	Item 4(b): SCANA 2016 Form 10-K
	WEB LINK	<a href="http://www.scana.com/docs/librariesprovider15/pdfs/scana-corporation-2016-10k.pdf?sfvrsn=2">http://www.scana.com/docs/librariesprovider15/pdfs/scana-corporation-2016-10k.pdf?sfvrsn=2</a>	
2	ATTACHED TO ITEM	ITEM 4: 4(b) ANNUAL REPORTS AND ANNUAL AUDIT REPORTS	
3	Paper to Follow	DESCRIPTION	Item 4(c): Schedule for Item 4(c)
	ATTACHED TO ITEM	ITEM 4: 4(c) STUDIES, SURVEYS, ANALYSES, AND REPORTS	
4	Paper to Follow	DESCRIPTION	Item 4(d): Schedule for Item 4(d)
	ATTACHED TO ITEM	ITEM 4: 4(d) ADDITIONAL DOCUMENTS	
5	Paper to Follow	DESCRIPTION	Item 6(a): Schedule for Item 6(a)
	ATTACHED TO ITEM	ITEM 6: 6(a) ENTITIES WITHIN PERSON FILING NOTIFICATION	

Hart-Scott-Rodino Filing  
Person Filing Notification: SCANA Corporation  
Date of Filing: January 19, 2018

Item 6(a): Entities Within Person Filing Notification

<b>Name</b>	<b>City</b>	<b>State</b>	<b>Country</b>
APOG, LLC*	Wilmington	DE	United States
Brandon Shores Coaltech, LLC*	Curtis Bay	MD	United States
Brunner Island Refined Coal LLC*	York Haven	PA	United States
Canadys Refined Coal, LLC*	Walterboro	SC	United States
Cardinal Pipeline Company, LLC*	Gastonia	NC	United States
Carolinas Virginia Nuclear Power Associates, Inc.*	Parr	SC	United States
Clean Energy Enterprises, Inc.	Gastonia	NC	United States
Louisa Refined Coal, LLC	Wilmington	DE	United States
Magnolia Holding Company LLC*	Wilmington	DE	United States
Pine Needle LNG Company, LLC*	Gastonia	NC	United States
PSNC Blue Ridge Corporation	Gastonia	NC	United States
PSNC Cardinal Pipeline Company	Gastonia	NC	United States
Public Service Company of North Carolina, Incorporated	Gastonia	NC	United States
SCANA Communications Holdings, Inc.	Wilmington	DE	United States
SCANA Corporate Security Services, Inc.	Columbia	SC	United States
SCANA Energy Marketing, Inc.	Columbia	SC	United States
SCANA Services Inc.	Columbia	SC	United States
South Carolina Electric & Gas Company	Columbia	SC	United States
South Carolina Fuel Company, Inc.	Columbia	SC	United States
South Carolina Generating Company, Inc.	Columbia	SC	United States
SRFI, LLC	El Paso	TX	United States

\* Not a controlled entity

\*\*To the extent that any of the information herein is not technically responsive to Item 6(a), SCANA Corporation is submitting such information voluntarily pursuant to 16 C.F.R. § 803.1(b).

AGREEMENT AND PLAN OF MERGER

by and among

DOMINION ENERGY, INC.,

SEDONA CORP.

and

SCANA CORPORATION

Dated as of January 2, 2018

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## **AGREEMENT AND PLAN OF MERGER**

This AGREEMENT AND PLAN OF MERGER, dated as of January 2, 2018 (this “Agreement”), is entered into by and among DOMINION ENERGY, INC., a Virginia corporation (“Parent”), SEDONA CORP., a South Carolina corporation and a wholly-owned Subsidiary of Parent (“Merger Sub”) and SCANA CORPORATION, a South Carolina corporation (the “Company”).

### **RECITALS**

WHEREAS, the board of directors of Parent has approved this Agreement and the transactions contemplated by this Agreement, including the merger of Merger Sub with and into the Company (the “Merger”), on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors of the Company (the “Company Board”) has (a) determined that it is in the best interests of the Company and the shareholders of the Company that the Company enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (b) adopted this Agreement and approved the transactions contemplated by this Agreement, including the Merger, (c) directed that the approval of this Agreement be submitted to a vote at a meeting of the shareholders of the Company and (d) resolved to recommend that the shareholders of the Company approve this Agreement;

WHEREAS, the board of directors of Merger Sub has (a) determined that it is in the best interests of Merger Sub and the sole shareholder of Merger Sub that Merger Sub enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (b) adopted this Agreement and approved the transactions contemplated by this Agreement, including the Merger and (c) resolved to recommend that the sole shareholder of Merger Sub approve this Agreement;

WHEREAS, for U.S. federal income tax purposes, the Merger is intended to qualify as a “reorganization” within the meaning of Section 368(a) of the Code (the “Intended Tax Treatment”), and this Agreement is intended to be a “plan of reorganization” for purposes of Sections 354 and 361 of the Code; and

WHEREAS, the Company, Parent and Merger Sub desire to make certain representations, warranties, covenants and agreements in connection with the Merger and also to prescribe various conditions to the Merger.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained in this Agreement, and intending to be legally bound hereby, the Company, Parent and Merger Sub hereby agree as follows:

### **ARTICLE I**

#### **THE MERGER**

SECTION 1.01. The Merger. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the SCBCA, at the Effective Time, Merger Sub shall be merged with and into the Company and the separate corporate existence of Merger Sub shall thereupon cease and the Company shall continue as the surviving corporation in the Merger (the “Surviving Corporation”) and

a wholly-owned Subsidiary of Parent. The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the SCBCA.

SECTION 1.02. Closing. The closing of the Merger (the “Closing”) shall take place at the offices of Mayer Brown LLP, 71 South Wacker Drive, Chicago, Illinois 60606, at 9:00 a.m., local time, on the third (3<sup>rd</sup>) Business Day following the day on which all of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at the Closing) have been satisfied or waived in accordance with this Agreement, or at such other time and place as the Company and Parent may agree in writing. The date on which the Closing occurs is referred to in this Agreement as the “Closing Date”.

SECTION 1.03. Effective Time. As soon as practicable on the Closing Date, the Company and Parent will cause the Merger to become effective by filing the articles of merger (the “Articles of Merger”) with the Secretary of State of the State of South Carolina, which Articles of Merger will be executed and filed in accordance with the applicable provisions of the SCBCA. The Merger shall become effective at the time when the Articles of Merger have been duly filed with the Secretary of State of the State of South Carolina or at such later time as may be agreed by Parent and the Company in writing and specified in the Articles of Merger (the “Effective Time”).

SECTION 1.04. Articles of Incorporation; Bylaws.

(a) At the Effective Time, the articles of incorporation of the Company, as in effect immediately prior to the Effective Time, shall be the articles of incorporation of the Surviving Corporation until thereafter amended in accordance with the provisions thereof and applicable Law; provided, however, that no such amendment shall be inconsistent with the obligations of Parent under Section 5.08(b).

(b) At the Effective Time, the bylaws of the Company, as in effect immediately prior to the Effective Time, shall be amended as of the Effective Time to be in the form of the bylaws of Merger Sub as of the date hereof (except with respect to the name of the Company, which shall be “SCANA Corporation”), with any changes necessary so that such bylaws shall be in compliance with Section 5.08 and, to the extent not inconsistent with any of the foregoing, such other changes as Parent deems necessary or appropriate) and as so amended shall be the bylaws of the Surviving Corporation until thereafter amended as provided therein or by applicable Law; provided, however, that no such amendment shall be inconsistent with the obligations of Parent under Section 5.08(b).

SECTION 1.05. Directors and Officers.

(a) The directors of Merger Sub will be appointed by Parent pursuant to applicable Law to be the directors of the Surviving Corporation after the Effective Time following the resignation or removal of the individuals serving as directors of the Company prior to the Effective Time in accordance with Section 5.15, with such directors appointed by Parent to serve until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and the bylaws of the Surviving Corporation.

(b) The officers of the Company as of immediately prior to the Effective Time shall, from and after the Effective Time, be the officers of the Surviving Corporation until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and the bylaws of the Surviving Corporation.

SECTION 1.06. Plan of Merger. This Agreement will constitute a “plan of merger” for purposes of the SCBCA.

## ARTICLE II

### EFFECT OF THE MERGER ON THE CAPITAL STOCK OF THE CONSTITUENT CORPORATIONS

SECTION 2.01. Effect on Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent, Merger Sub or the holders of any shares of capital stock of the Company, Parent or Merger Sub:

(a) Merger Consideration. Each Company Share issued and outstanding immediately prior to the Effective Time (other than the Cancelled Shares, which shall be treated in accordance with Section 2.01(b)) shall cease to be outstanding, shall be cancelled and shall cease to exist, and each such Company Share, whether represented by a certificate (“Certificate”) or in non-certificated form and represented by book-entry (“Book-Entry Share”), shall automatically be converted into the right to receive 0.6690 validly issued, fully paid and non-assessable Parent Shares (the “Merger Consideration”). Following the Effective Time, the holders of Company Shares as of immediately prior to the Effective Time shall cease to have any rights with respect thereto, except for the rights set forth in Section 2.03(b)(v).

(b) Cancellation of Cancelled Shares. Each Company Share owned by Parent, Merger Sub or any other wholly-owned Subsidiary of Parent and each Company Share owned by the Company or any wholly-owned Subsidiary of the Company (collectively, the “Cancelled Shares”) shall cease to be outstanding, shall be cancelled without payment of any consideration therefor and shall cease to exist.

(c) Capital Stock of Merger Sub. Each share of common stock, without par value, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one (1) validly issued, fully paid and non-assessable share of common stock, without par value, of the Surviving Corporation, and all such shares together shall constitute the only outstanding shares of capital stock of the Surviving Corporation.

### SECTION 2.02. Treatment of Company Equity Awards.

(a) Treatment of Performance Shares. At the Effective Time, each performance share award granted under a Company Equity Award Plan that is outstanding immediately prior to the Effective Time (a “Company Performance Share Award”) shall fully vest at the target level of performance and shall be cancelled and converted automatically into the right to receive the Equity Award Consideration in respect of each Company Share underlying such Company Performance Share Award.

(b) Treatment of Restricted Stock Units. At the Effective Time, each restricted stock unit award in respect of Company Shares granted under a Company Equity Award Plan that is outstanding immediately prior to the Effective Time (a “Company RSU”) shall fully vest and shall be cancelled and converted automatically into the right to receive the Equity Award Consideration in respect of each Company Share underlying such Company RSU.

(c) Treatment of Deferred Units. At the Effective Time, each deferred unit in respect of Company Shares credited or deemed credited to the Company stock ledger under the Director

Compensation and Deferral Plan or the Executive Deferred Compensation Plan that is outstanding immediately prior to the Effective Time (a “Company Deferred Unit”) shall be converted automatically into a number of deferred unit(s) in respect of Parent Shares equal to the product of (x) the Company Deferred Unit multiplied by (y) the Merger Consideration, to be payable pursuant to the terms of the applicable plan.

(d) Payment. The Surviving Corporation shall pay the Equity Award Consideration as required under Section 2.02(a) and Section 2.02(b) as soon as reasonably practicable after the Effective Time (but in any event within three (3) Business Days thereafter); provided, however, that to the extent any such payment relates to any Company Performance Share Awards or Company RSUs that are nonqualified deferred compensation subject to Section 409A of the Code, the Surviving Corporation shall make such payment at the earliest time permitted under, and in accordance with, the terms of the applicable award agreement or other relevant documents and in accordance with Section 409A of the Code.

(e) Corporate Actions. At or prior to the Effective Time, the Company, the Company Board or any authorized committee thereof, as applicable, shall adopt any resolutions and take any actions that are necessary to effectuate the provisions of Section 2.02(a), Section 2.02(b) and Section 2.02(c). The Company shall take all actions necessary to ensure that, from and after the Effective Time, neither Parent nor the Surviving Corporation will be required to deliver Company Shares or other capital stock of the Company to any Person pursuant to or in settlement of Company Performance Share Awards, Company RSUs, Company Deferred Units or any other awards under any Company Equity Award Plan.

#### SECTION 2.03. Exchange of Company Shares.

(a) Exchange Agent. Prior to the Effective Time, Parent shall select a paying and exchange agent reasonably acceptable to the Company (the “Exchange Agent”) and enter into an agreement with such Exchange Agent in form and substance reasonably acceptable to the Company pursuant to which the Exchange Agent will (i) act as agent for the shareholders of the Company in connection with the Merger and receive payment and delivery of the Merger Consideration to which the shareholders of the Company shall become entitled pursuant to Section 2.01(a) and (ii) act as agent for Parent in transmitting the Merger Consideration to such shareholders following the occurrence of the Effective Time in accordance with this Agreement. At or prior to the Effective Time, Parent shall deposit, or cause to be deposited, with the Exchange Agent, in trust for the benefit of the holders of Company Shares, an amount of Parent Shares in book-entry form sufficient for the Exchange Agent to pay and deliver the Merger Consideration required to be paid and delivered by Parent in accordance with Section 2.01(a). In addition, Parent shall deposit, or cause to be deposited, with the Exchange Agent, from time to time after the Effective Time, (A) any dividends or other distributions payable pursuant to Section 2.03(g) and (B) cash in lieu of any fractional Parent Shares payable pursuant to Section 2.03(h). All cash and Parent Shares, together with any dividends or other distributions, deposited with the Exchange Agent pursuant to this Section 2.03(a) shall be referred to as the “Exchange Fund.”

(b) Exchange Procedures.

(i) Transmittal Materials and Instructions. Promptly after the Effective Time (and in any event within three (3) Business Days thereafter), Parent shall cause the Exchange Agent to mail or otherwise provide to each holder of record of Company Shares (other than holders of Cancelled Shares) (A) transmittal materials, including a letter of transmittal in form as agreed by Parent and the Company, specifying that delivery shall be effected, and risk of loss and title shall

pass, with respect to Book-Entry Shares, only upon delivery of an “agent’s message” regarding the book-entry transfer of Book-Entry Shares (or such other evidence, if any, of the transfer as the Exchange Agent may reasonably request), and with respect to Certificates, only upon delivery of the Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.03(f) to the Exchange Agent), such transmittal materials to be in such form and have such other provisions as Parent and the Company may reasonably agree, and (B) instructions for use in effecting the surrender of the Book-Entry Shares or Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.03(f)) to the Exchange Agent.

(ii) Certificates. Upon surrender of a Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.03(f)) to the Exchange Agent in accordance with the terms of transmittal materials and instructions referred to in Section 2.03(b)(i), the holder of such Certificate shall be entitled to receive in exchange therefor (A) a cash amount in immediately available funds equal to (1) any dividends and other distributions such holder has the right to receive pursuant to Section 2.03(g) plus (2) any cash in lieu of any fractional Parent Shares such holder has the right to receive pursuant to Section 2.03(h) and (B) the number of Parent Shares, in uncertificated book-entry form, equal to the number of Company Shares represented by such Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.03(f)) multiplied by the Merger Consideration. No interest will be paid or accrued on any cash amount payable upon due surrender of the Certificates.

(iii) Book-Entry Shares. Notwithstanding anything to the contrary contained in this Agreement, any holder of Book-Entry Shares shall not be required to deliver a Certificate or an executed letter of transmittal to the Exchange Agent to receive the aggregate Merger Consideration that such holder is entitled to receive as a result of the Merger pursuant to Section 2.01(a). In lieu thereof, each holder of record of one or more Book-Entry Shares (other than Cancelled Shares) shall upon receipt by the Exchange Agent of an “agent’s message” in customary form (it being understood that the holders of Book-Entry Shares shall be deemed to have surrendered such Company Shares upon receipt by the Exchange Agent of such “agent’s message” or such other evidence, if any, as the Exchange Agent may reasonably request) be entitled to receive, and Parent shall cause the Exchange Agent to pay and deliver as promptly as practicable after the Effective Time, (A) a cash amount in immediately available funds equal to (1) any dividends and other distributions such holder has the right to receive pursuant to Section 2.03(g) plus (2) any cash in lieu of any fractional Parent Shares such holder has the right to receive pursuant to Section 2.03(h) and (B) the number of Parent Shares, in uncertificated book-entry form, equal to the number of Company Shares represented by such Book-Entry Shares multiplied by the Merger Consideration. No interest will be paid or accrued on any cash amount payable upon due surrender of the Book-Entry Shares.

(iv) Unrecorded Transfers; Other Payments. In the event of a transfer of ownership of Company Shares that is not registered in the transfer records of the Company or if payment and delivery of the Merger Consideration and the other payments contemplated by Section 2.01(a) and this Section 2.03 is to be made to a Person other than the Person in whose name the surrendered Certificate or Book-Entry Share is registered, such Certificate or Book-Entry Share may be exchanged in accordance with this Article II if the Certificate or Book-Entry Share formerly representing such Company Shares is presented to the Exchange Agent accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable transfer or other similar Taxes have been paid or are not applicable.

(v) Rights of Holders of Company Shares; Expenses. Until surrendered or exchanged pursuant to this Section 2.03(b), each Certificate or Book-Entry Share shall be deemed at any

time after the Effective Time to represent only the right to receive upon such surrender or exchange the Merger Consideration pursuant to Section 2.01(a), any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h). Parent shall pay all charges and expenses, including those of the Exchange Agent, in connection with the exchange of Company Shares pursuant to this Article II.

(c) Termination of the Exchange Fund; No Liability. Any portion of the Exchange Fund (including the proceeds of any investment thereof) that remains undistributed one (1) year after the Effective Time shall be delivered to Parent or the Surviving Corporation, upon demand by Parent. Any holders of Company Shares (other than Cancelled Shares) who have not theretofore complied with this Article II shall thereafter be entitled to look only to Parent and the Surviving Corporation for payment and delivery of the Merger Consideration pursuant to Section 2.01(a), any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h) upon surrender of their Certificates or exchange of their Book-Entry Shares in accordance with the provisions set forth in Section 2.03(b), and Parent and the Surviving Corporation shall remain liable for (subject to applicable abandoned property, escheat or other similar Law) payment of their claims for the Merger Consideration payable upon surrender of their Certificates or exchange of their Book-Entry Shares. Notwithstanding the foregoing, none of the Surviving Corporation, Parent, the Company, the Exchange Agent or any other Person shall be liable to any former holder of Company Shares for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or other similar Law.

(d) Investment of the Exchange Fund. The Exchange Agent shall invest the cash portion of the Exchange Fund as directed by Parent; provided, however, that such investments shall be in obligations of or guaranteed by the United States of America, in commercial paper obligations rated A-1 or P-1 or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, respectively, in certificates of deposit, bank repurchase agreements or banker's acceptances of commercial banks with capital exceeding \$1 billion, or in money market funds which are invested in instruments that consist of U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations or having a rating in the highest investment category granted by a recognized credit rating agency at the time of acquisition or a combination of the foregoing and, in any such case, no such instrument shall have a maturity that could prevent or delay payments to be made pursuant to this Agreement. Subject to Section 2.03(c), to the extent that there are losses with respect to such investment of the cash portion of the Exchange Fund, or the cash portion of the Exchange Fund diminishes for other reasons, such that the amount of cash in the Exchange Fund is below the level required to make prompt cash payment of any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h), Parent shall promptly replace or restore the cash in the Exchange Fund lost through such investments or other events so as to ensure that the Exchange Fund is at all applicable times maintained at a level sufficient to make such cash payments. Any interest and other income resulting from such investment shall become a part of the Exchange Fund, and any amounts in excess of the aggregate amount of the payments described in the immediately preceding sentence will be promptly returned to Parent or the Surviving Corporation, as requested by Parent. The Exchange Fund shall not be used for any purpose other than as contemplated by Section 2.03(a) and this Section 2.03(d).

(e) Transfers. From and after the Effective Time, the stock transfer books of the Company shall be closed and there shall be no transfers on the stock transfer books of the Company of the Company Shares that were outstanding immediately prior to the Effective Time. If, after the Effective Time, acceptable evidence of a Certificate or Book-Entry Share is presented to the Surviving Corporation, Parent or the Exchange Agent for transfer, (i) in the case of Certificates, the holder of such Certificate shall be given a copy of the transmittal materials and instructions referred to in Section

2.03(b)(i) and instructed to comply with the instructions thereto in order to receive the Merger Consideration pursuant to Section 2.01(a) and (ii) in the case of Book-Entry Shares, such Book-Entry Share shall be cancelled and exchanged as contemplated by this Article II.

(f) Lost Certificates. In the case of any Certificate that has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by the Exchange Agent or Parent, the posting by such Person of a bond in a reasonable amount as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall pay and deliver in exchange for such Certificate the Merger Consideration pursuant to Section 2.01(a), any dividends or other distributions payable pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h).

(g) Dividends.

(i) Certificates. No dividends or other distributions declared or made with respect to Parent Shares with a record date after the Effective Time shall be paid to the holder of any Certificate with respect to the Parent Shares that such holder would be entitled to receive upon surrender of such Certificate, until such holder shall surrender such Certificate in accordance with Section 2.03(b)(ii). Subject to applicable Law, following surrender of any such Certificate, there shall be paid to the holder of Parent Shares issued in exchange therefor, without interest, (A) promptly after the time of such surrender, the amount of dividends and other distributions with a record date after the Effective Time but prior to such surrender and a payment date prior to such surrender payable with respect to such Parent Shares and (B) at the appropriate payment date, the amount of dividends and other distributions with a record date after the Effective Time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such Parent Shares.

(ii) Book-Entry Shares. Subject to applicable Law, there shall be paid to the holder of Parent Shares issued in exchange for Book-Entry Shares in accordance with Section 2.03(b)(iii), without interest, (A) promptly upon receipt by the Exchange Agent of an "agent's message" (or such other evidence, if any, of surrender as the Exchange Agent may reasonably request), the amount of dividends and other distributions with a record date after the Effective Time but prior to such receipt and a payment date prior to such receipt payable with respect to such Parent Shares and (B) at the appropriate payment date, the amount of dividends and other distributions with a record date after the Effective Time but prior to such receipt and a payment date subsequent to such receipt payable with respect to such Parent Shares.

(h) Fractional Shares. No certificates or scrip representing fractional Parent Shares shall be issued upon the conversion of the Company Shares into the Merger Consideration pursuant to Section 2.01(a), and such fractional share interests shall not entitle the owner thereof to vote or to any rights of a holder of Parent Shares. For purposes of this Section 2.03(h), all fractional shares to which a single record holder would be entitled shall be aggregated and calculations shall be rounded to four (4) decimal places. In lieu of any such fractional Parent Shares, each holder of Company Shares who would otherwise be entitled to such fractional Parent Shares shall be entitled to receive an amount in cash, without interest, rounded to the nearest cent, equal to the product of (i) the amount of such fractional Parent Share and (ii) the Average Price.

SECTION 2.04. Withholding Rights. Each of Parent and the Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Company Shares, Company Performance Share Awards and Company RSUs



such amounts as it is required to deduct and withhold with respect to the making of such payment under the Code or any other applicable state, local or foreign Tax Law, taking into account any applicable exemption under such Law. To the extent that amounts are so withheld by Parent or the Surviving Corporation, as the case may be, such withheld amounts (a) shall be promptly remitted by Parent or the Surviving Corporation, as applicable, to the applicable Governmental Entity and (b) shall be treated for all purposes of this Agreement as having been paid to the holder of Company Shares, Company Performance Share Awards and Company RSUs (as applicable) in respect of which such deduction and withholding were made by the Surviving Corporation or Parent, as the case may be.

SECTION 2.05. No Dissenters' Rights. In accordance with Section 33-13-102(B) of the SCBCA, no holder of Company Shares shall be entitled to exercise dissenters' rights, appraisal rights or other similar rights in connection with the Merger and the other transactions contemplated by this Agreement.

SECTION 2.06. Adjustments. In the event of any change to the Company Shares or Parent Shares (or securities convertible thereto or exchangeable or exercisable therefor) issued and outstanding in the period between the date of this Agreement and the Effective Time as a result of a reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, exchange or readjustment of shares, merger, issuer tender or exchange offer, or other similar transaction, the Merger Consideration and any other payments to be made pursuant to this Article II shall be equitably adjusted, without duplication, to provide the holders of Company Shares, Company Performance Share Awards, Company RSUs and Company Deferred Units the same economic effect contemplated by this Agreement prior to such change; provided, however, that nothing in this Section 2.06 shall be construed to permit the Company, Parent, any of their respective Subsidiaries or any other Person to take any action that is otherwise prohibited by the terms of this Agreement; and provided, further, that any adjustment pursuant to this Section 2.06 to any Company Performance Share Awards, Company RSUs and Company Deferred Units shall be done in all respects in accordance with Section 409A of the Code, if applicable, and the terms of the applicable Company Equity Award Plan.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties of the Company. Except (x) as disclosed in the SEC Reports of the Company or South Carolina Electric & Gas Company (each, a "Reporting Company") filed with or furnished to the SEC since January 1, 2016 and publicly available at least twenty-four (24) hours prior to the date of this Agreement (excluding any disclosures set forth in any risk factor section or in any other section to the extent such disclosures are forward-looking statements or are cautionary, predictive or forward-looking in nature) or (y) as set forth in the Company Disclosure Letter (it being agreed that disclosure of any item in any section or subsection of the Company Disclosure Letter shall also be deemed disclosed with respect to any other section or subsection of this Agreement to which the relevance of such item is reasonably apparent), the Company represents and warrants to Parent and Merger Sub as follows:

(a) Organization, Standing and Corporate Power. The Company is a corporation duly incorporated and validly existing under the Laws of the State of South Carolina and has all requisite corporate power and authority to carry on its business as currently conducted and is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be

expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company's Subsidiaries is a legal entity duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Law of its jurisdiction of organization and has all requisite corporate or similar power and authority to carry on its business as currently conducted, and each of the Company's Subsidiaries is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company has made available to Parent a true and complete copy of the Restated Articles of Incorporation of the Company and any amendments thereto (collectively, the "Company Articles of Incorporation") and the Amended and Restated Bylaws of the Company (the "Company Bylaws" and together with the Company Articles of Incorporation, the "Company Organizational Documents").

(b) Subsidiaries. Section 3.01(b) of the Company Disclosure Letter sets forth a list of all Subsidiaries of the Company. All of the outstanding shares of capital stock of, or other equity interests in, each Subsidiary of the Company have, in all cases, been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights, and are wholly-owned, directly or indirectly, by the Company free and clear of all pledges, liens, charges, mortgages, encumbrances, adverse claims and interests, licenses, purchase options, call options, rights of first offer and rights of first refusal, easements, rights-of-way, security interests and other use agreements, covenants and encroachments of any kind or nature whatsoever (including any restriction on the right to vote or transfer the same, except for such transfer restrictions of general applicability as may be provided under the Securities Act, the "blue sky" Laws of the various States of the United States or similar Law of other applicable jurisdictions) (collectively, "Liens"), other than transfer restrictions contained in the articles of incorporation, bylaws and limited liability company agreements (or any equivalent constituent documents) of such Subsidiary. Except for its interests in its Subsidiaries, the Company does not own, directly or indirectly, any capital stock of, or other equity interests in, any Person. The Company has made available to Parent true and complete copies of the articles of incorporation, bylaws and limited liability company agreements (or equivalent constituent documents) of each Subsidiary of the Company as in effect on the date of this Agreement.

(c) Capital Structure.

(i) The authorized capital stock of the Company consists of 200,000,000 Company Shares. The Company is not authorized to issue any preferred stock. At the close of business on December 29, 2017, there were (A) 142,916,916.594 Company Shares issued and outstanding and (2) 269,647.326 Company Shares held by the Company in its treasury, (B) 454,325 Company Shares underlying the outstanding Company Performance Share Awards (assuming target level performance), (C) 215,200 Company Shares underlying the outstanding Company RSUs (assuming achievement of required performance measure(s)) and (D) 269,647.326 Company Shares underlying ledgers pursuant to the Director Compensation and Deferral Plan. Except as set forth in the immediately preceding sentence, at the close of business on December 29, 2017, no shares of capital stock or other voting securities of the Company were issued or outstanding or subject to outstanding awards under the Company Equity Award Plans. Since December 29, 2017 to the date of this Agreement, (x) there have been no issuances by the Company of shares of capital stock or other voting securities of the Company other than pursuant to the exercise or vesting of equity awards under the Company Equity Award Plans, in each case, outstanding as of December 29, 2017 and (y) there have been no issuances by the Company of options, warrants, other rights to acquire shares of capital stock of the Company or other rights that give the holder

thereof any economic interest of a nature accruing to the holders of Company Shares. All outstanding Company Shares are, and all such Company Shares that may be issued prior to the Effective Time will be when issued, duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights.

(ii) No Subsidiary of the Company owns any Company Shares or other shares of capital stock of the Company. There are no bonds, debentures, notes or other Indebtedness of the Company or of any of its Subsidiaries that give the holders thereof the right to vote (or that are convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of Company Shares may vote (“Voting Company Debt”). Except for any obligations pursuant to this Agreement or as otherwise set forth in Section 3.01(c)(i), as of December 29, 2017, there are no options, warrants, rights (including preemptive, conversion, stock appreciation, redemption or repurchase rights), convertible or exchangeable securities, stock-based performance units, Contracts or undertakings of any kind to which the Company or any of its Subsidiaries is a party or by which any of them is bound (A) obligating the Company or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other securities of, or equity interests in, or any security convertible or exchangeable for any capital stock or other security of, or equity interest in, the Company or any of its Subsidiaries or any Voting Company Debt, (B) obligating the Company or any of its Subsidiaries to issue, grant or enter into any such option, warrant, right, security, unit, Contract or undertaking to declare or pay any dividend or distribution or (C) that give any Person the right to subscribe for or acquire any securities of the Company or any of its Subsidiaries, or to receive any economic interest of a nature accruing to the holders of Company Shares or otherwise based on the performance or value of shares of capital stock of the Company or any of its Subsidiaries. As of the date of this Agreement, there are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interest of the Company or any of its Subsidiaries, other than pursuant to the Company Equity Award Plans. There are no voting agreements, voting trusts, shareholders agreements, proxies or other agreements to which the Company or any of its Subsidiaries is bound with respect to the voting of the capital stock or other equity interests of the Company, or restricting the transfer of, or providing registration rights with respect to, such capital stock or equity interests.

(d) Authority; Noncontravention.

(i) The Company has all requisite corporate power and authority to execute and deliver, and perform its obligations under, this Agreement and to consummate the transactions contemplated by this Agreement, subject, in the case of the Merger only, to receipt of the Company Requisite Vote. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Company, subject, in the case of the Merger only, to receipt of the Company Requisite Vote. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each of the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject, as to enforceability, bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors’ rights and to general equity principles. The Company Board has duly and validly adopted resolutions (A) determining that it is in the best interests of the Company and the shareholders of the Company that the Company enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (B) adopting this Agreement and

approving the transactions contemplated by this Agreement, including the Merger, (C) directing that the approval of this Agreement be submitted to a vote at a meeting of the shareholders of the Company and (D) recommending that the shareholders of the Company approve this Agreement (the “Company Board Recommendation”), which resolutions, as of the date of this Agreement, have not been rescinded, modified or withdrawn in any way.

(ii) The execution, delivery and performance by the Company of this Agreement do not, and the consummation of the Merger and the other transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to any right (including a right of termination, cancellation or acceleration of any obligation or any right of first refusal, participation or similar right) under, or cause the loss of any benefit under, or result in the creation of any Lien (other than Permitted Liens) upon any of the properties or assets of the Company or any of its Subsidiaries under, any provision of (A) the Company Organizational Documents or the comparable organizational documents of any of the Company’s Subsidiaries or (B) subject to the filings and other matters referred to in Section 3.01(d)(iii), (1) any Contract, or (2) any Law, in each case, applicable to the Company or any of its Subsidiaries or any of their respective properties or assets, other than, in the case of the foregoing clause (B), any such conflicts, violations, defaults, rights, losses or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) No Consent of, or registration, declaration or filing with, or notice to, any Governmental Entity is required to be obtained or made by or with respect to the Company or any of its Subsidiaries in connection with the execution, delivery and performance of this Agreement by the Company or the consummation by the Company of the Merger and the other transactions contemplated by this Agreement, except for (A) the Regulatory Conditions and any other Consents of or under, and compliance with any other applicable requirements of, (1) the HSR Act, (2) the Federal Energy Regulatory Commission (the “FERC”), (3) the U.S. Nuclear Regulatory Commission (the “NRC”), (4) the Federal Communications Commission (the “FCC”), (5) the North Carolina Utilities Commission (the “NCUC”), and (6) the Georgia Public Service Commission (the “GPSC”) (the items set forth in this clause (A), collectively, the “Company Regulatory Clearances”), (B) the filing with the SEC of such reports and other documents (including the filing of the Proxy Statement/Prospectus) under, and compliance with all other applicable requirements of, the Securities Act or the Exchange Act and the rules and regulations promulgated thereunder and any applicable state securities, takeover and “blue sky” Laws, (C) the filing of the Articles of Merger with the Secretary of State of the State of South Carolina, (D) any filings under, and compliance with all other applicable requirements of, the rules and regulations of the NYSE and (E) such other Consents, registrations, declarations, filings and notices, the failure of which to be obtained or made has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect and would not reasonably be expected to prevent, or materially impair or delay, the consummation of the Merger or any of the other material transactions contemplated by this Agreement.

(e) Applicable Company SEC Reports; Financial Statements; Undisclosed Liabilities.

(i) The Reporting Companies have filed or furnished, as applicable, all SEC Reports such companies were required or otherwise obligated to file with or furnish to the SEC since June 30, 2016 (such SEC Reports, the “Applicable Company SEC Reports”). As of their respective dates of filing, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of

this Agreement, the Applicable Company SEC Reports complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, each as in effect on the date of any such filing. As of the time of filing with the SEC (or, if amended prior to the date of this Agreement, as of the date of such amendment), none of the Applicable Company SEC Reports so filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except to the extent that the information in such Applicable Company SEC Reports has been amended or superseded by a later Applicable Company SEC Report.

(ii) As of their respective dates, the audited and unaudited financial statements (consolidated, as applicable, and including any related notes thereto) of each of the Reporting Companies and their Subsidiaries, as applicable, included in the Applicable Company SEC Reports have been prepared in all material respects (except, as applicable, as permitted by Form 10-Q of the SEC or other applicable rules and regulations of the SEC) in accordance with United States generally accepted accounting principles (“GAAP”) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of each Reporting Company and its Subsidiaries, as applicable, as of the respective dates thereof (taking into account the notes thereto) and the consolidated results of their operations and cash flows for the periods indicated (taking into account the notes thereto) and subject, in the case of unaudited financial statements, to normal year-end adjustments.

(iii) Each Reporting Company maintains disclosure controls and procedures required by Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act and such disclosure controls and procedures are effective in all material respects to ensure that information required to be disclosed by such Reporting Company in the SEC Reports it files or submits under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of such Reporting Company’s SEC Reports and other public disclosure documents. Each Reporting Company maintains internal control over financial reporting required by Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act and such internal control is effective in all material respects in providing reasonable assurance regarding the reliability of such Reporting Company’s financial reporting and such Reporting Company’s preparation of financial statements for external purposes in accordance with GAAP. Each Reporting Company has disclosed, based on its most recent evaluation prior to the date of this Agreement, to such Reporting Company’s outside auditors and the audit committee of such Reporting Company’s board of directors, (A) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect such Reporting Company’s ability to record, process, summarize and report financial information and (B) to the Knowledge of the Company, any fraud that involves management or other employees of such Reporting Company who have a significant role in such Reporting Company’s internal control over financial reporting.

(iv) There are no liabilities or obligations of any Reporting Company or any Subsidiary of any Reporting Company of a nature that would be required under GAAP to be reflected or reserved on a balance sheet (consolidated, as applicable) of such Reporting Company, other than (A) liabilities or obligations reflected or reserved against in such Reporting Company’s most recent balance sheet (including the notes thereto) included in the Applicable Company SEC Reports filed prior to the date hereof, (B) liabilities or obligations incurred in the ordinary course

of business consistent with past practice since September 30, 2017, (C) liabilities or obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement and (D) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(f) Absence of Certain Changes or Events.

(i) Since January 1, 2017, there have not been any changes, developments, circumstances, effects, events or occurrences (changes, developments, circumstances, effects, events and occurrences being collectively referred to as “Changes”) that have had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Since January 1, 2017, except as contemplated or required by this Agreement, the Company and its Subsidiaries have conducted their respective businesses in all material respects in the ordinary course of business consistent with past practice.

(g) Litigation. There is no (i) material suit, action, arbitration, mediation or legal, arbitral, administrative or other proceeding (a “Proceeding”) pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries, (ii) to the Knowledge of the Company, pending or threatened material investigation or inquiry by a Governmental Entity of the Company or any of its Subsidiaries and (iii) Order, decree or writ of any Governmental Entity outstanding or, to the Knowledge of the Company, threatened to be imposed against the Company or any of its Subsidiaries.

(h) Contracts. Except for this Agreement and the Contracts set forth in Section 3.01(h) of the Company Disclosure Letter and Company Benefit Plans, as of the date of this Agreement, neither the Company nor any of its Subsidiaries is a party to any Company Material Contract. Each Company Material Contract required to be filed by the Company as a “material contract” pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act has been so filed. Each of the Company Material Contracts is valid and binding on the Company or the Subsidiary of the Company party thereto and, to the Knowledge of the Company as of the date hereof, each other party thereto, and is in full force and effect, except for such failures to be valid and binding or to be in full force and effect that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no default under any Company Material Contract by the Company or any of its Subsidiaries or, to the Knowledge of the Company as of the date hereof, by any other party thereto, in each case except for such defaults that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(i) Compliance with Law; Permits. Since January 1, 2016, the Company and each of its Subsidiaries have been in compliance with and have not been in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Entity regarding any actual or possible violation of, or failure to comply with, any Law, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company and its Subsidiaries are in possession of all franchises, grants, permits, easements, variances, exceptions, Consents, certificates, permissions, qualifications and registrations and Orders of all Governmental Entities (collectively, “Permits”), and have filed all tariffs, reports, notices, and other documents with all Governmental Entities, necessary for

the Company and its Subsidiaries to own, lease and operate their properties and assets and to carry on their businesses as currently conducted, except where the failure to possess any of such Permits or make any such filings has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All such Permits are valid and in full force and effect and there are no pending or, to the Knowledge of the Company, threatened administrative or judicial Proceedings that would reasonably be expected to result in modification, termination or revocation thereof, except where the failure to be in full force and effect or any modification, termination or revocation thereof has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, the Company and each of its Subsidiaries have been in compliance with the terms and requirements of such Permits, except where the failure to be in compliance has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(j) Labor and Employment Matters.

(i) Neither the Company nor any of its Subsidiaries is a party to any collective bargaining agreement or other similar agreement with a labor union, works council or similar organization. To the Knowledge of the Company, as of the date hereof, (A) there are no union or other labor organizing activities occurring concerning any employees of the Company or any of its Subsidiaries and (B) there are no labor strikes, slowdowns, work stoppages or lockouts pending or threatened in writing against the Company or any of its Subsidiaries, except, in each case, as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, the Company and its Subsidiaries have not engaged in any action that required any notifications under the Workers Adjustment and Retraining Notification (WARN) Act of 1989, as amended, except as has not had and would not reasonably be expected to have, individually or in the aggregate a Company Material Adverse Effect.

(ii) The Company and its Subsidiaries are in compliance with all applicable Law respecting labor, employment, discrimination in employment, payroll, worker classification, wages and hours, occupational safety and health and employment practices, other than instances of non-compliance that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) The list that has been provided by the Company to Parent prior to the date of this Agreement of each employee of the Company and its Subsidiaries setting forth (as applicable) each employee's annual base salary or base wage rate, target annual cash bonus, target long term incentive and other employee data is complete and accurate in all material respects as of the date of this Agreement.

(k) Employee Benefit Matters.

(i) Section 3.01(k)(i) of the Company Disclosure Letter sets forth a complete and accurate list of each material Company Benefit Plan. The Company has made available to Parent correct and complete copies of, to the extent applicable: (A) the current plan document for each material Company Benefit Plan, (B) the most recent annual report on Form 5500 required to be filed with the Department of Labor with respect to each material Company Benefit Plan, (C) the most recent summary plan description for each material Company Benefit Plan, (D) the most recent actuarial reports and financial statements for each material Company Benefit Plan, (E) each trust agreement relating to any material Company Benefit Plan, and (F) the most recent determination or opinion letter, as applicable, for each Qualified Plan.

(ii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (A) each Company Benefit Plan (and any related trust or other funding vehicle) has been established, operated and administered in accordance with its terms and is in compliance with ERISA, the Code and all other applicable Law, (B) all contributions or other amounts payable by the Company or any Commonly Controlled Entity with respect to each Company Benefit Plan in respect of current or prior plan years have been paid or accrued in accordance with GAAP, (C) each Company Benefit Plan (and any related trust) that is intended to be qualified under Section 401(a) of the Code (each, a “Qualified Plan”) is the subject of a favorable determination or opinion letter issued by the Internal Revenue Service, and, to the Knowledge of the Company, no condition exists that would reasonably be expected to result in the loss of any such Qualified Plan’s qualified status and (D) to the Knowledge of the Company, there has been no non-exempt prohibited transaction (as defined in Section 4975 of the Code or Section 406 of ERISA) or breach of fiduciary duty under Section 404 of ERISA with respect to any Company Benefit Plan.

(iii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, as of the date hereof, (A) no Proceedings (other than routine claims for benefits in the ordinary course of business) are pending or, to the Knowledge of the Company, threatened relating to or otherwise in connection with any Company Benefit Plan or the assets thereof and (B) to the Knowledge of the Company, there are no pending or threatened administrative investigations, audits or other administrative Proceedings by the Department of Labor, the Pension Benefit Guaranty Corporation, the Internal Revenue Service or other Governmental Entity relating to any Company Benefit Plan.

(iv) None of the Company or any Commonly Controlled Entity has, within the past six (6) years, sponsored, maintained, contributed to or been required to maintain or contribute to, or has any liability under, any employee benefit plan (within the meaning of Section 3(3) of ERISA) that is (and no Company Benefit Plan is) subject to Section 302 or Title IV of ERISA or Sections 412 or 4971 of the Code, or is otherwise a defined benefit plan (as defined in Section 4001 of ERISA). With respect to any plan set forth in Section 3.01(k)(iv) of the Company Disclosure Letter, the Pension Benefit Guaranty Corporation (the “PBGC”) has not instituted Proceedings to terminate any such plan (and, to the Knowledge of the Company, no condition exists that would reasonably be expected to result in such Proceedings being instituted) and the Company and its Commonly Controlled Entities do not have any material liability to the PBGC with respect to such plan other than premium payments required by ERISA. Neither the Company nor any Commonly Controlled Entity has, within the past six (6) years, sponsored, maintained, contributed to or been required to maintain or contribute to, nor has any liability under, any multiemployer plan (as defined in Section 3(37) of ERISA).

(v) The Company has no liability for providing health, medical or life insurance or other welfare benefits after retirement or other termination of employment (other than for continuation coverage required under Section 4980(B)(f) of the Code or other similar applicable Law), except for such liabilities that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. With respect to any plan set forth in Section 3.01(k)(v) of the Company Disclosure Letter, to the Knowledge of the Company, the Company has the right to amend or terminate such plan in its discretion without the consent of any participant.

(vi) None of the execution and delivery of this Agreement, obtaining the Company Requisite Vote or the consummation of the Merger (alone or in conjunction with any other event, including any termination of employment on or following the Effective Time) would reasonably



be expected to (A) entitle any current or former director, officer, employee or independent contractor of the Company or any of its Subsidiaries to any compensation or material benefit, (B) accelerate the time of payment or vesting, or trigger any payment or funding, of any compensation or material benefits or trigger any other material obligation under any Company Benefit Plan, (C) result in any material breach or violation of, or material default under, or limit the Company's right to amend, modify, terminate or transfer the assets of, any Company Benefit Plan, (D) directly or indirectly cause the Company to transfer or set aside any assets to fund any benefits, or otherwise give rise to any material liability, under any Company Benefit Plan or (E) result in payments to any "disqualified individual" (as defined for purposes of Section 280G(c) of the Code) which would not be deductible under Section 280G of the Code.

(l) Taxes.

(i) All material Tax Returns required to be filed by or with respect to the Company or any of its Subsidiaries have been timely filed (taking into account any extension of time within which to file) and all such Tax Returns are correct and complete in all material respects.

(ii) All material Taxes of the Company and its Subsidiaries that are required to be paid or discharged, other than Taxes being contested in good faith by appropriate proceedings, have been timely paid and discharged.

(iii) No material deficiency with respect to Taxes has been proposed, asserted or assessed against the Company or any of its Subsidiaries which has not been fully paid or adequately reserved in the SEC Reports filed or furnished by the applicable Reporting Company to the SEC.

(iv) There are no material Tax Liens, other than Permitted Liens, on any asset of the Company or any of its Subsidiaries.

(v) Neither the Company nor any of its Subsidiaries has executed any outstanding waiver of any statute of limitations for the assessment or collection of any material Tax.

(vi) As of the date hereof, no audit or other examination or Proceeding of, or with respect to, any material Tax Return or material amount of Taxes of the Company or any of its Subsidiaries is pending and, between January 1, 2016 and the date hereof, no written notice thereof has been received by the Company or any of its Subsidiaries.

(vii) None of the Company or any of its Subsidiaries (A) is a party to any material Tax allocation, Tax sharing, or Tax indemnity agreement (other than commercial Contracts the primary purpose of which is not Taxes) or (B) is under an obligation under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law) or as transferee or successor, such that, in each case, the Company or any of its Subsidiaries is, after the date hereof or after the Closing (as the case may be), liable for any material amount of Taxes of another Person (other than the Company or any of its Subsidiaries).

(viii) There are no material closing agreements, private letter rulings, technical advice memoranda or rulings that have been entered into or issued by any Tax authority with respect to the Company or any of its Subsidiaries which are still in effect as of the date of this Agreement.

(ix) Neither the Company nor any of its Subsidiaries has "participated" within the meaning of Treasury Regulation Section 1.6011-4(c)(3)(i)(A) in any "listed transaction" within

the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, as in effect and as amended by any guidance published by the Internal Revenue Service for the applicable period.

(x) Each of the Company and its Subsidiaries has properly and timely withheld or collected and timely paid over to the appropriate Governmental Entity (or each is properly holding for such timely payment) all material amounts of Taxes required to be withheld, collected and paid over by applicable Law.

(xi) To the Knowledge of the Company, the Company and its Subsidiaries have complied with the normalization rules described in Section 168(i)(9) of the Code and any other applicable provisions of the Code or the Treasury Regulations thereunder with respect to any “public utility property” (as defined in Section 168(i)(10) of the Code).

(xii) Neither the Company nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(m) Environmental Matters. Except for those matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) each of the Company and its Subsidiaries is, and since January 1, 2016 has been, in compliance with all applicable Environmental Law and, as of the date hereof, neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Entity alleging that the Company or any of its Subsidiaries is in violation of, or has any liability under, any Environmental Law, (ii) each of the Company and its Subsidiaries possesses and is in compliance with all Permits required under applicable Environmental Law to conduct its business as currently conducted, and all such Permits are valid and in good standing and neither the Company nor any of its Subsidiaries has received notice from any Governmental Entity seeking to modify, revoke or terminate any such Environmental Permits, (iii) there are no Proceedings pursuant to any Environmental Law pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries, (iv) there have been no releases of Hazardous Materials at or on any property owned, leased or operated by the Company or any of its Subsidiaries, in each case, in a manner that would reasonably be expected to result in any obligation to conduct any investigation, remediation or other corrective or responsive action by the Company or any of its Subsidiaries and (v) neither the Company nor any of its Subsidiaries is subject to any consent decrees, Orders, settlements or compliance agreements that impose any current or future obligations on the Company and its Subsidiaries under Environmental Law.

(n) Insurance. The Company and its Subsidiaries maintain, or are entitled to the benefits of, insurance in such amounts and against such risks as the Company believes to be customary for companies of a comparable size in the industries in which it and its Subsidiaries operate. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, all material insurance policies carried by or covering the Company and its Subsidiaries with respect to their business, assets and properties are in full force and effect, and, to the Knowledge of the Company, no notice of cancellation has been given with respect to any such policy.

(o) Real Property.

(i) Subject, as to enforceability, to bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors’ rights and to general equity principles, each Contract under which the Company or any Subsidiary thereof is the tenant, subtenant or occupant

(each, a “Company Real Property Lease”) with respect to material real property leased, subleased, licensed or otherwise occupied (whether as tenant, subtenant or pursuant to other occupancy arrangements) by the Company or any of its Subsidiaries (collectively, including the improvements thereon, the “Company Leased Real Property”) is valid and binding on the Company or the Subsidiary of the Company party thereto, and, to the Knowledge of the Company, each other party thereto, and is in full force and effect, except for such failures to be valid and binding or to be in full force and effect that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no uncured default of any material provision of any Company Real Property Lease by the Company or any of its Subsidiaries or, to the Knowledge of the Company, by any other party thereto, and no event has occurred that with the lapse of time or the giving of notice or both would reasonably be expected to constitute a default thereunder by the Company or any of its Subsidiaries or, to the Knowledge of the Company, by any other party thereto, in each case except for such defaults and events that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) The Company or one of its Subsidiaries has good and valid title to all material real property currently owned by the Company or any of its Subsidiaries (collectively, “Company Owned Real Property”) free and clear of all Liens (other than Permitted Liens), except where absence of good and valid title or any such Lien has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) Each of the Company and its Subsidiaries has such consents, easements, rights-of-way, permits and licenses with respect to any real property (collectively, “Rights-of-Way”) as are sufficient to conduct its business in the manner described, and subject to the limitations, qualifications, reservations and encumbrances contained, in any Applicable Company SEC Report, except for such Rights-of-Way the absence of which has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All pipelines and electric transmission assets owned or operated by the Company and its Subsidiaries are subject to Rights-of-Way, there are no encroachments or encumbrances or other Rights-of-Way that affect the use thereof and there are no gaps in the Rights-of-Way that are material for such pipelines or electric transmission assets, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iv) Each of the Company and its Subsidiaries have sufficient rights with respect to their Company Leased Real Property and Company Owned Real Property and under their Rights-of-Way to conduct its business as currently conducted, except where a failure to have such rights would not have and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(p) Intellectual Property, Privacy, and Information Technology.

(i) The Company and its Subsidiaries own or have the right to use all Intellectual Property necessary for the operation of the business of the Company and its Subsidiaries, except where the failure to own or have the right to use such Intellectual Property has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, the operation of the business of the Company and its Subsidiaries does not infringe upon or misappropriate any Intellectual Property of any other Person as of the date of this Agreement, except for such matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company

Material Adverse Effect. The Company and its Subsidiaries have taken commercially reasonable precautions to protect the secrecy and confidentiality of the trade secrets owned by the Company and its Subsidiaries, except where the failure to take reasonable precautions has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (A) to the Knowledge of the Company, the Company has not suffered any security breach of its IT Systems that has caused any loss of data, disruption or damage to the Company's operations, (B) the Company has not experienced any security breaches of personal data or IT Systems that required or would require law enforcement or Governmental Entity notification or any remedial action under applicable Law or any Data Privacy Legal Requirement, (C) to the Knowledge of the Company, since January 1, 2016, there has been no unauthorized access to, or other misuse of, personal data or IT Systems and (D) there are no pending or expected complaints, claims, actions, fines, or other penalties facing the Company in connection with any of the foregoing.

(iii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the Company has security, back-ups, disaster recovery arrangements, and administrative, physical, and technical safeguards in place that are reasonably appropriate for a company in the business in which the Company is engaged and the Company has implemented security patches or upgrades that are reasonably available for the IT Systems where such patches or upgrades are reasonably required to maintain the security of such IT Systems.

(q) Regulatory Matters.

(i) All filings (other than immaterial filings) required to be made by the Company or any of its Subsidiaries since January 1, 2016 with the FERC, the Department of Energy (the "DOE"), the NRC, the FCC, the North American Electric Reliability Corporation (the "NERC"), the SCPSC, the SCORS, the NCUC, the GPSC, the United States Pipeline Hazardous Materials Safety Administration (the "PHMSA") and the United States Department of Transportation (the "DOT"), as the case may be, have been made, including all forms, notices, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Since January 1, 2016, none of the Company or any of its Subsidiaries has received any written notice or, to the Company's Knowledge, any other communication from the FERC, the DOE, the NRC, the FCC, the NERC, the SCPSC, the SCORS, the NCUC, the GPSC, the PHMSA or the DOT regarding any actual or possible material violation of, or material failure to comply with, any Law.

(iii) To the Knowledge of the Company, except as has not had and would not reasonably be expected to have a material impact on the Company and its Subsidiaries, the

operations of the Virgil C. Summer Nuclear Station in Jenkinsville, South Carolina (the “Summer Station”), including the operation of the NND Project and the construction, and cessation of the construction, of such project, are and have been conducted in compliance with applicable health, safety, regulatory and other requirements under applicable Laws.

(iv) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the financial assurance for decommissioning relating to the Summer Station provided to comply with NRC’s requirements in 10 CFR 50.75 and 72.30 consists of one or more trusts that are validly existing and in good standing under the Laws of their respective jurisdictions of formation with all requisite authority to conduct their affairs as currently conducted.

(r) Voting Requirements. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), the affirmative vote of holders of at least two-thirds of the outstanding Company Shares entitled to vote thereon at the Shareholders Meeting or any adjournment or postponement thereof to approve this Agreement (the “Company Requisite Vote”) is the only vote of the holders of any class or series of capital stock of the Company necessary for the Company to approve this Agreement and approve and consummate the Merger and the other transactions contemplated by this Agreement.

(s) Brokers and Other Advisors. No broker, investment banker, financial advisor or other Person, other than Morgan Stanley & Co. LLC and RBC Capital Markets, LLC, is entitled to any broker’s, finder’s or financial advisor’s fee or commission in connection with the Merger and the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

(t) Opinions of Financial Advisors. The Company Board has received the oral opinions of Morgan Stanley & Co. LLC and RBC Capital Markets, LLC to the effect that, as of the date of such opinions and based upon and subject to the various matters, limitations, qualifications and assumptions set forth therein, the Merger Consideration is fair, from a financial point of view, to the holders of Company Shares (other than Cancelled Shares). Signed, true and complete written copies of such opinions will be made available to Parent, which Parent and Merger Sub acknowledge and agree (i) are being provided to Parent for informational purposes only and (ii) may not be relied upon by Parent or Merger Sub.

(u) State Takeover Statutes. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), the Company Board has taken all action necessary to render inapplicable to this Agreement and the transactions contemplated by this Agreement all potentially applicable state anti-takeover statutes or regulations and any similar provisions in the Company Articles of Incorporation and the Company Bylaws. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), as of the date of this Agreement, no “fair price”, “business combination”, “moratorium”, “control share acquisition” or other state takeover Law or similar Law (collectively, “Takeover Statutes”) enacted by any state will prohibit or impair the consummation of the Merger or the other transactions contemplated by this Agreement.

(v) Information Supplied. None of the information supplied by the Company specifically for inclusion or incorporation by reference in the registration statement on Form S-4 in connection with the issuance by Parent of the aggregate Merger Consideration (the “Form S-4”) or the Proxy Statement/Prospectus, at (i) the time the Form S-4 is declared effective, (ii) the date the Proxy Statement/Prospectus is first published or mailed to the holders of Company Shares or (iii) the time of the Shareholders Meeting (except, with respect to the foregoing clauses (i) through (iii), to the extent

that any such information is amended or superseded by any subsequent SEC Reports of Parent or the Company), will contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

SECTION 3.02. Representations and Warranties of Parent and Merger Sub. Except (x) as disclosed in the SEC Reports of Parent or its wholly-owned Subsidiaries filed with or furnished to the SEC since January 1, 2016 and publicly available at least twenty-four (24) hours prior to the date of this Agreement (excluding any disclosures set forth in any risk factor section or in any other section to the extent such disclosures are forward-looking statements or are cautionary, predictive or forward-looking in nature) or (y) as set forth in the Parent Disclosure Letter (it being agreed that disclosure of any item in any section or subsection of the Parent Disclosure Letter shall also be deemed disclosed with respect to any other section or subsection of this Agreement to which the relevance of such item is reasonably apparent), Parent and Merger Sub represent and warrant to the Company as follows:

(a) Organization, Standing and Corporate Power. Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing (where such concept is recognized under applicable Law) under the Laws of the Commonwealth of Virginia, in the case of Parent, and the Laws of the State of South Carolina, in the case of Merger Sub, and has all requisite corporate power and authority to carry on its business as currently conducted and is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Each of Parent's Subsidiaries is a legal entity duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Law of its jurisdiction of organization and has all requisite corporate power and authority to carry on its business as currently conducted, and each of Parent's Subsidiaries is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Parent has made available to the Company a true and complete copy of the organizational documents of Parent (the "Parent Organizational Documents"), and the comparable organizational documents of Merger Sub, in each case as amended and in effect as of the date of this Agreement.

(b) Subsidiaries. All of the outstanding shares of capital stock of, or other equity interests in, each wholly-owned Subsidiary of Parent have, in all cases, been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights, and are wholly-owned, directly or indirectly, by Parent free and clear of all Liens, other than transfer restrictions contained in the articles of incorporation, bylaws and limited liability company agreements (or any equivalent constituent documents) of such wholly-owned Subsidiary.

(c) Capital Structure.

(i) The authorized capital stock of Parent consists of 1,000,000,000 Parent Shares and 20,000,000 shares of preferred stock (such preferred stock, the "Parent Preferred Stock"). At the close of business on December 29, 2017, there were (A) 644,571,202 Parent Shares issued and outstanding and (B) no shares of Parent Preferred Stock issued or outstanding. Except as set forth in the immediately preceding sentence, at the close of business on December 29, 2017, no shares

of capital stock or other voting securities of Parent were issued or outstanding. Since December 29, 2017 to the date of this Agreement, (x) there have been no issuances by Parent of shares of capital stock or other voting securities of Parent other than pursuant to the exercise or vesting of equity awards under any Parent equity award plans or pursuant to Parent's dividend reinvestment and direct stock purchase plan, in each case, outstanding as of December 29, 2017 and (y) there have been no issuances by Parent of options, warrants, other rights to acquire shares of capital stock of Parent or other rights that give the holder thereof any economic interest of a nature accruing to the holders of Parent Shares. All outstanding Parent Shares are, and all such Parent Shares that may be issued prior to the Effective Time will be when issued, duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights.

(ii) No Subsidiary of Parent (it being understood and agreed that, for purposes of this Section 3.02(c)(ii), Subsidiaries of Parent shall not include (x) any benefit plan maintained by Parent or any of its Subsidiaries or (y) any nuclear decommissioning trusts maintained by Parent or any of its Subsidiaries) owns any Parent Shares or other shares of capital stock of Parent. There are no bonds, debentures, notes or other Indebtedness of Parent or of any of its Subsidiaries that give the holders thereof the right to vote (or that are convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of Parent Shares may vote ("Voting Parent Debt"). Except for any obligations pursuant to this Agreement or as otherwise set forth in Section 3.02(c)(i), as of December 29, 2017, there are no options, warrants, rights (including preemptive, conversion, stock appreciation, redemption or repurchase rights), convertible or exchangeable securities, stock-based performance units, Contracts or undertakings of any kind to which Parent or any of its Subsidiaries is a party or by which any of them is bound (A) obligating Parent or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other securities of, or equity interests in, or any security convertible or exchangeable for any capital stock or other security of, or equity interest in, Parent or any of its wholly-owned Subsidiaries or any Voting Parent Debt, (B) obligating Parent or any of its wholly-owned Subsidiaries to issue, grant or enter into any such option, warrant, right, security, unit, Contract or undertaking to declare or pay any dividend or distribution or (C) that give any Person the right to subscribe for or acquire any securities of Parent or any of its wholly-owned Subsidiaries, or to receive any economic interest of a nature accruing to the holders of Parent Shares or otherwise based on the performance or value of shares of capital stock of Parent or any of its wholly-owned Subsidiaries. As of the date of this Agreement, there are no outstanding obligations of Parent or any of its wholly-owned Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interest, other than pursuant to any Parent equity award plans. There are no voting agreements, voting trusts, shareholders agreements, proxies or other agreements to which Parent or any of its Subsidiaries is bound with respect to the voting of the capital stock or other equity interests of Parent, or restricting the transfer of, or providing registration rights with respect to, such capital stock or equity interests.

(d) Authority; Noncontravention.

(i) Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver, and perform its obligations under, this Agreement and to consummate the transactions contemplated by this Agreement, subject, in the case of the Merger, to the delivery by Parent of the written consent, as sole shareholder of Merger Sub, referenced in Section 5.11. The execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of each of Parent and Merger Sub, subject, in the case of the Merger, to the delivery by Parent of the written consent, as

sole shareholder of Merger Sub, referenced in Section 5.11. This Agreement has been duly executed and delivered by each of Parent and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes a legal, valid and binding obligation of each of Parent and Merger Sub, enforceable against each of Parent and Merger Sub in accordance with its terms, subject, as to enforceability, to bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors' rights and to general equity principles. The board of directors of Parent has duly and validly adopted resolutions approving this Agreement and the transactions contemplated by this Agreement, including the Merger, and the board of directors of Merger Sub has duly and validly adopted resolutions (A) determining that it is in the best interests of Merger Sub and its sole shareholder that Merger Sub enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (B) adopting this Agreement and approving the transactions contemplated by this Agreement, including the Merger and (C) recommending that the sole shareholder of Merger Sub approve this Agreement, which resolutions of Parent and Merger Sub, in each case, have not been rescinded, modified or withdrawn in any way.

(ii) The execution, delivery and performance by Parent and Merger Sub of this Agreement do not, and the consummation of the Merger and the other transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to any right (including a right of termination, cancellation or acceleration of any obligation or any right of first refusal, participation or similar right) under, or cause the loss of any benefit under, or result in the creation of any Lien (other than Permitted Liens) upon any of the properties or assets of Parent or Merger Sub or any of their respective Subsidiaries under, any provision of (A) the Parent Organizational Documents or the comparable organizational documents of any of Parent's Subsidiaries, including Merger Sub or (B) subject to the filings and other matters referred to in Section 3.02(d)(iii), (1) any Contract or (2) any Law, in each case, applicable to Parent or Merger Sub or any of their respective Subsidiaries or any of their respective properties or assets, other than, in the case of foregoing clause (B), any such conflicts, violations, defaults, rights, losses or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(iii) No Consent of, or registration, declaration or filing with, or notice to, any Governmental Entity is required to be obtained or made by or with respect to Parent or Merger Sub or any of their respective Subsidiaries in connection with the execution, delivery and performance of this Agreement by Parent and Merger Sub or the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement, except for (A) the Regulatory Conditions and any other Consents of or under, and compliance with any other applicable requirements of, (1) the HSR Act, (2) the FERC, (3) the NRC, (4) the FCC, (5) the NCUC, and (6) the GPSC (the items set forth in this clause (A), collectively, the "Parent Regulatory Clearances") and together with the Company Regulatory Clearances, the "Regulatory Clearances"), (B) the filing with the SEC of such reports and other documents (including the filing of the Form S-4) under, and compliance with all other applicable requirements of, the Securities Act or the Exchange Act and the rules and regulations promulgated thereunder and any applicable state securities, takeover and "blue sky" Laws, (C) the filing of the Articles of Merger with the Secretary of State of the State of South Carolina, (D) any filings under, and compliance with all other applicable requirements of, the rules and regulations of the NYSE and (E) such other Consents, registrations, declarations, filings and notices, the failure of which to be obtained or made has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect and would not reasonably be expected to prevent, or



materially impair or delay, the consummation of the Merger or any of the other material transactions contemplated by this Agreement.

(e) Applicable Parent SEC Reports; Financial Statements; Undisclosed Liabilities.

(i) Parent and its Subsidiaries have filed or furnished, as applicable, all SEC Reports such companies were required or otherwise obligated to file with or furnish to the SEC since June 30, 2016 (such SEC Reports, the “Applicable Parent SEC Reports”). As of their respective dates of filing, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, the Applicable Parent SEC Reports complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, each as in effect on the date of any such filing. As of the time of filing with the SEC (or, if amended prior to the date of this Agreement, as of the date of such amendment), none of the Applicable Parent SEC Reports so filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except to the extent that the information in such Applicable Parent SEC Reports has been amended or superseded by a later Applicable Parent SEC Report.

(ii) As of their respective dates, the audited and unaudited financial statements (consolidated, as applicable, and including any related notes thereto) of each of Parent and its Subsidiaries, as applicable, included in the Applicable Parent SEC Reports have been prepared in all material respects (except, as applicable, as permitted by Form 10-Q of the SEC or other applicable rules and regulations of the SEC) in accordance with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of Parent and its Subsidiaries, as applicable, as of the respective dates thereof (taking into account the notes thereto) and the consolidated results of their operations and cash flows for the periods indicated (taking into account the notes thereto) and subject, in the case of unaudited financial statements, to normal year-end adjustments.

(iii) Parent maintains disclosure controls and procedures required by Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act and such disclosure controls and procedures are effective in all material respects to ensure that information required to be disclosed by Parent in the SEC Reports it files or submits under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of Parent’s SEC Reports and other public disclosure documents. Parent maintains internal control over financial reporting required by Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act and such internal control is effective in all material respects in providing reasonable assurance regarding the reliability of Parent’s financial reporting and Parent’s preparation of financial statements for external purposes in accordance with GAAP. Parent has disclosed, based on its most recent evaluation prior to the date of this Agreement, to Parent’s outside auditors and the audit committee of Parent’s board of directors (A) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect Parent’s ability to record, process, summarize and report financial information and (B) to the Knowledge of Parent, any fraud that involves management or other employees of Parent who have a significant role in Parent’s internal control over financial reporting.

(iv) There are no liabilities or obligations of Parent or any of its Subsidiaries of a nature that would be required under GAAP to be reflected or reserved on a financial statement (consolidated, as applicable) of Parent, other than (A) liabilities or obligations reflected or reserved against in such entity's most recent balance sheet (including the notes thereto) included in the Applicable Parent SEC Reports filed prior to the date hereof, (B) liabilities or obligations incurred in the ordinary course of business consistent with past practice since September 30, 2017, (C) liabilities or obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement and (D) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(f) Absence of Certain Changes or Events.

(i) Since January 1, 2017, there have not been any Changes that have had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(ii) Since January 1, 2017, except as contemplated or required by this Agreement, Parent and its wholly-owned Subsidiaries have conducted their respective businesses in all material respects in the ordinary course of business consistent with past practice.

(g) Litigation. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, there is no (i) Proceeding pending or, to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries, (ii) to the Knowledge of Parent, pending or threatened material investigation or inquiry by a Governmental Entity of Parent or any of its Subsidiaries and (iii) Order, decree or writ of any Governmental Entity outstanding or, to the Knowledge of Parent, threatened to be imposed against Parent or any of its Subsidiaries.

(h) Compliance with Law. Since January 1, 2016, Parent and each of its Subsidiaries have been in compliance with and have not been in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Since January 1, 2016, neither Parent nor any of its Subsidiaries has received any written notice from any Governmental Entity regarding any violation of, or failure to comply with, any Law, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(i) Taxes.

(i) All material Tax Returns required to be filed by or with respect to Parent or any of its wholly-owned Subsidiaries have been timely filed (taking into account any extension of time within which to file) and all such Tax Returns are correct and complete in all material respects.

(ii) All material Taxes of Parent and its wholly-owned Subsidiaries that are required to be paid or discharged, other than Taxes being contested in good faith by appropriate proceedings, have been timely paid and discharged.

(iii) There are no material Tax Liens, other than Permitted Liens, on any asset of Parent or any of its wholly-owned Subsidiaries.

(iv) Neither Parent nor any of its wholly-owned Subsidiaries has executed any outstanding waiver of any statute of limitations for the assessment or collection of any material Tax.

(v) As of the date hereof, no audit or other examination or Proceeding of, or with respect to, any material Tax Return or material amount of Taxes of Parent or any of its wholly-owned Subsidiaries is pending and, between January 1, 2016 and the date hereof, no written notice thereof has been received by Parent or any of its wholly-owned Subsidiaries.

(vi) None of Parent or any of its wholly-owned Subsidiaries (A) is a party to any material Tax allocation, Tax sharing, Tax indemnity or similar agreement or (B) is under an obligation under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law) or as transferee or successor, such that, in each case, Parent or any of its wholly-owned Subsidiaries is, after the date hereof or after the Closing (as the case may be), liable for any material amount of Taxes of another Person (other than Parent or any of its wholly-owned Subsidiaries).

(vii) There are no material closing agreements, private letter rulings, technical advice memoranda or rulings that have been entered into or issued by any Tax authority with respect to Parent or any of its wholly-owned Subsidiaries which are still in effect as of the date of this Agreement.

(viii) Neither Parent nor any of its wholly-owned Subsidiaries has “participated” within the meaning of Treasury Regulation Section 1.6011-4(c)(3)(i)(A) in any “listed transaction” within the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, as in effect and as amended by any guidance published by the Internal Revenue Service for the applicable period.

(ix) Neither Parent nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(j) Regulatory Matters.

(i) All filings (other than immaterial filings) required to be made by Parent or any of its Subsidiaries since January 1, 2016 with the FERC, the DOE, the NRC, and the NERC, as the case may be, have been made, including all forms, notices, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(ii) Since January 1, 2016, none of Parent or any of its wholly-owned Subsidiaries has received any written notice or, to Parent’s Knowledge, any other communication from the FERC, the DOE, the NRC or the NERC regarding any actual or possible material violation of, or material failure to comply with, any Law.

(k) No Vote Required. Other than the approval of this Agreement by the sole shareholder of Merger Sub referenced in Section 5.11, no vote or consent of the holders of any class or series of capital stock of Parent or any of its Affiliates is necessary for Parent and Merger Sub to approve this Agreement and approve and consummate the Merger and the other transactions contemplated by this Agreement.

(l) Brokers and Other Advisors. Except for fees or commissions to be paid by Parent, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's or financial advisor's fee or commission in connection with the Merger and the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or Merger Sub.

(m) Ownership and Operation of Merger Sub. The authorized capital stock of Merger Sub consists solely of one thousand (1,000) shares of common stock, without par value, one hundred (100) of which are validly issued and outstanding as of the date hereof. All of the issued and outstanding capital stock of Merger Sub is, and at and immediately prior to the Effective Time will be, owned by Parent. Merger Sub has been formed solely for the purpose of engaging in the transactions contemplated by this Agreement and prior to the Effective Time will have engaged in no other business activities and will have no assets, liabilities or obligations of any nature other than those incident to its formation and its entry into this Agreement and the consummation of the Merger and the other transactions contemplated by this Agreement.

(n) Ownership of Shares. None of Parent, Merger Sub or any of their Subsidiaries (it being understood and agreed that, for purposes of this Section 3.02(n), Subsidiaries of Parent and Merger Sub shall not include (x) any benefit plan maintained by Parent or any of its Subsidiaries or (y) any nuclear decommissioning trusts maintained by Parent or any of its Subsidiaries) is, directly or indirectly, a "beneficial owner" (as such term is defined in Rule 13d-3 under the Exchange Act) of any (i) Company Shares, (ii) securities that are convertible into or exchangeable or exercisable for Company Shares, or (iii) any rights to acquire or vote any Company Shares, or any option, warrant, convertible security, stock appreciation right, swap agreement or other security, contract right or derivative position, whether or not presently exercisable, that provides Parent, Merger Sub, or any of their respective Subsidiaries with an exercise or conversion privilege or a settlement payment or mechanism at a price related to the value of Company Shares or a value determined in whole or part with reference to, or derived in whole or part from, the value of the Company Shares, in any case without regard to whether (A) such derivative conveys any voting rights in such securities to such Person, (B) such derivative is required to be, or capable of being, settled through delivery of securities or (C) such Person may have entered into other transactions that hedge the economic effect of such derivative, other than any Company Shares or securities, rights, options, warrants, agreements and derivatives with respect to any Company Shares in an amount equal to, in the aggregate, less than five percent (5%) of the total number of issued and outstanding Company Shares.

(o) Information Supplied. None of the information supplied by Parent specifically for inclusion or incorporation by reference in the Form S-4 or the Proxy Statement/Prospectus, at (i) the time the Form S-4 is declared effective, (ii) the date the Proxy Statement/Prospectus is first published or mailed to the holders of Company Shares or (iii) the time of the Shareholders Meeting (except, with respect to the foregoing clauses (i) through (iii), to the extent that any such information is amended or superseded by any subsequent SEC Reports of Parent or the Company), will contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

(p) Financial Ability. Parent has, and at the Closing Parent will have, sufficient immediately available funds and the financial ability to pay all amounts payable to holders of Company Performance Share Awards and Company RSUs pursuant to Section 2.02 and any repayment or refinancing of then outstanding Indebtedness of the Company or any of its Subsidiaries, which repayment or refinancing is required as a result of the Merger, as set forth in Section 3.02(p) of the Company Disclosure Letter, after taking into account any consents or waivers obtained from any holder of such Indebtedness prior to the Effective Time.

## ARTICLE IV

### COVENANTS RELATING TO CONDUCT OF BUSINESS

#### SECTION 4.01. Conduct of Business Pending the Merger.

(a) Conduct of Business by the Company. From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly contemplated by this Agreement, set forth in Section 4.01(a) of the Company Disclosure Letter, required by applicable Law, required by a Governmental Entity or with the prior written consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed), (x) the Company shall, and shall cause each of its Subsidiaries to, conduct its business in all material respects in the ordinary course consistent with past practice and shall use commercially reasonable efforts to preserve substantially intact its current business organizations, maintain adequate and comparable insurance coverage, and preserve its relationships with its employees, counterparties, customers and suppliers and Governmental Entities with jurisdiction over the Company or any of its Subsidiaries and (y) without limiting the foregoing, the Company shall not, and shall not permit any of its Subsidiaries to:

(i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than (A) regular quarterly cash dividends payable by the Company in respect of Company Shares not in excess of the amount set forth in Section 4.01(a)(i) of the Company Disclosure Letter and (B) dividends or distributions by a Subsidiary of the Company to the Company or to any wholly-owned Subsidiary of the Company;

(ii) split, combine or reclassify any of its capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, other ownership interests or voting securities, other than transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company's wholly-owned Subsidiaries;

(iii) purchase, redeem or otherwise acquire any of its or its Subsidiaries' shares of capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or any rights, warrants or options to acquire any such shares of capital stock, interests or securities, other than (A) the withholding of Company Shares to satisfy Tax obligations or the exercise price with respect to awards granted pursuant to the Company Equity Award Plans or settlement of awards granted pursuant to the Company Equity Award Plans and (B) the acquisition by the Company of awards granted pursuant to the Company Equity Award Plans in connection with the forfeiture or settlement of such awards or rights, in each case, that are outstanding as of the date hereof and in

accordance with their terms as of the date hereof or granted after the date hereof in accordance with this Agreement;

(iv) issue, deliver, sell, pledge, dispose of, encumber or subject to any Lien, any shares of its capital stock, other ownership interests or voting securities (other than the issuance of shares by a wholly-owned Subsidiary of the Company to the Company or another wholly-owned Subsidiary of the Company), or any securities convertible into, exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares of capital stock, interests or voting securities or any “phantom” stock, “phantom” stock rights, stock appreciation rights or stock-based performance units, other than upon the exercise, vesting or settlement of awards granted pursuant to the Company Equity Award Plans that are outstanding as of the date hereof or granted after the date hereof in accordance with this Agreement, in each case, exercised, vested or settled in accordance with their terms;

(v) amend (A) any of the Company Organizational Documents or (B) the comparable organizational documents of any Subsidiary of the Company, other than, in the case of this clause (B), amendments that effect solely ministerial changes to such documents;

(vi) acquire (whether by merger, consolidation, purchase of property or assets (including equity interests) or otherwise) any corporation, partnership or other business organization or division thereof or any material assets or interests in any Person with a value in excess of \$50 million in the aggregate, other than transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company’s wholly-owned Subsidiaries;

(vii) sell, license, lease, transfer, assign, divest, cancel, encumber, abandon or otherwise dispose of any of its properties, rights or assets which (A) are material to the Company and its Subsidiaries, taken as a whole, or (B) have a value in excess of \$25 million, other than (1) sales, transfers and dispositions of obsolete, non-operating or worthless assets or properties and (2) sales, leases, transfers or other dispositions made in connection with (x) any immaterial transactions in the ordinary course of business consistent with past practice or (y) any transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company’s wholly-owned Subsidiaries;

(viii) incur, redeem, prepay, defease, cancel, or, in any material respect, modify any indebtedness for borrowed money, issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Company or any of its Subsidiaries, guarantee, assume or endorse or otherwise as an accommodation become responsible for any such indebtedness or any debt securities or other financial obligations of another Person or enter into any “keep well” or other agreement to maintain any financial statement condition of another Person (collectively, “Indebtedness”), other than (A) borrowings under existing revolving credit facilities (or replacements thereof on comparable terms, including in regards to maturity) or commercial paper programs in the ordinary course of business, (B) other than as set forth in the foregoing clause (A) and in Section 4.01(a)(viii) of the Company Disclosure Letter, incurring any Indebtedness in the ordinary course of business (including interest rate swaps on customary commercial terms consistent with past practice) not in excess of \$200,000,000, (C) other than as set forth in Section 4.01(a)(viii) of the Company Disclosure Letter, redeeming, prepaying, defeasing, cancelling or modifying any Indebtedness in the ordinary course of business (including interest rate swaps on customary commercial terms consistent with past practice) not to exceed \$200,000,000, (D) incurring, redeeming, prepaying, defeasing, cancelling or modifying any Indebtedness among the Company or any of its Subsidiaries, (E) incurring any Indebtedness to replace, renew, extend,

refinance or refund any existing Indebtedness in the same principal amount of such existing Indebtedness and upon the maturity of such existing Indebtedness and to the extent such existing Indebtedness is Indebtedness of the Company, on terms that can be redeemed or prepaid at any time upon payment of the outstanding principal amount plus accrued interest without any make whole or similar prepayment penalty, and (F) providing guarantees and other credit support by the Company with respect to the obligations of any of its Subsidiaries; provided, however, no such Indebtedness shall contain any term that would accelerate the payment thereof or require its immediate repayment due to the transactions contemplated by this Agreement;

(ix) settle any claim, investigation or Proceeding with a Governmental Entity or third party, in each case, threatened, made or pending against the Company or any of its Subsidiaries, which (A) provides injunctive relief which is material to the Company or any of its Subsidiaries or (B) requires payment in excess of \$10 million in the aggregate, other than the settlement of any claims, investigations or Proceedings made in the ordinary course of business or for an amount (excluding any amounts that are covered by any insurance policies of the Company or its Subsidiaries, as applicable) not in excess of the amount reflected or reserved therefor in the most recent financial statements (or the notes thereto) of the Company included in the Company's SEC Reports; provided, however, that neither the Company nor any of its Subsidiaries shall settle any claim, investigation or Proceeding with a Governmental Entity or third party, in each case, threatened, made or pending against the Company or any of its Subsidiaries relating to or arising out of (A) the construction (or cessation of the construction), abandonment or disposal of nuclear power Units 2 and 3 at the Summer Station, (B) the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof), or (C) any other aspect of the NND Project (collectively, the "NND Project Litigation") (it being understood and agreed that this proviso shall not apply to (x) the termination of any Contract related to the NND Project so long as such termination results in no additional liability of the Company or any of its Subsidiaries in excess of \$5 million in the aggregate or (y) any immaterial amendment of any Contract related to the NND Project) other than as follows: (a) except as set forth in subclause (b) below, neither the Company nor any of its Subsidiaries shall settle any claim, investigation or Proceeding with a third party who is not a Governmental Entity relating to or arising out of the NND Project Litigation without prior consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed), (b) the Company or its Subsidiaries may, after prior notice to Parent, settle any mechanic liens related to the cessation of construction of the NND Project including those more specifically described as item 1(y) of Section 3.01(g) of the Company Disclosure Letter (it being understood and agreed that the \$10 million limitation referred to in the fourth line of this Section 4.01(a)(ix) shall not apply to such settlement of mechanic's liens) and (c) neither the Company nor its Subsidiaries may settle any claim, investigation or Proceeding with a Governmental Entity relating to or arising out of the NND Project Litigation without prior consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed);

(x) make or agree to make any capital expenditure in any fiscal year, except (A) for capital expenditures made in accordance with the capital expenditures plan set forth in Section 4.01(a)(x) of the Company Disclosure Letter in an amount not to exceed \$50 million in excess of the amounts set forth in such capital expenditure plan during any calendar year, (B) for capital expenditures related to operational emergencies, equipment failures or outages or expenditures that the Company reasonably determines are then necessary to maintain the safety and integrity of any asset or property in response to any unanticipated or unforeseen and subsequently discovered events, occurrences or developments, or (C) as required by Law or a Governmental Entity;

(xi) except as required pursuant to the terms of any Company Benefit Plan or other written agreement, in each case, in effect on the date hereof, (A) grant to any director or officer any increase in compensation or pay, or award any bonuses or incentive compensation, including in the case of any Company officer, any changes associated with promotions or other position changes, regardless of whether such promotions or changes were previously announced, (B) grant to any current or former director, officer or employee any increase in severance, retention or termination pay, (C) grant or amend any equity awards, (D) enter into any new, or modify any existing, employment or consulting agreement with any current or former director or officer or enter into any new, or modify any existing, employment or consulting agreement with any individual consultant pursuant to which the annual base salary of such individual under such agreement exceeds \$250,000.00 or the term of which exceeds twelve (12) months, (E) establish, adopt, enter into or amend in any material respect any material collective bargaining agreement or material Company Benefit Plan, (F) take any action to accelerate any rights or benefits under any Company Benefit Plan, or (G) hire or promote any new officer (other than any officer whose hiring or promotion has previously been publicly announced, but that has not yet taken effect as of the date hereof); provided, however, that, other than as set forth in subclause (A), the foregoing shall not restrict the Company or any of its Subsidiaries from entering into or making available to newly hired employees or to employees in the context of promotions based on job performance or workplace requirements, in each case, in the ordinary course of business, plans, agreements, benefits and compensation arrangements (including incentive grants, whether cash or equity, but excluding any individual severance arrangements) that have a value that is consistent with its past practice of making compensation and benefits available to newly hired or promoted employees in similar positions and under similar circumstances;

(xii) other than as required (A) by GAAP (or any interpretation thereof), including pursuant to standards, guidelines and interpretations of the Financial Accounting Standards Board or any similar organization or (B) by a Governmental Entity or Law (including pursuant to any applicable SEC rule or policy), make any change in accounting methods, principles or practices where such changes would reasonably be expected to be material to the Company and its Subsidiaries, taken as a whole;

(xiii) (A) make, change or rescind any material Tax election, any Tax accounting period, or adopt or change any material method of Tax accounting, (B) settle or compromise any material Tax liability or consent to any material claim or assessment or obtain any material ruling relating Taxes, (C) file any amended material Tax Return or (D) enter into any material closing agreement relating to Taxes;

(xiv) other than in the ordinary course of business consistent with past practice, materially amend, modify or terminate, or waive any material rights under, or enter into any Contract which if entered into prior to the date of this Agreement would have been deemed, a Company Material Contract;

(xv) adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization, other than the Merger and any other mergers, consolidations, restructurings, recapitalizations or other reorganizations solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company's wholly-owned Subsidiaries;

(xvi) materially change or enter into any IT Systems or cyber-security Contracts that are material to the Company and its Subsidiaries (other than routine maintenance and upgrades to existing IT Systems); or



(xvii) authorize any of, or commit or agree to take any of, the foregoing actions prohibited pursuant to clauses (i) through (xvi) of this Section 4.01(a).

(b) Conduct of Business by Parent. From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly contemplated by this Agreement, set forth in Section 4.01(b) of the Parent Disclosure Letter, required by applicable Law, required by a Governmental Entity or with the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed), (x) Parent shall, and shall cause each of the Parent Significant Subsidiaries to, conduct its business in all material respects in the ordinary course of business consistent with past practice and shall use commercially reasonable efforts to preserve substantially intact its current business organizations, maintain adequate and comparable insurance coverage and preserve its relationships with its employees, counterparties, customers and suppliers and Governmental Entities with jurisdiction over Parent or any of the Parent Significant Subsidiaries and (y) without limiting the foregoing, Parent shall not:

(i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than regular quarterly cash dividends payable by Parent in respect of Parent Shares;

(ii) split, combine or reclassify any of its capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, other ownership interests or voting securities, other than transactions solely between or among Parent and its wholly-owned Subsidiaries;

(iii) purchase, redeem or otherwise acquire any of its or the Parent Significant Subsidiaries' shares of capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or any rights, warrants or options to acquire any such shares of capital stock, interests or securities, other than (A) the withholding of Parent Shares or any of Parent's Subsidiaries' capital stock to satisfy Tax obligations or the exercise price with respect to awards granted pursuant to any of Parent's equity award plans or (B) purchasing, redeeming or acquiring any of Parent's equity awards pursuant to any of Parent's equity award plans;

(iv) except for any Parent Shares issued in an offering for cash at a price no lower than ninety-five percent (95%) of the market price for Parent Shares on the NYSE at the time of such offering, issue, deliver, sell, pledge, dispose of, encumber or subject to any Lien, any shares of its capital stock, other ownership interests or voting securities, or, except for equity units or mandatorily convertible securities issued in an offering for cash with a conversion premium, any securities convertible into, exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares of capital stock, interests or securities or any "phantom" stock, "phantom" stock rights, stock appreciation rights or stock-based performance units, other than upon the exercise, vesting or settlement of awards granted pursuant to any Parent equity award plans or pursuant to Parent's dividend reinvestment and direct stock purchase plan;

(v) amend (A) any of the Parent Organizational Documents or (B) the comparable organizational documents of any Parent Significant Subsidiary, in each case, in a manner that would materially adversely affect the holders of Company Shares whose Company Shares shall, pursuant to Section 2.01(a), convert in part into Parent Shares at the Effective Time; or

(vi) authorize any of, or commit or agree to take any of, the foregoing actions prohibited pursuant to clauses (i) through (v) of this Section 4.01(b).

(c) From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, neither the Company nor Parent shall take or permit any of their respective Subsidiaries to take any action that would reasonably be expected to prevent, or materially impair or delay, the consummation of the Merger or any of the other transactions contemplated by this Agreement.

**SECTION 4.02. Acquisition Proposals.**

(a) The Company agrees that, except as permitted by this Section 4.02, neither it nor any of its Subsidiaries, or any of their respective directors or officers, shall, and it shall instruct and use its reasonable best efforts to cause its and its Subsidiaries' employees, investment bankers, attorneys, accountants and other advisors or representatives (collectively, "Representatives") not to, directly or indirectly (i) initiate, solicit or knowingly encourage any Acquisition Proposal or the making of any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (ii) engage in, continue or otherwise participate in any discussions or negotiations regarding any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (iii) furnish or provide any information or data to any Person in connection with any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (iv) otherwise knowingly facilitate any effort or attempt with respect to the foregoing. Any violation of the restrictions set forth in this Section 4.02 by any director, officer or investment banker of the Company or any of its Subsidiaries shall be deemed to be a breach of this Section 4.02 by the Company.

(b) The Company agrees that it and its Subsidiaries and their respective directors, officers, and employees, shall, and it shall instruct and use its reasonable best efforts to cause its and its Subsidiaries' Representatives to, immediately (i) cease and cause to be terminated any solicitation, discussions, negotiations or knowing facilitation or encouragement with any Person that may be ongoing with respect to any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (ii) terminate any such Person's access to any physical or electronic data rooms and (iii) request that any such Person and its Representatives promptly return or destroy all confidential information concerning the Company and its Subsidiaries theretofore furnished thereto by or on behalf of the Company or any of its Subsidiaries, and destroy all analyses and other materials prepared by or on behalf of such Person that contain, reflect or analyze such information, in each case, to the extent required by, and in accordance with, the terms of the applicable confidentiality agreement between the Company and such Person.

(c) The Company shall promptly (but in any event within forty-eight (48) hours) notify Parent in writing of the receipt of any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, any Acquisition Proposal, indicating (i) the identity of the Person making such Acquisition Proposal and (ii) the material terms and conditions of such Acquisition Proposal and providing Parent with the most current version (if any) of such inquiry, indication of interest, proposal or offer and all related material documentation. With respect to any Acquisition Proposal described in the immediately preceding sentence, the Company shall keep Parent reasonably informed, on a prompt basis (but in any event within forty-eight (48) hours of any such event), of (x) any changes or modifications to the terms of any such Acquisition Proposal and (y) any communications from such Person to the Company or from the Company to such Person with respect to any changes or modifications to the terms of any such Acquisition Proposal. Except as required by applicable Law, the Company shall not terminate, amend, modify, waive or fail to enforce any

provision of any standstill or similar obligation with respect to any class of equity securities of the Company or any of its Subsidiaries.

(d) Notwithstanding anything to the contrary contained in Section 4.02(a) or Section 4.02(b), prior to the Company Requisite Vote, in response to an unsolicited bona fide written Acquisition Proposal that did not result from a breach of this Section 4.02, if the Company Board determines in good faith (x) after consultation with the Company's financial advisors and outside legal counsel, that such Acquisition Proposal is, or could reasonably be expected to lead to, a Superior Proposal and (y) after consultation with the Company's outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law, the Company may, subject to providing Parent prior notice, (i) furnish or provide information (including non-public information or data) regarding, and afford access to, the business, properties, assets, books, records and personnel of, the Company and its Subsidiaries, to the Person making such Acquisition Proposal and its Representatives; provided, however, that the Company shall as promptly as is reasonably practicable make available to Parent any non-public information concerning the Company or its Subsidiaries that is provided to any Person pursuant to this clause (i) to the extent such information was not previously made available to Parent and (ii) engage in discussions and negotiations with such Person and its Representatives with respect to such Acquisition Proposal; provided, further, that, prior to taking any of the actions set forth in the foregoing clauses (i) or (ii) above, the Person making such Acquisition Proposal has entered into an Acceptable Confidentiality Agreement (it being understood that the negotiation of such Acceptable Confidentiality Agreement shall not be deemed to be a breach of Section 4.02(a) or Section 4.02(b)).

(e) Except as set forth in Section 4.02(f) and Section 4.02(g), the Company shall not, and the Company Board (and each committee thereof) shall not (i) (A) withdraw, change, qualify, withhold or modify, or propose to do any of the foregoing, in a manner adverse to Parent or Merger Sub, the Company Board Recommendation, (B) adopt, approve or recommend, or propose to adopt, approve or recommend, any Acquisition Proposal, (C) fail to include the Company Board Recommendation in the Proxy Statement/Prospectus, (D) fail to recommend against any Acquisition Proposal subject to Regulation 14D promulgated under the Exchange Act in any solicitation or recommendation statement made on Schedule 14D-9 within ten (10) Business Days after Parent so requests in writing, (E) if an Acquisition Proposal or any material modification thereof is made public or sent to the holders of Company Shares, fail to issue a press release that reaffirms the Company Board Recommendation within ten (10) Business Days after Parent so requests in writing or (F) agree or resolve to take any action set forth in the foregoing clauses (A) through (E) (any action set forth in this clause (i), a "Company Adverse Recommendation Change") or (ii) authorize, cause or permit the Company or any of its Affiliates to enter into any letter of intent, memorandum of understanding, agreement in principle, definitive agreement, or other similar commitment that would reasonably be expected to lead to an Acquisition Proposal (other than an Acceptable Confidentiality Agreement) (an "Alternative Acquisition Agreement").

(f) Notwithstanding anything to the contrary in this Agreement, at any time prior to obtaining the Company Requisite Vote, the Company Board may make a Company Adverse Recommendation Change (and, solely with respect to a Superior Proposal, terminate this Agreement pursuant to Section 7.01(c)(i)) if (i) the Company has received a Superior Proposal other than as a result of a breach of this Section 4.02 and the Company Board (or a duly authorized committee thereof) determines in good faith, after consultation with the Company's outside legal counsel, that the failure to make a Company Adverse Recommendation Change in response to the receipt of such Superior Proposal would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and (ii) (A) the Company provides Parent prior written notice of its intent to make any Company Adverse Recommendation Change or terminate this Agreement pursuant to Section 7.01(c)(i) at least

four (4) Business Days prior to taking such action to the effect that, absent any modification to the terms and conditions of this Agreement that would cause the Superior Proposal to no longer be a Superior Proposal, the Company Board has resolved to effect a Company Adverse Recommendation Change or to terminate this Agreement pursuant to Section 7.01(c)(i), which notice shall specify the basis for such Company Adverse Recommendation Change or termination, shall provide the material terms and conditions of such Superior Proposal and shall attach the most current draft of any Alternative Acquisition Agreement, and any other material documents with respect to the Superior Proposal that (x) include any terms and conditions of the Superior Proposal and (y) were not produced by the Company, any of its Subsidiaries or any of its or their Representatives solely for internal purposes, if applicable (a “Notice of Recommendation Change”) (it being understood that such Notice of Recommendation Change shall not in itself be deemed a Company Adverse Recommendation Change and that any change in price or material revision or material amendment to the terms of a Superior Proposal, if applicable, shall require a new notice to which the provisions of clauses (A), (B) and (C) of this Section 4.02(f) shall apply *mutatis mutandis* except that, in the case of such a new notice, all references to four (4) Business Days in this Section 4.02(f) shall be deemed to be two (2) Business Days), (B) during such four (4) Business Day period, if requested by Parent, the Company shall make its Representatives reasonably available to negotiate in good faith with Parent and its Representatives regarding any modifications to the terms and conditions of this Agreement that Parent proposes to make and (C) at the end of such four (4) Business Day period and taking into account any modifications to the terms of this Agreement proposed by Parent to the Company in a written, binding and irrevocable offer, the Company Board determines in good faith (x) after consultation with the Company’s financial advisors and outside legal counsel, that such Superior Proposal still constitutes a Superior Proposal and (y) after consultation with the Company’s outside legal counsel, that the failure to make such a Company Adverse Recommendation Change would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

(g) Notwithstanding anything to the contrary in this Agreement, other than in connection with an Acquisition Proposal (which shall be governed by Section 4.02(f)), at any time prior to obtaining the Company Requisite Vote, the Company Board may make a Company Adverse Recommendation Change if (i) an Intervening Event occurs and in response thereto the Company Board determines in good faith, after consultation with the Company’s outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and (ii) (A) the Company provides Parent prior written notice of its intent to make any Company Adverse Recommendation Change at least four (4) Business Days prior to taking such action to the effect that the Company Board has resolved to effect a Company Adverse Recommendation Change, which notice shall specify the basis therefor and include a reasonably detailed description of the Intervening Event, (B) during such four (4) Business Day period, if requested by Parent, the Company shall make its Representatives reasonably available to negotiate in good faith with Parent and its Representatives regarding any modifications to the terms and conditions of this Agreement that Parent proposes to make and (C) at the end of such four (4) Business Day period and taking into account any modifications to the terms of this Agreement proposed by Parent to the Company in a written, binding and irrevocable offer, the Company Board determines in good faith, after consultation with the Company’s outside legal counsel, that the failure to make such a Company Adverse Recommendation Change would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law. Each time there is a material change to the facts or circumstances relating to the Intervening Event prior to obtaining the Company Requisite Vote, the Company will be required to deliver to Parent prompt written notice of such material change (which notice shall include a reasonably detailed description of such material change) and the Company will provide Parent with an additional two (2) Business Day period prior to making a Company Adverse Recommendation Change, such period shall begin upon the date of Parent’s receipt of the notice of such material change.

(h) Nothing contained in this Section 4.02 or elsewhere in this Agreement shall prohibit the Company or any of its Subsidiaries from (i) complying with its disclosure obligations under U.S. federal or state Law, (ii) making any “stop, look or listen” communication to the shareholders of the Company pursuant to Rule 14d-9(f) promulgated under the Exchange Act (or any similar communications to the shareholders of the Company) or (iii) making any other disclosure to its shareholders if the Company Board determines in good faith after consultation with the Company’s outside legal counsel that the failure to make such disclosure would be inconsistent with its fiduciary duties under applicable Law.

## ARTICLE V

### ADDITIONAL AGREEMENTS

#### SECTION 5.01. Proxy Statement/Prospectus; Shareholders Meeting.

(a) As soon as reasonably practicable following the date of this Agreement, but in any event within thirty (30) Business Days thereafter, (i) the Company and Parent shall jointly prepare and cause to be filed with the SEC the proxy statement/prospectus (together with any amendment or supplement thereto, the “Proxy Statement/Prospectus”), as part of the Form S-4, that includes (A) a proxy statement of the Company for use in the solicitation of proxies for the Shareholders Meeting and (B) a prospectus with respect to the issuance of Parent Shares in the Merger and (ii) Parent shall prepare and cause to be filed with the SEC the Form S-4. The Company and Parent shall use their respective reasonable best efforts to (A) have the Form S-4 declared effective under the Securities Act as promptly as practicable after the Form S-4 is filed, (B) ensure that the Form S-4 and the Proxy Statement/Prospectus complies in all material respects with the applicable provisions of the Securities Act, the Exchange Act and the rules and regulations thereunder and (C) keep the Form S-4 effective for as long as may be reasonably requested in connection with the preparation, filing and distribution of the Form S-4 and the Proxy Statement/Prospectus. As promptly as practicable after the date of this Agreement, each of the Company and Parent will furnish or cause to be furnished to the other party the information relating to itself and its Subsidiaries, and cooperate with the other party, as may reasonably be requested, in connection with the preparation, filing and distribution of the Form S-4 and the Proxy Statement/Prospectus. The Form S-4 and Proxy Statement/Prospectus shall include all information reasonably requested by the parties hereto pursuant to the immediately preceding sentence.

(b) Each party hereto shall promptly notify the other parties of the receipt of any comments of the SEC to the Form S-4 or the Proxy Statement/Prospectus and of any request by the SEC for any amendment or supplement thereto or for additional information in connection therewith. As promptly as practicable after receipt of any such comment or request from the SEC, the party that received such comment or request shall provide the other parties copies of all correspondence between the receiving party and its Representatives, on the one hand, and the SEC, on the other hand, regarding such comments or request. The Company and Parent shall each use its reasonable best efforts to promptly provide responses to the SEC with respect to all comments received on the Form S-4 or the Proxy Statement/Prospectus from the SEC.

(c) Notwithstanding the foregoing, prior to filing the Form S-4 (or any amendment or supplement thereto) or mailing the Proxy Statement/Prospectus (or any amendment or supplement thereto) or responding to any comments of the SEC with respect thereto, each of the Company and Parent shall (i) provide the other party an opportunity to review and comment on such document or response (including the proposed final version of such document or response) and shall consider such comments in good faith and (ii) promptly provide the other party with a copy of any such document or response.

(d) Each of the Company and Parent shall advise the other, promptly after receipt of notice thereof, of the time of effectiveness of the Form S-4, the issuance of any stop order relating thereto or the suspension of the qualification of the Parent Shares to be issued in connection with the consummation of the transactions contemplated by this Agreement for offering or sale in any jurisdiction. Each of the Company and Parent shall use its reasonable best efforts to have any such stop order or suspension lifted, reversed or otherwise terminated. Each of the Company and Parent shall also take any other action required to be taken under the Securities Act, the Exchange Act, any applicable foreign or state securities or “blue sky” laws and the rules and regulations thereunder in connection with the Merger and the issuance of the Parent Shares to be issued in connection with the consummation of the transactions contemplated by this Agreement.

(e) If, prior to the Effective Time, any event occurs with respect to any party hereto or any of its Subsidiaries, or any change occurs with respect to other information supplied by such party for inclusion in the Form S-4 or the Proxy Statement/Prospectus, which is required to be described in an amendment of, or a supplement to, the Form S-4 or the Proxy Statement/Prospectus, such party shall promptly notify the other parties hereto of such event, and the Company and Parent shall cooperate (i) in the prompt filing with the SEC of any necessary amendment or supplement to the Form S-4 or the Proxy Statement/Prospectus so that such documents would not include any misstatement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading and (ii) to the extent required by Law, in disseminating the information contained in such amendment or supplement to the holders of Company Shares.

(f) Subject to the fiduciary duties of the Company Board under applicable Law, the Company will take, in accordance with applicable Law and the Company Organizational Documents, all action necessary to call, give notice of, convene and hold a meeting of holders of Company Shares (the “Shareholders Meeting”) as promptly as practicable after the Form S-4 is declared effective under the Securities Act, to consider and vote upon the approval of this Agreement. Subject to Section 4.02, the Company Board shall recommend such approval and shall take all lawful action to solicit and obtain the Company Requisite Vote. Notwithstanding anything to the contrary in this Agreement, the Company may, but shall not be required to, adjourn or postpone the Shareholders Meeting (i) to the extent necessary to ensure that any necessary supplement or amendment to the Proxy Statement/Prospectus (including with respect to an Acquisition Proposal) is provided to the holders of Company Shares a reasonable amount of time in advance of a vote on the approval of this Agreement, (ii) if the Company reasonably believes it is necessary and advisable to do so in order to solicit additional proxies in order to obtain the Company Requisite Vote, (iii) if, as of the time for which the Shareholders Meeting is originally scheduled, there are insufficient Company Shares represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of such meeting or (iv) as required by applicable Law.

(g) Parent shall use its reasonable best efforts to cause to be delivered to the Company two (2) letters from Parent’s independent accountants, one dated a date within two (2) Business Days before the date on which the Form S-4 shall become effective and one dated a date within two (2) Business Days before the Closing Date, each addressed to the Company, in form and substance reasonably satisfactory to the Company and customary in scope and substance for comfort letters delivered by independent public accountants in connection with registration statements similar to the Form S-4.

(h) The Company shall use its reasonable best efforts to cause to be delivered to Parent two (2) letters from the Company’s independent accountants, one dated a date within two (2) Business Days before the date on which the Form S-4 shall become effective and one dated a date

within two (2) Business Days before the Closing Date, each addressed to Parent, in form and substance reasonably satisfactory to Parent and customary in scope and substance for comfort letters delivered by independent public accountants in connection with registration statements similar to the Form S-4.

SECTION 5.02. Filings; Other Actions; Notification.

(a) Subject to the terms and conditions set forth in this Agreement, each of the Company, Parent and Merger Sub shall (and shall cause its respective Subsidiaries to) cooperate and use its respective reasonable best efforts to (i) promptly make any required submissions and filings under applicable Law or to Governmental Entities with respect to the Merger and the other transactions contemplated by this Agreement, (ii) promptly furnish information requested in connection with such submissions and filings to such Governmental Entities or under such applicable Law, (iii) keep the other parties reasonably informed with respect to the status of any such submissions and filings to such Governmental Entities or under such applicable Law, including with respect to: (A) the occurrence or receipt of any Consent under such applicable Law, (B) the expiration or termination of any waiting period, (C) the commencement or proposed or threatened commencement of any investigation, litigation or administrative or judicial action or proceeding under such applicable Law, and (D) the nature and status of any objections raised or proposed or threatened to be raised under such applicable Law with respect to the Merger or the other transactions contemplated by this Agreement, (iv) obtain all Consents and Permits from any Governmental Entity (including the Regulatory Clearances) or any other Person necessary to consummate the transactions contemplated by this Agreement as soon as practicable, and (v) take or cause to be taken all other actions, and do or cause to be done all other things, reasonably necessary to consummate and make effective the Merger and the other transactions contemplated by this Agreement as soon as practicable.

(b) In furtherance and not in limitation of the foregoing: each of the Company, Parent and Merger Sub shall (i) (A) make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by this Agreement as promptly as reasonably practicable following the date of this Agreement (and in any event within fifteen (15) Business Days after the date hereof (unless the parties otherwise agree)), (B) furnish as soon as practicable any additional information and documentary material that may be required or requested pursuant to the HSR Act and (C) use its reasonable best efforts to take, or cause to be taken, all other actions consistent with this Section 5.02 necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act (including any extensions thereof) as soon as practicable and (ii) (A) make or cause to be made the appropriate filings (including notice filings) as soon as practicable (and in any event by the date with respect to each such filing set forth in Section 5.02(b) of the Company Disclosure Letter (unless the parties otherwise agree)) with the FERC, the NRC, the FCC, the SCPSC, the NCUC and the GPSC relating to the transactions contemplated by this Agreement, (B) supply as soon as practicable any additional information and documentary material that may be required or requested by the FERC, the NRC, the FCC, the SCPSC, the SCORS, the NCUC and the GPSC, as applicable, in connection with the Regulatory Clearances and (C) use its reasonable best efforts to take or cause to be taken all other actions consistent with this Section 5.02 as necessary to obtain any necessary Consents and Permits from the FERC, the NRC, the FCC, the SCPSC, the NCUC and the GPSC, as applicable, in connection with the Regulatory Clearances as soon as practicable.

(c) In furtherance and not in limitation of the foregoing, as promptly as reasonably practicable following the date of this Agreement, the Company and Parent shall (i) work together in good faith to finalize the terms of the SCPCS Petition and (ii) jointly file the SCPSC Petition. Each of the Company, Parent and Merger Sub shall furnish as soon as practicable any additional information and documentary material that may be required by the SCPSC or any other Government Entity in connection with the SCPSC Petition and use its reasonable best efforts to take, or cause to be taken, all

other actions consistent with this Section 5.02 and as set forth in the SCPSC Petition necessary to obtain the SCPSC Petition Approval as soon as practicable.

(d) The Company, Parent and Merger Sub shall, subject to applicable Law relating to the exchange of information: (i) promptly notify the other parties of (and if in writing, furnish the other parties with copies of) any communication to such Person from any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity regarding the filings and submissions described in this Section 5.02 and permit the other parties to review and discuss in advance (and to consider in good faith any comments made by the others in relation to) any proposed written response to any communication from any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity regarding such filings and submissions, (ii) keep the other parties reasonably informed of any developments, meetings or discussions with any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity in respect of any filings, submissions, investigations, or inquiries concerning the transactions contemplated by this Agreement and (iii) not independently participate in any meeting or discussion with any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity in respect of any filings, submissions, investigations or inquiries concerning the transactions contemplated by this Agreement without giving the other party or parties hereto prior notice of such meeting or discussions to the extent it is reasonably practical to do so and, unless prohibited by such third party or Governmental Entity or otherwise not reasonably practical, the opportunity to attend or participate; provided, however, that (x) the Company, Parent and Merger Sub shall be permitted to redact any correspondence, filing, submission or communication prior to furnishing it to the other parties to the extent such correspondence, filing, submission or communication contains competitively or commercially sensitive information, including information relating to the valuation of the transactions contemplated by this Agreement and (y) for the avoidance of doubt, the foregoing clause (iii) shall not prohibit the Company, Parent or Merger Sub from independently participating in meetings and discussions with third parties or Governmental Entities that solely relate to an explanation of the terms of this Agreement, including the conditions set forth in Article VI.

(e) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 5.02, Parent, Merger Sub and the Company agree to take promptly any and all steps necessary to avoid, eliminate or resolve each and every impediment to and obtain all Consents under applicable Laws that may be required by any Governmental Entity (including any Regulatory Clearances and the SCPSC Petition Approval), so as to enable the parties to consummate the Merger and the other transactions contemplated by this Agreement as soon as practicable, including committing to and effecting, by consent decree, hold separate orders, trust, or otherwise, (i) selling, licensing, holding separate or otherwise disposing of assets or businesses of Parent or the Company or any of their respective Subsidiaries, (ii) terminating, relinquishing, modifying, or waiving existing relationships, ventures, contractual rights, obligations or other arrangements of Parent or the Company or any of their respective Subsidiaries and (iii) creating any relationships, ventures, contractual rights, obligations or other arrangements of Parent or the Company or any of their respective Subsidiaries (each, a “Remedial Action”); provided, however, that any Remedial Action may, at the discretion of the Company or Parent, be conditioned upon consummation of the transactions contemplated by this Agreement.

(f) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 5.02, in the event that any Proceeding is commenced, threatened or is reasonably foreseeable challenging any of the transactions contemplated by this Agreement and such Proceeding seeks, or would reasonably be expected to seek, to prevent, materially impede or materially delay the consummation of such transactions, Parent shall use reasonable best efforts to take or cause to



be taken any and all action, including a Remedial Action, to avoid or resolve any such Proceeding as promptly as practicable. In addition, each of the Company, Parent and Merger Sub shall cooperate with each other and use its respective reasonable best efforts to contest, defend and resist any such litigation, action or proceeding and to have vacated, lifted, reversed or overturned any Order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents, delays, interferes with or restricts consummation of the transactions contemplated by this Agreement as promptly as practicable.

(g) From the date hereof until the earlier of the Effective Time and the date this Agreement is terminated pursuant to Article VII, neither Parent, Merger Sub, nor Company shall, nor shall they permit their respective Subsidiaries to, acquire or agree to acquire any rights, assets, business, Person or division thereof (through acquisition, license, joint venture, collaboration or otherwise), if such acquisition would reasonably be expected to materially increase the risk of not obtaining, or would reasonably be expected to prevent or prohibit, or materially impede, interfere with or delay, obtaining, any applicable Consent under applicable Laws (including any Regulatory Clearance and the SCPSC Petition Approval) with respect to the transactions contemplated by this Agreement. Section 5.02(g) of the Company Disclosure Letter sets forth the approach to the coordination of matters related to the Company's pending acquisition described as Item 3 of Section 3.01(f) of the Company Disclosure Letter and matters related to this Agreement.

(h) The Company and its Subsidiaries (as applicable) shall, to the extent reasonably practicable, subject to applicable Law relating to the exchange of information and except as would be in violation of, or result in a waiver or loss of, the attorney-client privilege or work-product doctrine: (i) within 48 hours of receipt thereof, notify Parent of (and if in writing, furnish Parent with copies of) any material communication to the Company or its Subsidiaries from any Governmental Entity related to or arising out of any material claim, hearing, investigation or Proceeding, whether criminal or civil in nature, relating to or arising out of the construction, or cessation of the construction, of nuclear power Units 2 and 3 at the Summer Station or the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof) (collectively, "Nuclear Litigation") and permit Parent to review and discuss in advance (and consider in good faith any comments made by Parent in relation to) any proposed written response to any material communication from any Governmental Entity related to or arising out of any Nuclear Litigation, (ii) keep Parent reasonably informed of any developments, meetings or discussions with any Governmental Entity related to or arising out of any Nuclear Litigation, and (iii) use good faith efforts to give Parent notice (which notice shall be prior notice to the extent providing prior notice is reasonably practical) of any material meetings or discussions relating to or arising out of any Nuclear Litigation (and consider in good faith any comments or guidance from Parent in relation to such meeting or discussions) and, if appropriate in the Company's reasonable judgment, provide Parent the opportunity to attend or participate in such meetings or discussions.

(i) Notwithstanding anything set forth in this Agreement, Parent and its Affiliates shall not be required to and the Company and its Affiliates shall not be required to, unless conditioned on the Closing, and without the prior written consent of Parent (which consent may be withheld at Parent's sole discretion) the Company shall not and shall cause its Subsidiaries not to, in connection with obtaining any Consent or Permit, or with respect to any actions required under this Section 5.02, offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment or sanction (including any Remedial Action), that constitutes a Burdensome Condition.

(j) Notwithstanding anything set forth in this Agreement, Parent and its Affiliates shall not be required to and the Company and its Affiliates shall not be required to, unless conditioned on the Closing, and without the prior written consent of Parent (which consent may be withheld at

Parent's sole discretion) the Company shall not and shall cause its Subsidiaries not to, in connection with the SCPSC Petition, offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment or sanction (including any Remedial Action) that (i) materially changes the proposed terms, conditions, or undertakings set forth in the SCPSC Petition or (ii) significantly changes the economic value of the proposed terms set forth in the SCPSC Petition, in each case, as reasonably determined by Parent in good faith.

SECTION 5.03. Access and Reports; Confidentiality.

(a) Subject to applicable Law relating to the exchange of information, upon reasonable notice, the Company and Parent shall, and shall cause each of their respective Subsidiaries to, afford to the other party's Representatives reasonable access, during normal business hours throughout the period prior to the Effective Time, to its employees, properties, books, contracts and records. During such period, the Company and Parent shall, and shall cause each of their respective Subsidiaries to, furnish promptly to the other party (i) to the extent not publicly available, a copy of each report, schedule, registration statement and other document (A) filed by it during such period pursuant to applicable Law or (B) filed with, furnished to or sent to the SEC, the FERC, the FCC, the NRC, the SCPSC, the SCORS, the NCUC, the GPSC or any other federal or state regulatory agency or commission and (ii) all information concerning its business, properties and personnel as may reasonably be requested by the other party; provided, however, that no investigation pursuant to this Section 5.03(a) shall affect or be deemed to modify any representation or warranty made herein; provided, further, that the foregoing shall not require the Company and Parent to (A) permit any inspection, or to disclose any information, that in the reasonable judgment of such party, would result in the disclosure of any trade secrets of third parties or violate any of its obligations to a third party with respect to confidentiality if the Company or Parent, as applicable, shall have used commercially reasonable efforts to obtain the consent of such third party to such inspection or disclosure, (B) disclose any privileged information of such party or any of its Subsidiaries, (C) permit any invasive environmental testing or sampling at any property or (D) take or allow any action that would unreasonably interfere with such party's or any of its Subsidiaries' business or operations. All requests for information made pursuant to this Section 5.03 shall be directed to the executive officer or other Person designated by the Company or Parent, as applicable. Notwithstanding the foregoing, with respect to Parent and its Subsidiaries, the access to and exchange of information described in this Section 5.03(a) shall be limited to the extent reasonably necessary or related to the consummation of the Merger and the other transactions contemplated by this Agreement.

(b) Each of the Company, Parent and Merger Sub will comply with the terms and conditions of that certain letter agreement, dated October 8, 2017, between Parent and the Company (as may be amended from time to time, the "Confidentiality Agreement"), and will hold and treat, and will cause their respective Representatives to hold and treat, in confidence all documents and information exchanged pursuant to Section 5.03(a) in accordance with the Confidentiality Agreement, which Confidentiality Agreement shall remain in full force and effect in accordance with its terms.

SECTION 5.04. Stock Exchange Delisting and Listing.

(a) Prior to the Closing Date, the Company shall cooperate with Parent and use its reasonable best efforts to take or cause to be taken all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under applicable Law and rules and policies of the NYSE to enable the delisting by the Surviving Corporation of the Company Shares from the NYSE and the deregistration of the Company Shares under the Exchange Act as promptly as practicable after the Effective Time and in accordance with applicable Law.

(b) Parent shall use its reasonable best efforts to cause the Parent Shares to be issued in connection with the transactions contemplated by this Agreement to be approved for listing on the NYSE, subject to official notice of issuance, prior to the Closing Date.

SECTION 5.05. Publicity. The initial news release regarding the Merger shall be a joint news release reasonably agreed between Parent and the Company and, except with respect to any action taken pursuant to Section 4.02 or Section 7.01, thereafter the Company and Parent each shall consult with each other prior to issuing, and give each other the opportunity to review and comment upon, any news releases or otherwise making public announcements with respect to the Merger and the other transactions contemplated by this Agreement, except as such party may reasonably conclude may be required by Law or by obligations pursuant to any listing agreement with or rules of any national securities exchange or interdealer quotation service or as may be requested by any Governmental Entity.

SECTION 5.06. Employee Matters.

(a) Following the Effective Time and until December 31, 2019 (the “Continuation Period”), Parent shall provide, or shall cause the Surviving Corporation to provide, the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time and not covered by any collective bargaining agreement (the “Company Non-Union Employees”) with (i) annual base compensation no less than the annual base compensation provided to such Company Non-Union Employees immediately prior to the Effective Time, (ii) annual target cash incentive opportunities that are no less than the annual target cash incentive opportunities provided to such Company Non-Union Employees immediately prior to the Effective Time, subject to the satisfaction of performance criteria determined by Parent (consistent with the form and terms and conditions (including performance criteria) of such awards provided to other similarly situated employees of Parent) and other terms and conditions of Parent’s annual incentive program, (iii) long-term target incentive award opportunities that are no less than the long-term target incentive award opportunities provided to such Company Non-Union Employees immediately prior to the Effective Time (such long-term incentive awards to be provided in such a form, and subject to such performance and vesting criteria and other terms and conditions, as Parent shall determine, consistent with the form and terms and conditions (including performance criteria) of such awards provided to other similarly situated employees of Parent), (iv) employment within a 50-mile radius from each such Company Non-Union Employee’s location of employment immediately prior to the Effective Time and duties and responsibilities similar to what such Company Non-Union Employee had immediately prior to the Effective Time, (v) severance benefits that are no less favorable than those set forth in Section 5.06(a) of the Company Disclosure Letter and (vi) other employee benefits that are substantially comparable in the aggregate to the employee benefits provided to such Company Non-Union Employees immediately prior to the Effective Time. Further Parent shall provide, or shall cause the Surviving Corporation to provide, the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time and who are covered by a collective bargaining agreement with (A) compensation and benefits and other terms and conditions of employment in accordance with the terms of such collective bargaining agreement or any subsequently adopted collective

bargaining agreement, as in effect from time to time, and (B) severance benefits that are no less favorable than those set forth in Section 5.06(a) of the Company Disclosure Letter.

(b) Without limiting the generality of Section 5.06(a) but subject to the obligations set forth in Section 5.06(a), from and after the Effective Time, Parent shall, or shall cause the Surviving Corporation to, assume, honor and continue during the Continuation Period or, if later, until all obligations thereunder have been satisfied, all of the Company's employment, severance, retention, termination, deferred compensation, and change in control plans, policies, programs, agreements and arrangements maintained by the Company or any of its Subsidiaries, in each case, as in effect at the Effective Time, including with respect to any payments, benefits or rights arising as a result of the transactions contemplated by this Agreement (either alone or in combination with any other event), and Parent or the Surviving Corporation may not amend, modify or terminate any such plan, policy, program, agreement or arrangement unless and solely to the extent permitted under the terms thereof as in effect at the Effective Time or otherwise as required to comply with applicable Law. In addition, to the extent required by the express terms of any Company Benefit Plan, Parent shall, or shall cause the Surviving Corporation to, expressly assume and agree to perform all obligations under and with respect to the terms of each such Company Benefit Plan. Notwithstanding anything to the contrary herein, Parent shall, or shall cause the Surviving Corporation to, maintain without amendment (other than as required to comply with applicable Law) for the duration of the Continuation Period each of the Company Benefit Plans listed on Section 5.06(b) of the Company Disclosure Letter. For avoidance of doubt, Parent shall assume, honor and continue the Company's change in control plans in accordance with the foregoing solely with respect to any payments, benefits or rights arising as a result of the transactions contemplated by this Agreement (either alone or in combination with any other event), and shall not be obligated to provide any additional payments, benefits or rights under such plans in connection with any subsequent change in control of Parent or the Surviving Corporation that may occur after the Merger.

(c) With respect to all plans maintained by Parent, the Surviving Corporation or their respective Subsidiaries in which the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time (the "Company Employees") are eligible to participate after the Closing Date (including any vacation, paid time-off and severance plans) for purposes of determining eligibility to participate, level of benefits and vesting (but not benefit accruals under any defined benefit pension plan), each Company Employee's service with the Company or any of its Subsidiaries (as well as service with any predecessor employer of the Company or any such Subsidiary, to the extent service with the predecessor employer is recognized by the Company or such Subsidiary) shall be treated as service with Parent, the Surviving Corporation or any of their respective Subsidiaries or any Commonly Controlled Entity, in each case, to the extent such service would have been recognized by the Company or its Subsidiaries under analogous Company Benefit Plans prior to the Effective Time; provided, however, that such service need not be recognized to the extent that such recognition would result in any duplication of benefits for the same period of service; and, provided further, that no Company Employee shall be entitled based on such prior credited service or otherwise to participate in any frozen or grandfathered plan or benefit formula of Parent or any of its Subsidiaries that would not be offered to employees first hired by Parent or its Subsidiaries after the Effective Time.

(d) Without limiting the generality of Section 5.06(a), Parent shall, or shall cause the Surviving Corporation to, waive any pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods under any welfare benefit plan maintained by Parent, the Surviving Corporation or any of their respective Subsidiaries in which Company Employees (and their eligible dependents) will be eligible to participate from and after the Effective Time, except to the extent that such pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods would not have been satisfied or waived under the comparable Company Benefit Plan immediately prior to the Effective Time; provided, however, that in the case of an insured plan, such waivers shall be made only to

the extent the insurer consents thereto, and Parent and the Surviving Corporation shall use commercially reasonable efforts to obtain such consent. Parent shall, or shall cause the Surviving Corporation to, recognize the dollar amount of all co-payments, deductibles and similar expenses incurred by each Company Employee (and his or her eligible dependents) during the calendar year or plan year in which the Effective Time occurs for purposes of satisfying such year's deductible and co-payment limitations under the relevant welfare benefit plans in which they will be eligible to participate from and after the Effective Time; provided, however, that in the case of an insured plan, such amounts shall be taken into account only to the extent the insurer consents thereto, and Parent and the Surviving Corporation shall use commercially reasonable efforts to obtain such consent.

(e) The provisions of this Section 5.06 are solely for the benefit of the parties to this Agreement, and no other Person (including any current or former employee of the Company or its Subsidiaries or any beneficiary or dependent thereof) shall be regarded for any purpose as a third-party beneficiary of this Section 5.06, and no provision of this Section 5.06 shall create such rights in any such Persons. Except as set forth in Section 5.06(b), no provision of this Agreement shall be construed (i) as a guarantee of continued employment of any employee of the Company or its Subsidiaries, (ii) to prohibit Parent or its Subsidiaries (including the Surviving Corporation) from having the right to terminate the employment of any such employee, (iii) to require Parent or its Subsidiaries to continue to pay or provide any such employee any compensation or benefits after such termination of employment, other than any severance benefits that may be provided pursuant to Section 5.06(a)(v); (iv) to permit the amendment, modification or termination of any Company Benefit Plan or employee benefit plan of Parent or its Subsidiaries (in each case solely to the extent any such amendment, modification or termination is prohibited in accordance with the terms of the applicable plan) or (v) as an amendment or modification of the terms of any Company Benefit Plan or employee benefit plan or Parent or its Subsidiaries.

SECTION 5.07. Expenses. Except as set forth in Section 5.09(c), whether or not the Merger is consummated, all costs and expenses incurred in connection with this Agreement and the Merger and the other transactions contemplated by this Agreement shall be paid by the party incurring such expenses.

SECTION 5.08. Indemnification; Directors' and Officers' Insurance.

(a) From and after the Effective Time, Parent shall indemnify and hold harmless, to the fullest extent permitted under applicable Law, each present and former director and officer of the Company and its Subsidiaries (in each case, when acting in such capacity) (collectively, the "Indemnified Parties") from and against any and all costs and expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages and liabilities (collectively, "Costs") incurred in connection with any Proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to matters existing or occurring at or prior to the Effective Time, including the transactions contemplated by this Agreement. From and after the Effective Time, Parent shall advance expenses to each Indemnified Party claiming indemnification pursuant to this Section 5.08 as incurred to the fullest extent permitted under applicable Law; provided, however, that such Indemnified Party provides an undertaking to repay such advances if it is ultimately determined that such Indemnified Party is not entitled to such indemnification.

(b) From and after the Effective Time, Parent shall cause the Surviving Corporation to honor the provisions regarding (i) exculpation of directors, (ii) limitation of liability of directors and officers, (iii) advancement of expenses and (iv) indemnification, in each case, contained in the Company Organizational Documents (as in effect as of the date hereof), the comparable organizational documents of any of the Company's Subsidiaries (as in effect as of the date hereof) or any indemnification Contract set forth in Section 5.08(b) of the Company Disclosure Letter between the

applicable Indemnified Party and the Company or any of its Subsidiaries existing immediately prior to the Effective Time (it being understood and agreed that, for the avoidance of doubt and without limiting the generality of the foregoing, the foregoing obligation of Parent shall apply with respect to, and remain in full force and effect as to any pending or future claim, hearing, investigation or Proceeding relating to or arising out of the construction, or cessation of the construction, of nuclear power Units 2 and 3 at the Summer Station or the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof)). For a period of three (3) years following the Effective Time, Parent shall cause the Surviving Corporation and its Subsidiaries not to amend, replace or otherwise modify the provisions regarding (A) exculpation of directors, (B) limitation of liability of directors and officers, (C) advancement of expenses and (D) indemnification, in each case, contained in their respective organizational documents; provided, however, that such three (3) year period shall be extended for so long as any Proceeding is pending or asserted against an Indemnified Party that implicates the rights set forth in the foregoing clauses (A) through (D); provided, further, that such prohibition on amendments, replacements and other modifications shall not apply to amendments, replacements and other modifications that are prospective in their application and exclude any effect on the Indemnified Parties.

(c) From and after the Effective Time, Parent shall cause the Surviving Corporation to maintain for a period of at least six (6) years following the Effective Time directors' and officers' liability insurance and fiduciary liability insurance policies (collectively, "D&O Insurance") from an insurance carrier with the same or better credit rating as the Company's current insurance carrier with benefits, levels of coverage and terms and conditions at least as favorable as the Company's D&O Insurance existing immediately prior to the Effective Time with respect to matters existing or occurring at or prior to the Effective Time, including for acts or omissions in connection with this Agreement and the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing, in no event shall Parent or the Surviving Corporation be required to expend for such D&O Insurance coverage an annual premium amount greater than three hundred percent (300%) of the aggregate amount of the annual premiums currently paid by the Company for D&O Insurance immediately prior to the Effective Time (such aggregate amount of premiums currently paid, the "Maximum Annual Premium"). If the annual premiums of such D&O Insurance coverage exceed the Maximum Annual Premium, Parent and the Surviving Corporation shall obtain a policy with as much coverage as reasonably available for an annual cost not exceeding the Maximum Annual Premium.

(d) Notwithstanding Section 5.08(c), the Company may in its sole discretion obtain, prior to the Effective Time, six (6) year pre-paid "tail" insurance coverage, at an aggregate cost no greater than six times the Maximum Annual Premium, providing for D&O Insurance not materially less favorable than that described in Section 5.08(c). If the Company has obtained such policy pursuant to this Section 5.08(d), Parent will cause such policy to be maintained in full force and effect for its full term and cause all obligations thereunder to be honored by the Surviving Corporation, and Parent will have no further obligation to purchase or pay for insurance pursuant to Section 5.08(c).

(e) If Parent, the Surviving Corporation or any of their respective successors or assigns (i) consolidates or merges with or into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns of Parent or the Surviving Corporation, as applicable, shall assume and comply with all of the obligations applicable to Parent or the Surviving Corporation, respectively, set forth in this Section 5.08.

(f) The provisions of this Section 5.08 are intended to be for the benefit of, and shall be enforceable by, each of the Indemnified Parties. The obligations of Parent and the Surviving

Corporation in this Section 5.08 may not be terminated or modified in any manner that adversely affects any Indemnified Party without the consent of such Indemnified Party. Parent will honor, guaranty and stand as surety for, and will cause the Surviving Corporation and its Subsidiaries and successors to honor and comply with, the covenants contained in this Section 5.08.

(g) The rights of the Indemnified Parties under this Section 5.08 shall be in addition to, and not in limitation of, any rights such Indemnified Parties may have under the Company Organizational Documents or any of the comparable organizational documents of any of the Company's Subsidiaries, or under any applicable Contracts or Law.

#### SECTION 5.09. Financing.

(a) The Company shall, and shall cause its Subsidiaries to, (i) provide commercially reasonable assistance with the preparation of rating agency presentations and lender, underwriter and initial purchaser presentations, offering memoranda and prospectuses and any discussions regarding the business, financial statements, and management discussion and analysis of the Company and its Subsidiaries, all for use in connection with the financing activities of Parent, including any registration statement filed with the SEC where Parent determines that the inclusion of such information is required or desirable, and (ii) request that its independent accountants provide customary and reasonable assistance to Parent or any of its Subsidiaries, as applicable, in connection with providing customary comfort letters in connection with the financing activities of Parent; provided, further, that nothing in this Agreement shall require the Company to cause the delivery of (A) legal opinions or reliance letters or any certificate as to solvency or any other certificate necessary for such financing activities, other than as allowed by the preceding clause (ii), (B) any audited financial information or any financial information prepared in accordance with Regulation S-K or Regulation S-X under the Securities Act or any financial information in a form not customarily prepared by the Company with respect to any period or (C) any financial information with respect to a month or fiscal period that has not yet ended or has ended less than forty-five (45) days prior to the date of such request.

(b) Notwithstanding anything to the contrary contained in this Agreement (including this Section 5.09): (i) nothing in this Agreement (including this Section 5.09) shall require any such cooperation set forth in Section 5.09(a) to the extent that it would require the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives to (A) pay any commitment or other fees, reimburse any expenses or otherwise incur any liabilities or give any indemnities prior to the Effective Time, (B) provide any cooperation that would unreasonably interfere with the ongoing business or operations of the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives, (C) enter into or approve any agreement or other documentation effective prior to the Effective Time or agree to any change or modification of any existing agreement or other documentation that would be effective prior to the Effective Time, (D) require the Company to provide *pro forma* financial statements or *pro forma* adjustments reflecting the financing activities of Parent or any description of all or any component of such financing activities (it being understood that the Company shall use reasonable best efforts to assist in preparation of *pro forma* financial adjustments to the extent otherwise relating to the Company and required by the financing activities of Parent), (E) require the Company or the Subsidiaries of the Company to provide *pro forma* financial statements or *pro forma* adjustments reflecting transactions contemplated or required hereunder (it being understood that the Company shall use reasonable best efforts to assist in preparation of *pro forma* financial adjustments to the extent otherwise relating to the Company and required by the financing activities of Parent), (F) provide any cooperation or take any action that, in the reasonable judgment of the Company, would result in a violation of any confidentiality agreement or material agreement or the loss of any attorney-client or other similar privilege, (G) make any representation or warranty in connection with the financing activities of Parent or the marketing or arrangement thereof, (H) provide any

cooperation, or take any action, that would cause any representation or warranty in this Agreement to be breached or any condition to the Closing set forth in this Agreement to fail to be satisfied or (I) cause the Company, any of its Subsidiaries or any of their respective boards of directors (or equivalent bodies) to approve or authorize the financing activities of Parent, and (ii) no action, liability or obligation (including any obligation to pay any commitment or other fees or reimburse any expenses) of the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives under any certificate, agreement, arrangement, document or instrument relating to the financing activities of Parent shall be effective until the Effective Time.

(c) Parent shall (i) promptly reimburse the Company for all reasonable and out-of-pocket costs or expenses (including reasonable and documented costs and expenses of counsel and accountants) incurred by the Company, any of its Subsidiaries and any of their respective Representatives in connection with any cooperation provided for in Section 5.09(a) and (ii) indemnify and hold harmless the Company, each of its Subsidiaries and each of their respective Representatives against any claim, loss, damage, injury, liability, judgment, award, penalty, fine, Tax, cost (including cost of investigation), expense (including fees and expenses of counsel and accountants) or settlement payment incurred as a result of, or in connection with, any cooperation provided for in Section 5.09(a) or the financing activities of Parent and any information used in connection therewith, unless the Company acted in bad faith or engaged in willful misconduct and other than in the case of fraud.

(d) Without limiting the generality of the foregoing, promptly following Parent's request, the Company shall deliver to each of the lenders with respect to the Indebtedness set forth in Section 5.09(d) of the Parent Disclosure Letter (the "Existing Loan Lenders") a notice (an "Existing Loan Notice") prepared by Parent, in form and substance reasonably acceptable to the Company, notifying each of the Existing Loan Lenders of this Agreement and the contemplated Merger. At Parent's election, the Existing Loan Notice with respect to one or more of the Existing Loan Lenders may include a request for a consent, in form and substance reasonably acceptable to the Company (an "Existing Loan Consent"), to (i) the consummation of the Merger and the other transactions contemplated by this Agreement, and (ii) certain modifications of (or waivers under or other changes to) any agreement or documentation relating to the Company's or its Subsidiaries', as applicable, relationship with such Existing Loan Lender; provided, however, that no such modifications, waivers or changes shall be effective prior to the Effective Time.

(e) Parent and Merger Sub acknowledge and agree that the obtaining of any Existing Loan Consent is not a condition to the Closing.

SECTION 5.10. Rule 16b-3. Prior to the Effective Time, each of the Company and Parent shall take such steps as may be reasonably necessary or advisable to cause (a) any dispositions of Company equity securities (including derivative securities) pursuant to the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act and (b) any acquisitions of Parent equity securities (including derivative securities) pursuant to the transactions contemplated by this Agreement by each individual who may become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent to be exempt under Rule 16b-3 promulgated under the Exchange Act.

SECTION 5.11. Parent Consent. Within twenty-four (24) hours after the execution of this Agreement, Parent shall execute and deliver, in accordance with Chapter 11 of the SCBCA and in its capacity as the sole shareholder of Merger Sub, a written consent approving this Agreement.



SECTION 5.12. Merger Sub and Surviving Corporation Compliance. Parent shall cause Merger Sub or the Surviving Corporation, as applicable, to comply with all of its respective obligations under this Agreement, and prior to the Effective Time, Merger Sub shall not engage in any activities of any nature except as provided in or in furtherance of, or contemplated by this Agreement.

SECTION 5.13. Takeover Statutes. If any Takeover Statute is or may become applicable to the Merger or the other transactions contemplated by this Agreement, Parent, Merger Sub, the Company and the Company Board shall use reasonable best efforts to take such actions as are necessary so that such transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise act to eliminate or minimize the effects of such Takeover Statute on such transactions.

SECTION 5.14. Control of Operations. Without limiting any party's rights or obligations under this Agreement, the parties hereto understand and agree that (a) nothing contained in this Agreement will give any party hereto, directly or indirectly, the right to control, direct or influence any other party's operations prior to the Effective Time and (b) prior to the Effective Time, each party will exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations.

SECTION 5.15. Resignation of Directors. The Company will cause each of the directors of the Company to submit at the Closing a letter of resignation in form reasonably satisfactory to Parent and effective as of the Effective Time. Notwithstanding the foregoing, the Company will not be in breach of this Section 5.15 if it fails to obtain the resignation of any such director if Parent will have the power, directly or indirectly, to remove any such Person from his or her position as a director of the Company without cause immediately after the Effective Time with no liability in excess of \$500,000 in the aggregate.

SECTION 5.16. Additional Matters. Parent hereby confirms that, subject to the occurrence of the Effective Time, it:

(a) intends to maintain South Carolina Electric & Gas Company's corporate headquarters in Cayce, South Carolina;

(b) will make a good faith commitment to give the employees of the Company and its Subsidiaries due and fair consideration for other employment and promotion opportunities within the larger Parent organization, both inside and outside of South Carolina, to the extent any employment positions are re-aligned, reduced or eliminated in the future as a result of the Merger;

(c) intends that Parent's board of directors will take all necessary action as soon as practical after the Effective Time to appoint a mutually agreeable current member of the Company Board or the Company's executive management as a director to serve on Parent's board of directors; and

(d) intends to increase the Company's historic level of corporate contributions to charities identified by the Company's leadership by \$1,000,000.00 per year for at least five (5) years after the Effective Time and to maintain or increase historic levels of community involvement, low income funding and economic development efforts in the Company's current operating area.

SECTION 5.17. Shareholder Litigation. The Company shall advise Parent promptly in writing of any Proceeding brought by a holder of Company Shares or any other Person against the Company or its directors or officers arising out of or relating to this Agreement or the transactions

contemplated by this Agreement (the “Shareholder Litigation”) and shall keep Parent reasonably informed regarding any such matter. The Company shall not settle any such shareholder litigation without Parent’s consent, not to be unreasonably withheld or delayed.

SECTION 5.18. Advice of Changes. Each of Parent and the Company will, to the extent not in violation of applicable Law, promptly advise the other of any Change of which it has Knowledge, (a) having or reasonably likely to have, individually or in the aggregate, a Parent Material Adverse Effect or a Company Material Adverse Effect, as the case may be, or (b) that would or would be reasonably likely to cause or constitute a material breach of any of its representations, warranties or covenants contained in this Agreement; provided, however, that (i) no such notification will operate as a waiver of or otherwise affect the representations, warranties or covenants of the parties or the conditions to the obligations of the parties under this Agreement, (ii) the delivery of any notice pursuant to this Section 5.18 shall not limit or otherwise affect the remedies available under this Agreement to the party receiving such notice and (iii) a failure to comply with this Section 5.18 shall not constitute the failure of any condition set forth in Article VI.

SECTION 5.19. Certain Tax Matters.

(a) Each of the parties shall use its reasonable best efforts to cause the Merger to qualify for the Intended Tax Treatment. None of the parties shall (and each of the parties shall cause their respective Subsidiaries not to) take any action (or fail to take any action) if taking (or failing to take) such action could reasonably be expected to cause the Merger to fail to qualify for the Intended Tax Treatment. The parties shall consider in good faith such amendments to this Agreement as may be reasonably required to cause the Merger to qualify for the Intended Tax Treatment.

(b) Each of the parties shall use its reasonable best efforts to obtain the Tax opinions to be attached as exhibits to the Proxy Statement/Prospectus and the Form S-4, including by (i) delivering to Morgan, Lewis & Bockius LLP and Mayer Brown LLP, prior to the filing of the Proxy Statement/Prospectus and the Form S-4, Tax representation letters in substantially the forms set forth in Section 5.19(b) of the Parent Disclosure Letter and Section 5.19(b) of the Company Disclosure Letter, respectively, and (ii) delivering to Morgan, Lewis & Bockius LLP and Mayer Brown LLP, dated and executed as of the Closing Date, Tax representation letters in substantially the forms set forth in Section 5.19(b) of the Parent Disclosure Letter and Section 5.19(b) of the Company Disclosure Letter, respectively. Each of the parties shall use its reasonable best efforts not to, and not permit any of its Affiliates to, take or cause to be taken any action that would cause to be untrue (or fail to take or cause not to be taken any action which inaction would cause to be untrue) any of the representations, warranties and covenants made to counsel in the Tax representation letters described in this Section 5.19(b).

(c) This Agreement is intended to constitute, and the parties hereto adopt this Agreement as, a “plan of reorganization” for purposes of Sections 354, 361 and 368 of the Code. The parties shall treat the Merger as a “reorganization” within the meaning of Section 368(a) of the Code for United States federal, state and other relevant Tax purposes.

**ARTICLE VI**

**CONDITIONS**

SECTION 6.01. Conditions to Each Party’s Obligation to Effect the Merger. The respective obligation of each party hereto to effect the Merger is subject to the satisfaction or (to the extent permitted by Law) waiver at or prior to the Closing of each of the following conditions:

(a) Shareholder Approval. This Agreement shall have been duly approved by holders of Company Shares constituting the Company Requisite Vote;

(b) Orders. No Governmental Entity of competent jurisdiction shall have enacted, entered, promulgated or enforced any Law, executive order, ruling, judgment, injunction or other order (collectively, “Orders”) that is in effect and restrains, enjoins, prevents or otherwise prohibits the consummation of the Merger or makes the consummation of the Merger illegal;

(c) Regulatory Conditions. Each of the conditions set forth in Section 6.01(c) of the Company Disclosure Letter with respect to the Consents described therein (the “Regulatory Conditions”) shall have been satisfied;

(d) Approval of SCPSC Petition. The issuance by the SCPSC of an Order approving the SCPSC Petition (other than the request for the SCPSC to take the actions contemplated by Section 6.02(g), which actions are addressed in Section 6.02(g)), unless otherwise consented to by Parent in its sole discretion, without any (i) material changes to the proposed terms, conditions, or undertakings set forth in Sections 2 and 3 of the key terms summarized in Appendix A attached to this Agreement and incorporated in the SCPSC Petition or (ii) a significant change to the economic value of proposed terms set forth in Sections 2 and 3 of the key terms summarized in Appendix A attached to this Agreement and incorporated in the SCPSC Petition, in each case as reasonably determined by Parent in good faith (the “SCPSC Petition Approval”) (it being understood and agreed that the condition set forth in this Section 6.01(d) shall be satisfied upon the issuance of such Order by the SCPSC without regard to any rehearing or appeals process (including the filing of any motion for reconsideration or petition for judicial review), or other judicial or administrative process, subsequent to the initial issuance of such Order);

(e) Listing. The Parent Shares to be issued in connection with the transactions contemplated by this Agreement shall have been approved for listing on the NYSE, subject to official notice of issuance; and

(f) Form S-4. The Form S-4 shall have been declared effective under the Securities Act and shall not be subject to any stop order or Proceeding seeking a stop order.

SECTION 6.02. Additional Conditions to Obligations of Parent and Merger Sub.  
The obligations of Parent and Merger Sub to effect the Merger are further subject to the satisfaction or (to the extent permitted by Law) waiver at or prior to the Closing of each of the following conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties of the Company set forth in Section 3.01 (except for those contained in Section 3.01(c), Section 3.01(d)(i), Section 3.01(f)(i), Section 3.01(r) and Section 3.01(s)) shall be true and correct in all respects (disregarding all qualifications or limitations as to “materiality”, “Company Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), except where the failure of such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (ii) each of the representations and warranties of the Company set forth in Section 3.01(c) shall be true and correct in all respects (except for de minimis inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or

warranty shall be true and correct only as of such specified date), (iii) each of the representations and warranties of the Company set forth in Section 3.01(d)(i) and Section 3.01(s) shall be true and correct in all material respects (disregarding all qualifications or limitations as to “materiality”, “Company Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date) and (iv) each of the representations and warranties of the Company set forth in Section 3.01(f)(i) and Section 3.01(r) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date);

(b) Performance of Obligations of the Company. The Company shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date;

(c) Certificate. Parent shall have received a certificate of the Chief Executive Officer or the Chief Financial Officer of the Company, certifying that the conditions set forth in Section 6.02(a) and Section 6.02(b) have been satisfied;

(d) Absence of Burdensome Condition. No Regulatory Clearance, other approval of a Governmental Entity or other Consent, in each case in connection with the Merger, or Order related to any of the foregoing, shall impose or require any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions, or any structural or remedial actions (including a Remedial Action), that constitute a Burdensome Condition;

(e) No MAE. Since the date of this Agreement, there shall not have occurred any Change or Changes that have or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect;

(f) No Actions Affecting SCPSC Petition. No Governmental Entity of competent jurisdiction shall have enacted any Order and no Change in Law (including no Change to the BLRA or the South Carolina Public Utility Laws) shall have been enacted, in each case which imposes any condition that would reasonably be expected to result in a (i) material change to the proposed terms, conditions, or undertakings set forth in the SCPSC Petition or (ii) a significant change to the economic value of the proposed terms set forth in the SCPSC Petition, in each case as reasonably determined by Parent in good faith;

(g) SCPSC Determination. The SCPSC shall have (i) approved the Merger with no material Changes to the terms of the Merger, (ii) made a finding that the Merger is in the public interest or (iii) made a finding that there is an absence of harm to South Carolina rate payers as a result of the Merger; and

(h) No Change in Law. Since the date of this Agreement, there shall not have occurred any (i) substantive Change in any applicable Law or any Order with respect to the BLRA, as in effect on the date of this Agreement, which has or would reasonably be expected to have an adverse effect on the Company or any of its Subsidiaries or (ii) substantive Change in any applicable Law or any Order with respect to any other South Carolina Public Utility Law, as in effect as of the date of this Agreement, which has or would reasonably be expected to have an adverse effect on the Company or any of its Subsidiaries (such Changes as set forth in (i) and (ii), the “SC Law Changes”).

SECTION 6.03. Additional Conditions to Obligation of the Company. The obligation of the Company to effect the Merger is further subject to the satisfaction or (to the extent permitted by Law) waiver on or prior to the Closing of the following conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02 (except for those contained in Section 3.02(c), Section 3.02(d)(i), Section 3.02(f)(i), Section 3.02(k) and Section 3.02(l)) shall be true and correct in all respects (disregarding all qualifications or limitations as to “materiality”, “Parent Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), except where the failure of such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (ii) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(c) shall be true and correct in all respects (except for de minimis inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), (iii) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(d)(i) and Section 3.02(l) shall be true and correct in all material respects (disregarding all qualifications or limitations as to “materiality”, “Parent Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date) and (iv) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(f)(i) and Section 3.02(k) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date);

(b) Performance of Obligations of Parent and Merger Sub. Each of Parent and Merger Sub shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date; and

(c) Certificate. The Company shall have received a certificate of the Chief Executive Officer or the Chief Financial Officer of Parent, certifying that the conditions set forth in Section 6.03(a) and Section 6.03(b) have been satisfied.

SECTION 6.04. Frustration of Closing Conditions. None of the Company, Parent or Merger Sub may rely on the failure of any condition set forth in Section 6.01, Section 6.02 or Section 6.03, as the case may be, to be satisfied if such failure was primarily caused by such party’s breach of this Agreement.

## ARTICLE VII

### TERMINATION

SECTION 7.01. Termination. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after (except as set forth below) the Company Requisite Vote is obtained:

(a) by mutual written consent of Parent and the Company;

(b) by either Parent or the Company:

(i) if the Merger shall not have been consummated on or before January 2, 2019 (the “Termination Date”); provided, however, that if any condition set forth in Section 6.01(b), Section 6.01(c) or Section 6.01(d) shall not have been satisfied at such time, the Termination Date shall automatically be extended to (and shall thereafter be deemed to be), without any action on the part of any party hereto, April 2, 2019; provided, further, that the right to terminate this Agreement pursuant to this Section 7.01(b)(i) shall not be available to any party if such party (or, in the case of Parent, Merger Sub) has breached its obligations under this Agreement in any manner that shall have been the principal cause of or resulted in the failure of a condition to any party’s obligation to effect the Merger;

(ii) if at the Shareholders Meeting (or any adjournment or postponement thereof done in accordance with this Agreement), the Company Requisite Vote shall not have been obtained; or

(iii) if any Order permanently restraining, enjoining, preventing or otherwise prohibiting consummation of the Merger shall have become final and non-appealable; provided, however, that a party may not terminate this Agreement pursuant to this Section 7.01(b)(iii) if such party (or, in the case of Parent, Merger Sub) has breached its obligations under this Agreement in a manner that shall have been the principal cause of such Order;

(c) by the Company:

(i) if the Company Board has effected a Company Adverse Recommendation Change with respect to a Superior Proposal in accordance with Section 4.02(f) and shall have approved, and concurrently with the termination hereunder the Company shall have entered into, an Alternative Acquisition Agreement with respect to a Superior Proposal; provided, however, that such termination shall not be effective and the Company shall not enter into an Alternative Acquisition Agreement, unless (A) the Company shall have complied with the provisions of Section 4.02(f) and (B) the Company has paid the Company Termination Fee to Parent; provided, further, that the right to terminate this Agreement under this Section 7.01(c)(i) shall not be available after the Company Requisite Vote shall have been obtained; or

(ii) if Parent or Merger Sub shall have breached any of their respective representations or warranties or failed to perform any of their respective covenants or other agreements contained in this Agreement, where such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.03(a) or Section 6.03(b) and (B) cannot be cured by Parent or Merger Sub by the Termination Date, or if capable of being cured, is not cured prior to the earlier of (1) the thirtieth (30<sup>th</sup>) day after written notice thereof is given by the Company to Parent and (2) the third (3<sup>rd</sup>) Business Day immediately preceding the Termination Date; provided, however, that the Company shall not have the right to terminate this Agreement pursuant to this Section 7.01(c)(ii) if the Company is then in material breach of this Agreement;

(d) by Parent:

(i) if the Company Board (or a committee thereof) shall have effected a Company Adverse Recommendation Change; provided, however, that the right to terminate under this

Section 7.01(d)(i) shall not be available after the Company Requisite Vote shall have been obtained; or

(ii) if the Company shall have breached any of its representations or warranties or failed to perform any of its covenants or other agreements contained in this Agreement, where such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.02(a) or Section 6.02(b) and (B) cannot be cured by Company by the Termination Date, or if capable of being cured, is not cured prior to the earlier of (1) the thirtieth (30<sup>th</sup>) day after written notice thereof is given by Parent to the Company and (2) the third (3<sup>rd</sup>) Business Day immediately preceding the Termination Date; provided, however, that Parent shall not have the right to terminate this Agreement pursuant to this Section 7.01(d)(ii) if either Parent or Merger Sub is then in material breach of this Agreement.

SECTION 7.02. Effect of Termination and Abandonment.

(a) Except as provided in Section 7.02(b), in the event of termination of this Agreement and the abandonment of the Merger pursuant to this Article VII, this Agreement shall forthwith become void and of no effect and there shall be no liability or obligation on the part of any party hereto (or of any of its Representatives or Affiliates), except as provided in the last sentence of Section 5.02(c), Section 5.03(b), Section 5.07, Section 5.09(c), this Section 7.02 and Article VIII, which provisions shall survive such termination; provided, however, that subject to Section 7.02(b), Section 7.02(c), and Section 7.02(d), no such termination shall relieve any party hereto (treating Parent and Merger Sub as one party) of any liability for damages to any other party hereto resulting from any Willful Breach by the party (treating Parent and Merger Sub as one party) committing such Willful Breach prior to such termination, and the aggrieved party will be entitled to all rights and remedies available at law or in equity. The parties hereto acknowledge and agree that nothing in this Section 7.02 shall be deemed to affect their right to specific performance under Section 8.12.

(b) The Company shall pay or cause to be paid to Parent or its designee a non-refundable fee of \$240,000,000 (the "Company Termination Fee") if:

(i) this Agreement is terminated by the Company pursuant to Section 7.01(c)(i);

(ii) (A) this Agreement is terminated (1) by Parent or the Company pursuant to Section 7.01(b)(i) or Section 7.01(b)(ii), or (2) by Parent pursuant to Section 7.01(d)(ii), (B) a bona fide Acquisition Proposal shall have been publicly announced or publicly disclosed and not have been withdrawn (1) in the case of a termination pursuant to Section 7.01(b)(i) or Section 7.01(d)(ii), prior to the date of such termination, and (2) in the case of a termination pursuant to Section 7.01(b)(ii), prior to the Shareholders Meeting, and (C) thereafter during the twelve (12) month period immediately following such termination, (1) the Company enters into an Alternative Acquisition Agreement or (2) an Acquisition Proposal is consummated; or

(iii) this Agreement is terminated by Parent pursuant to Section 7.01(d)(i);

If the Company Termination Fee becomes due pursuant to this Section 7.02(b), the Company shall pay Parent or its designee such Company Termination Fee by wire transfer of immediately available funds (x) in the case of a payment required by Section 7.02(b)(i), on the date of termination of this Agreement, (y) in the case of a payment required by Section 7.02(b)(ii), within two (2) Business Days after the earlier of the time when an Acquisition Proposal is consummated or an Alternative Acquisition Agreement is executed and (z) in the case of a payment required by Section 7.02(b)(iii), within two (2) Business Days of the date of termination of this Agreement, it being understood that in no event shall the Company be

required to pay the Company Termination Fee on more than one occasion. Parent shall provide to the Company notice designating an account for purposes of payment of the Company Termination Fee within forty-eight (48) hours of a request by the Company to provide such information. For purposes of Section 7.02(b)(ii), the term “Acquisition Proposal” shall have the meaning assigned to such term in Exhibit A, except that all references to 15% therein shall be deemed to be references to 50%.

(c) Parent shall pay or cause to be paid to the Company or its designee a non-refundable fee of \$280,000,000 (the “Parent Termination Fee”) if:

(i) this Agreement is terminated by Parent or the Company pursuant to Section 7.01(b)(i) and, at the time of any such termination (A) the condition set forth in Section 6.02(d) shall not have been satisfied or waived with respect to one or more Regulatory Conditions and (B) the conditions set forth in Section 6.01(a), Section 6.01(b) – (d) (unless such condition was not satisfied solely due to the proposal of a Burdensome Condition to which Parent has not agreed), Section 6.01(f), Section 6.02(a), Section 6.02(b) and Section 6.02(e) shall have been satisfied or waived (except for any such conditions that have not been satisfied as a result of a breach by Parent or Merger Sub of any of their respective obligations under this Agreement);

(ii) this Agreement is terminated by Parent or the Company pursuant to Section 7.01(b)(iii) and, at the time of any such termination (A) the condition set forth in Section 6.02(d) shall not have been satisfied or waived with respect to one or more Regulatory Conditions and (B) the conditions set forth in Section 6.01(a), Section 6.01(b) – (d) (unless such condition was not satisfied solely due to the proposal of a Burdensome Condition to which Parent has not agreed), Section 6.01(f), Section 6.02(a), Section 6.02(b) and Section 6.02(e) shall have been satisfied or waived (except for any such conditions that have not been satisfied as a result of a breach by Parent or Merger Sub of any of their respective obligations under this Agreement); or

(iii) this Agreement is terminated by the Company pursuant to Section 7.01(c)(ii) due to a material breach by Parent or Merger Sub of its obligations under Section 5.02 which breach has caused the failure of a condition set forth in Section 6.01(b), Section 6.01(c), Section 6.01(d), Section 6.02(d), Section 6.02(f), Section 6.02(g) or Section 6.02(h) to be satisfied.

If the Parent Termination Fee becomes due pursuant to this Section 7.02(c), Parent shall pay the Company or its designee the Parent Termination Fee by wire transfer of immediately available funds within two (2) Business Days of the date of termination of this Agreement, it being understood that in no event shall Parent be required to pay the Parent Termination Fee on more than one occasion. The Company shall provide to Parent notice designating an account for purposes of payment of the Parent Termination Fee within forty-eight (48) hours of a request by Parent to provide such information.

(d) Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated under circumstances in which the Company is required to pay the Company Termination Fee pursuant to Section 7.02(b) and the Company Termination Fee is paid, the payment of the Company Termination Fee shall be Parent’s and Merger Sub’s sole and exclusive remedy against the Company and its Affiliates, and their respective shareholders and Representatives, relating to or arising out of this Agreement, any agreement entered into in connection herewith or the transactions contemplated by this Agreement or thereby. Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated under circumstances in which Parent is required to pay the Parent Termination Fee pursuant to Section 7.02(c) and the Parent Termination Fee is paid, the payment of the Parent Termination Fee shall be the Company’s sole and exclusive remedy against Parent, Merger Sub and their respective Affiliates, and their respective shareholders and Representatives,



relating to or arising out of this Agreement, any agreement entered into in connection herewith or the transactions contemplated by this Agreement or thereby.

(e) Each party acknowledges that the agreements contained in Section 7.02(b) and Section 7.02(c) are an integral part of the transactions contemplated by this Agreement and that, without these agreements, such party would not enter into this Agreement. Accordingly, if the applicable party fails promptly to pay any amount due pursuant to Section 7.02(b) or Section 7.02(c), such party shall also pay any reasonable out-of-pocket costs, fees and expenses incurred by the other party (including reasonable legal fees and expenses) in connection with a Proceeding to enforce this Agreement that results in a final non-appealable Order for such amount against the party failing to promptly pay such amount. Any amount not paid when due pursuant to Section 7.02(b) or Section 7.02(c) shall bear interest from the date such amount is due until the date paid at a rate equal to the prime rate as published in *The Wall Street Journal, Eastern Edition*, in effect on the date of such payment.

## ARTICLE VIII

### MISCELLANEOUS

SECTION 8.01. Non-Survival. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement, including any rights arising out of any breach of such representations, warranties, covenants and agreements, shall survive the Effective Time, except for (a) those covenants and agreements contained herein that by their terms apply or are to be performed in whole or in part after the Effective Time and (b) those contained in this Article VIII.

SECTION 8.02. Modification or Amendment. Subject to the requirements of applicable Law, at any time prior to the Effective Time, the parties hereto (in the case of the Company or Merger Sub, by action of their respective boards of directors to the extent required by Law) may modify or amend this Agreement by written agreement, executed and delivered by duly authorized officers of the respective parties. No modification or amendment will be made which, pursuant to applicable Law or the rules of the NYSE, requires further approval by the holders of Company Shares or the holders of the Parent Shares, as applicable, without such further approval being obtained.

SECTION 8.03. Waiver. Subject to the requirements of applicable Law, at any time prior to the Effective Time, any party hereto may (a) extend the time for the performance of any of the obligations or other acts of the other parties, (b) waive any inaccuracies in the representations and warranties of the other parties contained herein or in any document delivered pursuant hereto, or (c) waive compliance by the other parties with any of the agreements or conditions contained herein; provided, however, that neither Parent nor Merger Sub may perform any of the actions set forth in the foregoing clauses (a), (b) or (c) with respect to Merger Sub or Parent, respectively. No extension or waiver will be made which, pursuant to applicable Law or the rules of the NYSE, requires further approval by the holders of Company Shares or the holders of the Parent Shares, as applicable, without such further approval being obtained. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party or parties to be bound thereby and specifically referencing this Agreement. The failure of any party hereto to assert any rights or remedies shall not constitute a waiver of such rights or remedies.

SECTION 8.04. No Other Representations or Warranties.

(a) Except for the representations and warranties set forth in Section 3.01, each of Parent and Merger Sub acknowledges and agrees that (i) none of the Company, its Subsidiaries or any other Person makes any other express or implied representation or warranty in connection with the transactions contemplated by this Agreement, (ii) it has relied solely on the representations and warranties of the Company expressly set forth in Section 3.01 and (iii) it has not been induced to enter into this Agreement by any representation, warranty or statement of or by the Company, any of its Subsidiaries or any other Person.

(b) Except for the representations and warranties set forth in Section 3.02, the Company acknowledges and agrees that (i) none of Parent, Merger Sub, any of Parent's other Subsidiaries or any other Person makes any other express or implied representation or warranty in connection with the transactions contemplated by this Agreement, (ii) it has relied solely on the representations and warranties of Parent and Merger Sub expressly set forth Section 3.02 and (iii) it has not been induced to enter into this Agreement by any representation, warranty or statement of or by Parent, Merger Sub, any of the other Subsidiaries of Parent or any other Person.

SECTION 8.05. Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed given if delivered personally, faxed (with confirmation), electronically mailed in portable document format (PDF) (with confirmation) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

if to Parent or Merger Sub, to:

Dominion Energy, Inc.  
120 Tredegar Street  
Richmond, Virginia 23219  
Fax No.: (804) 819-2233  
Attention: Mark O. Webb, Senior Vice President – Corporate Affairs and  
Chief Legal Officer  
Carlos M. Brown, Vice President and General Counsel  
Email: mark.webb@dominionenergy.com  
carlos.m.brown@dominionenergy.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP  
Gateway Plaza  
800 East Canal Street  
Richmond, Virginia 23219  
Fax No.: (804) 698-2090  
Attention: Joanne Katsantonis  
John L. Hughes, Jr.  
Email: jkatsantonis@mcguirewoods.com  
jhughes@mcguirewoods.com

if to the Company, to:

SCANA Corporation  
220 Operation Way, Mail Code D-308  
Cayce, South Carolina 29033

Fax No.: (803) 933-7676  
Attention: Jim Stuckey, Senior Vice President and General Counsel  
Email: jim.stuckey@scana.com

with a copy to (which shall not constitute notice):

Mayer Brown LLP  
71 South Wacker Drive  
Chicago, Illinois 60606  
Fax No.: (312) 706-8183  
Attention: Frederick B. Thomas  
William R. Kucera  
Email: fthomas@mayerbrown.com  
wkucera@mayerbrown.com

SECTION 8.06. Definitions. Capitalized terms used in this Agreement have the meanings specified in Exhibit A.

SECTION 8.07. Interpretation.

(a) When a reference is made in this Agreement to an Article, a Section, an Appendix or an Exhibit, such reference shall be to an Article or a Section of, or an Appendix or an Exhibit to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “or” when used in this Agreement is not exclusive.

(c) When a reference is made in this Agreement, the Company Disclosure Letter or the Parent Disclosure Letter to information or documents being “provided”, “made available” or “disclosed” by a party hereto to another party or its Affiliates, such information or documents shall include any information or documents (i) included in the SEC Reports of such disclosing party which are publicly available at least twenty-four (24) hours prior to the date of this Agreement, (ii) furnished prior to the execution of this Agreement in the electronic “data room” maintained by such disclosing party and to which access has been granted to the other party and its Representatives at least twenty-four (24) hours prior to the date of this Agreement, or (iii) otherwise provided in writing (including electronically) to the other party or any of its Affiliates or Representatives at least twenty-four (24) hours prior to the date of this Agreement.

(d) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term.

(e) Any agreement, instrument or statute defined or referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by

succession of comparable successor statutes, and all attachments thereto and instruments incorporated therein.

(f) References to a Person are also to its permitted successors and permitted assigns.

(g) Where this Agreement states that a party “shall”, “will” or “must” perform in some manner, it means that the party is legally obligated to do so under this Agreement.

(h) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, (i) the date that is the reference date in calculating such period shall be excluded and (ii) if the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day.

(i) Unless otherwise specifically indicated, any reference herein to \$ means U.S. dollars.

(j) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

**SECTION 8.08. Counterparts.** This Agreement may be executed in one or more counterparts (including by facsimile or by attachment to electronic mail in portable document format (PDF)), and by the different parties hereto in separate counterparts, each of which when executed shall be deemed an original but all of which taken together shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto.

**SECTION 8.09. Parties in Interest.** This Agreement shall be binding upon and inure solely to the benefit of the parties hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement, other than (a) after the Effective Time, with respect to the provisions of Section 5.08 which shall inure to the benefit of the Indemnified Parties who are intended to be third-party beneficiaries thereof, (b) after the Effective Time, the rights of the holders of Company Shares to receive the Merger Consideration in accordance with the terms and conditions of this Agreement, and (c) after the Effective Time, the rights of the holders of Company Performance Share Awards, Company RSUs and Company Deferred Units to receive the payments contemplated by the applicable provisions of Section 2.02, in each case, in accordance with the terms and conditions of this Agreement. The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of such parties. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 8.03 without notice or liability to any other Person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, Persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

**SECTION 8.10. Governing Law.** This Agreement shall be governed by, and construed in accordance with, the internal Laws and judicial decisions of the State of Delaware applicable to agreements executed and performed entirely within such State, regardless of the Law that might otherwise govern under applicable principles of conflicts of law thereof, except that matters related to the

obligations of the Company Board under the SCBCA and matters that are specifically required by the SCBCA in connection with the transactions contemplated by this Agreement shall be governed by the laws of the State of South Carolina.

SECTION 8.11. Entire Agreement; Assignment. This Agreement (including the Appendices and Exhibits hereto, the Company Disclosure Letter and the Parent Disclosure Letter) and the Confidentiality Agreement constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of the other parties hereto. Any purported assignment in contravention of this Agreement is and shall be null and void. Subject to the immediately preceding two sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

SECTION 8.12. Specific Enforcement; Consent to Jurisdiction.

(a) The parties hereto agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any of the parties hereto do not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder in order to consummate the transactions contemplated by this Agreement) in accordance with its specified terms or otherwise breach such provisions. The parties hereto acknowledge and agree that each party hereto shall be entitled to seek an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which it is entitled at law or in equity. Each of the parties hereto further agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (A) the other party has an adequate remedy at law or (B) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party hereto seeking an Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such Order.

(b) Each of the parties hereto irrevocably (i) submits itself to the personal jurisdiction of the federal courts located in the State of Delaware and any appellate court therefrom, in connection with any claim or matter directly or indirectly based upon, arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement or the actions of Parent, Merger Sub or the Company in the negotiation, administration, performance and enforcement of this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the federal courts located in the State of Delaware and (iv) agrees that the service of any process, summons, notice or document through the notice procedures set forth in Section 8.05 or by U.S. registered mail to the respective addresses set forth in Section 8.05 shall be effective service of process for any Proceeding in connection with this Agreement or the transactions contemplated by this Agreement. Each party hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any Proceeding with respect to this Agreement, any claim that (A) it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve process in accordance with this Section 8.12(b), (B) it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), (C) the Proceeding in any such court is brought in an inconvenient

forum, (D) the venue of such Proceeding is improper, or (E) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Furthermore, each of the Company, Parent and Merger Sub irrevocably waives, to the fullest extent permitted by applicable Law, the benefit of any defense that would hinder, fetter or delay the levy, execution or collection of any amount to which any party is entitled pursuant to the final judgment of any court having jurisdiction. Each party hereto expressly acknowledges that the foregoing waiver is intended to be irrevocable under the Law of the State of Delaware and of the United States of America; provided, however, that each such party's consent to jurisdiction and service contained in this Section 8.12 is solely for the purpose referred to in this Section 8.12 and shall not be deemed to be a general submission to said courts or to courts in the State of Delaware other than for such purpose.

**SECTION 8.13. WAIVER OF JURY TRIAL.** EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) DIRECTLY OR INDIRECTLY BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF PARENT, MERGER SUB OR THE COMPANY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 8.13.

**SECTION 8.14. Severability.** If any term or other provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the fullest extent possible.

**SECTION 8.15. Transfer Taxes.** All transfer, documentary, sales, use, stamp, registration and other Taxes and fees (including penalties and interest) incurred in connection with the Merger shall be paid by Parent and Merger Sub when due.


**SECTION 8.16. Disclosure Letters.** Certain items and matters are listed in the Company Disclosure Letter and the Parent Disclosure Letter for informational purposes only and may not be required to be listed therein by the terms of this Agreement. In no event shall the listing of items or matters in the Company Disclosure Letter or the Parent Disclosure Letter be deemed or interpreted to broaden, or otherwise expand the scope of, the representations and warranties or covenants and agreements contained in this Agreement. No reference to, or disclosure of, any item or matter in any Section of this Agreement or any section or subsection of the Company Disclosure Letter or the Parent Disclosure Letter shall be construed as an admission or indication that such item or matter is material or that such item or matter is required to be referred to or disclosed in this Agreement or in the Company

Disclosure Letter or the Parent Disclosure Letter, as applicable. Without limiting the foregoing, no reference to, or disclosure of, a possible breach or violation of any Contract or Law in the Company Disclosure Letter or the Parent Disclosure Letter shall be construed as an admission or indication that a breach or violation exists or has actually occurred. Each section or subsection of the Company Disclosure Letter and the Parent Disclosure Letter, as the case may be, shall be deemed to qualify the corresponding section or subsection of this Agreement, irrespective of whether or not any particular section or subsection of this Agreement specifically refers to the Company Disclosure Letter or the Parent Disclosure Letter, as the case may be.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the Company, Parent and Merger Sub have caused this Agreement to be signed by their respective officers thereunto duly authorized, all as of the date first written above.


SCANA CORPORATION

By:   
Name: Jimmy E. Addison  
Title: Chief Executive Officer



DOMINION ENERGY, INC.

By: \_\_\_\_\_

  
Name: Thomas F. Farrell, II

Title: President and Chief Executive Officer

SEDONA CORP.

By: \_\_\_\_\_

  
Name: Mark F. McGettrick

Title: President

**APPENDIX A**

**SCPSC PETITION**

1. To meet commitments made by South Carolina Electric & Gas Company to the SCPSC, South Carolina Electric & Gas Company and Parent will jointly file the Petition on or before January 12, 2018.
2. The Petition will seek a ruling from the SCPSC (i) approving the Merger with no material changes to the terms of the Merger; (ii) making a finding that the Merger is in the public interest; or (iii) making a finding that there is an absence of harm to South Carolina rate payers as a result of the Merger.
3. The Petition will acknowledge that the Merger can only close if the SCPSC approves the jointly proposed NND Project cost recovery plan, with (x) no material change to the terms, conditions or undertakings set forth in the plan and (y) no significant change to the economic value of the plan, in each case as reasonably determined by Parent in good faith (except in each case unless otherwise consented to by Parent in its sole discretion), which shall include the following terms:
  - a. There will be an aggregate up-front, one-time rate credit totaling \$1.3 billion<sup>1</sup> to all current South Carolina Electric & Gas Company electric customers as of the date of Merger close. The rate credit will be apportioned to all retail electric customer classes based on their 2016 contribution to summer adjusted peak demand as prepared by South Carolina Electric & Gas Company. After the dollar apportionment per customer class and rate schedule is determined on this basis, a rate per kilowatt hour (\$/kWh) will be derived by customer class and rate schedule by dividing the total kWh sales of electricity by customer class and rate schedule over a preceding 12-month period (the “Base Period”) into the apportioned funding amount. The \$/kWh rate will then be applied to each customer’s kWh usage over the Base Period to determine the customer’s up-front rate credit amount. The rate credit will be issued to eligible customers in the form of a check issued within 90 days of Merger close. Eligible customers shall be South Carolina Electric & Gas Company retail electric customers as of record on the date of the close of the Merger.
  - b. South Carolina Electric & Gas Company will immediately upon Merger closing write down its investment in construction work in progress associated with the new nuclear development project by approximately \$1.4 billion, which amount includes approximately \$1.2 billion in assets that have not previously been subject to consideration in setting revised rates and approximately \$200 million that have been so considered. The amounts written down would be permanently excluded from consideration in establishing retail electric rates going forward.
  - c. South Carolina Electric & Gas Company will not seek recovery of the approximately \$320 million in regulatory assets associated with the following items:
    - i. The approximately \$173 million regulatory asset associated with interest rate swap losses related to the debt that was not issued for the NND Project;

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<sup>1</sup> The net proceeds of the Toshiba settlement were utilized by South Carolina Gas & Electric Company to repay indebtedness in 2017, and therefore those funds are unavailable for refund. A portion of the one time rate credit will be funded through issuance of debt and defeasement of the regulatory liability associated with the Toshiba settlement.

- ii. The approximately \$66 million regulatory asset associated with the NND Project Equity AFUDC;
  - iii. The approximately \$52 million regulatory asset associated with the carrying costs on deferred tax assets related to nuclear construction; and
  - iv. The regulatory asset associated with foregone domestic production activities deductions will be written off and not be recovered from customers. The net regulatory asset associated with research and experimentation credit claims, interest, and legal costs expected to be incurred in defending these claims, will be borne by the shareholders and not returned to or collected from customers.
- d. Parent will underwrite an approximately \$575 million refund for amounts previously collected under the NND Project (regulatory liability) which is estimated to provide the 3.5% retail electric rate decrease from the 2017 rate level until accumulated amortization of the cost of abandoned plant lowers South Carolina Electric & Gas Company's revenue requirements. The refund amount is calculated to be sufficient to support the 3.5% retail electric rate reduction for approximately eight (8) years following the closing of the Merger. This amount of time is estimated to be sufficient to avoid a future retail electric rate increase resulting from new nuclear project costs when the refund amount is exhausted.
- e. Parent will reduce retail electric rates further to reflect the impact of federal tax reform passed in December of 2017 which is estimated to lower rates an additional amount resulting in a total estimated rate reduction of approximately 5%.
- f. An SCPSC finding, as necessary, that South Carolina Electric & Gas Company's investment in construction work in progress for new nuclear project in the amount of approximately \$3.3 billion, which reflects the amount of that investment net of write-downs and offsets, was prudent; and that the capital costs and amortization of that \$3.3 billion may be recovered through retail electric rates.
- g. An SCPSC order directing that:
- i. The approximately \$3.3 billion of invested capital for the new nuclear development project shall be included in a regulatory asset and recovered through rates over a 20-year amortization and recovery period that is reflected in retail electric revenue requirements without offset or disallowance until the regulatory asset is fully recovered; and
  - ii. Until the balance in the regulatory asset is fully recovered, the capital costs associated with the unrecovered balance in that account shall be reflected in South Carolina Electric & Gas Company's cost of capital devoted to retail electric operations at a rate that reflects a return on common equity of 10.25%,<sup>2</sup> a weighted average cost of debt of 5.85%, and a capital structure consisting of 52.81% equity and 47.19% debt, with these percentages fixed over the 20-year amortization period.

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<sup>2</sup> The current allowed blended ROE for NND is approximately 10.9% but the proposal is to adjust the rate down to South Carolina Gas & Electric Company's base ROE of 10.25%.



16, 2017 and previously provided to Parent in a more comprehensive form in a proposed draft of the Petition (the “Alternative Terms”). South Carolina Electric & Gas Company may provide any necessary testimony, exhibits or supporting materials in order to meet prior commitments to the SCPSC concerning the substance of South Carolina Electric & Gas Company’s January 12, 2018 filing or to show that the Alternative Terms, as a disfavored alternative to the Merger Terms, are nonetheless just, reasonable, lawful, fair and non-confiscatory and should be adopted by the SCPSC if the Merger is not approved. However, South Carolina Electric & Gas Company will not support or advocate for the Alternative Terms except as an expressly disfavored alternative to the Merger Terms and in each case where it discusses the Alternative Terms in testimony, exhibits or otherwise, will expressly state South Carolina Electric & Gas Company’s overriding commitment to the Merger Terms as being in the best interest of customers and the State of South Carolina, and that the Alternative Terms are a disfavored alternative to be considered only if the Merger is disapproved. South Carolina Electric & Gas Company will not otherwise advocate for any other terms for NND cost recovery differing from those identified in Paragraphs (2) and (3) above (without prior consent of Parent), unless and until the Merger Agreement is terminated.

**EXHIBIT A**  
**DEFINITIONS**

(a) The following terms have the following meanings:

“Acceptable Confidentiality Agreement” means a confidentiality agreement having provisions as to confidential treatment of the Company’s information that are not materially less favorable to those contained in the Confidentiality Agreement.

“Acquisition Proposal” means any bona fide proposal or offer from any Person or group of Persons (other than Parent, Merger Sub or their respective Affiliates) relating to (i) any acquisition or purchase directly or indirectly, in a single transaction or series of transactions, of a business that constitutes more than 15% of the net revenues, net income or consolidated assets of the Company and its Subsidiaries, taken as a whole, or more than 15% of the total voting power of the equity securities of the Company, (ii) any tender offer or exchange offer that if consummated would result in any Person beneficially owning more than 15% of the total voting power of the equity securities of the Company or (iii) any merger, reorganization, consolidation, share exchange, business combination, recapitalization, liquidation, joint venture, partnership, dissolution or similar transaction involving directly or indirectly, in a single transaction or series of transactions, the Company (or any Subsidiary or Subsidiaries of the Company whose business constitutes more than 15% of the net revenues, net income or consolidated assets of the Company and its Subsidiaries, taken as a whole).

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person.

“Atomic Energy Act” means the Atomic Energy Act of 1954, as amended.

“Average Price” means the volume-weighted average price, rounded to four decimal places, of Parent Shares for the ten (10) consecutive trading days ending on and including the second (2<sup>nd</sup>) trading day prior to the Effective Time.

“BLRA” means the South Carolina Base Load Review Act of 2007 as amended, S.C. Code Ann. § 58-33-210 *et seq.*

“Burdensome Condition” shall mean any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions (including any Remedial Action) that, in the aggregate, would have or would reasonably be expected to have, a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole, or of Parent and its Subsidiaries, taken as a whole; provided, however, that, for this purpose, Parent and its Subsidiaries, and after giving effect to the Merger, Parent and its Subsidiaries, shall be deemed to be a consolidated group of entities of the size and scale of a hypothetical company that is 100% of the size and scale of the Company and its Subsidiaries, taken as a whole as of immediately prior to the Effective Time; and provided, further, that any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions relating to implementing, or otherwise arising or resulting from or imposed by, the Social Commitments, or any relief or other matters contemplated by the SCPSC Petition or the SCPSC Petition Approval, shall not constitute or be taken into account in determining whether there has been or is such a material adverse effect.

“Business Day” means any day other than a Saturday or Sunday or a day on which banks in the City of New York are required or authorized to be closed.

“Byproduct Material” means any radioactive material (except Special Nuclear Material) yielded in, or made radioactive by, exposure to radiation in the process of producing or utilizing Special Nuclear Material.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commonly Controlled Entity” means, with respect to the Company, any other Person that, together with the Company, is treated as a single employer under Section 414 of the Code.

“Company Benefit Plan” means any (i) “employee benefit plan” (within the meaning of Section 3(3) of ERISA), (ii) bonus, incentive or deferred compensation or equity or equity-based compensation plan, program, policy or arrangement (including the Company Equity Award Plans), (iii) severance, change in control, employment, consulting, retirement, retention or termination plan, program, agreement, policy or arrangement or (iv) other compensation or benefit plan, program, agreement, policy, practice, Contract, arrangement or other obligation, whether or not in writing and whether or not subject to ERISA, in each case, sponsored, maintained, contributed to or required to be maintained or contributed to by the Company or any Commonly Controlled Entity or with respect to which the Company or any Commonly Controlled Entity had or has any present or future liability, in any case other than any (A) “multiemployer plan” (within the meaning of Section 3(37) of ERISA) or (B) plan, program, policy or arrangement mandated by applicable Law.

“Company Disclosure Letter” means the confidential disclosure letter dated as of the date of this Agreement delivered by the Company to Parent and Merger Sub.

“Company Equity Award Plans” means the 2015 Long-Term Equity Compensation Plan, the 2000 Long-Term Equity Compensation Plan, and the Director Compensation and Deferral Plan, each as amended and restated from time to time.

“Company Material Adverse Effect” means any Change that has a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole; provided, however, that none of the following shall, either alone or in combination, constitute or contribute to a Company Material Adverse Effect: (i) Changes in the economy in the United States or elsewhere in the world, including as a result of changes in geopolitical conditions, (ii) Changes that affect any of the industries in which the Company or any of its Subsidiaries operate, (iii) Changes in the financial, debt, capital, credit or securities markets generally in the United States or elsewhere in the world, including changes in interest rates, (iv) any Change in the stock price, trading volume or credit rating of the Company or any of its Subsidiaries or any failure by the Company to meet published analyst estimates or expectations of its revenue, earnings or other financial performance or results of operations for any period, or any failure by the Company to meet its internal or published projections, budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations for any period (it being understood that the Changes underlying any such Change or failure described in this clause (iv) to the extent not otherwise excluded from the definition of a “Company Material Adverse Effect” may be considered in determining whether there has been a Company Material Adverse Effect), (v) Changes in Law, legislative or political conditions or policy or practices of any Governmental Entity (other than SC Law Changes), (vi) Changes in applicable accounting regulations or principles or interpretations thereof, (vii) an act of terrorism or an outbreak or escalation of hostilities or war (whether declared or not declared) or earthquakes, any weather-related or other force majeure events or other natural disasters or any national or international calamity or crisis, (viii) the announcement,

execution or delivery of this Agreement or the public announcement or pendency of the Merger or the other transactions contemplated by this Agreement, in each case, including any impact thereof on relationships, contractual or otherwise, with Governmental Entities or customers, suppliers, distributors, lenders, partners or employees of the Company and its Subsidiaries, (ix) actions taken or requirements imposed by any Governmental Entities, in connection with obtaining the Regulatory Clearances or the SCPSC Petition Approval, (x) any Shareholder Litigation or Changes with respect thereto and (xi) any Proceedings, claims, investigations or inquiries set forth in Section 3.01(g) of the Company Disclosure Letter (other than with respect to SC Law Changes) or any Changes with respect thereto, provided, further, that any Change set forth in the foregoing clauses (i), (ii), (iii), (v) or (vi), to the extent not otherwise excluded hereunder, may be taken into account in determining whether a Company Material Adverse Effect has occurred solely to the extent that such Change has a materially disproportionate adverse effect on the Company and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the relevant business affected by such Change.

“Company Material Contract” means any Contract (i) required to be filed by the Company as a “material contract” pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act, (ii) that provides for Indebtedness of the Company or any of its Subsidiaries of more than \$50,000,000, (iii) that resulted in expenditures, receipts, liabilities, or payments by the Company or any of its Subsidiaries of more than \$80,000,000 in the 2016 fiscal year or 2017 fiscal year or (iv) that requires the Company or any of its Subsidiaries to incur Indebtedness or liabilities, or to make payments or expenditures, of more than \$80,000,000 in any one future fiscal year, in the case of the foregoing clauses (ii) and (iii), excluding (A) any Contracts that can be terminated for convenience on less than ninety (90) days’ notice without material payment or penalty and (B) any Contracts for the supply of natural gas capacity or commodity.

“Company Share” means a share of common stock, without par value, of the Company.

“Consent” means any consent, clearance, approval, Order, authorization, waiver, license, notice filing, action or non-action.

“Contract” means a contract, purchase order, license, sublicense, lease, sublease, option, warrant, guaranty, indenture, note, bond, mortgage or other legally binding agreement or instrument, whether written or unwritten.

“control” (including in the terms “controlling”, “controlled”, “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

“Data Privacy Legal Requirements” mean (i) all applicable requirements imposed by applicable Laws relating to (A) the security or privacy of information systems, networks, or data; (B) the use, collection, recording, storing, altering, retrieving, transferring, disclosing (whether authorized or unauthorized) or otherwise processing of data owned or used by the Company or its Subsidiaries; (C) the unauthorized access, acquisition, use, modification, disclosure or misuse of data; (D) the notification to affected parties, regulators, or credit reporting agencies as a result of any breach of systems, networks or data; or (E) any other cybersecurity or data privacy incident requiring reporting outside of the Company; (ii) all contractual standards, rules and requirements that the Company or any of its Subsidiaries is or has been contractually obligated to comply with; and (iii) each published external or internal, past or present Company privacy policy or security policy applicable to any information systems, networks, or data, including personal data and any published policy of the Company or its Subsidiaries relating to: (A) the privacy of any Person, (B) financial records or information pertaining to any Person, (C) the collection,



storage, disclosure, transfer, disposal, other processing or security of any personal data, or (D) personally identifying information, sensitive customer information, financial records, security records and associated information, about Persons.

“Director Compensation and Deferral Plan” means the Company Director Compensation and Deferral Plan.

“Environmental Law” means any Law relating to pollution or protection of the environment or natural resources, including ambient air, soil, surface water or groundwater, sediment, flora and fauna, or, as it relates to the exposure to hazardous, deleterious or toxic materials, human health or safety.

“Equity Award Consideration” means an amount in cash, without interest, equal to the product of (i) the Merger Consideration multiplied by (ii) the Average Price.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Executive Deferred Compensation Plan” means the Company Executive Deferred Compensation Plan.

“Governmental Entity” means any federal, state, local, or non-United States government, any court or tribunal of competent jurisdiction, any administrative, regulatory (including any stock exchange) or other governmental or quasi-governmental agency, commission, branch or authority or other governmental entity or body (it being understood and agreed that no reference to “Governmental Entity” in this Agreement shall be deemed to include Santee Cooper in its capacity as a commercial counterparty of the Company in connection with the NND Project or otherwise).

“Hazardous Materials” means any substance, waste or material defined or regulated as hazardous, acutely hazardous or toxic or that could reasonably be expected to result in liability under any applicable Environmental Law currently in effect, including petroleum, petroleum products, High-Level Waste, Spent Nuclear Fuel, by-products and distillates, pesticides, dioxin, polychlorinated biphenyls, mold, biological hazards, asbestos and asbestos-containing materials.

“High-Level Waste” means (i) irradiated nuclear reactor fuel, (ii) liquid wastes resulting from the operation of the first cycle solvent extraction system, or its equivalent, and the concentrated wastes from subsequent extraction cycles, or their equivalent, in a facility for reprocessing irradiated reactor fuel and (iii) solids into which such liquid wastes have been converted.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Intellectual Property” means all intellectual property and proprietary rights, and applications with respect thereto, including (i) patents and patent applications, (ii) trademarks, service marks, trade dress, logos, Internet domain names, trade names and corporate names, whether registered or unregistered, and the goodwill associated therewith, together with any registrations and applications for registration thereof, (iii) copyrights and rights under copyrights, whether registered or unregistered, and any registrations and applications for registration thereof, (iv) trade secrets and other rights in know-how and confidential or proprietary information, including any technical data, specifications, techniques,

inventions and discoveries, in each case, to the extent that it qualifies as a trade secret under applicable Law and (v) all other intellectual property rights recognized by applicable Law.

“Intervening Event” means any material event, development or change in circumstances that materially affects the business, assets or operations of the Company and its Subsidiaries, taken as a whole, that first becomes known to the Company Board or any of the Persons set forth in Section 8.06 of the Company Disclosure Letter or their successors after the date of this Agreement but before the Company Requisite Vote is obtained, to the extent that such event, development or change in circumstances was not reasonably foreseeable as of or prior to the date of this Agreement or which would not reasonably be expected to have become known after reasonable investigation or inquiry as of or prior to the date of this Agreement; provided, however, that in no event will (i) the receipt, existence or terms of an Acquisition Proposal or any matter relating thereto or consequence thereof, (ii) any action taken by the parties pursuant to or in compliance with this Agreement, including any action taken in connection with seeking any Regulatory Clearances, (iii) any changes in Law or the settlement of any lawsuits, investigations, inquiries or Proceedings, (iv) changes in the market price or trading volume of the Company Shares or Parent Shares, or the Company or Parent or any their respective Subsidiaries meeting or exceeding internal or published projections, forecasts or revenue or earnings predictions for any period, (v) changes in the energy markets or industry or to rates, or (vi) any event, development or change relating solely to Parent or its Affiliates, in each case, constitute an “Intervening Event” or be taken into account in determining whether an Intervening Event has occurred or would reasonably be expected to result.

“IT Systems” means all computer systems, computer programs, networks, hardware, software, software engines, electronic databases and websites used to process, store, maintain and operate data, information and control systems owned, used or provided by the Company.

“Knowledge” means (i) with respect to the Company, the actual knowledge, after reasonable inquiry, of any of the Persons set forth in Section 8.06 of the Company Disclosure Letter and their successors and (ii) with respect to Parent or Merger Sub, the actual knowledge, after reasonable inquiry, of any of the Persons set forth in Section 8.06 of the Parent Disclosure Letter and their successors.

“Law” means any federal, state, local or non-United States law, statute, regulation, rule, ordinance, Order or decree of any Governmental Entity.

“Low-Level Waste” means radioactive material that (i) is not High-Level Waste, Mixed Waste, Spent Nuclear Fuel or Byproduct Material as defined in section 11e.(2) of the Atomic Energy Act, and (ii) the NRC classifies as low-level radioactive waste.

“Mixed Waste” means waste that (i) contains both a hazardous waste component regulated under the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*) and a radioactive component of Source Material, Byproduct Material or Special Nuclear Material and (ii) the NRC classifies as mixed waste or that constitutes “mixed waste” as defined in 42 U.S.C. § 6903(41).

“NND Project” means the New Nuclear Development Project under which the Company and Santee Cooper undertook to construct two Westinghouse AP1000 Advanced Passive Safety nuclear units in Jenkinsville, South Carolina.

“Nuclear Material” means Source Material, Special Nuclear Material, Low-Level Waste, High-Level Waste, the radioactive component of Mixed Waste, Byproduct Material and Spent Nuclear Fuel.

“NYSE” means the New York Stock Exchange.

“Parent Disclosure Letter” means the confidential disclosure letter dated as of the date of this Agreement delivered by Parent to the Company.

“Parent Material Adverse Effect” means any Change that has a material adverse effect on the business, financial condition, assets, liabilities or results of operations of Parent and its Subsidiaries, taken as a whole; provided, however, that none of the following shall, either alone or in combination, constitute or contribute to a Parent Material Adverse Effect: (i) Changes in the economy in the United States or elsewhere in the world, including as a result of changes in geopolitical conditions, (ii) Changes that affect any of the industries in which Parent or any of its Subsidiaries operate, (iii) Changes in the financial, debt, capital, credit or securities markets generally in the United States or elsewhere in the world, including changes in interest rates, (iv) any Change in the stock price, trading volume or credit rating of Parent or any of its Subsidiaries or any failure by Parent to meet published analyst estimates or expectations of its revenue, earnings or other financial performance or results of operations for any period, or any failure by Parent to meet its internal or published projections, budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations for any period (it being understood that the Changes underlying any such Change or failure described in this clause (iv) to the extent not otherwise excluded from the definition of a “Parent Material Adverse Effect” may be considered in determining whether there has been a Parent Material Adverse Effect), (v) Changes in Law, legislative or political conditions or policy or practices of any Governmental Entity (other than SC Law Changes), (vi) Changes in applicable accounting regulations or principles or interpretations thereof, (vii) an act of terrorism or an outbreak or escalation of hostilities or war (whether declared or not declared) or earthquakes, any weather-related or other force majeure events or other natural disasters or any national or international calamity or crisis, (viii) the announcement, execution or delivery of this Agreement or the public announcement or pendency of the Merger or the other transactions contemplated by this Agreement, in each case, including any impact thereof on relationships, contractual or otherwise, with Governmental Entities or customers, suppliers, distributors, lenders, partners or employees of Parent and its Subsidiaries, (ix) actions taken or requirements imposed by any Governmental Entities, in connection with obtaining the Regulatory Clearances or the SCPSC Petition Approval, (x) any Shareholder Litigation or any Changes with respect thereto, and (xi) any Proceedings, claims, investigations or inquiries set forth in Section 3.02(g) of the Parent Disclosure Letter or any Changes with respect thereto, provided, further, that any Change set forth in the foregoing clauses (i), (ii), (iii), (v) or (vi), to the extent not otherwise excluded hereunder, may be taken into account in determining whether a Parent Material Adverse Effect has occurred solely to the extent that such Change has a materially disproportionate adverse effect on the Parent and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the relevant business affected by such Change.

“Parent Severance Program” means the severance program sponsored by Parent and described in the summary plan description attached as Section 5.06 of the Parent Disclosure Letter.

“Parent Share” means a share of common stock, without par value, of Parent.

“Parent Significant Subsidiaries” means the significant subsidiaries (as defined in Rule 1-02(w) of Regulation S-X) of Parent, excluding, if otherwise included, Dominion Energy Midstream Partners LP.

“Permitted Liens” means, with respect to any Person, (i) mechanics’, materialmen’s, carriers’, workmen’s, repairmen’s, vendors’, operators’ or other like Liens, if any, that do not materially detract from the value of or materially interfere with the use of any of the assets of such Person and its Subsidiaries as currently conducted, (ii) Liens arising under original purchase price conditional sales

Contracts and equipment leases with third parties entered into in the ordinary course of business, (iii) title defects or Liens (other than those constituting Liens for the payment of Indebtedness), if any, that do not or would not, individually or in the aggregate, impair in any material respect the use or occupancy of the assets of such Person and its Subsidiaries, taken as a whole, (iv) Liens for Taxes that are not yet due or payable or that may thereafter be paid without penalty, (v) Liens supporting surety bonds, performance bonds and similar obligations issued in connection with the businesses of such Person and its Subsidiaries, (vi) Liens not created by such Person or its Subsidiaries that affect the underlying fee interest of a Company Leased Real Property, (vii) Liens that are disclosed on the most recent consolidated balance sheet of such Person included in its SEC Reports or notes thereto or securing liabilities reflected on such balance sheet, (viii) Liens arising under or pursuant to the organizational documents of such Person or any of its Subsidiaries, (ix) grants to others of rights-of-way, surface leases or crossing rights and amendments, modifications, and releases of rights-of-way, surface leases or crossing rights in the ordinary course of business, (x) with respect to rights-of-way, restrictions on the exercise of any of the rights under a granting instrument that are set forth therein or in another executed agreement, that is of public record or to which such Person or any of its Subsidiaries otherwise has access, between the parties thereto, (xi) Liens which an accurate up-to-date survey would show, (xii) Liens resulting from any facts or circumstances relating to, if such Person is the Company, Parent, Merger Sub or any of their Affiliates or, if such Person is Parent or Merger Sub, the Company or any of its Affiliates and (xiii) Liens that do not and would not reasonably be expected to materially impair the continued use of a Company Owned Real Property or a Company Leased Real Property as currently operated.

“Person” means an individual, corporation (including not-for-profit), Governmental Entity, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, unincorporated organization, other entity of any kind or nature or group (as defined in Section 13(d)(3) of the Exchange Act).

“Santee Cooper” means the South Carolina Public Service Authority, a body corporate and politic and agency of the State of South Carolina established under Chapter 31 of Title 58 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002, as amended.

“SCBCA” means the South Carolina Business Corporation Act of 1988, as amended.

“SCORS” means the South Carolina Office of Regulatory Staff, the administrative and regulatory body established under Title 58, Chapter 4 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“SCPSC” means the South Carolina Public Service Commission, the regulatory commission established under Title 58, Chapter 3 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“SCPSC Petition” means a petition to be filed jointly by the Company and Parent with the SCPSC for approval of the Merger and for approval of terms for cost recovery and other regulatory matters with respect to the NND Project, including the key terms summarized in Appendix A attached to this Agreement.

“SEC” means the United States Securities and Exchange Commission.

“SEC Reports” means all forms, statements, certifications, reports and other documents a Person is required or otherwise obligated to file or furnish with the SEC, including (i) those filed or

furnished subsequent to the date of this Agreement and (ii) all exhibits and other information incorporated therein and all amendments and supplements thereto.

“Securities Act” means the Securities Act of 1933, as amended.

“Social Commitments” means the undertakings, terms, conditions, liabilities, obligations, commitments and sanctions set forth in Section 5.16.

“Source Material” means (i) uranium or thorium, or any combination thereof, in any physical or chemical form or (ii) ores that contain by weight one-twentieth of one percent (0.05%) or more of (A) uranium, (B) thorium or (C) any combination thereof.

“South Carolina Public Utility Laws” means the Laws of the State of South Carolina governing public utilities as contained in Title 58 of the Code of Laws of South Carolina, Annotated, as they may be amended from time, including the BLRA, the Laws providing for the organization, powers and terms of officials and members of the SCPSC and the SCORS, and the Laws providing for the establishment, review and adjustment of retail electric and natural gas rates and terms of conditions of service, as found in Title 58 of the Code of Laws of South Carolina, Annotated, in each case, as they may be amended from time to time.

“Special Nuclear Material” means plutonium, uranium-233, uranium enriched in the isotope-233 or in the isotope-235, and any other material that the NRC determines to be “Special Nuclear Material.” Special Nuclear Material also refers to any material artificially enriched by any of the foregoing materials or isotopes. Special Nuclear Material does not include Source Material.

“Spent Nuclear Fuel” means fuel that has been withdrawn from a nuclear reactor following irradiation, and has not been chemically separated into its constituent elements by reprocessing. Spent Nuclear Fuel includes Special Nuclear Material, Byproduct Material, Source Material and other radioactive materials associated with nuclear fuel assemblies.

“Subsidiary” means, with respect to any Person, (i) any other Person (other than a partnership, joint venture or limited liability company) of which 50% or more of the total voting power of shares of stock or other equity interests entitled to vote in the election of directors, managers or trustees is at the time of determination owned or controlled, directly or indirectly, by such first Person and (ii) any partnership, joint venture or limited liability company of which (A) 50% or more of the capital accounts, distribution rights, total equity or voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person, whether in the form of membership, general, special or limited partnership interests or otherwise or (B) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“Superior Proposal” means an unsolicited bona fide written Acquisition Proposal relating to any direct or indirect acquisition or purchase of (i) assets that generate more than 50% of the consolidated total revenues or operating income of the Company and its Subsidiaries, taken as a whole, (ii) assets that constitute more than 50% of the consolidated total assets of the Company and its Subsidiaries, taken as a whole or (iii) more than 50% of the total voting power of the equity securities of the Company, in each case, that the Company Board determines in good faith after consultation with the Company’s financial advisors and outside legal counsel is more favorable to the Company’s shareholders than the Merger, taking into account the Person making the Acquisition Proposal and all legal, financial and regulatory aspects of the Acquisition Proposal (including the likelihood that such Acquisition Proposal would be consummated in accordance with its terms) and all other relevant circumstances.

“Tax Return” means any return, declaration, report, election, claim for refund or information return or any other statement or form filed or required to be filed with any Governmental Entity relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Taxes” means all forms of taxes or duties imposed by any Governmental Entity, or required by any Governmental Entity to be collected or withheld, including charges, together with any related interest, penalties and other additional amounts.

“Willful Breach” means, with respect to any breach or failure to perform any of the covenants or other agreements contained in this Agreement, a breach that is a consequence of an act or failure to act undertaken by the breaching party with actual knowledge that such party’s act or failure to act would result in or constitute a breach of this Agreement. For the avoidance of doubt, the failure of a party hereto to consummate the Closing when required pursuant to Section 1.02, or, on the Closing Date, cause the Effective Time to occur pursuant to Section 1.03, shall be a Willful Breach of this Agreement.

(b) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Agreement.....	Preamble
Alternative Acquisition Agreement.....	4.02(e)
Applicable Company SEC Reports.....	3.01(e)(i)
Applicable Parent SEC Reports.....	3.02(e)(i)
Articles of Merger.....	1.03
Book-Entry Share.....	2.01(a)
Cancelled Shares.....	2.01(b)
Certificate.....	2.01(a)
Changes.....	3.01(f)(i)
Closing.....	1.02
Closing Date.....	1.02
Company.....	Preamble
Company Adverse Recommendation Change.....	4.02(e)
Company Articles of Incorporation.....	3.01(a)
Company Board.....	Recitals
Company Board Recommendation.....	3.01(d)(i)
Company Bylaws.....	3.01(a)
Company Deferred Unit.....	2.02(c)
Company Employees.....	5.06(c)
Company Leased Real Property.....	3.01(o)(i)
Company Non-Union Employees.....	5.06(a)
Company Organizational Documents.....	3.01(a)
Company Owned Real Property.....	3.01(o)(ii)
Company Performance Share Award.....	2.02(a)
Company Real Property Lease.....	3.01(o)(i)
Company Regulatory Clearances.....	3.01(d)(iii)
Company Requisite Vote.....	3.01(r)
Company RSU.....	2.02(b)
Company Termination Fee.....	7.02(b)
Confidentiality Agreement.....	5.03(b)
Continuation Period.....	5.06(a)

Costs.....	5.08(a)
D&O Insurance .....	5.08(c)
DOE .....	3.01(q)(i)
DOT .....	3.01(q)(i)
Effective Time .....	1.03
Exchange Agent .....	2.03(a)
Exchange Fund.....	2.03(a)
Existing Loan Consent.....	5.09(d)
Existing Loan Lenders .....	5.09(d)
Existing Loan Notice .....	5.09(d)
FCC.....	3.01(d)(iii)
FERC .....	3.01(d)(iii)
Form S-4 .....	3.01(v)
GAAP.....	3.01(e)(ii)
GPSC .....	3.01(d)(iii)
Indebtedness.....	4.01(a)(viii)
Indemnified Parties .....	5.08(a)
Intended Tax Treatment.....	Recitals
Liens.....	3.01(b)
Maximum Annual Premium.....	5.08(c)
Merger.....	Recitals
Merger Sub.....	Preamble
Merger Consideration .....	2.01(a)
NCUC .....	3.01(d)(iii)
NERC.....	3.01(q)(i)
NND Project Litigation.....	4.01(a)(ix)
Notice of Recommendation Change .....	4.02(f)
NRC .....	3.01(d)(iii)
Nuclear Litigation .....	5.02(h)
Orders.....	6.01(b)
Parent .....	Preamble
Parent Organizational Documents .....	3.02(a)
Parent Preferred Stock .....	3.02(c)(i)
Parent Regulatory Clearances .....	3.02(d)(iii)
Parent Termination Fee.....	7.02(c)
PBGC .....	3.01(k)(iv)
Permits .....	3.01(i)
PHMSA.....	3.01(q)(i)
Proceeding.....	3.01(g)
Proxy Statement/Prospectus.....	5.01(a)
Qualified Plan .....	3.01(k)(ii)
Regulatory Clearances .....	3.02(d)(iii)
Regulatory Conditions .....	6.01(c)
Remedial Action .....	5.02(e)
Reporting Company .....	3.01
Representatives .....	4.02(a)
Rights-of-Way.....	3.01(o)(iii)
SC Law Changes.....	6.02(h)
SCPSC Petition Approval .....	6.01(d)
Shareholder Litigation .....	5.17
Shareholders Meeting .....	5.01(f)

Summer Station.....	3.01(q)(iii)
Surviving Corporation .....	1.01
Takeover Statutes.....	3.01(u)
Termination Date .....	7.01(b)(i)
Voting Company Debt .....	3.01(c)(ii)
Voting Parent Debt .....	3.02(c)(ii)



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January 24, 2018

**VIA ELECTRONIC FILING**

M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
Dobbs Building  
430 North Salisbury Street  
Raleigh, North Carolina 27603

Re: *Joint Application of Dominion Energy, Inc. and SCANA Corporation to Engage in a Business Combination Transaction*  
Docket Nos. E-22, Sub 551 and G-5, Sub 585

Dear Ms. Jarvis:

On behalf of Dominion Energy, Inc. and SCANA Corporation, enclosed for filing in the above-referenced proceedings please find their *Joint Application of Dominion Energy, Inc. and SCANA Corporation*.

Please do not hesitate to contact me should you have any questions. Thank you for your assistance with this matter.

Very truly yours,

/s/Mary Lynne Grigg

MLG:kjg

Enclosures

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-22, SUB 551  
DOCKET NO. G-5, SUB 585

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Joint Application of Dominion Energy, ) **JOINT APPLICATION OF**  
Inc. and SCANA Corporation to Engage ) **DOMINION ENERGY, INC. AND**  
in a Business Combination Transaction ) **SCANA CORPORATION**

Dominion Energy, Inc. (“Dominion Energy”) and SCANA Corporation (“SCANA”) (together, the “Applicants” or “Parties”) hereby jointly apply to the North Carolina Utilities Commission (the “Commission”) pursuant to N.C. Gen. Stat. § 62-111(a) and Commission Rule R1-5 for authorization to engage in a business combination transaction (the “Transaction” or “Merger”), whereby SCANA, the parent company of Public Service Company of North Carolina, Inc. (“PSNC Energy”), will become a wholly-owned subsidiary of Dominion Energy pursuant to the Merger Agreement and Plan of Merger attached hereto as Exhibit 1 (“Merger Agreement”). In support of this Joint Application, the Applicants show the following:

1. Dominion Energy is a Virginia corporation with its principal place of business at 120 Tredegar Street, P.O. Box 26532, Richmond, Virginia 23261-6532. Dominion Energy is a publicly-held holding company whose common stock is traded on the New York Stock Exchange under the ticker symbol D. It has the following wholly-owned public utility subsidiaries: Virginia Electric and Power Company (which does business in Virginia under the name “Dominion Energy Virginia” and in North Carolina as “Dominion Energy North Carolina”), The East Ohio Gas Company (which does business

in Ohio under the name “Dominion Energy Ohio”), Hope Gas, Inc. (which does business in West Virginia under the name “Dominion Energy West Virginia”), and Questar Gas Company (which does business in Utah under the name “Dominion Energy Utah,” in Wyoming under the name “Dominion Energy Wyoming,” and in Idaho under the name “Dominion Energy Idaho”).

2. Dominion Energy North Carolina, a regulated public utility headquartered in Richmond, Virginia, is authorized to generate, transmit, and distribute electricity in its service territories in Virginia and North Carolina. It serves residential, commercial, industrial, and governmental customers, and wholesale customers such as rural electric cooperatives and municipalities. Dominion Energy North Carolina also is a member of PJM Interconnection, L.L.C., operator of the wholesale electric grid in the Mid-Atlantic region of the United States. The company serves approximately 120,000 customers in North Carolina, with a service territory in northeastern North Carolina, including Roanoke Rapids, Ahoskie, Williamston, Elizabeth City, and the Outer Banks. In addition, the company provides power and/or transmission services to the North Carolina Electric Membership Corporation, the North Carolina Eastern Municipal Power Agency, and the Town of Windsor, which in turn provide service to approximately 100,000 customers.

3. Dominion Energy gas utility subsidiaries Dominion Energy Ohio, Dominion Energy West Virginia, Dominion Energy Utah, Dominion Energy Wyoming, and Dominion Energy Idaho collectively serve approximately 2.3 million distribution customers through a system of over 54,000 miles of transmission, distribution, gathering, and storage pipeline. These utilities also operate 173 billion cubic feet of underground natural gas storage to assist customers in managing their energy supply needs.

4. PSNC Energy is a corporation organized and existing under the laws of the State of South Carolina. PSNC Energy is a natural gas utility authorized to purchase, sell, distribute, and transport natural gas to approximately 550,000 residential, commercial, and industrial customers in North Carolina. PSNC Energy's service territory reaches all or parts of 28 franchised counties, and includes the Raleigh/Durham/Chapel Hill, Gastonia/Concord/Statesville, and Asheville/Hendersonville areas. PSNC Energy's service territory does not overlap with Dominion Energy North Carolina's service territory.

5. PSNC Energy is a wholly-owned subsidiary of SCANA, a South Carolina corporation, which is a publicly-held holding company whose common stock is traded on the New York Stock Exchange under the ticker symbol SCG. The other principal subsidiaries of SCANA are South Carolina Electric & Gas Company and SCANA Energy Marketing, Inc.

6. Sedona Corp. ("Sedona") is a South Carolina corporation and a wholly-owned subsidiary of Dominion Energy created solely to accomplish the Merger. Sedona is not a public utility in North Carolina or elsewhere.

7. Corporate legal counsel for Dominion Energy in this proceeding is:

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Corporate legal counsel for SCANA in this proceeding is:

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Private legal counsel for Dominion Energy and SCANA in this proceeding are:

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*\*Application for admission pro hac vice forthcoming*

All correspondence and any other matters relative to this proceeding should be addressed to these representatives.

THE MERGER

8. On January 2, 2018, Dominion Energy, Sedona, and SCANA entered into the Merger Agreement setting forth the terms of the Merger. The boards of directors of both SCANA and Dominion Energy have approved and authorized the Merger. The Merger may be summarized as follows:

- a. Sedona and SCANA will merge, with SCANA being the surviving entity.
- b. Immediately following the time the Merger is effective (“Effective Time”), the officers of SCANA will be those persons that were the officers of SCANA immediately prior to the Effective Time. The names and positions of the officers of SCANA are provided in Exhibit 2 to this Joint Application. After the Effective Time, changes to the officers of SCANA may be made based upon integration efforts and Dominion Energy’s standard entity management conventions.
- c. As provided by the Merger Agreement, upon consummation of the Merger, each issued and outstanding share of common stock of SCANA (other than the cancelled shares as defined in Section 2.01(b) of the Merger Agreement) will be converted into the right to receive 0.6690 validly issued, fully paid and non-assessable shares of common stock of Dominion Energy.
- d. Further, upon consummation of the Merger, each issued and outstanding share of common stock of Sedona will be converted into and become one validly issued, fully paid, and non-assessable share of common stock of SCANA as the surviving corporation. Thus, as a result of the Merger, Dominion Energy (which currently owns all the stock of Sedona) will own all the stock of SCANA.

e. At the Effective Time, SCANA, as the surviving corporation, will become a wholly-owned subsidiary of Dominion Energy and at the Effective Time, PSNC Energy will remain a direct, wholly-owned subsidiary of SCANA and will continue to exist as a separate legal entity.

9. Exhibit 3 contains charts showing the organization of Dominion Energy prior to (pages 1-4) and after (pages 5-9) the Merger.

#### THE LEGAL STANDARD FOR REVIEW

10. N.C. Gen. Stat. § 62-111(a) provides that all mergers or combinations affecting or resulting in a change of control of a public utility require Commission approval. This statute further provides that the Commission shall determine whether to approve a proposed merger based on whether it is “justified by the public convenience and necessity.” In order to assure this standard is met, by Order issued November 2, 2000, in Docket No. M-100, Sub 129, the Commission has directed that a market power analysis and a cost-benefit analysis must accompany all natural gas or electric utility merger applications.

11. As explained by the Commission, N.C. Gen. Stat. § 62-111 requires the Commission to determine whether rates and services will be adversely affected by a proposed transaction. *Order approving Duke Power Company’s purchase of Aluminum Company of America’s stock interest in Nantahala Power and Light Company*, Docket No. E-7, Sub 427 (Aug. 29, 1988) (citing *North Carolina ex rel. Utilities Comm’n. v. Carolina Coach Company*, 269 N.C. 717, 153 S.E.2d 461 (1967)). In the Commission’s Order approving the merger of Duke Power Company and PanEnergy Corporation, the Commission similarly explained that for the public convenience and necessity standard to be met, expected benefits must be at least as great as known and expected costs so that

customers are not harmed by the merger. *Order Approving Merger*, Docket No. E-7, Sub 596 (April 22, 1997). Factors to be considered by the Commission include, but are not limited to, maintenance of or improvement in service quality, the extent to which costs can be lowered and rates can be maintained or reduced, and the continuation of effective state regulation. *Id.* at 10.

12. In its Order approving the merger of SCANA and PSNC Energy, the Commission found that N.C. Gen. Stat. § 62-111 does not require that a proposed business combination transaction be based upon demonstrations of specific cost savings. *Order Approving Merger and Issuance of Securities*, Docket No. G-5, Sub 400 (Dec. 7, 1999). Cost savings are merely one factor that may be considered in evaluating a request to engage in a business combination transaction. Other factors include, but are not limited to, a larger, more viable, and more financially diverse company with a broader range of assets and increased ability to provide stable and reliable service; a stronger and more diverse company that is able to compete regionally; and a corporation with a strong presence in North Carolina. Corporate presence directly bears on creation of corporate and other taxes payable to the State of North Carolina, and on the provision of significant employment opportunities. *Id.* at 16.

13. Further, the Commission held in its June 29, 2012 *Order Approving Merger Subject to Regulatory Conditions and Codes of Conduct* in Docket Nos. E-2, Sub 998, and E-7, Sub 986, from the Duke Energy/Progress Energy, Inc. merger, that a proposed business combination is justified by the public convenience and necessity when the merger will have no adverse impact on the utilities' North Carolina retail ratepayers, when the utilities' customers are protected as much as possible from potential costs and risks



resulting from the merger, and when there are sufficient benefits from the merger to offset the potential costs and risks. *Order Approving Merger Subject to Regulatory Conditions and Code of Conduct*, Docket Nos. E-2, Sub 998, and E-7, Sub 986, at 18 (June 29, 2012), *aff'd*, *In re Duke Energy Corp.*, 232 N.C. App. 573, 755 S.E.2d 382 (2014); *see also Order Approving Merger Subject to Regulatory Conditions and Code of Conduct*, Docket Nos. E-2, Sub 1095, E-7, Sub 1100, G-9, Sub 682 (Sept. 29, 2016) (approving the Duke Energy Corp./Piedmont Natural Gas, Inc. merger).

14. The Merger satisfies the standard of approval that has been articulated and applied by the Commission. As demonstrated below, the combination of the two companies will produce benefits arising from the advantages of a larger, more diversified company; will retain the strong corporate citizenship and presence of PSNC Energy in North Carolina; and will not diminish effective state regulation. A cost-benefit analysis setting forth the costs and benefits of the Merger is attached as Exhibit 4 to this Joint Application in compliance with the Commission's Order issued November 2, 2000, in Docket No. M-100, Sub 129. A Market Power Study, also required by the Commission's November 2, 2000 Order, is attached as Exhibit 5 to this Joint Application.

#### DOMINION ENERGY'S MANAGEMENT AND EXPERIENCE

15. Dominion Energy is one of the nation's largest energy infrastructure companies. As of December 31, 2016, Dominion Energy's portfolio of assets includes approximately 26,400 megawatts ("MW") of electric generating capacity; 64,200 miles of electric transmission and distribution lines; and 66,200 miles of natural gas transmission, gathering, distribution, and storage pipelines. As of December 31, 2016, Dominion Energy serves over six million utility and retail energy customers and operates one of the nation's largest underground natural gas storage systems, with approximately one trillion cubic feet

of storage capacity. Dominion Energy has approximately 16,200 full-time employees and operations in 18 states. As a holding company, Dominion Energy owns direct and indirect subsidiaries that in turn own the properties through which their respective businesses are conducted.

16. Dominion Energy has a wealth of managerial experience on its leadership team. Further, although the assets of its subsidiaries remain wholly within its legal subsidiaries (each of which has its own officers, directors, and management teams), Dominion Energy manages and reports on its consolidated operations through three primary operating segments: Power Delivery Group, Power Generation Group, and Gas Infrastructure Group.

17. The Power Delivery operating segment engages in the regulated electric transmission and distribution operations, including customer service. It serves approximately 2.6 million electric customer accounts located in Virginia and North Carolina. This segment has approximately 6,600 miles of electric transmission lines of 69 kilovolts (“kV”) or greater located in the states of North Carolina, Virginia, and West Virginia, and approximately 57,000 miles of distribution lines at voltages ranging from 4 kV to 46 kV in these states.

18. The Power Generation operating segment is responsible for operation of regulated utility and non-utility generation, as well as related energy supply operations. This operating segment has a total generation capacity of 26,400 MW across a diverse fuel mix that includes solar, natural gas, wind, hydro, coal, nuclear, oil, and biomass.

19. Dominion Energy's Gas Infrastructure operating segment consists primarily of regulated natural gas infrastructure assets including 15,000 miles of transmission pipeline, 51,300 miles of distribution pipeline, and one trillion cubic feet of natural gas storage. The Gas Infrastructure Group serves approximately 2.3 million gas distribution utility customers across five local distribution companies operating in five states: Dominion Energy Ohio, Dominion Energy West Virginia, Dominion Energy Utah, Dominion Energy Wyoming, and Dominion Energy Idaho. As one of the largest owners and operators of regulated natural gas infrastructure in the United States, Dominion Energy has extensive experience in delivering safe, reliable, and affordable natural gas while complying with all environmental and operational laws and regulations.

20. Over the last several years, Dominion Energy has responded to increasing customer demand for natural gas transportation by investing within the Gas Infrastructure operating segment. One example is Dominion Energy's commitment to timely replacement of aging infrastructure within its gas distribution utilities in Ohio, Utah, Wyoming, and West Virginia. Another example is the bi-directional Cove Point LNG import/export facility which is expected to enter export service in early 2018. The Atlantic Coast Pipeline is also an example of new, significant natural gas infrastructure investment by Dominion Energy.

21. In addition to its operating segments, Dominion Energy has a centralized service company, Dominion Energy Services, Inc. ("DES"). Support functions housed at DES provide significant benefits in areas such as environmental compliance and cyber security, as well as providing other centralized departments whose resources are available to all of the subsidiaries of Dominion Energy.

22. The common leadership and management of the similarly-situated businesses that comprise Dominion Energy's operating segments provide significant value to each of the individual businesses through the sharing of best practices in such areas as operations, safety, customer service, and environmental stewardship. In this way, each of Dominion Energy's regulated electric and gas subsidiaries benefits from the experience and knowledge of the collective group.

23. Dominion Energy's regulated utilities, including Dominion Energy North Carolina, share the same values as PSNC Energy, including a focus on safe, reliable, and cost-effective service, a commitment to employees and the communities served, and integrity in all aspects of their businesses, as is attested to by both organizations' customer satisfaction ratings.

a. As it is for PSNC Energy, safety is the top priority for Dominion Energy. From 2010 to 2016, Dominion Energy has experienced a 39% decline in OSHA recordable incidents and a 38% decline in lost day/restricted duty cases. For 2016, in about 30 million hours worked, Dominion Energy employees recorded 98 workplace OSHA-recordable injuries (an incidence rate of 0.66) and 45 workplace injuries resulting in lost days or reassignment of duties (a rate of 0.30). Dominion Energy's ultimate goal is zero injuries.

b. Dominion Energy is fully dedicated to meeting customers' energy needs in a manner consistent with protecting the environment and supporting sustainability. In addition to complying with all applicable environmental laws and regulations, Dominion Energy makes environmental concerns an integral part of its planning

and decision-making process and devotes substantial resources to implement effective environmental and sustainability programs.

c. Dominion Energy is committed to investing in energy infrastructure to meet customers' energy needs and improve reliability while maintaining reasonable rates and minimizing the impact on the environment.

d. Dominion Energy recognizes that its electric and natural gas distribution companies are more than just public utilities, they are *public service* companies. Dominion Energy believes that it is important that the local utility also be a contributor to, and be part of, the community it serves. In 2016, Dominion Energy and its philanthropic arm, the Dominion Energy Foundation, awarded nearly \$27 million in charitable grants to about 1,500 nonprofit organizations in the states served by Dominion Energy companies, and Dominion Energy employees donated more than 100,000 hours of volunteer service to their communities.

#### PLAN FOR FUTURE OPERATIONS OF PSNC ENERGY

24. Following the Merger, Dominion Energy and SCANA plan to operate PSNC Energy in substantially the same manner as it is operated today, enhanced by Dominion Energy's broad and deep experience in the successful management of natural gas and electric facilities and systems. Dominion Energy intends to maintain PSNC Energy's headquarters in Gastonia, North Carolina. Dominion Energy's gas utility subsidiaries, like PSNC Energy, have a track record of safe and reliable service to customers while making prudent capital investments required to grow and maintain their respective systems.

25. Following the Merger, PSNC Energy will continue to receive certain shared or common services provided to it as part of a larger organization. These services have been provided by SCANA Services, Inc. (“SCANA Services”). The current organizational structure of SCANA, including PSNC Energy, is provided in Exhibit 6 to this Joint Application.

26. SCANA Services currently employs approximately 1,750 individuals. These employees perform shared or common services functions for all SCANA business units, including PSNC Energy. Some of these services (including gas services, information systems services, telecommunications services, customer services, marketing and sales, human resources, corporate compliance, purchasing, financial services, risk management, public affairs, legal services, investor relations, gas supply and capacity management, strategic planning, general administrative services, and retirement benefits) will be provided in the future through DES by current DES employees or by current employees of SCANA who become DES employees after the Merger. Given economies of scale and Dominion Energy’s greater buying power, SCANA and Dominion Energy anticipate that these changes may result in lower costs to PSNC Energy for these services over time. However, the Applicants have not yet determined the synergies that will result when these shared services are combined.

27. There is no plan to materially change the operations of PSNC Energy following the Merger. However, PSNC Energy may make appropriate future modifications to its assets, systems, procedures, and services in compliance with applicable laws and regulations. Such changes may be made in the normal course of business in order to adopt

new methods, materials, or technology; to meet regulatory requirements; or to address changing customer expectations.

28. As discussed in greater detail below, PSNC Energy's customers, communities, and regulators will see benefits from the ownership of PSNC Energy by Dominion Energy, an entity with great financial strength and buying power, broad expertise in utility operations and business planning, and a shared focus on safety, reliability, customer service, and efficiency of business operations over the long term.

#### COMMITMENTS AND BENEFITS OF THE MERGER

29. The Merger is in the public interest and will provide benefits to PSNC Energy customers in North Carolina. Dominion Energy plans to operate PSNC Energy in substantially the same way as it is currently being operated and intends the Merger to be about growth, rather than cost reduction. The Commission will continue to exercise its regulatory authority over PSNC Energy and Dominion Energy North Carolina in the same way it does today, thereby ensuring continued protection of the interests of North Carolina customers. Dominion Energy and SCANA will adopt the following commitments and have the following understandings:

##### **i. Business**

- a. Dominion Energy intends to maintain PSNC Energy's headquarters in Gastonia, North Carolina.
- b. Dominion Energy intends that its board of directors will take all necessary action, as soon as practical after the Effective Time, to appoint a mutually agreeable current member of the SCANA Board or SCANA's executive management team as a director to serve on Dominion Energy's board of directors.

c. PSNC Energy will be managed from an operations standpoint as a separate regional business under Dominion Energy with responsibility for making decisions that achieve the objectives of customer satisfaction; reliable service; customer, public, and employee safety; environmental stewardship; and collaborative and productive relationships with customers, regulators, other governmental entities, and interested stakeholders.

d. Dominion Energy intends to maintain PSNC Energy's customer service at no less than current levels and will strive for continued improvements thereto.

e. PSNC Energy and Dominion Energy share a common focus on installing, upgrading, and maintaining facilities necessary for safe and reliable operations. This focus will not be diminished in any way as a result of the Merger.

f. Dominion Energy is committed to the environment and will maintain the environmental monitoring and maintenance programs at or above current levels.

g. Dominion Energy is committed to continuing the pipeline integrity maintenance programs that have been initiated by PSNC Energy.

**ii. Employee Matters**

h. Dominion Energy will maintain compensation levels for employees of SCANA and its subsidiaries following the Effective Time of the Merger until January 1, 2020.

i. Dominion Energy will give employees of SCANA and its subsidiaries due and fair consideration for other employment and promotion opportunities within the larger Dominion Energy organization, to the extent any such employment positions are re-aligned, reduced, or eliminated in the future as a result of the Merger.



**iii. Financial**

- j. Dominion Energy, through SCANA, will provide equity, as needed, to PSNC Energy with the intent of maintaining PSNC Energy's current capital structure and credit ratings.
- k. Dominion Energy intends to maintain credit metrics that are supportive of strong investment-grade credit ratings for PSNC Energy.

**iv. Community**

- l. Dominion Energy will increase SCANA's historical level of corporate contributions to charities identified by SCANA's leadership by \$1,000,000 per year for at least five (5) years after the Effective Time, and will maintain or increase historical levels of community involvement, low income funding, and economic development efforts in SCANA's current operation areas.

30. Dominion Energy brings the following additional benefits to PSNC Energy and its customers through the Merger:

- a. The operations of the utility subsidiaries of Dominion Energy provide demonstrable evidence that PSNC Energy will continue its emphasis on key utility performance areas such as reasonable customer rates, reliable customer service, customer and employee safety, and commitment to employees and communities served.
- b. PSNC Energy will benefit by having an enhanced ability to finance capital investments that ensure safe, reliable, and cost-effective operations across a growing customer base.

c. PSNC Energy will benefit from being part of a corporate organization that has enhanced geographic, business, and regulatory diversity and greater financial and operational scale. Dominion Energy has invested in a variety of energy resources, including natural gas, coal, nuclear, wind, solar, and biomass and can share best practices learned in operating across this diverse portfolio. Dominion Energy's operations also provide geographic diversity that will strengthen PSNC Energy. A benefit of geographic diversity is that if a natural disaster were to occur in PSNC Energy's service area after the Merger, PSNC Energy would have access to additional resources such as call centers, operations, and management outside the affected area.

d. PSNC Energy will benefit from participation with DES and access to an array and level of services, support, and economies of scale that are typically only available to a larger company. As a result of its larger size and buying power, Dominion Energy expects to be able, over time, to reduce administrative and operations and maintenance expenses incurred by PSNC Energy.

e. With an enhanced national presence, the combined company and its subsidiaries will benefit from having a relevant and informed perspective and effect on energy policy discussions that stand to positively affect the quality, safety, reliability, and cost of the services offered to customers.

f. As one of the largest and safest operators of energy infrastructure assets, the combined company and its subsidiaries will benefit from the adoption of best practices across an expanded platform of service that stands to improve employee and public safety, customer service, and operational cost-effectiveness.

g. As one of the largest and most active regulated energy infrastructure company participants in public equity and debt capital markets, the combined company and its subsidiaries will benefit from an enhanced ability to efficiently finance system growth and reliability to the benefit of customers.

h. The above-mentioned commitments, understandings, and benefits will be of substantial value to PSNC Energy's customers, employees, and communities in future years and demonstrate that the Merger is clearly in the public interest.

i. The Merger will not have a net adverse impact on the rates and services of Dominion Energy North Carolina or PSNC Energy. Although the Applicants have not yet determined the transaction fees, integration costs, and any acquisition premium that will result from the Merger, none of these costs will be passed on to the customers of PSNC Energy or Dominion Energy North Carolina.

EFFECTIVE STATE REGULATION IS NOT DIMINISHED

31. In Docket Nos. E-22, Sub 380 and E-22, Sub 380A, the Commission adopted regulatory conditions and a Code of Conduct, respectively, for Dominion Energy North Carolina. The Commission also adopted regulatory conditions and a Code of Conduct for PSNC Energy in Docket No. G-5, Sub 400. The purpose of these regulatory conditions and Codes of Conduct was, among other things, to ensure that the Commission's jurisdiction over Dominion Energy North Carolina and PSNC Energy was not diminished, and that the companies' rates and quality of service were not adversely impacted as a result of previous mergers or combinations involving Dominion Energy North Carolina and PSNC Energy and their corporate parents or affiliates, or the establishment of service companies.

32. As part of a forthcoming supplemental filing, the Applicants will submit proposed regulatory conditions and a joint Code of Conduct for Dominion Energy North Carolina and PSNC Energy, which will reflect the new affiliation. Additionally, new affiliate service agreements will be filed as appropriate.

33. Furthermore, Dominion Energy North Carolina and PSNC Energy will remain subject to full regulation by the Commission. The Merger will in no way diminish the authority of the Commission to regulate the service quality and rates of either of these companies. Therefore, effective state regulatory oversight of both utilities will continue.

#### CONCLUSION

34. Commission approval of the Merger will produce benefits for the customers of PSNC Energy, as well as benefits for the State of North Carolina. Dominion Energy is a strong and well-financed company that is committed to the safe, reliable, cost-effective, and environmentally responsible provision of utility services to its customers. The acquisition of PSNC Energy by Dominion Energy at the holding company level will create a financially stronger combined Company and allow PSNC Energy to more effectively meet the future energy needs of North Carolina.

35. Dominion Energy looks forward to being able to invest in the future of PSNC Energy, focusing on the objectives of safety, customer satisfaction, reliable economic service, environmental stewardship, and collaborative and productive relationships with customers, regulators, and other governmental entities and interested stakeholders. This Joint Application demonstrates that Dominion Energy is committed to these objectives. Solidifying PSNC Energy's strong corporate presence in North Carolina ensures continued and direct economic benefits to the State including local jobs, salaries, taxes, purchasing, charitable and civic leadership, and economic development investments.

36. The forthcoming revision of Dominion Energy North Carolina's and PSNC Energy's regulatory conditions and Codes of Conduct will address any affiliate and cost allocation issues associated with the Merger and will ensure the continuation of effective state regulation.

37. Thus, any potential costs and risk resulting from this combination will have been addressed and net benefits to the utilities' customers assured. The acquisition of PSNC Energy by Dominion Energy is justified by the public convenience and necessity for the reasons explained above.

WHEREFORE, the Applicants respectfully request the Commission approve the proposed business combination transaction in the manner described herein.

Respectfully submitted, this the 24<sup>th</sup> day of January, 2018.

By: /s/Mary Lynne Grigg

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*\*Application for admission pro hac vice forthcoming*

**Joint Application of  
Dominion Energy, Inc. and SCANA Corporation**

**EXHIBIT 1**

**Agreement and Plan of Merger**

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AGREEMENT AND PLAN OF MERGER

by and among

DOMINION ENERGY, INC.,

SEDONA CORP.

and

SCANA CORPORATION

Dated as of January 2, 2018

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## **AGREEMENT AND PLAN OF MERGER**

This AGREEMENT AND PLAN OF MERGER, dated as of January 2, 2018 (this “Agreement”), is entered into by and among DOMINION ENERGY, INC., a Virginia corporation (“Parent”), SEDONA CORP., a South Carolina corporation and a wholly-owned Subsidiary of Parent (“Merger Sub”) and SCANA CORPORATION, a South Carolina corporation (the “Company”).

### **RECITALS**

WHEREAS, the board of directors of Parent has approved this Agreement and the transactions contemplated by this Agreement, including the merger of Merger Sub with and into the Company (the “Merger”), on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors of the Company (the “Company Board”) has (a) determined that it is in the best interests of the Company and the shareholders of the Company that the Company enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (b) adopted this Agreement and approved the transactions contemplated by this Agreement, including the Merger, (c) directed that the approval of this Agreement be submitted to a vote at a meeting of the shareholders of the Company and (d) resolved to recommend that the shareholders of the Company approve this Agreement;

WHEREAS, the board of directors of Merger Sub has (a) determined that it is in the best interests of Merger Sub and the sole shareholder of Merger Sub that Merger Sub enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (b) adopted this Agreement and approved the transactions contemplated by this Agreement, including the Merger and (c) resolved to recommend that the sole shareholder of Merger Sub approve this Agreement;

WHEREAS, for U.S. federal income tax purposes, the Merger is intended to qualify as a “reorganization” within the meaning of Section 368(a) of the Code (the “Intended Tax Treatment”), and this Agreement is intended to be a “plan of reorganization” for purposes of Sections 354 and 361 of the Code; and

WHEREAS, the Company, Parent and Merger Sub desire to make certain representations, warranties, covenants and agreements in connection with the Merger and also to prescribe various conditions to the Merger.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained in this Agreement, and intending to be legally bound hereby, the Company, Parent and Merger Sub hereby agree as follows:

### **ARTICLE I**

#### **THE MERGER**

SECTION 1.01. The Merger. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the SCBCA, at the Effective Time, Merger Sub shall be merged with and into the Company and the separate corporate existence of Merger Sub shall thereupon cease and the Company shall continue as the surviving corporation in the Merger (the “Surviving Corporation”) and

a wholly-owned Subsidiary of Parent. The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the SCBCA.

SECTION 1.02. Closing. The closing of the Merger (the “Closing”) shall take place at the offices of Mayer Brown LLP, 71 South Wacker Drive, Chicago, Illinois 60606, at 9:00 a.m., local time, on the third (3<sup>rd</sup>) Business Day following the day on which all of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at the Closing) have been satisfied or waived in accordance with this Agreement, or at such other time and place as the Company and Parent may agree in writing. The date on which the Closing occurs is referred to in this Agreement as the “Closing Date”.

SECTION 1.03. Effective Time. As soon as practicable on the Closing Date, the Company and Parent will cause the Merger to become effective by filing the articles of merger (the “Articles of Merger”) with the Secretary of State of the State of South Carolina, which Articles of Merger will be executed and filed in accordance with the applicable provisions of the SCBCA. The Merger shall become effective at the time when the Articles of Merger have been duly filed with the Secretary of State of the State of South Carolina or at such later time as may be agreed by Parent and the Company in writing and specified in the Articles of Merger (the “Effective Time”).

SECTION 1.04. Articles of Incorporation; Bylaws.

(a) At the Effective Time, the articles of incorporation of the Company, as in effect immediately prior to the Effective Time, shall be the articles of incorporation of the Surviving Corporation until thereafter amended in accordance with the provisions thereof and applicable Law; provided, however, that no such amendment shall be inconsistent with the obligations of Parent under Section 5.08(b).

(b) At the Effective Time, the bylaws of the Company, as in effect immediately prior to the Effective Time, shall be amended as of the Effective Time to be in the form of the bylaws of Merger Sub as of the date hereof (except with respect to the name of the Company, which shall be “SCANA Corporation”), with any changes necessary so that such bylaws shall be in compliance with Section 5.08 and, to the extent not inconsistent with any of the foregoing, such other changes as Parent deems necessary or appropriate) and as so amended shall be the bylaws of the Surviving Corporation until thereafter amended as provided therein or by applicable Law; provided, however, that no such amendment shall be inconsistent with the obligations of Parent under Section 5.08(b).

SECTION 1.05. Directors and Officers.

(a) The directors of Merger Sub will be appointed by Parent pursuant to applicable Law to be the directors of the Surviving Corporation after the Effective Time following the resignation or removal of the individuals serving as directors of the Company prior to the Effective Time in accordance with Section 5.15, with such directors appointed by Parent to serve until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and the bylaws of the Surviving Corporation.

(b) The officers of the Company as of immediately prior to the Effective Time shall, from and after the Effective Time, be the officers of the Surviving Corporation until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and the bylaws of the Surviving Corporation.

SECTION 1.06. Plan of Merger. This Agreement will constitute a “plan of merger” for purposes of the SCBCA.

## ARTICLE II

### EFFECT OF THE MERGER ON THE CAPITAL STOCK OF THE CONSTITUENT CORPORATIONS

SECTION 2.01. Effect on Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent, Merger Sub or the holders of any shares of capital stock of the Company, Parent or Merger Sub:

(a) Merger Consideration. Each Company Share issued and outstanding immediately prior to the Effective Time (other than the Cancelled Shares, which shall be treated in accordance with Section 2.01(b)) shall cease to be outstanding, shall be cancelled and shall cease to exist, and each such Company Share, whether represented by a certificate (“Certificate”) or in non-certificated form and represented by book-entry (“Book-Entry Share”), shall automatically be converted into the right to receive 0.6690 validly issued, fully paid and non-assessable Parent Shares (the “Merger Consideration”). Following the Effective Time, the holders of Company Shares as of immediately prior to the Effective Time shall cease to have any rights with respect thereto, except for the rights set forth in Section 2.03(b)(v).

(b) Cancellation of Cancelled Shares. Each Company Share owned by Parent, Merger Sub or any other wholly-owned Subsidiary of Parent and each Company Share owned by the Company or any wholly-owned Subsidiary of the Company (collectively, the “Cancelled Shares”) shall cease to be outstanding, shall be cancelled without payment of any consideration therefor and shall cease to exist.

(c) Capital Stock of Merger Sub. Each share of common stock, without par value, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one (1) validly issued, fully paid and non-assessable share of common stock, without par value, of the Surviving Corporation, and all such shares together shall constitute the only outstanding shares of capital stock of the Surviving Corporation.

#### SECTION 2.02. Treatment of Company Equity Awards.

(a) Treatment of Performance Shares. At the Effective Time, each performance share award granted under a Company Equity Award Plan that is outstanding immediately prior to the Effective Time (a “Company Performance Share Award”) shall fully vest at the target level of performance and shall be cancelled and converted automatically into the right to receive the Equity Award Consideration in respect of each Company Share underlying such Company Performance Share Award.

(b) Treatment of Restricted Stock Units. At the Effective Time, each restricted stock unit award in respect of Company Shares granted under a Company Equity Award Plan that is outstanding immediately prior to the Effective Time (a “Company RSU”) shall fully vest and shall be cancelled and converted automatically into the right to receive the Equity Award Consideration in respect of each Company Share underlying such Company RSU.

(c) Treatment of Deferred Units. At the Effective Time, each deferred unit in respect of Company Shares credited or deemed credited to the Company stock ledger under the Director

Compensation and Deferral Plan or the Executive Deferred Compensation Plan that is outstanding immediately prior to the Effective Time (a “Company Deferred Unit”) shall be converted automatically into a number of deferred unit(s) in respect of Parent Shares equal to the product of (x) the Company Deferred Unit multiplied by (y) the Merger Consideration, to be payable pursuant to the terms of the applicable plan.

(d) Payment. The Surviving Corporation shall pay the Equity Award Consideration as required under Section 2.02(a) and Section 2.02(b) as soon as reasonably practicable after the Effective Time (but in any event within three (3) Business Days thereafter); provided, however, that to the extent any such payment relates to any Company Performance Share Awards or Company RSUs that are nonqualified deferred compensation subject to Section 409A of the Code, the Surviving Corporation shall make such payment at the earliest time permitted under, and in accordance with, the terms of the applicable award agreement or other relevant documents and in accordance with Section 409A of the Code.

(e) Corporate Actions. At or prior to the Effective Time, the Company, the Company Board or any authorized committee thereof, as applicable, shall adopt any resolutions and take any actions that are necessary to effectuate the provisions of Section 2.02(a), Section 2.02(b) and Section 2.02(c). The Company shall take all actions necessary to ensure that, from and after the Effective Time, neither Parent nor the Surviving Corporation will be required to deliver Company Shares or other capital stock of the Company to any Person pursuant to or in settlement of Company Performance Share Awards, Company RSUs, Company Deferred Units or any other awards under any Company Equity Award Plan.

#### SECTION 2.03. Exchange of Company Shares.

(a) Exchange Agent. Prior to the Effective Time, Parent shall select a paying and exchange agent reasonably acceptable to the Company (the “Exchange Agent”) and enter into an agreement with such Exchange Agent in form and substance reasonably acceptable to the Company pursuant to which the Exchange Agent will (i) act as agent for the shareholders of the Company in connection with the Merger and receive payment and delivery of the Merger Consideration to which the shareholders of the Company shall become entitled pursuant to Section 2.01(a) and (ii) act as agent for Parent in transmitting the Merger Consideration to such shareholders following the occurrence of the Effective Time in accordance with this Agreement. At or prior to the Effective Time, Parent shall deposit, or cause to be deposited, with the Exchange Agent, in trust for the benefit of the holders of Company Shares, an amount of Parent Shares in book-entry form sufficient for the Exchange Agent to pay and deliver the Merger Consideration required to be paid and delivered by Parent in accordance with Section 2.01(a). In addition, Parent shall deposit, or cause to be deposited, with the Exchange Agent, from time to time after the Effective Time, (A) any dividends or other distributions payable pursuant to Section 2.03(g) and (B) cash in lieu of any fractional Parent Shares payable pursuant to Section 2.03(h). All cash and Parent Shares, together with any dividends or other distributions, deposited with the Exchange Agent pursuant to this Section 2.03(a) shall be referred to as the “Exchange Fund.”

#### (b) Exchange Procedures.

(i) Transmittal Materials and Instructions. Promptly after the Effective Time (and in any event within three (3) Business Days thereafter), Parent shall cause the Exchange Agent to mail or otherwise provide to each holder of record of Company Shares (other than holders of Cancelled Shares) (A) transmittal materials, including a letter of transmittal in form as agreed by Parent and the Company, specifying that delivery shall be effected, and risk of loss and title shall

pass, with respect to Book-Entry Shares, only upon delivery of an “agent’s message” regarding the book-entry transfer of Book-Entry Shares (or such other evidence, if any, of the transfer as the Exchange Agent may reasonably request), and with respect to Certificates, only upon delivery of the Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.03(f) to the Exchange Agent), such transmittal materials to be in such form and have such other provisions as Parent and the Company may reasonably agree, and (B) instructions for use in effecting the surrender of the Book-Entry Shares or Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.03(f)) to the Exchange Agent.

(ii) Certificates. Upon surrender of a Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.03(f)) to the Exchange Agent in accordance with the terms of transmittal materials and instructions referred to in Section 2.03(b)(i), the holder of such Certificate shall be entitled to receive in exchange therefor (A) a cash amount in immediately available funds equal to (1) any dividends and other distributions such holder has the right to receive pursuant to Section 2.03(g) plus (2) any cash in lieu of any fractional Parent Shares such holder has the right to receive pursuant to Section 2.03(h) and (B) the number of Parent Shares, in uncertificated book-entry form, equal to the number of Company Shares represented by such Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.03(f)) multiplied by the Merger Consideration. No interest will be paid or accrued on any cash amount payable upon due surrender of the Certificates.

(iii) Book-Entry Shares. Notwithstanding anything to the contrary contained in this Agreement, any holder of Book-Entry Shares shall not be required to deliver a Certificate or an executed letter of transmittal to the Exchange Agent to receive the aggregate Merger Consideration that such holder is entitled to receive as a result of the Merger pursuant to Section 2.01(a). In lieu thereof, each holder of record of one or more Book-Entry Shares (other than Cancelled Shares) shall upon receipt by the Exchange Agent of an “agent’s message” in customary form (it being understood that the holders of Book-Entry Shares shall be deemed to have surrendered such Company Shares upon receipt by the Exchange Agent of such “agent’s message” or such other evidence, if any, as the Exchange Agent may reasonably request) be entitled to receive, and Parent shall cause the Exchange Agent to pay and deliver as promptly as practicable after the Effective Time, (A) a cash amount in immediately available funds equal to (1) any dividends and other distributions such holder has the right to receive pursuant to Section 2.03(g) plus (2) any cash in lieu of any fractional Parent Shares such holder has the right to receive pursuant to Section 2.03(h) and (B) the number of Parent Shares, in uncertificated book-entry form, equal to the number of Company Shares represented by such Book-Entry Shares multiplied by the Merger Consideration. No interest will be paid or accrued on any cash amount payable upon due surrender of the Book-Entry Shares.

(iv) Unrecorded Transfers; Other Payments. In the event of a transfer of ownership of Company Shares that is not registered in the transfer records of the Company or if payment and delivery of the Merger Consideration and the other payments contemplated by Section 2.01(a) and this Section 2.03 is to be made to a Person other than the Person in whose name the surrendered Certificate or Book-Entry Share is registered, such Certificate or Book-Entry Share may be exchanged in accordance with this Article II if the Certificate or Book-Entry Share formerly representing such Company Shares is presented to the Exchange Agent accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable transfer or other similar Taxes have been paid or are not applicable.

(v) Rights of Holders of Company Shares; Expenses. Until surrendered or exchanged pursuant to this Section 2.03(b), each Certificate or Book-Entry Share shall be deemed at any



time after the Effective Time to represent only the right to receive upon such surrender or exchange the Merger Consideration pursuant to Section 2.01(a), any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h). Parent shall pay all charges and expenses, including those of the Exchange Agent, in connection with the exchange of Company Shares pursuant to this Article II.

(c) Termination of the Exchange Fund; No Liability. Any portion of the Exchange Fund (including the proceeds of any investment thereof) that remains undistributed one (1) year after the Effective Time shall be delivered to Parent or the Surviving Corporation, upon demand by Parent. Any holders of Company Shares (other than Cancelled Shares) who have not theretofore complied with this Article II shall thereafter be entitled to look only to Parent and the Surviving Corporation for payment and delivery of the Merger Consideration pursuant to Section 2.01(a), any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h) upon surrender of their Certificates or exchange of their Book-Entry Shares in accordance with the provisions set forth in Section 2.03(b), and Parent and the Surviving Corporation shall remain liable for (subject to applicable abandoned property, escheat or other similar Law) payment of their claims for the Merger Consideration payable upon surrender of their Certificates or exchange of their Book-Entry Shares. Notwithstanding the foregoing, none of the Surviving Corporation, Parent, the Company, the Exchange Agent or any other Person shall be liable to any former holder of Company Shares for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or other similar Law.

(d) Investment of the Exchange Fund. The Exchange Agent shall invest the cash portion of the Exchange Fund as directed by Parent; provided, however, that such investments shall be in obligations of or guaranteed by the United States of America, in commercial paper obligations rated A-1 or P-1 or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, respectively, in certificates of deposit, bank repurchase agreements or banker's acceptances of commercial banks with capital exceeding \$1 billion, or in money market funds which are invested in instruments that consist of U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations or having a rating in the highest investment category granted by a recognized credit rating agency at the time of acquisition or a combination of the foregoing and, in any such case, no such instrument shall have a maturity that could prevent or delay payments to be made pursuant to this Agreement. Subject to Section 2.03(c), to the extent that there are losses with respect to such investment of the cash portion of the Exchange Fund, or the cash portion of the Exchange Fund diminishes for other reasons, such that the amount of cash in the Exchange Fund is below the level required to make prompt cash payment of any dividends and other distributions pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h), Parent shall promptly replace or restore the cash in the Exchange Fund lost through such investments or other events so as to ensure that the Exchange Fund is at all applicable times maintained at a level sufficient to make such cash payments. Any interest and other income resulting from such investment shall become a part of the Exchange Fund, and any amounts in excess of the aggregate amount of the payments described in the immediately preceding sentence will be promptly returned to Parent or the Surviving Corporation, as requested by Parent. The Exchange Fund shall not be used for any purpose other than as contemplated by Section 2.03(a) and this Section 2.03(d).

(e) Transfers. From and after the Effective Time, the stock transfer books of the Company shall be closed and there shall be no transfers on the stock transfer books of the Company of the Company Shares that were outstanding immediately prior to the Effective Time. If, after the Effective Time, acceptable evidence of a Certificate or Book-Entry Share is presented to the Surviving Corporation, Parent or the Exchange Agent for transfer, (i) in the case of Certificates, the holder of such Certificate shall be given a copy of the transmittal materials and instructions referred to in Section

2.03(b)(i) and instructed to comply with the instructions thereto in order to receive the Merger Consideration pursuant to Section 2.01(a) and (ii) in the case of Book-Entry Shares, such Book-Entry Share shall be cancelled and exchanged as contemplated by this Article II.

(f) Lost Certificates. In the case of any Certificate that has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by the Exchange Agent or Parent, the posting by such Person of a bond in a reasonable amount as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall pay and deliver in exchange for such Certificate the Merger Consideration pursuant to Section 2.01(a), any dividends or other distributions payable pursuant to Section 2.03(g) and any cash in lieu of any fractional Parent Shares pursuant to Section 2.03(h).

(g) Dividends.

(i) Certificates. No dividends or other distributions declared or made with respect to Parent Shares with a record date after the Effective Time shall be paid to the holder of any Certificate with respect to the Parent Shares that such holder would be entitled to receive upon surrender of such Certificate, until such holder shall surrender such Certificate in accordance with Section 2.03(b)(ii). Subject to applicable Law, following surrender of any such Certificate, there shall be paid to the holder of Parent Shares issued in exchange therefor, without interest, (A) promptly after the time of such surrender, the amount of dividends and other distributions with a record date after the Effective Time but prior to such surrender and a payment date prior to such surrender payable with respect to such Parent Shares and (B) at the appropriate payment date, the amount of dividends and other distributions with a record date after the Effective Time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such Parent Shares.

(ii) Book-Entry Shares. Subject to applicable Law, there shall be paid to the holder of Parent Shares issued in exchange for Book-Entry Shares in accordance with Section 2.03(b)(iii), without interest, (A) promptly upon receipt by the Exchange Agent of an "agent's message" (or such other evidence, if any, of surrender as the Exchange Agent may reasonably request), the amount of dividends and other distributions with a record date after the Effective Time but prior to such receipt and a payment date prior to such receipt payable with respect to such Parent Shares and (B) at the appropriate payment date, the amount of dividends and other distributions with a record date after the Effective Time but prior to such receipt and a payment date subsequent to such receipt payable with respect to such Parent Shares.

(h) Fractional Shares. No certificates or scrip representing fractional Parent Shares shall be issued upon the conversion of the Company Shares into the Merger Consideration pursuant to Section 2.01(a), and such fractional share interests shall not entitle the owner thereof to vote or to any rights of a holder of Parent Shares. For purposes of this Section 2.03(h), all fractional shares to which a single record holder would be entitled shall be aggregated and calculations shall be rounded to four (4) decimal places. In lieu of any such fractional Parent Shares, each holder of Company Shares who would otherwise be entitled to such fractional Parent Shares shall be entitled to receive an amount in cash, without interest, rounded to the nearest cent, equal to the product of (i) the amount of such fractional Parent Share and (ii) the Average Price.

SECTION 2.04. Withholding Rights. Each of Parent and the Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Company Shares, Company Performance Share Awards and Company RSUs

such amounts as it is required to deduct and withhold with respect to the making of such payment under the Code or any other applicable state, local or foreign Tax Law, taking into account any applicable exemption under such Law. To the extent that amounts are so withheld by Parent or the Surviving Corporation, as the case may be, such withheld amounts (a) shall be promptly remitted by Parent or the Surviving Corporation, as applicable, to the applicable Governmental Entity and (b) shall be treated for all purposes of this Agreement as having been paid to the holder of Company Shares, Company Performance Share Awards and Company RSUs (as applicable) in respect of which such deduction and withholding were made by the Surviving Corporation or Parent, as the case may be.

SECTION 2.05. No Dissenters' Rights. In accordance with Section 33-13-102(B) of the SCBCA, no holder of Company Shares shall be entitled to exercise dissenters' rights, appraisal rights or other similar rights in connection with the Merger and the other transactions contemplated by this Agreement.

SECTION 2.06. Adjustments. In the event of any change to the Company Shares or Parent Shares (or securities convertible thereto or exchangeable or exercisable therefor) issued and outstanding in the period between the date of this Agreement and the Effective Time as a result of a reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, exchange or readjustment of shares, merger, issuer tender or exchange offer, or other similar transaction, the Merger Consideration and any other payments to be made pursuant to this Article II shall be equitably adjusted, without duplication, to provide the holders of Company Shares, Company Performance Share Awards, Company RSUs and Company Deferred Units the same economic effect contemplated by this Agreement prior to such change; provided, however, that nothing in this Section 2.06 shall be construed to permit the Company, Parent, any of their respective Subsidiaries or any other Person to take any action that is otherwise prohibited by the terms of this Agreement; and provided, further, that any adjustment pursuant to this Section 2.06 to any Company Performance Share Awards, Company RSUs and Company Deferred Units shall be done in all respects in accordance with Section 409A of the Code, if applicable, and the terms of the applicable Company Equity Award Plan.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties of the Company. Except (x) as disclosed in the SEC Reports of the Company or South Carolina Electric & Gas Company (each, a "Reporting Company") filed with or furnished to the SEC since January 1, 2016 and publicly available at least twenty-four (24) hours prior to the date of this Agreement (excluding any disclosures set forth in any risk factor section or in any other section to the extent such disclosures are forward-looking statements or are cautionary, predictive or forward-looking in nature) or (y) as set forth in the Company Disclosure Letter (it being agreed that disclosure of any item in any section or subsection of the Company Disclosure Letter shall also be deemed disclosed with respect to any other section or subsection of this Agreement to which the relevance of such item is reasonably apparent), the Company represents and warrants to Parent and Merger Sub as follows:

(a) Organization, Standing and Corporate Power. The Company is a corporation duly incorporated and validly existing under the Laws of the State of South Carolina and has all requisite corporate power and authority to carry on its business as currently conducted and is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be

expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company's Subsidiaries is a legal entity duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Law of its jurisdiction of organization and has all requisite corporate or similar power and authority to carry on its business as currently conducted, and each of the Company's Subsidiaries is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company has made available to Parent a true and complete copy of the Restated Articles of Incorporation of the Company and any amendments thereto (collectively, the "Company Articles of Incorporation") and the Amended and Restated Bylaws of the Company (the "Company Bylaws" and together with the Company Articles of Incorporation, the "Company Organizational Documents").

(b) Subsidiaries. Section 3.01(b) of the Company Disclosure Letter sets forth a list of all Subsidiaries of the Company. All of the outstanding shares of capital stock of, or other equity interests in, each Subsidiary of the Company have, in all cases, been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights, and are wholly-owned, directly or indirectly, by the Company free and clear of all pledges, liens, charges, mortgages, encumbrances, adverse claims and interests, licenses, purchase options, call options, rights of first offer and rights of first refusal, easements, rights-of-way, security interests and other use agreements, covenants and encroachments of any kind or nature whatsoever (including any restriction on the right to vote or transfer the same, except for such transfer restrictions of general applicability as may be provided under the Securities Act, the "blue sky" Laws of the various States of the United States or similar Law of other applicable jurisdictions) (collectively, "Liens"), other than transfer restrictions contained in the articles of incorporation, bylaws and limited liability company agreements (or any equivalent constituent documents) of such Subsidiary. Except for its interests in its Subsidiaries, the Company does not own, directly or indirectly, any capital stock of, or other equity interests in, any Person. The Company has made available to Parent true and complete copies of the articles of incorporation, bylaws and limited liability company agreements (or equivalent constituent documents) of each Subsidiary of the Company as in effect on the date of this Agreement.

(c) Capital Structure.

(i) The authorized capital stock of the Company consists of 200,000,000 Company Shares. The Company is not authorized to issue any preferred stock. At the close of business on December 29, 2017, there were (A) 142,916,916.594 Company Shares issued and outstanding and (2) 269,647.326 Company Shares held by the Company in its treasury, (B) 454,325 Company Shares underlying the outstanding Company Performance Share Awards (assuming target level performance), (C) 215,200 Company Shares underlying the outstanding Company RSUs (assuming achievement of required performance measure(s)) and (D) 269,647.326 Company Shares underlying ledgers pursuant to the Director Compensation and Deferral Plan. Except as set forth in the immediately preceding sentence, at the close of business on December 29, 2017, no shares of capital stock or other voting securities of the Company were issued or outstanding or subject to outstanding awards under the Company Equity Award Plans. Since December 29, 2017 to the date of this Agreement, (x) there have been no issuances by the Company of shares of capital stock or other voting securities of the Company other than pursuant to the exercise or vesting of equity awards under the Company Equity Award Plans, in each case, outstanding as of December 29, 2017 and (y) there have been no issuances by the Company of options, warrants, other rights to acquire shares of capital stock of the Company or other rights that give the holder

thereof any economic interest of a nature accruing to the holders of Company Shares. All outstanding Company Shares are, and all such Company Shares that may be issued prior to the Effective Time will be when issued, duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights.

(ii) No Subsidiary of the Company owns any Company Shares or other shares of capital stock of the Company. There are no bonds, debentures, notes or other Indebtedness of the Company or of any of its Subsidiaries that give the holders thereof the right to vote (or that are convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of Company Shares may vote (“Voting Company Debt”). Except for any obligations pursuant to this Agreement or as otherwise set forth in Section 3.01(c)(i), as of December 29, 2017, there are no options, warrants, rights (including preemptive, conversion, stock appreciation, redemption or repurchase rights), convertible or exchangeable securities, stock-based performance units, Contracts or undertakings of any kind to which the Company or any of its Subsidiaries is a party or by which any of them is bound (A) obligating the Company or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other securities of, or equity interests in, or any security convertible or exchangeable for any capital stock or other security of, or equity interest in, the Company or any of its Subsidiaries or any Voting Company Debt, (B) obligating the Company or any of its Subsidiaries to issue, grant or enter into any such option, warrant, right, security, unit, Contract or undertaking to declare or pay any dividend or distribution or (C) that give any Person the right to subscribe for or acquire any securities of the Company or any of its Subsidiaries, or to receive any economic interest of a nature accruing to the holders of Company Shares or otherwise based on the performance or value of shares of capital stock of the Company or any of its Subsidiaries. As of the date of this Agreement, there are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interest of the Company or any of its Subsidiaries, other than pursuant to the Company Equity Award Plans. There are no voting agreements, voting trusts, shareholders agreements, proxies or other agreements to which the Company or any of its Subsidiaries is bound with respect to the voting of the capital stock or other equity interests of the Company, or restricting the transfer of, or providing registration rights with respect to, such capital stock or equity interests.

(d) Authority; Noncontravention.

(i) The Company has all requisite corporate power and authority to execute and deliver, and perform its obligations under, this Agreement and to consummate the transactions contemplated by this Agreement, subject, in the case of the Merger only, to receipt of the Company Requisite Vote. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Company, subject, in the case of the Merger only, to receipt of the Company Requisite Vote. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each of the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject, as to enforceability, bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors’ rights and to general equity principles. The Company Board has duly and validly adopted resolutions (A) determining that it is in the best interests of the Company and the shareholders of the Company that the Company enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (B) adopting this Agreement and

approving the transactions contemplated by this Agreement, including the Merger, (C) directing that the approval of this Agreement be submitted to a vote at a meeting of the shareholders of the Company and (D) recommending that the shareholders of the Company approve this Agreement (the “Company Board Recommendation”), which resolutions, as of the date of this Agreement, have not been rescinded, modified or withdrawn in any way.

(ii) The execution, delivery and performance by the Company of this Agreement do not, and the consummation of the Merger and the other transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to any right (including a right of termination, cancellation or acceleration of any obligation or any right of first refusal, participation or similar right) under, or cause the loss of any benefit under, or result in the creation of any Lien (other than Permitted Liens) upon any of the properties or assets of the Company or any of its Subsidiaries under, any provision of (A) the Company Organizational Documents or the comparable organizational documents of any of the Company’s Subsidiaries or (B) subject to the filings and other matters referred to in Section 3.01(d)(iii), (1) any Contract, or (2) any Law, in each case, applicable to the Company or any of its Subsidiaries or any of their respective properties or assets, other than, in the case of the foregoing clause (B), any such conflicts, violations, defaults, rights, losses or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) No Consent of, or registration, declaration or filing with, or notice to, any Governmental Entity is required to be obtained or made by or with respect to the Company or any of its Subsidiaries in connection with the execution, delivery and performance of this Agreement by the Company or the consummation by the Company of the Merger and the other transactions contemplated by this Agreement, except for (A) the Regulatory Conditions and any other Consents of or under, and compliance with any other applicable requirements of, (1) the HSR Act, (2) the Federal Energy Regulatory Commission (the “FERC”), (3) the U.S. Nuclear Regulatory Commission (the “NRC”), (4) the Federal Communications Commission (the “FCC”), (5) the North Carolina Utilities Commission (the “NCUC”), and (6) the Georgia Public Service Commission (the “GPSC”) (the items set forth in this clause (A), collectively, the “Company Regulatory Clearances”), (B) the filing with the SEC of such reports and other documents (including the filing of the Proxy Statement/Prospectus) under, and compliance with all other applicable requirements of, the Securities Act or the Exchange Act and the rules and regulations promulgated thereunder and any applicable state securities, takeover and “blue sky” Laws, (C) the filing of the Articles of Merger with the Secretary of State of the State of South Carolina, (D) any filings under, and compliance with all other applicable requirements of, the rules and regulations of the NYSE and (E) such other Consents, registrations, declarations, filings and notices, the failure of which to be obtained or made has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect and would not reasonably be expected to prevent, or materially impair or delay, the consummation of the Merger or any of the other material transactions contemplated by this Agreement.

(e) Applicable Company SEC Reports; Financial Statements; Undisclosed Liabilities.

(i) The Reporting Companies have filed or furnished, as applicable, all SEC Reports such companies were required or otherwise obligated to file with or furnish to the SEC since June 30, 2016 (such SEC Reports, the “Applicable Company SEC Reports”). As of their respective dates of filing, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of

this Agreement, the Applicable Company SEC Reports complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, each as in effect on the date of any such filing. As of the time of filing with the SEC (or, if amended prior to the date of this Agreement, as of the date of such amendment), none of the Applicable Company SEC Reports so filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except to the extent that the information in such Applicable Company SEC Reports has been amended or superseded by a later Applicable Company SEC Report.

(ii) As of their respective dates, the audited and unaudited financial statements (consolidated, as applicable, and including any related notes thereto) of each of the Reporting Companies and their Subsidiaries, as applicable, included in the Applicable Company SEC Reports have been prepared in all material respects (except, as applicable, as permitted by Form 10-Q of the SEC or other applicable rules and regulations of the SEC) in accordance with United States generally accepted accounting principles (“GAAP”) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of each Reporting Company and its Subsidiaries, as applicable, as of the respective dates thereof (taking into account the notes thereto) and the consolidated results of their operations and cash flows for the periods indicated (taking into account the notes thereto) and subject, in the case of unaudited financial statements, to normal year-end adjustments.

(iii) Each Reporting Company maintains disclosure controls and procedures required by Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act and such disclosure controls and procedures are effective in all material respects to ensure that information required to be disclosed by such Reporting Company in the SEC Reports it files or submits under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of such Reporting Company’s SEC Reports and other public disclosure documents. Each Reporting Company maintains internal control over financial reporting required by Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act and such internal control is effective in all material respects in providing reasonable assurance regarding the reliability of such Reporting Company’s financial reporting and such Reporting Company’s preparation of financial statements for external purposes in accordance with GAAP. Each Reporting Company has disclosed, based on its most recent evaluation prior to the date of this Agreement, to such Reporting Company’s outside auditors and the audit committee of such Reporting Company’s board of directors, (A) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect such Reporting Company’s ability to record, process, summarize and report financial information and (B) to the Knowledge of the Company, any fraud that involves management or other employees of such Reporting Company who have a significant role in such Reporting Company’s internal control over financial reporting.

(iv) There are no liabilities or obligations of any Reporting Company or any Subsidiary of any Reporting Company of a nature that would be required under GAAP to be reflected or reserved on a balance sheet (consolidated, as applicable) of such Reporting Company, other than (A) liabilities or obligations reflected or reserved against in such Reporting Company’s most recent balance sheet (including the notes thereto) included in the Applicable Company SEC Reports filed prior to the date hereof, (B) liabilities or obligations incurred in the ordinary course

of business consistent with past practice since September 30, 2017, (C) liabilities or obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement and (D) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(f) Absence of Certain Changes or Events.

(i) Since January 1, 2017, there have not been any changes, developments, circumstances, effects, events or occurrences (changes, developments, circumstances, effects, events and occurrences being collectively referred to as "Changes") that have had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Since January 1, 2017, except as contemplated or required by this Agreement, the Company and its Subsidiaries have conducted their respective businesses in all material respects in the ordinary course of business consistent with past practice.

(g) Litigation. There is no (i) material suit, action, arbitration, mediation or legal, arbitral, administrative or other proceeding (a "Proceeding") pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries, (ii) to the Knowledge of the Company, pending or threatened material investigation or inquiry by a Governmental Entity of the Company or any of its Subsidiaries and (iii) Order, decree or writ of any Governmental Entity outstanding or, to the Knowledge of the Company, threatened to be imposed against the Company or any of its Subsidiaries.

(h) Contracts. Except for this Agreement and the Contracts set forth in Section 3.01(h) of the Company Disclosure Letter and Company Benefit Plans, as of the date of this Agreement, neither the Company nor any of its Subsidiaries is a party to any Company Material Contract. Each Company Material Contract required to be filed by the Company as a "material contract" pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act has been so filed. Each of the Company Material Contracts is valid and binding on the Company or the Subsidiary of the Company party thereto and, to the Knowledge of the Company as of the date hereof, each other party thereto, and is in full force and effect, except for such failures to be valid and binding or to be in full force and effect that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no default under any Company Material Contract by the Company or any of its Subsidiaries or, to the Knowledge of the Company as of the date hereof, by any other party thereto, in each case except for such defaults that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(i) Compliance with Law; Permits. Since January 1, 2016, the Company and each of its Subsidiaries have been in compliance with and have not been in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Entity regarding any actual or possible violation of, or failure to comply with, any Law, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company and its Subsidiaries are in possession of all franchises, grants, permits, easements, variances, exceptions, Consents, certificates, permissions, qualifications and registrations and Orders of all Governmental Entities (collectively, "Permits"), and have filed all tariffs, reports, notices, and other documents with all Governmental Entities, necessary for



the Company and its Subsidiaries to own, lease and operate their properties and assets and to carry on their businesses as currently conducted, except where the failure to possess any of such Permits or make any such filings has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All such Permits are valid and in full force and effect and there are no pending or, to the Knowledge of the Company, threatened administrative or judicial Proceedings that would reasonably be expected to result in modification, termination or revocation thereof, except where the failure to be in full force and effect or any modification, termination or revocation thereof has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, the Company and each of its Subsidiaries have been in compliance with the terms and requirements of such Permits, except where the failure to be in compliance has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(j) Labor and Employment Matters.

(i) Neither the Company nor any of its Subsidiaries is a party to any collective bargaining agreement or other similar agreement with a labor union, works council or similar organization. To the Knowledge of the Company, as of the date hereof, (A) there are no union or other labor organizing activities occurring concerning any employees of the Company or any of its Subsidiaries and (B) there are no labor strikes, slowdowns, work stoppages or lockouts pending or threatened in writing against the Company or any of its Subsidiaries, except, in each case, as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Since January 1, 2016, the Company and its Subsidiaries have not engaged in any action that required any notifications under the Workers Adjustment and Retraining Notification (WARN) Act of 1989, as amended, except as has not had and would not reasonably be expected to have, individually or in the aggregate a Company Material Adverse Effect.

(ii) The Company and its Subsidiaries are in compliance with all applicable Law respecting labor, employment, discrimination in employment, payroll, worker classification, wages and hours, occupational safety and health and employment practices, other than instances of non-compliance that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) The list that has been provided by the Company to Parent prior to the date of this Agreement of each employee of the Company and its Subsidiaries setting forth (as applicable) each employee's annual base salary or base wage rate, target annual cash bonus, target long term incentive and other employee data is complete and accurate in all material respects as of the date of this Agreement.

(k) Employee Benefit Matters.

(i) Section 3.01(k)(i) of the Company Disclosure Letter sets forth a complete and accurate list of each material Company Benefit Plan. The Company has made available to Parent correct and complete copies of, to the extent applicable: (A) the current plan document for each material Company Benefit Plan, (B) the most recent annual report on Form 5500 required to be filed with the Department of Labor with respect to each material Company Benefit Plan, (C) the most recent summary plan description for each material Company Benefit Plan, (D) the most recent actuarial reports and financial statements for each material Company Benefit Plan, (E) each trust agreement relating to any material Company Benefit Plan, and (F) the most recent determination or opinion letter, as applicable, for each Qualified Plan.

(ii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (A) each Company Benefit Plan (and any related trust or other funding vehicle) has been established, operated and administered in accordance with its terms and is in compliance with ERISA, the Code and all other applicable Law, (B) all contributions or other amounts payable by the Company or any Commonly Controlled Entity with respect to each Company Benefit Plan in respect of current or prior plan years have been paid or accrued in accordance with GAAP, (C) each Company Benefit Plan (and any related trust) that is intended to be qualified under Section 401(a) of the Code (each, a “Qualified Plan”) is the subject of a favorable determination or opinion letter issued by the Internal Revenue Service, and, to the Knowledge of the Company, no condition exists that would reasonably be expected to result in the loss of any such Qualified Plan’s qualified status and (D) to the Knowledge of the Company, there has been no non-exempt prohibited transaction (as defined in Section 4975 of the Code or Section 406 of ERISA) or breach of fiduciary duty under Section 404 of ERISA with respect to any Company Benefit Plan.

(iii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, as of the date hereof, (A) no Proceedings (other than routine claims for benefits in the ordinary course of business) are pending or, to the Knowledge of the Company, threatened relating to or otherwise in connection with any Company Benefit Plan or the assets thereof and (B) to the Knowledge of the Company, there are no pending or threatened administrative investigations, audits or other administrative Proceedings by the Department of Labor, the Pension Benefit Guaranty Corporation, the Internal Revenue Service or other Governmental Entity relating to any Company Benefit Plan.

(iv) None of the Company or any Commonly Controlled Entity has, within the past six (6) years, sponsored, maintained, contributed to or been required to maintain or contribute to, or has any liability under, any employee benefit plan (within the meaning of Section 3(3) of ERISA) that is (and no Company Benefit Plan is) subject to Section 302 or Title IV of ERISA or Sections 412 or 4971 of the Code, or is otherwise a defined benefit plan (as defined in Section 4001 of ERISA). With respect to any plan set forth in Section 3.01(k)(iv) of the Company Disclosure Letter, the Pension Benefit Guaranty Corporation (the “PBGC”) has not instituted Proceedings to terminate any such plan (and, to the Knowledge of the Company, no condition exists that would reasonably be expected to result in such Proceedings being instituted) and the Company and its Commonly Controlled Entities do not have any material liability to the PBGC with respect to such plan other than premium payments required by ERISA. Neither the Company nor any Commonly Controlled Entity has, within the past six (6) years, sponsored, maintained, contributed to or been required to maintain or contribute to, nor has any liability under, any multiemployer plan (as defined in Section 3(37) of ERISA).

(v) The Company has no liability for providing health, medical or life insurance or other welfare benefits after retirement or other termination of employment (other than for continuation coverage required under Section 4980(B)(f) of the Code or other similar applicable Law), except for such liabilities that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. With respect to any plan set forth in Section 3.01(k)(v) of the Company Disclosure Letter, to the Knowledge of the Company, the Company has the right to amend or terminate such plan in its discretion without the consent of any participant.

(vi) None of the execution and delivery of this Agreement, obtaining the Company Requisite Vote or the consummation of the Merger (alone or in conjunction with any other event, including any termination of employment on or following the Effective Time) would reasonably

be expected to (A) entitle any current or former director, officer, employee or independent contractor of the Company or any of its Subsidiaries to any compensation or material benefit, (B) accelerate the time of payment or vesting, or trigger any payment or funding, of any compensation or material benefits or trigger any other material obligation under any Company Benefit Plan, (C) result in any material breach or violation of, or material default under, or limit the Company's right to amend, modify, terminate or transfer the assets of, any Company Benefit Plan, (D) directly or indirectly cause the Company to transfer or set aside any assets to fund any benefits, or otherwise give rise to any material liability, under any Company Benefit Plan or (E) result in payments to any "disqualified individual" (as defined for purposes of Section 280G(c) of the Code) which would not be deductible under Section 280G of the Code.

(l) Taxes.

(i) All material Tax Returns required to be filed by or with respect to the Company or any of its Subsidiaries have been timely filed (taking into account any extension of time within which to file) and all such Tax Returns are correct and complete in all material respects.

(ii) All material Taxes of the Company and its Subsidiaries that are required to be paid or discharged, other than Taxes being contested in good faith by appropriate proceedings, have been timely paid and discharged.

(iii) No material deficiency with respect to Taxes has been proposed, asserted or assessed against the Company or any of its Subsidiaries which has not been fully paid or adequately reserved in the SEC Reports filed or furnished by the applicable Reporting Company to the SEC.

(iv) There are no material Tax Liens, other than Permitted Liens, on any asset of the Company or any of its Subsidiaries.

(v) Neither the Company nor any of its Subsidiaries has executed any outstanding waiver of any statute of limitations for the assessment or collection of any material Tax.

(vi) As of the date hereof, no audit or other examination or Proceeding of, or with respect to, any material Tax Return or material amount of Taxes of the Company or any of its Subsidiaries is pending and, between January 1, 2016 and the date hereof, no written notice thereof has been received by the Company or any of its Subsidiaries.

(vii) None of the Company or any of its Subsidiaries (A) is a party to any material Tax allocation, Tax sharing, or Tax indemnity agreement (other than commercial Contracts the primary purpose of which is not Taxes) or (B) is under an obligation under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law) or as transferee or successor, such that, in each case, the Company or any of its Subsidiaries is, after the date hereof or after the Closing (as the case may be), liable for any material amount of Taxes of another Person (other than the Company or any of its Subsidiaries).

(viii) There are no material closing agreements, private letter rulings, technical advice memoranda or rulings that have been entered into or issued by any Tax authority with respect to the Company or any of its Subsidiaries which are still in effect as of the date of this Agreement.

(ix) Neither the Company nor any of its Subsidiaries has "participated" within the meaning of Treasury Regulation Section 1.6011-4(c)(3)(i)(A) in any "listed transaction" within

the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, as in effect and as amended by any guidance published by the Internal Revenue Service for the applicable period.

(x) Each of the Company and its Subsidiaries has properly and timely withheld or collected and timely paid over to the appropriate Governmental Entity (or each is properly holding for such timely payment) all material amounts of Taxes required to be withheld, collected and paid over by applicable Law.

(xi) To the Knowledge of the Company, the Company and its Subsidiaries have complied with the normalization rules described in Section 168(i)(9) of the Code and any other applicable provisions of the Code or the Treasury Regulations thereunder with respect to any “public utility property” (as defined in Section 168(i)(10) of the Code).

(xii) Neither the Company nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(m) Environmental Matters. Except for those matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) each of the Company and its Subsidiaries is, and since January 1, 2016 has been, in compliance with all applicable Environmental Law and, as of the date hereof, neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Entity alleging that the Company or any of its Subsidiaries is in violation of, or has any liability under, any Environmental Law, (ii) each of the Company and its Subsidiaries possesses and is in compliance with all Permits required under applicable Environmental Law to conduct its business as currently conducted, and all such Permits are valid and in good standing and neither the Company nor any of its Subsidiaries has received notice from any Governmental Entity seeking to modify, revoke or terminate any such Environmental Permits, (iii) there are no Proceedings pursuant to any Environmental Law pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries, (iv) there have been no releases of Hazardous Materials at or on any property owned, leased or operated by the Company or any of its Subsidiaries, in each case, in a manner that would reasonably be expected to result in any obligation to conduct any investigation, remediation or other corrective or responsive action by the Company or any of its Subsidiaries and (v) neither the Company nor any of its Subsidiaries is subject to any consent decrees, Orders, settlements or compliance agreements that impose any current or future obligations on the Company and its Subsidiaries under Environmental Law.

(n) Insurance. The Company and its Subsidiaries maintain, or are entitled to the benefits of, insurance in such amounts and against such risks as the Company believes to be customary for companies of a comparable size in the industries in which it and its Subsidiaries operate. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, all material insurance policies carried by or covering the Company and its Subsidiaries with respect to their business, assets and properties are in full force and effect, and, to the Knowledge of the Company, no notice of cancellation has been given with respect to any such policy.

(o) Real Property.

(i) Subject, as to enforceability, to bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors’ rights and to general equity principles, each Contract under which the Company or any Subsidiary thereof is the tenant, subtenant or occupant

(each, a “Company Real Property Lease”) with respect to material real property leased, subleased, licensed or otherwise occupied (whether as tenant, subtenant or pursuant to other occupancy arrangements) by the Company or any of its Subsidiaries (collectively, including the improvements thereon, the “Company Leased Real Property”) is valid and binding on the Company or the Subsidiary of the Company party thereto, and, to the Knowledge of the Company, each other party thereto, and is in full force and effect, except for such failures to be valid and binding or to be in full force and effect that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no uncured default of any material provision of any Company Real Property Lease by the Company or any of its Subsidiaries or, to the Knowledge of the Company, by any other party thereto, and no event has occurred that with the lapse of time or the giving of notice or both would reasonably be expected to constitute a default thereunder by the Company or any of its Subsidiaries or, to the Knowledge of the Company, by any other party thereto, in each case except for such defaults and events that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) The Company or one of its Subsidiaries has good and valid title to all material real property currently owned by the Company or any of its Subsidiaries (collectively, “Company Owned Real Property”) free and clear of all Liens (other than Permitted Liens), except where absence of good and valid title or any such Lien has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iii) Each of the Company and its Subsidiaries has such consents, easements, rights-of-way, permits and licenses with respect to any real property (collectively, “Rights-of-Way”) as are sufficient to conduct its business in the manner described, and subject to the limitations, qualifications, reservations and encumbrances contained, in any Applicable Company SEC Report, except for such Rights-of-Way the absence of which has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All pipelines and electric transmission assets owned or operated by the Company and its Subsidiaries are subject to Rights-of-Way, there are no encroachments or encumbrances or other Rights-of-Way that affect the use thereof and there are no gaps in the Rights-of-Way that are material for such pipelines or electric transmission assets, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(iv) Each of the Company and its Subsidiaries have sufficient rights with respect to their Company Leased Real Property and Company Owned Real Property and under their Rights-of-Way to conduct its business as currently conducted, except where a failure to have such rights would not have and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(p) Intellectual Property, Privacy, and Information Technology.

(i) The Company and its Subsidiaries own or have the right to use all Intellectual Property necessary for the operation of the business of the Company and its Subsidiaries, except where the failure to own or have the right to use such Intellectual Property has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, the operation of the business of the Company and its Subsidiaries does not infringe upon or misappropriate any Intellectual Property of any other Person as of the date of this Agreement, except for such matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company

Material Adverse Effect. The Company and its Subsidiaries have taken commercially reasonable precautions to protect the secrecy and confidentiality of the trade secrets owned by the Company and its Subsidiaries, except where the failure to take reasonable precautions has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (A) to the Knowledge of the Company, the Company has not suffered any security breach of its IT Systems that has caused any loss of data, disruption or damage to the Company's operations, (B) the Company has not experienced any security breaches of personal data or IT Systems that required or would require law enforcement or Governmental Entity notification or any remedial action under applicable Law or any Data Privacy Legal Requirement, (C) to the Knowledge of the Company, since January 1, 2016, there has been no unauthorized access to, or other misuse of, personal data or IT Systems and (D) there are no pending or expected complaints, claims, actions, fines, or other penalties facing the Company in connection with any of the foregoing.

(iii) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the Company has security, back-ups, disaster recovery arrangements, and administrative, physical, and technical safeguards in place that are reasonably appropriate for a company in the business in which the Company is engaged and the Company has implemented security patches or upgrades that are reasonably available for the IT Systems where such patches or upgrades are reasonably required to maintain the security of such IT Systems.

(q) Regulatory Matters.

(i) All filings (other than immaterial filings) required to be made by the Company or any of its Subsidiaries since January 1, 2016 with the FERC, the Department of Energy (the "DOE"), the NRC, the FCC, the North American Electric Reliability Corporation (the "NERC"), the SCPSC, the SCORS, the NCUC, the GPSC, the United States Pipeline Hazardous Materials Safety Administration (the "PHMSA") and the United States Department of Transportation (the "DOT"), as the case may be, have been made, including all forms, notices, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(ii) Since January 1, 2016, none of the Company or any of its Subsidiaries has received any written notice or, to the Company's Knowledge, any other communication from the FERC, the DOE, the NRC, the FCC, the NERC, the SCPSC, the SCORS, the NCUC, the GPSC, the PHMSA or the DOT regarding any actual or possible material violation of, or material failure to comply with, any Law.

(iii) To the Knowledge of the Company, except as has not had and would not reasonably be expected to have a material impact on the Company and its Subsidiaries, the

operations of the Virgil C. Summer Nuclear Station in Jenkinsville, South Carolina (the “Summer Station”), including the operation of the NND Project and the construction, and cessation of the construction, of such project, are and have been conducted in compliance with applicable health, safety, regulatory and other requirements under applicable Laws.

(iv) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the financial assurance for decommissioning relating to the Summer Station provided to comply with NRC’s requirements in 10 CFR 50.75 and 72.30 consists of one or more trusts that are validly existing and in good standing under the Laws of their respective jurisdictions of formation with all requisite authority to conduct their affairs as currently conducted.

(r) Voting Requirements. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), the affirmative vote of holders of at least two-thirds of the outstanding Company Shares entitled to vote thereon at the Shareholders Meeting or any adjournment or postponement thereof to approve this Agreement (the “Company Requisite Vote”) is the only vote of the holders of any class or series of capital stock of the Company necessary for the Company to approve this Agreement and approve and consummate the Merger and the other transactions contemplated by this Agreement.

(s) Brokers and Other Advisors. No broker, investment banker, financial advisor or other Person, other than Morgan Stanley & Co. LLC and RBC Capital Markets, LLC, is entitled to any broker’s, finder’s or financial advisor’s fee or commission in connection with the Merger and the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

(t) Opinions of Financial Advisors. The Company Board has received the oral opinions of Morgan Stanley & Co. LLC and RBC Capital Markets, LLC to the effect that, as of the date of such opinions and based upon and subject to the various matters, limitations, qualifications and assumptions set forth therein, the Merger Consideration is fair, from a financial point of view, to the holders of Company Shares (other than Cancelled Shares). Signed, true and complete written copies of such opinions will be made available to Parent, which Parent and Merger Sub acknowledge and agree (i) are being provided to Parent for informational purposes only and (ii) may not be relied upon by Parent or Merger Sub.

(u) State Takeover Statutes. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), the Company Board has taken all action necessary to render inapplicable to this Agreement and the transactions contemplated by this Agreement all potentially applicable state anti-takeover statutes or regulations and any similar provisions in the Company Articles of Incorporation and the Company Bylaws. Assuming the accuracy of the representations and warranties set forth in Section 3.02(n), as of the date of this Agreement, no “fair price”, “business combination”, “moratorium”, “control share acquisition” or other state takeover Law or similar Law (collectively, “Takeover Statutes”) enacted by any state will prohibit or impair the consummation of the Merger or the other transactions contemplated by this Agreement.

(v) Information Supplied. None of the information supplied by the Company specifically for inclusion or incorporation by reference in the registration statement on Form S-4 in connection with the issuance by Parent of the aggregate Merger Consideration (the “Form S-4”) or the Proxy Statement/Prospectus, at (i) the time the Form S-4 is declared effective, (ii) the date the Proxy Statement/Prospectus is first published or mailed to the holders of Company Shares or (iii) the time of the Shareholders Meeting (except, with respect to the foregoing clauses (i) through (iii), to the extent

that any such information is amended or superseded by any subsequent SEC Reports of Parent or the Company), will contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

**SECTION 3.02. Representations and Warranties of Parent and Merger Sub.** Except (x) as disclosed in the SEC Reports of Parent or its wholly-owned Subsidiaries filed with or furnished to the SEC since January 1, 2016 and publicly available at least twenty-four (24) hours prior to the date of this Agreement (excluding any disclosures set forth in any risk factor section or in any other section to the extent such disclosures are forward-looking statements or are cautionary, predictive or forward-looking in nature) or (y) as set forth in the Parent Disclosure Letter (it being agreed that disclosure of any item in any section or subsection of the Parent Disclosure Letter shall also be deemed disclosed with respect to any other section or subsection of this Agreement to which the relevance of such item is reasonably apparent), Parent and Merger Sub represent and warrant to the Company as follows:

(a) **Organization, Standing and Corporate Power.** Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing (where such concept is recognized under applicable Law) under the Laws of the Commonwealth of Virginia, in the case of Parent, and the Laws of the State of South Carolina, in the case of Merger Sub, and has all requisite corporate power and authority to carry on its business as currently conducted and is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Each of Parent's Subsidiaries is a legal entity duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Law of its jurisdiction of organization and has all requisite corporate power and authority to carry on its business as currently conducted, and each of Parent's Subsidiaries is duly qualified or licensed to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction where the nature of its business or the ownership, leasing or operation of its properties or assets makes such qualification or licensing necessary, other than where the failure to be so qualified, licensed or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Parent has made available to the Company a true and complete copy of the organizational documents of Parent (the "Parent Organizational Documents"), and the comparable organizational documents of Merger Sub, in each case as amended and in effect as of the date of this Agreement.

(b) **Subsidiaries.** All of the outstanding shares of capital stock of, or other equity interests in, each wholly-owned Subsidiary of Parent have, in all cases, been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights, and are wholly-owned, directly or indirectly, by Parent free and clear of all Liens, other than transfer restrictions contained in the articles of incorporation, bylaws and limited liability company agreements (or any equivalent constituent documents) of such wholly-owned Subsidiary.

(c) **Capital Structure.**

(i) The authorized capital stock of Parent consists of 1,000,000,000 Parent Shares and 20,000,000 shares of preferred stock (such preferred stock, the "Parent Preferred Stock"). At the close of business on December 29, 2017, there were (A) 644,571,202 Parent Shares issued and outstanding and (B) no shares of Parent Preferred Stock issued or outstanding. Except as set forth in the immediately preceding sentence, at the close of business on December 29, 2017, no shares



of capital stock or other voting securities of Parent were issued or outstanding. Since December 29, 2017 to the date of this Agreement, (x) there have been no issuances by Parent of shares of capital stock or other voting securities of Parent other than pursuant to the exercise or vesting of equity awards under any Parent equity award plans or pursuant to Parent's dividend reinvestment and direct stock purchase plan, in each case, outstanding as of December 29, 2017 and (y) there have been no issuances by Parent of options, warrants, other rights to acquire shares of capital stock of Parent or other rights that give the holder thereof any economic interest of a nature accruing to the holders of Parent Shares. All outstanding Parent Shares are, and all such Parent Shares that may be issued prior to the Effective Time will be when issued, duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights.

(ii) No Subsidiary of Parent (it being understood and agreed that, for purposes of this Section 3.02(c)(ii), Subsidiaries of Parent shall not include (x) any benefit plan maintained by Parent or any of its Subsidiaries or (y) any nuclear decommissioning trusts maintained by Parent or any of its Subsidiaries) owns any Parent Shares or other shares of capital stock of Parent. There are no bonds, debentures, notes or other Indebtedness of Parent or of any of its Subsidiaries that give the holders thereof the right to vote (or that are convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of Parent Shares may vote ("Voting Parent Debt"). Except for any obligations pursuant to this Agreement or as otherwise set forth in Section 3.02(c)(i), as of December 29, 2017, there are no options, warrants, rights (including preemptive, conversion, stock appreciation, redemption or repurchase rights), convertible or exchangeable securities, stock-based performance units, Contracts or undertakings of any kind to which Parent or any of its Subsidiaries is a party or by which any of them is bound (A) obligating Parent or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other securities of, or equity interests in, or any security convertible or exchangeable for any capital stock or other security of, or equity interest in, Parent or any of its wholly-owned Subsidiaries or any Voting Parent Debt, (B) obligating Parent or any of its wholly-owned Subsidiaries to issue, grant or enter into any such option, warrant, right, security, unit, Contract or undertaking to declare or pay any dividend or distribution or (C) that give any Person the right to subscribe for or acquire any securities of Parent or any of its wholly-owned Subsidiaries, or to receive any economic interest of a nature accruing to the holders of Parent Shares or otherwise based on the performance or value of shares of capital stock of Parent or any of its wholly-owned Subsidiaries. As of the date of this Agreement, there are no outstanding obligations of Parent or any of its wholly-owned Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interest, other than pursuant to any Parent equity award plans. There are no voting agreements, voting trusts, shareholders agreements, proxies or other agreements to which Parent or any of its Subsidiaries is bound with respect to the voting of the capital stock or other equity interests of Parent, or restricting the transfer of, or providing registration rights with respect to, such capital stock or equity interests.

(d) Authority; Noncontravention.

(i) Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver, and perform its obligations under, this Agreement and to consummate the transactions contemplated by this Agreement, subject, in the case of the Merger, to the delivery by Parent of the written consent, as sole shareholder of Merger Sub, referenced in Section 5.11. The execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of each of Parent and Merger Sub, subject, in the case of the Merger, to the delivery by Parent of the written consent, as

sole shareholder of Merger Sub, referenced in Section 5.11. This Agreement has been duly executed and delivered by each of Parent and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes a legal, valid and binding obligation of each of Parent and Merger Sub, enforceable against each of Parent and Merger Sub in accordance with its terms, subject, as to enforceability, to bankruptcy, insolvency and other Law of general applicability relating to or affecting creditors' rights and to general equity principles. The board of directors of Parent has duly and validly adopted resolutions approving this Agreement and the transactions contemplated by this Agreement, including the Merger, and the board of directors of Merger Sub has duly and validly adopted resolutions (A) determining that it is in the best interests of Merger Sub and its sole shareholder that Merger Sub enter into this Agreement and consummate the Merger and the other transactions contemplated by this Agreement on the terms and subject to the conditions set forth in this Agreement, (B) adopting this Agreement and approving the transactions contemplated by this Agreement, including the Merger and (C) recommending that the sole shareholder of Merger Sub approve this Agreement, which resolutions of Parent and Merger Sub, in each case, have not been rescinded, modified or withdrawn in any way.

(ii) The execution, delivery and performance by Parent and Merger Sub of this Agreement do not, and the consummation of the Merger and the other transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to any right (including a right of termination, cancellation or acceleration of any obligation or any right of first refusal, participation or similar right) under, or cause the loss of any benefit under, or result in the creation of any Lien (other than Permitted Liens) upon any of the properties or assets of Parent or Merger Sub or any of their respective Subsidiaries under, any provision of (A) the Parent Organizational Documents or the comparable organizational documents of any of Parent's Subsidiaries, including Merger Sub or (B) subject to the filings and other matters referred to in Section 3.02(d)(iii), (1) any Contract or (2) any Law, in each case, applicable to Parent or Merger Sub or any of their respective Subsidiaries or any of their respective properties or assets, other than, in the case of foregoing clause (B), any such conflicts, violations, defaults, rights, losses or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(iii) No Consent of, or registration, declaration or filing with, or notice to, any Governmental Entity is required to be obtained or made by or with respect to Parent or Merger Sub or any of their respective Subsidiaries in connection with the execution, delivery and performance of this Agreement by Parent and Merger Sub or the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement, except for (A) the Regulatory Conditions and any other Consents of or under, and compliance with any other applicable requirements of, (1) the HSR Act, (2) the FERC, (3) the NRC, (4) the FCC, (5) the NCUC, and (6) the GPSC (the items set forth in this clause (A), collectively, the "Parent Regulatory Clearances") and together with the Company Regulatory Clearances, the "Regulatory Clearances"), (B) the filing with the SEC of such reports and other documents (including the filing of the Form S-4) under, and compliance with all other applicable requirements of, the Securities Act or the Exchange Act and the rules and regulations promulgated thereunder and any applicable state securities, takeover and "blue sky" Laws, (C) the filing of the Articles of Merger with the Secretary of State of the State of South Carolina, (D) any filings under, and compliance with all other applicable requirements of, the rules and regulations of the NYSE and (E) such other Consents, registrations, declarations, filings and notices, the failure of which to be obtained or made has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect and would not reasonably be expected to prevent, or

materially impair or delay, the consummation of the Merger or any of the other material transactions contemplated by this Agreement.

(e) Applicable Parent SEC Reports; Financial Statements; Undisclosed Liabilities.

(i) Parent and its Subsidiaries have filed or furnished, as applicable, all SEC Reports such companies were required or otherwise obligated to file with or furnish to the SEC since June 30, 2016 (such SEC Reports, the “Applicable Parent SEC Reports”). As of their respective dates of filing, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, the Applicable Parent SEC Reports complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, each as in effect on the date of any such filing. As of the time of filing with the SEC (or, if amended prior to the date of this Agreement, as of the date of such amendment), none of the Applicable Parent SEC Reports so filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except to the extent that the information in such Applicable Parent SEC Reports has been amended or superseded by a later Applicable Parent SEC Report.

(ii) As of their respective dates, the audited and unaudited financial statements (consolidated, as applicable, and including any related notes thereto) of each of Parent and its Subsidiaries, as applicable, included in the Applicable Parent SEC Reports have been prepared in all material respects (except, as applicable, as permitted by Form 10-Q of the SEC or other applicable rules and regulations of the SEC) in accordance with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of Parent and its Subsidiaries, as applicable, as of the respective dates thereof (taking into account the notes thereto) and the consolidated results of their operations and cash flows for the periods indicated (taking into account the notes thereto) and subject, in the case of unaudited financial statements, to normal year-end adjustments.

(iii) Parent maintains disclosure controls and procedures required by Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act and such disclosure controls and procedures are effective in all material respects to ensure that information required to be disclosed by Parent in the SEC Reports it files or submits under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of Parent’s SEC Reports and other public disclosure documents. Parent maintains internal control over financial reporting required by Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act and such internal control is effective in all material respects in providing reasonable assurance regarding the reliability of Parent’s financial reporting and Parent’s preparation of financial statements for external purposes in accordance with GAAP. Parent has disclosed, based on its most recent evaluation prior to the date of this Agreement, to Parent’s outside auditors and the audit committee of Parent’s board of directors (A) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect Parent’s ability to record, process, summarize and report financial information and (B) to the Knowledge of Parent, any fraud that involves management or other employees of Parent who have a significant role in Parent’s internal control over financial reporting.

(iv) There are no liabilities or obligations of Parent or any of its Subsidiaries of a nature that would be required under GAAP to be reflected or reserved on a financial statement (consolidated, as applicable) of Parent, other than (A) liabilities or obligations reflected or reserved against in such entity's most recent balance sheet (including the notes thereto) included in the Applicable Parent SEC Reports filed prior to the date hereof, (B) liabilities or obligations incurred in the ordinary course of business consistent with past practice since September 30, 2017, (C) liabilities or obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement and (D) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(f) Absence of Certain Changes or Events.

(i) Since January 1, 2017, there have not been any Changes that have had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(ii) Since January 1, 2017, except as contemplated or required by this Agreement, Parent and its wholly-owned Subsidiaries have conducted their respective businesses in all material respects in the ordinary course of business consistent with past practice.

(g) Litigation. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, there is no (i) Proceeding pending or, to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries, (ii) to the Knowledge of Parent, pending or threatened material investigation or inquiry by a Governmental Entity of Parent or any of its Subsidiaries and (iii) Order, decree or writ of any Governmental Entity outstanding or, to the Knowledge of Parent, threatened to be imposed against Parent or any of its Subsidiaries.

(h) Compliance with Law. Since January 1, 2016, Parent and each of its Subsidiaries have been in compliance with and have not been in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Since January 1, 2016, neither Parent nor any of its Subsidiaries has received any written notice from any Governmental Entity regarding any violation of, or failure to comply with, any Law, except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(i) Taxes.

(i) All material Tax Returns required to be filed by or with respect to Parent or any of its wholly-owned Subsidiaries have been timely filed (taking into account any extension of time within which to file) and all such Tax Returns are correct and complete in all material respects.

(ii) All material Taxes of Parent and its wholly-owned Subsidiaries that are required to be paid or discharged, other than Taxes being contested in good faith by appropriate proceedings, have been timely paid and discharged.

(iii) There are no material Tax Liens, other than Permitted Liens, on any asset of Parent or any of its wholly-owned Subsidiaries.

(iv) Neither Parent nor any of its wholly-owned Subsidiaries has executed any outstanding waiver of any statute of limitations for the assessment or collection of any material Tax.

(v) As of the date hereof, no audit or other examination or Proceeding of, or with respect to, any material Tax Return or material amount of Taxes of Parent or any of its wholly-owned Subsidiaries is pending and, between January 1, 2016 and the date hereof, no written notice thereof has been received by Parent or any of its wholly-owned Subsidiaries.

(vi) None of Parent or any of its wholly-owned Subsidiaries (A) is a party to any material Tax allocation, Tax sharing, Tax indemnity or similar agreement or (B) is under an obligation under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law) or as transferee or successor, such that, in each case, Parent or any of its wholly-owned Subsidiaries is, after the date hereof or after the Closing (as the case may be), liable for any material amount of Taxes of another Person (other than Parent or any of its wholly-owned Subsidiaries).

(vii) There are no material closing agreements, private letter rulings, technical advice memoranda or rulings that have been entered into or issued by any Tax authority with respect to Parent or any of its wholly-owned Subsidiaries which are still in effect as of the date of this Agreement.

(viii) Neither Parent nor any of its wholly-owned Subsidiaries has “participated” within the meaning of Treasury Regulation Section 1.6011-4(c)(3)(i)(A) in any “listed transaction” within the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, as in effect and as amended by any guidance published by the Internal Revenue Service for the applicable period.

(ix) Neither Parent nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(j) Regulatory Matters.

(i) All filings (other than immaterial filings) required to be made by Parent or any of its Subsidiaries since January 1, 2016 with the FERC, the DOE, the NRC, and the NERC, as the case may be, have been made, including all forms, notices, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, or, if amended or superseded by a subsequent filing made prior to the date of this Agreement, as of the date of the last such amendment or superseding filing prior to the date of this Agreement, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(ii) Since January 1, 2016, none of Parent or any of its wholly-owned Subsidiaries has received any written notice or, to Parent’s Knowledge, any other communication from the FERC, the DOE, the NRC or the NERC regarding any actual or possible material violation of, or material failure to comply with, any Law.

(k) No Vote Required. Other than the approval of this Agreement by the sole shareholder of Merger Sub referenced in Section 5.11, no vote or consent of the holders of any class or series of capital stock of Parent or any of its Affiliates is necessary for Parent and Merger Sub to approve this Agreement and approve and consummate the Merger and the other transactions contemplated by this Agreement.

(l) Brokers and Other Advisors. Except for fees or commissions to be paid by Parent, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's or financial advisor's fee or commission in connection with the Merger and the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or Merger Sub.

(m) Ownership and Operation of Merger Sub. The authorized capital stock of Merger Sub consists solely of one thousand (1,000) shares of common stock, without par value, one hundred (100) of which are validly issued and outstanding as of the date hereof. All of the issued and outstanding capital stock of Merger Sub is, and at and immediately prior to the Effective Time will be, owned by Parent. Merger Sub has been formed solely for the purpose of engaging in the transactions contemplated by this Agreement and prior to the Effective Time will have engaged in no other business activities and will have no assets, liabilities or obligations of any nature other than those incident to its formation and its entry into this Agreement and the consummation of the Merger and the other transactions contemplated by this Agreement.

(n) Ownership of Shares. None of Parent, Merger Sub or any of their Subsidiaries (it being understood and agreed that, for purposes of this Section 3.02(n), Subsidiaries of Parent and Merger Sub shall not include (x) any benefit plan maintained by Parent or any of its Subsidiaries or (y) any nuclear decommissioning trusts maintained by Parent or any of its Subsidiaries) is, directly or indirectly, a "beneficial owner" (as such term is defined in Rule 13d-3 under the Exchange Act) of any (i) Company Shares, (ii) securities that are convertible into or exchangeable or exercisable for Company Shares, or (iii) any rights to acquire or vote any Company Shares, or any option, warrant, convertible security, stock appreciation right, swap agreement or other security, contract right or derivative position, whether or not presently exercisable, that provides Parent, Merger Sub, or any of their respective Subsidiaries with an exercise or conversion privilege or a settlement payment or mechanism at a price related to the value of Company Shares or a value determined in whole or part with reference to, or derived in whole or part from, the value of the Company Shares, in any case without regard to whether (A) such derivative conveys any voting rights in such securities to such Person, (B) such derivative is required to be, or capable of being, settled through delivery of securities or (C) such Person may have entered into other transactions that hedge the economic effect of such derivative, other than any Company Shares or securities, rights, options, warrants, agreements and derivatives with respect to any Company Shares in an amount equal to, in the aggregate, less than five percent (5%) of the total number of issued and outstanding Company Shares.

(o) Information Supplied. None of the information supplied by Parent specifically for inclusion or incorporation by reference in the Form S-4 or the Proxy Statement/Prospectus, at (i) the time the Form S-4 is declared effective, (ii) the date the Proxy Statement/Prospectus is first published or mailed to the holders of Company Shares or (iii) the time of the Shareholders Meeting (except, with respect to the foregoing clauses (i) through (iii), to the extent that any such information is amended or superseded by any subsequent SEC Reports of Parent or the Company), will contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

(p) Financial Ability. Parent has, and at the Closing Parent will have, sufficient immediately available funds and the financial ability to pay all amounts payable to holders of Company Performance Share Awards and Company RSUs pursuant to Section 2.02 and any repayment or refinancing of then outstanding Indebtedness of the Company or any of its Subsidiaries, which repayment or refinancing is required as a result of the Merger, as set forth in Section 3.02(p) of the Company Disclosure Letter, after taking into account any consents or waivers obtained from any holder of such Indebtedness prior to the Effective Time.

## ARTICLE IV

### COVENANTS RELATING TO CONDUCT OF BUSINESS

#### SECTION 4.01. Conduct of Business Pending the Merger.

(a) Conduct of Business by the Company. From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly contemplated by this Agreement, set forth in Section 4.01(a) of the Company Disclosure Letter, required by applicable Law, required by a Governmental Entity or with the prior written consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed), (x) the Company shall, and shall cause each of its Subsidiaries to, conduct its business in all material respects in the ordinary course consistent with past practice and shall use commercially reasonable efforts to preserve substantially intact its current business organizations, maintain adequate and comparable insurance coverage, and preserve its relationships with its employees, counterparties, customers and suppliers and Governmental Entities with jurisdiction over the Company or any of its Subsidiaries and (y) without limiting the foregoing, the Company shall not, and shall not permit any of its Subsidiaries to:

(i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than (A) regular quarterly cash dividends payable by the Company in respect of Company Shares not in excess of the amount set forth in Section 4.01(a)(i) of the Company Disclosure Letter and (B) dividends or distributions by a Subsidiary of the Company to the Company or to any wholly-owned Subsidiary of the Company;

(ii) split, combine or reclassify any of its capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, other ownership interests or voting securities, other than transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company's wholly-owned Subsidiaries;

(iii) purchase, redeem or otherwise acquire any of its or its Subsidiaries' shares of capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or any rights, warrants or options to acquire any such shares of capital stock, interests or securities, other than (A) the withholding of Company Shares to satisfy Tax obligations or the exercise price with respect to awards granted pursuant to the Company Equity Award Plans or settlement of awards granted pursuant to the Company Equity Award Plans and (B) the acquisition by the Company of awards granted pursuant to the Company Equity Award Plans in connection with the forfeiture or settlement of such awards or rights, in each case, that are outstanding as of the date hereof and in

accordance with their terms as of the date hereof or granted after the date hereof in accordance with this Agreement;

(iv) issue, deliver, sell, pledge, dispose of, encumber or subject to any Lien, any shares of its capital stock, other ownership interests or voting securities (other than the issuance of shares by a wholly-owned Subsidiary of the Company to the Company or another wholly-owned Subsidiary of the Company), or any securities convertible into, exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares of capital stock, interests or voting securities or any “phantom” stock, “phantom” stock rights, stock appreciation rights or stock-based performance units, other than upon the exercise, vesting or settlement of awards granted pursuant to the Company Equity Award Plans that are outstanding as of the date hereof or granted after the date hereof in accordance with this Agreement, in each case, exercised, vested or settled in accordance with their terms;

(v) amend (A) any of the Company Organizational Documents or (B) the comparable organizational documents of any Subsidiary of the Company, other than, in the case of this clause (B), amendments that effect solely ministerial changes to such documents;

(vi) acquire (whether by merger, consolidation, purchase of property or assets (including equity interests) or otherwise) any corporation, partnership or other business organization or division thereof or any material assets or interests in any Person with a value in excess of \$50 million in the aggregate, other than transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company’s wholly-owned Subsidiaries;

(vii) sell, license, lease, transfer, assign, divest, cancel, encumber, abandon or otherwise dispose of any of its properties, rights or assets which (A) are material to the Company and its Subsidiaries, taken as a whole, or (B) have a value in excess of \$25 million, other than (1) sales, transfers and dispositions of obsolete, non-operating or worthless assets or properties and (2) sales, leases, transfers or other dispositions made in connection with (x) any immaterial transactions in the ordinary course of business consistent with past practice or (y) any transactions solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company’s wholly-owned Subsidiaries;

(viii) incur, redeem, prepay, defease, cancel, or, in any material respect, modify any indebtedness for borrowed money, issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Company or any of its Subsidiaries, guarantee, assume or endorse or otherwise as an accommodation become responsible for any such indebtedness or any debt securities or other financial obligations of another Person or enter into any “keep well” or other agreement to maintain any financial statement condition of another Person (collectively, “Indebtedness”), other than (A) borrowings under existing revolving credit facilities (or replacements thereof on comparable terms, including in regards to maturity) or commercial paper programs in the ordinary course of business, (B) other than as set forth in the foregoing clause (A) and in Section 4.01(a)(viii) of the Company Disclosure Letter, incurring any Indebtedness in the ordinary course of business (including interest rate swaps on customary commercial terms consistent with past practice) not in excess of \$200,000,000, (C) other than as set forth in Section 4.01(a)(viii) of the Company Disclosure Letter, redeeming, prepaying, defeasing, cancelling or modifying any Indebtedness in the ordinary course of business (including interest rate swaps on customary commercial terms consistent with past practice) not to exceed \$200,000,000, (D) incurring, redeeming, prepaying, defeasing, cancelling or modifying any Indebtedness among the Company or any of its Subsidiaries, (E) incurring any Indebtedness to replace, renew, extend,



refinance or refund any existing Indebtedness in the same principal amount of such existing Indebtedness and upon the maturity of such existing Indebtedness and to the extent such existing Indebtedness is Indebtedness of the Company, on terms that can be redeemed or prepaid at any time upon payment of the outstanding principal amount plus accrued interest without any make whole or similar prepayment penalty, and (F) providing guarantees and other credit support by the Company with respect to the obligations of any of its Subsidiaries; provided, however, no such Indebtedness shall contain any term that would accelerate the payment thereof or require its immediate repayment due to the transactions contemplated by this Agreement;

(ix) settle any claim, investigation or Proceeding with a Governmental Entity or third party, in each case, threatened, made or pending against the Company or any of its Subsidiaries, which (A) provides injunctive relief which is material to the Company or any of its Subsidiaries or (B) requires payment in excess of \$10 million in the aggregate, other than the settlement of any claims, investigations or Proceedings made in the ordinary course of business or for an amount (excluding any amounts that are covered by any insurance policies of the Company or its Subsidiaries, as applicable) not in excess of the amount reflected or reserved therefor in the most recent financial statements (or the notes thereto) of the Company included in the Company's SEC Reports; provided, however, that neither the Company nor any of its Subsidiaries shall settle any claim, investigation or Proceeding with a Governmental Entity or third party, in each case, threatened, made or pending against the Company or any of its Subsidiaries relating to or arising out of (A) the construction (or cessation of the construction), abandonment or disposal of nuclear power Units 2 and 3 at the Summer Station, (B) the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof), or (C) any other aspect of the NND Project (collectively, the "NND Project Litigation") (it being understood and agreed that this proviso shall not apply to (x) the termination of any Contract related to the NND Project so long as such termination results in no additional liability of the Company or any of its Subsidiaries in excess of \$5 million in the aggregate or (y) any immaterial amendment of any Contract related to the NND Project) other than as follows: (a) except as set forth in subclause (b) below, neither the Company nor any of its Subsidiaries shall settle any claim, investigation or Proceeding with a third party who is not a Governmental Entity relating to or arising out of the NND Project Litigation without prior consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed), (b) the Company or its Subsidiaries may, after prior notice to Parent, settle any mechanic liens related to the cessation of construction of the NND Project including those more specifically described as item 1(y) of Section 3.01(g) of the Company Disclosure Letter (it being understood and agreed that the \$10 million limitation referred to in the fourth line of this Section 4.01(a)(ix) shall not apply to such settlement of mechanic's liens) and (c) neither the Company nor its Subsidiaries may settle any claim, investigation or Proceeding with a Governmental Entity relating to or arising out of the NND Project Litigation without prior consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed);

(x) make or agree to make any capital expenditure in any fiscal year, except (A) for capital expenditures made in accordance with the capital expenditures plan set forth in Section 4.01(a)(x) of the Company Disclosure Letter in an amount not to exceed \$50 million in excess of the amounts set forth in such capital expenditure plan during any calendar year, (B) for capital expenditures related to operational emergencies, equipment failures or outages or expenditures that the Company reasonably determines are then necessary to maintain the safety and integrity of any asset or property in response to any unanticipated or unforeseen and subsequently discovered events, occurrences or developments, or (C) as required by Law or a Governmental Entity;

(xi) except as required pursuant to the terms of any Company Benefit Plan or other written agreement, in each case, in effect on the date hereof, (A) grant to any director or officer any increase in compensation or pay, or award any bonuses or incentive compensation, including in the case of any Company officer, any changes associated with promotions or other position changes, regardless of whether such promotions or changes were previously announced, (B) grant to any current or former director, officer or employee any increase in severance, retention or termination pay, (C) grant or amend any equity awards, (D) enter into any new, or modify any existing, employment or consulting agreement with any current or former director or officer or enter into any new, or modify any existing, employment or consulting agreement with any individual consultant pursuant to which the annual base salary of such individual under such agreement exceeds \$250,000.00 or the term of which exceeds twelve (12) months, (E) establish, adopt, enter into or amend in any material respect any material collective bargaining agreement or material Company Benefit Plan, (F) take any action to accelerate any rights or benefits under any Company Benefit Plan, or (G) hire or promote any new officer (other than any officer whose hiring or promotion has previously been publicly announced, but that has not yet taken effect as of the date hereof); provided, however, that, other than as set forth in subclause (A), the foregoing shall not restrict the Company or any of its Subsidiaries from entering into or making available to newly hired employees or to employees in the context of promotions based on job performance or workplace requirements, in each case, in the ordinary course of business, plans, agreements, benefits and compensation arrangements (including incentive grants, whether cash or equity, but excluding any individual severance arrangements) that have a value that is consistent with its past practice of making compensation and benefits available to newly hired or promoted employees in similar positions and under similar circumstances;

(xii) other than as required (A) by GAAP (or any interpretation thereof), including pursuant to standards, guidelines and interpretations of the Financial Accounting Standards Board or any similar organization or (B) by a Governmental Entity or Law (including pursuant to any applicable SEC rule or policy), make any change in accounting methods, principles or practices where such changes would reasonably be expected to be material to the Company and its Subsidiaries, taken as a whole;

(xiii) (A) make, change or rescind any material Tax election, any Tax accounting period, or adopt or change any material method of Tax accounting, (B) settle or compromise any material Tax liability or consent to any material claim or assessment or obtain any material ruling relating Taxes, (C) file any amended material Tax Return or (D) enter into any material closing agreement relating to Taxes;

(xiv) other than in the ordinary course of business consistent with past practice, materially amend, modify or terminate, or waive any material rights under, or enter into any Contract which if entered into prior to the date of this Agreement would have been deemed, a Company Material Contract;

(xv) adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization, other than the Merger and any other mergers, consolidations, restructurings, recapitalizations or other reorganizations solely between or among the Company and its wholly-owned Subsidiaries or between or among the Company's wholly-owned Subsidiaries;

(xvi) materially change or enter into any IT Systems or cyber-security Contracts that are material to the Company and its Subsidiaries (other than routine maintenance and upgrades to existing IT Systems); or

(xvii) authorize any of, or commit or agree to take any of, the foregoing actions prohibited pursuant to clauses (i) through (xvi) of this Section 4.01(a).

(b) Conduct of Business by Parent. From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly contemplated by this Agreement, set forth in Section 4.01(b) of the Parent Disclosure Letter, required by applicable Law, required by a Governmental Entity or with the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed), (x) Parent shall, and shall cause each of the Parent Significant Subsidiaries to, conduct its business in all material respects in the ordinary course of business consistent with past practice and shall use commercially reasonable efforts to preserve substantially intact its current business organizations, maintain adequate and comparable insurance coverage and preserve its relationships with its employees, counterparties, customers and suppliers and Governmental Entities with jurisdiction over Parent or any of the Parent Significant Subsidiaries and (y) without limiting the foregoing, Parent shall not:

(i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than regular quarterly cash dividends payable by Parent in respect of Parent Shares;

(ii) split, combine or reclassify any of its capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, other ownership interests or voting securities, other than transactions solely between or among Parent and its wholly-owned Subsidiaries;

(iii) purchase, redeem or otherwise acquire any of its or the Parent Significant Subsidiaries' shares of capital stock, other ownership interests or voting securities, or securities convertible into or exchangeable or exercisable for any such shares of capital stock, interests or securities, or any rights, warrants or options to acquire any such shares of capital stock, interests or securities, other than (A) the withholding of Parent Shares or any of Parent's Subsidiaries' capital stock to satisfy Tax obligations or the exercise price with respect to awards granted pursuant to any of Parent's equity award plans or (B) purchasing, redeeming or acquiring any of Parent's equity awards pursuant to any of Parent's equity award plans;

(iv) except for any Parent Shares issued in an offering for cash at a price no lower than ninety-five percent (95%) of the market price for Parent Shares on the NYSE at the time of such offering, issue, deliver, sell, pledge, dispose of, encumber or subject to any Lien, any shares of its capital stock, other ownership interests or voting securities, or, except for equity units or mandatorily convertible securities issued in an offering for cash with a conversion premium, any securities convertible into, exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares of capital stock, interests or securities or any "phantom" stock, "phantom" stock rights, stock appreciation rights or stock-based performance units, other than upon the exercise, vesting or settlement of awards granted pursuant to any Parent equity award plans or pursuant to Parent's dividend reinvestment and direct stock purchase plan;

(v) amend (A) any of the Parent Organizational Documents or (B) the comparable organizational documents of any Parent Significant Subsidiary, in each case, in a manner that would materially adversely affect the holders of Company Shares whose Company Shares shall, pursuant to Section 2.01(a), convert in part into Parent Shares at the Effective Time; or

(vi) authorize any of, or commit or agree to take any of, the foregoing actions prohibited pursuant to clauses (i) through (v) of this Section 4.01(b).

(c) From the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with Article VII, neither the Company nor Parent shall take or permit any of their respective Subsidiaries to take any action that would reasonably be expected to prevent, or materially impair or delay, the consummation of the Merger or any of the other transactions contemplated by this Agreement.

#### SECTION 4.02. Acquisition Proposals.

(a) The Company agrees that, except as permitted by this Section 4.02, neither it nor any of its Subsidiaries, or any of their respective directors or officers, shall, and it shall instruct and use its reasonable best efforts to cause its and its Subsidiaries' employees, investment bankers, attorneys, accountants and other advisors or representatives (collectively, "Representatives") not to, directly or indirectly (i) initiate, solicit or knowingly encourage any Acquisition Proposal or the making of any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (ii) engage in, continue or otherwise participate in any discussions or negotiations regarding any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (iii) furnish or provide any information or data to any Person in connection with any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (iv) otherwise knowingly facilitate any effort or attempt with respect to the foregoing. Any violation of the restrictions set forth in this Section 4.02 by any director, officer or investment banker of the Company or any of its Subsidiaries shall be deemed to be a breach of this Section 4.02 by the Company.

(b) The Company agrees that it and its Subsidiaries and their respective directors, officers, and employees, shall, and it shall instruct and use its reasonable best efforts to cause its and its Subsidiaries' Representatives to, immediately (i) cease and cause to be terminated any solicitation, discussions, negotiations or knowing facilitation or encouragement with any Person that may be ongoing with respect to any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (ii) terminate any such Person's access to any physical or electronic data rooms and (iii) request that any such Person and its Representatives promptly return or destroy all confidential information concerning the Company and its Subsidiaries theretofore furnished thereto by or on behalf of the Company or any of its Subsidiaries, and destroy all analyses and other materials prepared by or on behalf of such Person that contain, reflect or analyze such information, in each case, to the extent required by, and in accordance with, the terms of the applicable confidentiality agreement between the Company and such Person.

(c) The Company shall promptly (but in any event within forty-eight (48) hours) notify Parent in writing of the receipt of any inquiry, indication of interest, proposal or offer that constitutes, or could reasonably be expected to lead to, any Acquisition Proposal, indicating (i) the identity of the Person making such Acquisition Proposal and (ii) the material terms and conditions of such Acquisition Proposal and providing Parent with the most current version (if any) of such inquiry, indication of interest, proposal or offer and all related material documentation. With respect to any Acquisition Proposal described in the immediately preceding sentence, the Company shall keep Parent reasonably informed, on a prompt basis (but in any event within forty-eight (48) hours of any such event), of (x) any changes or modifications to the terms of any such Acquisition Proposal and (y) any communications from such Person to the Company or from the Company to such Person with respect to any changes or modifications to the terms of any such Acquisition Proposal. Except as required by applicable Law, the Company shall not terminate, amend, modify, waive or fail to enforce any

provision of any standstill or similar obligation with respect to any class of equity securities of the Company or any of its Subsidiaries.

(d) Notwithstanding anything to the contrary contained in Section 4.02(a) or Section 4.02(b), prior to the Company Requisite Vote, in response to an unsolicited bona fide written Acquisition Proposal that did not result from a breach of this Section 4.02, if the Company Board determines in good faith (x) after consultation with the Company's financial advisors and outside legal counsel, that such Acquisition Proposal is, or could reasonably be expected to lead to, a Superior Proposal and (y) after consultation with the Company's outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law, the Company may, subject to providing Parent prior notice, (i) furnish or provide information (including non-public information or data) regarding, and afford access to, the business, properties, assets, books, records and personnel of, the Company and its Subsidiaries, to the Person making such Acquisition Proposal and its Representatives; provided, however, that the Company shall as promptly as is reasonably practicable make available to Parent any non-public information concerning the Company or its Subsidiaries that is provided to any Person pursuant to this clause (i) to the extent such information was not previously made available to Parent and (ii) engage in discussions and negotiations with such Person and its Representatives with respect to such Acquisition Proposal; provided, further, that, prior to taking any of the actions set forth in the foregoing clauses (i) or (ii) above, the Person making such Acquisition Proposal has entered into an Acceptable Confidentiality Agreement (it being understood that the negotiation of such Acceptable Confidentiality Agreement shall not be deemed to be a breach of Section 4.02(a) or Section 4.02(b)).

(e) Except as set forth in Section 4.02(f) and Section 4.02(g), the Company shall not, and the Company Board (and each committee thereof) shall not (i) (A) withdraw, change, qualify, withhold or modify, or propose to do any of the foregoing, in a manner adverse to Parent or Merger Sub, the Company Board Recommendation, (B) adopt, approve or recommend, or propose to adopt, approve or recommend, any Acquisition Proposal, (C) fail to include the Company Board Recommendation in the Proxy Statement/Prospectus, (D) fail to recommend against any Acquisition Proposal subject to Regulation 14D promulgated under the Exchange Act in any solicitation or recommendation statement made on Schedule 14D-9 within ten (10) Business Days after Parent so requests in writing, (E) if an Acquisition Proposal or any material modification thereof is made public or sent to the holders of Company Shares, fail to issue a press release that reaffirms the Company Board Recommendation within ten (10) Business Days after Parent so requests in writing or (F) agree or resolve to take any action set forth in the foregoing clauses (A) through (E) (any action set forth in this clause (i), a "Company Adverse Recommendation Change") or (ii) authorize, cause or permit the Company or any of its Affiliates to enter into any letter of intent, memorandum of understanding, agreement in principle, definitive agreement, or other similar commitment that would reasonably be expected to lead to an Acquisition Proposal (other than an Acceptable Confidentiality Agreement) (an "Alternative Acquisition Agreement").

(f) Notwithstanding anything to the contrary in this Agreement, at any time prior to obtaining the Company Requisite Vote, the Company Board may make a Company Adverse Recommendation Change (and, solely with respect to a Superior Proposal, terminate this Agreement pursuant to Section 7.01(c)(i)) if (i) the Company has received a Superior Proposal other than as a result of a breach of this Section 4.02 and the Company Board (or a duly authorized committee thereof) determines in good faith, after consultation with the Company's outside legal counsel, that the failure to make a Company Adverse Recommendation Change in response to the receipt of such Superior Proposal would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and (ii) (A) the Company provides Parent prior written notice of its intent to make any Company Adverse Recommendation Change or terminate this Agreement pursuant to Section 7.01(c)(i) at least

four (4) Business Days prior to taking such action to the effect that, absent any modification to the terms and conditions of this Agreement that would cause the Superior Proposal to no longer be a Superior Proposal, the Company Board has resolved to effect a Company Adverse Recommendation Change or to terminate this Agreement pursuant to Section 7.01(c)(i), which notice shall specify the basis for such Company Adverse Recommendation Change or termination, shall provide the material terms and conditions of such Superior Proposal and shall attach the most current draft of any Alternative Acquisition Agreement, and any other material documents with respect to the Superior Proposal that (x) include any terms and conditions of the Superior Proposal and (y) were not produced by the Company, any of its Subsidiaries or any of its or their Representatives solely for internal purposes, if applicable (a “Notice of Recommendation Change”) (it being understood that such Notice of Recommendation Change shall not in itself be deemed a Company Adverse Recommendation Change and that any change in price or material revision or material amendment to the terms of a Superior Proposal, if applicable, shall require a new notice to which the provisions of clauses (A), (B) and (C) of this Section 4.02(f) shall apply *mutatis mutandis* except that, in the case of such a new notice, all references to four (4) Business Days in this Section 4.02(f) shall be deemed to be two (2) Business Days), (B) during such four (4) Business Day period, if requested by Parent, the Company shall make its Representatives reasonably available to negotiate in good faith with Parent and its Representatives regarding any modifications to the terms and conditions of this Agreement that Parent proposes to make and (C) at the end of such four (4) Business Day period and taking into account any modifications to the terms of this Agreement proposed by Parent to the Company in a written, binding and irrevocable offer, the Company Board determines in good faith (x) after consultation with the Company’s financial advisors and outside legal counsel, that such Superior Proposal still constitutes a Superior Proposal and (y) after consultation with the Company’s outside legal counsel, that the failure to make such a Company Adverse Recommendation Change would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

(g) Notwithstanding anything to the contrary in this Agreement, other than in connection with an Acquisition Proposal (which shall be governed by Section 4.02(f)), at any time prior to obtaining the Company Requisite Vote, the Company Board may make a Company Adverse Recommendation Change if (i) an Intervening Event occurs and in response thereto the Company Board determines in good faith, after consultation with the Company’s outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and (ii) (A) the Company provides Parent prior written notice of its intent to make any Company Adverse Recommendation Change at least four (4) Business Days prior to taking such action to the effect that the Company Board has resolved to effect a Company Adverse Recommendation Change, which notice shall specify the basis therefor and include a reasonably detailed description of the Intervening Event, (B) during such four (4) Business Day period, if requested by Parent, the Company shall make its Representatives reasonably available to negotiate in good faith with Parent and its Representatives regarding any modifications to the terms and conditions of this Agreement that Parent proposes to make and (C) at the end of such four (4) Business Day period and taking into account any modifications to the terms of this Agreement proposed by Parent to the Company in a written, binding and irrevocable offer, the Company Board determines in good faith, after consultation with the Company’s outside legal counsel, that the failure to make such a Company Adverse Recommendation Change would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law. Each time there is a material change to the facts or circumstances relating to the Intervening Event prior to obtaining the Company Requisite Vote, the Company will be required to deliver to Parent prompt written notice of such material change (which notice shall include a reasonably detailed description of such material change) and the Company will provide Parent with an additional two (2) Business Day period prior to making a Company Adverse Recommendation Change, such period shall begin upon the date of Parent’s receipt of the notice of such material change.

(h) Nothing contained in this Section 4.02 or elsewhere in this Agreement shall prohibit the Company or any of its Subsidiaries from (i) complying with its disclosure obligations under U.S. federal or state Law, (ii) making any “stop, look or listen” communication to the shareholders of the Company pursuant to Rule 14d-9(f) promulgated under the Exchange Act (or any similar communications to the shareholders of the Company) or (iii) making any other disclosure to its shareholders if the Company Board determines in good faith after consultation with the Company’s outside legal counsel that the failure to make such disclosure would be inconsistent with its fiduciary duties under applicable Law.

## ARTICLE V

### ADDITIONAL AGREEMENTS

#### SECTION 5.01. Proxy Statement/Prospectus; Shareholders Meeting.

(a) As soon as reasonably practicable following the date of this Agreement, but in any event within thirty (30) Business Days thereafter, (i) the Company and Parent shall jointly prepare and cause to be filed with the SEC the proxy statement/prospectus (together with any amendment or supplement thereto, the “Proxy Statement/Prospectus”), as part of the Form S-4, that includes (A) a proxy statement of the Company for use in the solicitation of proxies for the Shareholders Meeting and (B) a prospectus with respect to the issuance of Parent Shares in the Merger and (ii) Parent shall prepare and cause to be filed with the SEC the Form S-4. The Company and Parent shall use their respective reasonable best efforts to (A) have the Form S-4 declared effective under the Securities Act as promptly as practicable after the Form S-4 is filed, (B) ensure that the Form S-4 and the Proxy Statement/Prospectus complies in all material respects with the applicable provisions of the Securities Act, the Exchange Act and the rules and regulations thereunder and (C) keep the Form S-4 effective for as long as may be reasonably requested in connection with the preparation, filing and distribution of the Form S-4 and the Proxy Statement/Prospectus. As promptly as practicable after the date of this Agreement, each of the Company and Parent will furnish or cause to be furnished to the other party the information relating to itself and its Subsidiaries, and cooperate with the other party, as may reasonably be requested, in connection with the preparation, filing and distribution of the Form S-4 and the Proxy Statement/Prospectus. The Form S-4 and Proxy Statement/Prospectus shall include all information reasonably requested by the parties hereto pursuant to the immediately preceding sentence.

(b) Each party hereto shall promptly notify the other parties of the receipt of any comments of the SEC to the Form S-4 or the Proxy Statement/Prospectus and of any request by the SEC for any amendment or supplement thereto or for additional information in connection therewith. As promptly as practicable after receipt of any such comment or request from the SEC, the party that received such comment or request shall provide the other parties copies of all correspondence between the receiving party and its Representatives, on the one hand, and the SEC, on the other hand, regarding such comments or request. The Company and Parent shall each use its reasonable best efforts to promptly provide responses to the SEC with respect to all comments received on the Form S-4 or the Proxy Statement/Prospectus from the SEC.

(c) Notwithstanding the foregoing, prior to filing the Form S-4 (or any amendment or supplement thereto) or mailing the Proxy Statement/Prospectus (or any amendment or supplement thereto) or responding to any comments of the SEC with respect thereto, each of the Company and Parent shall (i) provide the other party an opportunity to review and comment on such document or response (including the proposed final version of such document or response) and shall consider such comments in good faith and (ii) promptly provide the other party with a copy of any such document or response.

(d) Each of the Company and Parent shall advise the other, promptly after receipt of notice thereof, of the time of effectiveness of the Form S-4, the issuance of any stop order relating thereto or the suspension of the qualification of the Parent Shares to be issued in connection with the consummation of the transactions contemplated by this Agreement for offering or sale in any jurisdiction. Each of the Company and Parent shall use its reasonable best efforts to have any such stop order or suspension lifted, reversed or otherwise terminated. Each of the Company and Parent shall also take any other action required to be taken under the Securities Act, the Exchange Act, any applicable foreign or state securities or “blue sky” laws and the rules and regulations thereunder in connection with the Merger and the issuance of the Parent Shares to be issued in connection with the consummation of the transactions contemplated by this Agreement.

(e) If, prior to the Effective Time, any event occurs with respect to any party hereto or any of its Subsidiaries, or any change occurs with respect to other information supplied by such party for inclusion in the Form S-4 or the Proxy Statement/Prospectus, which is required to be described in an amendment of, or a supplement to, the Form S-4 or the Proxy Statement/Prospectus, such party shall promptly notify the other parties hereto of such event, and the Company and Parent shall cooperate (i) in the prompt filing with the SEC of any necessary amendment or supplement to the Form S-4 or the Proxy Statement/Prospectus so that such documents would not include any misstatement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading and (ii) to the extent required by Law, in disseminating the information contained in such amendment or supplement to the holders of Company Shares.

(f) Subject to the fiduciary duties of the Company Board under applicable Law, the Company will take, in accordance with applicable Law and the Company Organizational Documents, all action necessary to call, give notice of, convene and hold a meeting of holders of Company Shares (the “Shareholders Meeting”) as promptly as practicable after the Form S-4 is declared effective under the Securities Act, to consider and vote upon the approval of this Agreement. Subject to Section 4.02, the Company Board shall recommend such approval and shall take all lawful action to solicit and obtain the Company Requisite Vote. Notwithstanding anything to the contrary in this Agreement, the Company may, but shall not be required to, adjourn or postpone the Shareholders Meeting (i) to the extent necessary to ensure that any necessary supplement or amendment to the Proxy Statement/Prospectus (including with respect to an Acquisition Proposal) is provided to the holders of Company Shares a reasonable amount of time in advance of a vote on the approval of this Agreement, (ii) if the Company reasonably believes it is necessary and advisable to do so in order to solicit additional proxies in order to obtain the Company Requisite Vote, (iii) if, as of the time for which the Shareholders Meeting is originally scheduled, there are insufficient Company Shares represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of such meeting or (iv) as required by applicable Law.

(g) Parent shall use its reasonable best efforts to cause to be delivered to the Company two (2) letters from Parent’s independent accountants, one dated a date within two (2) Business Days before the date on which the Form S-4 shall become effective and one dated a date within two (2) Business Days before the Closing Date, each addressed to the Company, in form and substance reasonably satisfactory to the Company and customary in scope and substance for comfort letters delivered by independent public accountants in connection with registration statements similar to the Form S-4.

(h) The Company shall use its reasonable best efforts to cause to be delivered to Parent two (2) letters from the Company’s independent accountants, one dated a date within two (2) Business Days before the date on which the Form S-4 shall become effective and one dated a date



within two (2) Business Days before the Closing Date, each addressed to Parent, in form and substance reasonably satisfactory to Parent and customary in scope and substance for comfort letters delivered by independent public accountants in connection with registration statements similar to the Form S-4.

SECTION 5.02. Filings; Other Actions; Notification.

(a) Subject to the terms and conditions set forth in this Agreement, each of the Company, Parent and Merger Sub shall (and shall cause its respective Subsidiaries to) cooperate and use its respective reasonable best efforts to (i) promptly make any required submissions and filings under applicable Law or to Governmental Entities with respect to the Merger and the other transactions contemplated by this Agreement, (ii) promptly furnish information requested in connection with such submissions and filings to such Governmental Entities or under such applicable Law, (iii) keep the other parties reasonably informed with respect to the status of any such submissions and filings to such Governmental Entities or under such applicable Law, including with respect to: (A) the occurrence or receipt of any Consent under such applicable Law, (B) the expiration or termination of any waiting period, (C) the commencement or proposed or threatened commencement of any investigation, litigation or administrative or judicial action or proceeding under such applicable Law, and (D) the nature and status of any objections raised or proposed or threatened to be raised under such applicable Law with respect to the Merger or the other transactions contemplated by this Agreement, (iv) obtain all Consents and Permits from any Governmental Entity (including the Regulatory Clearances) or any other Person necessary to consummate the transactions contemplated by this Agreement as soon as practicable, and (v) take or cause to be taken all other actions, and do or cause to be done all other things, reasonably necessary to consummate and make effective the Merger and the other transactions contemplated by this Agreement as soon as practicable.

(b) In furtherance and not in limitation of the foregoing: each of the Company, Parent and Merger Sub shall (i) (A) make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by this Agreement as promptly as reasonably practicable following the date of this Agreement (and in any event within fifteen (15) Business Days after the date hereof (unless the parties otherwise agree)), (B) furnish as soon as practicable any additional information and documentary material that may be required or requested pursuant to the HSR Act and (C) use its reasonable best efforts to take, or cause to be taken, all other actions consistent with this Section 5.02 necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act (including any extensions thereof) as soon as practicable and (ii) (A) make or cause to be made the appropriate filings (including notice filings) as soon as practicable (and in any event by the date with respect to each such filing set forth in Section 5.02(b) of the Company Disclosure Letter (unless the parties otherwise agree)) with the FERC, the NRC, the FCC, the SCPSC, the NCUC and the GPSC relating to the transactions contemplated by this Agreement, (B) supply as soon as practicable any additional information and documentary material that may be required or requested by the FERC, the NRC, the FCC, the SCPSC, the SCORS, the NCUC and the GPSC, as applicable, in connection with the Regulatory Clearances and (C) use its reasonable best efforts to take or cause to be taken all other actions consistent with this Section 5.02 as necessary to obtain any necessary Consents and Permits from the FERC, the NRC, the FCC, the SCPSC, the NCUC and the GPSC, as applicable, in connection with the Regulatory Clearances as soon as practicable.

(c) In furtherance and not in limitation of the foregoing, as promptly as reasonably practicable following the date of this Agreement, the Company and Parent shall (i) work together in good faith to finalize the terms of the SCPCS Petition and (ii) jointly file the SCPSC Petition. Each of the Company, Parent and Merger Sub shall furnish as soon as practicable any additional information and documentary material that may be required by the SCPSC or any other Government Entity in connection with the SCPSC Petition and use its reasonable best efforts to take, or cause to be taken, all

other actions consistent with this Section 5.02 and as set forth in the SCPSC Petition necessary to obtain the SCPSC Petition Approval as soon as practicable.

(d) The Company, Parent and Merger Sub shall, subject to applicable Law relating to the exchange of information: (i) promptly notify the other parties of (and if in writing, furnish the other parties with copies of) any communication to such Person from any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity regarding the filings and submissions described in this Section 5.02 and permit the other parties to review and discuss in advance (and to consider in good faith any comments made by the others in relation to) any proposed written response to any communication from any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity regarding such filings and submissions, (ii) keep the other parties reasonably informed of any developments, meetings or discussions with any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity in respect of any filings, submissions, investigations, or inquiries concerning the transactions contemplated by this Agreement and (iii) not independently participate in any meeting or discussion with any third party (other than a Representative of any of the parties hereto or any of their respective Subsidiaries) or any Governmental Entity in respect of any filings, submissions, investigations or inquiries concerning the transactions contemplated by this Agreement without giving the other party or parties hereto prior notice of such meeting or discussions to the extent it is reasonably practical to do so and, unless prohibited by such third party or Governmental Entity or otherwise not reasonably practical, the opportunity to attend or participate; provided, however, that (x) the Company, Parent and Merger Sub shall be permitted to redact any correspondence, filing, submission or communication prior to furnishing it to the other parties to the extent such correspondence, filing, submission or communication contains competitively or commercially sensitive information, including information relating to the valuation of the transactions contemplated by this Agreement and (y) for the avoidance of doubt, the foregoing clause (iii) shall not prohibit the Company, Parent or Merger Sub from independently participating in meetings and discussions with third parties or Governmental Entities that solely relate to an explanation of the terms of this Agreement, including the conditions set forth in Article VI.

(e) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 5.02, Parent, Merger Sub and the Company agree to take promptly any and all steps necessary to avoid, eliminate or resolve each and every impediment to and obtain all Consents under applicable Laws that may be required by any Governmental Entity (including any Regulatory Clearances and the SCPSC Petition Approval), so as to enable the parties to consummate the Merger and the other transactions contemplated by this Agreement as soon as practicable, including committing to and effecting, by consent decree, hold separate orders, trust, or otherwise, (i) selling, licensing, holding separate or otherwise disposing of assets or businesses of Parent or the Company or any of their respective Subsidiaries, (ii) terminating, relinquishing, modifying, or waiving existing relationships, ventures, contractual rights, obligations or other arrangements of Parent or the Company or any of their respective Subsidiaries and (iii) creating any relationships, ventures, contractual rights, obligations or other arrangements of Parent or the Company or any of their respective Subsidiaries (each, a "Remedial Action"); provided, however, that any Remedial Action may, at the discretion of the Company or Parent, be conditioned upon consummation of the transactions contemplated by this Agreement.

(f) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 5.02, in the event that any Proceeding is commenced, threatened or is reasonably foreseeable challenging any of the transactions contemplated by this Agreement and such Proceeding seeks, or would reasonably be expected to seek, to prevent, materially impede or materially delay the consummation of such transactions, Parent shall use reasonable best efforts to take or cause to

be taken any and all action, including a Remedial Action, to avoid or resolve any such Proceeding as promptly as practicable. In addition, each of the Company, Parent and Merger Sub shall cooperate with each other and use its respective reasonable best efforts to contest, defend and resist any such litigation, action or proceeding and to have vacated, lifted, reversed or overturned any Order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents, delays, interferes with or restricts consummation of the transactions contemplated by this Agreement as promptly as practicable.

(g) From the date hereof until the earlier of the Effective Time and the date this Agreement is terminated pursuant to Article VII, neither Parent, Merger Sub, nor Company shall, nor shall they permit their respective Subsidiaries to, acquire or agree to acquire any rights, assets, business, Person or division thereof (through acquisition, license, joint venture, collaboration or otherwise), if such acquisition would reasonably be expected to materially increase the risk of not obtaining, or would reasonably be expected to prevent or prohibit, or materially impede, interfere with or delay, obtaining, any applicable Consent under applicable Laws (including any Regulatory Clearance and the SCPSC Petition Approval) with respect to the transactions contemplated by this Agreement. Section 5.02(g) of the Company Disclosure Letter sets forth the approach to the coordination of matters related to the Company's pending acquisition described as Item 3 of Section 3.01(f) of the Company Disclosure Letter and matters related to this Agreement.

(h) The Company and its Subsidiaries (as applicable) shall, to the extent reasonably practicable, subject to applicable Law relating to the exchange of information and except as would be in violation of, or result in a waiver or loss of, the attorney-client privilege or work-product doctrine: (i) within 48 hours of receipt thereof, notify Parent of (and if in writing, furnish Parent with copies of) any material communication to the Company or its Subsidiaries from any Governmental Entity related to or arising out of any material claim, hearing, investigation or Proceeding, whether criminal or civil in nature, relating to or arising out of the construction, or cessation of the construction, of nuclear power Units 2 and 3 at the Summer Station or the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof) (collectively, "Nuclear Litigation") and permit Parent to review and discuss in advance (and consider in good faith any comments made by Parent in relation to) any proposed written response to any material communication from any Governmental Entity related to or arising out of any Nuclear Litigation, (ii) keep Parent reasonably informed of any developments, meetings or discussions with any Governmental Entity related to or arising out of any Nuclear Litigation, and (iii) use good faith efforts to give Parent notice (which notice shall be prior notice to the extent providing prior notice is reasonably practical) of any material meetings or discussions relating to or arising out of any Nuclear Litigation (and consider in good faith any comments or guidance from Parent in relation to such meeting or discussions) and, if appropriate in the Company's reasonable judgment, provide Parent the opportunity to attend or participate in such meetings or discussions.

(i) Notwithstanding anything set forth in this Agreement, Parent and its Affiliates shall not be required to and the Company and its Affiliates shall not be required to, unless conditioned on the Closing, and without the prior written consent of Parent (which consent may be withheld at Parent's sole discretion) the Company shall not and shall cause its Subsidiaries not to, in connection with obtaining any Consent or Permit, or with respect to any actions required under this Section 5.02, offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment or sanction (including any Remedial Action), that constitutes a Burdensome Condition.

(j) Notwithstanding anything set forth in this Agreement, Parent and its Affiliates shall not be required to and the Company and its Affiliates shall not be required to, unless conditioned on the Closing, and without the prior written consent of Parent (which consent may be withheld at

Parent's sole discretion) the Company shall not and shall cause its Subsidiaries not to, in connection with the SCPSC Petition, offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment or sanction (including any Remedial Action) that (i) materially changes the proposed terms, conditions, or undertakings set forth in the SCPSC Petition or (ii) significantly changes the economic value of the proposed terms set forth in the SCPSC Petition, in each case, as reasonably determined by Parent in good faith.

SECTION 5.03. Access and Reports; Confidentiality.

(a) Subject to applicable Law relating to the exchange of information, upon reasonable notice, the Company and Parent shall, and shall cause each of their respective Subsidiaries to, afford to the other party's Representatives reasonable access, during normal business hours throughout the period prior to the Effective Time, to its employees, properties, books, contracts and records. During such period, the Company and Parent shall, and shall cause each of their respective Subsidiaries to, furnish promptly to the other party (i) to the extent not publicly available, a copy of each report, schedule, registration statement and other document (A) filed by it during such period pursuant to applicable Law or (B) filed with, furnished to or sent to the SEC, the FERC, the FCC, the NRC, the SCPSC, the SCORS, the NCUC, the GPSC or any other federal or state regulatory agency or commission and (ii) all information concerning its business, properties and personnel as may reasonably be requested by the other party; provided, however, that no investigation pursuant to this Section 5.03(a) shall affect or be deemed to modify any representation or warranty made herein; provided, further, that the foregoing shall not require the Company and Parent to (A) permit any inspection, or to disclose any information, that in the reasonable judgment of such party, would result in the disclosure of any trade secrets of third parties or violate any of its obligations to a third party with respect to confidentiality if the Company or Parent, as applicable, shall have used commercially reasonable efforts to obtain the consent of such third party to such inspection or disclosure, (B) disclose any privileged information of such party or any of its Subsidiaries, (C) permit any invasive environmental testing or sampling at any property or (D) take or allow any action that would unreasonably interfere with such party's or any of its Subsidiaries' business or operations. All requests for information made pursuant to this Section 5.03 shall be directed to the executive officer or other Person designated by the Company or Parent, as applicable. Notwithstanding the foregoing, with respect to Parent and its Subsidiaries, the access to and exchange of information described in this Section 5.03(a) shall be limited to the extent reasonably necessary or related to the consummation of the Merger and the other transactions contemplated by this Agreement.

(b) Each of the Company, Parent and Merger Sub will comply with the terms and conditions of that certain letter agreement, dated October 8, 2017, between Parent and the Company (as may be amended from time to time, the "Confidentiality Agreement"), and will hold and treat, and will cause their respective Representatives to hold and treat, in confidence all documents and information exchanged pursuant to Section 5.03(a) in accordance with the Confidentiality Agreement, which Confidentiality Agreement shall remain in full force and effect in accordance with its terms.

SECTION 5.04. Stock Exchange Delisting and Listing.

(a) Prior to the Closing Date, the Company shall cooperate with Parent and use its reasonable best efforts to take or cause to be taken all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under applicable Law and rules and policies of the NYSE to enable the delisting by the Surviving Corporation of the Company Shares from the NYSE and the deregistration of the Company Shares under the Exchange Act as promptly as practicable after the Effective Time and in accordance with applicable Law.

(b) Parent shall use its reasonable best efforts to cause the Parent Shares to be issued in connection with the transactions contemplated by this Agreement to be approved for listing on the NYSE, subject to official notice of issuance, prior to the Closing Date.

SECTION 5.05. Publicity. The initial news release regarding the Merger shall be a joint news release reasonably agreed between Parent and the Company and, except with respect to any action taken pursuant to Section 4.02 or Section 7.01, thereafter the Company and Parent each shall consult with each other prior to issuing, and give each other the opportunity to review and comment upon, any news releases or otherwise making public announcements with respect to the Merger and the other transactions contemplated by this Agreement, except as such party may reasonably conclude may be required by Law or by obligations pursuant to any listing agreement with or rules of any national securities exchange or interdealer quotation service or as may be requested by any Governmental Entity.

SECTION 5.06. Employee Matters.

(a) Following the Effective Time and until December 31, 2019 (the “Continuation Period”), Parent shall provide, or shall cause the Surviving Corporation to provide, the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time and not covered by any collective bargaining agreement (the “Company Non-Union Employees”) with (i) annual base compensation no less than the annual base compensation provided to such Company Non-Union Employees immediately prior to the Effective Time, (ii) annual target cash incentive opportunities that are no less than the annual target cash incentive opportunities provided to such Company Non-Union Employees immediately prior to the Effective Time, subject to the satisfaction of performance criteria determined by Parent (consistent with the form and terms and conditions (including performance criteria) of such awards provided to other similarly situated employees of Parent) and other terms and conditions of Parent’s annual incentive program, (iii) long-term target incentive award opportunities that are no less than the long-term target incentive award opportunities provided to such Company Non-Union Employees immediately prior to the Effective Time (such long-term incentive awards to be provided in such a form, and subject to such performance and vesting criteria and other terms and conditions, as Parent shall determine, consistent with the form and terms and conditions (including performance criteria) of such awards provided to other similarly situated employees of Parent), (iv) employment within a 50-mile radius from each such Company Non-Union Employee’s location of employment immediately prior to the Effective Time and duties and responsibilities similar to what such Company Non-Union Employee had immediately prior to the Effective Time, (v) severance benefits that are no less favorable than those set forth in Section 5.06(a) of the Company Disclosure Letter and (vi) other employee benefits that are substantially comparable in the aggregate to the employee benefits provided to such Company Non-Union Employees immediately prior to the Effective Time. Further Parent shall provide, or shall cause the Surviving Corporation to provide, the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time and who are covered by a collective bargaining agreement with (A) compensation and benefits and other terms and conditions of employment in accordance with the terms of such collective bargaining agreement or any subsequently adopted collective

bargaining agreement, as in effect from time to time, and (B) severance benefits that are no less favorable than those set forth in Section 5.06(a) of the Company Disclosure Letter.

(b) Without limiting the generality of Section 5.06(a) but subject to the obligations set forth in Section 5.06(a), from and after the Effective Time, Parent shall, or shall cause the Surviving Corporation to, assume, honor and continue during the Continuation Period or, if later, until all obligations thereunder have been satisfied, all of the Company's employment, severance, retention, termination, deferred compensation, and change in control plans, policies, programs, agreements and arrangements maintained by the Company or any of its Subsidiaries, in each case, as in effect at the Effective Time, including with respect to any payments, benefits or rights arising as a result of the transactions contemplated by this Agreement (either alone or in combination with any other event), and Parent or the Surviving Corporation may not amend, modify or terminate any such plan, policy, program, agreement or arrangement unless and solely to the extent permitted under the terms thereof as in effect at the Effective Time or otherwise as required to comply with applicable Law. In addition, to the extent required by the express terms of any Company Benefit Plan, Parent shall, or shall cause the Surviving Corporation to, expressly assume and agree to perform all obligations under and with respect to the terms of each such Company Benefit Plan. Notwithstanding anything to the contrary herein, Parent shall, or shall cause the Surviving Corporation to, maintain without amendment (other than as required to comply with applicable Law) for the duration of the Continuation Period each of the Company Benefit Plans listed on Section 5.06(b) of the Company Disclosure Letter. For avoidance of doubt, Parent shall assume, honor and continue the Company's change in control plans in accordance with the foregoing solely with respect to any payments, benefits or rights arising as a result of the transactions contemplated by this Agreement (either alone or in combination with any other event), and shall not be obligated to provide any additional payments, benefits or rights under such plans in connection with any subsequent change in control of Parent or the Surviving Corporation that may occur after the Merger.

(c) With respect to all plans maintained by Parent, the Surviving Corporation or their respective Subsidiaries in which the individuals who are employed by the Company or any of its Subsidiaries immediately before the Effective Time (the "Company Employees") are eligible to participate after the Closing Date (including any vacation, paid time-off and severance plans) for purposes of determining eligibility to participate, level of benefits and vesting (but not benefit accruals under any defined benefit pension plan), each Company Employee's service with the Company or any of its Subsidiaries (as well as service with any predecessor employer of the Company or any such Subsidiary, to the extent service with the predecessor employer is recognized by the Company or such Subsidiary) shall be treated as service with Parent, the Surviving Corporation or any of their respective Subsidiaries or any Commonly Controlled Entity, in each case, to the extent such service would have been recognized by the Company or its Subsidiaries under analogous Company Benefit Plans prior to the Effective Time; provided, however, that such service need not be recognized to the extent that such recognition would result in any duplication of benefits for the same period of service; and, provided further, that no Company Employee shall be entitled based on such prior credited service or otherwise to participate in any frozen or grandfathered plan or benefit formula of Parent or any of its Subsidiaries that would not be offered to employees first hired by Parent or its Subsidiaries after the Effective Time.

(d) Without limiting the generality of Section 5.06(a), Parent shall, or shall cause the Surviving Corporation to, waive any pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods under any welfare benefit plan maintained by Parent, the Surviving Corporation or any of their respective Subsidiaries in which Company Employees (and their eligible dependents) will be eligible to participate from and after the Effective Time, except to the extent that such pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods would not have been satisfied or waived under the comparable Company Benefit Plan immediately prior to the Effective Time; provided, however, that in the case of an insured plan, such waivers shall be made only to

the extent the insurer consents thereto, and Parent and the Surviving Corporation shall use commercially reasonable efforts to obtain such consent. Parent shall, or shall cause the Surviving Corporation to, recognize the dollar amount of all co-payments, deductibles and similar expenses incurred by each Company Employee (and his or her eligible dependents) during the calendar year or plan year in which the Effective Time occurs for purposes of satisfying such year's deductible and co-payment limitations under the relevant welfare benefit plans in which they will be eligible to participate from and after the Effective Time; provided, however, that in the case of an insured plan, such amounts shall be taken into account only to the extent the insurer consents thereto, and Parent and the Surviving Corporation shall use commercially reasonable efforts to obtain such consent.

(e) The provisions of this Section 5.06 are solely for the benefit of the parties to this Agreement, and no other Person (including any current or former employee of the Company or its Subsidiaries or any beneficiary or dependent thereof) shall be regarded for any purpose as a third-party beneficiary of this Section 5.06, and no provision of this Section 5.06 shall create such rights in any such Persons. Except as set forth in Section 5.06(b), no provision of this Agreement shall be construed (i) as a guarantee of continued employment of any employee of the Company or its Subsidiaries, (ii) to prohibit Parent or its Subsidiaries (including the Surviving Corporation) from having the right to terminate the employment of any such employee, (iii) to require Parent or its Subsidiaries to continue to pay or provide any such employee any compensation or benefits after such termination of employment, other than any severance benefits that may be provided pursuant to Section 5.06(a)(v); (iv) to permit the amendment, modification or termination of any Company Benefit Plan or employee benefit plan of Parent or its Subsidiaries (in each case solely to the extent any such amendment, modification or termination is prohibited in accordance with the terms of the applicable plan) or (v) as an amendment or modification of the terms of any Company Benefit Plan or employee benefit plan or Parent or its Subsidiaries.

SECTION 5.07. Expenses. Except as set forth in Section 5.09(c), whether or not the Merger is consummated, all costs and expenses incurred in connection with this Agreement and the Merger and the other transactions contemplated by this Agreement shall be paid by the party incurring such expenses.

SECTION 5.08. Indemnification; Directors' and Officers' Insurance.

(a) From and after the Effective Time, Parent shall indemnify and hold harmless, to the fullest extent permitted under applicable Law, each present and former director and officer of the Company and its Subsidiaries (in each case, when acting in such capacity) (collectively, the "Indemnified Parties") from and against any and all costs and expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages and liabilities (collectively, "Costs") incurred in connection with any Proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to matters existing or occurring at or prior to the Effective Time, including the transactions contemplated by this Agreement. From and after the Effective Time, Parent shall advance expenses to each Indemnified Party claiming indemnification pursuant to this Section 5.08 as incurred to the fullest extent permitted under applicable Law; provided, however, that such Indemnified Party provides an undertaking to repay such advances if it is ultimately determined that such Indemnified Party is not entitled to such indemnification.

(b) From and after the Effective Time, Parent shall cause the Surviving Corporation to honor the provisions regarding (i) exculpation of directors, (ii) limitation of liability of directors and officers, (iii) advancement of expenses and (iv) indemnification, in each case, contained in the Company Organizational Documents (as in effect as of the date hereof), the comparable organizational documents of any of the Company's Subsidiaries (as in effect as of the date hereof) or any indemnification Contract set forth in Section 5.08(b) of the Company Disclosure Letter between the

applicable Indemnified Party and the Company or any of its Subsidiaries existing immediately prior to the Effective Time (it being understood and agreed that, for the avoidance of doubt and without limiting the generality of the foregoing, the foregoing obligation of Parent shall apply with respect to, and remain in full force and effect as to any pending or future claim, hearing, investigation or Proceeding relating to or arising out of the construction, or cessation of the construction, of nuclear power Units 2 and 3 at the Summer Station or the bankruptcy of Westinghouse Electric Company, LLC (including the settlement agreement entered into with Toshiba Corporation and any Contract relating to the proceeds thereof)). For a period of three (3) years following the Effective Time, Parent shall cause the Surviving Corporation and its Subsidiaries not to amend, replace or otherwise modify the provisions regarding (A) exculpation of directors, (B) limitation of liability of directors and officers, (C) advancement of expenses and (D) indemnification, in each case, contained in their respective organizational documents; provided, however, that such three (3) year period shall be extended for so long as any Proceeding is pending or asserted against an Indemnified Party that implicates the rights set forth in the foregoing clauses (A) through (D); provided, further, that such prohibition on amendments, replacements and other modifications shall not apply to amendments, replacements and other modifications that are prospective in their application and exclude any effect on the Indemnified Parties.

(c) From and after the Effective Time, Parent shall cause the Surviving Corporation to maintain for a period of at least six (6) years following the Effective Time directors' and officers' liability insurance and fiduciary liability insurance policies (collectively, "D&O Insurance") from an insurance carrier with the same or better credit rating as the Company's current insurance carrier with benefits, levels of coverage and terms and conditions at least as favorable as the Company's D&O Insurance existing immediately prior to the Effective Time with respect to matters existing or occurring at or prior to the Effective Time, including for acts or omissions in connection with this Agreement and the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing, in no event shall Parent or the Surviving Corporation be required to expend for such D&O Insurance coverage an annual premium amount greater than three hundred percent (300%) of the aggregate amount of the annual premiums currently paid by the Company for D&O Insurance immediately prior to the Effective Time (such aggregate amount of premiums currently paid, the "Maximum Annual Premium"). If the annual premiums of such D&O Insurance coverage exceed the Maximum Annual Premium, Parent and the Surviving Corporation shall obtain a policy with as much coverage as reasonably available for an annual cost not exceeding the Maximum Annual Premium.

(d) Notwithstanding Section 5.08(c), the Company may in its sole discretion obtain, prior to the Effective Time, six (6) year pre-paid "tail" insurance coverage, at an aggregate cost no greater than six times the Maximum Annual Premium, providing for D&O Insurance not materially less favorable than that described in Section 5.08(c). If the Company has obtained such policy pursuant to this Section 5.08(d), Parent will cause such policy to be maintained in full force and effect for its full term and cause all obligations thereunder to be honored by the Surviving Corporation, and Parent will have no further obligation to purchase or pay for insurance pursuant to Section 5.08(c).

(e) If Parent, the Surviving Corporation or any of their respective successors or assigns (i) consolidates or merges with or into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns of Parent or the Surviving Corporation, as applicable, shall assume and comply with all of the obligations applicable to Parent or the Surviving Corporation, respectively, set forth in this Section 5.08.

(f) The provisions of this Section 5.08 are intended to be for the benefit of, and shall be enforceable by, each of the Indemnified Parties. The obligations of Parent and the Surviving



Corporation in this Section 5.08 may not be terminated or modified in any manner that adversely affects any Indemnified Party without the consent of such Indemnified Party. Parent will honor, guaranty and stand as surety for, and will cause the Surviving Corporation and its Subsidiaries and successors to honor and comply with, the covenants contained in this Section 5.08.

(g) The rights of the Indemnified Parties under this Section 5.08 shall be in addition to, and not in limitation of, any rights such Indemnified Parties may have under the Company Organizational Documents or any of the comparable organizational documents of any of the Company's Subsidiaries, or under any applicable Contracts or Law.

#### SECTION 5.09. Financing.

(a) The Company shall, and shall cause its Subsidiaries to, (i) provide commercially reasonable assistance with the preparation of rating agency presentations and lender, underwriter and initial purchaser presentations, offering memoranda and prospectuses and any discussions regarding the business, financial statements, and management discussion and analysis of the Company and its Subsidiaries, all for use in connection with the financing activities of Parent, including any registration statement filed with the SEC where Parent determines that the inclusion of such information is required or desirable, and (ii) request that its independent accountants provide customary and reasonable assistance to Parent or any of its Subsidiaries, as applicable, in connection with providing customary comfort letters in connection with the financing activities of Parent; provided, further, that nothing in this Agreement shall require the Company to cause the delivery of (A) legal opinions or reliance letters or any certificate as to solvency or any other certificate necessary for such financing activities, other than as allowed by the preceding clause (ii), (B) any audited financial information or any financial information prepared in accordance with Regulation S-K or Regulation S-X under the Securities Act or any financial information in a form not customarily prepared by the Company with respect to any period or (C) any financial information with respect to a month or fiscal period that has not yet ended or has ended less than forty-five (45) days prior to the date of such request.

(b) Notwithstanding anything to the contrary contained in this Agreement (including this Section 5.09): (i) nothing in this Agreement (including this Section 5.09) shall require any such cooperation set forth in Section 5.09(a) to the extent that it would require the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives to (A) pay any commitment or other fees, reimburse any expenses or otherwise incur any liabilities or give any indemnities prior to the Effective Time, (B) provide any cooperation that would unreasonably interfere with the ongoing business or operations of the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives, (C) enter into or approve any agreement or other documentation effective prior to the Effective Time or agree to any change or modification of any existing agreement or other documentation that would be effective prior to the Effective Time, (D) require the Company to provide *pro forma* financial statements or *pro forma* adjustments reflecting the financing activities of Parent or any description of all or any component of such financing activities (it being understood that the Company shall use reasonable best efforts to assist in preparation of *pro forma* financial adjustments to the extent otherwise relating to the Company and required by the financing activities of Parent), (E) require the Company or the Subsidiaries of the Company to provide *pro forma* financial statements or *pro forma* adjustments reflecting transactions contemplated or required hereunder (it being understood that the Company shall use reasonable best efforts to assist in preparation of *pro forma* financial adjustments to the extent otherwise relating to the Company and required by the financing activities of Parent), (F) provide any cooperation or take any action that, in the reasonable judgment of the Company, would result in a violation of any confidentiality agreement or material agreement or the loss of any attorney-client or other similar privilege, (G) make any representation or warranty in connection with the financing activities of Parent or the marketing or arrangement thereof, (H) provide any

cooperation, or take any action, that would cause any representation or warranty in this Agreement to be breached or any condition to the Closing set forth in this Agreement to fail to be satisfied or (I) cause the Company, any of its Subsidiaries or any of their respective boards of directors (or equivalent bodies) to approve or authorize the financing activities of Parent, and (ii) no action, liability or obligation (including any obligation to pay any commitment or other fees or reimburse any expenses) of the Company, any of its Subsidiaries or any of their respective Affiliates or Representatives under any certificate, agreement, arrangement, document or instrument relating to the financing activities of Parent shall be effective until the Effective Time.

(c) Parent shall (i) promptly reimburse the Company for all reasonable and out-of-pocket costs or expenses (including reasonable and documented costs and expenses of counsel and accountants) incurred by the Company, any of its Subsidiaries and any of their respective Representatives in connection with any cooperation provided for in Section 5.09(a) and (ii) indemnify and hold harmless the Company, each of its Subsidiaries and each of their respective Representatives against any claim, loss, damage, injury, liability, judgment, award, penalty, fine, Tax, cost (including cost of investigation), expense (including fees and expenses of counsel and accountants) or settlement payment incurred as a result of, or in connection with, any cooperation provided for in Section 5.09(a) or the financing activities of Parent and any information used in connection therewith, unless the Company acted in bad faith or engaged in willful misconduct and other than in the case of fraud.

(d) Without limiting the generality of the foregoing, promptly following Parent's request, the Company shall deliver to each of the lenders with respect to the Indebtedness set forth in Section 5.09(d) of the Parent Disclosure Letter (the "Existing Loan Lenders") a notice (an "Existing Loan Notice") prepared by Parent, in form and substance reasonably acceptable to the Company, notifying each of the Existing Loan Lenders of this Agreement and the contemplated Merger. At Parent's election, the Existing Loan Notice with respect to one or more of the Existing Loan Lenders may include a request for a consent, in form and substance reasonably acceptable to the Company (an "Existing Loan Consent"), to (i) the consummation of the Merger and the other transactions contemplated by this Agreement, and (ii) certain modifications of (or waivers under or other changes to) any agreement or documentation relating to the Company's or its Subsidiaries', as applicable, relationship with such Existing Loan Lender; provided, however, that no such modifications, waivers or changes shall be effective prior to the Effective Time.

(e) Parent and Merger Sub acknowledge and agree that the obtaining of any Existing Loan Consent is not a condition to the Closing.

SECTION 5.10. Rule 16b-3. Prior to the Effective Time, each of the Company and Parent shall take such steps as may be reasonably necessary or advisable to cause (a) any dispositions of Company equity securities (including derivative securities) pursuant to the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act and (b) any acquisitions of Parent equity securities (including derivative securities) pursuant to the transactions contemplated by this Agreement by each individual who may become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent to be exempt under Rule 16b-3 promulgated under the Exchange Act.

SECTION 5.11. Parent Consent. Within twenty-four (24) hours after the execution of this Agreement, Parent shall execute and deliver, in accordance with Chapter 11 of the SCBCA and in its capacity as the sole shareholder of Merger Sub, a written consent approving this Agreement.

SECTION 5.12. Merger Sub and Surviving Corporation Compliance. Parent shall cause Merger Sub or the Surviving Corporation, as applicable, to comply with all of its respective obligations under this Agreement, and prior to the Effective Time, Merger Sub shall not engage in any activities of any nature except as provided in or in furtherance of, or contemplated by this Agreement.

SECTION 5.13. Takeover Statutes. If any Takeover Statute is or may become applicable to the Merger or the other transactions contemplated by this Agreement, Parent, Merger Sub, the Company and the Company Board shall use reasonable best efforts to take such actions as are necessary so that such transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise act to eliminate or minimize the effects of such Takeover Statute on such transactions.

SECTION 5.14. Control of Operations. Without limiting any party's rights or obligations under this Agreement, the parties hereto understand and agree that (a) nothing contained in this Agreement will give any party hereto, directly or indirectly, the right to control, direct or influence any other party's operations prior to the Effective Time and (b) prior to the Effective Time, each party will exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations.

SECTION 5.15. Resignation of Directors. The Company will cause each of the directors of the Company to submit at the Closing a letter of resignation in form reasonably satisfactory to Parent and effective as of the Effective Time. Notwithstanding the foregoing, the Company will not be in breach of this Section 5.15 if it fails to obtain the resignation of any such director if Parent will have the power, directly or indirectly, to remove any such Person from his or her position as a director of the Company without cause immediately after the Effective Time with no liability in excess of \$500,000 in the aggregate.

SECTION 5.16. Additional Matters. Parent hereby confirms that, subject to the occurrence of the Effective Time, it:

- (a) intends to maintain South Carolina Electric & Gas Company's corporate headquarters in Cayce, South Carolina;
- (b) will make a good faith commitment to give the employees of the Company and its Subsidiaries due and fair consideration for other employment and promotion opportunities within the larger Parent organization, both inside and outside of South Carolina, to the extent any employment positions are re-aligned, reduced or eliminated in the future as a result of the Merger;
- (c) intends that Parent's board of directors will take all necessary action as soon as practical after the Effective Time to appoint a mutually agreeable current member of the Company Board or the Company's executive management as a director to serve on Parent's board of directors; and
- (d) intends to increase the Company's historic level of corporate contributions to charities identified by the Company's leadership by \$1,000,000.00 per year for at least five (5) years after the Effective Time and to maintain or increase historic levels of community involvement, low income funding and economic development efforts in the Company's current operating area.

SECTION 5.17. Shareholder Litigation. The Company shall advise Parent promptly in writing of any Proceeding brought by a holder of Company Shares or any other Person against the Company or its directors or officers arising out of or relating to this Agreement or the transactions

contemplated by this Agreement (the “Shareholder Litigation”) and shall keep Parent reasonably informed regarding any such matter. The Company shall not settle any such shareholder litigation without Parent’s consent, not to be unreasonably withheld or delayed.

SECTION 5.18. Advice of Changes. Each of Parent and the Company will, to the extent not in violation of applicable Law, promptly advise the other of any Change of which it has Knowledge, (a) having or reasonably likely to have, individually or in the aggregate, a Parent Material Adverse Effect or a Company Material Adverse Effect, as the case may be, or (b) that would or would be reasonably likely to cause or constitute a material breach of any of its representations, warranties or covenants contained in this Agreement; provided, however, that (i) no such notification will operate as a waiver of or otherwise affect the representations, warranties or covenants of the parties or the conditions to the obligations of the parties under this Agreement, (ii) the delivery of any notice pursuant to this Section 5.18 shall not limit or otherwise affect the remedies available under this Agreement to the party receiving such notice and (iii) a failure to comply with this Section 5.18 shall not constitute the failure of any condition set forth in Article VI.

SECTION 5.19. Certain Tax Matters.

(a) Each of the parties shall use its reasonable best efforts to cause the Merger to qualify for the Intended Tax Treatment. None of the parties shall (and each of the parties shall cause their respective Subsidiaries not to) take any action (or fail to take any action) if taking (or failing to take) such action could reasonably be expected to cause the Merger to fail to qualify for the Intended Tax Treatment. The parties shall consider in good faith such amendments to this Agreement as may be reasonably required to cause the Merger to qualify for the Intended Tax Treatment.

(b) Each of the parties shall use its reasonable best efforts to obtain the Tax opinions to be attached as exhibits to the Proxy Statement/Prospectus and the Form S-4, including by (i) delivering to Morgan, Lewis & Bockius LLP and Mayer Brown LLP, prior to the filing of the Proxy Statement/Prospectus and the Form S-4, Tax representation letters in substantially the forms set forth in Section 5.19(b) of the Parent Disclosure Letter and Section 5.19(b) of the Company Disclosure Letter, respectively, and (ii) delivering to Morgan, Lewis & Bockius LLP and Mayer Brown LLP, dated and executed as of the Closing Date, Tax representation letters in substantially the forms set forth in Section 5.19(b) of the Parent Disclosure Letter and Section 5.19(b) of the Company Disclosure Letter, respectively. Each of the parties shall use its reasonable best efforts not to, and not permit any of its Affiliates to, take or cause to be taken any action that would cause to be untrue (or fail to take or cause not to be taken any action which inaction would cause to be untrue) any of the representations, warranties and covenants made to counsel in the Tax representation letters described in this Section 5.19(b).

(c) This Agreement is intended to constitute, and the parties hereto adopt this Agreement as, a “plan of reorganization” for purposes of Sections 354, 361 and 368 of the Code. The parties shall treat the Merger as a “reorganization” within the meaning of Section 368(a) of the Code for United States federal, state and other relevant Tax purposes.

**ARTICLE VI**

**CONDITIONS**

SECTION 6.01. Conditions to Each Party’s Obligation to Effect the Merger. The respective obligation of each party hereto to effect the Merger is subject to the satisfaction or (to the extent permitted by Law) waiver at or prior to the Closing of each of the following conditions:

(a) Shareholder Approval. This Agreement shall have been duly approved by holders of Company Shares constituting the Company Requisite Vote;

(b) Orders. No Governmental Entity of competent jurisdiction shall have enacted, entered, promulgated or enforced any Law, executive order, ruling, judgment, injunction or other order (collectively, “Orders”) that is in effect and restrains, enjoins, prevents or otherwise prohibits the consummation of the Merger or makes the consummation of the Merger illegal;

(c) Regulatory Conditions. Each of the conditions set forth in Section 6.01(c) of the Company Disclosure Letter with respect to the Consents described therein (the “Regulatory Conditions”) shall have been satisfied;

(d) Approval of SCPSC Petition. The issuance by the SCPSC of an Order approving the SCPSC Petition (other than the request for the SCPSC to take the actions contemplated by Section 6.02(g), which actions are addressed in Section 6.02(g)), unless otherwise consented to by Parent in its sole discretion, without any (i) material changes to the proposed terms, conditions, or undertakings set forth in Sections 2 and 3 of the key terms summarized in Appendix A attached to this Agreement and incorporated in the SCPSC Petition or (ii) a significant change to the economic value of proposed terms set forth in Sections 2 and 3 of the key terms summarized in Appendix A attached to this Agreement and incorporated in the SCPSC Petition, in each case as reasonably determined by Parent in good faith (the “SCPSC Petition Approval”) (it being understood and agreed that the condition set forth in this Section 6.01(d) shall be satisfied upon the issuance of such Order by the SCPSC without regard to any rehearing or appeals process (including the filing of any motion for reconsideration or petition for judicial review), or other judicial or administrative process, subsequent to the initial issuance of such Order);

(e) Listing. The Parent Shares to be issued in connection with the transactions contemplated by this Agreement shall have been approved for listing on the NYSE, subject to official notice of issuance; and

(f) Form S-4. The Form S-4 shall have been declared effective under the Securities Act and shall not be subject to any stop order or Proceeding seeking a stop order.

SECTION 6.02. Additional Conditions to Obligations of Parent and Merger Sub.  
The obligations of Parent and Merger Sub to effect the Merger are further subject to the satisfaction or (to the extent permitted by Law) waiver at or prior to the Closing of each of the following conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties of the Company set forth in Section 3.01 (except for those contained in Section 3.01(c), Section 3.01(d)(i), Section 3.01(f)(i), Section 3.01(r) and Section 3.01(s)) shall be true and correct in all respects (disregarding all qualifications or limitations as to “materiality”, “Company Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), except where the failure of such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (ii) each of the representations and warranties of the Company set forth in Section 3.01(c) shall be true and correct in all respects (except for de minimis inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or

warranty shall be true and correct only as of such specified date), (iii) each of the representations and warranties of the Company set forth in Section 3.01(d)(i) and Section 3.01(s) shall be true and correct in all material respects (disregarding all qualifications or limitations as to “materiality”, “Company Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date) and (iv) each of the representations and warranties of the Company set forth in Section 3.01(f)(i) and Section 3.01(r) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date);

(b) Performance of Obligations of the Company. The Company shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date;

(c) Certificate. Parent shall have received a certificate of the Chief Executive Officer or the Chief Financial Officer of the Company, certifying that the conditions set forth in Section 6.02(a) and Section 6.02(b) have been satisfied;

(d) Absence of Burdensome Condition. No Regulatory Clearance, other approval of a Governmental Entity or other Consent, in each case in connection with the Merger, or Order related to any of the foregoing, shall impose or require any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions, or any structural or remedial actions (including a Remedial Action), that constitute a Burdensome Condition;

(e) No MAE. Since the date of this Agreement, there shall not have occurred any Change or Changes that have or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect;

(f) No Actions Affecting SCPSC Petition. No Governmental Entity of competent jurisdiction shall have enacted any Order and no Change in Law (including no Change to the BLRA or the South Carolina Public Utility Laws) shall have been enacted, in each case which imposes any condition that would reasonably be expected to result in a (i) material change to the proposed terms, conditions, or undertakings set forth in the SCPSC Petition or (ii) a significant change to the economic value of the proposed terms set forth in the SCPSC Petition, in each case as reasonably determined by Parent in good faith;

(g) SCPSC Determination. The SCPSC shall have (i) approved the Merger with no material Changes to the terms of the Merger, (ii) made a finding that the Merger is in the public interest or (iii) made a finding that there is an absence of harm to South Carolina rate payers as a result of the Merger; and

(h) No Change in Law. Since the date of this Agreement, there shall not have occurred any (i) substantive Change in any applicable Law or any Order with respect to the BLRA, as in effect on the date of this Agreement, which has or would reasonably be expected to have an adverse effect on the Company or any of its Subsidiaries or (ii) substantive Change in any applicable Law or any Order with respect to any other South Carolina Public Utility Law, as in effect as of the date of this Agreement, which has or would reasonably be expected to have an adverse effect on the Company or any of its Subsidiaries (such Changes as set forth in (i) and (ii), the “SC Law Changes”).

SECTION 6.03. Additional Conditions to Obligation of the Company. The obligation of the Company to effect the Merger is further subject to the satisfaction or (to the extent permitted by Law) waiver on or prior to the Closing of the following conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02 (except for those contained in Section 3.02(c), Section 3.02(d)(i), Section 3.02(f)(i), Section 3.02(k) and Section 3.02(l)) shall be true and correct in all respects (disregarding all qualifications or limitations as to “materiality”, “Parent Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), except where the failure of such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (ii) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(c) shall be true and correct in all respects (except for de minimis inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date), (iii) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(d)(i) and Section 3.02(l) shall be true and correct in all material respects (disregarding all qualifications or limitations as to “materiality”, “Parent Material Adverse Effect” and words of similar import set forth therein) as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date) and (iv) each of the representations and warranties of Parent and Merger Sub set forth in Section 3.02(f)(i) and Section 3.02(k) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of such date (except for any such representation or warranty that is made as of a specified date (including the date of this Agreement), in which case such representation or warranty shall be true and correct only as of such specified date);

(b) Performance of Obligations of Parent and Merger Sub. Each of Parent and Merger Sub shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date; and

(c) Certificate. The Company shall have received a certificate of the Chief Executive Officer or the Chief Financial Officer of Parent, certifying that the conditions set forth in Section 6.03(a) and Section 6.03(b) have been satisfied.

SECTION 6.04. Frustration of Closing Conditions. None of the Company, Parent or Merger Sub may rely on the failure of any condition set forth in Section 6.01, Section 6.02 or Section 6.03, as the case may be, to be satisfied if such failure was primarily caused by such party’s breach of this Agreement.

## ARTICLE VII

### TERMINATION

SECTION 7.01. Termination. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after (except as set forth below) the Company Requisite Vote is obtained:

(a) by mutual written consent of Parent and the Company;

(b) by either Parent or the Company:

(i) if the Merger shall not have been consummated on or before January 2, 2019 (the “Termination Date”); provided, however, that if any condition set forth in Section 6.01(b), Section 6.01(c) or Section 6.01(d) shall not have been satisfied at such time, the Termination Date shall automatically be extended to (and shall thereafter be deemed to be), without any action on the part of any party hereto, April 2, 2019; provided, further, that the right to terminate this Agreement pursuant to this Section 7.01(b)(i) shall not be available to any party if such party (or, in the case of Parent, Merger Sub) has breached its obligations under this Agreement in any manner that shall have been the principal cause of or resulted in the failure of a condition to any party’s obligation to effect the Merger;

(ii) if at the Shareholders Meeting (or any adjournment or postponement thereof done in accordance with this Agreement), the Company Requisite Vote shall not have been obtained; or

(iii) if any Order permanently restraining, enjoining, preventing or otherwise prohibiting consummation of the Merger shall have become final and non-appealable; provided, however, that a party may not terminate this Agreement pursuant to this Section 7.01(b)(iii) if such party (or, in the case of Parent, Merger Sub) has breached its obligations under this Agreement in a manner that shall have been the principal cause of such Order;

(c) by the Company:

(i) if the Company Board has effected a Company Adverse Recommendation Change with respect to a Superior Proposal in accordance with Section 4.02(f) and shall have approved, and concurrently with the termination hereunder the Company shall have entered into, an Alternative Acquisition Agreement with respect to a Superior Proposal; provided, however, that such termination shall not be effective and the Company shall not enter into an Alternative Acquisition Agreement, unless (A) the Company shall have complied with the provisions of Section 4.02(f) and (B) the Company has paid the Company Termination Fee to Parent; provided, further, that the right to terminate this Agreement under this Section 7.01(c)(i) shall not be available after the Company Requisite Vote shall have been obtained; or

(ii) if Parent or Merger Sub shall have breached any of their respective representations or warranties or failed to perform any of their respective covenants or other agreements contained in this Agreement, where such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.03(a) or Section 6.03(b) and (B) cannot be cured by Parent or Merger Sub by the Termination Date, or if capable of being cured, is not cured prior to the earlier of (1) the thirtieth (30<sup>th</sup>) day after written notice thereof is given by the Company to Parent and (2) the third (3<sup>rd</sup>) Business Day immediately preceding the Termination Date; provided, however, that the Company shall not have the right to terminate this Agreement pursuant to this Section 7.01(c)(ii) if the Company is then in material breach of this Agreement;

(d) by Parent:

(i) if the Company Board (or a committee thereof) shall have effected a Company Adverse Recommendation Change; provided, however, that the right to terminate under this



Section 7.01(d)(i) shall not be available after the Company Requisite Vote shall have been obtained; or

(ii) if the Company shall have breached any of its representations or warranties or failed to perform any of its covenants or other agreements contained in this Agreement, where such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.02(a) or Section 6.02(b) and (B) cannot be cured by Company by the Termination Date, or if capable of being cured, is not cured prior to the earlier of (1) the thirtieth (30<sup>th</sup>) day after written notice thereof is given by Parent to the Company and (2) the third (3<sup>rd</sup>) Business Day immediately preceding the Termination Date; provided, however, that Parent shall not have the right to terminate this Agreement pursuant to this Section 7.01(d)(ii) if either Parent or Merger Sub is then in material breach of this Agreement.

#### SECTION 7.02. Effect of Termination and Abandonment.

(a) Except as provided in Section 7.02(b), in the event of termination of this Agreement and the abandonment of the Merger pursuant to this Article VII, this Agreement shall forthwith become void and of no effect and there shall be no liability or obligation on the part of any party hereto (or of any of its Representatives or Affiliates), except as provided in the last sentence of Section 5.02(c), Section 5.03(b), Section 5.07, Section 5.09(c), this Section 7.02 and Article VIII, which provisions shall survive such termination; provided, however, that subject to Section 7.02(b), Section 7.02(c), and Section 7.02(d), no such termination shall relieve any party hereto (treating Parent and Merger Sub as one party) of any liability for damages to any other party hereto resulting from any Willful Breach by the party (treating Parent and Merger Sub as one party) committing such Willful Breach prior to such termination, and the aggrieved party will be entitled to all rights and remedies available at law or in equity. The parties hereto acknowledge and agree that nothing in this Section 7.02 shall be deemed to affect their right to specific performance under Section 8.12.

(b) The Company shall pay or cause to be paid to Parent or its designee a non-refundable fee of \$240,000,000 (the "Company Termination Fee") if:

(i) this Agreement is terminated by the Company pursuant to Section 7.01(c)(i);

(ii) (A) this Agreement is terminated (1) by Parent or the Company pursuant to Section 7.01(b)(i) or Section 7.01(b)(ii), or (2) by Parent pursuant to Section 7.01(d)(ii), (B) a bona fide Acquisition Proposal shall have been publicly announced or publicly disclosed and not have been withdrawn (1) in the case of a termination pursuant to Section 7.01(b)(i) or Section 7.01(d)(ii), prior to the date of such termination, and (2) in the case of a termination pursuant to Section 7.01(b)(ii), prior to the Shareholders Meeting, and (C) thereafter during the twelve (12) month period immediately following such termination, (1) the Company enters into an Alternative Acquisition Agreement or (2) an Acquisition Proposal is consummated; or

(iii) this Agreement is terminated by Parent pursuant to Section 7.01(d)(i);

If the Company Termination Fee becomes due pursuant to this Section 7.02(b), the Company shall pay Parent or its designee such Company Termination Fee by wire transfer of immediately available funds (x) in the case of a payment required by Section 7.02(b)(i), on the date of termination of this Agreement, (y) in the case of a payment required by Section 7.02(b)(ii), within two (2) Business Days after the earlier of the time when an Acquisition Proposal is consummated or an Alternative Acquisition Agreement is executed and (z) in the case of a payment required by Section 7.02(b)(iii), within two (2) Business Days of the date of termination of this Agreement, it being understood that in no event shall the Company be

required to pay the Company Termination Fee on more than one occasion. Parent shall provide to the Company notice designating an account for purposes of payment of the Company Termination Fee within forty-eight (48) hours of a request by the Company to provide such information. For purposes of Section 7.02(b)(ii), the term “Acquisition Proposal” shall have the meaning assigned to such term in Exhibit A, except that all references to 15% therein shall be deemed to be references to 50%.

(c) Parent shall pay or cause to be paid to the Company or its designee a non-refundable fee of \$280,000,000 (the “Parent Termination Fee”) if:

(i) this Agreement is terminated by Parent or the Company pursuant to Section 7.01(b)(i) and, at the time of any such termination (A) the condition set forth in Section 6.02(d) shall not have been satisfied or waived with respect to one or more Regulatory Conditions and (B) the conditions set forth in Section 6.01(a), Section 6.01(b) – (d) (unless such condition was not satisfied solely due to the proposal of a Burdensome Condition to which Parent has not agreed), Section 6.01(f), Section 6.02(a), Section 6.02(b) and Section 6.02(e) shall have been satisfied or waived (except for any such conditions that have not been satisfied as a result of a breach by Parent or Merger Sub of any of their respective obligations under this Agreement);

(ii) this Agreement is terminated by Parent or the Company pursuant to Section 7.01(b)(iii) and, at the time of any such termination (A) the condition set forth in Section 6.02(d) shall not have been satisfied or waived with respect to one or more Regulatory Conditions and (B) the conditions set forth in Section 6.01(a), Section 6.01(b) – (d) (unless such condition was not satisfied solely due to the proposal of a Burdensome Condition to which Parent has not agreed), Section 6.01(f), Section 6.02(a), Section 6.02(b) and Section 6.02(e) shall have been satisfied or waived (except for any such conditions that have not been satisfied as a result of a breach by Parent or Merger Sub of any of their respective obligations under this Agreement); or

(iii) this Agreement is terminated by the Company pursuant to Section 7.01(c)(ii) due to a material breach by Parent or Merger Sub of its obligations under Section 5.02 which breach has caused the failure of a condition set forth in Section 6.01(b), Section 6.01(c), Section 6.01(d), Section 6.02(d), Section 6.02(f), Section 6.02(g) or Section 6.02(h) to be satisfied.

If the Parent Termination Fee becomes due pursuant to this Section 7.02(c), Parent shall pay the Company or its designee the Parent Termination Fee by wire transfer of immediately available funds within two (2) Business Days of the date of termination of this Agreement, it being understood that in no event shall Parent be required to pay the Parent Termination Fee on more than one occasion. The Company shall provide to Parent notice designating an account for purposes of payment of the Parent Termination Fee within forty-eight (48) hours of a request by Parent to provide such information.

(d) Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated under circumstances in which the Company is required to pay the Company Termination Fee pursuant to Section 7.02(b) and the Company Termination Fee is paid, the payment of the Company Termination Fee shall be Parent’s and Merger Sub’s sole and exclusive remedy against the Company and its Affiliates, and their respective shareholders and Representatives, relating to or arising out of this Agreement, any agreement entered into in connection herewith or the transactions contemplated by this Agreement or thereby. Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated under circumstances in which Parent is required to pay the Parent Termination Fee pursuant to Section 7.02(c) and the Parent Termination Fee is paid, the payment of the Parent Termination Fee shall be the Company’s sole and exclusive remedy against Parent, Merger Sub and their respective Affiliates, and their respective shareholders and Representatives,

relating to or arising out of this Agreement, any agreement entered into in connection herewith or the transactions contemplated by this Agreement or thereby.

(e) Each party acknowledges that the agreements contained in Section 7.02(b) and Section 7.02(c) are an integral part of the transactions contemplated by this Agreement and that, without these agreements, such party would not enter into this Agreement. Accordingly, if the applicable party fails promptly to pay any amount due pursuant to Section 7.02(b) or Section 7.02(c), such party shall also pay any reasonable out-of-pocket costs, fees and expenses incurred by the other party (including reasonable legal fees and expenses) in connection with a Proceeding to enforce this Agreement that results in a final non-appealable Order for such amount against the party failing to promptly pay such amount. Any amount not paid when due pursuant to Section 7.02(b) or Section 7.02(c) shall bear interest from the date such amount is due until the date paid at a rate equal to the prime rate as published in *The Wall Street Journal, Eastern Edition*, in effect on the date of such payment.

## ARTICLE VIII

### MISCELLANEOUS

SECTION 8.01. Non-Survival. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement, including any rights arising out of any breach of such representations, warranties, covenants and agreements, shall survive the Effective Time, except for (a) those covenants and agreements contained herein that by their terms apply or are to be performed in whole or in part after the Effective Time and (b) those contained in this Article VIII.

SECTION 8.02. Modification or Amendment. Subject to the requirements of applicable Law, at any time prior to the Effective Time, the parties hereto (in the case of the Company or Merger Sub, by action of their respective boards of directors to the extent required by Law) may modify or amend this Agreement by written agreement, executed and delivered by duly authorized officers of the respective parties. No modification or amendment will be made which, pursuant to applicable Law or the rules of the NYSE, requires further approval by the holders of Company Shares or the holders of the Parent Shares, as applicable, without such further approval being obtained.

SECTION 8.03. Waiver. Subject to the requirements of applicable Law, at any time prior to the Effective Time, any party hereto may (a) extend the time for the performance of any of the obligations or other acts of the other parties, (b) waive any inaccuracies in the representations and warranties of the other parties contained herein or in any document delivered pursuant hereto, or (c) waive compliance by the other parties with any of the agreements or conditions contained herein; provided, however, that neither Parent nor Merger Sub may perform any of the actions set forth in the foregoing clauses (a), (b) or (c) with respect to Merger Sub or Parent, respectively. No extension or waiver will be made which, pursuant to applicable Law or the rules of the NYSE, requires further approval by the holders of Company Shares or the holders of the Parent Shares, as applicable, without such further approval being obtained. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party or parties to be bound thereby and specifically referencing this Agreement. The failure of any party hereto to assert any rights or remedies shall not constitute a waiver of such rights or remedies.

SECTION 8.04. No Other Representations or Warranties.

(a) Except for the representations and warranties set forth in Section 3.01, each of Parent and Merger Sub acknowledges and agrees that (i) none of the Company, its Subsidiaries or any other Person makes any other express or implied representation or warranty in connection with the transactions contemplated by this Agreement, (ii) it has relied solely on the representations and warranties of the Company expressly set forth in Section 3.01 and (iii) it has not been induced to enter into this Agreement by any representation, warranty or statement of or by the Company, any of its Subsidiaries or any other Person.

(b) Except for the representations and warranties set forth in Section 3.02, the Company acknowledges and agrees that (i) none of Parent, Merger Sub, any of Parent's other Subsidiaries or any other Person makes any other express or implied representation or warranty in connection with the transactions contemplated by this Agreement, (ii) it has relied solely on the representations and warranties of Parent and Merger Sub expressly set forth Section 3.02 and (iii) it has not been induced to enter into this Agreement by any representation, warranty or statement of or by Parent, Merger Sub, any of the other Subsidiaries of Parent or any other Person.

**SECTION 8.05. Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed given if delivered personally, faxed (with confirmation), electronically mailed in portable document format (PDF) (with confirmation) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

if to Parent or Merger Sub, to:

Dominion Energy, Inc.  
120 Tredegar Street  
Richmond, Virginia 23219  
Fax No.: (804) 819-2233  
Attention: Mark O. Webb, Senior Vice President – Corporate Affairs and  
Chief Legal Officer  
Carlos M. Brown, Vice President and General Counsel  
Email: mark.webb@dominionenergy.com  
carlos.m.brown@dominionenergy.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP  
Gateway Plaza  
800 East Canal Street  
Richmond, Virginia 23219  
Fax No.: (804) 698-2090  
Attention: Joanne Katsantonis  
John L. Hughes, Jr.  
Email: jkatsantonis@mcguirewoods.com  
jhughes@mcguirewoods.com

if to the Company, to:

SCANA Corporation  
220 Operation Way, Mail Code D-308  
Cayce, South Carolina 29033

Fax No.: (803) 933-7676  
Attention: Jim Stuckey, Senior Vice President and General Counsel  
Email: jim.stuckey@scana.com

with a copy to (which shall not constitute notice):

Mayer Brown LLP  
71 South Wacker Drive  
Chicago, Illinois 60606  
Fax No.: (312) 706-8183  
Attention: Frederick B. Thomas  
William R. Kucera  
Email: fthomas@mayerbrown.com  
wkucera@mayerbrown.com

SECTION 8.06. Definitions. Capitalized terms used in this Agreement have the meanings specified in Exhibit A.

SECTION 8.07. Interpretation.

(a) When a reference is made in this Agreement to an Article, a Section, an Appendix or an Exhibit, such reference shall be to an Article or a Section of, or an Appendix or an Exhibit to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “or” when used in this Agreement is not exclusive.

(c) When a reference is made in this Agreement, the Company Disclosure Letter or the Parent Disclosure Letter to information or documents being “provided”, “made available” or “disclosed” by a party hereto to another party or its Affiliates, such information or documents shall include any information or documents (i) included in the SEC Reports of such disclosing party which are publicly available at least twenty-four (24) hours prior to the date of this Agreement, (ii) furnished prior to the execution of this Agreement in the electronic “data room” maintained by such disclosing party and to which access has been granted to the other party and its Representatives at least twenty-four (24) hours prior to the date of this Agreement, or (iii) otherwise provided in writing (including electronically) to the other party or any of its Affiliates or Representatives at least twenty-four (24) hours prior to the date of this Agreement.

(d) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term.

(e) Any agreement, instrument or statute defined or referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by

succession of comparable successor statutes, and all attachments thereto and instruments incorporated therein.

(f) References to a Person are also to its permitted successors and permitted assigns.

(g) Where this Agreement states that a party “shall”, “will” or “must” perform in some manner, it means that the party is legally obligated to do so under this Agreement.

(h) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, (i) the date that is the reference date in calculating such period shall be excluded and (ii) if the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day.

(i) Unless otherwise specifically indicated, any reference herein to \$ means U.S. dollars.

(j) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

**SECTION 8.08. Counterparts.** This Agreement may be executed in one or more counterparts (including by facsimile or by attachment to electronic mail in portable document format (PDF)), and by the different parties hereto in separate counterparts, each of which when executed shall be deemed an original but all of which taken together shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto.

**SECTION 8.09. Parties in Interest.** This Agreement shall be binding upon and inure solely to the benefit of the parties hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement, other than (a) after the Effective Time, with respect to the provisions of Section 5.08 which shall inure to the benefit of the Indemnified Parties who are intended to be third-party beneficiaries thereof, (b) after the Effective Time, the rights of the holders of Company Shares to receive the Merger Consideration in accordance with the terms and conditions of this Agreement, and (c) after the Effective Time, the rights of the holders of Company Performance Share Awards, Company RSUs and Company Deferred Units to receive the payments contemplated by the applicable provisions of Section 2.02, in each case, in accordance with the terms and conditions of this Agreement. The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of such parties. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 8.03 without notice or liability to any other Person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, Persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

**SECTION 8.10. Governing Law.** This Agreement shall be governed by, and construed in accordance with, the internal Laws and judicial decisions of the State of Delaware applicable to agreements executed and performed entirely within such State, regardless of the Law that might otherwise govern under applicable principles of conflicts of law thereof, except that matters related to the

obligations of the Company Board under the SCBCA and matters that are specifically required by the SCBCA in connection with the transactions contemplated by this Agreement shall be governed by the laws of the State of South Carolina.

SECTION 8.11. Entire Agreement; Assignment. This Agreement (including the Appendices and Exhibits hereto, the Company Disclosure Letter and the Parent Disclosure Letter) and the Confidentiality Agreement constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of the other parties hereto. Any purported assignment in contravention of this Agreement is and shall be null and void. Subject to the immediately preceding two sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

SECTION 8.12. Specific Enforcement; Consent to Jurisdiction.

(a) The parties hereto agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any of the parties hereto do not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder in order to consummate the transactions contemplated by this Agreement) in accordance with its specified terms or otherwise breach such provisions. The parties hereto acknowledge and agree that each party hereto shall be entitled to seek an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which it is entitled at law or in equity. Each of the parties hereto further agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (A) the other party has an adequate remedy at law or (B) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party hereto seeking an Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such Order.

(b) Each of the parties hereto irrevocably (i) submits itself to the personal jurisdiction of the federal courts located in the State of Delaware and any appellate court therefrom, in connection with any claim or matter directly or indirectly based upon, arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement or the actions of Parent, Merger Sub or the Company in the negotiation, administration, performance and enforcement of this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the federal courts located in the State of Delaware and (iv) agrees that the service of any process, summons, notice or document through the notice procedures set forth in Section 8.05 or by U.S. registered mail to the respective addresses set forth in Section 8.05 shall be effective service of process for any Proceeding in connection with this Agreement or the transactions contemplated by this Agreement. Each party hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any Proceeding with respect to this Agreement, any claim that (A) it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve process in accordance with this Section 8.12(b), (B) it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), (C) the Proceeding in any such court is brought in an inconvenient

forum, (D) the venue of such Proceeding is improper, or (E) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Furthermore, each of the Company, Parent and Merger Sub irrevocably waives, to the fullest extent permitted by applicable Law, the benefit of any defense that would hinder, fetter or delay the levy, execution or collection of any amount to which any party is entitled pursuant to the final judgment of any court having jurisdiction. Each party hereto expressly acknowledges that the foregoing waiver is intended to be irrevocable under the Law of the State of Delaware and of the United States of America; provided, however, that each such party's consent to jurisdiction and service contained in this Section 8.12 is solely for the purpose referred to in this Section 8.12 and shall not be deemed to be a general submission to said courts or to courts in the State of Delaware other than for such purpose.

**SECTION 8.13. WAIVER OF JURY TRIAL.** EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) DIRECTLY OR INDIRECTLY BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF PARENT, MERGER SUB OR THE COMPANY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 8.13.

**SECTION 8.14. Severability.** If any term or other provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the fullest extent possible.

**SECTION 8.15. Transfer Taxes.** All transfer, documentary, sales, use, stamp, registration and other Taxes and fees (including penalties and interest) incurred in connection with the Merger shall be paid by Parent and Merger Sub when due.

**SECTION 8.16. Disclosure Letters.** Certain items and matters are listed in the Company Disclosure Letter and the Parent Disclosure Letter for informational purposes only and may not be required to be listed therein by the terms of this Agreement. In no event shall the listing of items or matters in the Company Disclosure Letter or the Parent Disclosure Letter be deemed or interpreted to broaden, or otherwise expand the scope of, the representations and warranties or covenants and agreements contained in this Agreement. No reference to, or disclosure of, any item or matter in any Section of this Agreement or any section or subsection of the Company Disclosure Letter or the Parent Disclosure Letter shall be construed as an admission or indication that such item or matter is material or that such item or matter is required to be referred to or disclosed in this Agreement or in the Company




Disclosure Letter or the Parent Disclosure Letter, as applicable. Without limiting the foregoing, no reference to, or disclosure of, a possible breach or violation of any Contract or Law in the Company Disclosure Letter or the Parent Disclosure Letter shall be construed as an admission or indication that a breach or violation exists or has actually occurred. Each section or subsection of the Company Disclosure Letter and the Parent Disclosure Letter, as the case may be, shall be deemed to qualify the corresponding section or subsection of this Agreement, irrespective of whether or not any particular section or subsection of this Agreement specifically refers to the Company Disclosure Letter or the Parent Disclosure Letter, as the case may be.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the Company, Parent and Merger Sub have caused this Agreement to be signed by their respective officers thereunto duly authorized, all as of the date first written above.

SCANA CORPORATION

By:   
Name: Jimmy E. Addison  
Title: Chief Executive Officer

DOMINION ENERGY, INC.

By: 

Name: Thomas F. Farrell, II

Title: President and Chief Executive Officer

SEDONA CORP.

By: 

Name: Mark F. McGettrick

Title: President

## APPENDIX A

### SCPSC PETITION

1. To meet commitments made by South Carolina Electric & Gas Company to the SCPSC, South Carolina Electric & Gas Company and Parent will jointly file the Petition on or before January 12, 2018.
2. The Petition will seek a ruling from the SCPSC (i) approving the Merger with no material changes to the terms of the Merger; (ii) making a finding that the Merger is in the public interest; or (iii) making a finding that there is an absence of harm to South Carolina rate payers as a result of the Merger.
3. The Petition will acknowledge that the Merger can only close if the SCPSC approves the jointly proposed NND Project cost recovery plan, with (x) no material change to the terms, conditions or undertakings set forth in the plan and (y) no significant change to the economic value of the plan, in each case as reasonably determined by Parent in good faith (except in each case unless otherwise consented to by Parent in its sole discretion), which shall include the following terms:
  - a. There will be an aggregate up-front, one-time rate credit totaling \$1.3 billion<sup>1</sup> to all current South Carolina Electric & Gas Company electric customers as of the date of Merger close. The rate credit will be apportioned to all retail electric customer classes based on their 2016 contribution to summer adjusted peak demand as prepared by South Carolina Electric & Gas Company. After the dollar apportionment per customer class and rate schedule is determined on this basis, a rate per kilowatt hour (\$/kWh) will be derived by customer class and rate schedule by dividing the total kWh sales of electricity by customer class and rate schedule over a preceding 12-month period (the “Base Period”) into the apportioned funding amount. The \$/kWh rate will then be applied to each customer’s kWh usage over the Base Period to determine the customer’s up-front rate credit amount. The rate credit will be issued to eligible customers in the form of a check issued within 90 days of Merger close. Eligible customers shall be South Carolina Electric & Gas Company retail electric customers as of record on the date of the close of the Merger.
  - b. South Carolina Electric & Gas Company will immediately upon Merger closing write down its investment in construction work in progress associated with the new nuclear development project by approximately \$1.4 billion, which amount includes approximately \$1.2 billion in assets that have not previously been subject to consideration in setting revised rates and approximately \$200 million that have been so considered. The amounts written down would be permanently excluded from consideration in establishing retail electric rates going forward.
  - c. South Carolina Electric & Gas Company will not seek recovery of the approximately \$320 million in regulatory assets associated with the following items:
    - i. The approximately \$173 million regulatory asset associated with interest rate swap losses related to the debt that was not issued for the NND Project;

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<sup>1</sup> The net proceeds of the Toshiba settlement were utilized by South Carolina Gas & Electric Company to repay indebtedness in 2017, and therefore those funds are unavailable for refund. A portion of the one time rate credit will be funded through issuance of debt and defeasement of the regulatory liability associated with the Toshiba settlement.

- ii. The approximately \$66 million regulatory asset associated with the NND Project Equity AFUDC;
  - iii. The approximately \$52 million regulatory asset associated with the carrying costs on deferred tax assets related to nuclear construction; and
  - iv. The regulatory asset associated with foregone domestic production activities deductions will be written off and not be recovered from customers. The net regulatory asset associated with research and experimentation credit claims, interest, and legal costs expected to be incurred in defending these claims, will be borne by the shareholders and not returned to or collected from customers.
- d. Parent will underwrite an approximately \$575 million refund for amounts previously collected under the NND Project (regulatory liability) which is estimated to provide the 3.5% retail electric rate decrease from the 2017 rate level until accumulated amortization of the cost of abandoned plant lowers South Carolina Electric & Gas Company's revenue requirements. The refund amount is calculated to be sufficient to support the 3.5% retail electric rate reduction for approximately eight (8) years following the closing of the Merger. This amount of time is estimated to be sufficient to avoid a future retail electric rate increase resulting from new nuclear project costs when the refund amount is exhausted.
- e. Parent will reduce retail electric rates further to reflect the impact of federal tax reform passed in December of 2017 which is estimated to lower rates an additional amount resulting in a total estimated rate reduction of approximately 5%.
- f. An SCPSC finding, as necessary, that South Carolina Electric & Gas Company's investment in construction work in progress for new nuclear project in the amount of approximately \$3.3 billion, which reflects the amount of that investment net of write-downs and offsets, was prudent; and that the capital costs and amortization of that \$3.3 billion may be recovered through retail electric rates.
- g. An SCPSC order directing that:
- i. The approximately \$3.3 billion of invested capital for the new nuclear development project shall be included in a regulatory asset and recovered through rates over a 20-year amortization and recovery period that is reflected in retail electric revenue requirements without offset or disallowance until the regulatory asset is fully recovered; and
  - ii. Until the balance in the regulatory asset is fully recovered, the capital costs associated with the unrecovered balance in that account shall be reflected in South Carolina Electric & Gas Company's cost of capital devoted to retail electric operations at a rate that reflects a return on common equity of 10.25%,<sup>2</sup> a weighted average cost of debt of 5.85%, and a capital structure consisting of 52.81% equity and 47.19% debt, with these percentages fixed over the 20-year amortization period.

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<sup>2</sup> The current allowed blended ROE for NND is approximately 10.9% but the proposal is to adjust the rate down to South Carolina Gas & Electric Company's base ROE of 10.25%.

- h. The deferred tax liability associated with the tax abandonment of the NND Project shall reduce the NND Project cost to be recovered from South Carolina Electric & Gas Company customers. The deferred tax asset for the net operating loss carryforward resulting from the tax abandonment of the NND Project shall be reflected as a rate base offset, dollar for dollar, to the deferred tax liability. Reductions in the deferred tax asset shall be subject to Parent's ability to use the net operating loss in filing its consolidated income tax returns and shall not be computed on a separate company basis.
  - i. Adjustments to the deferred tax liability and the deferred tax asset described in item (h) of this subsection resulting from a change in tax laws or tax treatment of the abandonment and/or Parent's ability to use the net operating loss will be returned to or recovered from South Carolina Electric & Gas Company customers in the following manner:
    - i. The regulatory liability resulting from excess deferred tax liabilities on the tax abandonment will be returned to customers over the book recovery period of the property (*i.e.*, 20 years);
    - ii. The regulatory asset resulting from excess deferred tax assets on the net operating loss will be recovered from customers in a manner that coincides with Parent's ability to use the net operating loss in filing its consolidated income tax returns and not on a separate company basis; and
    - iii. As adjusted for any impacts related to the tax treatment of the abandonment loss
  - j. The approximately \$180 million initial capital investment in the Columbia Energy Center, a 540-megawatt combined-cycle, natural gas-fired power plant located in Gaston, S.C., will be excluded from rate base and rate recovery, with only the ongoing costs such as fuel costs, operations and maintenance expense, and maintenance or improvement capital investments associated with the plant to be recovered in future base and fuel rates.
  - k. Transmission projects associated with the new nuclear project will be closed to rate base and removed from BLRA project costs. The revenue of approximately \$32 million per year currently being recovered in base rates will continue to be recovered through base rates notwithstanding the Merger. The associated depreciation and operating and maintenance costs will be captured in a regulatory asset for future rate recovery.
  - l. Except for rate adjustments for fuel and environmental costs, demand side management costs and other rates routinely adjusted on an annual or biannual basis, retail electric base rates will remain frozen at current levels until January 1, 2021.
4. The parties shall request approval of the SCPSC Petition, including the NND Project cost recovery plan, within 6 months from the date of filing.
5. South Carolina Electric & Gas Company and Parent commit to support and advocate for SCPSC approval or adoption of the terms, both individually and collectively, and without modification, identified and described in Paragraphs (2) and (3) above (the "Merger Terms") and will take no action inconsistent with this commitment. In the Petition to be jointly filed on January 12, 2018, South Carolina Electric & Gas Company may also present alternative terms for NND Project cost recovery, consistent with and based on the terms publically disclosed by Mr. Kissam on November

16, 2017 and previously provided to Parent in a more comprehensive form in a proposed draft of the Petition (the “Alternative Terms”). South Carolina Electric & Gas Company may provide any necessary testimony, exhibits or supporting materials in order to meet prior commitments to the SCPSC concerning the substance of South Carolina Electric & Gas Company’s January 12, 2018 filing or to show that the Alternative Terms, as a disfavored alternative to the Merger Terms, are nonetheless just, reasonable, lawful, fair and non-confiscatory and should be adopted by the SCPSC if the Merger is not approved. However, South Carolina Electric & Gas Company will not support or advocate for the Alternative Terms except as an expressly disfavored alternative to the Merger Terms and in each case where it discusses the Alternative Terms in testimony, exhibits or otherwise, will expressly state South Carolina Electric & Gas Company’s overriding commitment to the Merger Terms as being in the best interest of customers and the State of South Carolina, and that the Alternative Terms are a disfavored alternative to be considered only if the Merger is disapproved. South Carolina Electric & Gas Company will not otherwise advocate for any other terms for NND cost recovery differing from those identified in Paragraphs (2) and (3) above (without prior consent of Parent), unless and until the Merger Agreement is terminated.

**EXHIBIT A**  
**DEFINITIONS**

(a) The following terms have the following meanings:

“Acceptable Confidentiality Agreement” means a confidentiality agreement having provisions as to confidential treatment of the Company’s information that are not materially less favorable to those contained in the Confidentiality Agreement.

“Acquisition Proposal” means any bona fide proposal or offer from any Person or group of Persons (other than Parent, Merger Sub or their respective Affiliates) relating to (i) any acquisition or purchase directly or indirectly, in a single transaction or series of transactions, of a business that constitutes more than 15% of the net revenues, net income or consolidated assets of the Company and its Subsidiaries, taken as a whole, or more than 15% of the total voting power of the equity securities of the Company, (ii) any tender offer or exchange offer that if consummated would result in any Person beneficially owning more than 15% of the total voting power of the equity securities of the Company or (iii) any merger, reorganization, consolidation, share exchange, business combination, recapitalization, liquidation, joint venture, partnership, dissolution or similar transaction involving directly or indirectly, in a single transaction or series of transactions, the Company (or any Subsidiary or Subsidiaries of the Company whose business constitutes more than 15% of the net revenues, net income or consolidated assets of the Company and its Subsidiaries, taken as a whole).

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person.

“Atomic Energy Act” means the Atomic Energy Act of 1954, as amended.

“Average Price” means the volume-weighted average price, rounded to four decimal places, of Parent Shares for the ten (10) consecutive trading days ending on and including the second (2<sup>nd</sup>) trading day prior to the Effective Time.

“BLRA” means the South Carolina Base Load Review Act of 2007 as amended, S.C. Code Ann. § 58-33-210 *et seq.*

“Burdensome Condition” shall mean any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions (including any Remedial Action) that, in the aggregate, would have or would reasonably be expected to have, a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole, or of Parent and its Subsidiaries, taken as a whole; provided, however, that, for this purpose, Parent and its Subsidiaries, and after giving effect to the Merger, Parent and its Subsidiaries, shall be deemed to be a consolidated group of entities of the size and scale of a hypothetical company that is 100% of the size and scale of the Company and its Subsidiaries, taken as a whole as of immediately prior to the Effective Time; and provided, further, that any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions relating to implementing, or otherwise arising or resulting from or imposed by, the Social Commitments, or any relief or other matters contemplated by the SCPSC Petition or the SCPSC Petition Approval, shall not constitute or be taken into account in determining whether there has been or is such a material adverse effect.



“Business Day” means any day other than a Saturday or Sunday or a day on which banks in the City of New York are required or authorized to be closed.

“Byproduct Material” means any radioactive material (except Special Nuclear Material) yielded in, or made radioactive by, exposure to radiation in the process of producing or utilizing Special Nuclear Material.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commonly Controlled Entity” means, with respect to the Company, any other Person that, together with the Company, is treated as a single employer under Section 414 of the Code.

“Company Benefit Plan” means any (i) “employee benefit plan” (within the meaning of Section 3(3) of ERISA), (ii) bonus, incentive or deferred compensation or equity or equity-based compensation plan, program, policy or arrangement (including the Company Equity Award Plans), (iii) severance, change in control, employment, consulting, retirement, retention or termination plan, program, agreement, policy or arrangement or (iv) other compensation or benefit plan, program, agreement, policy, practice, Contract, arrangement or other obligation, whether or not in writing and whether or not subject to ERISA, in each case, sponsored, maintained, contributed to or required to be maintained or contributed to by the Company or any Commonly Controlled Entity or with respect to which the Company or any Commonly Controlled Entity had or has any present or future liability, in any case other than any (A) “multiemployer plan” (within the meaning of Section 3(37) of ERISA) or (B) plan, program, policy or arrangement mandated by applicable Law.

“Company Disclosure Letter” means the confidential disclosure letter dated as of the date of this Agreement delivered by the Company to Parent and Merger Sub.

“Company Equity Award Plans” means the 2015 Long-Term Equity Compensation Plan, the 2000 Long-Term Equity Compensation Plan, and the Director Compensation and Deferral Plan, each as amended and restated from time to time.

“Company Material Adverse Effect” means any Change that has a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole; provided, however, that none of the following shall, either alone or in combination, constitute or contribute to a Company Material Adverse Effect: (i) Changes in the economy in the United States or elsewhere in the world, including as a result of changes in geopolitical conditions, (ii) Changes that affect any of the industries in which the Company or any of its Subsidiaries operate, (iii) Changes in the financial, debt, capital, credit or securities markets generally in the United States or elsewhere in the world, including changes in interest rates, (iv) any Change in the stock price, trading volume or credit rating of the Company or any of its Subsidiaries or any failure by the Company to meet published analyst estimates or expectations of its revenue, earnings or other financial performance or results of operations for any period, or any failure by the Company to meet its internal or published projections, budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations for any period (it being understood that the Changes underlying any such Change or failure described in this clause (iv) to the extent not otherwise excluded from the definition of a “Company Material Adverse Effect” may be considered in determining whether there has been a Company Material Adverse Effect), (v) Changes in Law, legislative or political conditions or policy or practices of any Governmental Entity (other than SC Law Changes), (vi) Changes in applicable accounting regulations or principles or interpretations thereof, (vii) an act of terrorism or an outbreak or escalation of hostilities or war (whether declared or not declared) or earthquakes, any weather-related or other force majeure events or other natural disasters or any national or international calamity or crisis, (viii) the announcement,

execution or delivery of this Agreement or the public announcement or pendency of the Merger or the other transactions contemplated by this Agreement, in each case, including any impact thereof on relationships, contractual or otherwise, with Governmental Entities or customers, suppliers, distributors, lenders, partners or employees of the Company and its Subsidiaries, (ix) actions taken or requirements imposed by any Governmental Entities, in connection with obtaining the Regulatory Clearances or the SCPSC Petition Approval, (x) any Shareholder Litigation or Changes with respect thereto and (xi) any Proceedings, claims, investigations or inquiries set forth in Section 3.01(g) of the Company Disclosure Letter (other than with respect to SC Law Changes) or any Changes with respect thereto, provided, further, that any Change set forth in the foregoing clauses (i), (ii), (iii), (v) or (vi), to the extent not otherwise excluded hereunder, may be taken into account in determining whether a Company Material Adverse Effect has occurred solely to the extent that such Change has a materially disproportionate adverse effect on the Company and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the relevant business affected by such Change.

“Company Material Contract” means any Contract (i) required to be filed by the Company as a “material contract” pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act, (ii) that provides for Indebtedness of the Company or any of its Subsidiaries of more than \$50,000,000, (iii) that resulted in expenditures, receipts, liabilities, or payments by the Company or any of its Subsidiaries of more than \$80,000,000 in the 2016 fiscal year or 2017 fiscal year or (iv) that requires the Company or any of its Subsidiaries to incur Indebtedness or liabilities, or to make payments or expenditures, of more than \$80,000,000 in any one future fiscal year, in the case of the foregoing clauses (ii) and (iii), excluding (A) any Contracts that can be terminated for convenience on less than ninety (90) days’ notice without material payment or penalty and (B) any Contracts for the supply of natural gas capacity or commodity.

“Company Share” means a share of common stock, without par value, of the Company.

“Consent” means any consent, clearance, approval, Order, authorization, waiver, license, notice filing, action or non-action.

“Contract” means a contract, purchase order, license, sublicense, lease, sublease, option, warrant, guaranty, indenture, note, bond, mortgage or other legally binding agreement or instrument, whether written or unwritten.

“control” (including in the terms “controlling”, “controlled”, “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

“Data Privacy Legal Requirements” mean (i) all applicable requirements imposed by applicable Laws relating to (A) the security or privacy of information systems, networks, or data; (B) the use, collection, recording, storing, altering, retrieving, transferring, disclosing (whether authorized or unauthorized) or otherwise processing of data owned or used by the Company or its Subsidiaries; (C) the unauthorized access, acquisition, use, modification, disclosure or misuse of data; (D) the notification to affected parties, regulators, or credit reporting agencies as a result of any breach of systems, networks or data; or (E) any other cybersecurity or data privacy incident requiring reporting outside of the Company; (ii) all contractual standards, rules and requirements that the Company or any of its Subsidiaries is or has been contractually obligated to comply with; and (iii) each published external or internal, past or present Company privacy policy or security policy applicable to any information systems, networks, or data, including personal data and any published policy of the Company or its Subsidiaries relating to: (A) the privacy of any Person, (B) financial records or information pertaining to any Person, (C) the collection,

storage, disclosure, transfer, disposal, other processing or security of any personal data, or (D) personally identifying information, sensitive customer information, financial records, security records and associated information, about Persons.

“Director Compensation and Deferral Plan” means the Company Director Compensation and Deferral Plan.

“Environmental Law” means any Law relating to pollution or protection of the environment or natural resources, including ambient air, soil, surface water or groundwater, sediment, flora and fauna, or, as it relates to the exposure to hazardous, deleterious or toxic materials, human health or safety.

“Equity Award Consideration” means an amount in cash, without interest, equal to the product of (i) the Merger Consideration multiplied by (ii) the Average Price.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Executive Deferred Compensation Plan” means the Company Executive Deferred Compensation Plan.

“Governmental Entity” means any federal, state, local, or non-United States government, any court or tribunal of competent jurisdiction, any administrative, regulatory (including any stock exchange) or other governmental or quasi-governmental agency, commission, branch or authority or other governmental entity or body (it being understood and agreed that no reference to “Governmental Entity” in this Agreement shall be deemed to include Santee Cooper in its capacity as a commercial counterparty of the Company in connection with the NND Project or otherwise).

“Hazardous Materials” means any substance, waste or material defined or regulated as hazardous, acutely hazardous or toxic or that could reasonably be expected to result in liability under any applicable Environmental Law currently in effect, including petroleum, petroleum products, High-Level Waste, Spent Nuclear Fuel, by-products and distillates, pesticides, dioxin, polychlorinated biphenyls, mold, biological hazards, asbestos and asbestos-containing materials.

“High-Level Waste” means (i) irradiated nuclear reactor fuel, (ii) liquid wastes resulting from the operation of the first cycle solvent extraction system, or its equivalent, and the concentrated wastes from subsequent extraction cycles, or their equivalent, in a facility for reprocessing irradiated reactor fuel and (iii) solids into which such liquid wastes have been converted.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Intellectual Property” means all intellectual property and proprietary rights, and applications with respect thereto, including (i) patents and patent applications, (ii) trademarks, service marks, trade dress, logos, Internet domain names, trade names and corporate names, whether registered or unregistered, and the goodwill associated therewith, together with any registrations and applications for registration thereof, (iii) copyrights and rights under copyrights, whether registered or unregistered, and any registrations and applications for registration thereof, (iv) trade secrets and other rights in know-how and confidential or proprietary information, including any technical data, specifications, techniques,

inventions and discoveries, in each case, to the extent that it qualifies as a trade secret under applicable Law and (v) all other intellectual property rights recognized by applicable Law.

“Intervening Event” means any material event, development or change in circumstances that materially affects the business, assets or operations of the Company and its Subsidiaries, taken as a whole, that first becomes known to the Company Board or any of the Persons set forth in Section 8.06 of the Company Disclosure Letter or their successors after the date of this Agreement but before the Company Requisite Vote is obtained, to the extent that such event, development or change in circumstances was not reasonably foreseeable as of or prior to the date of this Agreement or which would not reasonably be expected to have become known after reasonable investigation or inquiry as of or prior to the date of this Agreement; provided, however, that in no event will (i) the receipt, existence or terms of an Acquisition Proposal or any matter relating thereto or consequence thereof, (ii) any action taken by the parties pursuant to or in compliance with this Agreement, including any action taken in connection with seeking any Regulatory Clearances, (iii) any changes in Law or the settlement of any lawsuits, investigations, inquiries or Proceedings, (iv) changes in the market price or trading volume of the Company Shares or Parent Shares, or the Company or Parent or any their respective Subsidiaries meeting or exceeding internal or published projections, forecasts or revenue or earnings predictions for any period, (v) changes in the energy markets or industry or to rates, or (vi) any event, development or change relating solely to Parent or its Affiliates, in each case, constitute an “Intervening Event” or be taken into account in determining whether an Intervening Event has occurred or would reasonably be expected to result.

“IT Systems” means all computer systems, computer programs, networks, hardware, software, software engines, electronic databases and websites used to process, store, maintain and operate data, information and control systems owned, used or provided by the Company.

“Knowledge” means (i) with respect to the Company, the actual knowledge, after reasonable inquiry, of any of the Persons set forth in Section 8.06 of the Company Disclosure Letter and their successors and (ii) with respect to Parent or Merger Sub, the actual knowledge, after reasonable inquiry, of any of the Persons set forth in Section 8.06 of the Parent Disclosure Letter and their successors.

“Law” means any federal, state, local or non-United States law, statute, regulation, rule, ordinance, Order or decree of any Governmental Entity.

“Low-Level Waste” means radioactive material that (i) is not High-Level Waste, Mixed Waste, Spent Nuclear Fuel or Byproduct Material as defined in section 11e.(2) of the Atomic Energy Act, and (ii) the NRC classifies as low-level radioactive waste.

“Mixed Waste” means waste that (i) contains both a hazardous waste component regulated under the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*) and a radioactive component of Source Material, Byproduct Material or Special Nuclear Material and (ii) the NRC classifies as mixed waste or that constitutes “mixed waste” as defined in 42 U.S.C. § 6903(41).

“NND Project” means the New Nuclear Development Project under which the Company and Santee Cooper undertook to construct two Westinghouse AP1000 Advanced Passive Safety nuclear units in Jenkinsville, South Carolina.

“Nuclear Material” means Source Material, Special Nuclear Material, Low-Level Waste, High-Level Waste, the radioactive component of Mixed Waste, Byproduct Material and Spent Nuclear Fuel.

“NYSE” means the New York Stock Exchange.

“Parent Disclosure Letter” means the confidential disclosure letter dated as of the date of this Agreement delivered by Parent to the Company.

“Parent Material Adverse Effect” means any Change that has a material adverse effect on the business, financial condition, assets, liabilities or results of operations of Parent and its Subsidiaries, taken as a whole; provided, however, that none of the following shall, either alone or in combination, constitute or contribute to a Parent Material Adverse Effect: (i) Changes in the economy in the United States or elsewhere in the world, including as a result of changes in geopolitical conditions, (ii) Changes that affect any of the industries in which Parent or any of its Subsidiaries operate, (iii) Changes in the financial, debt, capital, credit or securities markets generally in the United States or elsewhere in the world, including changes in interest rates, (iv) any Change in the stock price, trading volume or credit rating of Parent or any of its Subsidiaries or any failure by Parent to meet published analyst estimates or expectations of its revenue, earnings or other financial performance or results of operations for any period, or any failure by Parent to meet its internal or published projections, budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations for any period (it being understood that the Changes underlying any such Change or failure described in this clause (iv) to the extent not otherwise excluded from the definition of a “Parent Material Adverse Effect” may be considered in determining whether there has been a Parent Material Adverse Effect), (v) Changes in Law, legislative or political conditions or policy or practices of any Governmental Entity (other than SC Law Changes), (vi) Changes in applicable accounting regulations or principles or interpretations thereof, (vii) an act of terrorism or an outbreak or escalation of hostilities or war (whether declared or not declared) or earthquakes, any weather-related or other force majeure events or other natural disasters or any national or international calamity or crisis, (viii) the announcement, execution or delivery of this Agreement or the public announcement or pendency of the Merger or the other transactions contemplated by this Agreement, in each case, including any impact thereof on relationships, contractual or otherwise, with Governmental Entities or customers, suppliers, distributors, lenders, partners or employees of Parent and its Subsidiaries, (ix) actions taken or requirements imposed by any Governmental Entities, in connection with obtaining the Regulatory Clearances or the SCPSC Petition Approval, (x) any Shareholder Litigation or any Changes with respect thereto, and (xi) any Proceedings, claims, investigations or inquiries set forth in Section 3.02(g) of the Parent Disclosure Letter or any Changes with respect thereto, provided, further, that any Change set forth in the foregoing clauses (i), (ii), (iii), (v) or (vi), to the extent not otherwise excluded hereunder, may be taken into account in determining whether a Parent Material Adverse Effect has occurred solely to the extent that such Change has a materially disproportionate adverse effect on the Parent and its Subsidiaries, taken as a whole, as compared to other Persons engaged in the relevant business affected by such Change.

“Parent Severance Program” means the severance program sponsored by Parent and described in the summary plan description attached as Section 5.06 of the Parent Disclosure Letter.

“Parent Share” means a share of common stock, without par value, of Parent.

“Parent Significant Subsidiaries” means the significant subsidiaries (as defined in Rule 1-02(w) of Regulation S-X) of Parent, excluding, if otherwise included, Dominion Energy Midstream Partners LP.

“Permitted Liens” means, with respect to any Person, (i) mechanics’, materialmen’s, carriers’, workmen’s, repairmen’s, vendors’, operators’ or other like Liens, if any, that do not materially detract from the value of or materially interfere with the use of any of the assets of such Person and its Subsidiaries as currently conducted, (ii) Liens arising under original purchase price conditional sales

Contracts and equipment leases with third parties entered into in the ordinary course of business, (iii) title defects or Liens (other than those constituting Liens for the payment of Indebtedness), if any, that do not or would not, individually or in the aggregate, impair in any material respect the use or occupancy of the assets of such Person and its Subsidiaries, taken as a whole, (iv) Liens for Taxes that are not yet due or payable or that may thereafter be paid without penalty, (v) Liens supporting surety bonds, performance bonds and similar obligations issued in connection with the businesses of such Person and its Subsidiaries, (vi) Liens not created by such Person or its Subsidiaries that affect the underlying fee interest of a Company Leased Real Property, (vii) Liens that are disclosed on the most recent consolidated balance sheet of such Person included in its SEC Reports or notes thereto or securing liabilities reflected on such balance sheet, (viii) Liens arising under or pursuant to the organizational documents of such Person or any of its Subsidiaries, (ix) grants to others of rights-of-way, surface leases or crossing rights and amendments, modifications, and releases of rights-of-way, surface leases or crossing rights in the ordinary course of business, (x) with respect to rights-of-way, restrictions on the exercise of any of the rights under a granting instrument that are set forth therein or in another executed agreement, that is of public record or to which such Person or any of its Subsidiaries otherwise has access, between the parties thereto, (xi) Liens which an accurate up-to-date survey would show, (xii) Liens resulting from any facts or circumstances relating to, if such Person is the Company, Parent, Merger Sub or any of their Affiliates or, if such Person is Parent or Merger Sub, the Company or any of its Affiliates and (xiii) Liens that do not and would not reasonably be expected to materially impair the continued use of a Company Owned Real Property or a Company Leased Real Property as currently operated.

“Person” means an individual, corporation (including not-for-profit), Governmental Entity, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, unincorporated organization, other entity of any kind or nature or group (as defined in Section 13(d)(3) of the Exchange Act).

“Santee Cooper” means the South Carolina Public Service Authority, a body corporate and politic and agency of the State of South Carolina established under Chapter 31 of Title 58 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002, as amended.

“SCBCA” means the South Carolina Business Corporation Act of 1988, as amended.

“SCORS” means the South Carolina Office of Regulatory Staff, the administrative and regulatory body established under Title 58, Chapter 4 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“SCPSC” means the South Carolina Public Service Commission, the regulatory commission established under Title 58, Chapter 3 of the Code of Laws of South Carolina, Annotated, as amended from time to time.

“SCPSC Petition” means a petition to be filed jointly by the Company and Parent with the SCPSC for approval of the Merger and for approval of terms for cost recovery and other regulatory matters with respect to the NND Project, including the key terms summarized in Appendix A attached to this Agreement.

“SEC” means the United States Securities and Exchange Commission.

“SEC Reports” means all forms, statements, certifications, reports and other documents a Person is required or otherwise obligated to file or furnish with the SEC, including (i) those filed or

furnished subsequent to the date of this Agreement and (ii) all exhibits and other information incorporated therein and all amendments and supplements thereto.

“Securities Act” means the Securities Act of 1933, as amended.

“Social Commitments” means the undertakings, terms, conditions, liabilities, obligations, commitments and sanctions set forth in Section 5.16.

“Source Material” means (i) uranium or thorium, or any combination thereof, in any physical or chemical form or (ii) ores that contain by weight one-twentieth of one percent (0.05%) or more of (A) uranium, (B) thorium or (C) any combination thereof.

“South Carolina Public Utility Laws” means the Laws of the State of South Carolina governing public utilities as contained in Title 58 of the Code of Laws of South Carolina, Annotated, as they may be amended from time to time, including the BLRA, the Laws providing for the organization, powers and terms of officials and members of the SCPSC and the SCORS, and the Laws providing for the establishment, review and adjustment of retail electric and natural gas rates and terms of conditions of service, as found in Title 58 of the Code of Laws of South Carolina, Annotated, in each case, as they may be amended from time to time.

“Special Nuclear Material” means plutonium, uranium-233, uranium enriched in the isotope-233 or in the isotope-235, and any other material that the NRC determines to be “Special Nuclear Material.” Special Nuclear Material also refers to any material artificially enriched by any of the foregoing materials or isotopes. Special Nuclear Material does not include Source Material.

“Spent Nuclear Fuel” means fuel that has been withdrawn from a nuclear reactor following irradiation, and has not been chemically separated into its constituent elements by reprocessing. Spent Nuclear Fuel includes Special Nuclear Material, Byproduct Material, Source Material and other radioactive materials associated with nuclear fuel assemblies.

“Subsidiary” means, with respect to any Person, (i) any other Person (other than a partnership, joint venture or limited liability company) of which 50% or more of the total voting power of shares of stock or other equity interests entitled to vote in the election of directors, managers or trustees is at the time of determination owned or controlled, directly or indirectly, by such first Person and (ii) any partnership, joint venture or limited liability company of which (A) 50% or more of the capital accounts, distribution rights, total equity or voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person, whether in the form of membership, general, special or limited partnership interests or otherwise or (B) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“Superior Proposal” means an unsolicited bona fide written Acquisition Proposal relating to any direct or indirect acquisition or purchase of (i) assets that generate more than 50% of the consolidated total revenues or operating income of the Company and its Subsidiaries, taken as a whole, (ii) assets that constitute more than 50% of the consolidated total assets of the Company and its Subsidiaries, taken as a whole or (iii) more than 50% of the total voting power of the equity securities of the Company, in each case, that the Company Board determines in good faith after consultation with the Company’s financial advisors and outside legal counsel is more favorable to the Company’s shareholders than the Merger, taking into account the Person making the Acquisition Proposal and all legal, financial and regulatory aspects of the Acquisition Proposal (including the likelihood that such Acquisition Proposal would be consummated in accordance with its terms) and all other relevant circumstances.

“Tax Return” means any return, declaration, report, election, claim for refund or information return or any other statement or form filed or required to be filed with any Governmental Entity relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Taxes” means all forms of taxes or duties imposed by any Governmental Entity, or required by any Governmental Entity to be collected or withheld, including charges, together with any related interest, penalties and other additional amounts.

“Willful Breach” means, with respect to any breach or failure to perform any of the covenants or other agreements contained in this Agreement, a breach that is a consequence of an act or failure to act undertaken by the breaching party with actual knowledge that such party’s act or failure to act would result in or constitute a breach of this Agreement. For the avoidance of doubt, the failure of a party hereto to consummate the Closing when required pursuant to Section 1.02, or, on the Closing Date, cause the Effective Time to occur pursuant to Section 1.03, shall be a Willful Breach of this Agreement.

(b) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Agreement.....	Preamble
Alternative Acquisition Agreement.....	4.02(e)
Applicable Company SEC Reports.....	3.01(e)(i)
Applicable Parent SEC Reports.....	3.02(e)(i)
Articles of Merger.....	1.03
Book-Entry Share.....	2.01(a)
Cancelled Shares.....	2.01(b)
Certificate.....	2.01(a)
Changes.....	3.01(f)(i)
Closing.....	1.02
Closing Date.....	1.02
Company.....	Preamble
Company Adverse Recommendation Change.....	4.02(e)
Company Articles of Incorporation.....	3.01(a)
Company Board.....	Recitals
Company Board Recommendation.....	3.01(d)(i)
Company Bylaws.....	3.01(a)
Company Deferred Unit.....	2.02(c)
Company Employees.....	5.06(c)
Company Leased Real Property.....	3.01(o)(i)
Company Non-Union Employees.....	5.06(a)
Company Organizational Documents.....	3.01(a)
Company Owned Real Property.....	3.01(o)(ii)
Company Performance Share Award.....	2.02(a)
Company Real Property Lease.....	3.01(o)(i)
Company Regulatory Clearances.....	3.01(d)(iii)
Company Requisite Vote.....	3.01(r)
Company RSU.....	2.02(b)
Company Termination Fee.....	7.02(b)
Confidentiality Agreement.....	5.03(b)
Continuation Period.....	5.06(a)



Costs.....	5.08(a)
D&O Insurance .....	5.08(c)
DOE .....	3.01(q)(i)
DOT .....	3.01(q)(i)
Effective Time .....	1.03
Exchange Agent .....	2.03(a)
Exchange Fund.....	2.03(a)
Existing Loan Consent.....	5.09(d)
Existing Loan Lenders .....	5.09(d)
Existing Loan Notice .....	5.09(d)
FCC.....	3.01(d)(iii)
FERC .....	3.01(d)(iii)
Form S-4 .....	3.01(v)
GAAP.....	3.01(e)(ii)
GPSC .....	3.01(d)(iii)
Indebtedness.....	4.01(a)(viii)
Indemnified Parties .....	5.08(a)
Intended Tax Treatment.....	Recitals
Liens.....	3.01(b)
Maximum Annual Premium.....	5.08(c)
Merger.....	Recitals
Merger Sub.....	Preamble
Merger Consideration .....	2.01(a)
NCUC .....	3.01(d)(iii)
NERC.....	3.01(q)(i)
NND Project Litigation.....	4.01(a)(ix)
Notice of Recommendation Change .....	4.02(f)
NRC .....	3.01(d)(iii)
Nuclear Litigation .....	5.02(h)
Orders.....	6.01(b)
Parent .....	Preamble
Parent Organizational Documents .....	3.02(a)
Parent Preferred Stock .....	3.02(c)(i)
Parent Regulatory Clearances .....	3.02(d)(iii)
Parent Termination Fee.....	7.02(c)
PBGC .....	3.01(k)(iv)
Permits .....	3.01(i)
PHMSA.....	3.01(q)(i)
Proceeding.....	3.01(g)
Proxy Statement/Prospectus.....	5.01(a)
Qualified Plan .....	3.01(k)(ii)
Regulatory Clearances .....	3.02(d)(iii)
Regulatory Conditions .....	6.01(c)
Remedial Action .....	5.02(e)
Reporting Company .....	3.01
Representatives .....	4.02(a)
Rights-of-Way.....	3.01(o)(iii)
SC Law Changes.....	6.02(h)
SCPSC Petition Approval .....	6.01(d)
Shareholder Litigation .....	5.17
Shareholders Meeting .....	5.01(f)

Summer Station.....3.01(q)(iii)  
Surviving Corporation ..... 1.01  
Takeover Statutes.....3.01(u)  
Termination Date ..... 7.01(b)(i)  
Voting Company Debt ..... 3.01(c)(ii)  
Voting Parent Debt ..... 3.02(c)(ii)

**Joint Application of  
Dominion Energy, Inc. and SCANA Corporation**

**EXHIBIT 2**

**Officers of SCANA**

**SCANA CORPORATION**

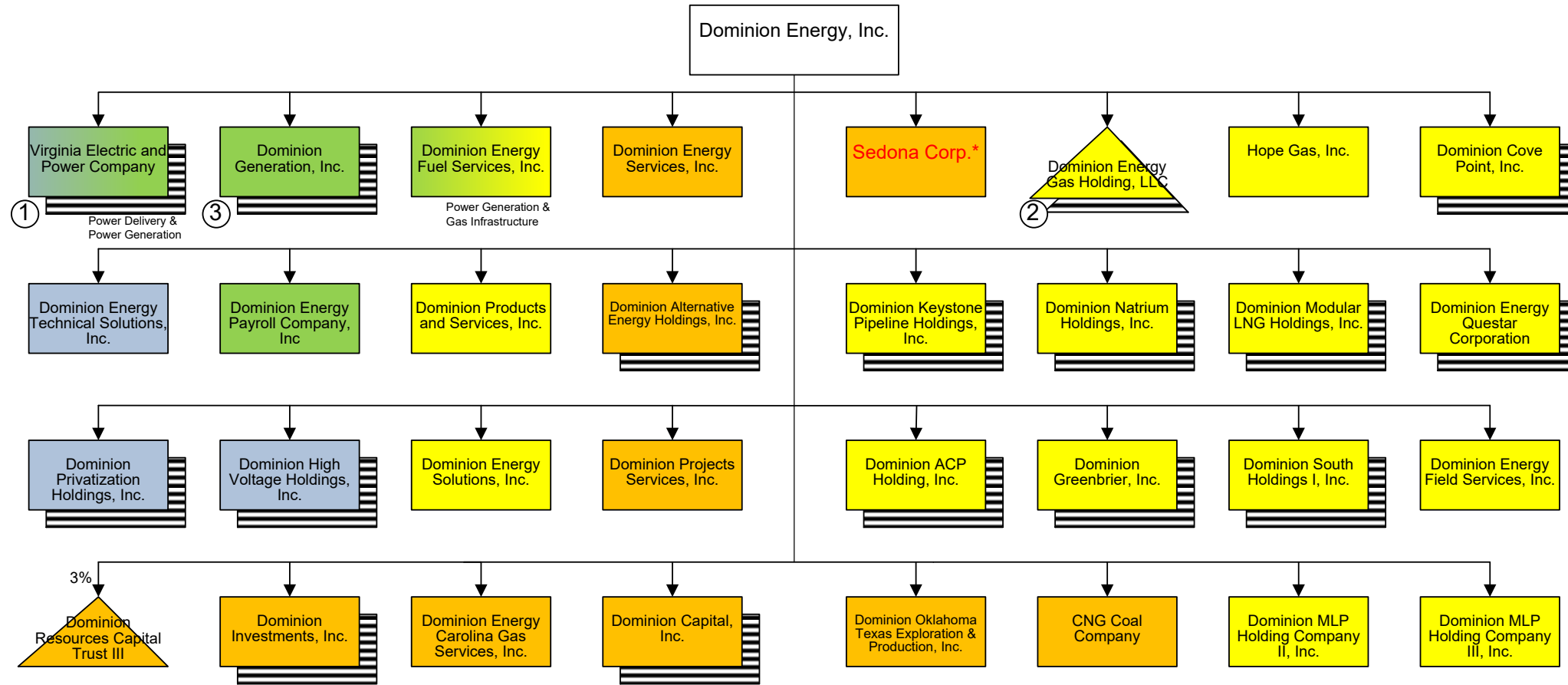
President, Chief Executive Officer And Chief Operating Officer	Jimmy E. Addison
Senior Vice President	Jeffrey B. Archie
Senior Vice President, Risk Management Officer, Corporate Compliance Officer	Sarena D. Burch
Senior Vice President, Chief Financial Officer and Treasurer	Iris N. Griffin
Senior Vice President	D. Russell Harris
Senior Vice President	Kenneth R. Jackson
Senior Vice President	W. Keller Kissam
Senior Vice President	Randal M. Senn
Senior Vice President, General Counsel and Assistant Secretary	Jim O. Stuckey
Vice President and Secretary	Gina S. Champion
Vice President and Controller	James E. Swan, IV
Vice President and Chief Information Officer	Stacy O. Shuler, Jr.

**Joint Application of  
Dominion Energy, Inc. and SCANA Corporation**

**EXHIBIT 3**

**Pre- and Post-Merger Dominion Energy Organizational Charts**

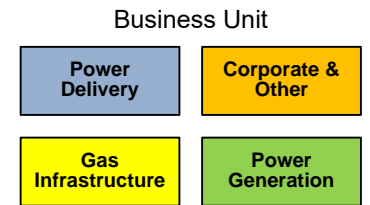
Before SCANA Merger

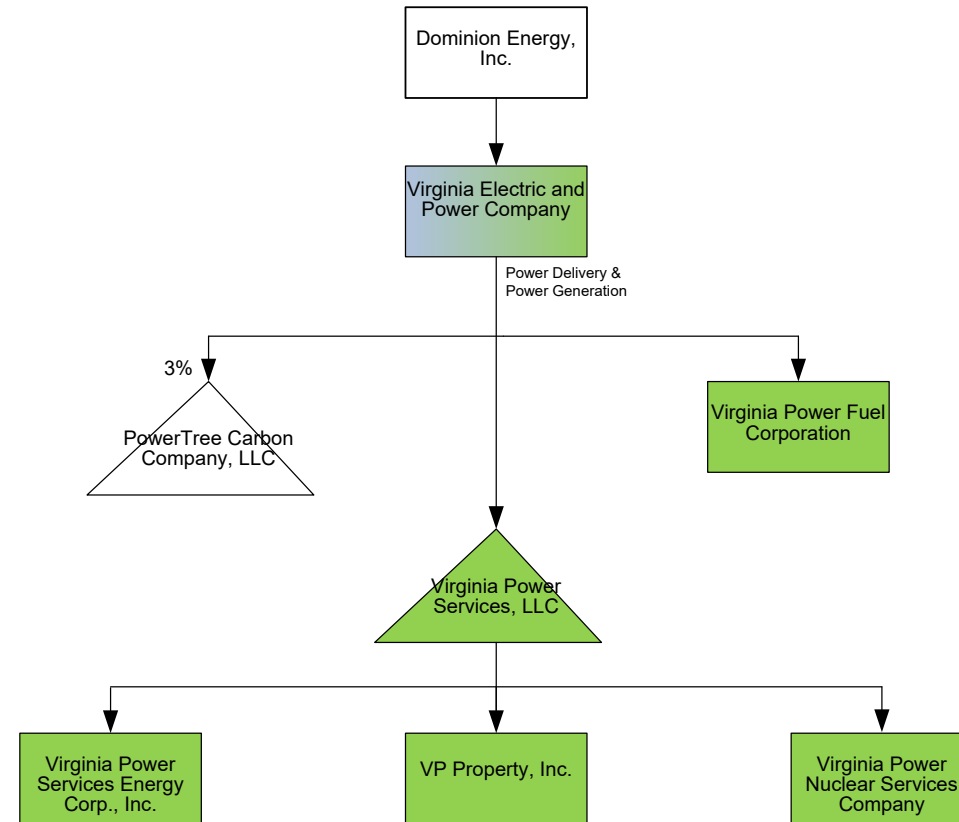


1. See Attachment A for subsidiaries of Virginia Electric and Power Company.  
 2. See Attachment B for subsidiaries of Dominion Energy Gas Holdings.  
 3. See Attachment C for subsidiaries of Dominion Generation, Inc.

*\*Sedona Corp. will merge with SCANA Corporation, and SCANA Corporation will be the surviving entity.*

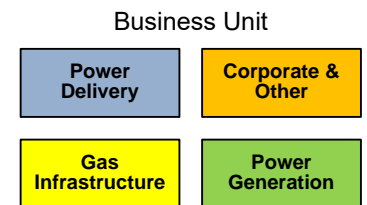
- Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.
- Unless otherwise noted, ownership of 100%.



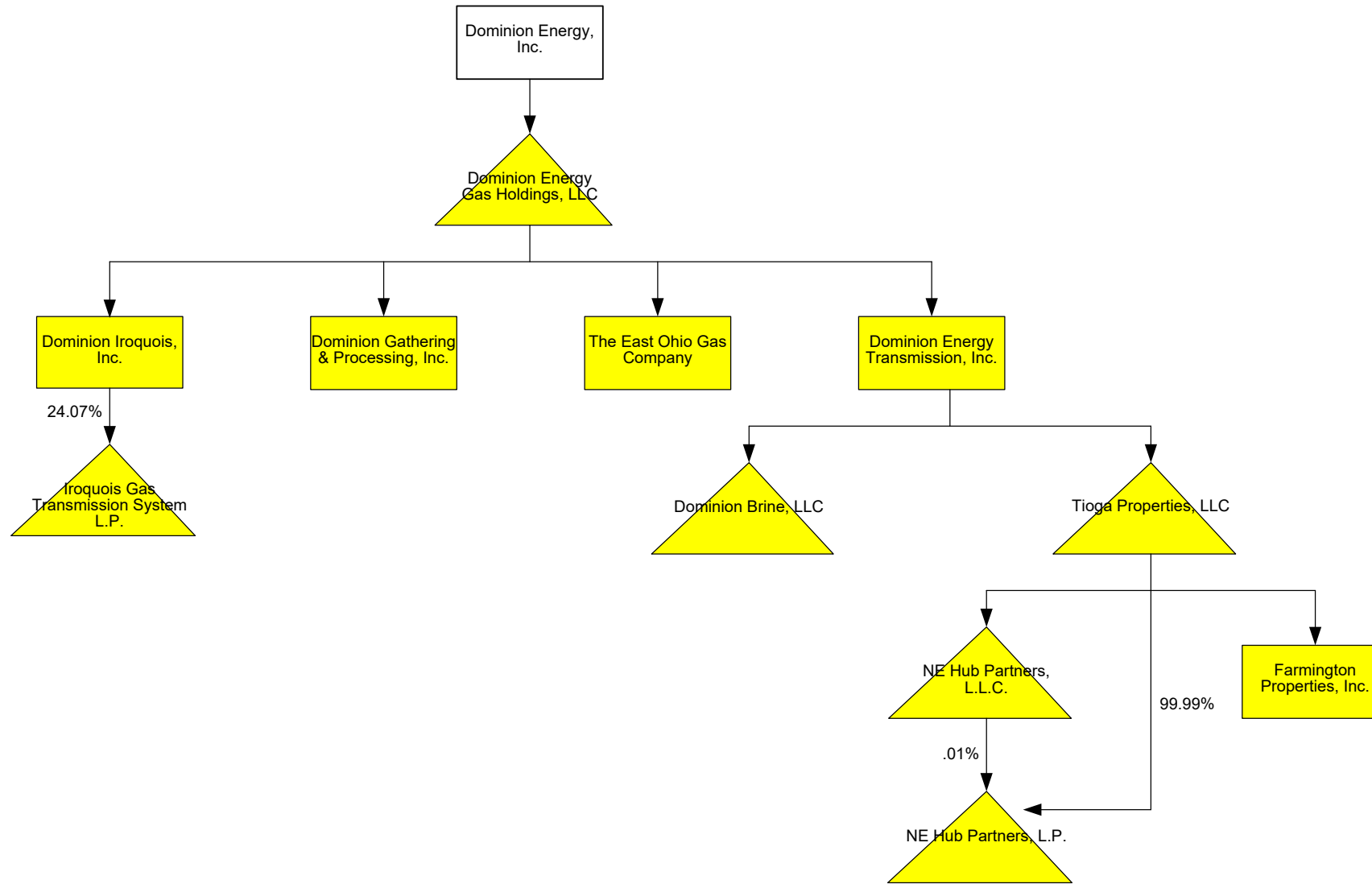


• Unless otherwise noted, ownership of 100%.

Updated as of 1/8/2018

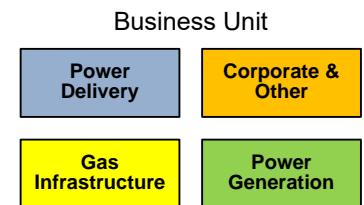


Before SCANA Merger



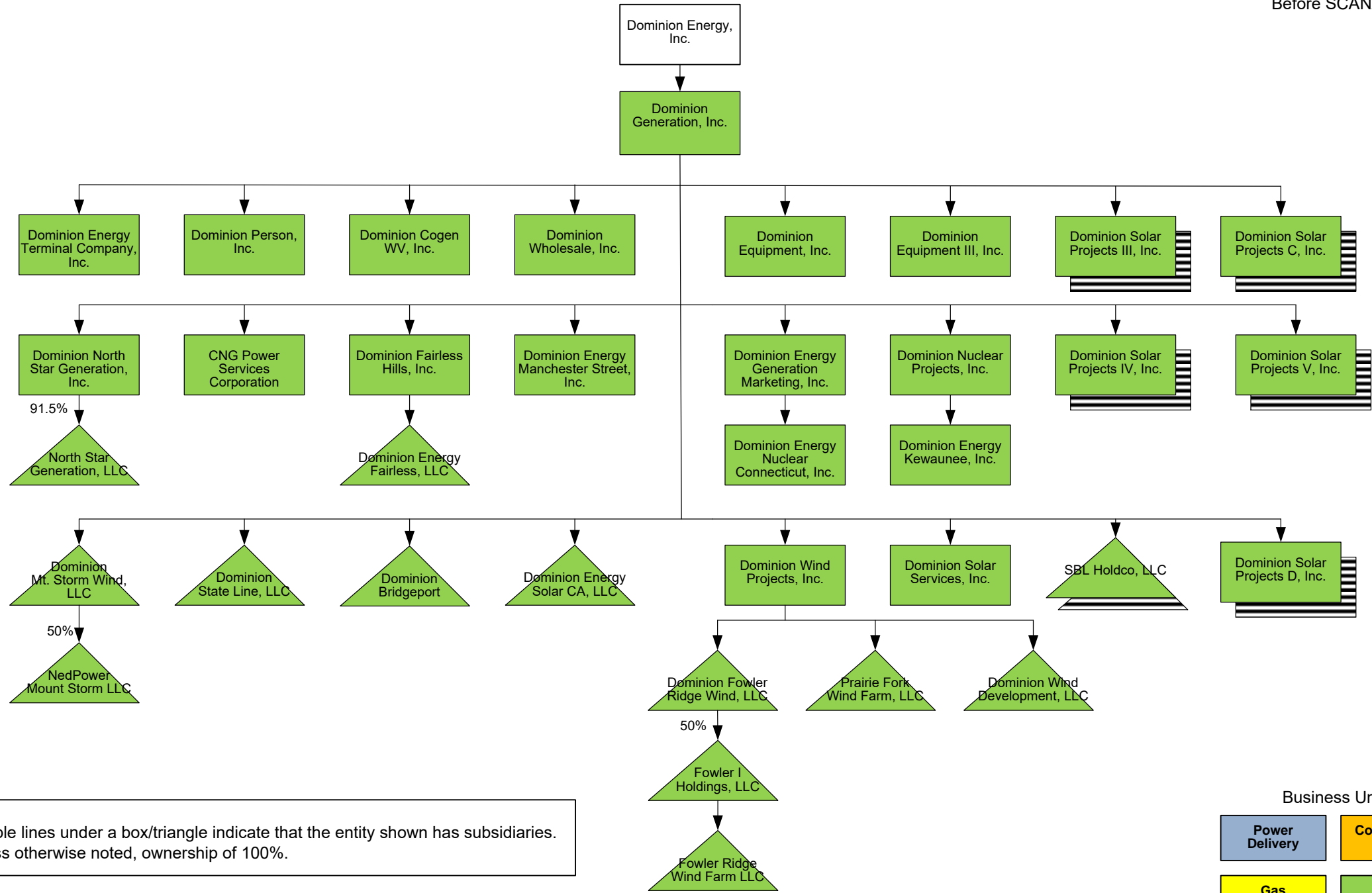
• Unless otherwise noted, ownership of 100%.

Updated as of 1/8/2018

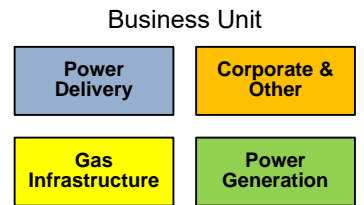




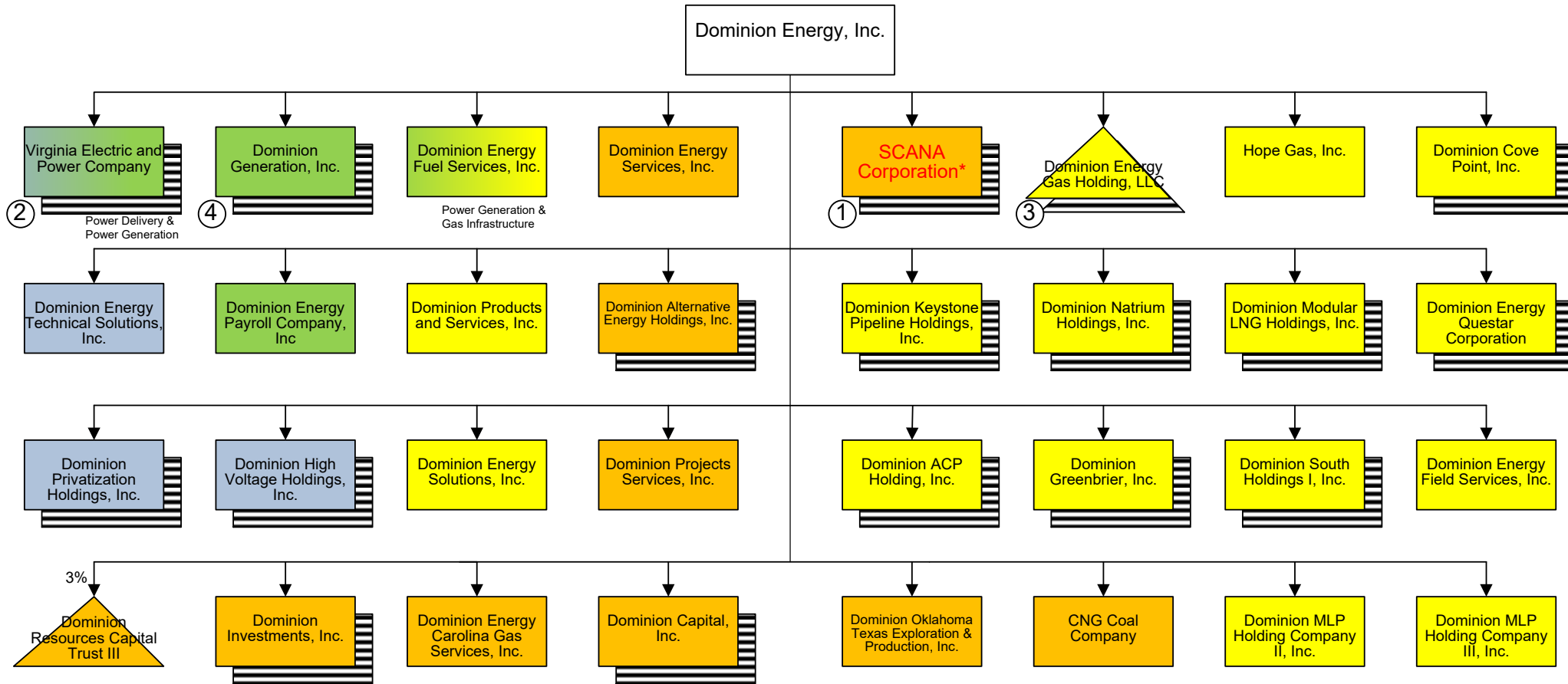
Before SCANA Merger



• Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.  
 • Unless otherwise noted, ownership of 100%.



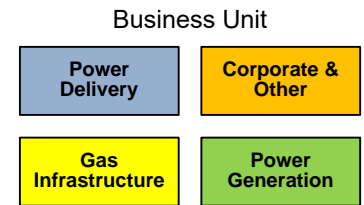
After SCANA Merger



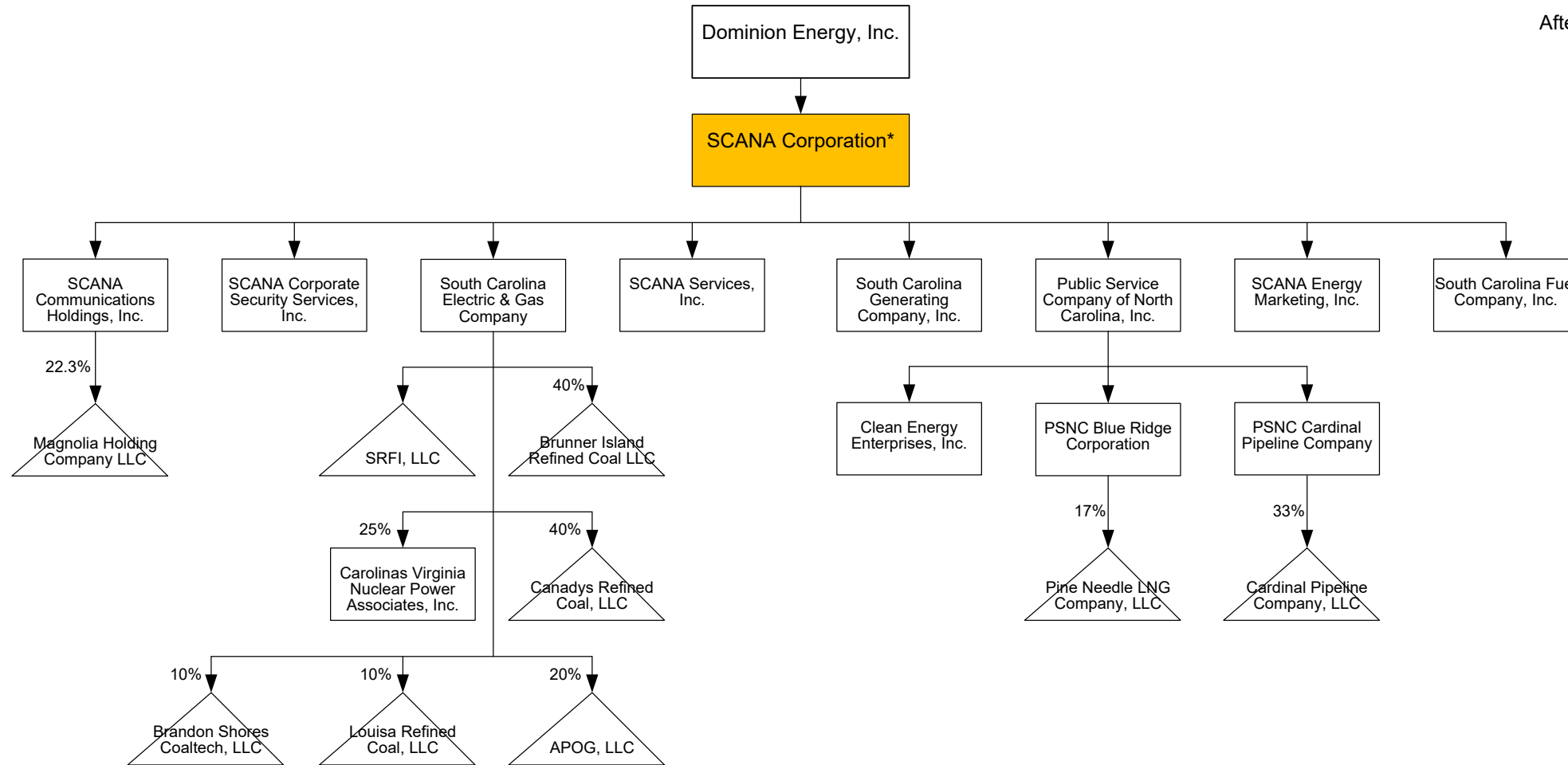
1. See Attachment A for subsidiaries of SCANA Corporation.  
 2. See Attachment B for subsidiaries of Virginia Electric and Power Company.  
 3. See Attachment C for subsidiaries of Dominion Energy Gas Holdings.  
 4. See Attachment D for subsidiaries of Dominion Generation, Inc.

*\*SCANA Corporation will be the surviving entity of its merger with the Dominion Energy merger subsidiary, Sedona Corp.*

- Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.
- Unless otherwise noted, ownership of 100%.



After SCANA Merger



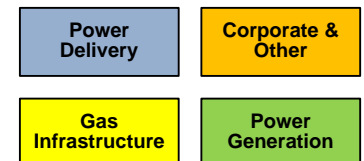
**\*SCANA Corporation will be the surviving entity of its merger with the Dominion Energy merger subsidiary, Sedona Corp.**  
**\*\*Business Unit designation of SCANA Corporation subsidiaries to be determined.**

- Unless otherwise noted, ownership of 100%.

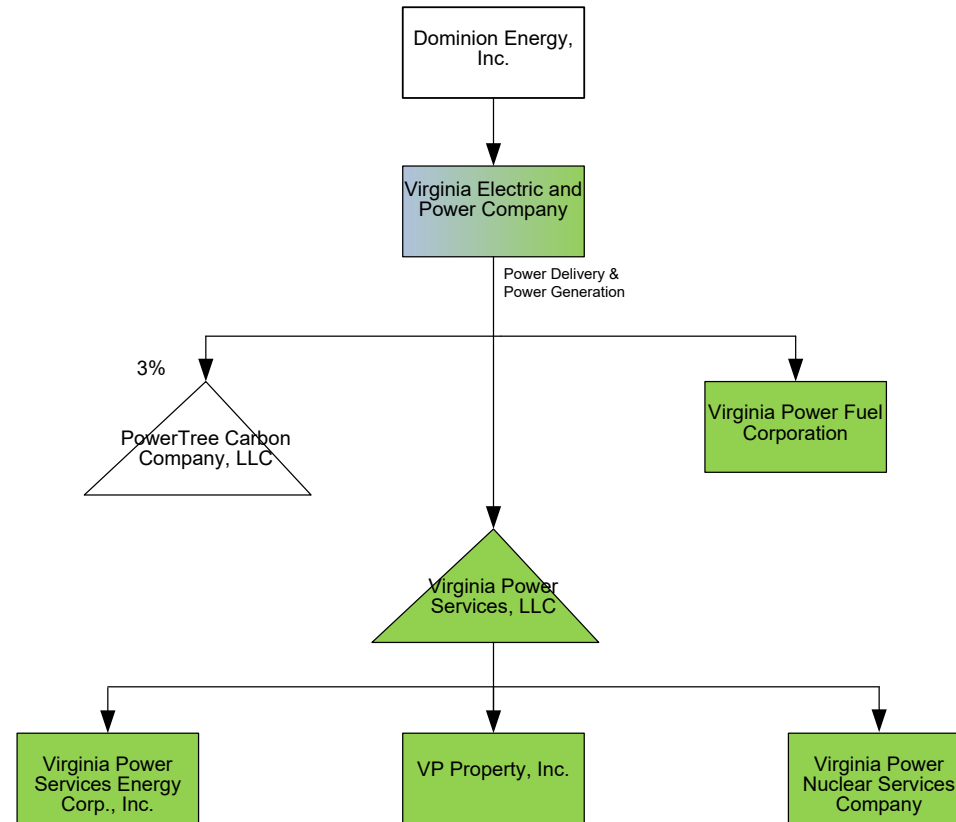
*Note: In addition to the entities listed above, SCE&G has an interest in two entities that are no longer utilized and are in the process of dissolution. The entities are SC Coaltech No. 1, LP (SCE&G 40% interest) and Coaltech No. 1, LP (SCE&G 25% interest), and both were incorporated in Delaware and registered to do business in South Carolina. Both entities have been dissolved in Delaware and are in the process of cancelling the entity registrations in South Carolina.*

*Additionally, SCANA Corp. and SCE&G have interests in the following nonprofit organizations: SCE&G Foundation, Inc., formerly SCANA Summer Foundation, (SCANA Corp. 100% interest); SCANA Employee Good Neighbor Fund (SCANA Corp. 100% interest); Otarre Property Owners Association, Inc. (membership comprised of SCE&G and all property owners in Otarre development); and South Carolina Electric & Gas Project Share (SCE&G 100% interest).*

Business Unit\*\*

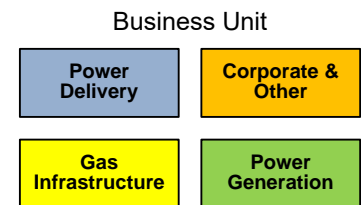


After SCANA Merger

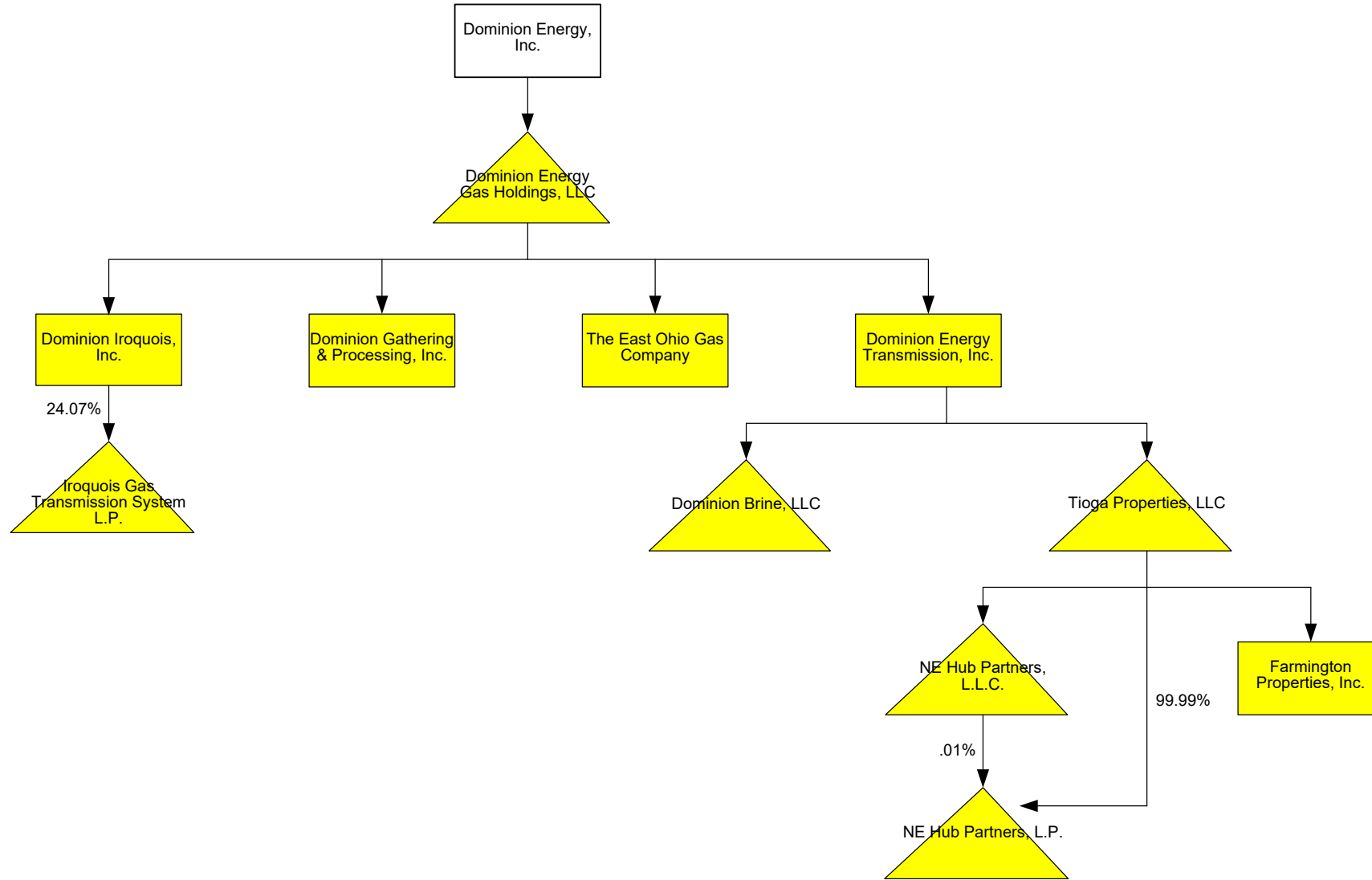


• Unless otherwise noted, ownership of 100%.

Updated as of 1/9/2018

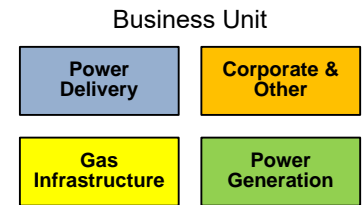


After SCANA Merger

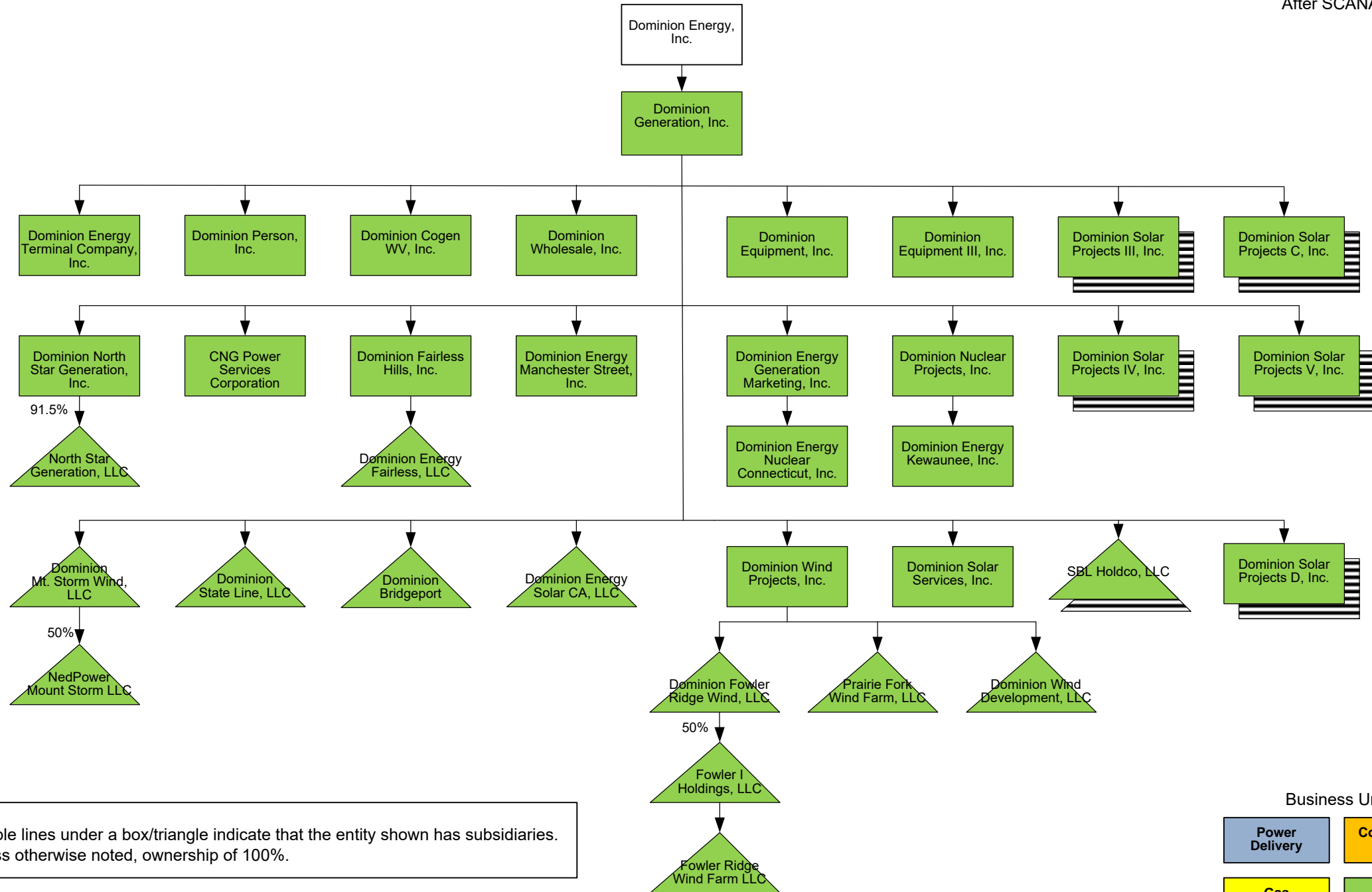


• Unless otherwise noted, ownership of 100%.

Updated as of 1/9/2018



After SCANA Merger



• Multiple lines under a box/triangle indicate that the entity shown has subsidiaries.  
 • Unless otherwise noted, ownership of 100%.

**Business Unit**

Power Delivery	Corporate & Other
Gas Infrastructure	Power Generation

**Joint Application of  
Dominion Energy, Inc. and SCANA Corporation**

**EXHIBIT 4**

**Cost-Benefit Analysis**

**Exhibit 4**  
**COST-BENEFIT ANALYSIS**

**MERGER OF SCANA CORPORATION AND DOMINION ENERGY, INC.**

The following Cost-Benefit Analysis of the proposed Merger of Dominion Energy, Inc. (“Dominion Energy”) and SCANA Corporation (“SCANA”) is consistent with the requirements set forth in the Commission’s order issued November 2, 2000 in Docket No. M-100, Sub 129, which requires “a comprehensive list of all material areas of expected benefits, detriment, cost, and savings over a specified period (*e.g.*, three to five years) following consummation of the Merger and a clear description of each individual item in each area.”

**SUMMARY OF COSTS/BENEFITS**

The Merger provides only benefits, and no detriment, to the State of North Carolina and to Public Service Company of North Carolina, Inc. (“PSNC Energy”) customers. All transaction fees and integration costs and any acquisition premium that will result from the Merger will not be passed on to either PSNC Energy’s or Virginia Electric and Power Company’s (which does business in North Carolina as “Dominion Energy North Carolina”) customers. The benefits are listed below. The Merger is expected to yield economic benefits to customers which are currently unquantifiable.



<p><b>BENEFIT: SCALE</b></p>	<p><b>PSNC Energy will be part of the much larger Dominion Energy, which will produce benefits associated with scale.</b></p>	<p><b><u>Increased Financial Strength/Reduced Market Risk Benefits:</u></b> The Merger will increase and strengthen PSNC Energy’s ability to access, on reasonable terms, the capital needed to expand service to new customers and to meet its obligations under federal pipeline integrity management regulations. PSNC Energy, as part of Dominion Energy, will be more tolerant of economic downturns than it is today, given Dominion Energy’s size and the geographically diverse service territories of its subsidiaries.</p> <p><b><u>Shared Services Benefits:</u></b> SCANA Services employees currently perform shared or common services functions for all SCANA business units, including PSNC Energy. Some of these services (including gas services, information systems services, telecommunications services, customer services, marketing and sales, human resources, corporate compliance, purchasing, financial services, risk management, public affairs, legal services, investor relations, gas supply and capacity management, strategic planning, general administrative services, and retirement benefits) will be provided in the future through Dominion Energy Services, Inc. (“DES”) by current DES employees or by current employees of SCANA who become DES employees after the Merger.</p> <p>PSNC Energy will benefit from participation with DES and access to an array and level of services, support and economies of scale that are typically only available to a larger company. As a result of its larger size and buying power, Dominion Energy expects to be able, over time, to reduce administrative and operations and maintenance expenses incurred by PSNC Energy, although the Applicants have not yet determined the synergies that will result when these shared services are combined.</p>
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<p><b>BENEFIT: SCALE                  Cont'd</b></p>	<p><b>PSNC Energy will be part of the much larger Dominion Energy, which will produce benefits associated with scale.</b></p>	<p><b><u>Safety, Reliability, Environmental and Customer Service Benefits:</u></b> PSNC Energy will benefit from being part of a corporate organization that has enhanced geographic, business, and regulatory diversity. As one of the largest and safest operators of energy infrastructure assets, the combined company and its subsidiaries will benefit from the adoption of best practices across an expanded platform of service that stands to improve employee and public safety, customer service, and operational cost-effectiveness.</p> <p>Dominion Energy intends to maintain PSNC Energy’s customer service at no less than current levels and will strive for continued improvements thereto.</p> <p>Dominion Energy is committed to the environment and will maintain the environmental monitoring and maintenance programs at or above current levels.</p> <p>A benefit of geographic diversity is that if a natural disaster were to occur in PSNC Energy’s service area after the Merger, PSNC Energy would have access to additional resources such as call centers, operations, and management outside the affected area.</p>
<p><b>BENEFIT:                  FINANCIAL                  CERTAINTY</b></p>	<p><b>The proposed Merger will remove current financial uncertainty of SCANA.</b></p>	<p>SCANA’s financial strength is under pressure due to the regulatory and legislative uncertainty currently surrounding SCANA and its subsidiary South Carolina Electric &amp; Gas Company. Dominion Energy’s proposal to merge with SCANA will result in a more stable financial position for SCANA and PSNC Energy. Dominion Energy, through SCANA, will provide equity, as needed, to PSNC Energy with the intent of maintaining PSNC Energy’s current capital structure and credit ratings. Dominion Energy intends to maintain</p>

		<p>credit metrics that are supportive of strong investment-grade credit ratings for PSNC Energy.</p>
<p><b>BENEFIT: LOWERED CORPORATE GOVERNANCE COSTS</b></p>	<p><b>SCANA’s board duties will be assumed by Dominion Energy.</b></p>	<p>PSNC Energy does not have its own separate board of directors. SCANA Corporation currently has a board of directors, and costs for their compensation and expenses are currently allocated to all SCANA subsidiaries, including PSNC Energy. Dominion Energy intends that its board of directors will take all necessary action, as soon as practical after the Effective Time of the Merger, to appoint a mutually agreeable current member of the SCANA board or executive management team as a director to serve on Dominion Energy’s board of directors. Per the Merger Agreement, the SCANA board will cease to exist upon the Effective Date of the Merger, and PSNC Energy’s corporate governance function will be assumed by the Dominion Energy board. As Dominion Energy has more subsidiaries than SCANA, future governance costs allocated to PSNC Energy are expected to be less, all other things being equal.</p>
<p><b>BENEFIT: INCREASED CORPORATE CONTRIBUTIONS</b></p>	<p><b>Dominion Energy has committed to increase charitable contributions.</b></p>	<p>Per the Merger Agreement, Dominion Energy will increase SCANA’s historical level of corporate contributions to charities identified by SCANA’s leadership by \$1,000,000 per year for at least five (5) years after the Effective Date of the Merger, and a portion of the increased contributions will benefit PSNC Energy’s North Carolina service territory. Dominion Energy also will maintain or increase historical levels of community involvement, low income funding, and economic development efforts in SCANA’s current operation areas.</p>

<p><b>BENEFIT: MAINTAIN PSNC ENERGY'S CORPORATE PRESENCE</b></p>	<p><b>Dominion Energy will continue operating PSNC Energy's headquarters and field facilities.</b></p>	<p><b><u>Employee Compensation:</u></b> Dominion Energy will maintain compensation levels for employees of SCANA and its subsidiaries following the Effective Time of the Merger until January 1, 2020.</p> <p><b><u>Gastonia Headquarters:</u></b> Dominion Energy intends to maintain PSNC Energy's headquarters in Gastonia, North Carolina. PSNC Energy's significant corporate presence has long been part of Gaston County. The headquarters currently employs personnel who perform managerial and administrative functions for all of PSNC Energy. These employees pay taxes (income, sales and property), contribute to the local economy (housing and retail purchases) and participate in many local community activities. They work in a facility that was constructed for and is owned by PSNC Energy.</p> <p><b><u>Other PSNC Energy Operations:</u></b> The operations of PSNC Energy will not materially change under Dominion Energy's ownership. PSNC Energy has seventeen Operations Centers in its service territory, and, like its headquarters, these Operations Centers are staffed by employees who contribute substantially to their local communities and economies.</p>
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<b>TRANSACTION-RELATED COSTS BORNE BY DOMINION ENERGY</b>	
<b>TRANSACTION FEES</b>	<p>Transaction fees are one-time fees associated with the Merger transaction, including investment banking, legal, accounting, securities issuances and advisory fees. Although the Applicants have not yet determined the transaction fees that will result from the Merger, none of these costs will be passed on to Dominion Energy North Carolina or PSNC Energy customers.</p>
<b>INTEGRATION COSTS</b>	<p>Integration costs are generally expenditures resulting from the preparation and implementation of activities necessary to integrate the purchased entity into the acquiring entity. Examples of integration costs include the integration of financial, IT, human resources, billing, accounting, and telecommunications systems. Other transition costs could include severance payments to employees, changes to signage, changes to employee benefit plans, and costs to terminate any duplicative leases, contracts and operations, etc. Although the Applicants have not yet determined the integration costs that will result from the Merger, none of these costs will be passed on to Dominion Energy North Carolina or PSNC Energy customers.</p>
<b>ACQUISITION PREMIUM OVER BOOK VALUE</b>	<p>The acquisition premium over book value is the excess of the purchase price compared to the book value of the assets at the Effective Time of the Merger. The Merger is a stock-only transaction, with .6690 shares of Dominion Energy stock granted for each share of SCANA stock at the Effective Time, so the acquisition premium will not be determinable until then. Although the Applicants have not yet determined the acquisition premium that will result from the Merger, none of the acquisition premium costs will be passed on to Dominion Energy North Carolina or PSNC Energy customers.</p>

**Joint Application of  
Dominion Energy, Inc. and SCANA Corporation**

**EXHIBIT 5**

**Market Power Study**



**Prepared for:**

North Carolina Utilities Commission  
Raleigh, North Carolina

# Market Power Analysis of Proposed Transaction Between Dominion Energy, Inc. and SCANA Corporation

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Date: January 24, 2018

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## **1. Introduction**

### **1.1. Objective**

SCANA Corporation (“SCANA”) and Dominion Energy, Inc. (“Dominion Energy”) (together, “Merging Entities”) have petitioned the North Carolina Utilities Commission (“Commission”) for review and approval of a proposed transaction whereby SCANA will become a wholly-owned subsidiary of Dominion Energy (the “proposed transaction”). This report analyzes whether the proposed transaction will have adverse competitive impacts on wholesale or retail electricity and natural gas markets in North Carolina. Market power analysis is provided as required by the Commission in its Order Requiring Filing Analyses in Docket No. M-100, Sub 129, promulgated on November 2, 2000.

### **1.2. Summary of Conclusions**

To fulfill the Commission’s requirements and address possible competitive concerns associated with the North Carolina markets for electricity and gas, we systematically address the following sectors: wholesale gas, wholesale electricity, retail gas, and retail electricity. Also addressed are concerns over possible effects on competition between retail electric and gas service. The analytic approach includes a Herfindahl-Hirschman Index (“HHI”) market concentration analysis for wholesale gas supply, as this is the only sector for which this analysis is appropriate in the context of this proceeding. We conclude that the proposed transaction does not raise competitive concerns in any of the studied markets.

### **1.3. Report Structure**

Following this introduction, Section 2 of the report includes a description of the Merging Entities, Dominion Energy and SCANA, as well as the analytic framework for the market power analysis. This includes a description of the Commission’s requirements for this type of market power study. Sections 3-6 detail the analysis of the proposed transaction. Section VII summarizes findings and conclusions of the market power analysis.

## 2. Background

### 2.1. Dominion Energy

Dominion Energy is an energy company that owns and operates regulated gas and electric utilities and approximately 4,700 MW of nonregulated merchant generating entities across the Eastern, Southern, Midwest, New England, Mid-Atlantic and Western United States outside of North Carolina. As it relates to North Carolina, Dominion Energy owns the regulated electric utility Virginia Electric and Power Company (“VEPCO”) (which does business in Virginia under the name “Dominion Energy Virginia” and in North Carolina as “Dominion Energy North Carolina”). VEPCO possesses approximately 21,700 MW of electric generating capacity and serves approximately 2.6 million customers across Virginia and northeastern North Carolina. The Dominion Energy-owned generating assets that are located in North Carolina are listed in Table 1.

**Table 1: Dominion Energy Owned Generating Capacity in North Carolina<sup>1</sup>**

<b>Plant Name</b>	<b>Operating Company</b>	<b>Winter Net Capacity</b>	<b>Plant Type</b>	<b>Regulated?</b>
<b>Rosemary</b>	VEPCO	186.00	NGCC	Yes
<b>Clipperton Holdings</b>	Strata Solar Services	5.00	Solar PV	No
<b>Fremont Farm</b>	Solar Mgmt. Services	5.00	Solar PV	No
<b>Innovative Solar 37 Project</b>	Dom. Solar Holdings	78.70	Solar PV	No
<b>Moorings Farm 2</b>	Moorings Manager LLC	5.00	Solar PV	No
<b>Morgans Corner<sup>2</sup></b>	VEPCO	20.00	Solar PV	Yes
<b>Summit Farms (Wildwood)</b>	Dominion Gen. Inc.	60.00	Solar PV	No
<b>Gaston</b>	VEPCO	220.00	Hydro	Yes
<b>Roanoke Rapids</b>	VEPCO	95.00	Hydro	Yes

Dominion Energy does not currently own any gas transmission assets in North Carolina. It does, however, have a 48% stake in the proposed Atlantic Coast Pipeline (“ACP”), which would deliver gas from West Virginia to Virginia and North Carolina and has a target online date of late 2019. Dominion Energy also owns and controls the Cove Point liquid natural gas shipping terminal in Maryland, and its expansion of the facilities for gas liquefaction and export is expected to come online in early 2018.

Outside of North Carolina, Dominion Energy owns a network of interstate gas transmission assets, maintaining 3,900 miles of gas pipelines across Ohio, West Virginia, Pennsylvania, New York, Maryland, and Virginia, an additional 1,500 miles of pipelines in Georgia and

<sup>1</sup> All non-regulated generation is all committed under long term contracts to unaffiliated third parties.

<sup>2</sup> Morgan’s Corner was granted a Certificate of Public Convenience and Necessity by the Commission, but it is “ring fenced” and dedicated to serving a non-jurisdictional customer in Virginia. This plant does not serve the states’ public utility commission jurisdictional utility loads in North Carolina or Virginia.

South Carolina<sup>3</sup>, and more than 2,500 miles of pipelines in Utah, Wyoming and Colorado. Dominion Energy's other regulated utilities include The East Ohio Gas Company, Hope Gas, Inc., and Questar Gas Company (which does business in Utah, Idaho, and Wyoming).

Dominion Energy does not own or operate any utilities that provide retail gas service in North Carolina.

## 2.2. SCANA

SCANA is a holding company with subsidiaries in South Carolina, North Carolina, and Georgia. Outside of North Carolina, SCANA is the owner of South Carolina Electric & Gas Company ("SCE&G"), a regulated gas and electric utility in South Carolina, as well as SCANA Energy Marketing, Inc., which markets natural gas services in Georgia. At the end of 2017, SCE&G owned 5,300 MW of generating capacity with peak demand of 4,800 MW in its service territory.

Within North Carolina, SCANA owns the Public Service Company of North Carolina, Inc. ("PSNC Energy"), a gas distribution company that serves approximately 550,000 customers across 28 counties in western and central North Carolina. PSNC Energy's gas distribution territory does not overlap with the North Carolina electric service territory of Dominion Energy North Carolina.

PSNC Energy has an average winter load of approximately 322,000 dekatherms-per-day ("Dth/d") with a peak day winter load of 755,000 dekatherms ("Dth") in 2017. To serve native load, PSNC Energy has firm transportation and storage contract rights of approximately 425,000 Dth/d on the Transcontinental Pipeline ("Transco") (310,000 Dth/d in Zone 5, which transports gas throughout South Carolina, North Carolina, and Virginia, ("Zone 5" or "Z5")) and 5.3 million Dth of firm contracted storage capacity. PSNC Energy also has a 17% ownership share of the Pine Needle LNG Company, LLC, a natural gas liquefaction and storage facility in Pine Needle, North Carolina that is transported via Transco. It also holds a 33.2% share in the Cardinal Pipeline Company, an intrastate pipeline off Transco Z5. Separately, SCANA's subsidiary SCE&G has firm transportation rights to approximately 110,000 Dth/d on the Transco pipeline (65,000 Dth/d in Transco Z5) and approximately 590,000 Dth of firm contracted storage capacity.<sup>4</sup>

SCANA does not own or operate any generation capacity in North Carolina.

SCANA does not own or operate any retail electric utilities in North Carolina.

## 2.3. Proposed Transaction as Relevant to North Carolina

The proposed transaction will result in the merged entity holding the following gas and electric utility assets in North Carolina:

- VEPCO's retail electric service territory (Dominion Energy North Carolina)
- PSNC Energy's retail gas service territory
- Electric generating assets currently owned by Dominion Energy

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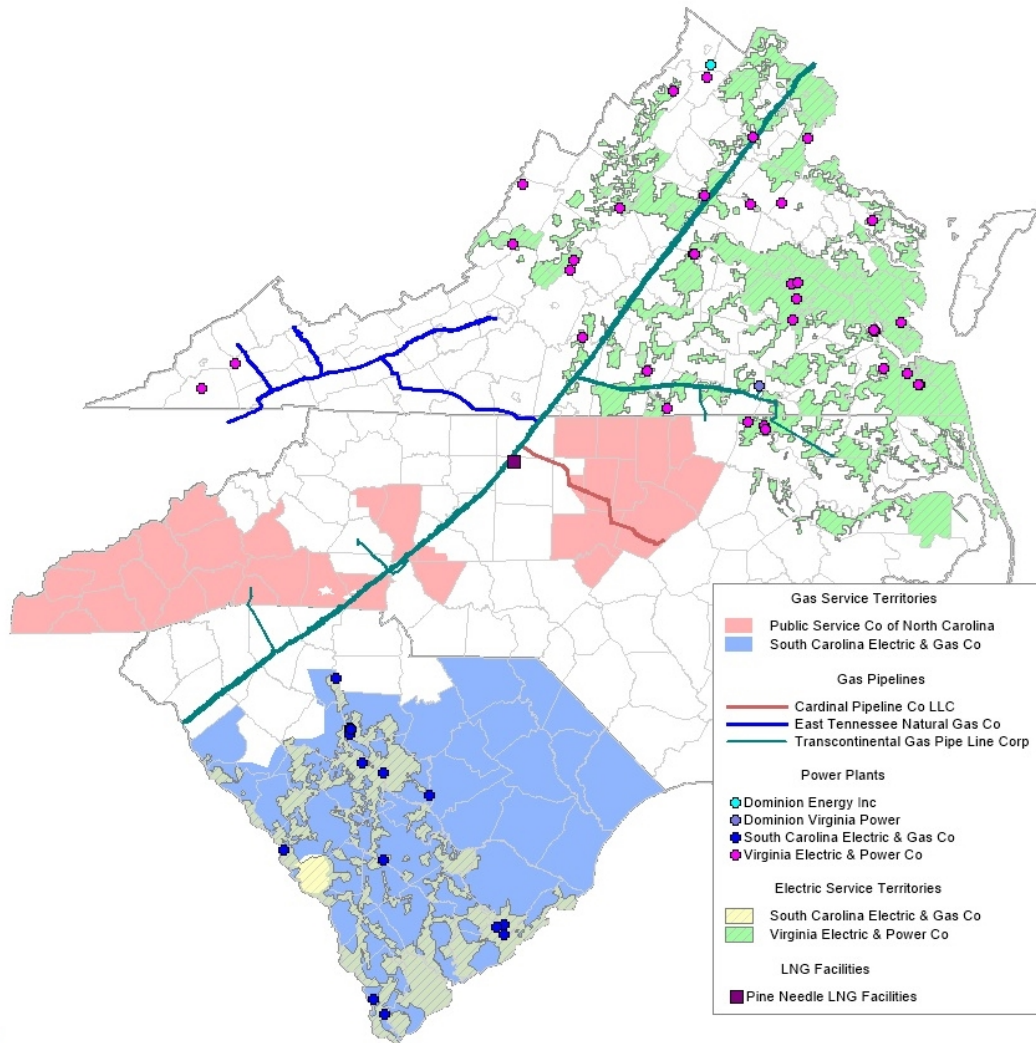
<sup>3</sup> These pipeline statistics do not include ownership in pipelines in the west, including Questar (1,888 miles operating in Utah, Colorado, and Wyoming) and Questar Overthrust (261 miles operating in Wyoming).

<sup>4</sup> In addition, PSNC Energy has a 25,000 Dth/d 10-day peaking service and related transportation from Cove Point to Transco interconnect delivered to PSNC Energy meter via Transco Zone 5 to Zone 5 firm transportation contract. Furthermore, PSNC Energy contracts for underground storage.

- Natural gas contracted on interstate pipeline capacity, as well as ownership shares in an LNG storage facility and storage capacity on Transco.

Figure 1 shows a map of both companies' pipeline transmission assets, generation assets, and regulated service territories in North Carolina, as well as holdings of the Merging Entities in South Carolina and Virginia.

**Figure 1: Gas and Electric Utility Assets Associated with Proposed Transaction**



#### 2.4. North Carolina's Market Power Study Requirements

The Commission's Order Requiring Filing of Analysis, issued by the Commission on November 2, 2000, in Docket No. M-100, Sub 129, requires parties seeking authority to engage in business combinations within the electric or natural gas industries to file a Market Power Analysis on the same date that the application is filed. The Market Power Analysis is to include the following three components:

1. “A market power analysis employing the Herfindahl-Hirschman Index [“(HHI)”] or other accepted measurement accompanied by a justification of the method and assumptions used in the analysis;
2. Sensitivity analyses on the impact on market power of significant factors such as deregulation, other mergers, interconnection between merging utilities, and transmission groups (e.g., RTO/ISO/Transco) joined by merging utilities; and
3. Copies of all market power analyses related to the merger that are filed with other state and federal agencies.”<sup>5</sup>

This report addresses the first and second requirements. We provide an HHI analysis of the effect of the proposed transaction on the North Carolina wholesale gas market. As discussed later in the report, the North Carolina wholesale gas market is the only utility market for which such a quantitative analysis is appropriate. Included in this HHI analysis is a sensitivity case that considers the competitive impacts of the development of the proposed ACP and Mountain Valley Pipeline (“MVP”). Separately, this report includes a qualitative assessment of the impact of the proposed transaction on other aspects of utility service in North Carolina.

Not addressed are other market power analyses related to the merger as provided by other consultants or by CRA before this or other regulatory bodies. Given the timeline of the separate merger proceedings, it is our understanding that the other analyses have not yet been completed.

## 2.5. Analysis Approach

Because of the numerous types of competition that are potentially affected by a merger between two large, diversified energy companies, we first lay out the possible competitive market segments that need to be addressed. This framework is shown in Table 2. Given the nature and distribution of the assets and contracts held by the Merging Entities, the sector of most concern to North Carolina is wholesale gas competition, and this topic is dealt with first. There are limited considerations related to wholesale electric competition, and those are addressed next. We then explain why the merger is not a concern for retail electric or gas competition in North Carolina. Finally, the report describes any possible impacts of the proposed transaction on cross-fuel competition between retail gas and electric utilities.

**Table 2: Analytic Framework for Market Power Analysis**

		Energy Type	
		Gas	Electric
Market Level	Retail	Effect on retail gas competition and rates	Effect on retail electric competition and rates
	Wholesale	Effect on wholesale gas competition	Effect on wholesale electric competition
		Cross-fuel competition issues	

<sup>5</sup> Order Requiring Filing of Analyses, Docket No. M-100, Sub 129, p. 6-7 (Nov. 2, 2000).

### 3. Market Power and Wholesale Gas Competition

#### 3.1. Market Power Concerns for Wholesale Gas

The price of delivered gas consists of the cost of production, transportation, and distribution. Various entities, including regulated gas and electric utilities, independent power producers, natural gas marketers, and natural gas suppliers contract with pipelines for delivery rights across the pipeline. Owners of firm pipeline transportation rights who find themselves with excess capacity on a given day may release their capacity back to the market. The primary market power concern in a merger is whether the merged entity has the incentive and the ability to withhold capacity from the market for gas transportation, and thereby raise the price of gas in the market area in question.

#### 3.2. Existing Controls

FERC monitors and requires all release transactions to be posted and bid on the pipeline's Electronic Bulletin Board ("EBB") to assure open and non-discriminatory access to pipeline capacity. The pipeline itself is also required to post and offer all of its available capacity on a daily basis. These rules have been established and enforced to prevent firm transportation holders from influencing gas prices by withholding unused capacity. FERC has broad enforcement authority to prevent manipulative, deceptive, or fraudulent actions undertaken in connection with the purchase or sale of natural gas or purchase or sale of transportation services (including released capacity) subject to FERC jurisdiction.

#### 3.3. Developments In and Around North Carolina

Today, contracts for firm pipeline delivery on the Transco into Zone 5, which serves Virginia, North Carolina, and South Carolina, total approximately 2,600 megadekatherms-per-day ("MDth/d") of capacity. Over the next two to three years, an additional 3,850 MDth/d of new firm deliverability to Transco Zone 5 market area will be put in place, which will have the effect of increasing the deliverability and number of sellers of available capacity. This deliverability will come from three new competitive pipeline projects that either are under construction or have obtained their FERC certificate of public convenience and necessity. First, the Atlantic Sunrise pipeline is currently under construction and will transport 1,700 MDth/d of natural gas from Marcellus production in Pennsylvania to various markets along the Transco system, as far south as Alabama. Of this, 350 MDth/d of this capacity is for delivery directly to Transco Zone 5, with the remainder going elsewhere on the Transco system. In addition, capacity on Atlantic Sunrise is held entirely by entities other than the Merging Entities, mostly gas producers and marketers.<sup>6</sup> Second, the ACP, in which Dominion Energy has a 48% stake, is awaiting final permitting to be completed and will deliver 1,500 MDth/d entirely to the Transco Zone 5 market area and bring a new competitive pipeline to the region as an alternative to Transco. Third, the MVP being developed by EQT Corporation is also awaiting final permitting and has a capacity of 2,000 MDth/d delivered directly into the Transco system in the northern section of Zone 5. While any one of these projects would have a considerable positive impact on market concentration (*i.e.*, increasing competitiveness) in the region, taken together they will dramatically change the competitive landscape. In addition to the basic addition of pipeline capacity, the fact that a large share of the capacity is held by marketers and producers (*e.g.*, 100% of Atlantic Sunrise capacity will be held by such entities) will increase the amount of supply available for resale from suppliers in the market. Deliveries into Zone 5 by Atlantic Sunrise and MVP will also create segmenting opportunities by shippers with markets north of the proposed interconnect, such as Con

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6 [www.1line.williams.com](http://www.1line.williams.com)

Edison and WGL. Transco, itself, has indicated that it expects the flow “null point” on their system to be somewhere in the vicinity of Georgia and South Carolina.<sup>7</sup> Taken together, all of these factors will result in significant additional available pipeline capacity for resale in North Carolina.

### 3.4. Market Power Analysis Approach

To conduct the market power analysis for the wholesale natural gas market, we rely on the analytic approach established by the Antitrust Agencies’ 2010 Horizontal Merger Guidelines.<sup>8</sup> This requires four main components:

- Identification of the relevant product market;
- Identification of the relevant geographic market;
- Identification of potential suppliers; and
- Analysis of market concentration using the HHI, as well as consideration of other competitive factors.

The Guidelines additionally stress that HHI calculation should be used as part of an overall analysis of the factors that may impact how a merger may change the competitiveness of a given market.

Measuring the degree of market concentration as defined by the HHI requires that we first define the relevant geographic market and the relevant product. The relevant product in the analysis is firm transport capacity into the relevant market, Transco Zone 5, which transports gas throughout South Carolina, North Carolina, and Virginia. Entities that possess firm transportation rights that exceed their demand for natural gas may release capacity on interstate pipelines, in essence supplying this capacity to the market. Our definition of firm transport capacity consists of the following quantities:

- **Contracts for firm transportation rights into Zone 5.** We include all contracts on Transco with delivery to Transco Zone 5. We additionally include the one contract on the Atlantic Sunrise pipeline with delivery point to Zone 5, held by Cabot Oil and Gas.<sup>9</sup>
- **Contracts for bundled storage.** “Bundled” storage contracts permit contract holders to make deliveries to points specified in their contracts without making a separate nomination on the pipeline.<sup>10</sup> Bundled storage service on Transco includes contracts under Rate Schedules GSS, LSS, S-2, SS-2, LGA, and LNG.

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<sup>7</sup> The null point of a gas system is where physical flow is expected to be zero. In other words, gas is expected to come from both directions to this point.

<sup>8</sup> 2010 U.S. Department of Justice and Federal Trade Commission, Horizontal Merger Guidelines (issued August 19, 2010).

<sup>9</sup> This contract is for 350,000 Dth/d of firm transport capacity. The other 1,350,000 Dth/d flow are held by gas marketers and producers for delivery to Zones 2, 3, and 4.

<sup>10</sup> Unbundled storage, on the other hand, requires a first nomination to withdraw gas from the storage facility and a second nomination to ship the gas to the point of delivery. Including “unbundled” storage contracts in our analysis would lead to double-counting available capacity of the contract owner. Thus, we exclude unbundled storage.



- **Storage facilities located on the distribution systems of local gas distribution companies in the Carolinas.** LDCs may use “behind the meter” storage facilities to meet demand to free available firm transportation rights, which they can then release.<sup>11</sup>
- **Proxy for Pass-Through.** Transco permits owners of contracts with a receipt and delivery point that “passes through” Transco Zone 5 (e.g., receipt in Zone 2 and delivery in Zone 6) to make deliveries into Zone 5. Because owners of pass-through firm transport may have gas or electric load obligations, similar to Dominion Energy and SCANA, this analysis uses a single firm as a proxy for available supply.<sup>12</sup> The quantity for this firm, approximately 1,020 MDth/d, represents 22% of the total market, which CRA assigns entirely to one party. In reality, there are many holders of pass-through contracts.

The analytic approach also requires identifying competing suppliers of firm transportation rights that compose the market. For purposes of this analysis, we define potential competing suppliers as only entities with firm transportation rights for delivery to Transco Zone 5.

The market for natural gas is highly seasonal and varies between summer, winter, and shoulder months. As a result of increased production from the Marcellus/Utica shale regions and recent pipelines expansions, the market in this region has experienced low prices and ample capacity for all but the winter period, a trend that will continue with the completion of ACP and MVP. Thus, the quantitative analysis is focused on winter conditions, when demand for natural gas is highest and concerns over market power and market concentration are most acute.

**Error! Reference source not found.** summarizes the Merging Entities’ firm delivery capabilities into Transco’s Zone 5 in winter months from firm transport, bundled storage contracts, and behind the meter storage facilities. The applicants’ public utility subsidiaries’ combined firm delivery capabilities into Transco Zone 5 represents 26% of total current firm delivery capability.

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<sup>11</sup> CRA included the following list of LDC storage systems: PSNC Energy’s Cary LNG facility, Duke Energy Corporation’s (“Duke Energy”) Bentonville and Huntersville LNG facilities, SCANA’s Charleston and Salley facilities, the Greenville Utility Commission’s Greenville LNG facility, and Roanoke’s Jefferson facility. CRA obtained the maximum withdrawal quantity for these facilities from publically-available 10-Ks (for PSNC Energy and SCE&G), regulatory filings (for Duke Energy Corp. and its affiliates), documents provided by Dominion Energy and SCANA, and from ABB’s “LNG Storage Facilities” database.

<sup>12</sup> To proxy for total pass-through capacity, CRA observed the total deliveries to Zone 5 points on PSNC Energy’s peak day in 2017 (January 8) to points to electric plants, industrial users, LNG terminals, residential users, and storage facilities, obtained from ABB Inc.’s Operationally Available Capacity dataset, which is in turn based on the Transco EBB. The total quantity of deliveries on the peak day was approximately 4,120 MDth. By contrast, the sum of firm transport contracts into Zone 5 and bundled storage totaled approximately 3,100 MDth/d. CRA treats the difference between these two numbers (1,020 MDth/d) as the available third-party firm transport capacity.

**Table 3: Merging Entities' Transco Capacity Positions (Dth/day)**

<b>Operating Company</b>	<b>Ultimate Parent</b>	<b>FT Rights, Delivery into Z5</b>	<b>Bundled Storage Rights</b>	<b>Storage on LDC System</b>	<b>Pass-Through Capability</b>	<b>Total</b>
<b>VEPCO</b>	Dominion Energy	503,183	-	-	-	503,183
<b>PSNC Energy</b>	SCANA	309,719	38,393	100,000	-	448,112
<b>SCE&amp;G</b>	SCANA	64,652	1,220	154,500	-	220,327
<b>Combined Companies</b>		627,554	39,613	254,400	-	1,171,622
<b>Market Total</b>		2,905,508	199,627	467,993	1,015,739	4,588,807

To calculate the HHI and the associated change in HHI associated with the merger, each firm's contracts with firm transportation for delivery into Zone 5, bundled storage contracts, and LDC storage capability are summed to obtain a total market share, as is the proxy for available pass-through capacity.

Table 4 contains the results of the HHI analysis. Prior to the merger, the total HHI is 1,696; with the Merged Entity, the HHI is 2,015, both below the threshold for "highly concentrated" as viewed by the Department of Justice Merger Guidelines. Duke Energy Corporation ("Duke Energy"), through its three subsidiaries Duke Energy Carolinas, LLC ("DEC"), Duke Energy Progress, LLC ("DEP"), and Piedmont Natural Gas Company, Inc. ("Piedmont Natural Gas"), is the largest supplier of capacity, followed by SCANA's PSNC Energy and Virginia Power Services Energy Corp., Inc.<sup>13</sup> The effect of the merger between SCANA and Dominion Energy is to increase the HHI in the wholesale gas market as defined here by 319 points.

<sup>13</sup> Virginia Power Services Energy Corp., Inc. procures, stores, and transports oil, natural gas, gasoline, and diesel fuel. The company operates as a subsidiary of Virginia Power Services, LLC, whose ultimate parent company is Dominion Energy.

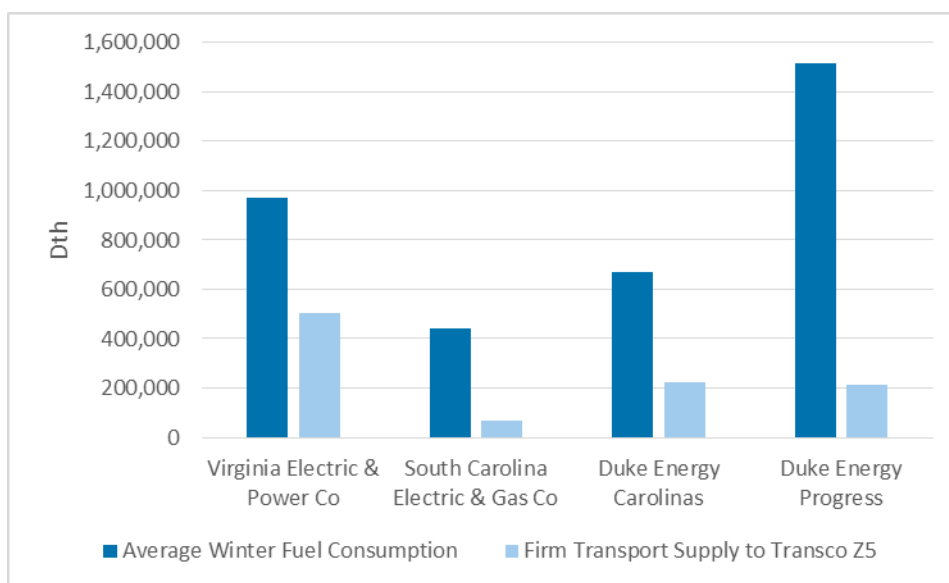
**Table 4: HHI Analysis, Winter Average Day**

Firm	Pre-Merger		Post-Merger	
	Market Share	HHI Contribution	Market Share	HHI Contribution
<b>Duke Energy</b>	28	788	28	788
<b>SCANA</b>	15	212	-	-
<b>Dominion Energy</b>	11	120	26	652
<b>Pass-Through Proxy</b>	22	490	22	490
<b>Cabot Oil and Gas</b>	8	58	8	58
<b>WGL Holdings Inc.</b>	3	10	3	10
<b>NiSource Inc.</b>	3	8	3	8
<b>Southern Co.</b>	2	3	2	3
<b>Patriots Energy Group</b>	2	2	2	2
<b>AGL Resources Inc.</b>	1	1	1	1
<b>Fort Hill Natural Gas Authority</b>	1	1	1	1
<b>Greenwood SC (City of)</b>	1	0	1	0
<b>Total</b>		1,696		2,015
			Change in HHI	319

There are several reasons as to why the market power analysis above represents a conservative estimate of market concentration. Specifically, we have not taken several steps here that would result in lower assessed market concentrations for the Merging Entities and for Duke Energy, the other major holder of capacity. First, we use as a proxy for “pass-through” deliverability a single supplier, when in reality there are many potential suppliers; for instance, gas marketers and producers hold 1,350 MDth/d of firm transport rights on the Atlantic Sunrise pipeline that is contracted to deliver to zones south of Transco Zone 5, and must pass through Zone 5. Second, we have neither subtracted demand for natural gas for local LDCs, which reserve firm transport capacity to meet their local loads, nor for gas consumption of regulated utilities in the region. Both Dominion Energy and SCANA, as well as Duke Energy operate regulated subsidiary businesses that are required to serve load at certain times of the year. Gas marketers and nonregulated companies have no such requirement. Because the merged entity has an obligation to meet gas or electric load, the quantity of available firm transport capacity that they supply to the market is less than the HHI analysis may seem to indicate on its face.

As of January 2018, PSNC Energy’s total firm transportation delivery rights to Transco Zone 5 totaled approximately 450,000 Dth/day. PSNC Energy’s average winter demand was approximately 322,000 Dth/day, meaning that on the average winter day, PSNC Energy’s net available capacity to release is only 120,000 Dth/day. Demand for gas in Dominion Energy’s regulated gas fleet during the winter likewise exceeds its reserved capacity on Transco Z5; average daily gas demand for all Dominion Energy’s gas-fired power plants in Virginia totaled approximately 950,000 Dth/day, well in excess of the approximately 500,000 Dth/day to which Dominion Energy currently has rights, as shown in Figure 2. The same is true for DEP, DEC, and SCE&G in South Carolina, the other large regulated electric utilities in the region with firm capacity rights to Transco Zone 5.

**Figure 2: Average Daily Winter Power Plant Demand and Contracted Gas Capacity, December 2015 to February 2016, (regulated plants only)<sup>14</sup>**



### 3.5. Sensitivity Analysis

The Commission requires that the market power study include a sensitivity analysis to address any major uncertainties or expected changes that may affect market power calculations. As discussed above, the completion of the ACP and MVP pipelines would have a major impact on the total supply available to the region. Therefore, both of these two pipelines are included as a sensitivity to the market power analysis. As shown in Table 5, both SCANA and Dominion Energy are firm transportation contract holders on ACP, with Dominion Energy as the operator. Given the highly contracted nature of this proposed pipeline (96%), Dominion Energy, as operator, should not be able to influence capacity availability in the region, as that will be in the control of the firm contract holders, which include Dominion Energy and SCANA subsidiaries and also Duke Energy subsidiaries and AGL Resources.<sup>15</sup> ACP is awaiting final permits before construction may begin. This sensitivity analysis also includes MVP. This 2,000 MDth/d pipeline has received its FERC certificate and, like the ACP is awaiting final permitting to be completed before beginning construction. MVP is a direct competitor to ACP and is designed to deliver its full capacity to a new interconnect with the Transco in Zone 5 at Pittsylvania, VA. MVP will bring new competitive supplies into the Transco Zone 5 market and significantly reduce the market concentration of all firm capacity holders in Zone 5.

<sup>14</sup> Energy Velocity Suite, based on EIA Form 923.

<sup>15</sup> ACP Project Application of Atlantic Coast Pipeline, LLC under CP15-554.

**Table 5: ACP and MVP Capacity Rights, Inclusion for Transco Z5**

<b>Company</b>	<b>Parent</b>	<b>ACP Rights (Dth/day)</b>	<b>MVP Rights (Dth/day)</b>
VEPCO	Dominion Energy	300,000	
PSNC Energy	SCANA	100,000	
DEC	Duke Energy	272,250	
DEP	Duke Energy	452,750	
Piedmont Natural Gas	Duke Energy	160,000	
Virginia Natural Gas	AGL Resources	155,000	
Roanoke Gas Company	Roanoke Gas Company		10,000
WGL Midstream, Inc.	WGL Holdings Co.		200,000
EQT Energy, LLC	EQT Corporation		1,290,000
<b>Total Contracted to Transco Z5</b>		<b>1,440,000</b>	
External/uncontracted capacity		56,000	500,000
<b>Total Capacity</b>		<b>1,500,000</b>	<b>2,000,000</b>

To use this sensitivity case, we include additional capacity rights associated with these two new pipelines to the market. The results of this sensitivity case are shown below in Table 6. Both the HHI and the change in the HHI are reduced in this case from the base case, reflecting the entry of new supply and suppliers into Transco Zone 5. Moreover, if we assume that the 1,290,000 Dth/day that are currently assigned to one supplier on MVP, EQT Energy (the pipeline developer), is allocated to other suppliers, this would further decrease the concentration of the market.

**Table 6: HHI Analysis Results, Sensitivity Case**

Firm	Pre-Merger		Post-Merger	
	Market Share	HHI Contribution	Market Share	HHI Contribution
Duke Energy	29	831	29	831
EQT Energy, LLC	17	297	17	297
Pass-Through Proxy	13	182	13	182
Dominion Energy	11	114	21	435
SCANA	10	104	-	-
Cabot Oil and Gas	5	22	5	22
WGL Holdings Inc.	5	21	5	21
AGL Resources Inc.	3	8	3	8
NiSource Inc.	2	3	2	3
Southern Co.	1	1	1	1
Patriots Energy Group	1	1	1	1
Total		1,583		1,800
			Change in HHI	217

### 3.6. Wholesale Gas Competition Conclusions

The quantitative analysis using the HHI metric indicates that the market for firm gas capacity is moderately concentrated in both the pre- and post-merger case by the 2010 DOJ standards.

As stated in the 2010 DOJ/FTC Guidelines:<sup>16</sup> Based on their experience, the Agencies generally classify markets into three types:

- Unconcentrated Markets: HHI below 1500
- Moderately Concentrated Markets: HHI between 1500 and 2500
- Highly Concentrated Markets: HHI above 2500

Since the post-merger HHI is less than 2,500 the market is not highly concentrated, which would have indicated a presumption of competitive concerns related the merger given the HHI change. In a moderately competitive market with a change in HHI of greater than 100, there is a potential for competitive harm that warrants looking at the competitive factors in the market, which we have done. The HHI analysis represented a conservative view of the market, as it did not consider the full possible range of suppliers of firm available capacity to Transco Zone 5, nor account for the fact that we have not netted out regulated electric and gas load requirements for the largest holders of capacity, which would be expected to further dilute the market for firm delivered natural gas. These factors, as well as the large amount of competing supply expected to come online in the next two to three years in the form of the Atlantic Sunrise, ACP, and MVP, leads us to conclude that the market for available gas capacity would not raise competitive concerns should the proposed transaction were to be

<sup>16</sup> 2010 FTC/DOJ Merger Guidelines Section 5.3 *Market Concentration*.

approved. Notably, the fact that pipelines and holders of long term firm rights are subject to the open access requirements and capacity release requirements; any attempted anticompetitive behavior is not permitted and is actively monitored by FERC.

## 4. Market Power and Wholesale Electric Competition

### 4.1. Market Power Concerns for Wholesale Electricity

Wholesale sales of electric power takes place under two primary paradigms within the US. In the West (outside of California) and Southeast, power is transacted on a bilateral basis over the interstate transmission system, where open access is required. In the rest of the country, including the Northeast, Mid-Atlantic, Midwest, Southwest, and California, electric energy is transacted through organized wholesale markets with centralized market operators that both dispatch generation and operate the transmission system. In both cases, generators that wish to sell at competitive rates must file with FERC for market-based rates authorization. To earn such authorization, the filing must demonstrate through a series of screens that the generator owner, considering all of the generating assets held by the ultimate parent company, does not have market power in the markets in which it wishes to operate (or has taken remedial action to mitigate concerns of market power). In the organized markets, market rules and active market monitoring regimes provide a further check on attempts to exercise market power.

In the case of a utility merger, by joining their assets, the Merging Entities could potentially increase concentration in the markets into which they sell. In doing so, mergers raise concerns over whether the combination of the electric generating assets owned or controlled by the resulting entity could have the potential to create or enhance their ability to increase prices in the relevant geographic electricity market, which may be any market where they sell power. Market power could be exercised by withholding capacity from the market to drive up prices (physical withholding), or by increasing price offers into the market, also in an effort to drive up the ultimate market-clearing price (economic withholding). As with the FERC screens for market-based rates, there are standard tests for whether a utility merger will result in situations where the result is an unacceptable level of market concentration.

Although North Carolina ratepayers pay retail rates for electric energy, the effects of the merger on wholesale competition and prices is still relevant. Higher wholesale rates eventually flow through to the retail level and, if wholesale transactions are affected by the accumulation of market power, it can cause retail rates to rise in a manner that does not reflect market fundamentals and the cost of the product being consumed.

### 4.2. Wholesale Electric Competition Conclusions

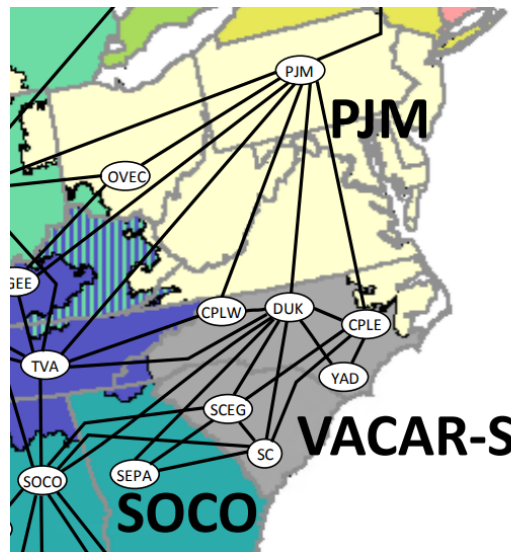
First, looking only at North Carolina – the relevant geographic market for purposes of this report – of the Merging Entities, only Dominion Energy owns or controls generation assets located in North Carolina, although these assets are either partially or fully committed to serving Dominion Energy load (the regulated assets) or committed under long-term contracts to non-affiliates (the non-regulated assets). Thus, neglecting for the moment any cross-market trade, the merging of Dominion Energy and SCANA will have no effect on the concentration of the North Carolina wholesale electricity market; as a result of the proposed transaction, there will be no change in the number, capacity, or ownership distribution of generators operating in North Carolina. It is also worth noting that, of the power plants owned by Dominion Energy in North Carolina, only one – the Rosemary natural gas combined cycle plant (186 MW) – is a conventional, dispatch generator. The other eight plants are powered by hydro or solar power, and such generators are not generally viewed as a concern for the exercise of market power. Moreover, Rosemary sells into the PJM organized market (and not to the North Carolina utilities). Indeed, Rosemary's energy is committed to the PJM market by virtue of its participation in the PJM capacity market, which requires that generation clearing the capacity market sell into the PJM energy markets. PJM itself provides considerable protections against the exercise of market power, as described above.



Market power analyses also generally examine whether ownership changes in the markets where the Merging Entities do business affect, or are affected by, competition in first tier markets – those markets immediately adjacent to the relevant geographic market. Where there is significant inter-market trade, increased concentration in one market can lead to increased concentration in neighboring markets by limiting competition options for trading partners. In addition to understanding generation ownership changes, this type of analysis requires information on transfer capacity over the transmission system, as well as data on the size of potential (and actual historical) imports relative to the market. A complete version of this analysis will be filed before FERC in support of the proposed transaction. Here, we summarize what should be expected when assessing the impact of the proposed transaction if North Carolina (and its utilities) is the relevant geographic market, which is first tier to multiple markets in which the Merging Entities operate.

Defined by Balancing Authority Area (“BAA”), as per FERC practice, the North Carolina market is made up of DUK, CPLE, CPLW, and YAD (*i.e.*, Duke Energy BAAs and Yadkin). Of these, the first three are connected to markets where the Merging Entities own generation. Specifically the Merging Entities own generation capacity in SCE&G (SCEG BAA, where SCANA owns power plants, and Dominion Energy owns a single solar project that is committed to SCE&G under a long-term contract) and PJM (where Dominion Energy owns power plants). These connections are shown in Figure 3.

**Figure 3: Inset of Relevant Portion of NERC BAA Map<sup>17</sup>**



The question becomes whether a proposed merger, now accounting for transmission capacity and imports, causes the relevant geographic market to become sufficiently concentrated that market power is a concern. This is addressed by observing the size of simultaneous import limits (“SIL”) for the relevant geographic market<sup>18</sup> relative to the market as a whole, and the amount of uncommitted capacity that the Merging Entities have available for “export”. It is then required by FERC to allocate the transmission capacity represented by the SIL to all of the suppliers in the first tier markets proportional to any excess capacity that they own or control in those markets or that is importable into those markets. The pro-rated capacity attributed to a supplier is then considered part of that supplier’s market share in the

<sup>17</sup> NERC.

<sup>18</sup> SILs are developed from detailed transmission studies on a triennial basis and are filed with and approved by FERC.

relevant geographic market (in addition to any generation located within the relevant geographic market).

Considering the above, the issue is whether combining the portion of the SIL attributed to Dominion Energy and SCANA concentrates the market to the point where market power is a meaningfully increased concern. In North Carolina, the SILs into the relevant BAAs represent a fraction of the overall market, which is primarily supplied by generators owned by subsidiaries of Duke Energy. Of the SIL, Dominion Energy and SCANA each would be attributed only a small fraction; the rest is attributed to generators owned by Southern Company (and operating in the SOCO BAA), Santee Cooper, the Tennessee Valley Authority, the Southeastern Power Administration, and *all* of the considerable generation operated in PJM. The practical result is that Dominion Energy and SCANA each would have access to a small fraction of the North Carolina market's effective transfer capacity, which in turn is only a small fraction of the overall North Carolina market, leaving each of the Merging Entities with a very small market share of the relevant geographic market. Thus, although the analysis to be submitted to FERC has not yet been completed, the proposed transaction would be expected to have the effect of combining two very small market shares into one market share that is also quite small. If this is what is borne out in the analysis, our preliminary expectation is that the market will become more concentrated, but only marginally so.

Though we have not performed the quantitative market power analysis here, the qualitative discussion above suggests that wholesale electric market power in North Carolina should not be a concern as part of the proposed transaction. The FERC Section 203 filing in support of the proposed merger will analyze the individual BAAs in North Carolina, other than Yadkin. Furthermore, there is ongoing oversight of wholesale market sellers through FERC's market-based rate program – which requires triennial filings demonstrating a lack of market power by sellers – as well as ongoing oversight through market rules and monitoring in the adjacent PJM market, a major potential source of imported power. Through these regulatory and oversight mechanisms, North Carolina ratepayers will be further protected from the accumulation or exercise of market power in wholesale electricity markets.

In addition, the vertical combination of natural gas assets and electric utility assets would not adversely affect competition in the relevant wholesale electricity markets in North Carolina for the reasons discussed above: the natural gas market is not highly concentrated; FERC's open access regime, regulatory oversight and enforcement authority ensure that the natural gas assets cannot be used to restrict access by electric generators; and the merged entity would be expected to have a very small presence in the North Carolina wholesale electricity market.

## **5. Market Power and Retail Gas and Electric Competition**

### **5.1. Market Power Concerns for Retail Gas and Electric Competition**

Historically, electric and gas utility services were provided on a monopoly basis, with a single regulated entity providing each service in its franchise service territory. It was thought that this was the most efficient way to operate energy systems, due to significant economies of scale. Rates allowed by the relevant regulatory body would allow the gas or electric utility to collect the all-in cost of providing service, plus a rate of return on any investments. Over time, however, technological and regulatory innovation demonstrated that there were areas of the supply chain in which competition could be introduced into energy production and sales without imposing additional costs on consumers. Instead, competitive forces would drive down prices and provide services that could be differentiated depending on customer needs.

Where retail competition for electricity and/or gas has been adopted, end consumers have the option of selecting the entity that provides the energy commodity product and any associated pricing. The customer's bill then lists the commodity volume and purchase price, while billing separately for the cost of providing the transportation service for the commodity (*i.e.*, the cost of pipes or wires). In this way, the incumbent utility still owns, operates, and charges for the delivery infrastructure, while the product that flows across that infrastructure may be provided by any number of competing entities. The incumbent utility may also provide the default commodity service should a consumer elect not to purchase from a competitor.

In jurisdictions that have implemented retail competition for electricity and/or gas, proposed mergers can raise concerns over the degree of concentration in the retail energy marketplace. Especially in circumstances where the merging parties were both active in the sale of retail energy commodity, the result of the transaction can be a reduction in the number of competitors and the potential raising of barriers to entry for new competitors, ultimately leaving customers with fewer choices and stymying forces that lead to lower prices.

### **5.2. Retail Gas and Electric Competition Conclusions**

The Merging Entities do own gas – in the form of PSNC Energy, owned by SCANA – and electric retail service territories – in the form of Dominion Energy North Carolina– in North Carolina. However, North Carolina is not currently a state that has adopted competition at the retail level for either electricity or gas. Thus, the incumbent utilities will continue to sell at rates regulated by the Commission, and there are no concerns about concentration of competitive retail markets. Instead, regulation of retail rates provides the level of cost control that has been deemed sufficient by the state to protect retail customers.

## 6. Inter-Fuel Competition Concerns

### 6.1. Market Power Concerns for Inter-Fuel Competition

There are several potential ways that mergers between companies that control both electric and gas assets might harm consumers. These concerns manifest primarily at the retail level where these fuels might be substitutes, and particularly affect customers who have the ability to select between technologies for certain utility needs (e.g., water heating and building furnaces).

In the first instance, where customers are able to select between gas and electricity for their utility needs, they benefit from competition between the two energy sources as substitutes. A merger between gas and electric utilities can have a negative impact on such competition, as a gas and electric utility with the same ownership may be less inclined to compete for customers, and customers may lose the benefit of downward price pressure resulting from competition.

A second concern relates to impacts on investment decisions that might result from a merger. Specifically, when utilities have constraints on capital and must make investments, they are likely to preferentially invest where they are allowed a higher rate of return on their investment. If retail gas assets are granted a higher rate of return (accounting for risk) than the retail electric assets, the utility may elect to invest more in gas service infrastructure. And vice versa. Such preferential investment holds the potential to inappropriately benefit quality of service of one utility over another.

### 6.2. Inter-Fuel Competition Conclusions

Regarding the first concern – reduction in competition between retail and gas for customers that have the option to switch at the margin – this is only an issue if there are overlapping territories between retail and gas utilities owned by the same company. In the proposed transaction, the relevant entities – PSNC Energy and Dominion Energy North Carolina – do not have overlapping service territories. As such, for customers that can switch between electric and gas for certain utility needs, each utility will continue to compete for customers against the company offering the substitute utility in an area.

As it relates to creating circumstances that could lead to preferential treatment of investments, this is also not an issue for the proposed transaction in North Carolina. Both PSNC Energy and Dominion Energy North Carolina have similar allowed rates of return – just less than 10% return on equity – and similar credit risk profiles. They also have similar debt-equity splits for their capital structure and similar costs of debt, which will lead to similar overall costs of capital. Accordingly, the proposed transaction is unlikely to result in the merged entity favoring investment in one type of infrastructure over the other, all to the benefit of North Carolina customers. The specific debt ratings, costs of equity and debt, and capital structures are shown in Table 7.

**Table 7: Credit Ratings and Allowed Returns for North Carolina Gas and Electric Retail Utilities Associated with Proposed Transaction**

	<b>Dominion Energy North Carolina</b>	<b>PSNC Energy</b>
<b>Credit Rating (ultimate parent)<sup>19</sup></b>		
<b>S&amp;P</b>	BBB+	BBB
<b>Moody's</b>	Baa2	Baa3
<b>Credit Rating (operating unit)</b>		
<b>S&amp;P</b>	BBB+	BBB
<b>Moody's</b>	A2	A3
<b>Allowed ROE</b>	9.9% <sup>20</sup>	9.70% <sup>21</sup>
<b>Common Equity to Total Capital</b>	51.75%	52.00%
<b>Long Term Debt Cost</b>	4.65%	5.52%

Finally, we observe that pricing for customers of PSNC Energy, for retail gas, and Dominion Energy North Carolina, for retail electricity, are based on regulated tariff schedules that are approved by the Commission. This further constrains prices should other concerns arise following the proposed transaction.

<sup>19</sup> Credit ratings from SNL Corporate Profiles, accessed January 18, 2018.

<sup>20</sup> Commission's Order Approving Rate Increase and Cost Deferrals and Revising PJM Regulatory Conditions, Docket No. E-22, Sub 532, issued December 22, 2016.

<sup>21</sup> Commission's Order Approving Rate Increase and Integrity Management Tracker, Docket No. G-5, Sub 565, issued October 28, 2016.

## 7. Summary and Conclusions

This report has addressed the full range of competitive concerns in gas and electricity markets associated with the proposed transaction, the merger between Dominion Energy and SCANA, as it relates to North Carolina. We conclude that the proposed transaction does not raise competitive concerns in any of the studied markets. To summarize, the specific findings for each market sector include:

**Wholesale Gas:** A quantitative market concentration analysis was completed, applying the HHI metric, for firm gas capacity in North Carolina. The results show that the market is moderately concentrated, and the proposed transaction will increase the market concentration, but it will remain moderately concentrated. Furthermore, the HHI analysis takes a conservative view of the market, and it should be expected that accounting for additional suppliers and utility obligations would further dilute the market. A sensitivity analysis was also performed on the market impacts of expected pipeline development in the region, leading to the conclusion that planned pipeline capacity, should the pipelines be completed, would not raise competitive concerns, and would improve market supply and competitive alternatives. The presence of FERC's open access regulatory regime as well as oversight and enforcement also relieves any potential concerns regarding an adverse effect in the relevant wholesale natural gas capacity markets.

**Wholesale Electricity:** Within North Carolina, there will be no change in ownership of generation, and therefore no concentration of the market that would raise concerns over the exercise of market power. Looking at potential supply into North Carolina from outside of North Carolina, there likely will be a slight increase in market concentration caused by the proposed transaction. However, the pool of potential suppliers in neighboring regions that could provide counterparties for import transactions is extensive, and, therefore, we do not expect there to be any concerns over the accumulation of wholesale electric market power as a result of the proposed transaction in the overall North Carolina footprint. We also conclude that the vertical combination of natural gas and electricity assets will not harm competition.

**Retail Gas:** There is no competitive retail regime for gas service in North Carolina. Thus, the merger cannot and will not have an impact on retail gas competition.

**Retail Electricity:** As with retail gas, there no competitive retail regime for electricity service in North Carolina. Thus, the merger cannot and will not have an impact on retail gas competition.

**Cross-fuel Competition:** First, there is no overlap in service territories between retail gas service provided by PSNC Energy (retail gas) and Dominion Energy North Carolina (retail electric) so there is no concern about reduced competition for utility customers who have the ability to switch between electricity and gas for certain needs. And second, the Commission has approved similar rates of return on equity and similar capital structures – and the utilities have similar credit ratings – for the two retail utilities operated in North Carolina by the Merging Entities. Thus, the proposed transaction should not raise concerns that, following the merger, there will be incentives to invest in one type of infrastructure over another to the disservice of its ratepayers.

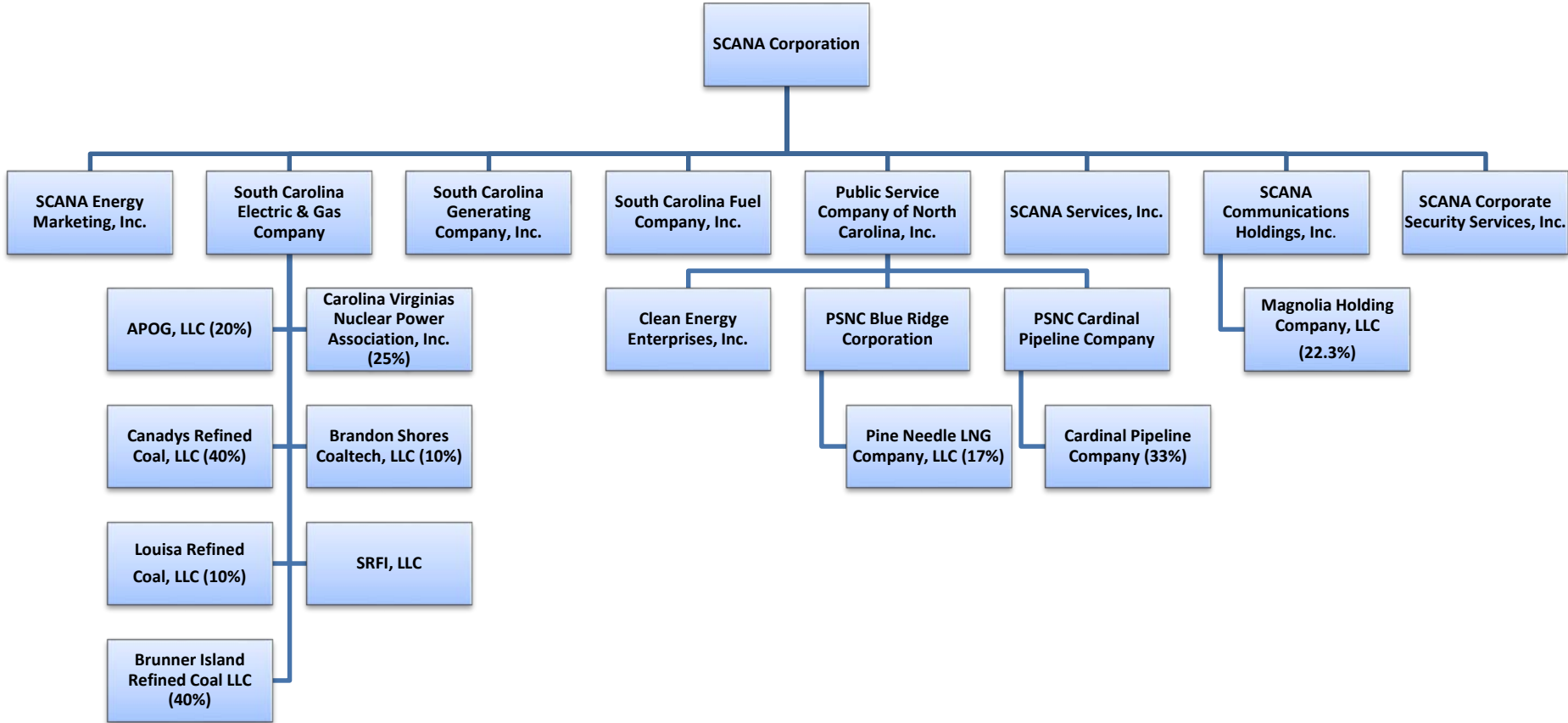
**Joint Application of  
Dominion Energy, Inc. and SCANA Corporation**

**EXHIBIT 6**

**SCANA Corporation's Current Organizational Chart**

# SCANA Corporation Organizational Chart

All subsidiaries are 100% owned unless otherwise indicated



In addition to the entities listed above, SCE&G has an interest in two entities that are no longer utilized and are in the process of dissolution. The entities are SC Coaltech No. 1, LP (SCE&G 40% interest) and Coaltech No. 1, LP (SCE&G 25% interest), and both were incorporated in Delaware and registered to do business in South Carolina. Both entities have been dissolved in Delaware and are in the process of cancelling the entity registrations in South Carolina.

Additionally, SCANA Corporation and SCE&G have interests in the following nonprofit organizations: SCE&G Foundation, Inc., formerly SCANA Summer Foundation, (SCANA Corporation 100% interest); SCANA Employee Good Neighbor Fund (SCANA Corporation 100% interest); Otarre Property Owners Association, Inc. (membership comprised of SCE&G and all property owners in Otarre development); and South Carolina Electric & Gas Project Share (SCE&G 100% interest).



VERIFICATION

STATE OF VIRGINIA                    )  
  )  
CITY OF RICHMOND                    )

Thomas P. Wohlfarth, being first duly sworn, deposes and says:

That he is Dominion Energy's Senior Vice President, Regulatory Affairs; that he has the authority to verify the foregoing Joint Application of Dominion Energy, Inc. and SCANA Corporation to Engage in a Business Combination Transaction; that he has read this Joint Application and knows the contents thereof; and that the same is true of his own knowledge.

Thomas P. Wohlfarth  
Thomas P. Wohlfarth

Sworn to and subscribed before me  
this 24<sup>th</sup> day of January, 2018.

Denise Ann Tunstall  
Notary Public

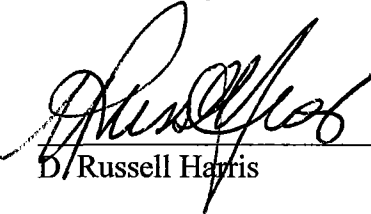


VERIFICATION

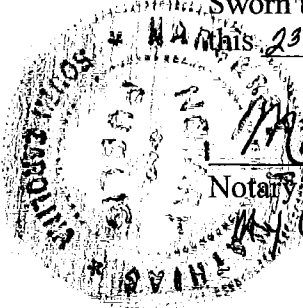
STATE OF SOUTH CAROLINA     )  
  )  
COUNTY OF LEXINGTON     )

D. Russell Harris, being first duly sworn, deposes and says:

That he is Senior Vice President, SCANA Corporation and he is also President and Chief Operating Officer, Public Service Company of North Carolina, Inc.; that he has the authority to verify the foregoing Joint Application of Dominion Energy, Inc. and SCANA Corporation to Engage in a Business Combination Transaction; and that the same is true of his own knowledge.

  
\_\_\_\_\_ )  
D. Russell Harris

Sworn to and subscribed before me  
this 29th day of January, 2018.



Margaret Y. Mathis  
\_\_\_\_\_  
Notary Public  
Commission Expires: July 14, 2019



**DOMINION ENERGY  
SERVICES, INC.**

**ACCOUNTING POLICY AND  
COST ALLOCATION  
MANUAL**

**2017 VERSION**

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**EXHIBIT 5 DES BILLING ENTITY CODES 2017**

**EXHIBIT 6 DES ALLOCATION METHODS 2017**

**EXHIBIT 7 INTERIM PROJECT SUMMARIZATION MASTER DATA AND IPD REPORT  
INSTRUCTIONS**

**EXHIBIT 8 DES TIME ENTRY & APPROVAL POLICY**

**EXHIBIT 9 FERC FINANCIALS**

**EXHIBIT 10 DES SERVICES AGREEMENT**

**EXHIBIT 11 DES AMORTIZATION GUIDELINES**

## A. Overview

The purpose of this Accounting Policy and Cost Allocation Manual is to provide information related to the accounting practices and procedures for assigning the costs of Dominion Energy Services, Inc. (DES) to Dominion Energy, Inc. (DEI) and its subsidiaries. Exhibit 1 depicts the organizational hierarchy of DES core corporate functions for reference. This is updated annually. Exhibit 2 shows the executive organizational chart.

### Background:

- DES is a centralized “service company” and was incorporated on October 14, 1999. At such time it was subject to the Public Utility Holding Company Act (PUHCA) of 1935 under the authority of the Securities and Exchange Commission (SEC). However, on August 8, 2005, Congress signed the Energy Policy Act of 2005 into law, which repealed PUHCA and enacted the Public Utility Holding Company Act of 2005 (PUHCA 2005). PUHCA 2005 transferred authority over service companies from the SEC to the Federal Energy Regulatory Commission (FERC).
- A service company, as defined by Section 366.1 of PUHCA 2005, is “any associate company within a holding company system organized specifically for the purpose of providing non-power goods or services or the sale of goods or construction work to any public utility in the same holding company system.” DES’ purpose is to provide cost effective, centralized services to other subsidiaries of DEI. These subsidiaries are referred to as “affiliates.” As such, DES is subject to FERC financial accounting, reporting and records retention requirements in accordance with Parts 366-369 and 375 of Title 18 of the Code of Federal Regulations (CFR) governed by Final Rule Order No. 684 issued October 19, 2006.
- FERC rules specify that:
  - all services provided between DES and its affiliates will be provided “at cost” (367.25)
  - the cost accumulation system must identify the methods of allocation and the accounts to be charged (367.28)
  - changes to allocation methodologies must be communicated in writing to affiliated companies (367.28)
  - time records will be maintained to support billing for services rendered (367.30)
- The DES Services Agreement authorizes a specific group of services to be provided by DES to affiliates. Each department or function within DES has been placed within a specific “DES service function.” Affiliates have certain options as to what services they elect to receive from DES. Exhibit 10 is a copy of the DES Services Agreement which has been approved by the Virginia and North Carolina regulatory agencies.

- DES utilizes a “work order” system (work orders are referred to internally as “projects” or “Work Breakdown Structure [WBS] Elements”) to ensure that costs are properly accumulated and distributed in a fair and equitable manner to all affiliates that benefit from its services. Within this manual, “WBS Element” and “Project” are used interchangeably. Time records are maintained for all service company (DES) employees to support the costs that are assigned to each affiliate. DES’ costs are assigned in their entirety and no residual profit or loss remains on the books.

## **B. DES Organizational Structure**

- DES is organized into major functional groups:
  - Core Corporate Functions
    - Business Services (Human Resources; Shared Services; Aviation & Travel; Corporate Secretary and Ethics & Compliance; Environmental; Information Technology)
    - Executive Services
    - Alternative Energy Solutions
    - Legal Services
    - External Affairs & Corporate Communications (Communications and Government Affairs)
    - Finance (Tax, Treasury, Financial Planning & Investor Relations, Enterprise Risk Management, Corporate Strategy, and Accounting Services)
    - Regulatory Affairs (Regulation, Corporate Public Policy, Compliance)
    - Audit Services
  - Other Functions
    - Software/Hardware Pooling
    - Operations
    - Customer Services
    - Energy Marketing

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**Underlying each major functional group in DES are cost centers.**

- Exhibit 3 is a representation of all DES cost centers with descriptions of the services they provide, the service function, and method of allocation assigned per the DES Services Agreement.
- The DES cost centers are also illustrated in hierarchy form in Exhibit 4.



### **C. Services Provided and Received by DES**

- DES and any DEI affiliate receiving services from DES must execute an approved DES Services Agreement. The Service Agreement should be in place prior to the affiliate receiving any such service. Typically, DES Service Agreements are generally established for each first-tier subsidiary of DEI, unless there are regulatory requirements to bill to a lower level. Exceptions have been made for second-tier subsidiaries of DEI due to their significant financial and operational activity.
- Additional approvals from state regulatory commissions may be required for regulated companies to provide services to DES. For example, Virginia Power provides services to DES under the revised Support Services Agreement between Virginia Power and DES that was effective 1/1/2013.
- The cost of services billed to DES by DEI affiliates must be at cost.
- When billing services to other DEI affiliates, care must be exercised to align costs billed with the “cost causation” standard. (Affiliates whose operations give rise to the costs should pay for the costs via proper charging and billing.) DES’ philosophy is to apportion its costs in a fair and equitable manner.
- Exhibit 5 is a listing of all DEI affiliates receiving DES services by company code. Each DEI affiliate that receives services from DES is assigned a “billing entity” code. The “billing entity” code is utilized in structuring the DES Work Order System (i.e. billing projects) and producing the monthly bills. For particular DEI affiliates, DES produces the bill by business “process” (such as the Virginia Power Nuclear process). In these cases, a business “process” equates to a “billing entity” code.

## **D. Excerpt from Exhibit I of DES Services Agreement**

(A copy of the entire DES Services Agreement can be found within exhibit 10 of in the appendix of this manual)

1. Accounting. Provide advice and assistance to Dominion Companies in accounting matters (development of accounting practices, procedures and controls, the maintenance of the general ledger and related subsidiary systems, the preparation and analysis of financial reports, and the processing of certain accounts such as accounts payable, accounts receivable, and payroll).

2. Auditing. Periodically audit the accounting records and other records maintained by Dominion Companies and coordinate their examination, where applicable, with that of independent public accountants. The audit staff will report on their examination and submit recommendations, as appropriate, on improving methods of internal control and accounting procedures.

3. Legal and Regulatory. Provide advice and assistance with respect to legal and regulatory issues as well as regulatory compliance and matters under federal and state laws.

4. Information Technology, Electronic Transmission and Computer Services. Provide the organization and resources for the operation of an information technology function (development, implementation and operation of a centralized data processing facility and the management of a telecommunications network, and the central processing of computerized applications and support of individual applications in Dominion Companies). Develop, implement, and process those computerized applications for Dominion Companies that can be economically best accomplished on a centralized basis. Develop, implement, and process information technology risk management services and services for the secure protection and transmission of critical and sensitive data.

5. Software/Hardware Pooling. Accept from Dominion Companies ownership of and rights to use, assign, license or sub-license all software owned, acquired or developed by or for Dominion Companies which Dominion Companies can and do transfer or assign to it and computer system hardware used with software and enhancements to which DES has legal right. Preserve and protect the rights to all such software to the extent reasonable and appropriate under the circumstances; license Dominion Companies, on a non-exclusive, no-charge or at-cost basis, to use all software which DES has the right to sell, license or sub-license; and, at the relevant Dominion Companies' expense, permit Dominion Companies to enhance any such software and license others to use all such software and enhancements to the extent that DES shall have the legal right to so permit.

6. Human Resources. Advise and assist Dominion Companies in the formulation and administration of human resources policies and programs relating to the relevant Dominion Companies' labor relations, personnel administration, training, wage and salary administration, staffing and safety. Direct and administer all medical, health, and employee

benefit and pension plans of Dominion Companies. Provide systems of physical examination for employment and other purposes and direct and administer programs for the prevention of sickness. Advise and assist Dominion Companies in the administration of such plans and prepare and maintain records of employee and company accounts under the said plans, together with such statistical data and reports as are pertinent to the plans.

7. Operations. Advise and assist Dominion Companies in the following matters relating to operational capacity: (i) the preparation and coordination of studying, consulting, planning, designing, inspecting and engineering and construction of energy and electric transmission and substation plant facilities of each Dominion Company and of the Dominion Companies as a whole, (ii) the planning, engineering (including maps and records) and construction operations of Dominion Companies, (iii) the performance of operations support services, plant and facilities operation, generation outage support, and maintenance and management services, and (iv) the planning, formulation and implementation of load retention, load shaping and conservation and efficiency programs, and integrated resource planning for supply-side plans and demand-side management programs. Develop long-range operational programs for Dominion Companies and advise and assist each such Dominion Company in the coordination of such programs with the programs of the other Dominion Companies, subject to federal and state codes and standards of conduct, as applicable. Manage Dominion Companies' purchase, movement, transfer, and accounting of nuclear fuel and gas volumes.

8. Executive and Administrative. Advise and assist Dominion Companies in the solution of major problems and in the formulation and execution of the general plans and policies of Dominion Companies. Advise and assist Dominion Companies as to operations, the issuance of securities, the preparation of filings arising out of or required by the various federal and state securities, business, public utilities and corporation laws, the selection of executive and administrative personnel, the representation of Dominion Companies before regulatory bodies, proposals for capital expenditures, budgets, financing, acquisition and disposition of properties, expansion of business, rate structures, public relationships and related matters.

9. Business Services. Perform: (i) general business support services (printing, mailing, records management and maintenance, and administrative and office services across the enterprise), (ii) office facilities operation (building maintenance and property management, lease/sublease management, and property sales services across the enterprise), (iii) security (physical security support, background investigations, and investigative services across the enterprise), (iv) travel (business-related ticketing, itinerary coordination, and reservations for airlines, train, rental cars, and hotels/lodging for Dominion employees), (v) aviation (maintenance, operations, and aviation-related services for corporate-owned aircraft), and (vi) fleet services (fleet systems support, management of the acquisition/disposal function, maintenance functions, and fleet management across the entire enterprise).

10. Risk Management. Advise and assist Dominion Companies in securing requisite insurance, in the purchase and administration of all property, casualty and marine insurance, in the settlement of insured claims and in providing risk prevention advice.

11. Corporate Planning. Advise and assist Dominion Companies in the study and planning of operations, budgets, economic forecasts, capital expenditures and special projects.

12. Supply Chain. Advise and assist Dominion Companies in the procurement of real and personal property, materials, supplies and services, conduct purchase negotiations, prepare procurement agreements and administer programs of material control.

13. Rates. Advise and assist Dominion Companies in the analysis of their rate structure in the formulation of rate policies, and in the negotiation of large contracts. Advise and assist Dominion Companies in proceedings before regulatory bodies involving the rates and operations of Dominion Companies and of other competitors where such rates and operations directly or indirectly affect Dominion Companies.

14. Research. Investigate and conduct research into problems relating to production, utilization, testing, manufacture, transmission, storage and distribution of energy. Keep abreast of and evaluate for Dominion Companies all research developments and programs of significance affecting Dominion Companies and the energy industry, conduct research and development in promising areas and advise and assist in the solution of technical problems arising out of Dominion Companies' operations.

15. Tax. Advise and assist Dominion Companies in the preparation of federal, state and other tax returns, generally advise Dominion Companies as to any problems involving taxes, and provide due diligence in connection with acquisitions.

16. Corporate Secretary. Provide all necessary functions required of a publicly held corporation. Coordinate information and activities among shareholders, the transfer agent, and Board of Directors. Provide direct services to security holders. Prepare and file required annual and interim reports to shareholders and the U.S. Securities and Exchange Commission. Conduct the annual meeting of shareholders and ensure proper maintenance of corporate records.

17. Investor Relations. Provide fair and accurate analysis of Dominion and its operating subsidiaries and its outlook within the financial community. Enhance Dominion's position in the energy industry. Balance and diversify shareholder investment in Dominion through a wide range of activities. Provide feedback to Dominion and its operating subsidiaries regarding investor concerns, trading and ownerships. Hold periodic analysts meetings, and provide various operating data as requested or required by investors.

18. Environmental Compliance. Provide consulting, cleanup, environmental permitting, environmental compliance support, biological and chemical services, environmental reporting, and environmental compliance plan preparation as required by Dominion Companies to ensure full compliance with applicable environmental statutes and regulations. Track state and federal environmental regulations. Provide summaries and guidance for Dominion Company personnel to ensure ongoing compliance.

19. Customer Services. Provide services and systems dedicated to customer service, billing, remittance, credit, collections, customer relations, call centers, energy conservation support and metering.

20. Energy Marketing. Provide services and systems dedicated to energy marketing and trading of energy commodities, specifically the provision of all services related to emissions products, renewable energy products, environmental commodities (commodities derived from environmental attributes associated with qualifying types of generation that are required for compliance with applicable federal, state and local laws, as well as any voluntary additional reductions that the Company has elected to complete). Provide market, credit and operational risk management services and development of marketing and sales programs in physical and financial markets.

21. Treasury/Finance. Provide services related to managing all administrative activities associated with financing and the management of capital structure; cash, credit and risk management activities; investment and commercial banking relationships; oversight of decommissioning trust funds and general financing activities.

22. External Affairs. Provide services in support of corporate strategies for managing relationships with federal, state and local governments, agencies and legislative bodies. Formulate and assist with public relations, advertising, and external/internal communications programs and with the administration of corporate contribution and community affairs programs.

23. Office Space and Equipment. Provide use of land, buildings, furnishings, and equipment, and all costs related to these assets – i.e., property taxes, utilities, and maintenance.

## **E. Excerpt from Exhibit III of DES Services Agreement**

### **METHODS OF ALLOCATION FOR DES**

DES shall allocate costs among companies receiving service from it under this and similar service contracts using the following methods:

- I. The costs of rendering service by DES will include all costs of doing business including interest on debt but excluding a return for the use of equity capital for which no charge will be made to Dominion Companies.
- II.
  - A. DES will maintain a separate record of the expenses of each department. The expenses of each department will include:
    1. those expenses that are directly attributable to such department, and
    2. an appropriate portion of those office and housekeeping expenses that are not directly attributable to a department but which are necessary to the operation of such department.
  - B. Expenses of the department will include salaries and wages of employees, rent and utilities, materials and supplies, depreciation, and all other expenses attributable to the department. The expenses of a department will not include:
    1. those incremental out-of-pocket expenses that are incurred for the direct benefit and convenience of an individual Dominion Company or group of Dominion Companies,
    2. DES overhead expenses that are attributable to maintaining the corporate existence of DES, and all other incidental overhead expenses including those auditing fees, internal auditing department expenses and accounting department expenses attributable to DES.
  - C. DES will establish annual budgets for controlling the expenses of each department and for determining estimated costs to be included in interim monthly billing.
- III.
  - A. Employees in each department will be divided into two groups:
    1. Group A will include those employees rendering service to Dominion Companies, and

2. Group B will include those office and general service employees, such as secretaries, file clerks and administrative assistants, who generally assist employees in Group A or render other housekeeping services and who are not engaged directly in rendering service to each Dominion Company or a group of Dominion Companies.

B. Expenses set forth in Section II. above will be separated to show:

1. salaries and wages of Group A employees, and
2. all other expenses of the department.

C. There will be attributed to each dollar of a Group A employee's salary or wage, that percentage of all other expenses of such employee's department (as defined in B above), that such employee's salary or wage is to the total Group A salaries and wages of that department.

D. Group A employees in each department will maintain a record of the time they are employed in rendering service to each Dominion Company or group of Dominion Companies. An hourly rate will be determined by dividing the total expense attributable to a Group A employee as determined under subsection C above by the productive hours reported by such employee.

IV. The charge to the Dominion Company for a particular service will be determined by multiplying the hours reported by Group A employees in rendering such service to each Dominion Company by the hourly rates applicable to such employees. When such employees render service to a group of Dominion Companies, the charge to each Dominion Company will be determined by multiplying the hours attributable to the Dominion Company under the allocation formulas set forth in Section IX of this Exhibit by the hourly rates applicable to such employees.

V. To the extent appropriate and practical, the foregoing computations of hourly rates and charges may be determined for groups of employees within reasonable salary range limits.

VI. Those expenses of DES that are not included in the annual expense of a department under Section II above will be charged to Dominion Companies receiving service as follows:

- A. Incremental out-of-pocket costs incurred for the direct benefit and convenience of a Dominion Company or group of Dominion Companies will be charged directly to such Dominion Company or group of Dominion Companies. Such costs incurred for a group of Dominion Companies will be allocated on the basis of an appropriate formula.

- B. DES overhead expenses referred to in Section II above will be charged to the Dominion Company either on the proportion of direct charges to that Dominion Company or under the allocation formulas set forth in Section IX of this Exhibit.
- VII. Notwithstanding the foregoing basis of determining cost allocations for billing purposes, cost allocations for certain services involving machine operations, production or service units, or facilities cost will be determined on an appropriate basis established by DES.
- VIII. Monthly bills will be issued for the services rendered to the Dominion Company on an actual basis. However, if such actual information is not available at the time of preparation of the monthly bill, estimates may be used. Estimates will normally be predicated on service department budgets and estimated productive hours of employees for the year. At the end of each quarter, estimated figures will be revised and adjustments will be made in amounts billed to give effect to such revision.
- IX. When Group A employees render services to a group of Dominion Companies, the following formulas shall be used to allocate the time of such employees to the individual Dominion Companies receiving such service (Each Dominion Company metric/Total Dominion Companies' metrics):
  - A. The Service Department or Function formulas to be used when employees render services to all Dominion Companies participating in such service, for the services indicated are set forth below.

<b><u>Service Department or Function</u></b>	<b><u>Basis of Allocation</u></b>
<i>Accounting:</i>	
Payroll Processing	Number of Dominion Company employees on the previous December 31 <sup>st</sup> .
Accounts Payable Processing	Number of Dominion Company accounts payable documents processed during the preceding year ended December 31 <sup>st</sup> .
Fixed Assets Accounting	Dominion Company fixed assets added, retired or transferred during the preceding year ended December 31 <sup>st</sup> .
Accounts Receivable Processing	Number of Dominion Company payments processed during the preceding year ended December 31 <sup>st</sup> .
 <i>Information Technology, Electronic Transmission and Computer Services and Software/Hardware Pooling:</i>	
LDC/EDC Computer Applications	Number of Dominion Company customers at the end of the preceding year ended December 31 <sup>st</sup> .



<b>Service Department or Function</b>	<b><u>Basis of Allocation</u></b>
Other Computer Applications, including Software/Hardware Pooling	Number of Dominion Company users or usage of specific computer systems at the end of the preceding year ended December 31 <sup>st</sup> .
Network Computer Applications	Number of Dominion Company network devices at the end of the preceding year ended December 31 <sup>st</sup> .
Telecommunications Applications	Number of Dominion Company telecommunications units at the end of the preceding year ended December 31 <sup>st</sup> .
 <i>Human Resources:</i>	
Human Resources	The number of Dominion Company employees as of the preceding December 31 <sup>st</sup> .
 <i>Business Services:</i>	
Energy Services	Dominion Company energy sale and deliveries for the preceding year ended December 31 <sup>st</sup> .
Facility Services	Square footage of Dominion Company office space as of the preceding year ended December 31 <sup>st</sup> .
Fleet Administration	Number of Dominion Company vehicles as of the preceding December 31 <sup>st</sup> .
Security	The number of Dominion Company employees as of the preceding December 31 <sup>st</sup> .
Gas Supply	Throughput of gas volumes purchased for each Dominion Company for the preceding year ended December 31 <sup>st</sup> .
 <i>Risk Management:</i>	
Risk Management	Dominion Company insurance premiums for the preceding year ended December 31 <sup>st</sup> .
 <i>Corporate Planning:</i>	
Corporate Planning	Total Dominion Company capitalization (Debt and Equity) recorded at preceding December 31 <sup>st</sup> .
 <i>Supply Chain:</i>	
Purchasing	Dollar value of Dominion Company purchases for the preceding year ended December 31 <sup>st</sup> .
Materials Management	Dominion Company material inventory assets as of the preceding year ended December 31 <sup>st</sup> .

<b>Service Department or Function</b>	<b><u>Basis of Allocation</u></b>
<i>Tax:</i> Tax Accounting and Compliance	The sum of the total income and total deductions as reported for Dominion Consolidated Federal Income Tax purposes on the last return filed.
<i>Customer Services:</i> Customer Payment (Remittance) Processing	Number of Dominion Company customer payments processed during the preceding year ended December 31 <sup>st</sup> .
<i>Treasury/ Finance:</i> Treasury and Cash Management	Total Dominion Company capitalization (Debt and Equity) recorded at preceding December 31 <sup>st</sup> .
Research	Dominion Company gross revenues recorded during the preceding year ended December 31 <sup>st</sup> .
Office Space and Equipment: Corporate Office and Electricity	Headcount at corporate offices as of the previous December 31 <sup>st</sup> .

- B. Company Group Formulas to be used in the absence of a Service Department or Function formula or when service rendered by employees is for a different group of Dominion Companies than those companies regularly participating in such service:

<b>Company Group</b>	<b>Basis of Allocation</b>
All Dominion Companies (includes all Dominion Companies except DES)	<p><u>Prior to December 1, 2013:</u> Total operating expenses, excluding purchased gas expense, purchased power expense (including fuel expense), other purchased products and royalties for the preceding year ended December 31<sup>st</sup> for the affected Dominion Companies.</p> <p><u>Effective December 1, 2013:</u> Total operating expenses, excluding purchased gas expense, purchased power expense (including fuel expense), other purchased products and royalties, depreciation, depletion, and amortization, and taxes other than income for the preceding year ended December 31<sup>st</sup> for the affected Dominion Companies.</p>

- C. If the use of a basis of allocation would result in an inequity because of a change in operations or organization, then DES may adjust the basis to effect an equitable distribution.

## **F. DES Allocation Methods and Allocation WBS Elements**

DES enters into service agreements with individual DEI affiliates as well as subsets or groups of DEI affiliates. This is because there are specific services provided to these entities, which are not provided to all DEI affiliates. In these cases, DES will develop an allocation methodology for just that group of companies, based on the services provided. Below is a description of how this process takes place. Exhibit 6 provides a description of the allocation methods and basis for calculation.

- An allocation method may be developed for all companies or for a group of companies. As such, there may be more than one distribution (i.e. allocation) factor for each method. In general, allocation methods will only be created to capture billing project costs greater than \$1 million, or for billing project costs over multiple periods, unless there are regulatory requirements.
- The allocation factors are calculated in accordance with the DES Services Agreement. Allocation factors are updated annually and then as necessary to reflect fair and equitable distributions to all companies that benefit from the services provided.
- Allocations must be aligned with the “cost causation” standard (as is the case with direct charges). Allocations must be designed to allocate costs only to the affiliates that benefit from the service provided (e.g. no default allocation to all companies on the basis of simplicity when a better allocation can be determined). DES’ intention is to apportion costs to affiliates in a fair and equitable manner.
- Costs that are not specifically associated with a particular affiliate are typically charged to “allocation” WBS elements (i.e. billing projects). Each allocation WBS element is assigned an allocation method and allocation factor.
- The most current allocation factors assigned to each “allocation” WBS element are shown in Exhibit 6.

## **G. DES Department Services & Expense Policy**

This policy is intended to provide direction for departments within DES.

### General

- Each DES service function will provide services to affiliates under the rules as defined in the DES Services Agreement.
- Each DES service function must charge or allocate their resource time via the DES billing process. Affiliates receiving services from DES will be billed on a monthly basis.
- Charges for DES services to affiliates will not be made outside the normal DES billing process.

### Department Expenses

- Each department (or group of departments) is assigned a cost center within the DES reporting hierarchy that is associated with a specific service function as defined in the DES Services Agreement. DES employees assigned to a particular department will be associated with the department cost center.
- All department expenses related to DES employees and the provision of their service to affiliates will be charged to the department cost center. These costs will include:
  - DES employee labor, benefits, payroll taxes, and incentives
  - DES employee-related expenses (expense reports, travel expenses, entertainment expenses, training expenses, employee relations expenses)
  - DES department support costs (supplies, administrative support contractors, vehicle charges)
  - DES department "infrastructure" costs (cost of space occupied, use and maintenance of office furniture and equipment [including computer resources], and communications services [telephone and LAN]).
- Expenses incurred by DES specifically for the benefit of an affiliate or group of affiliates will not be charged to a DES department cost center. They will be charged to a DES affiliate billing project (with the appropriate cost center for responsibility reporting). Examples include:
  - Contractor personnel retained to provide services directly for affiliates
  - Specific supplies or materials purchased directly in support of affiliates (if they are not recorded as direct expenses on the affiliate's financial records)
- Expenses incurred by DES in connection with the provision of services to a specific affiliate should not be confused with the direct expenses of the affiliate. Direct affiliate expenses will

not be charged to DES. They will be recorded directly on the affiliate's (Virginia Power, Dominion Energy, etc.) financial records. Care must be taken when identifying costs as DES cost as opposed to direct affiliate cost.

#### Capital "Work" and Assets

- DES will not record affiliate inventory or assets on its financial records. Affiliate inventory items and assets are properly recorded on the affiliate's financial records.
- DES will not characterize work or charges performed in support of an affiliate capital project as "capital." DES work is considered to be an outside service, and may only be characterized as "capital" if reclassified on the affiliate's financial records after billing. It is up to the affiliate to capitalize costs dependent on the affiliate's capitalization policy.
- DES' internal "capital" work will only be allowed in the case of a DES owned asset(an asset that would remain on DES books and support its "provision of service" mission). The Dominion capitalization policy governs DES' internal "capital" work.
- The Fixed Asset Group makes the ultimate determination as to qualification for capitalization. The Controller will make ultimate determination as to the appropriateness of capitalization as a DES asset. Capitalization thresholds for DES are as follows:  
Computer Software        >= \$100,000  
Other Assets                >= \$2,000

#### Charging of Services to Affiliates

- DES employees are classified as either "Group A" or "Group B" employees. Group A employees are those employees that perform specific service functions as defined in the DES Services Agreement. Group B employees are administrative support employees involved in supporting Group A employees.
- Group A employees will charge all time worked to a specific WBS element (project). (This excludes nonproductive time such as vacation and sick time, which will continue to be charged to the appropriate nonproductive time code. (WBS elements are not used with nonproductive codes. Costs of nonproductive time will be incorporated in the employee's activity price.)
- Group B employees do not charge WBS elements. (They continue to charge nonproductive time to the appropriate nonproductive time code.) These costs default to their cost center (Group B costs are incorporated in activity prices of Group A employees).
- Aviation pilots are considered Group B employees and although their costs default to their cost centers (aviation services), their costs are included in the cost of the aircraft usage. This is because there are no Group A employees within those cost centers.

- Specific WBS elements will be created for each DES service function to charge.
- Two types of Billing WBS elements (projects) are created:
  - WBS elements for direct charges to specific affiliates
  - WBS elements which will allocate time charges per an approved allocation methodology (under the DES Services Agreement)
- In addition, specific tracking WBS elements (“interim” projects) are created as required to identify expenses of key DES activities. Costs of these interim projects will settle into billing WBS elements or billing cost centers for billing purposes. See Section J for a discussion of Interim Projects.

#### Time Recordation

Direct charging of time to a specific affiliate is the preferred alternative under the DES Services Agreement.

- In the event direct charging of time to a specific affiliate is not practical, time may be recorded to an allocation WBS element; specific to the DES service being provided (for example, Payroll services are allocated on the number of employees in a particular affiliate).
- Refer to Section L for employee time reporting policy.

#### Costing DES Services

- Group A employee time charged is costed at the activity price (standard labor rate) associated with that employee’s position. The activity price will include all costs in the DES department cost center, including employee labor, benefits, payroll taxes, and incentives, employee-related costs, department support costs, costs of Group B employees, and department infrastructure costs.
- Department management should ensure that actual charges to cost centers are consistent with the costs included in development of activity prices.
- Any charges remaining on the DES department cost centers at month-end will be automatically cleared out and billed to affiliates. This is when DES has billed the costs, but they remain in the cost center and have not appeared on the affiliates books as payable to DES. This cost center “true-up” is based on time allocation charges.

Comment [bdh1]: Is this correct?

#### Contractor Guidelines

- Administrative support contractors should be considered department support expenses and included as a component of DES employee activity prices. For costing purposes, they will be

treated in the same manner as Group B employees. Administrative support contractors include:

- Temporary office help
  - Office equipment maintenance contractors (for periodic, limited term work and to the extent the equipment is owned by DES)
  - Consultants on small, limited-term engagements (to the extent they are considered an expense of DES)
- Cost of contractors who are managed as supplemental DES resources (actively involved in DES performing its service function) should be charged to a specific interim project or “billing” WBS element. This element may be either a direct WBS element for a particular affiliate or an approved allocation “billing” WBS element for that particular department or DES service function use. Contractors managed as supplemental DES resources include:
    - Software programmers
    - LAN support personnel
  - Contractors who are secured to provide services exclusively for a particular affiliate or exclusively for a specific application within an affiliate should be considered direct expenses of the affiliate. These contractors are not a DES resource. Their expenses are not expenses of DES and should not be part of any DES billing.
  - Administrative control of contractors by DES management should not be viewed as the sole criteria for their characterization as DES expenses. DES service functions will routinely be selected by affiliates to manage certain processes and costs within the affiliates under terms of the DES Services Agreement (these costs are often referred to at Dominion as “shared services” costs). This does not transfer responsibility for these costs to DES.

#### Convenience Payments

- A convenience payment is a cash payment made by DES for the benefit and convenience of affiliates (Virginia Power, DEI, etc.) when it is impractical or inefficient to make these payments from the affiliate companies. Payments of this type are related to activities and programs that are centrally managed and are paid in lump sum manner. Affiliates will reimburse DES for cash paid on their behalf. Convenience payments are not considered expenses of DES and are not part of the normal DES billing process. Examples of convenience payments include:
  - Affiliate insurance premium payments (non-“affiliate-specific” programs)
  - Affiliate workers compensation premium payments
  - Affiliate benefits and pension plan payments

Use of convenience payments will be limited. All convenience payments must be approved in advance by the Controller.



- Refer to Section M for Convenience Payments policy statement and guidance.

Other Expenses

Prepaid expense – Prepaid expenses should be recognized as soon as an amount is reasonably estimable for goods and/or services to be received at a future date. A prepaid amount will then be amortized over the period of services or until the service contract expires. Exhibit 11 provides the guidelines for amortization of prepaid items. In the event that a prepaid item needs to be accrued after the service term has already begun, an accrual should be posted for the portion which should have already been amortized. See example below:

Example: \$120 invoice, term 12 months, 2 months past the start date.

Debit Expense: \$20  
Credit Liability: \$20

## DES Billing System Illustrated

There is a DES “work order” system that is utilized to capture costs for distribution to DEI affiliates. They follow a similar illustration as shown in the Employee Time Reporting in Section L below. The following notes augment specific points throughout this process.

- Generally, costs are recorded in either cost centers or WBS elements.

### DES Billing Overview

- Time and expenses of department employees are accumulated in DES cost centers (e.g., Legal Services, Payroll, etc.). Certain corporate overheads such as employee benefits and incentives, rent and depreciation expense are recorded in “common” cost centers and allocated monthly to the department cost centers.
- Each department’s cost is identified on the affiliates’ bills in terms of the service function they provide.

**Comment [bdh2]:** What is a common cost center? Is it literally ones used most often?

### DES Billing for Services Provided

- Department employees charge their time to a “direct” billing project (if they provide service specifically for an affiliate) or to an “allocation” billing project. Employees’ time and expenses are moved from the cost center to the billing project via an “activity allocation,” which represents the total cost of the service. At month end, the billing projects are settled to affiliate billing cost centers. These cost centers accumulate all costs that are billed to each affiliate and facilitate preparation of the bill that is recorded on the affiliate’s books.
- Services provided by Virginia Power to other DEI affiliates require an approved Support Services Agreement between Virginia Power and the affiliate. Virginia Power employees charge their time and expenses to specific affiliate billing projects that accumulate all applicable costs and facilitate preparation of the bill.

### DES Activity Price Components

- As noted above, an employee’s time and expenses are moved from the cost center to the billing projects via an activity allocation. An activity allocation is equal to the employee’s activity price multiplied by hours charged. The activity price comprises the full costs of an employee providing service.

## H. DES Project Policies & Procedures (Work Orders)

As described in this manual, DES uses a combination of interim projects and billing projects to effect fair and equitable cost apportionment to affiliates. Billing projects may either be defined as direct billing projects or allocation billing projects.

### Control Issues

- Direct billing projects and allocation billing projects will only be created and maintained by DES Accounting. These projects affect the core integrity of the billing system.
- Allocation billing projects will have allocation settlement rules maintained by DES Accounting. No other group will maintain these rules.
- Interim projects (see Section J) will only be maintained by DES Accounting, DES Financial & Business Services, or Operating Company Financial & Business Services personnel in control of DES operational support groups. Field personnel will not be allowed to create or maintain these projects.
- DES capital projects (related to DES-owned assets) will be established using a procedure similar to that for interim projects. Fixed Asset Accounting must review the settlement on these projects as to proper accounting policy and appropriateness for capitalization. DES capital projects must be approved by DES Accounting prior to Fixed Asset Accounting releasing the project.

#### **Set-up Issues**

- Direct and allocation billing projects will be established such that they settle costs in their entirety to DES billing cost centers. Interim project settlement rules will be established to settle their costs only into a DES billing cost center or allocation billing project with the following exception:
  - DES internal projects that are approved by Finance for settlement to DES cost pools
- Interim projects will never settle costs back into DES service cost centers. All costs will maintain an “outbound” character for billing purposes. Interim projects will never have special purpose allocation factors or “self-made” allocation settlements other than what is specifically prescribed in Exhibit 5 of this manual unless approved in advance by DES Accounting. This situation does occur sometimes when DES employees provide services for specific subsets of companies other than what is ordinarily set up, but this will not be routinely approved due to the loss of allocation control by DES Accounting.
- Interim project numbers will always be established with the applicable service prefix (for example ACCTSVC or FACILITY) at the beginning of the WBS element number. This designation is essential to facilitate cost center true-up.
- Projects will never be set up to settle into or out of DES (to or from other affiliates). Any cross-company transactions outside the normal DES billing process must be approved in advance by DES Accounting.
- DES capital projects will be established using ‘XX’ as the leading characters in the project number. This designation is used to facilitate internal DES reporting. No projects

other than DES capital projects and Fleet M5 projects will have these characters.

**Review requirements for existing projects**

- DES projects will be reviewed periodically as to use. Inactive projects will be closed. Inactive projects that remain open increase the likelihood of billing error in that costs could post to these projects and be billed incorrectly due to lack of settlement rule maintenance. Projects will be reviewed at least annually.
  - DES Accounting will have sole responsibility for reviewing and closing inactive direct and allocation billing projects.
  - The applicable Financial & Business Services Group will have responsibility for reviewing and closing inactive interim projects. The decision to close a project should reflect a change in the service level to an affiliate or completion of a specific affiliate work activity tracked by the applicable interim project.
  - DES capital projects will be reviewed by the applicable Financial & Business Services Group and by Fixed Asset Accounting. Completed projects will be closed promptly. Prompt action is required to properly reflect these items as DES fixed assets as opposed to work in process on the balance sheet, and for depreciation/amortization to begin.

## **I. Use of Interim Projects within DES**

- In certain cases, it may be advantageous to capture additional “tracking” detail during DES’ provision of service to affiliates. In this case, “interim” projects may be requested. For example, an affiliate service recipient may need to track costs of particular DES support for:
  - ✓ Future capitalization
  - ✓ Specific project costing for key projects
  - ✓ Billing to joint owners or partners

Or DES may need to capture additional internal “tracking” detail for:

  - ✓ Specific project costing for key projects
- An “interim” project will be structured to pass its cost or settle to a direct billing cost center or allocation billing project (as referenced above). After settlement to the billing project or billing cost center, the costs are billed according to the settlement rule.
- Interim project detail is not provided as part of the actual bill to the affiliate. Interim project detail is ad hoc in nature, provided as supplementary information to the bill, and often provides a basis for affiliate accounting personnel to reclassify charges for proper tracking within the affiliate. See “Reclassification of DES Costs on Service Receiver’s Books” later within Section J.
- Specific reports are available within SAP to allow reporting on interim projects (see “Interim Project Detail Report” later within Section J).

DES interim projects are established and maintained by the DES Financial & Business Services groups, including budgeting groups responsible for DES operational support employees. Other groups are not permitted to create or to change the master data of these projects.

### **Procedure for Requesting Interim Projects**

- After the affiliate service recipient/DES service provider identifies the need for additional detail for specific services, they should contact their applicable DES Financial & Business Services group to make a request.
- Their DES Financial & Business Services group will review the request as to business need. If approved, their DES Financial & Business Services group will create the interim project(s) and establishes settlement (rules) into the appropriate affiliate billing project. They will contact DES Accounting for specific billing guidance, if required.
- Interim projects designed to provide additional detail to affiliates will have the proper master data set in the “Summarization” section of the WBS element master. This data includes the “billed to” company and the nature of the project (i.e. expense tracking, billing related, or subject to capitalization by the affiliate). Specific instructions for establishing this master data are included in Exhibit 7.

- Each interim project may receive a "customer number" in the project master data if the project supports additional tracking detail requested by an affiliate service recipient. The customer number will generally contain the corresponding project number or unique identifier established by the affiliate service recipient. The customer number is a link that facilitates ad hoc reporting for expense re-class purposes by the affiliate. Customer numbers should generally not be used on interim projects used for internal DES tracking.
- Interim projects will be structured such that they reflect unique projects that may receive support from various DES service providers. For example, if a project will receive engineering, legal, and tax support from DES, a single project will preferably be established to collect the total project costs. Separate WBS elements are established for the engineering, legal, and tax groups to charge and these WBS elements reflect the "service prefix" for the DES service being performed. The "project definition" level of a DES interim project begins with a prefix distinguishable to the group that manages the specific set of interim projects.

**Interim Project Detail Report**

The Interim Project Detail Report allows affiliate accounting and financial & business services personnel to monitor charges for proper tracking within the affiliate. This report also provides the basis for reclassification of DES charges onto specific projects within the affiliate. See Exhibit 7 for specific instructions on this report.

**Reclassification of DES Costs on Service Receiver's Books**

As previously mentioned, it may be appropriate for the affiliate to reclassify DES expenses on its books to capital projects or other cost objects for internal reporting or billing purposes. The affiliate is, therefore, responsible for determining whether the project should be capitalized or not as they have the firsthand knowledge of the work being performed. The following provides guidance on the specific accounting entries. In order to retain the integrity of the inter-company balancing and consolidations process, the reclassification entries must be performed using specific GL accounts:

*Reclassify DES Expenses from Cost Center to a Capital WBS Element or Other Asset:*

WBS Element	Debit	GL 5999999	Clearing Acct – Capitalized DES Inter-Co Expenses
Cost Center	Credit	GL 5999999	Clearing Acct – Capitalized DES Inter-Co Expenses

*Reclassify DES Expenses from Cost Center to Other Expense Cost Object:*

WBS/Cost Center	Debit	GL 5999998	Inter-Co Expenses Trnsf (Non-Elim)
Cost Center	Credit	GL 5999998	Inter-Co Expenses Trnsf (Non-Elim)

As the above entries are made and show the amounts going into and out of the cost centers, the affiliates' books will show a debit to a capital project (if determined capital) and a credit from the affiliate receiver cost center. This is how the capital determination is made and properly

reflected.

## **J. Definitions of Direct and Indirect Costs**

### **Billing Projects**

DES employees typically charge WBS elements (Projects or Work Orders) that bill costs to affiliates in two ways:

- Direct billing projects send their costs to individual companies (legal entities) or to a “process” within a legal entity (the total of all the processes on a legal entity total the legal entity’s total billing). Examples of legal entities include The East Ohio Gas Company and Dominion Cove Point. Examples of processes include the Nuclear and Fossil & Hydro Groups within Virginia Power (Virginia Power being the legal entity).
- Allocation billing projects apportion their costs to individual companies (or processes) based on the allocation methods as defined in the DES Services Agreement.

DES interest costs (costs of financing DES operations) are billed to associates based on their portion of direct and allocated costs.

Certain Dominion companies participate in a consolidated Dominion Money Pool (Pool). The DES administers this pool, but also participates in the pool. If the service company is in a net lending position (funds exceed obligations), the interest revenue is shared amongst the participants via the same allocation in which expenses are allocated. If DES is in a net borrowing position (obligations exceed funds), the interest expense on the pool borrowing is allocated.

### **Billing Invoices**

Billings presented to affiliates have costs segregated in the following categories. (Within all categories, costs are separated by service.)

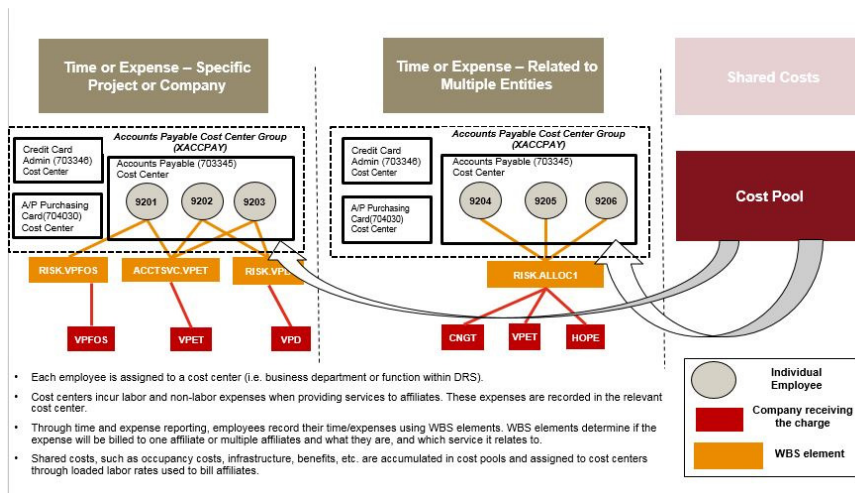
- DES Direct Charges - represent charges that have been identified for billing to a legal entity. No allocation is performed to arrive at these charges.
- DES Direct Allocated Charges- represents charges that are allocated to legal entities within the affected segments (Dominion Virginia Power, Energy, Generation or Corporate). The charges in aggregate are 'direct' charges to the segment. An example of this type of charge is the cost of the Energy Segment Controller group. Costs of this group are allocated only to companies within the Energy segment.
- DES Corporate Allocated Charges - represent charges for corporate functions that are allocated to multiple segment companies. An example of this type of charge is the cost of DES Accounting. Costs of this group are allocated to companies in all segments.

- Inter-company Interest Expense (Income) - represent charges (income) for financing DES operations that are allocated to all companies based on DES billings.

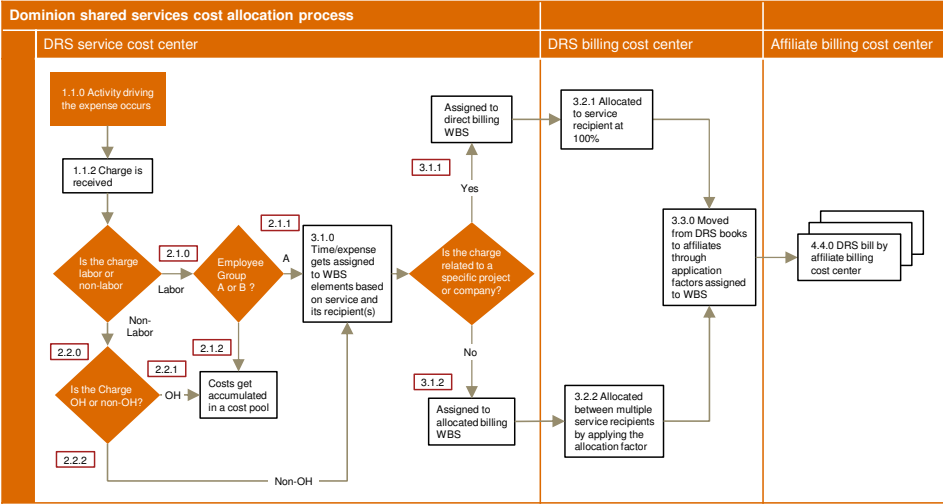


## K. Employee Time Reporting

- DES employees enter their time into the SAP timekeeping modules referred to as Employee Self Service (ESS).
- Every employee is required to report all productive and non-productive hours on his or her timesheet. Time entry is encouraged daily and required to be entered into ESS, at a minimum, on a weekly basis. On a monthly basis, management reviews and systematically approves time entered by the employee, at the end of the month. All productive hours must be coded with a “billing WBS element” or an interim project. This may represent either a direct charge or an allocation.
- A “direct charge” WBS element is used to code work performed for a specific affiliate. The naming convention for “direct charge” WBS elements is equal to the Provider Service Group plus the Affiliate Receiving the Service. For example, WBS element “ACCTSVC.EOG” represents Accounting Services provided to East Ohio Gas. The diagram below illustrates the difference between a ‘direct charge’ WBS element and an allocation.



- An “allocation” WBS element is used to code work performed that cannot be direct charged to a specific affiliate. In this case, since a specific affiliate is not identified, costs in these types of WBS elements are allocated to affiliates in accordance with the DES Services Agreement. The naming convention for an “allocation” WBS elements is equal to the Provider Service Group plus “ALLOCX”. For example, WBS Element “HR.ALLOC1” represents the Human Resources Service (HR) that is allocated on headcount. The illustration below shows the detail behind the allocation process.
-



- Employees are required to charge all of their time and expenses to WBS elements that correlate with their assigned service function.
- The DES Time Entry & Approval Policy is included as Exhibit 8.

## **L. Convenience Payment Policy**

### Definition:

A "convenience payment" is a cash payment made by DES for the benefit and convenience of affiliates (Virginia Power, Dominion Energy, etc.). Payments of this type are related to activities and programs that are centrally managed and are paid in a lump sum manner. Convenience payments are cash transfers (i.e. balance sheet) only and do not represent legal expenses of DES. As such, they have no income statement (i.e. expense) impact to DES.

### Examples:

- ✓ Affiliate insurance premium payments (non-"affiliate-specific" programs)
- ✓ Affiliate workers compensation premium payments
- ✓ Affiliate benefits and pension plan payments

### Policy:

- Convenience payments are strictly controlled. The Controller must approve convenience payments DES may make on behalf of affiliate companies.
- Requests for convenience payment approval must be made to the Controller. Approval will be contingent on the type of payment, the recurring nature of the payment, the dollar magnitude of the payment, and the efficiencies gained by the corporation as a result of treating the transaction as a convenience payment.
- In no case will convenience payments be characterized as expenses of DES. Expenses related to the convenience payment(s) will be recorded on the appropriate affiliate(s) financial records. As such, convenience payments will not be part of the normal DES service billings to affiliates.
- Cash for convenience payments made by DES on behalf of affiliate companies will be fully reimbursed by said affiliates.

### Methodology for processing convenience payments:

- The DES service function retained to manage the affiliate activity (giving rise to the convenience payment) will determine the level of expenses that should be recorded on the affiliate's financial records. (The "DES service function" is defined as a function or department within DES that has been chosen to provide services to affiliate companies under the election as specified in the DES Services Agreement).
- It will be the responsibility of the DES service function to separate the convenience payment into each affiliate's portion for proper recordation and cash reimbursement.

- The DES service function will process the cash convenience payment by instructing the Accounts Payable group to make payment to the vendor. The cross-company journal entry entered by Accounts Payable will reduce (credit) DES' cash account and increase (debit) the appropriate natural expense account on each affiliate's financial books who uses SAP as their financial system. For non-SAP affiliates, single company entries are recorded. DES will record a receivable from the non-SAP affiliate and credit cash. The non-SAP affiliate will record expense (debit) to the appropriate natural expense account and a payable to DES (credit).
- For cross-company entries, the SAP financial system automatically creates affiliate customer/vendor invoices to balance inter-company transactions. A customer invoice (accounts receivable) is created on DES' books, and a vendor invoice (accounts payable) is created on each affiliate's books for whom the payment was made.
- Billings and invoice preparation occur approximately the third working day of the month. Our SAP Accounts Payable Module allows cash recovery of inter-company transactions in an automated manner. Once the billings occur, the operating companies have until the 25th of the month to review and dispute billed amounts. If no disputes occur, cash is transferred prior to end of month.

### **M. Activity Prices**

- Activity prices (standard labor rate) were created as a way to capture all costs associated with an employee's labor. The activity price will include all costs in the employee's DES department cost center, including employee compensation (raw salary/hours), benefits, payroll taxes, and incentives, employee-related costs such as travel, department support costs, costs of Group B employees, and department occupancy and infrastructure costs such as office space, computer resources and telecommunications.
- Activity prices are created by DES Financial & Business Services. These rates are uploaded by DES Accounting into SAP to be used by the activity allocation to move employees' time and expenses from their cost center to the billing projects based on time entry. On an as needed basis, the activity prices are updated. An activity allocation is equal to the employees' activity price times hours charged.
- Department management should ensure that actual charges to cost centers are consistent with the costs included in the development of activity prices by charging significant unusual or one-time costs to an appropriate direct billing project.

## **N. DES Procurement/Payment Practices**

### **General**

As described in the DES Services Agreement, the Supply Chain (Procurement) Service may “Advise and assist Dominion Companies in the procurement of real and personal property, materials, supplies and services, conduct purchase negotiations, prepare procurement agreements and administer programs of material control.” These services may relate to materials and services procured for DES internal purposes or for affiliated companies. When services are provided related to procurement activities for the benefit of affiliate companies, care must be exercised to distinctly separate DES costs of providing the procurement support, and the costs of the goods and services procured. Costs related to the actual goods and services procured for affiliate companies must be recorded on the financial records of the affiliate.

The FERC Uniform System of Accounts for Centralized Service Companies provides guidance in Title 18 CFR Part 367 that specifies:

(a) “Cost of materials, construction payrolls, outside services, and other expenses directly attributable to construction work shall be excluded from the accounting system of the service company and charged directly by the vendor or supplier to the construction project.”

And that:

(b) “Service costs allocated to centralized procurement activities shall include only the cost of the support services performed by the service company in connection with the procurement of goods for associate companies. Costs of goods procured shall be excluded from the accounting system of the service company and charged directly by the vendor or supplier to the associate company concerned.”

### **Master Purchase Agreements**

It may be advantageous to enter into master purchase agreements in the name of Dominion Resources Services. Agreements of this type may provide flexibility to extend purchase agreements to future affiliates or to existing affiliates that may need the related goods or services in the future. In this case, the purchase agreements are normally written to include “Dominion Energy Services, Inc., its parent Dominion Energy, Inc. and any parent, affiliate or subsidiary of either now or in the future”. Language of this type in no way negates the requirements to record the expenses related to actual purchases on the financial records of the affiliate, as detailed in the general policies above. This may require individual purchase orders that may ‘release’ against the master order.

### **Payments and Intermingling of Funds**

Payments for goods and services procured for the benefit of affiliate companies will be made from the affiliate company’s funds. In no case will payment be made from the funds of DES,

with the exception of convenience payments specifically approved by the Controller (See specific requirements for convenience payments in Section M).

Intermingling of funds between DES and other affiliates is not allowed. Arrangements of this type may subject one legal entity to the liabilities of another.

## **O. Billings for Corporate Aircraft**

DES owns and leases four corporate aircrafts for Dominion. Flights are approved in advance by Executives and are scheduled by the Travel Services group. DES Accounting bills Dominion affiliates for the expenses related to aircraft use. The procedures to effect the affiliate billings is as follows:

- DES Accounting has established a group of cost centers for the Aviation group's use in cost management. DES Financial & Business Services is responsible for providing support in monitoring planned vs. actual expenses against an approved cost plan.
- DES Financial & Business Services calculates billing rates by aircraft based on annual planned expenditures and usage rates. The rates are segregated into variable and fixed components. The cost DEIver for variable cost determination is flight hours. The DEIver for fixed cost determination is a combination of O&M and flight days for the previous two years.
- Travel Services forwards the flight logs to DES Accounting. The logs specify key flight information, including authorizing Executive, flight date, trip purpose, passengers, flight "legs" & destinations, and hours flown.
- DES Accounting examines the authorizer and trip purpose and determines the proper billing project to be used. The billing project may be an interim project, a direct billing project, or an allocation project.
- The amount billed for the flight is determined by multiplying the flight hours (from the flight log) by the variable rate. The aggregate amount is charged to the project.
- Fixed costs are billed to affiliates based on the aviation allocation factor. The allocation factor is based on a combination of O&M and flight days for the previous two years.
- The costs are billed to affiliates separately identified as "Aviation" billings on the monthly invoice.
- DES Accounting examines the aviation cost centers on a quarterly basis and determines the amount of remaining cost that is unbilled by the billing rates. This amount is "trued-up" over the actual billings for the quarter to recover all remaining costs from the users of the aircraft.
- Flights that are related to services or activities that have been designated as Parent Company activities are billed to DEI.



## **P. Merger and Acquisition (M&A) Costs & Billings**

DES expenses related to support of affiliate M&A activity will be collected in specific interim projects segregated by service. These projects will serve as documentation of related amounts billed to the affiliate. The affiliate will make the determination as to the ultimate disposition of these billed amounts on its financial records.

- M&A support will generally be concentrated in the accounting, legal, tax, executive, treasury, and corporate planning services of DES.
- DES M&A support costs will be billed to the affiliate as incurred.

Procedure to bill for DES M&A support costs:

- At the inception of the M&A project, a sponsoring company will be identified.
- Management, who identifies the need for a project to be undertaken will also identify the DES support services required. . The DES Financial & Business Services group will set up interim projects in each service area to track the support costs of the project.
- DES Financial & Business Services will consult with DES Accounting as to the proper billing for these costs. DES Accounting will arrange for proper treatment of expenses billed to DEI.
- The settlement rules of the interim projects will be established according to the billing instructions above.
- Once the M&A project is completed, DES Financial & Business Services will close the interim projects created to track the support costs.

## **Q. Divestiture Costs & Billings**

DES expenses related to support of affiliate divestiture activity will be collected in specific direct billing interim projects segregated by service. These projects will serve as documentation of related amounts billed to the affiliate and any third party for reimbursement. The divestiture costs will be expensed.

Procedure to bill for DES divestiture support costs:

- DES support services required will be identified. The DES Financial & Business Services group will set up interim projects in each service area to track the support costs.
- DES Accounting will create a statistical order to be used with all time and invoice charging to assist with reporting.
- The settlement rules of the interim projects will be established according to the billing affiliate involved. If the costs are to be reimbursed by a third party, then the bill will be sent to the affiliate that will receive that third party reimbursement.

Procedures for Third Party reimbursable costs:

- At the inception of the divestiture, a purchasing company (companies) will be identified. Meetings will be held with transition services to establish the type and length of services that will be reimbursed by the third parties. A schedule showing these arrangements should be forwarded to DES Accounting, DES Financial & Business Services Group, Legal, and applicable Accounting and Finance for affiliate divestiture activity will review the transition service agreement.
- The DES Financial & Business Services group will set up the WBS elements in each service area to track the support costs and will forward the list to DES Accounting.
- On a monthly basis DES Accounting will run reports by WBS element to capture those support costs to be reimbursed by the third party and forward the support to the appropriate affiliate company for billing to and reimbursement from the third party.
- Once the affiliate has divested, the DES Financial & Business Services group will close the interim projects established to track support costs.

## R. DES System of Accounts

- DES utilizes a natural chart of accounts. Transactions are recorded to accounts that are ‘resource-based’ (e.g., salaries, contractor services, materials, office supplies, etc.).
- The natural accounts are mapped to FERC accounts via a financial statement reporting tool in order to report financial results in accordance with the “Uniform System of Accounts for Centralized Service Companies”.
- Exhibit 9 provides a listing of the natural chart of accounts assigned to DES. Income statement and balance sheet accounts are assigned unique number ranges:

Assets	1000000 - 1999999
Liabilities	2000000 – 2999999
Equity	3000000 – 3999999
Operating Revenue	4000000 - 4999999
Operating Expenses	5000000 - 5999999
Non-Operating Income/Deductions	6000000 - 6999999

- Exhibit 9 provides the FERC-based income statement and balance sheet, respectively, and the natural accounts that are mapped to each FERC account.

## **S. DES Closing Process Overview**

### **General**

- During the consolidated closing process, DES is the first company to be closed (by 12:00 PM on Day 3), since DES bills all of its costs to other DEI affiliates. As such, “staging” the DES closing processes is key to maintaining a timely close.

### **Process Overview**

#### Day 1

- Load settlement factor updates (allocation percentages) as necessary and generate WBS groups
- Review DES cost centers and ensure the proper WBS elements have been assigned to costs by the Financial & Business Services groups.

#### Day 2

- Run assessments (allocations) to DES cost centers from DES common cost centers:
  - Benefits
  - Short Term Incentives
  - Executive Supplemental Compensation
  - Vacation Accrual
- Settle Priority ‘1’ projects (projects which must first be settled to a WBS/project and then moved to a cost pool center before being allocated)
- Settle DES capital projects
- Post depreciation on DES cost centers (generally posted to cost ‘pools’)
- Run assessment (allocation) of facilities/infrastructure/fleet cost pools to DES cost centers
- Post affiliate billings to DES for facilities charges and services billed by DEI affiliates to DES. These billings generally represent occupancy costs DES pays for floor space and infrastructure.
- Run assessment (allocation) of activity prices to true-up DES cost centers.

Day 2 (cont'd)

- 
- Settle interim projects (settle to billing projects)
- 
- Settle billing projects (settlement of allocated billing projects performs the actual allocation)
- Run interest assessment to billing cost centers (allocate DES 'carrying costs' in proportion to billings)
- Extract and simulate the DES Bill

Day 3

- Review DES Bill compared to Budget
- Post inter-company billing to affiliates for services provided by DES in SAP

## **T. Budgeting and Variance Analysis**

### **Budgeting Process**

On an annual basis, a 5-year plan is prepared for DES Budgets for each cost center within DES. To begin the process a preliminary budget is submitted to each cost center manager or their designee for review. This preliminary budget is based on the prior year approved budget with adjustments for known changes, including adjustments to the level of service delivered to the Operating Units, which have occurred since the prior year budget was approved. Cost center budgets are revised, reviewed and approved by DES Executives and submitted based on Corporate Finance's planning schedule.

### **Variance Analysis Process**

On a monthly basis, DES Financial & Business Services and DES Accounting perform variance analysis, including a comparison of actual vs. budget for significant fluctuations, a comparison of the current month vs prior month DES bill by service, and a comparison of each affiliates' bill for the current month actual vs budget.

## **U. Money Pool**

### **Administration of the Money Pool**

- The Dominion Money Pool functions as a vehicle for short-term financing for the Dominion system.
- The Dominion Money Pool is segregated into two separate accounts, Regulated and Unregulated. All unregulated participants can either invest their surplus funds in or borrow from the Unregulated Money Pool account. All regulated participants can either invest their surplus funds in or borrow from the Regulated Money Pool account. DEI will not borrow from the Dominion Money Pool, but will be the ultimate provider of funds to the Dominion Money Pool as needed.
- The purpose of the Dominion Money Pool is to provide the DEI subsidiary participants with short-term borrowed funds and/or to invest surplus funds of DEI and its subsidiaries in short-term money market instruments. The DEI Money Pool offers the DEI subsidiaries lower short-term commercial paper borrowing rates, and a mechanism to earn interest from surplus funds that are loaned to other DEI subsidiaries, as well as decreased reliance on external funding sources.
- Funds not required by the Dominion Money Pool to make loans (with the exception of funds required to satisfy the Dominion Money Pool's liquidity needs) are ordinarily invested in one or more short-term investments.
- The interest income and investment income earned on loans and investments of surplus funds are allocated among the participants in the Regulated or Unregulated Money Pool in accordance with the proportion each participant's contribution of funds bears to the total amount of funds in each of the Money Pools.
- Each participant receiving a loan through the Dominion Money Pool is required to repay the principal amount of the loan, together with all interest accrued thereon, on demand. Interest on outstanding loans is paid to the Dominion Money Pool monthly. The borrower without premium or penalty can repay all loans made through the Dominion Money Pool.
- All DEI subsidiaries, except Virginia Power are permitted to participate in the Dominion Money Pool.
- DES will administer the Money Pool on an "at cost" basis.
- The Money Pool Agreement has been approved by the Pennsylvania and West Virginia state regulatory commissions.
- Administration of the Dominion Money Pool includes the following:
  - Cash Management - those activities necessary to effect the related cash advances and

borrowings, interest payments, and calculate any related monthly interest earned or payable.

- The Cash Management Department enters the desired inter-company bank transfers each day into SAP's cash concentration which then:

(1) is uploaded to the banks to initiate the cash transfers (principal & interest) and  
(2) creates accounting postings in SAP to debit the appropriate bank G/L account of the receiving company and credit the G/L account of the company sending funds. (These postings are cross-company document types and since they are cross-companies entries, create offsetting vendor payables and customer receivables).

- **Accounting** - those functions necessary to record the activity in the general ledgers of the various participating companies, including:
  - Execution of an SAP Program, ZFI\_INTERCO\_POST, on Day 1 of closing which reclassifies vendor payables and customer receivables to the appropriate Money Pool advance/borrowing G/L Accounts and interest payments/receipts to the appropriate inter-company interest receivable/payable G/L Accounts and
  - Execution of an SAP Program, ZCPINTCALC, on Day 1 of closing which posts monthly interest accruals on outstanding Money Pool balances.
- The Cash Management Department is responsible for accumulating information relating to the Money Pool borrowings and advances for each monthly period on a spreadsheet. The monthly spreadsheet will include the following worksheets:
  - **Borrow & Advance JE** – This spreadsheet summarizes the net monthly borrowings from or investments in the Money Pool for each participating DEI company. The appropriate journal entry information (amounts, accounts, etc) for DES and each DEI company is also displayed based on each DEI company's net position at month-end.
  - **Interest Accrual JE** – This spreadsheet summarizes the interest income earned or expense incurred by each participating DEI affiliate during the month. The appropriate journal entry information (amounts, accounts, etc) for DES and each DEI company is also displayed based on each DEI company's borrowings or advances during the month.

The spreadsheet prepared by the Cash Management Department is electronically mailed to each participating DEI company. It is also mailed to DES Accounting for verification against entries already posted via the SAP Cash Concentration module (monthly advances/borrowings and interest payments/receipts) or posting to the SAP General Ledger (monthly interest accruals).



## **V. FERC Reporting**

### DES FERC 60

- As required by PUHCA 2005, DES files a FERC Form 60 Annual Report of Centralized Service Companies with FERC. Financial information is collected from the natural general ledger accounts of DES and converted into the FERC Uniform System of Accounts for reporting purposes. This report is prepared and filed electronically on an annual basis.

### Form 1, 2, and 2A

- According to Title 18, Parts 101 and 201, General Instruction 14 of the Code of Federal Regulations, each utility shall keep its accounts and records so as to be able to furnish accurately and expeditiously statements of all transactions with associated companies. The statements may be required to show the general nature of the transactions, the amounts involved therein and the amounts included in each account prescribed therein with respect to such transactions. Transactions with associated companies shall be recorded in the appropriate accounts for transactions of the same nature.
- When DES bills services to associated companies on a monthly basis, the costs are initially captured in only one FERC account on the operating companies books; however, the costs must be spread over the appropriate FERC accounts based on the above guidance. Therefore, a functional allocation is performed on the operating companies books to reclass the costs into the appropriate FERC accounts for FERC reporting purposes.
- Note that this section only applies to those operating companies that have FERC reporting requirements.

**Exhibit 1 Dominion Corporate Legal Structure**

LEGAL STRUCTURE	
0100	Dominion Energy, Inc.
0103	Dominion Resources Capital Trust III
1000	Virginia Electric and Power Company
1090	VP Elimination Co
6000	Virginia Power Services, LLC
6100	Virginia Power Nuclear Services Company
6300	Virginia Power Services Energy Corp., Inc.
6500	VP Property, Inc.
1003	Hope Gas, Inc.
1006	Dominion Natrium Holdings, Inc.
1009	Dominion ACP Holding, Inc.
1010	Dominion Atlantic Coast Pipeline , LLC
ACP1	Atlantic Coast Pipeline, LLC
1020	Dominion MLP Holding Company II, Inc.
1021	Dominion MLP Holding Company III, Inc.
1100	Dominion Gas Holdings, LLC
1101	Dominion Gas Adjustment Company
1001	The East Ohio Gas Company
1004	Dominion Transmission, Inc.
8151	Tioga Properties, LLC
8161	NE Hub Partners, L.L.C.
8162	NE Hub Partners, L.P.
8163	Farmington Properties, Inc.
1005	Dominion Iroquois, Inc.
1011	Dominion Gathering & Processing, Inc.
1200	Dominion Questar Corporation
1210	QPC Holding Company
1230	Questar Southern Trails Pipeline Company
1240	Questar InfoComm, Inc.
1241	Questar Project Employee Company
1242	Questar Energy Services, Inc
1250	Questar Gas Company
1251	Questar Gas Adjustment Company
1260	WexPro Company
1261	WexPro II Company
1265	WexPro Development Company
1280	QPC Services Company
5008	Dominion Technical Solutions, Inc.
5010	Dominion Alternative Energy Holdings, Inc.
5007	Dominion Energy Technologies, Inc.
5011	Dominion Voltage, Inc.

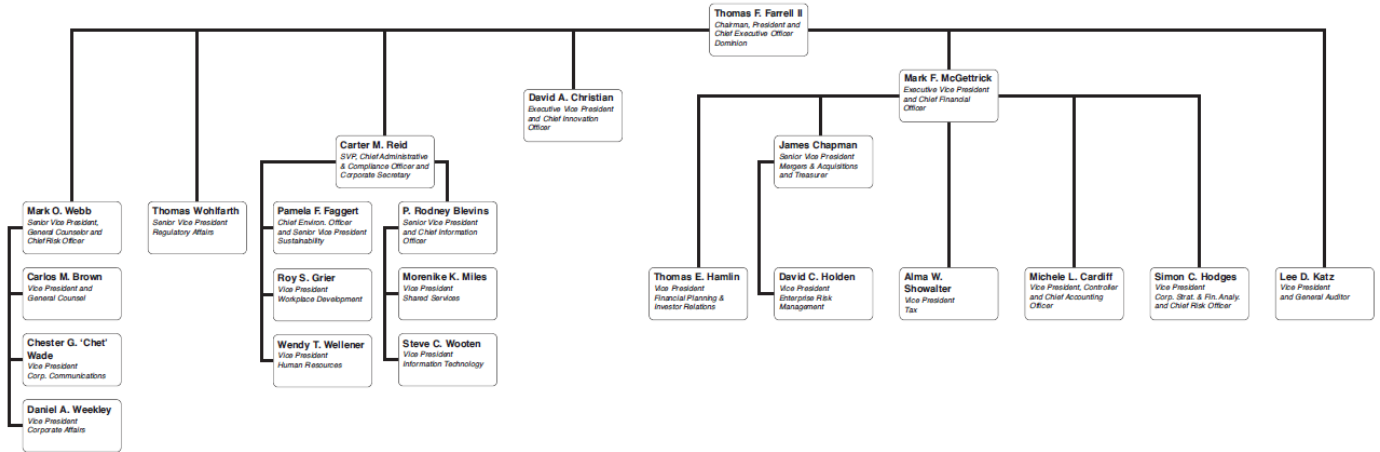
	5012	Tredegar Solar Fund I, LLC
5015		Dominion High Voltage Holdings, Inc.
5020		Dominion Investments, Inc.
5030		Dominion Privatization Holdings, Inc.
	5032	Dominion Privatization Texas, LLC
6200		Virginia Power Energy Marketing, Inc.
7000		Dominion Energy Services, Inc.
7010		Dominion Resources Eliminations Company
7012		Dominion Payroll Company, Inc
7013		Dominion Projects Services, Inc.
7014		Dominion Carolina Gas Services, Inc.
7104		CNG Coal Company
7106		Dominion Retail, Inc.
7107		Dominion Products and Services, Inc.
7113		Dominion Field Services, Inc.
8000		Dominion Energy, Inc.
	7101	CNG Power Services Corporation
	8001	DEI Eliminations Company
	8101	Dominion Equipment, Inc.
	8104	Dominion Cogen WV, Inc.
	8125	Dominion Fairless Hills, Inc.
	8142	Fairless Energy, LLC
	8141	Dominion Energy Marketing, Inc.
	8205	Dominion Nuclear Connecticut, Inc.
	8143	Dominion Equipment III, Inc.
	8146	Dominion State Line, LLC
	8157	Dominion Person, Inc.
	8160	Dominion Energy Terminal Company, Inc.
	8164	Dominion Wholesale, Inc.
	8167	Dominion Energy Manchester Street, Inc.
	8174	Dominion Mt. Storm Wind, LLC
	8175	Dominion Wind Projects, Inc.
	8177	Dominion Fowler Ridge Wind LLC
	8178	Prairie Fork Wind Farm, LLC
	8180	Dominion Bridgeport Fuel Cell, LLC
	8206	Dominion Nuclear Projects, Inc.
	8208	Dominion Energy Kewaunee, Inc.
	8209	SBL Holdco, LLC
	8218	Dominion Solar Projects I, Inc.
	8219	Dominion Solar Projects II, Inc.
	8217	Dominion Solar Holdings III, LLC
	8198	Catalina Solar 2, LLC

			8199	Cottonwood Solar, LLC
			8210	Pavant Solar LLC
			8213	Richland Solar Center, LLC
			8214	Imperial Valley Solar Company (IVSC) 2, LLC
			8215	Alamo Solar, LLC
			8223	Maricopa West Solar PV, LLC
	8220	Dominion Solar Projects A, Inc.		
	8221	Dominion Solar Projects B, Inc.		
		8216	Dominion Solar Holdings I, LLC	
			8182	Azalea Solar LLC
			8183	Somers Solar Center LLC
			8184	Dominion Solar Construction and Maintenance, LLC.
			8185	Indy I Solar, LLC
			8186	Indy II Solar, LLC
			8187	Indy III Solar, LLC
		8181	Dominion Solar Holdings II, LLC	
			8188	Dominion Solar Gen- Tie, LLC
			8189	Selmer Farm, LLC
			8190	Mulberry Farm, LLC
			8191	CID Solar, LLC
			8192	RE Adams East, LLC
			8193	RE Kent South, LLC
			8194	RE Old River One, LLC
			8195	RE Kansas, LLC
			8196	RE Camelot, LLC
			8212	RE Columbia LLC
			8197	RE Columbia Two, LLC
			8211	TA- Acacia, LLC
	8222	Dominion Solar Projects III, Inc.		
		8224	Four Brothers Solar, LLC	
			8230	Enterprise Solar, LLC
			8231	Escalante Solar I, LLC
			8232	Escalante Solar II, LLC
			8233	Escalante Solar III, LLC
		8226	Granite Mountain Holdings, LLC	
			8234	Granite Mountain Solar East, LLC
			8235	Granite Mountain Solar West, LLC
		8227	Iron Springs Holdings, LLC	
			8236	Iron Springs Solar, LLC
	8225	Dominion Solar Services, Inc.		

8228	Dominion Solar Projects IV, Inc.		
8229	Eastern Shore Solar, LLC		
8244	Virginia Solar 2017 Projects, LLC		
8245	Buckingham Solar I, LLC		
8246	Correctional Solar, LLC		
8247	Sappony Solar, LLC		
8248	Scott - II, LLC		
8237	Dominion Solar Projects C, Inc.		
8238	Dominion Solar Projects D, Inc.		
8239	Dominion Solar Holdings IV, LLC		
8240	Dominion Solar Projects V, Inc.		
8241	Summit Farms Solar, LLC		
8250	Dominion Solar CA, LLC		
8130	Dominion Greenbrier, Inc.		
8132	Greenbrier Pipeline Company, LLC		
8152	Dominion Cove Point, Inc.		
8400	Dominion MLP Holding Company, LLC		
8410	Dominion Cove Point Inc. Eliminations Company		
8153	Dominion Midstream GP, LLC		
8401	Dominion Midstream Partners, LP		
8402	Cove Point GP Holding Company, LLC		
8155	Dominion Cove Point LNG, LP		
8156	Cove Point GAAP Adjustment Company		
8403	Dominion Carolina Gas Transmission, LLC		
8404	Iroquois GP Holding Company, LLC		
1220	Questar Pipeline, LLC		
1221	Questar Field Services, LLC		
1222	Questar Overthrust Pipeline, LLC		
1223	Questar White River Hub, LLC		
WRH1	White River Hub		
8490	Dominion Midstream Adjustment Company		
8154	Dominion Gas Projects Company, LLC		
8535	Dominion Oklahoma Texas Exploration & Production, Inc.		
8600	Dominion Capital, Inc.		
8601	Dominion Capital REMIC, Inc.		
8602	Dominion Capital Ventures Corporation		
8609	First Dominion Capital, LLC		
8604	Dominion Lands, Inc.		
8603	Dominion Lands- Williamsburg, Inc.		
8611	Governors Land Associates		
8612	Stonehouse Development Company		
8608	Vidalia Gichner Holdings, Inc		



**Exhibit 2 Dominion Executive Chart**



**Exhibit 3 List of 2017 Cost Centers**

<b>Cost Center Number</b>	<b>Cost Center Name</b>	<b>DES Service Category</b>	<b>DES Sub-Service</b>	<b>Basis of Allocation</b>
700035	DESN - NUC OVERSIGHT	Operations	Operations	O&M (AE) (X)
700100	CHIEF EXEC OFFICER	Executive and Administration	Executive and Administration	O&M (AE)
700101	Cirro Divested	Other	Other	Other
700142	FIN ANAL & PLAN- EXEC	Executive and Administration	Executive and Administration	O&M (AE)
700203	BUS EXCELLENCE STAFF	Corporate Planning	Corporate Planning	Capitalization (AO)
700204	F&BS - Svc Co	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
700205	GAS DISTR EXEC	Executive and Administration	Executive and Administration	O&M (AE)
700208	DES Clarksburg	Environmental Compliance	Environmental Compliance	O&M (AE)
700209	Environ ACP Support	Environmental Compliance	Environmental Compliance	O&M (AE)
700210	Environmental Policy	Environmental Compliance	Environmental Compliance	O&M (AE)
700211	Env. Compliance	Environmental Compliance	Environmental Compliance	O&M (AE)
700214	Gas Supply Area Acqu	Operations	Operations	O&M (AE) (X)
700217	Del Corp Acctg Staff	Accounting Services	Accounting Services	O&M (AE)
700218	Controller-DEL/Cons	Accounting Services	Accounting Services	O&M (AE)
700220	Remit Processing	Customer Service	Customer Payment (Remittance) Processing	# Custer Payments (R)
700221	ITBA - CSO	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
700228	DES RETAIL EXEC	Executive and Administration	Executive and Administration	O&M (AE)
700229	Gas Energy Executive	Executive and Administration	Executive and Administration	O&M (AE)
700230	DES FAC MGMT- NORTH	Business Services	Facility Services	Square Footage (P)
700231	DES FMN - Contr/Proj	Business Services	Facility Services	Square Footage (P)
700236	Elec Media Relations	External Affairs	External Affairs	O&M (AE)
700237	Legislative Outreach	External Affairs	External Affairs	O&M (AE)
700240	Dominion Capital- Exec	Executive and Administration	Executive and Administration	O&M (AE)
700241	Dominion Capital	Operations	Operations	O&M (AE) (X)
700242	Asset Management	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)



700243	Strategy & Support	External Affairs	External Affairs	O&M (AE)
700244	DES Gas Philnthrpy	External Affairs	External Affairs	O&M (AE)
700320	CPS R&R	Customer Service	Customer Payment (Remittance) Processing	# Custer Payments (R)
700321	CPS Admin	Customer Service	Customer Payment (Remittance) Processing	# Custer Payments (R)
700322	Misc Receipts	Accounting Services	Accounting Services	O&M (AE)
700323	BP & SS Admin	Customer Service	Customer Payment (Remittance) Processing	# Custer Payments (R)
700460	AUDIT SVCS EXEC	Executive and Administration	Executive and Administration	O&M (AE)
700485	DESN -CIVIL ENG DESN-NPD PROJ	Operations	Operations	O&M (AE) (X)
700486	MGT1 DESN -ENG	Operations	Operations	O&M (AE) (X)
700487	MECHANICS DESN ELEC ENG/I&C	Operations	Operations	O&M (AE) (X)
700495	2	Operations	Operations	O&M (AE) (X)
700496	DESN -ELEC ENG/I & C	Operations	Operations	O&M (AE) (X)
700497	DESN - CONFIG	Operations	Operations	O&M (AE) (X)
700499	CONTRL DESN Nuc Spent Fuel	Operations	Operations	O&M (AE) (X)
700501	DESN-NUC SAFETY M&M	Operations	Operations	O&M (AE) (X)
700502	DESN -CORE DESIGN II	Operations	Operations	O&M (AE) (X)
700503	NSA Design	Operations	Operations	O&M (AE) (X)
700504	DESN -NUC SPENT FUEL	Operations	Operations	O&M (AE) (X)
700505	DESN - DB Support	Operations	Operations	O&M (AE) (X)
700511	DESN-NUC SAFETY ANAL	Operations	Operations	O&M (AE) (X)
700512	DESN -CORE DESIGN I	Operations	Operations	O&M (AE) (X)
700528	DESN-NUC PROG/COMP & EXTERNAL AFFAIR	Operations	Operations	O&M (AE) (X)
700577	EXEC	Executive and Administration	Executive and Administration	O&M (AE)
700578	State & Federal Affr	External Affairs	External Affairs	O&M (AE)
700579	President & CEO DVP	Executive and Administration	Executive and Administration	O&M (AE)
700581	Public Relations CRO - Risk	External Affairs	External Affairs	O&M (AE)
700720	Managemt	Operations	Operations	O&M (AE) (X)
700722	Corporate Risk	Risk Management	Risk Management	Insurance Premiums (F)
700806	HR EXECUTIVE	Executive and Administration	Executive and Administration	O&M (AE)
700807	Staffing	Human Resources	Human Resources	Headcount (B)
700808	DES HR Support	Human Resources	Human Resources	Headcount (B)
700824	HR Services Admin	Human Resources	Human Resources	Headcount (B)
700832	TREASURY EXECUTIVE	Executive and Administration	Executive and Administration	O&M (AE)

700833	Corporate Finance	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
700877	Benefits	Human Resources	Human Resources	Headcount (B)
700888	CHIEF ACTG OFFICER	Executive and Administration	Executive and Administration	O&M (AE)
700890	Chief Admin Officer	Executive and Administration	Executive and Administration	O&M (AE)
700920	MGMT	Operations	Operations	O&M (AE) (X)
701000	DES VSP	Other	Other	Other
701001	DES	Other	Other	Other
701002	TOMCAT/KESWICK	Other	Other	Other
701002	ELWOOD	Operations	Operations	O&M (AE) (X)
701003	KINCAID	Operations	Operations	O&M (AE) (X)
701004	DES Org Redesign	Other	Other	Other
701156	DES -NUC	Other	Other	Other
701156	ANAL/FUEL	Operations	Operations	O&M (AE) (X)
701161	PRA II	Operations	Operations	O&M (AE) (X)
701221	Corp Advertising	External Affairs	External Affairs	O&M (AE)
701222	ECON DEVELOP	External Affairs	External Affairs	O&M (AE)
701223	BUS PLNG & FIN	External Affairs	External Affairs	O&M (AE)
701223	ANAL	Executive and Administration	Administration	O&M (AE)
701230	Electric Market Poli	Executive and Administration	Executive and Administration	O&M (AE)
701260	DomEngy Clrnghs	Executive and Administration	Executive and Administration	O&M (AE)
701260	Exec	Executive and Administration	Administration	O&M (AE)
701264	CORP TELECOM	Information Technology, Electronic	Telecommunications	
701456	DES - F/H PROJ	Transmission and Computer Services	Applications	# Telecom Units (O)
701456	SUPP	Operations	Operations	O&M (AE) (X)
701460	DES - F&H	Operations	Operations	O&M (AE) (X)
701460	TRAINING	Human Resources	Human Resources	Headcount (B)
701510	DES -NUC LIC/OPS	Operations	Operations	O&M (AE) (X)
701510	SUP	Operations	Operations	O&M (AE) (X)
701512	DES -EMERGENCY	Operations	Operations	O&M (AE) (X)
701512	PLAN	Operations	Operations	O&M (AE) (X)
701516	DES - NUC	Operations	Operations	O&M (AE) (X)
701516	TRAINING	Operations	Operations	O&M (AE) (X)
701524	Performance	Operations	Operations	O&M (AE) (X)
701524	Improve	Operations	Operations	O&M (AE) (X)
701525	DES -NUC Fleet	Operations	Operations	O&M (AE) (X)
701525	Outag	Operations	Operations	O&M (AE) (X)
701527	DES - EMP	Operations	Operations	O&M (AE) (X)
701527	CONCERNS	Operations	Operations	O&M (AE) (X)
701532	DES - ADMIN SVCS	Operations	Operations	O&M (AE) (X)
701532	DES - ACCESS	Operations	Operations	O&M (AE) (X)
701534	SERVICES	Operations	Operations	O&M (AE) (X)
701537	DES - Nuc F&BS	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
701623	DES -NPD PROJ	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
701623	MGTII	Operations	Operations	O&M (AE) (X)
701649	PRA 1	Operations	Operations	O&M (AE) (X)
701650	DES -MECH	Operations	Operations	O&M (AE) (X)
701650	ENG/PROC	Operations	Operations	O&M (AE) (X)
701650	DES -NUC ENG	Operations	Operations	O&M (AE) (X)
701651	ADMIN	Operations	Operations	O&M (AE) (X)
701652	DES -MECH	Operations	Operations	O&M (AE) (X)

701674	ENG/PROC DES BENEFIT PLANS DES SUPPLMNTL	Human Resources	Human Resources	Headcount (B)
701675	BFIT	Executive and Administration	Administration	O&M (AE)
701676	FEDERAL AFFAIRS	External Affairs	External Affairs	O&M (AE)
701677	DT I State & Local ST&LOCAL AFFRS	External Affairs	External Affairs	O&M (AE)
701678	NORTH PA & NY ST & LCL	External Affairs	External Affairs	O&M (AE)
701679	AFF ST&LOCAL AFFRS	External Affairs	External Affairs	O&M (AE)
701680	EAST ST&LOCAL AFFRS	External Affairs	External Affairs	O&M (AE)
701681	CNTRL OH MEDIA/LOCAL	External Affairs	External Affairs	O&M (AE)
701682	AFFRS	External Affairs	External Affairs	O&M (AE)
701703	ITBA ELECTRIC TRANS	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701704	MS SOLUTION (INACT)	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701705	IT BUS ACCT - GEN	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701706	ITBA - ELECTRIC DIST PRODUCTION CTR	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701707	(INAC ASSET	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
701708	MANAGEMENT	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701709	NETWORK RELIAB ENTERPRISE TECH	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
701710	SYS	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
701711	IT CUST SVC & RETAIL	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701712	NETWORK OPERATIONS	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
701713	NETWORK OPERS CTR	Information Technology, Electronic Transmission and Computer Services	Enterprise Operations	Various
701714	ITBA - ENERGY	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701715	CAPABILITY CENTER ITBA MARKET	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701716	SERVICES	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701717	ENTERPRISE MESSAGING	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701720	CHIEF INFO OFFICER	Executive and Administration Information Technology, Electronic	Administration	O&M (AE)
701725	Generation IT Client	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701730	IT RISK MGMT	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
701735	Generation Telecom S	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701745	Generation DEMI/VPES	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
701830	DESN-CONFIG	Operations	Operations	O&M (AE) (X)

701831	MGMT DESN-NUCLEAR SLR DESN-Dir Nuc Eng	Operations	Operations	O&M (AE) (X)
701832	Prg DESN-NUCLEAR	Operations	Operations	O&M (AE) (X)
701833	PROGMS ENTERPRISE	Operations	Operations	O&M (AE) (X)
701843	ADMIN/MGT DESN-NUC PROJS	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
701850	DEPT DESN-NPD	Operations	Operations	O&M (AE) (X)
701852	CIVIL/MECH DESN-NPD ELEC/I&C	Operations	Operations	O&M (AE) (X)
701854	PR DESN-NPD	Operations	Operations	O&M (AE) (X)
701855	CIVIL/MECH DESN-NPD PROJ	Operations	Operations	O&M (AE) (X)
701856	CTLS	Operations	Operations	O&M (AE) (X)
701860	DESN-NA3 PROJECT	Operations	Operations	O&M (AE) (X)
701861	DESN - DB Support	Operations	Operations	O&M (AE) (X)
701994	IT HELPLINE Generation	Information Technology, Electronic Transmission and Computer Services	Client Services Executive and Administration	Various
702000	Executive	Executive and Administration	Administration	O&M (AE)
702001	Compensation	Human Resources	Human Resources	Headcount (B)
702002	Exec Compensation	Human Resources	Human Resources	Headcount (B)
702003	Corp Brand & Design	External Affairs	External Affairs	O&M (AE)
702004	MEDIA RELATIONS MEDIA RELATIONS-	External Affairs	External Affairs	O&M (AE)
702005	GAS	External Affairs	External Affairs	O&M (AE)
702006	NE State+Local Affrs	External Affairs	External Affairs	O&M (AE)
702007	CORP PUB POLICY EMP	External Affairs	External Affairs	O&M (AE)
702012	COMMUNICATIONS CORP	External Affairs	External Affairs	O&M (AE)
702013	COMMUNICATION CORP	External Affairs	External Affairs	O&M (AE)
702014	PHILANTHROPY SHAREHOLDER	External Affairs	External Affairs	O&M (AE)
702015	ADMIN	Corporate Secretary	Corporate Secretary	O&M (AE)
702016	INTERNET COMM DES ASST	External Affairs	External Affairs	O&M (AE)
702017	CONTROLLER	Accounting Services	Accounting Services	O&M (AE)
702018	CGT Accounting Svcs	Accounting Services	Accounting Services	O&M (AE)
702019	AUDIT SERVICES	Auditing	Auditing	O&M (AE)
702020	CONTROLLER - DES	Accounting Services	Accounting Services	O&M (AE)
702021	CONTROLLER - GEN	Accounting Services	Accounting Services	O&M (AE)
702022	FIXED ASSETS	Accounting Services	Accounting Services	O&M (AE)
702023	Energy Controller CORPORATE	Accounting Services	Accounting Services	O&M (AE)
702024	TAXATION FIN ANAL & PLAN-	Tax	Tax Accounting and Compliance	Total Income and Total Deductions (I)
702028	DES	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
702029	FINANCIAL ANALYSIS FIN ANAL-DEL/CS &	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
702030	EP	Corporate Planning	Corporate Planning	Capitalization (AO)

702032	Treasury Cash Mgmt	Treasury/Finance	Treasury and Cash Management	Capitalization (AO) Insurance Premiums (F)
702033	CLAIMS INVESTOR	Risk Management	Risk Management	
702034	RELATIONS	Information Technology, Electronic Transmission and Computer Services	Investor Relations	Various
702035	IT END USER ACCTS	Information Technology, Electronic Transmission and Computer Services	Client Services	Various O&M (AE) and # Flight Days (AF)
702038	S76C Sikorski	Business Services	Aviation	
702039	INFRASTRUCTURE PMO	Information Technology, Electronic Transmission and Computer Services	Client Services	Various O&M (AE) and # Flight Days (AF)
702042	Gulfstream N603D	Business Services	Aviation	\$ Purchases (U)
702043	SCM Corp Sourcing SHARED SERVICES	Supply Chain	Purchasing Executive and Administration	
702044	EXEC	Executive and Administration	Administration	O&M (AE)
702045	DES Fleet Sys & Supp	Business Services	Fleet Administration	# Vehicles (T) O&M (AE) and # Flight Days (AF)
702047	AVIATION COMMON	Business Services	Aviation	Flight Days (AF)
702048	SCM DVP Support SUPP CH STRAT	Supply Chain	Purchasing	\$ Purchases (U)
702049	SRCG AV	Supply Chain	Purchasing	\$ Purchases (U) O&M (AE) and # Flight Days (AF)
702050	GULFSTRM(N600DR)	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702051	Hawker N804D	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702052	Hawker N805D	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702053	SCM IT Sourcing FLEET-DES (NO LABOR)	Supply Chain	Purchasing	\$ Purchases (U)
702054		Business Services	Fleet Administration	# Vehicles (T) O&M (AE) and # Flight Days (AF)
702056	Hawker N803D	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702057	Embraer	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702058	Gulfstream N608D	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702059	Gulfstream N604D	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702060	DC Tech Acctg Suppt	Accounting Services	Accounting Services	O&M (AE)
702061	DC Gen Acct Support	Accounting Services	Accounting Services	O&M (AE)
702062	DC Acct Corp Sv Supp	Accounting Services	Accounting Services	O&M (AE)
702063	DC Engy Acct Support	Accounting Services	Accounting Services	O&M (AE)
702064	Gulfstream N607D	Business Services	Aviation	O&M (AE) and # Flight Days (AF)
702070	Gen Acctg Supp	Accounting Services	Accounting Services	O&M (AE)
702071	Retail Accounting	Accounting Services	Accounting Services	O&M (AE)
702072	Fuel Acctg Supp FIN ANAL -	Accounting Services	Accounting Services	O&M (AE)
702129	DEL/TRANS	Corporate Planning	Corporate Planning	Capitalization (AO)
702733	WS&S Admin	Human Resources	Human Resources Executive and Administration	Headcount (B)
702901	Generation DES Elim	Executive and Administration	Administration	O&M (AE)
702902	Energy DES Elim	Executive and Administration	Executive and Administration	O&M (AE)

702903	Delivery DES Elim	Executive and Administration	Administration Executive and Administration	O&M (AE)
702904	Producing DES Elim	Executive and Administration	Administration Executive and Administration	O&M (AE)
703012	LAN GROUP ACTIVITIES	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
703038	DESN - NUC FUEL PROC	Operations	Operations	O&M (AE) (X)
703039	DESN - FUEL PROJ ENG	Operations	Operations	O&M (AE) (X)
703170	DESF - SERTF Trng	Human Resources	Human Resources	Headcount (B)
703172	DESF - SYSTEM SUPP DESF - OUTAGE	Operations	Operations	O&M (AE) (X)
703174	DESF - PLANNG	Operations	Operations	O&M (AE) (X)
703176	DESF - SYSTEM ENG DESF - EMISSIONS	Operations	Operations	O&M (AE) (X)
703178	DESF - MON	Operations	Operations	O&M (AE) (X)
703180	DESF - ENGINEERING	Operations	Operations	O&M (AE) (X)
703181	DESF - ELECTR I & C	Operations	Operations	O&M (AE) (X)
703182	DESF - BOP SYSTEMS DESF - ENGR	Operations	Operations	O&M (AE) (X)
703183	DESF - ENVIRON	Operations	Operations	O&M (AE) (X)
703184	DESF - Tech Svc Supp DESF-Tech Svc	Operations	Operations	O&M (AE) (X)
703185	DESF - OpSupp	Operations	Operations	O&M (AE) (X)
703187	DESF-Proj Mgmt DESF - F&H GEN	Operations	Operations	O&M (AE) (X)
703188	DESF - PROJ	Operations	Operations	O&M (AE) (X)
703190	SCM Gen Support	Supply Chain	Purchasing	\$ Purchases (U)
703191	SCM Gen Central Src	Supply Chain	Purchasing	\$ Purchases (U)
703193	SCM PES INNS	Supply Chain	Purchasing	\$ Purchases (U)
703197	SCM DVP Procure	Supply Chain	Purchasing	\$ Purchases (U)
703198	Investment Recovery	Supply Chain	Purchasing	\$ Purchases (U)
703201	SCM Gen Proc Eng	Supply Chain	Purchasing	\$ Purchases (U)
703202	SCM Gen Inv Mgt	Supply Chain	Purchasing	\$ Purchases (U)
703203	Shared Service Mgt	Supply Chain	Purchasing	\$ Purchases (U)
703204	Supplier Diversity	Supply Chain	Purchasing	\$ Purchases (U)
703206	SCM Energy Mtl Ops SCM DES DTI	Supply Chain	Purchasing	\$ Purchases (U)
703207	SUPPORT DESF-Regulatory	Supply Chain	Purchasing	\$ Purchases (U)
703208	DESF - Comp	Operations	Operations	O&M (AE) (X)
703209	CP Liquefaction	Operations	Operations	O&M (AE) (X)
703211	DES Off Svc Mgt	Operations	Operations	O&M (AE) (X)
703212	Security BGI DES DOCUMENT	Business Services	Security	Headcount (B)
703214	DES - SVCS	Operations	Operations	O&M (AE) (X)
703221	FACILITIES MGMT	Business Services	Facility Services	Square Footage (P)
703225	REAL ESTATE - DES	Business Services	Facility Services	Square Footage (P)
703226	DES MAIL	Operations	Operations Customer Payment (Remittance)	O&M (AE) (X) # Custer Payments (R)
703227	INSERTING - DES LEGAL SERVICES	Customer Service	Processing Executive and Administration	O&M (AE)
703233	EXEC	Executive and Administration	Administration	O&M (AE)
703234	LEGAL SERVICES	Legal and Regulatory	Legal and Regulatory	O&M (AE)

703235	Ethics & Compliance	Legal and Regulatory	Legal and Regulatory	O&M (AE)
703236	Corp Fin, Sec & M&A	Legal and Regulatory	Legal and Regulatory	O&M (AE)
703237	Gas Trans & Dist	Legal and Regulatory	Legal and Regulatory	O&M (AE)
703238	Gen & Commodities	Legal and Regulatory	Legal and Regulatory	O&M (AE)
703239	Labor & Employment	Legal and Regulatory	Legal and Regulatory	O&M (AE)
703240	Security MGT	Business Services	Security	Headcount (B)
703243	Employee Relations	Human Resources	Human Resources	Headcount (B)
703244	Employee Services	Human Resources	Human Resources	Headcount (B)
703245	Workforce Admin	Human Resources	Human Resources	Headcount (B)
703246	DOM VP Admin	Human Resources	Human Resources	Headcount (B)
703250	BEED	Human Resources	Human Resources	Headcount (B)
703254	MAINFRAME SYS ADMIN	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
703255	PMO/MANAGEMENT	Information Technology, Electronic Transmission and Computer Services	Data Operations Executive and Administration	Various O&M (AE)
703274	Chief Innovation Off CORP SECRETARY	Executive and Administration	Executive and Administration	O&M (AE)
703281	EXEC CORP SECRETARY	Executive and Administration	Administration	O&M (AE)
703282	MGT Corporate	Corporate Secretary	Corporate Secretary	O&M (AE)
703283	Governance	Corporate Secretary	Corporate Secretary	O&M (AE)
703284	Leadership Strategie	Corporate Secretary	Corporate Secretary	O&M (AE)
703287	DES NUC PUB AFRS	External Affairs	External Affairs	O&M (AE)
703289	DB ADMIN WEB OPS	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
703296	DES F - F&H SAFETY	Human Resources	Human Resources	Headcount (B)
703297	ENERGY SAFETY	Operations	Operations	O&M (AE) (X)
703345	ACCOUNTS PAYABLE	Accounting Services	Accounts Payable	# of A/P documents (S)
703346	Credit Card Admin	Accounting Services	Accounts Payable	# of A/P documents (S)
703348	Payroll	Accounting Services	Payroll Processing	Headcount (B)
703357	DISTR SYS ADMIN	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
703359	IT ASSET MGMT DIST RISK	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
703380	OPERATIONS	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
703382	NETWK RISK OPS	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
703385	ITBA-DES&ENT SYSTEMS	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
703386	NOTES SOLUTION CTR	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
703387	APPLICATION SERVICES	Information Technology, Electronic Transmission and Computer Services	Client Services	Various
703498	CHIEF FINANCIAL OFFR	Executive and Administration	Executive and Administration	O&M (AE)
703640	ELECTRONIC DATA INT	Information Technology, Electronic Transmission and Computer Services	Data Operations	Various
704000	DES Finl Mgt Exec	Executive and Administration	Executive and Administration	O&M (AE)
704001	DVP Executives	Executive and Administration	Executive and Administration	O&M (AE)
704003	Reg & Int Plang Exec	Executive and Administration	Executive and	O&M (AE)

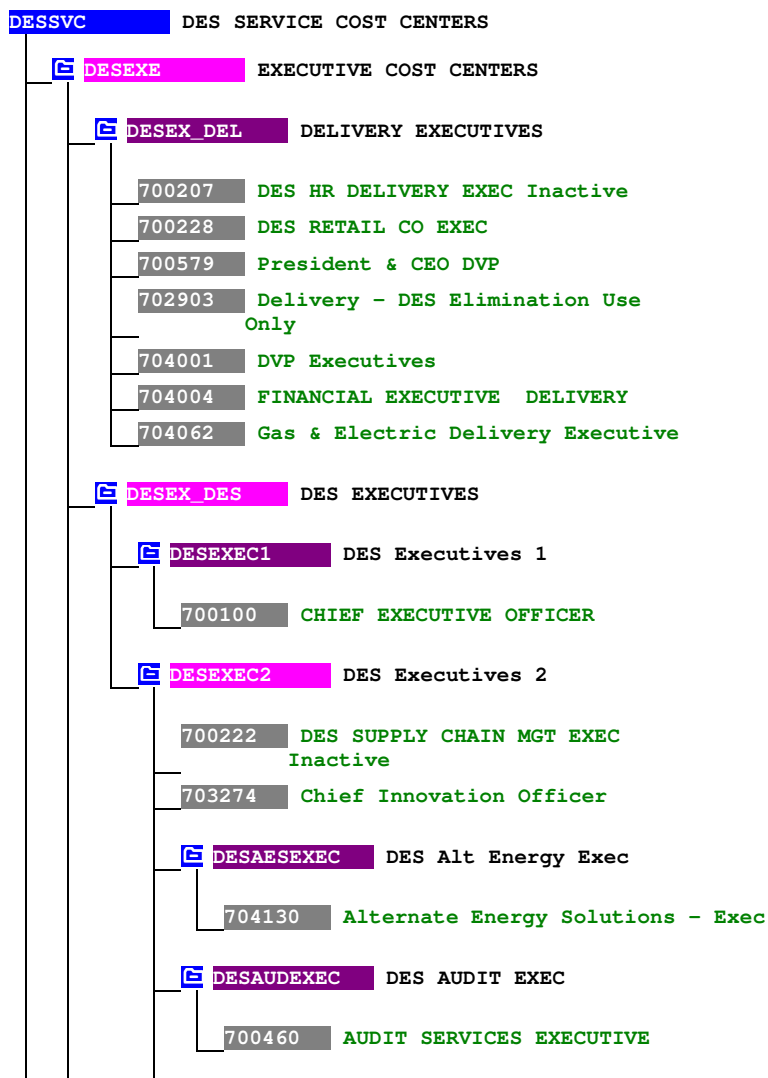
704004	FIN EXEC DELIVERY	Executive and Administration	Administration Executive and Administration	O&M (AE)
704005	GENERATION F&BS	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704006	Chief Environmental	Executive and Administration	Executive and Administration	O&M (AE)
704008	NUCLEAR EXEC CORP PORTFOLIO MGT	Executive and Administration	Administration	O&M (AE)
704009	EXEC	Executive and Administration	Administration	O&M (AE)
704010	E&P EXECUTIVE BUS DEV & GEN	Executive and Administration	Administration	O&M (AE)
704012	CONST	Executive and Administration	Administration	O&M (AE)
704013	DES GEN PROJ MGT	Operations	Operations	O&M (AE) (X)
704014	DES Price-Structure	Operations	Operations	O&M (AE) (X)
704016	IRP Support	Operations	Operations	O&M (AE) (X)
704017	Questar Transition	Corporate Planning	Corporate Planning	Capitalization (AO)
704018	FOS & HYD EXEC	Executive and Administration	Administration	O&M (AE)
704019	NUCLEAR EXEC SURRY	Executive and Administration	Executive and Administration	O&M (AE)
704020	NUCLEAR EXEC N_ANNA	Executive and Administration	Administration	O&M (AE)
704022	Cost Alloc & Policy	Rates	Rates	O&M (AE)
704024	Environmental - DENE	Environmental Compliance	Environmental Compliance	O&M (AE)
704025	ENVIR-GENERAL STAFF	Environmental Compliance	Environmental Compliance	O&M (AE)
704026	Environ Lab Svcs	Environmental Compliance	Environmental Compliance	O&M (AE)
704027	ENVIR-BIOLOGY MILLSTONE	Environmental Compliance	Environmental Compliance	O&M (AE)
704029	EXECUTIVE A/P- PURCHASING CARD	Executive and Administration	Administration	O&M (AE) # of A/P documents (S)
704030	CARD	Accounting Services	Accounts Payable	(S)
704031	R/E DES PROPERTIES	Business Services	Facility Services	Square Footage (P)
704032	Security PHY	Business Services	Security	Headcount (B)
704033	Security Bus Cont	Business Services	Security	Headcount (B)
704034	Corp Safety & Hlth	Human Resources	Human Resources	Headcount (B)
704035	Security INV SVCS	Business Services	Security	Headcount (B)
704036	DES Records Mgt	Operations	Operations	O&M (AE) (X)
704037	DES Facilities-TSC	Business Services	Facility Services	Square Footage (P)
704039	DES FAC COST POOL	Other	Other	Other
704040	DES INFRASTRUCT COST	Other	Other	Other
704043	DES FORMS & PROC	Operations	Operations	O&M (AE) (X)
704052	DES-F&H EXEC ADMIN	Operations	Operations	O&M (AE) (X)
704053	HR Dom Generation	Human Resources	Human Resources	Headcount (B)
704054	HR Dom Energy	Human Resources	Human Resources	Headcount (B)
704055	HR F&H Generation	Human Resources	Human Resources	Headcount (B)
704056	HR Nuclear	Human Resources	Human Resources	Headcount (B)
704057	Generatio HR Communications	Human Resources	Human Resources	Headcount (B)



704058	Strategic Sourcing	Human Resources	Human Resources	Headcount (B)
704059	HR East Ohio Gas	Human Resources	Human Resources	Headcount (B)
704060	HR IS Strategy & Ana	Human Resources		Headcount (B)
704061	Corp Risk Engr	Risk Management	Risk Management	Insurance Premiums (F)
704062	Gas & Elec Del Exec DESN-NUC SPEC	Executive and Administration	Executive and Administration	O&M (AE)
704064	PROJ	Operations	Operations	O&M (AE) (X)
704066	Diversity & Inclusio	Human Resources	Human Resources	Headcount (B)
704067	DESF-STA OPER MGT MW Comm Affrs	Operations	Operations	O&M (AE) (X)
704068	StLoc	External Affairs	External Affairs	O&M (AE)
704069	Bus Dev - Nuclear	Operations	Operations	O&M (AE) (X)
704070	Gas Labor Relations HR Hope PNG	Human Resources	Human Resources	Headcount (B)
704071	Support	Human Resources	Human Resources	Headcount (B)
704072	Labor Relations	Human Resources	Human Resources	Headcount (B)
704074	Career Center	Human Resources	Human Resources	Headcount (B)
704075	DES Rates Regulation	Rates	Rates	O&M (AE)
704076	FERC Plcy & Cmplnce Regulatory	Rates	Rates	O&M (AE)
704077	Accountng	Rates	Rates	O&M (AE)
704078	SEC ELE COMP Conservatn Load	Business Services	Security	Headcount (B)
704079	Mgt	Operations	Operations	O&M (AE) (X)
704080	Fin Mgmt - Asset Rep	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704082	New Projects	Executive and Administration	Executive and Administration	O&M (AE)
704083	Integr Resource Pln Reg Case	Operations	Operations	O&M (AE) (X)
704084	Mgt/Comm'n	Rates	Rates	O&M (AE)
704085	Business Plang Exec Const Fin Mgmt &	Executive and Administration	Executive and Administration	O&M (AE)
704086	Con	Operations	Operations	O&M (AE) (X)
704087	Gen Dev - Bus Devel F&H Con-	Operations	Operations	O&M (AE) (X)
704088	Engineering	Operations	Operations	O&M (AE) (X)
704089	Comb Turb & Renew	Operations	Operations	O&M (AE) (X)
704090	DES Tred Bldg VPPEM	Business Services	Facility Services	Square Footage (P)
704091	DES Tred Bldg DEMI	Business Services	Facility Services	Square Footage (P)
704092	DES Tred Bldg CNGR	Business Services	Facility Services	Square Footage (P)
704093	DES DEC Tred VPET	Business Services	Facility Services	Square Footage (P)
704094	DES DEC Tred CNGT	Business Services	Facility Services	Square Footage (P)
704095	DES DEC Tred DTECH	Business Services	Facility Services	Square Footage (P)
704096	DESF-F&H Safety - Ops	Human Resources	Human Resources	Headcount (B)
704097	DESF-F&H Safe-Const	Human Resources	Human Resources	Headcount (B)
704098	Gen Fin Plan & Analy Portfolio	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704099	Management	Corporate Planning	Corporate Planning	Capitalization (AO)
704100	HR Gen Fin Cnstr Svc	Human Resources	Human Resources	Headcount (B)
704101	DESN-NUC	Human Resources	Human Resources	Headcount (B)

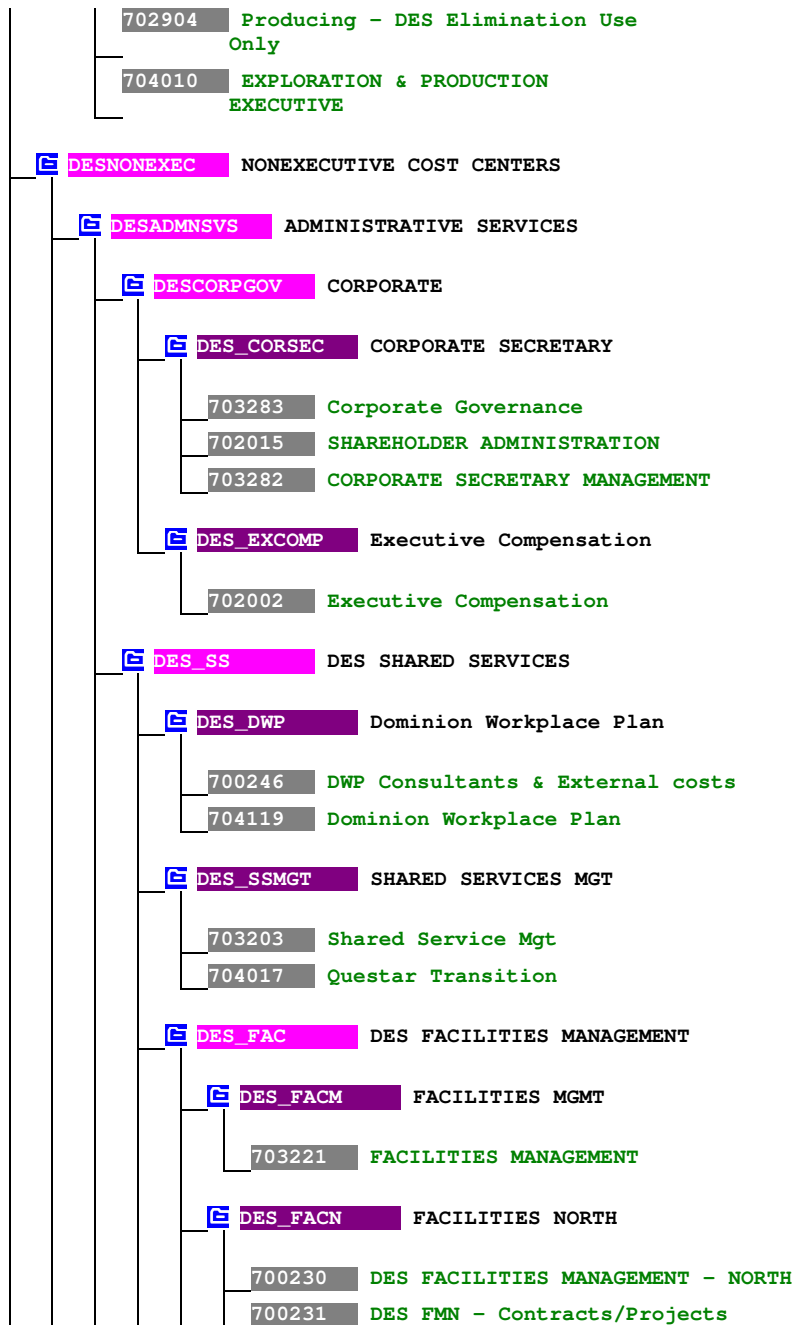
Workforce				
704102	DES F - F&H Finance Emissions	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704103	Management	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704104	Bus Dev- Renewables	Operations	Operations	O&M (AE) (X)
704105	ENERGY - F&BS DES F Empl	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704106	Developmt Green House Gas	Human Resources	Human Resources	Headcount (B)
704107	Mgmt	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704108	DES N- Millstone Flt	Operations	Operations	O&M (AE) (X)
704109	Generation Interns	Operations	Operations	O&M (AE) (X)
704110	Corp Comm PRA	External Affairs	External Affairs	O&M (AE)
704112	ENERGY INTERNS	Operations		O&M (AE) (X)
704113	Nat Gas Infrastr Dev	Corporate Planning	Corporate Planning	Capitalization (AO)
704114	F&B Services - DTI TECHNICAL	Corporate Planning	Corporate Planning	Capitalization (AO)
704115	SECURITY	Business Services	Security	Headcount (B)
704116	Gas Regulatory Acct	Rates	Rates	O&M (AE)
704117	SEC Gas Compliance	Business Services	Security	Headcount (B)
704118	Access Control	Business Services	Security	Headcount (B)
704119	Dom Workplace Plan	Business Services	Facility Services	Square Footage (P)
704120	eBus & Cust Comm	External Affairs	External Affairs	O&M (AE)
704129	Exec Site VP - DEK	Executive and Administration	Executive and Administration	O&M (AE)
704130	Alt Engy Sol - EXEC	Executive and Administration	Administration	O&M (AE)
704131	Alt Energy Research	Operations	Operations	O&M (AE) (X)
704132	Fin Analysis - AES	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704133	Policy & Bus Eval NERC/FERC	Executive and Administration	Executive and Administration	O&M (AE)
704134	Plcy/Compl	Executive and Administration	Administration	O&M (AE)
704138	DES Tred Bldg DEHI	Business Services	Facility Services	Square Footage (P)
704139	DES DEC BLDG	Other	Other	Other
704140	Regulatory Affairs	Rates	Rates	O&M (AE)
704205	DES F&BS - Svc Co EIG Fin Mgmt & Supt	Treasury/Finance	Treasury and Cash Management	Capitalization (AO)
704206	DES Facil-ProjCont	Corporate Planning	Corporate Planning	Capitalization (AO)
704237	PNG Retiree Cost	Business Services	Facility Services	Square Footage (P)
704238	Stateline Employees	Operations	Operations	O&M (AE) (X)
704239	TWPG - ENT RISK	Operations	Operations	O&M (AE) (X)
709122	MGT	Operations	Operations	O&M (AE) (X)
709901	DES COMMON	Other	Other	Other
709902	DES APPLICN SOFTWARE	Information Technology, Electronic Transmission and Computer Services	Software/Hardware Pooling	# Users or Usage (M); Pipeline Miles (Z)
709905	DES Mainfrm Software	Information Technology, Electronic Transmission and Computer Services	Software/Hardware Pooling	# Users or Usage (M); Pipeline Miles (Z)

Exhibit 4 DES Cost Center Hierarchy



DESCFOEXEC	DES CHIEF FINANCIAL EXES
700142	FINANCIAL ANALYSIS & PLANNING - EXEC
700575	TAX EXECUTIVE (INACTIVE)
700832	TREASURY EXECUTIVE
700888	CHIEF ACCOUNTING OFFICER
703498	CHIEF FINANCIAL OFFICER
704000	DES Financial Management Executive
704085	Business Planning - Executive
DESEACCEXE	DES EXT AFFRS & CORP COMM EXECS
700577	EXTERNAL AFFAIRS EXECUTIVE
704006	Chief Environmental Officer
DESFBSEXE	DES FINANCIAL BUSINESS SERVICES
DESCIOEXEC	DES Chief Information Officer Exec
701720	CHIEF INFORMATION OFFICER
DESFBSEXEC	PRESIDENT & CEO DES
700890	DES Chief Administrative Officer
703281	CORPORATE SECRETARY EXECUTIVE
DESFBSOTH	FBS EXECS OTHER
700806	HUMAN RESOURCES EXECUTIVE
702044	SHARED SERVICES EXECUTIVE
703189	DES Managed Execs
DESLEGEXEC	DES LEGAL EXECS
DESLEGEXE	LEGAL SERVICES EXEC
703233	LEGAL SERVICES EXECUTIVE
DESREGEXEC	DES REGULATORY EXECS
704002	Regulation Executive (INACTIVE)

704003	Regulation & Integrated Planning Exec
704021	Regulatory Federal (INACTIVE)
<b>DESF_EXEC</b>	DESF F&H EXECUTIVE
<b>DESEX_ENGY</b>	ENERGY EXECUTIVES
700036	DM Energy Executive
700205	GAS DISTRIBUTION EXECUTIVE
700229	Gas Energy Executive
701260	Dominion Energy Clearinghouse Executive
702902	Energy - DES Elimination Use Only
704009	PORTFOLIO MANAGEMENT EXECUTIVE
<b>DESEX_ENG</b>	ENERGY EXECUTIVES - OTHER
<b>DESEXGEN</b>	Generation Executives
702000	Generation Executive
702901	Generation - DES Elimination Use Only
704007	FOSSIL & HYDRO NONREG EXEC (Inact)
704008	NUCLEAR EXECUTIVE CORPORATE
704011	Inact HUMAN RESOURCES EXEC GENERATION
704012	BUS DEVELOPMENT & GEN CONSTRUCTION
704018	FOSSIL & HYDRO EXEC
704019	NUCLEAR EXECUTIVE SURRY
704020	NUCLEAR EXECUTIVE NORTH ANNA
704029	MILLSTONE EXECUTIVE
704129	Executive Site VP - Kewaunee
<b>DESEX_OTH</b>	OTHER EXECUTIVES
700102	CHAIRMAN OF BOARD (INACTIVE)
700240	Dominion Capital - Executive
<b>DESEX_PROD</b>	PRODUCING EXECUTIVES



- [-] DES\_FACS FACILITIES SOUTH
  - 704037 DES Facilities-TSC
  - 704137 DES Facilities-Richmond Hangar  
INACTIVE
  - 704237 DES Facilities-Projects/Contracts
- [-] DES\_FACPRO FACILITIES PROPERTIES
  - 703225 REAL ESTATE - DES
  - 704031 REAL ESTATE - DES PROPERTIES
- [-] DES\_FACGSV FACILITIES-GENL SERVICES
  - 703211 DES Office Services Management
  - 703214 DES DOCUMENT SERVICES
  - 703226 DES MAIL
  - 704036 DES Records Management
  - 704043 DES FORMS & PROCEDURES
  - 704044 DES Pittsburgh Office Admin Svc  
INACT
- [-] DES\_FLEET DES Fleet Systems & Support
  - 702045 DES Fleet Systems & Support
- [-] DES\_SECURE CORPORATE SECURITY
  - [-] DESSECMT SECURITY MGT
    - 703240 Security Management
  - [-] DESSECPHY PHYSICAL SECURITY
    - 703212 Security Background  
Investigations
    - 703213 Security - Fitness for Duty
    - 704033 Security Business Continuity
    - 704034 Corporate Safety & Health Svcs
    - 704035 Security Investigative Services
    - 704118 Security Physical Access Control

	<b>DESSECCOMP</b>	SECURITY COMPLIANCE
	704032	Security Physical
	704078	Security Electric Compliance
	704115	TECHNICAL SECURITY
	704117	Security Regulatory Gas Compliance
	<b>DES_SUPPLY</b>	DES SUPPLY CHAIN
	<b>DESSCDVP</b>	SUPPLY CHAIN DVP
	703197	SCM DVP Procurement
	703198	SCM Investment Recovery
	702048	SCM DVP Support
	<b>DESSCENGY</b>	SUPPLY CHAIN ENERGY
	703206	SCM Energy Material Operations
	703207	SCM DES DTI SUPPORT
	<b>DESSCGEN</b>	SUPPLY CHAIN GENERATION
	703190	SCM GENERATION, MGT & SUPPORT
	703191	SCM Gen Central Sourcing
	703193	SCM PES INNS
	703201	SCM Gen Procurement Engineering
	703202	Supply Chain Generation Inventory Mgt
	<b>DESSCSCRG</b>	SUPP CHAIN STRATEGIC SOURCING
	<b>DESSCCORP</b>	SUPPLY CHAIN CORPORATE
	702043	SCM Corp Sourcing
	702049	SUPPLY CHAIN - STRATEGIC SOURCING
	703204	Supplier Diversity Support
	703260	SCM Transportation
	<b>DESSCINACT</b>	SUPPLY CHAIN INACTIVE



- 700226 Inactive Proc. Svcs Mgmt (DES)
- 702053 SCM IT Sourcing
- 703192 SCM Gen FH Sourcing(INACTIVE)
- 703194 SUPP CH - GENERATION,  
SUR(INACTIVE)
- 703195 SUPP CH - GENERATION, N  
AN) INACTIVE)
- 703196 SCM Gen Nuclear Sourci(INACTIVE)
- 703199 SCM Gen DNC Mgt & Supp(INACTIVE)
- 703200 Supply Chain Gen NUC Inv Mg  
(Inactive)
- 703205 SCM Gen Sourcing -  
Kewaunee(INACTIVE)

**DES** DESAVTRAV DES TRAVEL & AVIATION

**DES** DES TRAVEL DES TRAVEL

- 702046 TRAVEL SERVICES
- 704042 TRAVEL SUPPORT INACTIVE

**DES** DESAVIAT AVIATION

- 702038 S-76C Sikorski Helicopter
- 702042 Gulfstream N603D
- 702047 AVIATION COMMON
- 702050 AVIATION GULFSTREAM (N600DR)
- 702051 Hawker N804D
- 702052 Hawker N805D
- 702055 EXECUTIVE HELICOPTERS Inactive
- 702056 Hawker N803D
- 702057 Embraer Aircraft
- 702058 Gulfstream N608D - Aircraft  
Expenses
- 702059 Gulfstream N604D
- 702064 Gulfstream G450 N607D - Aircraft  
Expense
- 702907 Synthetic Lease Expen(INACTIVE)
- 702908 Synthetic Lease Exp(INACTIVE)

**DES** DES HRBEN HUMAN RESOURCES & BENEFITS

**DES\_HRNER** DES Human Resources & Employee Relations

- 700203 BUSINESS EXCELLENCE STAFF
- 703243 Employee Relations
- 703250 BEED
- 703284 Leadership Development
- 704060 HR IS Strategy & Analytics
- 704074 Career Center

**DES\_HRC** DES Human Resources

- 700808 DES HR Support
- 700809 Recruiting interns/ college candidates
- 700810 Recruiting for experienced candidates
- 700811 >>> No valid master record
- 700812 Technical and skilled trade candidates

**DESHRCOMM** HR Comm & Chg Mgmt

**DESHR\_PROD** HR Divestiture Support

- 704071 HR Hope PNG Support

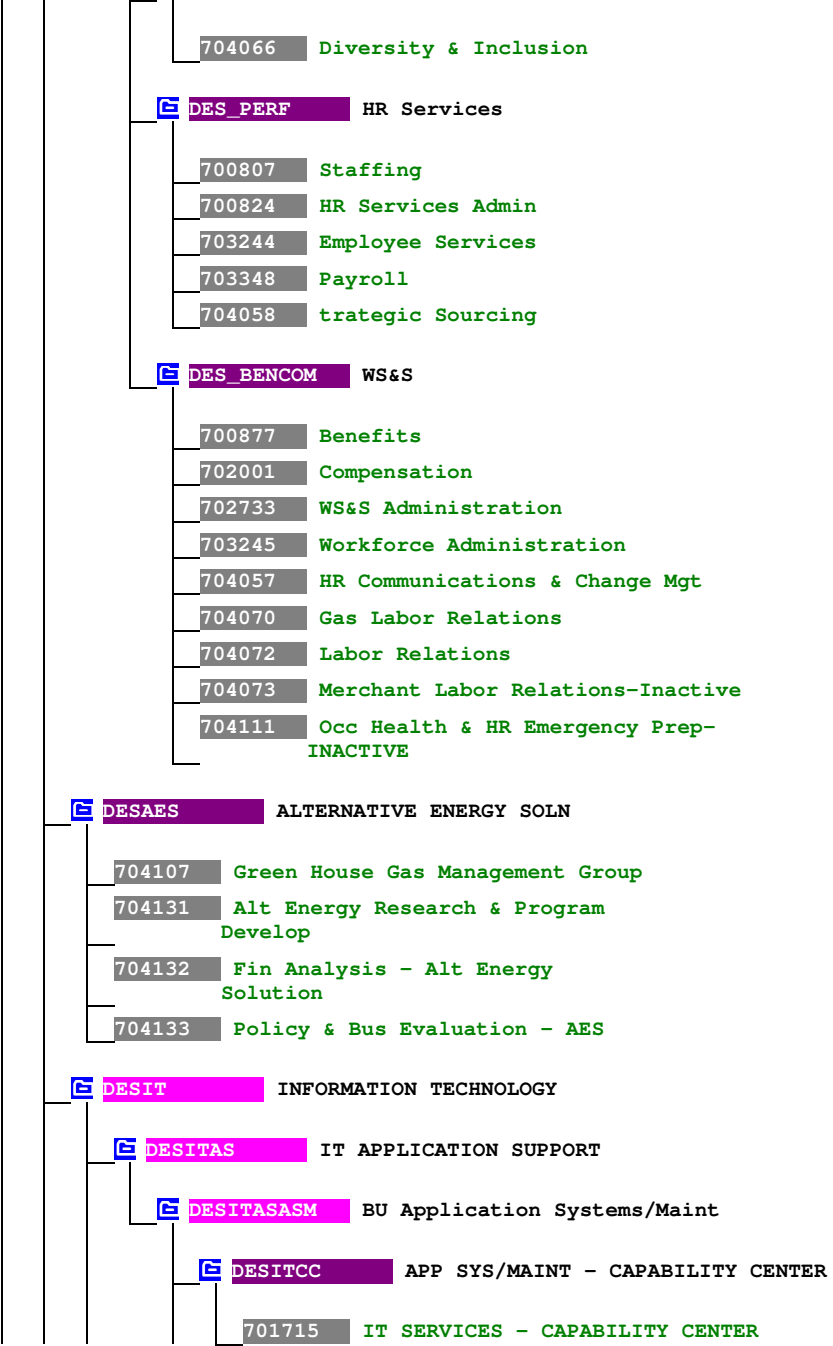
**DESHRDVPEN** DVP Energy Infrastructure

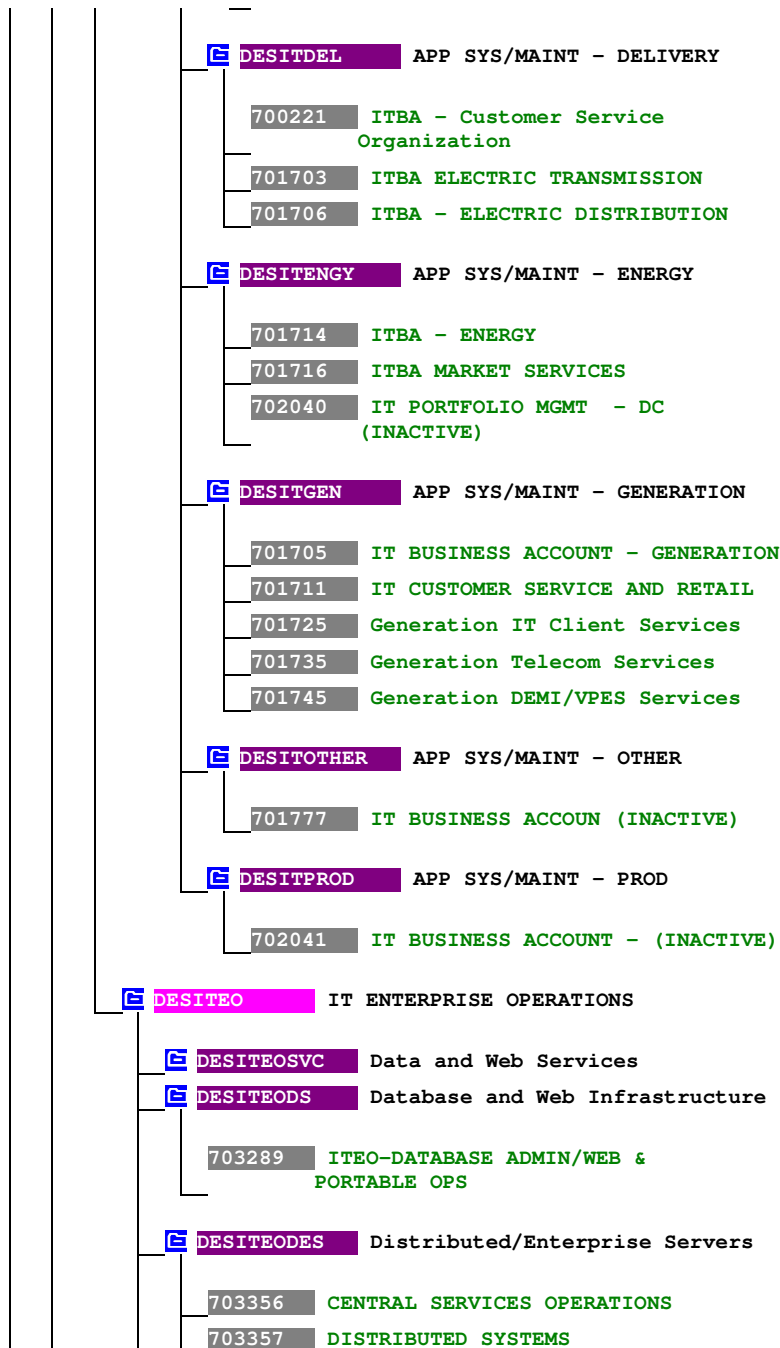
- 704059 HR East Ohio Gas
- 704054 HR Dom Energy
- 703246 Dominion VP Administration

**DESHR\_GEN** HR Generation

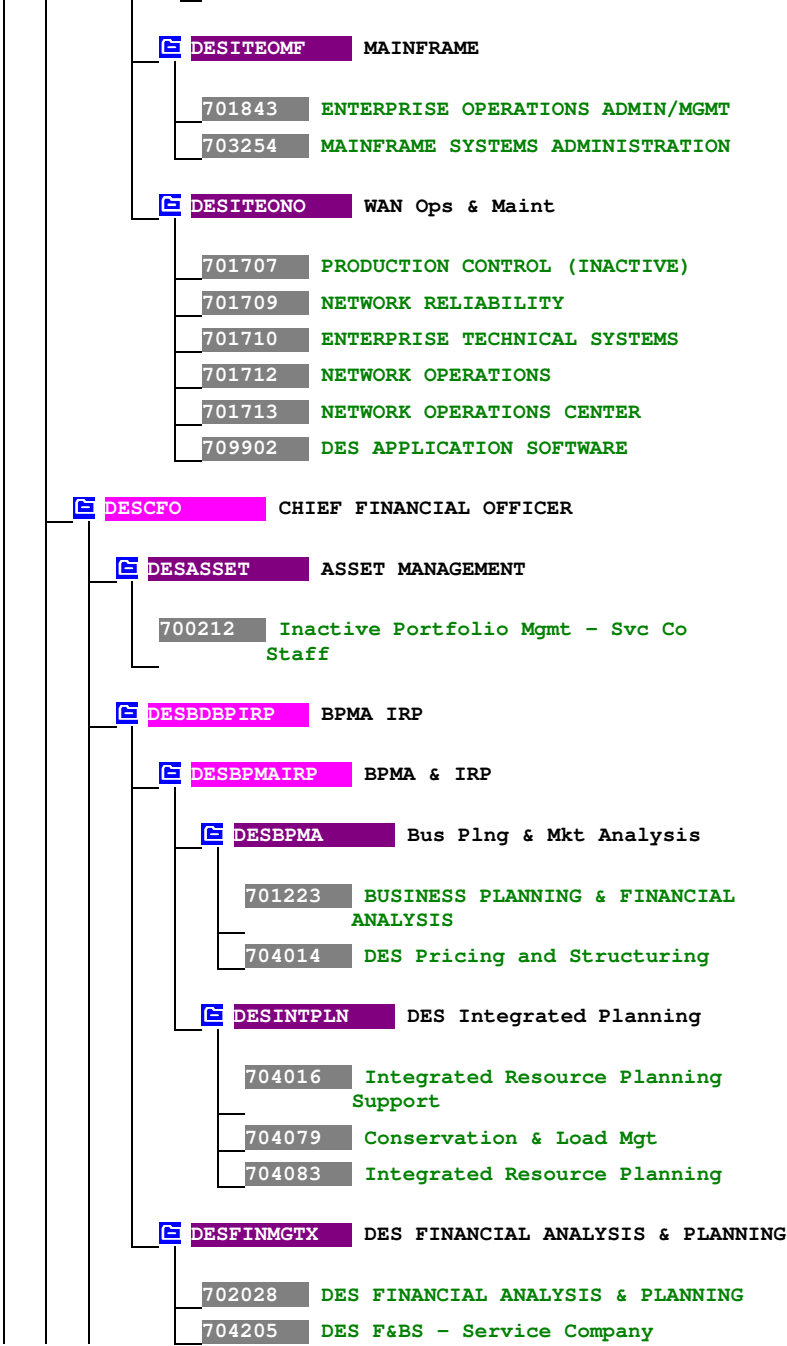
- 704053 HR Dom Generation
- 704055 HR F&H Generation
- 704056 HR Nuclear Generation
- 704100 HR Gen Finance/Construction/Svcs
- 704101 DESN-NUC Workforce Planning

**DESHRPPD** HR PP&D





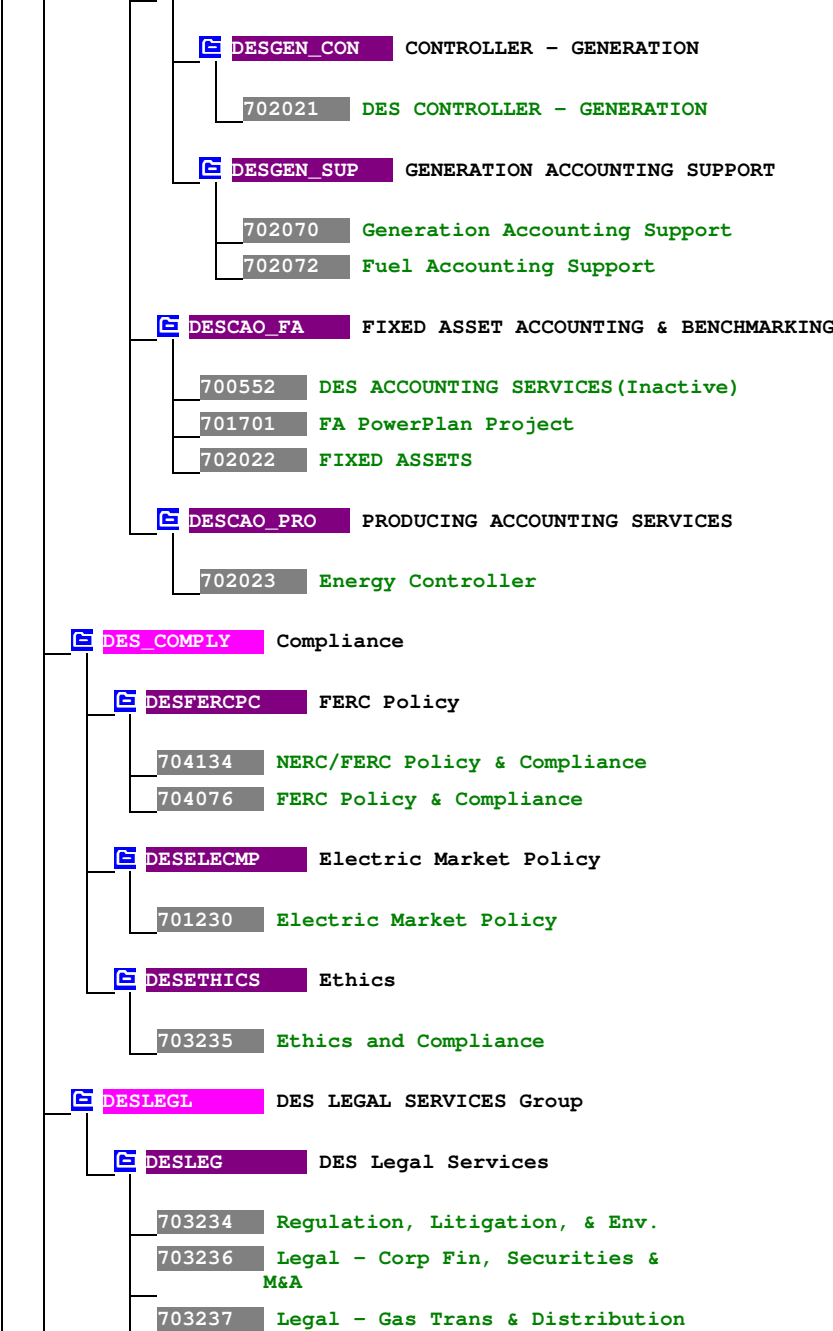
	ADMINISTRATION
703640	ELECTRONIC DATA INTERCHANGE
<b>DESITASEAM</b>	Enterprise Asset Management
701708	IT SERVICES - ASSET MANAGEMENT
703359	IT ASSET MANAGEMENT
<b>DESITEOSYS</b>	Enterprise Systems
702039	Project Managers - Infrastr related proj
703255	PMO AND MANAGEMENT
703385	ITBA - DES & ENTERPRISE SYSTEMS
703387	IT SERVICES - APPLICATION SERVICES
<b>DESITEOEU</b>	IT End User Accts & Svcs
702035	IT END USER ACCTS & SVCS-INACTIVE
<b>DESITEOHD</b>	IT End User & Help Desk Support
701994	IT HELPLINE
<b>DESITEOSEC</b>	IT Risk Mgmt, Risk Ops & Compliance
701730	IT RISK MANAGEMENT
703380	DISTRIBUTED RISK OPERATIONS
703382	NETWORK RISK OPERATIONS
<b>DESITEORSK</b>	IT Risk Operations
<b>DESITEOLS</b>	LAN and Email
701704	MS SOLUTION CENTER (INACTIVE)
701717	ENTERPRISE MESSAGING
703012	LAN SUPPORT
703386	DES NOTES SOLUTION CENTER- INACTIVE
<b>DESITEOTC</b>	Local Telecom Ops & Maint
701264	CORP TELECOM

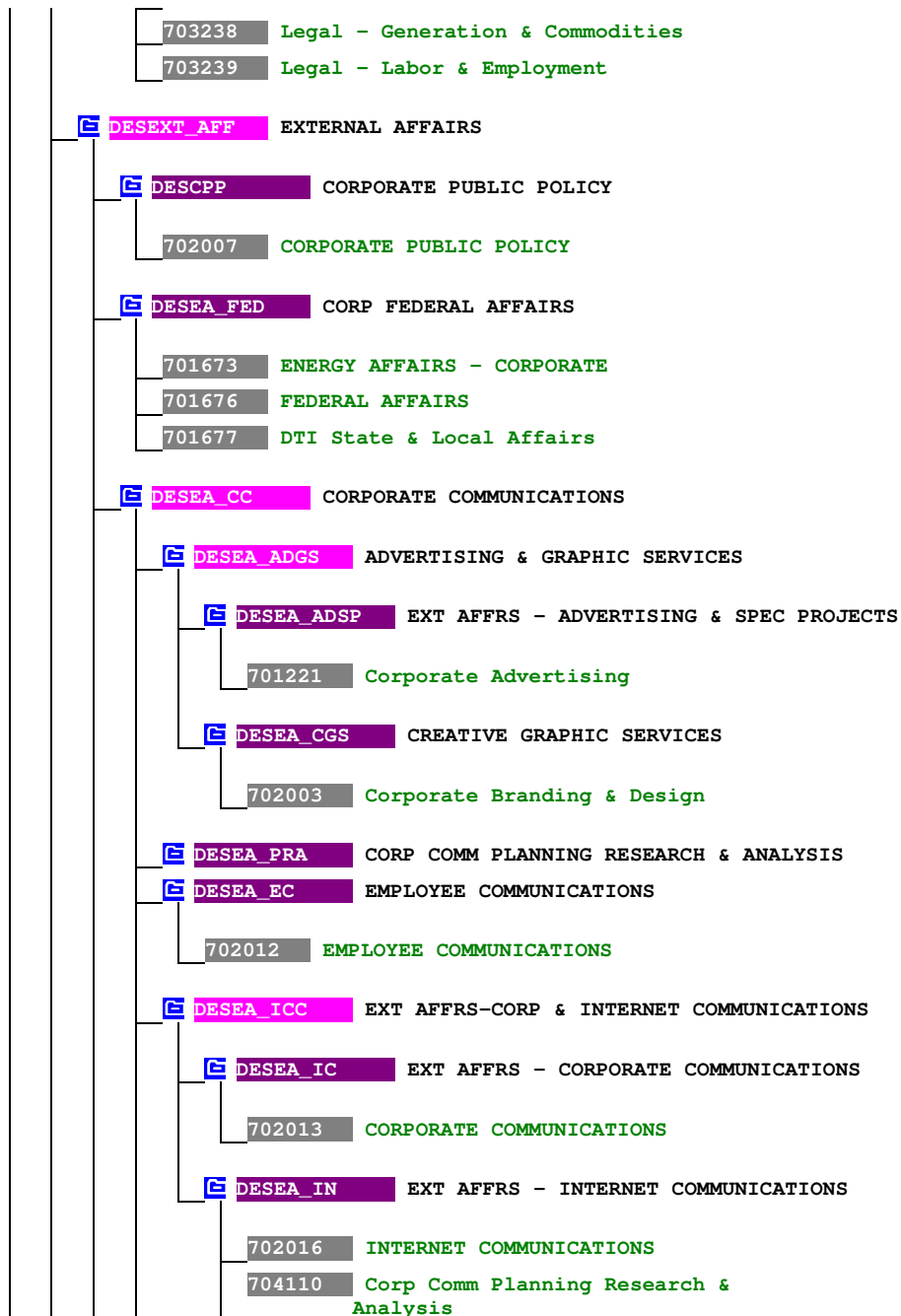


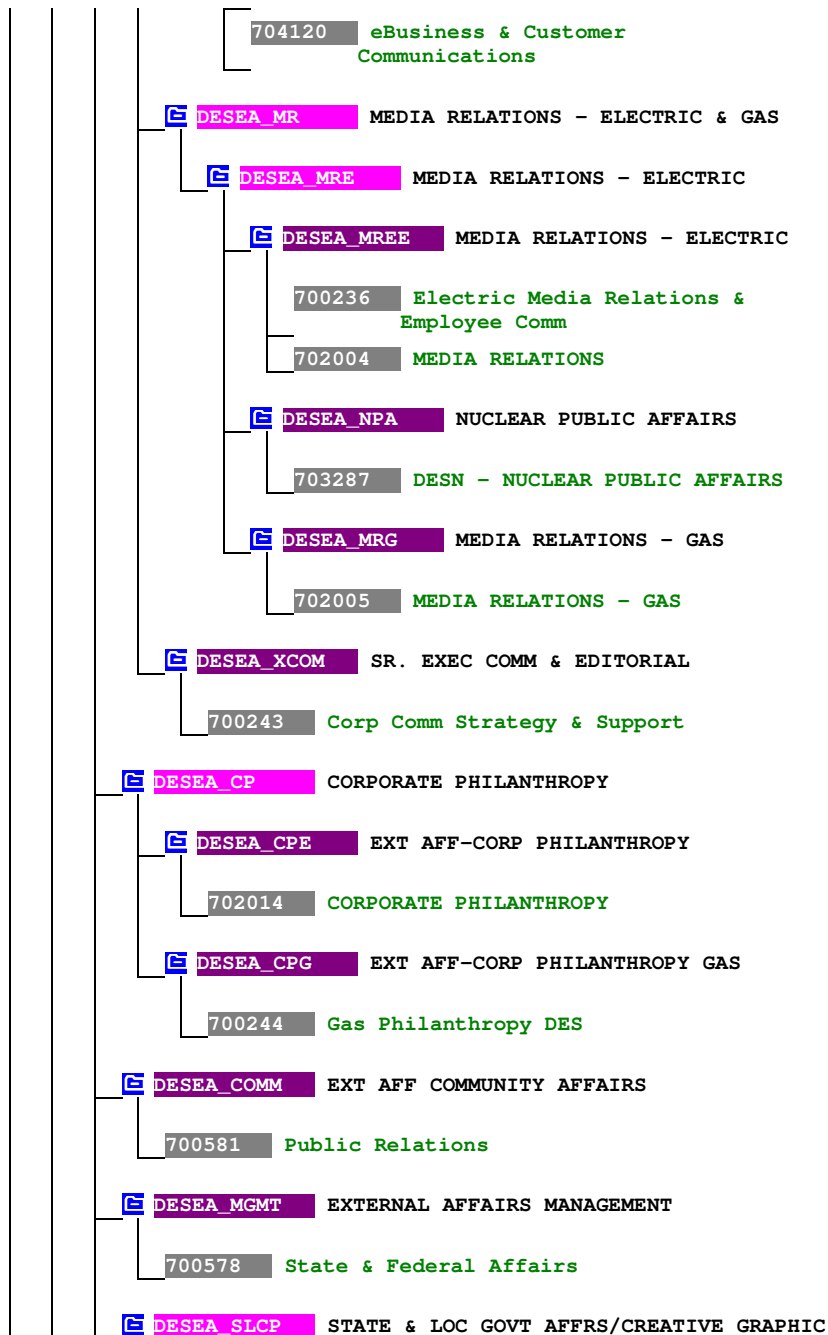
- [-] DESFINANAL FINANCIAL ANALYSIS & PLANNING
  - [-] DESINV\_REL INVESTOR RELATIONS
    - 702034 DES INVESTOR RELATIONS
  - [-] DESFINPLAN FINANCIAL PLANNING
    - 702029 DES Financial Analysis
    - 702030 FINANCIAL ANALYSIS-DEL/CUST SVCS & E&P
    - 702129 DES Fin Analysis & Planning - Del & Tran
    - 704080 Financial Management - Asset Reporting
  
- [-] DESTR\_ERM ENTERPRISE RISK MANAGEMENT
  - 700720 CRO - Risk Management
  - 709122 TWPG - ENT RISK MGT
  
- [-] DESTREATX TREASURY AND TAX
  - [-] DESTREA TREASURY
    - [-] DESTR\_ASSE TREASURY - ASSET MANAGEMENT
      - 700242 Asset Management
    - [-] DESTR\_CHT TREASURY - CASH MGMT TOTAL
      - [-] DESTR\_CASH TREASURY - CASH MANAGEMENT
        - 702031 Short Term Debt Management
        - 702032 Treasury Cash Management
      - [-] DES\_ACCPAY Corporate Disbursements
        - 703345 DES ACCOUNTS PAYABLE
        - 703346 Credit Card Administration
        - 704030 DES ACCTS PAYABLE PURCHASING CARD

DEST <sub>R</sub> _INS	TREASURY - INSURANCE
700722	Corporate Risk
702033	CLAIMS
704061	Corporate Risk Engineering
DEST <sub>R</sub> _OTHE	TREASURY - OTHER
700833	Corporate Finance
DESTAXGRP	DES TAX ACCOUNTING
702024	DES CORPORATE TAXATION
702025	DES TAX RESEARCH
702026	DES TAX POLICY & PLANNING (Inactive)
702027	DES TAXATION - E&P
DESCAO_ACC	DES ACCOUNTING
DESGEN_DEC	CLEARINGHOUSE ACCOUNTING SERVICES
702060	DC Technical Accounting Support
702061	DC Generation Accounting Support
702062	DC Accounting Corporate Services Support
702063	DC Energy Accounting Support
DESCAO_DEL	DELIVERY ACCOUNTING SERVICES
700217	DES Delivery Corp Acctg Staff
700218	DES Controller - Delivery/Cons Acctg
702071	Retail Accounting
DESCAO_DES	DES CORPORATE ACCOUNTING SERVICES
702017	DES ASSISTANT CONTROLLER
702018	CGT Accounting Services
702020	DES CONTROLLER
DESCAO_GEN	ENERGY ACCOUNTING SERVICES









DESEEA\_OH State & Local Govt Affairs OH

701682 OH MEDIA & LOC GOVT AFFRS - OH

DESEEA\_CPP CORPORATE PUBLIC POLICY

DESEEA\_MWC EXT AFF MIDWEST

704068 Midwest Comm Affrs/State & Local  
Affrs

DESEEA\_MA MID ATLANTIC STATE & LOCAL GOVT AFFRS

701678 STATE & LOCAL GOVT AFFAIRS NORTH

DESEEA\_NESL NORTHEAST STATE & LOCAL GOVT AFFAIRS

701679 PENN & NEW YORK GOV'T AFFAIRS  
SERVICE

702006 Northeast State & Local Affairs

DESEEA\_VANC VA/NC STATE/LOCAL GOVT AFFAIRS

700237 Legislative Outreach

701222 ECONOMIC DEVELOPMENT

701680 State & Local Affairs - Eastern

701681 State & Local Affairs - Central

DES\_DE\_ENV GENERATION ENVIRONMENTAL

700208 DES Clarksburg

700209 Environmental ACP Support

700210 Environmental Policy

700211 Env. Compliance

704024 Environmental - DENE

704025 ENVIRONMENTAL-GENERAL STAFF

704026 Environmental Laboratory Services

704027 ENVIRONMENTAL-BIOLOGY

704045 DESN-MILLSTONE ENVRMENTL  
MANAGEMENT TEAM

704046 DESN-MILLSTONE  
ENVIRONMENTALLABORATORY

704047	DESN-MILLSTONE ENVRMTL HAZARDOUS WASTE
704048	DESN-MILLSTONE ENVIRONMENTL-PROGRAMS GRP
704082	New Projects
DESAUDT	INTERNAL AUDIT
702019	DES AUDIT SERVICES
DES_OPS	OPERATIONS
DES_DC_OPS	CAPITAL OPERATIONS
700241	Dominion Capital
DES_DDOPS	DELIVERY OPERATIONS
DESDEL_BP	BULK OPERATIONS
703000	Inact DES BULK POWER OPERATIONS SUPPORT
DESCSTSVC	DELIVERY CUSTOMER SERVICE
DESBP_SS	Business Planning & Strategic Solutions
700323	Business Planning & Strategic Solutions
DESDEL_RPS	DELIVERY REMITTANCE PROCESSING
700220	Remit Processing (DES)
700320	CPS Research & Resolution
700321	CPS Administrative
700322	Miscellaneous Receipts
DEL_OPS	DELIVERY OPERATIONS
700200	Cust Serv Staff - Svc Co Inactive
700206	Gas Operations Staff Svc Co Inactive
704023	INACTIVE DELIVERY OPERATIONS SUPPORT

704092	DES DEC Tredegar Bldg Cost Retail
DESDEL_INS	INSERTING
703227	INSERTING - DES
DES_MKTG	Marketing
700201	Mass Mkt Programs (Inactive)
700202	Market Planning - Serv Co Stf (Inactive)
700234	Mass Mkt Staff (Inactive)
DES_DT_OPS	TELECOM OPERATIONS
700013	INACTIVE - DES TELCOM SUPPORT
DES_DEOPS	ENERGY OPERATIONS
DES_DE_PR	ENERGY INTEGRATED PROGRAMS
DES_DETECH	ENERGY NEW TECHNOLOGY
704028	NEW TECHNOLOGY & VENTURES Inactive
DES_DE_OTH	ENERGY OTHER
700204	DES F&BS Gas Delivery
700214	Gas Supply Area Acquisition
700215	Inactive Gas Supply Reg Support & Acct
700238	Inactive Counter Party Management
700239	Inactive Business Operations Systems
703209	Cove Point Liquefaction
703297	ENERGY SAFETY
704041	TRANSMISSION & MARKETS Inactive
704065	ENERGY LEGAL SERVICES (Inact)
704090	DES DEC Tredegar Bldg Cost VPBM
704091	DES DEC Tredegar Bldg Cost DEMI
704093	DES DEC Tredegar Bldg Cost VPET
704094	DES DEC Tredegar Bldg Cost CNGT

- 704095 DES DEC Tredegar Bldg Cost DTECH
- 704105 DES F&BS - ENERGY
- 704112 ENERGY INTERNS
- 704113 Natural Gas Infrastructure Development
- 704114 Support cost related to DTI finance dept
- 704138 DES DEC Tredegar Bldg Cost DEHI
- 704206 EIG Fincial Mgmt & Commerical Support
- 704230 E&P Appalachia Employees
- 704238 PNG Retiree Costs
- 704240 DES ENVIRONMENTAL ENERGY MANAGED
- 704241 ACP FINANCE

DES\_GENOPS GENERATION OPERATIONS

DES\_DE\_COC GENERATION CODE OF CONDUCT

DES\_FH DOM RES SVCS F & H

DES\_SYS DESF-SYSTEM STATION SUPPORT

DESF\_RENEW DESF PG RENEWABLES (SYS&MERCHANT)

703210 DESF- PG RENEWABLES (Sys&Merchant)

DESF\_BOPS DESF F&H BUSINESS OPERATIONS

DESF\_REGUL DESF F&H Business Operations

703208 F&H Regulatory Compliance (Sys&Merchant)

DESF\_OPER DESF F&H OPERATIONS SUPPORT

701454 DESF - F&H OPERATIONS (Inactive)

703173 DESF - OPERATION SE (inactive)

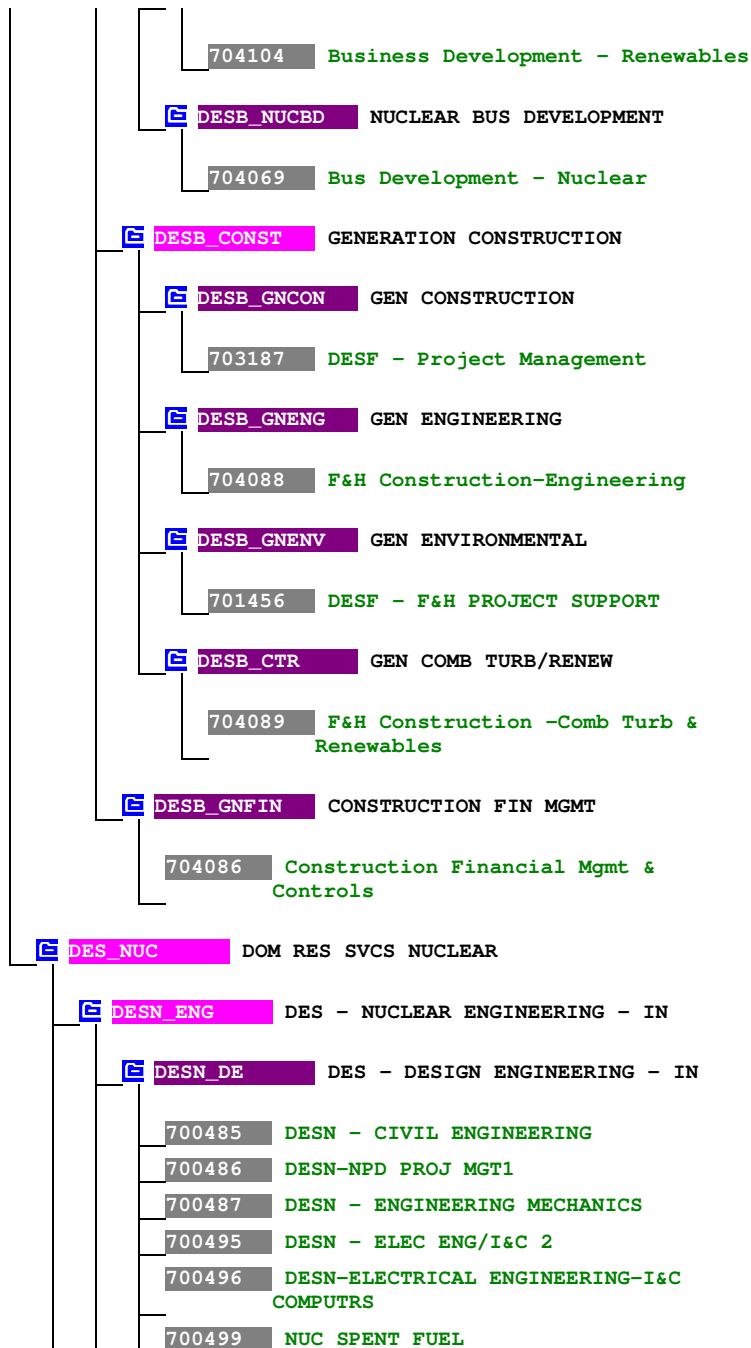
703179 DESF -F&H OPERATIONS S(Inactive)

DESF\_OUT DESF - F&H OUTAGE PLANNING





- [-] DESF\_SSUPP DESF - F&H STATION SUPPORT
  - 704038 DES F&H STATION SUP(Inactive)
  - 704052 DESF- F&H EXECUTIVE ADMIN
  - 704106 DESF Employee Development
- [-] DESF\_TSSUP DESF F&H TECH SERVICES SUPPORT
- [-] DESF\_TSOPS DESF F&H TECH SERVICES OPERATNS SUPPORT
  - 703185 DESF - Technical Services Operatns Supp
- [-] DESF\_PROJM DESF PROJECT MANAGEMENT
  - 703172 DESF - SYSTEM SUPPORT
- [-] DESF\_MERC DESF-MERCHANT STATION SUPPORT
  - 704013 DES GENERATION PROJECT MANAGEMENT
  - 704049 DESF- COAL PROJ UNREGULATED Inactive
  - 704050 DESF- CC PROJECTS UNREGULATED
  - 704051 DESF- CT PROJ UNREGULATED Inactive
  - 704067 DESF - STATION OPERATIONAL MANAGEMENT
  - 704239 Stateline Employees
- [-] DES\_BUSGEN BUSINESS DEV & GENERATION
  - [-] DESB\_GNDEV GENERATION DEVELOPMENT
    - [-] DESB\_GNPRJ GENERATION PROJECTS
      - 703188 DESF - F&H GENERATION PROJECTS
    - [-] DESB\_GNBDV GEN DEV & BUS DEVELOPMENT
      - 704087 Generation Development - Bus Development
  - [-] DESB\_RENEW Bus Dev Renewables



700528	DESN-NUC PROG/COMP & INSP
701623	DESN-NPD PROJ MGTII
701650	DESN -MECHANICAL ENGINEERING- PROCESS SYS
701652	DESN -MECHANICAL ENGINEERING- PROJ SUPP
<b>DESIGN_ISI</b>	DES - ISI/NDE & ENG PROG - IN
700497	DESN - CONFIGURTION CONTROL
701651	DESN - NUCLEAR ENGINEERING-ADMIN
701654	DESN - MATERIALS (INACTIVE)
<b>DESIGN_NAF</b>	DES - NUC ANALYSIS & FUELS -IN
700501	SAFETY ANALYSIS M&M
700502	NUC CORE DESIGN II
700503	NSA Design
700504	FUEL PERFRM ANALYSIS
700505	DES - DESIGN BASIS SUPPORT
700511	SAFETY ANALYSIS APPL
700512	NUC CORE DESIGN I
701156	NUC ANALYSIS & FUEL
701161	PRA II
701649	PRA 1
703038	NUC FUEL PROCUREMENT
703039	NUC FUEL PROJECT ENG
<b>DESIGN_SECEP</b>	DES - NUC SEC/ADMIN/EMER PL-IN
701512	DESN - EMERGENCY PLANNING
701532	DESN - ADMIN SERVICES
701534	DESN - ACCESS SERVICES
<b>DESIGN_NLOS</b>	DES - NUC LICENSING & OPS SUPP
701510	DESN - NUCLEAR LICENSING & OPS SUPPORT
701524	Performance Improvements
701527	DESN - EMPLOYEE CONCERNS

**DES\_N\_OTHER** DES - NUC DIRECT REPORTS - IN

- 700035 DESN - NUCLEAR OVERSIGHT CORP
- 700920 DESN -RECORDS MANAGEMENT
- 701516 DESN - NUCLEAR TRAINING
- 701525 DESN - Nuclear Fleet Outage Group
- 701830 DESN -CONFIGURATION MANAGEMENT
- 701831 DESN-NUCLEAR SLR
- 701832 DESN -Director Nuc Eng Programs
- 701833 DESN -NUCLEAR PROGRAMS
- 701850 DESN - NUCLEAR PROJECTS  
DEPARTMENT
- 701851 DESN - NPD ELECT (INACTIVE)
- 701852 DESN - NPD CIVIL/MECHANICAL  
PROJECTS
- 701853 DESN - NPD PROJECTS
- 701854 DESN - NPD ELECTRICAL/ I&C  
PROJECTS
- 701855 DESN - NPD CIVIL/MECHANICAL  
PROJECTS
- 701856 DESN - NPD PROJECT CONTROLS
- 701860 DESN - NORTH ANNA 3 PROJECT
- 701861 DES - Design Basis Support
- 701865 DESN -NUCLEAR (INACTIVE)
- 704064 DESN -NUCLEAR SPECIAL PROJECTS
- 704108 DESN - Millstone Fleet Support

**DES\_DE\_FBS** GENERATION FINANCIAL MANAGEMENT

- 701537 DES -Nuclear Finance & Business  
Services
- 704005 DES F&BS - GENERATION
- 704081 Generation Planning &  
Analysis (INACTIVE)
- 704098 Generation Financial Planning &  
Analysis
- 704102 DESF - F&H Finance
- 704103 Emissions Management Group

**DES\_GOTH** GENERATION OTHER

	700011	BUSINESS DEVELOPMENT (INACTIVE)
	700012	Cleveland Thermal Employees (INACTIVE)
	701002	ELWOOD
	701003	KINCAID
	704109	Generation Interns
	<b>DES_DI_OPS</b>	INTERNATIONAL OPERATIONS
	700245	Dominion International (Inactive)
	<b>DES_DP_OPS</b>	PRODUCING OPERATIONS
	700227	E&P Service Company Staff Inactive
	704015	Exploration and Production
	<b>DES_OTH_OP</b>	OTHER OPERATIONS
	700101	Cirro Divested
	701000	DES VSP
	701001	DES Tomcat and Keswick Severances
	701004	DES Organizational Redesign Proj - 2016
	<b>DESREG</b>	REGULATORY
	<b>DESREGCASE</b>	REGULATORY CASE MGT
	704084	Regulatory Case Mgt & Communication
	<b>DESREGCOM</b>	REGULATORY COMPLIANCE
	704077	Regulatory Accounting
	704140	Regulatory Affairs

<input type="checkbox"/>	<input type="checkbox"/> DESREGPRJ	REGULATORY PROJECTS
<input type="checkbox"/>	<input type="checkbox"/> DESSTATE	State Regulation
	704022	Cost Allocation & Policy
<input type="checkbox"/>	<input type="checkbox"/> DES_UNCL	UNCLASSIFIED COST CENTERS
	700219	Delivery Corp Fixed Asset Staff Inactive
	700232	Parkridge Facility Expenses
	700233	Mass Mkt Advertising
	700235	Data Center
<input type="checkbox"/>	<input type="checkbox"/> DES_COMM	COMMON COST CTR
<input type="checkbox"/>	<input type="checkbox"/> DES_OTHER	OTHER
	701674	DES BENEFIT PLANS
	701675	DES Supplemental Benefits
	702054	FLEET-DES (NO LABOR)
	702905	REAL ESTATE - Synthetic Lease(INACTIVE)
	702906	REAL ESTATE - Synthetic Lea(INACTIVE)
	704039	DES FACILITIES COST POOL
	704040	DES INFRASTRUCTURE COST POOL
	704063	DES FLEET COST POOL Inactive
	704099	Portfolio Management Group
	704139	DES DEC Tredegar Bldg Cost Pool
	709901	DES COMMON
	709903	DES Telecom Software(Inactive)
	709904	DES Data Processing Software(Inactive)
	709905	DES Mainframe Software

**Exhibit 5 DES Billing Entity Codes 2017**

Billing_Cost_Center	Billing_Name	Company_Code	Cost_Center	Non-SAP_Company_AR	Billing_Segment	GL_Account
ACPJV	Atlantic Coast PL, LLC	ACP1	339905		Energy	4998027
BRM	Blue Racer Midstream			1137055	Energy	4998001
CGT	Carolina Gas Trans Corp	8403	840302		Energy	4998068
CNGC	CNG Coal Company	7104	710401		Energy	4998039
CNGF	Dominion Field Services, Inc.	7113	112010		Energy	4998042
CNGIR	Dominion Iroquois, Inc.	1005	100501		Energy	4998029
CNGPS	Dominion Products & Services, Inc.	7107	639020		Energy	4998041
CNGPSC	CNG Power Services Corporation	8000	800005		Energy	4998043
CNGR	Dominion Retail Services Company	7106	609020		Energy	4998040
CNGT	Dominion Transmission, Inc.	1004	339905		Energy	4998027
DACP	Dominion ACP Holding, Inc.	1009	100901		Energy	4998067
DALH	Dominion Alliance Holdings, Inc	0100	100000		Dom VA Power	4998011
DCGS	Dominion Carolina Gas Services, Inc.	7014	840302		Energy	4998068
DCGT	Dominion Carolina Gas Transmission	8403	840302		Energy	4998068
DCI	Dominion Capital, Inc. (DCI)	8600	860001		Corporate	4998061
DCOVE	Dominion Cove Point LNG, LP	8155	815505		Energy	4998053
DCPI	Dom Gas Projects Co., LLC	8155	815201		Energy	4998066
DEHI	Dom Energy Holdings	5010	501101		Corporate	4998032
DEIBD	DEI Business Development	8000	800011		Generation	4998044
DEICORP	Dominion Energy, Inc.	8000	800005		Generation	4998045
DEK	Dominion Energy Kewaunee	8208	8208DES1		Generation	4998057
DEMI	Dominion Energy Marketing	8141	814100		Generation	4998050
DETCI	Dominion Energy Terminal Co	8160	816001		Generation	4998054
DFAIR	Dominion Fairless	8142	814201		Generation	4998051
DFOUND	Dominion Foundation Inc			1137055	Corporate	4998001
DGBR	Dominion Greenbrier, Inc	8130	813001		Energy	4998049
DGLLC	Dominion Greenbrier Pipeline LLC	8132	339906		Energy	4998028
DLI	Dominion Lands, Inc. (DLI)	8604	860401		Corporate	4998062
DMANCH	Dominion Energy Manchester St	8167	816716		Generation	4998055
DMGP	Dom Cove Pt LNG Co., LLC	8153	815301		Energy	4998065
DNAT	Dominion Natrium, LLC	1006	100601		Energy	4998030
DNC	Dominion Nuclear Connecticut	8205	82050886		Generation	4998058
DNNA	Dominion Nuclear North Anna	1000	2DES04		Generation	4998014

DPAYE	Dominion Payroll Co, Inc.	7000	840302		Energy	4998068
DPAYG	Dominion Payroll Co, Inc.	7000	100000		Generation	4998012
DEI	Dominion Energy, Inc. (Parent Company)	0100	100000		Corporate	4998012
DSCA	Dominion Solar California	8225	822501		Generation	4998076
DSGT	Dom Solar Gen-Tie, LLC	8250	825001		Generation	4998075
DSHI	Dom Solar Holdings, LLC	8225	822501		Generation	4998076
DSP3	Dominion Solar Projects III, Inc.	8222	822201		Generation	4998074
DSP4	Dominion Solar Projects IV, Inc.	8228	822801		Generation	4998078
DSS	Dominion Solar Services	8225	822501		Generation	4998076
DSTATE	Dominion State Line	8000	800021		Generation	4998048
DTECH	Dominion Technical Solutions, Inc.	5008	500811		Dom VA Power	4998031
DWP1	Dominion Workplace Plan Tower 1			1137055	Corporate	4998001
DWP2	Dominion Workplace Plan Tower 2			1137055	Corporate	4998001
EOG	East Ohio Gas Company	1001	449905		Energy	4998025
GASLLC	Dominion Gas, LLC	1100	110000		Energy	4998063
HOPE	Hope Gas, Inc	1003	779905		Energy	4998026
QCORP	Dominion Questar Corporation	1200		1133000	Energy	4998010
QGAS	Dominion Questar Gas	1250		1133000	Energy	4998010
QPIPE	Questar Pipeline	1220	100032		Corporate	4998012
QPIPE2	Questar Pipeline 2			1133000	Energy	4998010
QUEST	Questar	1200	100031		Corporate	4998012
QWEX	Dominion Questar Wexpro	1260		1133000	Energy	4998010
TIOGA	TIOGA Properties, LLC	8151	339905		Energy	4998027
VPCORP	Virginia Power Corporate	1000	609900		Corporate	4998064
VPCU	Dominion Credit Union	1000	600985		Corporate	4998015
VPCUST	VP Customer Service	1000	5DES01		Dom VA Power	4998016
VPD	VP Distribution	1000	3DES01		Dom VA Power	4998017
VPEM	VP Energy Marketing	6200	5DES05		VPEM	4998035
VPEMC	VPEM Corporate Enterprise	6200	5DES10		VPEM	4998035
VPEME	VPEM Energy	6200	5DES08		VPEM	4998036
VPEMG	VPEM Generation	6200	5DES09		VPEM	4998037
VPES	VP Energy Services	1000	1DES02		Generation	4998018
VPET	VP Electric Transmission	1000	2DES03		Dom VA Power	4998019
VPFOS	VP Fossil & Hydro	1000	1DES01		Generation	4998020
VPNAVY	VP Navy	1000	4DES01		Generation	4998020
VPNS	VP Nuclear Services (VPNS)	6100	2DES02		Generation	4998034



VPNUC	VP Nuclear	1000	2DES01	Generation	4998021
VPOG	VP Other Generation	1000	1DES02	Generation	4998022
VPP	VP Properties	6500	512102	Generation	4998023
VPS	VP Services (VPS)	6000	610000	Generation	4998033
VPSE	VP Services Energy (VPSE)	6300	5DES06	Generation	4998038
VPTCAP	VP Telecom Capital Work (Special)	1000	601264	Corporate	4998024

Exhibit 6 DES Allocation Methods 2016

Service Company Allocation Factors

Factor #	Service	Department or Function	Basis of Allocation	Dependent on O&M?
1	Accounting Services		O&M (AE)	
		<i>Payroll Processing</i>	Headcount (B)	No
		<i>Accounts Payable Processing</i>	# of A/P documents (S)	Yes
			P-Card Spend (S-3)	Yes
		<i>Fixed Assets</i>	Fixed Assets (AD)	No
		<i>Accounts Receivable Processing</i>	# Customer Payments (R)	No
2	Auditing		O&M (AE)	
3	Legal and Regulatory		O&M (AE)	
4	Information Technology, Electronic Transmission and Computer Services:			
		<i>LDC/EDC Computer Applications (client services)</i>	# Customers (L)	No
		<i>Other Computer Applications, including Software/ Hardware Pooling (client services/ data ops)</i>	# Users or Usage (M); Pipeline Miles (Z)	No
		<i>Network Computer Applications (client services/ data ops)</i>	# Network Devices (M); Pipeline Miles (Z)	No
		<i>Telecommunications Applications (telecom)</i>	# Telecom Units (O)	No
5	Software/ Hardware Pooling		(see IT above)	
6	Human Resources		Headcount (B)	No
7	Operations		O&M (AE) (X)	
8	Executive and Administration		O&M (AE)	
9	Business Services:			

	<i>Energy Services</i>	Energy Sale & Deliveries	No
	<i>Facility Services</i>	Square Footage (P)	Yes
	<i>Fleet Administration</i>	# Vehicles (T)	No
	<i>Security</i>	Headcount (B)	No
	<i>Gas Supply (See Operations)</i>	Throughput of gas volumes (X)	No
	<i>Aviation</i>	O&M (AE) and # Flight Days (AF)	Yes
10	Risk Management	Insurance Premiums (F)	Yes*
11	Corporate Planning	Capitalization (AO)	No
12	Supply Chain:		
	<i>Purchasing</i>	\$ Purchases (U)	No
	<i>Materials Management</i>	Material Inventory Assets	No
13	Rates	O&M (AE)	
14	Research	Gross Revenues	No
15	Tax	<i>Tax Accounting and Compliance</i> Total Income and Total Deductions (I)	Yes
16	Corporate Secretary	O&M (AE)	
17	Investor Relations	O&M (AE)	
18	Environmental Compliance	O&M (AE)	
19	Customer Service	<i>Customer Payment (Remittance) Processing</i> # Customer Payments (R)	No
20	Energy Marketing	O&M (AE)	

21	Treasury/ Finance	Treasury and Cash Management	Capitalization (AO)	
22	External Affairs		O&M (AE)	
23	Office Space	Infrastructure/Occupancy (to allocate DES Cost Pools to Service Cost Centers)	Headcount (B)	No

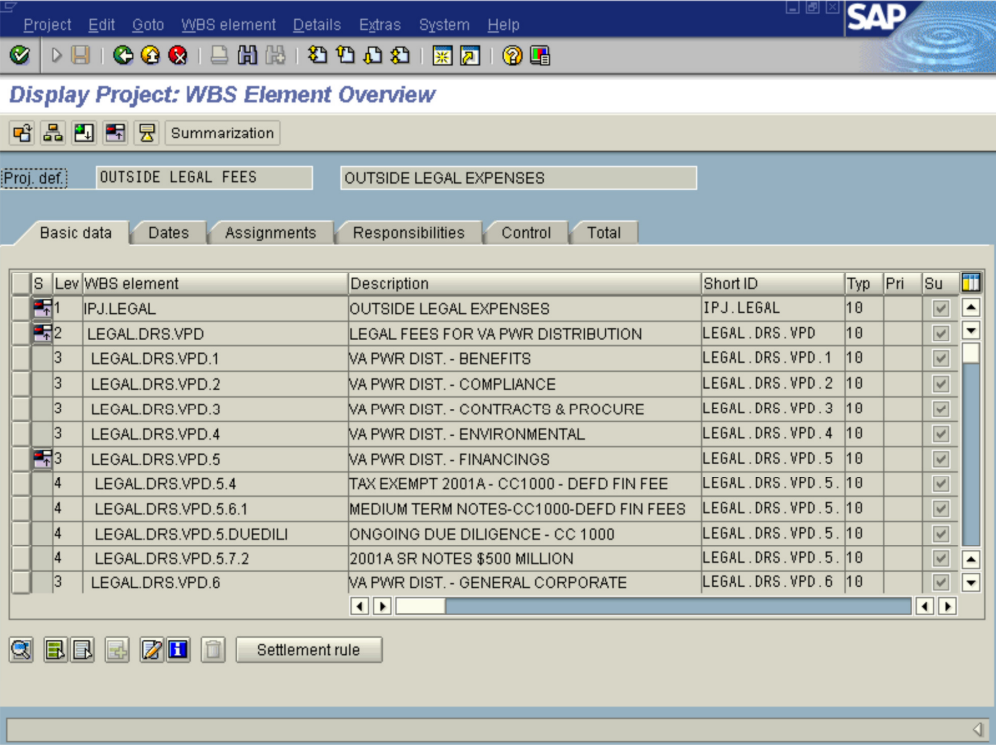
\*Note: the allocation methods by service above do not exactly match the cost center hierarchy in Exhibit 4 as the service which determines allocation factor is driven by the WBS element and not from the hierarchy.

**Exhibit 7 Interim Project Summarization Master Data and IPD Report**

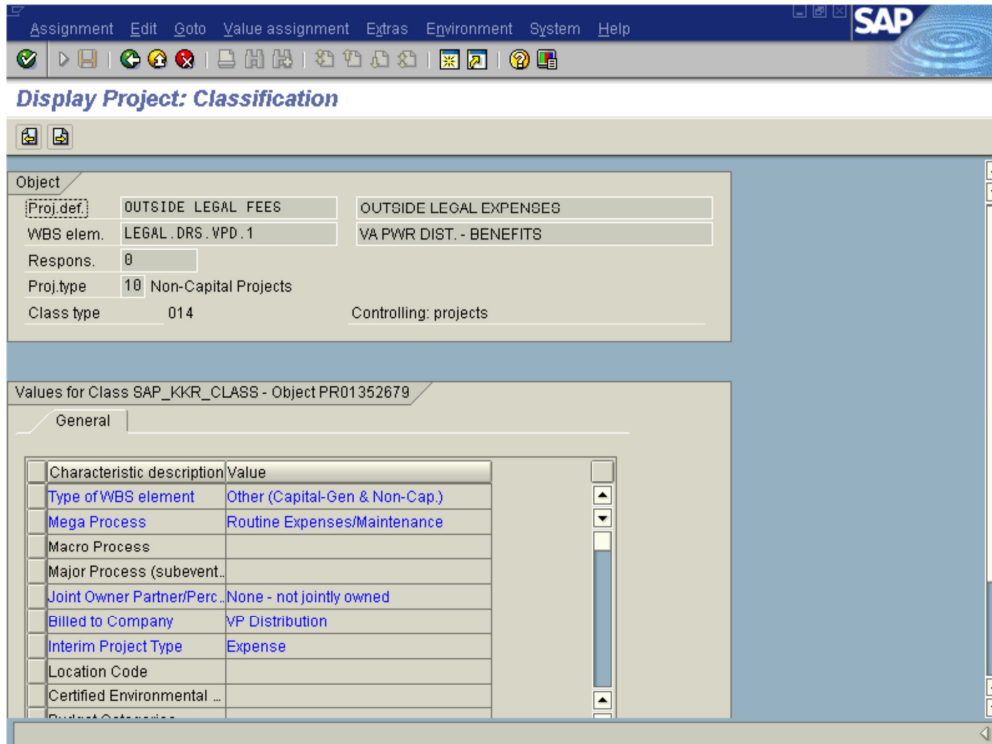
**Instructions**

**INTERIM PROJECT DETAIL REPORT  
 INSTRUCTIONS FOR SETTING UP THE SUMMARIZATION SCREEN FOR  
 DES 'INTERIM' DIRECT BILLING PROJECTS**

When adding a Direct Billing WBS element to a 'interim' DES project, make sure to hit the summarization button at the top of the screen (This DOES NOT apply to any projects that may have an allocation.). See below:



This will bring up the following screen:



On this screen, there are several items that need to be completed. The fields “Type of WBS element”, “Mega Process”, “Joint Owner Partner/Percent”, “Billed to Company” (if not an allocation), and “Interim Project Type” (B, C, E). The “Billed to Company” must be filled in for the company being billed. **If the billing is an allocation, then do not fill in this field.** If you complete the “Billed To Company” field, you must also fill in the “Interim Project Type” field. The codes are “B” for Billable, “C” for Capital, and “E” for Expense. You should choose “Billable” (B) if the component receiving the charge needs interim project detail to prepare an interim billing, “Capital” (C), if the company receiving the charge will capitalize it, or “Expense” (E), if the company receiving the service wished to track this “key” expense. Once these fields have been filled in, then use the back arrow and save the project.

Note: When setting up the interim WBS element, on the Total tab, make sure to fill in the Customer number field for these projects. The customer number field is a unique field that will hold a descriptive entry identifying what specific activity the interim project supports. This field will appear on the reclass report. If this field is not filled in, there will be no way to identify the specific WBS element that is set up.

## **Exhibit 8 DES Time Entry & Approval Policy**

### **Time Entry & Approval Process - Non-union**

#### **Intent**

To ensure that time entry and approval is processed accurately in the SAP Timekeeping System.

#### **Applies To**

All Non-Union employees

#### **Guidelines**

##### **Time entry requirements**

- All employees are required to complete timesheets on a weekly basis so that all hours are recorded and the costs are charged accurately and in a timely manner. Additionally, all time for the prior month should be entered by noon on the first business day of the month. Employees should not enter time more than 2 weeks in advance during normal business situations and no more than a month in advance for extended leave scenarios.
- Payroll will process pay checks according to the published payroll calendar even though time has not been approved by leadership.

##### **Time approval requirements**

- To ensure accurate information is recorded in the HR-Payroll and Finance systems, leadership is responsible for review and approval of employee timesheets.
- For all Non-Union employees, time entry must be approved, at a minimum, on a monthly basis by the employee's supervisor using the Online Time Approval system. Time should be electronically approved by the last calendar day of the following month to remain in compliance with the Time Entry and Approval Policy.
- The job aid to assist with approving online time can be found [here](#).
- Time approved electronically within SAP will be retained within the timekeeping system for the required retention period, and are available upon request.

The Payroll Department will attempt to notify leaders when time has not been approved by the last calendar day of the following month.

##### **Assistance**

Questions regarding this policy should be directed to your assigned Human Resources

Representative or to the Dominion Helpline 1-877-947-4636, 8-736-4636 and choose option 1.

**Resources**

None

**Revision Date**

2/25/2015

**Policy Owner**

Payroll



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**Exhibit 9 FERC Financials**

Dom Resources Svcs, Inc. Dom Resources Services FERC-60 Financial Statement Time 07:41:34 Date  
02/15/2017 Richmond, VA RFBILA00/BRAD108 Page  
1

Company code 700 Business area \*\*\* Amounts in USD  
0 \*

C	Comp	Bus.	Texts	Reporting period	Comparison period	Absolute	Rel	Sumt
F	code	area		(01.2015-12.2015)	(01.2016-12.2016)	difference	dif	lev 1
								ea
			BALANCE SHEET					
			ASSETS & OTHER DEBITS					
			SERVICE COMPANY PROPERTY					
7000	****	1311020	Intangible Assets	74,628,080.27	83,827,862.49		11.0-	
7000	****	1311030	Land & Easements	0.00	9,278,229.15	9,199,782.22-		
7000	****	1311040	Buildings	50,783,251.15	50,783,251.15	9,278,229.15-	100.0-	
7000	****	1311080	Transportation Equipment	61,795.43	61,795.43	0.00		
7000	****	1311090	General Plant & Equipment	152,837,572.26	157,135,819.48	4,298,247.22-	2.7-	
7000	****	1311105	Leasehold Improvements	2,227,977.47	2,227,977.47	0.00		
7000	****	1311191	Asset Retirement Cost- Manual posting	16,140.24	16,140.24	0.00		
7000	****	1311930	Non-Util PP&E Clearing Acct for Data Co	239,294.74	0.00	239,294.74		
			Service Company Property (101)	280,794,111.56	303,331,075.41	22,536,963.85-	7.4-	*5*
7000	****	1311100	Property Held Under Capital Leases	4,156,330.96	4,444,534.32	288,203.36-	6.5-	
			Property Under Capital Lease (101.1)	4,156,330.96	4,444,534.32	288,203.36-	6.5-	*5*
7000	****	1311010	Construction Work In Progress - Utility	8,292,262.39	18,308,844.34	10,016,581.95-	54.7-	
7000	****	1311018	Construction Work In Progress - Intangi	20,480,050.18	19,756,393.58	723,656.60	3.7	
7000	****	9107000	Construction Work in Progress	0.16-	0.00	0.16-		
			Construction Work in Progress (107)	28,772,312.41	38,065,237.92	9,292,925.51-	24.4-	*5*
			Total Property	313,722,754.93	345,840,847.65		9.3-	*4*



7000	****	1331040	Accumulated Depreciation - Buildings	14,963,596.15-	15,980,800.15-	32,118,092.72-	6.4	
7000	****	1331080	Accumulated Depreciation - Transportati	43,248.43-	45,996.43-	1,017,204.00	6.0	
7000	****	1331090	Accumulated Depreciation-General Plant	41,672,931.26-	48,664,733.48-	6,991,802.22	14.4	
7000	****	1331191	Accum Depreciation - Asset Retirement C	21,736.04-	20,557.90-		5.7-	
7000	****	1331800	Accum. Depreciation - Salvage	0.00	5,900.00-	1,178.14-	100.0	
7000	****	1331810	Accum. Depreciation - Cost of Removal	10,623.50	27,392.88	5,900.00	61.2-	
			Accum Prov for Depr of Svc Co Prop (108)	56,690,888.38-	64,690,595.08-	16,769.38-		
7000	****	1331020	Accumulated Amortization - Intangible A	38,855,032.27-	47,154,825.49-	7,999,706.70	12.4	*5*
7000	****	1331100	Accumulated Amortization - Capital Leas	2,087,428.96-	2,803,636.32-	8,299,793.22	17.6	
7000	****	1331105	Accumulated Amortization - Leasehold Im	1,545,036.47-	1,757,245.47-	716,207.36	25.5	
			Accum Prov for Amort of Svc Co Prop (111) Net Service Company Property	42,487,497.70-	51,715,707.28-	212,209.00	12.1	
				214,544,368.85	229,434,545.29	9,228,209.58	17.8	*5*
						14,890,176.44-	6.5-	*3*
			INVESTMENTS					
7000	****	1212010	Executive Benefits Trust	112,704,126.49	120,813,165.37	8,109,038.88-	6.7-	
7000	****	1212015	Deferred Compensation - Rabbi Trust	60,481,909.99	64,140,456.97	3,658,546.98-	5.7-	
			Other Investments (124)	173,186,036.48	184,953,622.34	11,767,585.86-	6.4-	*5*
7000	****	1219032	Other Investments - Insurance - Split D	9,150,724.99	9,282,512.00	131,787.01-	1.4-	
7000	****	1231010	Exec Insur - Cash Surrender Value	5,519,756.16	5,676,537.12	156,780.96-	2.8-	
7000	****	1231015	Exec Insur - Cash Surrender Value Appro	5,519,755.82-	5,676,536.78-	156,780.96	2.8	
			Other Special Funds (128)	9,150,725.33	9,282,512.34	131,787.01-	1.4-	*5*
			Total Investments	182,336,761.81	194,236,134.68	11,899,372.87-	6.1-	*3*
			CURRENT & ACCRUED ASSETS					
7000	****	1111020	Cash in Banks - Chase - CDA - A/P	3,310.72	4,163.92	853.20-	20.5-	
7000	****	1111310	Cash in Banks - Chase - G/F	932.43	4,143.21	3,210.78-	77.5-	
7000	****	1111790	CIB - Wells Fargo - CDA - Payroll	100.00	100.00	0.00		
7000	****	1112022	Cash Clrng - Chase - CDA - A/P - Checks	925,373.89-	785,933.35-	139,440.54-	17.7-	
7000	****	1112314	Cash Clrng - Chase - G/F - EFT Out	8,365,273.41	0.00	8,365,273.41	57.7	
7000	****	1112792	CCL- Wells Fargo - CDA - Payroll - Chec	5,556.62-	13,146.96-	7,590.34		
7000	****	1112793	CCL- Wells Fargo - CDA - Payroll - EFT	0.00	200.00-	200.00	100.0	
7000	****	1112794	CCL- Wells Fargo - CDA - Payroll - EFT	8,213.37-	0.00			
7000	****	9131000	Cash	935,733.16	795,016.39	8,213.37-	17.7	
7000	****		Cash (131)	8,366,205.84	4,143.21	140,716.77		
7000	****	1192020	Special Funds - Long Term Disability	47,491.42	497,134.36	8,362,062.63	*1825.7	*5*
7000	****	1192025	Special Funds- Health Reimbursement Dis	0.00	604,265.90	449,642.94-	100.0-	
7000	****	1192030	Special Funds - Dental	704,744.41	340,630.23	604,265.90-	106.9	
7000	****	1192050	Special Funds - Flexible Spending Accou	1,863,595.30	1,955,039.76	364,114.18	4.7-	
7000	****	1192065	Special Funds- Prepaid Cards	0.00	107,996.22	91,444.46-	100.0-	
7000	****	1192900	Other Special Funds/Deposits - Current Other Special Deposits (134)	1,000.00	0.00	107,996.22-	1,000.00	
				2,616,831.13	3,505,066.47	888,235.34-	25.3-	*5*
7000	****	9141000	Notes Receivable	1,086,400.00	0.00	1,086,400.00		
7000	****		Notes Receivable (141)	1,086,400.00	0.00	1,086,400.00		*5*
7000	****	1136000	Accts Receivable - Reconciliation - Cus	136.00-	531.46	667.46-	125.6-	
				136.00-	531.46	667.46-	125.6-	*5*
7000	****	1132030	SAP A/R Recon - Employee Purchase Progr	38,506.18	19,620.87	18,885.31	96.3	
7000	****	1132040	Employee Stock Option Tax Clearing Acco	0.00	7,925.03-	7,925.03	100.0	
7000	****	1137045	A/R - Other-Accident/Property Claims- SA	21,527.85	20,339.16	1,188.69	5.8	
7000	****	1137050	Accounts Receivable - ARM-Public	1,861,761.74	2,011,469.95	149,708.21-	7.4-	
7000	****	1137055	Accounts Receivable - Other	293,512.88	1,285,506.79	991,993.91-	77.2-	
7000	****	1137057	Accounts Receivable - Other - SAP Recon	1,710.89	1,510.89	200.00	13.2	
7000	****	1139900	Loan Clearing - Employee Purchase Progr	344.21-	344.21-	0.00		
7000	****	1139945	Cash Clearing Account -Misc Rcpts Proce	0.00	2,796.00-	2,796.00	100.0	
7000	****	9143000	Other Accounts Receivable	136.00	0.00	136.00		
			Accounts Receivable (143)	2,216,811.33	3,327,382.42		33.4	*5*

7000	****	1133231	Assoc CoRec/Pay-8403-Dom Carolina Gas	0.00	6,020.01-	1,110,571.09-	6,020.01	100.0
7000	****	1133460	Assoc Co Receivable/Payable-1200- Dom	0.00	287,062.00			100.0-
7000	****	1133461	Assoc Co Receivable/Payable-1220- QuesP	0.00	42,408.00	287,062.00-		100.0-
7000	****	1133462	Assoc Co Receivable/Payable-1221- QuesF	0.00	1,171.89	42,408.00-		100.0-
7000	****	1133463	Assoc Co Receivable/Payable-1222- QuesO	0.00	23,766.63	1,171.89-		100.0-
7000	****	1133510	Assoc Co Rec/Pay-8000-Dominion Energy (D	372,925.24	372,925.24	23,766.63-	0.00	
7000	****	1133520	Assoc Co Rec/Pay-0100-Dominion Resource	1,378,985.21-	0.00			
7000	****	1133744	Assoc Co Rec/Pay-8205-Dom Nuc Connectic	459,671.94	0.00	1,378,985.21-	459,671.94	
7000	****	1133747	Assoc Co Rec/Pay-8208-Dom Energy Kewaun	0.00	1,000.00-		1,000.00	100.0
7000	****	1135010	A/R - 0100 - Dominion Energy, Inc.	10,778,551.84	2,410,565.81	8,367,986.03	347.1	
7000	****	1135011	A/R -8600- Dominion Capital	39,768.14	25,764.67	14,003.47	54.4	
7000	****	1135012	A/R Recon-ICO-7012-Dom Payroll Co., Inc	113,092.01	0.00	113,092.01		
7000	****	1135014	A/R - 8403 - Dom Carolina Gas Transmiss	309,881.61	429,478.89			27.8-
7000	****	1135019	A/R - 7014 - Dominion Carolina Gas Serv	0.00	43,788.43	119,597.28-		100.0-
7000	****	1135020	A/R-1000-Virginia Electric & Power Comp	28,896,290.45	31,768,772.13	43,788.43-		9.0-
7000	****	1135025	A/R - 1001 - The East Ohio Gas Company	4,464,098.79	4,584,905.42	2,872,481.68-		2.6-
7000	****	1135035	A/R - 1003 - Hope Gas, Inc.	574,861.04	670,981.49	120,806.63-		14.3-
7000	****	1135040	A/R - 1004 - Dom Transmission, Inc.	6,239,886.53	5,361,065.25	96,120.45-		16.4
7000	****	1135045	A/R - 1005 - CNG Iroquois, Inc.	5,700.38	3,684.04	878,821.28	54.7	
7000	****	1135056	A/R - 5010 - Dom Energy Holdings, Inc.	64,945.45	0.00	2,016.34	64,945.45	
7000	****	1135057	A/R - 5011 - Dominion Voltage, Inc.	4,143.46	39,062.16			89.4-
7000	****	1135075	A/R - 6000 - VP Services, Inc.	30,653.82	51,780.04	34,918.70-		40.8-
7000	****	1135080	A/R - 6100 - VP Nuclear Services, Inc.	2,008.74	1,033.01	21,126.22-		94.5
7000	****	1135085	A/R - 6200 - VP Energy Marketing, Inc.	651,289.54	288,782.34	975.73	125.5	
7000	****	1135090	A/R - 6300 - VP Services Energy Corp.	130,766.03	114,756.97	362,507.20	14.0	
7000	****	1135110	A/R-1100-Dom Gas Holdings LLC	118,117.77	35,807.20	16,009.06	229.9	
7000	****	1135121	A/R - 8152 - Dominion Cove Point Inc.	326,351.47	917,535.24	82,310.57	64.4-	
7000	****	1135122	A/R - 8153 - Dominion Midstream GP, LLC	116,183.88	96,776.97	591,183.77-	19,406.91	20.1
7000	****	1135124	A/R - 8155 Cove Point LNG, LP	1,112,250.63	1,774,654.60			37.3-
7000	****	1135135	A/R - 7104 - CNG Coal Company	981.71	1,082.44	662,403.97-		9.3-
7000	****	1135145	A/R - 7106 - Dominion Retail, Inc.	475,697.48	535,918.81	100.73-		11.2-
7000	****	1135150	A/R - 7107 - Dom Products and Services,	105,662.96	127,217.71	60,221.33-		16.9-
7000	****	1135180	A/R - 7113 - Dominion Field Services, I	181,249.89	137,054.25	21,554.75-	44,195.64	32.2
7000	****	1135185	A/R - 8000 - Dominion Energy, Inc.	465,201.62	926,099.58			49.8-
7000	****	1135247	A/R - 8160 Dominion Energy Terminal Co.	1,518.42	1,434.04	460,897.96-	84.38	5.9
7000	****	1135296	A/R - 8141 - Dom Energy Marketing Inc	501,908.23	414,888.45	87,019.78	21.0	
7000	****	1135297	A/R - 8142 - Fairless Energy, LLC	302,295.84	320,455.56			5.7-
7000	****	1135433	A/R - 8208- Dominion Energy Kewaunee, I	362,031.69	366,922.41	18,159.72-		1.3-
7000	****	1135454	A/R-8205-Dominion Nuclear Connecticut,I	5,392,111.59	5,176,567.80	4,890.72-	215,543.79	4.2
7000	****	1135461	A/R-5008-Dominion Technical Solutions,I	762,321.59	899,187.89			15.2-
7000	****	1135469	A/R - 8130 - Dominion Greenbrier, Inc.	263.90	1,765.86	136,866.30-		85.1-
7000	****	1135492	A/R-8167-Dom Energy Manchester St. Inc	232,110.80	224,225.60	1,501.96-		3.5
7000	****	1135506	A/R - 1006 - Dom Natrium Holdings, Inc.	147,581.70	98,938.90	7,885.20	48,642.80	49.2
7000	****	1135509	A/R-1009-Dom Atlantic Coast Pipeline Ho	1,406.81	1,979.21			28.9-
7000	****	1135536	A/R - 8222- Dom Solar Projects III, Inc	1,531.66	100,976.97	572.40-		98.5-
7000	****	1135539	A/R - 8225 - Dominion Solar Services, I	356,798.06	2,949,923.29	99,445.31-		87.9-
7000	****	1135540	A/R - 8250 - Dominion Solar CA, LLC	164,595.54	16,797.40	2,593,125.23-	147,798.14	879.9
7000	****	1135541	A/R - 8228 - Dom Solar Projects IV, Inc	0.00	37,276.15			100.0-
7000	****	1135562	A/R - 5032 - Dom Privatization Texas, L	0.00	67,012.80	37,276.15-		100.0-
7000	****	1135575	A/R - 8240 - Dom Solar Projects V, Inc.	0.00	6,220.11	67,012.80-		100.0-
7000	****	1135604	A/R - 8604 - Dominion Lands, Inc.	11,658.59	19,100.23	6,220.11-		39.0-
7000	****	9146000	Accounts Receivable from Associated	9,719,567.89	0.00	7,441.64-	9,719,567.89	

		Com					
		Accts Receivable from Assoc. Co.s (146)	72,618,949.52	61,770,553.87	10,848,395.65	17.6	*5*
7000	****	1191220 Prepaid Insurance-Excess Liability	81,503.52	50,586.81	30,916.71	61.1	
7000	****	1191260 Prepaid Insurance-General Property	97,226.55	92,033.91	5,192.64	5.6	
7000	****	1191270 Prepaid Insurance-Executive Life	19,273.77	32,081.23		39.9-	
7000	****	1191290 Prepaid Insurance - Workers Compensatio	279,962.13	340,398.82	12,807.46-	17.8-	
7000	****	1191310 Prepaid Auto Licenses	0.00	19,714.96	60,436.69-	100.0-	
7000	****	1191390 Prepaid Travel Expense	99,128.70-	6,323.57-	19,714.96-	1467.6-	
7000	****	1191395 Prepaid Maintenance Fees	9,367,732.05	8,044,243.47	92,805.13-		
7000	****	1191440 Prepaid Postage	693,593.33	226,971.85	1,323,488.58	16.5	
7000	****	1191900 Prepaid - Miscellaneous	5,896,422.19	7,151,682.63	466,621.48	205.6	
7000	****	9165000 Prepayments	2,947,859.46-	1,010,586.00	1,255,260.44-	391.7-	
		Prepayments (165)	13,388,725.38	16,961,976.11	3,958,445.46-	21.1-	*5*
7000	****	1137111 Interest Receivable - Taxes - State	0.21	0.21	3,573,250.73-	0.00	
7000	****	1199910 Other Miscellaneous Deferred Charges	0.21	0.21	0.00		*5*
		Misc. Current & Accrued Assets (174)	0.00	982,014.09	982,014.09-	100.0-	*5*
		Total Current & Accrued Assets	100,293,787.41	86,551,667.84	13,742,119.57	15.9	*3*
		DEFERRED DEBITS					
7000	****	1133000 Assoc Co Rec/Pay-Deferred Billings	1,406.84-	282,393.57-	280,986.73	99.5	
7000	****	1253920 Other Deferred Charges	15,037,158.06	15,923,065.49	885,907.43-	5.6-	
7000	****	1291810 Non-Current Asset - Worker's Compensati	4,878.00	4,782.00	96.00	2.0	
7000	****	1292860 Miscellaneous Prepayments NonCurrent	63,940.40	0.00	63,940.40		
7000	****	1292870 ME Pension Asset/Oblig - FAS 158 - Non	59,309,527.00	47,089,139.00	12,220,388.00	26.0	
7000	****	9186000 Miscellaneous Deferred Debits	9,566,249.15-	0.00	9,566,249.15-		
		Miscellaneous Deferred Debits (186)	64,847,847.47	62,734,592.92	2,113,254.55	3.4	*5*
7000	****	1161010 ACCT BLOCKED-Accumulated Deferred FIT A	34,739,632.01	0.00	34,739,632.01		
7000	****	1161011 ACCT BLOCKED-AOCI - AccDeferred FIT Ass	3,944,448.27	0.00	3,944,448.27		
7000	****	1162010 ACCT BLOCKED-Accumulated Deferred SIT A	3,605,057.97	0.00	3,605,057.97		
7000	****	1162011 ACCT BLOCKED-AOCI - AccumDeferred SIT A	734,050.08	0.00	734,050.08		
7000	****	1261010 Accumulated Deferred FIT Asset - Non-Cu	23,807,953.90	83,453,416.31	59,645,462.41-	71.5-	
7000	****	1261011 AOCI - Accumulated Deferred FIT Asset -	550,388.30-	5,221,564.62	5,771,952.92-	110.5-	
7000	****	1261020 Accumulated UTP Deferred FIT Asset - No	0.00	6,121,774.00-	6,121,774.00	100.0	
7000	****	1262010 Accumulated Deferred SIT Asset - Non-Cu	9,245,937.19	12,998,937.16	3,752,999.97-	28.9-	
7000	****	1262011 AOCI - Accumulated Deferred SIT Asset -	18,328.29	1,316,700.14	1,298,371.85-	98.6-	
7000	****	1262015 Accum Deferred SIT Asset - Valuation Al	1,813,529.00-	2,238,060.00-	424,531.00	19.0	
7000	****	9190000 Accumulated Deferred Income Taxes	26,285,610.00	26,285,610.00	0.00		
		Accumulated Deferred Income Taxes (190)	100,017,100.41	120,916,394.23	20,899,293.82-	17.3-	*5*
		Total Deferred Debits	164,864,947.88	183,650,987.15	18,786,039.27-	10.2-	*3*
		TOTAL ASSETS & OTHER DEBITS	662,039,865.95	693,873,334.96	31,833,469.01-	4.6-	*2*
		LIABILITIES & PROPRIETARY CAPITAL					
		PROPRIETARY CAPITAL					
7000	****	3110100 Common Stock	56,356,862.53-	56,356,862.53-	0.00		
		Common Stock Issued (201)	56,356,862.53-	56,356,862.53-	0.00		*5*
7000	****	3121110 Other Paid-in Capital	20,266,820.49-	20,266,820.49-	0.00		
7000	****	3122010 Addl Paid-In-Capital - Share Based Awar	13,218,687.39-	13,355,629.39-	136,942.00	1.0	
7000	****	3122999 Acct Blk Addl Paid-In-Capital	131,852,857.00-	131,852,857.00-	0.00		
7000	****	Misc. Paid-In-Capital (211)	165,338,364.88-	165,475,306.88-	136,942.00	0.1	*5*
7000	****	3220000 Unappropriated Retained Earnings	29,343,928.88	29,343,928.88	0.00		
		Unappropriated Retained Earnings (216)	29,343,928.88	29,343,928.88	0.00		*5*
7000	****	3238040 AOCI-FAS 158 Executive Pension - Curren	1,702,837.00	1,148,956.00	553,881.00	48.2	
7000	****	3238045 AOCI-Def Tax-Curr-Federal-Executive Pen	553,081.46-	369,504.25-	183,577.21-	49.7-	
7000	****	3238046 AOCI-Def Tax-Curr-State-Executive Pensi	122,604.26-	93,180.33-	29,423.93-	31.6-	
7000	****	3238420 AOCI-FAS 158 Executive Pension - Non-Cu	8,746,856.29	15,086,853.30	6,339,997.01-	42.0-	
7000	****	3238425 AOCI-Def Tax-Federal-Non-Current-Execut	2,840,978.51-	4,852,060.37-	2,011,081.86	41.4	
7000	****	3238426 AOCI-Def Tax-State-Non-Current-Executiv	629,774.11-	1,223,519.81-	593,745.70	48.5	

		Accum Other Comprehensive Inc(Loss) - (219)	6,303,254.95	9,697,544.54	3,394,289.59-	35.0-	*5*
		Total Proprietary Capital	186,048,043.58-	182,790,695.99-	3,257,347.59-	1.8-	*3*
		LONG-TERM DEBT					
7000	****	2200532 ICO Notes-Long Term-0100-DEI	106,862,503.67-	100,323,762.33-	6,538,741.34-	6.5-	
		Advances from Associated Companies (223)	106,862,503.67-	100,323,762.33-	6,538,741.34-	6.5-	*5*
		Total Long-Term Debt	106,862,503.67-	100,323,762.33-	6,538,741.34-	6.5-	*3*
		OTHER NON-CURRENT LIABILITIES					
7000	****	2290010 Capital Lease Obligation - Noncurrent	1,672,924.27-	885,197.83-	787,726.44-	89.0-	
		Obligations Under Capl Lease Non-Cur (227)	1,672,924.27-	885,197.83-	787,726.44-	89.0-	*4*
7000	****	2291010 Noncurrent Liab - Workers Compensation	92,454.00-	107,626.00-	15,172.00	14.1	
		Accum Prov for Injuries & Damage (228.2)	92,454.00-	107,626.00-	15,172.00	14.1	*4*
7000	****	2192030 Supplemental Pensions - Current	78,503.07-	78,646.59-	143.52	0.2	
7000	****	2192060 Reserve for IBNR/FBPN Hospitalization C	4,241,881.00-	4,223,949.00-	17,932.00-	0.4-	
7000	****	2192070 Reserve for IBNR/FBPN Dental/Vision Cla	108,323.00-	106,033.00-	2,290.00-	2.2-	
7000	****	2192075 Reserve for Health Reimbursement	0.00	604,265.90-	604,265.90	100.0	
7000	****	2192080 Employee Contributions - Dental	704,744.41-	340,630.23-	364,114.18-	106.9-	
7000	****	2192100 Employee Contributions - Medical Flex S	1,863,595.30-	1,955,039.76-	91,444.46	4.7	
7000	****	2291030 Noncurrent Liability - Long Term	7,294,654.42-	7,671,455.36-	376,800.94	4.9	
7000	****	2291050 NonCurr Liab - Supplemental Post Emp Pa	691,425.98-	675,838.01-	15,587.97-	2.3-	
7000	****	2291080 Deferred Compensation - Executives	8,806,206.46-	8,070,988.98-	735,217.48-	9.1-	
7000	****	2291100 Accrd Long Term Incentive Plan - Noncur	16,410,529.09-	17,602,530.57-	1,192,001.48	6.8	
7000	****	2291540 Exec NQ 158 Pen Ben Oblig Post 05- Non	100,311,421.08-	100,187,233.33-	124,187.75-	0.1-	
		Accum Prov for Pensions & Benefit (228.3)	140,511,283.81-	141,516,610.73-	1,005,326.92	0.7	*4*
7000	****	2296010 Asset Retirement Obligation - Non-Curre	37,182.96-	39,053.92-	1,870.96	4.8	
		Asset Retirement Obligations (230)	37,182.96-	39,053.92-	1,870.96	4.8	*4*
		Total Other Non-Current Liabilities	142,313,845.04-	142,548,488.48-	234,643.44	0.2	*3*
		CURRENT & ACCRUED LIABILITIES					
7000	****	1139910 Cash Clearing Account - Accounts Payab	8,768.68	0.00	8,768.68		
7000	****	2111020 Trade Accounts Payable	14,179,782.97-	7,330,195.06-	6,849,587.91-	93.4-	
7000	****	2111025 Cash Discounts Clearing - Trade A/P	19.34	58.65	39.31-	67.0-	
7000	****	2111200 Goods Received/Invoice Received Clearin	221,636.65-	116,352.30-	105,284.35-	90.5-	
7000	****	2111400 Procurement Card Clearing	15,978.84-	22,056.21-	6,077.37	27.6	
7000	****	2111410 Single use account vendor clearing	29,575.77-	98,906.54-	69,330.77	70.1	
7000	****	2111420 Single use account bank clearing	0.00	63,789.81-	63,789.81	100.0	
7000	****	2111970 A/P-Misc-Medical Premiums Payable	1,498,129.24	920,785.47	577,343.77	62.7	
7000	****	2112015 A/P - 3rd Party Payroll Withholdings	160,099.77-	118,003.49-	42,096.28-	35.7-	
7000	****	2112040 A/P - Garnishment Withholdings	180.94-	1,153.96-	973.02	84.3	
7000	****	2141000 Payroll Clearing	1,136,724.15-	1,249,961.14-	113,236.99	9.1	
7000	****	2141100 Accrued Vacation	5,055,510.30-	4,909,946.98-	145,563.32-	3.0-	
7000	****	2141200 Accrued Annual Incentive	5,348,983.00-	50,211,229.00-	44,862,246.00	89.3	
7000	****	2141300 Accrued Other Incentive Pay	777,830.27-	438,977.49-	338,852.78-	77.2-	
7000	****	2141400 Accrued Severance Pay	2,614,408.57-	16,095,674.49-	13,481,265.92	83.8	
7000	****	9232000 Accounts Payable	935,733.00-	795,016.39-	140,716.61-	17.7-	
		Accounts Payable (232)	28,969,526.97-	80,530,418.74-	51,560,891.77	64.0	*5*
7000	****	1140015 Interco Curr Adv/Borr-1003-Hope Gas	39,136,999.90	42,743,999.90	3,607,000.00-	8.4-	
7000	****	1140021 Interco Curr Adv/Borr-7104-Coal	7,570,000.00-	7,666,000.00-	96,000.00	1.3	
7000	****	1140023 Interco Curr Adv/Borr-7113-Dominion	214,333,000.00-	214,149,000.00-	184,000.00-	0.1-	
7000	****	1140024 Interco Curr Adv/Borr-7106-Dominion	55,844,000.00-	90,811,000.00-	34,967,000.00	38.5	
7000	****	1140025 Interco Curr Adv/Borr-7107-Products	216,343,000.00-	228,843,000.00-	12,500,000.00	5.5	
7000	****	1140031 Interco Curr Adv/Borr-7101-Power	33,296,000.00-	35,317,000.00-	2,021,000.00	5.7	
7000	****	1140035 Interco Curr Adv/Borr-8130-Dominion	8,519,000.00-	8,717,000.00-	198,000.00	2.3	
7000	****	1140038 Interco Curr Adv/Borr-8535-DOTEP1	42,956,000.00-	37,652,000.00-	5,304,000.00-	14.1-	
7000	****	1140040 Interco Curr Adv/Borr-0100-DEI Holding	1254,048,162.00-	896,843,162.00-	357,205,000.00-	39.8-	

7000	****	1140042	Interco Curr Adv/Borr-8000-Dominion Ene	2379,606,000.00	2337,591,000.00	42,015,000.00	1.8	
7000	****	1140053	Interco Curr Adv/Borr-6200-VPEN	364,036,000.00-	427,126,000.00-	63,090,000.00	14.8	
7000	****	1140055	Interco Curr Adv/Borr-5008-DTECH	4,086,000.00	3,552,000.00-	7,638,000.00	215.0	
7000	****	1140056	Interco Curr Adv/Borr-8600-Dom Capital	45,884,000.00	27,343,000.00	18,541,000.00	67.8	
7000	****	1140060	Interco Curr Adv/Borr-1006-Dom Natrium	244,186,000.00-	408,018,000.00-	163,832,000.00	40.2	
7000	****	1140065	Interco Curr Adv/Borr-8152-Dom Cove Poi	26,479,000.00-	32,385,000.00-	5,906,000.00	18.2	
7000	****	1140066	Interco Curr Adv/Borr-1009-Dom ACP Hold	0.00	3,115,000.00	3,115,000.00-	100.0-	
7000	****	1140068	Interco Curr Adv/Borr-7014-Dom Carolina	0.00	1,529,000.00-	1,529,000.00	100.0	
7000	****	2112402	N/P-Unsec Non-Neg Notes-Curr Port-0100-	6,538,741.33-	6,538,741.34-	0.01		
7000	****	9233000	Notes Payable to Associated Companies	1,102,837.57-	0.00			
			Notes Payable to Assoc Companies (233)	6,538,741.00-	11,646,096.56	1,102,837.57-	156.1-	*5*
7000	****	1137200	Inter-Co Int Rec/Pay-8000-WO-DEI	6,126,392.12	7,481,428.41	1,355,036.29-	18.1-	
7000	****	1137216	Inter-Co Int Rec/Pay-0100-DEI	1,227,005.82-	1,166,352.62-	60,653.20-	5.2-	
7000	****	1137235	Inter-Co Int Rec/Pay-5008-Dom Tech Solu	7,919.15	15,042.88-	22,962.03	152.6	
7000	****	1137244	Inter-Co Int Rec/Pay-8600-Dominion Capi	118,792.80	76,809.63	41,983.17	54.7	
7000	****	1137247	Inter-Co Int Rec/Pay -0100- DEI - Money	2,898,973.96-	3,290,868.86-	391,894.90	11.9	
7000	****	1137248	Inter-Co Int Rec/Pay -1009- Dom ACP Hol	0.00	8,956.07	8,956.07-	100.0-	
7000	****	1137252	Inter-Co Int Rec/Pay-6200-VP Energy Mar	1,079,574.31-	1,293,186.93-	213,612.62	16.5	
7000	****	1137264	Inter-Co Int Rec/Pay-1003-Hope Gas	19,349.99	50,654.15	31,304.16-	61.8-	
7000	****	1137267	Inter-Co Int Rec/Pay-7101-CNG Power Ser	89,184.82-	103,108.17-	13,923.35	13.5	
7000	****	1137271	Inter-Co Int Rec/Pay-7104-CNG Coal Comp	20,285.06-	22,151.79-	1,866.73	8.4	
7000	****	1137272	Inter-Co Int Rec/Pay-7113-Dom Field Ser	573,096.20-	611,162.91-	38,066.71	6.2	
7000	****	1137273	Inter-Co Int Rec/Pay-7106-Dominion Reta	187,497.20-	260,799.51-	73,302.31	28.1	
7000	****	1137274	Inter-Co Int Rec/Pay-7107-Dom Products	583,132.28-	662,941.94-	79,809.66	12.0	
7000	****	1137288	Inter-Co Int Rec/Pay-8130-Dominion Gree	22,906.54-	25,196.14-	2,289.60	9.1	
7000	****	1137292	Inter-Co Int Rec/Pay-8535-DOEPI	113,715.57-	106,586.02-	7,129.55-	6.7-	
7000	****	1137299	Inter-Co Int Rec/Pay-8152-Dom Cove Poin	70,925.07-	99,113.01-	28,187.94	28.4	
7000	****	1137632	Inter-Co Int Rec/Pay-1006-Dom Natrium H	649,601.40-	1,123,633.11-	474,031.71	42.2	
7000	****	1137637	Inter-Co Int Rec/Pay-7014-Dom Carolina	0.00	4,723.05-	4,723.05	100.0	
7000	****	2113010	A/P - 0100 - Dominion Energy, Inc.	2,302,153.20-	2,486,106.42-	183,953.22	7.4	
7000	****	2113012	A/P - 7012-Dom Payroll Co., Inc.	993.30-	0.00	993.30-		
7000	****	2113019	A/P - 7014 - Dominion Carolina Services	0.00	1,348.56-	1,348.56	100.0	
7000	****	2113020	A/P-1000-Virginia Electric & Power Comp	1,216,841.10-	1,211,376.51-	5,464.59-	0.5-	
7000	****	2113025	A/P - 1001 - The East Ohio Gas Company	0.00	836.50-	836.50	100.0	
7000	****	2113040	A/P - 1004 - Dom Transmission, Inc.	0.00	1,024.45-	1,024.45	100.0	
7000	****	2113041	A/P - 1011 - Dom Gathering & Processing	0.00	13,699.57-	13,699.57	100.0	
7000	****	2113057	A/P - 5011 - Dominion Voltage, Inc.	0.00	56.92-	56.92	100.0	
7000	****	2113085	A/P - 6200 - VP Energy Marketing, Inc.	0.00	14,076.47-	14,076.47	100.0	
7000	****	2113124	A/P - 8155 - Cove Point LNG LP	0.00	29,640.45-	29,640.45	100.0	
7000	****	2113145	A/P - 7106 - Dominion Retail, Inc.	5,053.84-	11,921.71-	6,867.87	57.6	
7000	****	2113180	A/P - 7113 - Dominion Field Services, I	0.00	0.69-	0.69	100.0	
7000	****	2113185	A/P - 8000 - Dominion Energy, Inc.	267,750.32-	246.93-	267,503.39-	*331.7-	
7000	****	2113296	A/P - 8141 - Dom EnergyMarketing, Inc.	0.00	0.99-	0.99	100.0	
7000	****	2113454	A/P-8205-Dominion Nuclear Connecticut, I	0.00	24,907.96-	24,907.96	100.0	
7000	****	2113461	A/P-5008-Dominion Technical Solutions, I	675.40-	165.30-	510.10-	308.6-	
7000	****	2113492	A/P-8167-Dom Energy Manchester St, Inc	0.00	0.40-	0.40	100.0	
7000	****	2113540	A/P - 8250 - Dominion Solar CA, LLC	0.00	0.45-	0.45	100.0	
7000	****	2113604	A/P - 8604 - Dominion Lands, Inc.	67,655.96-	67,655.96-	0.00		
7000	****	9234000	Accounts Payable to Associated Companies	3,821,564.29	0.00	3,821,564.29		
			Accts Payable to Assoc Companies (234)	1,283,003.00-	5,030,084.92-	3,747,081.92	74.5	*5*
7000	****	2131010	Accrued Use Taxes - State	1,052.80	0.00	1,052.80		
7000	****	2131030	Accrued Use Taxes - City	233.80	0.00	233.80		
7000	****	2132010	Accrued Federal Income Tax - Current Ye	7,496,777.24-	15,070,048.40-	7,573,271.16	50.3	
7000	****	2132030	Prior Year Adjustment Current - Federal	1.48	23,598,263.52-	23,598,265.00	100.0	
7000	****	2133130	Accrued State Income Tax - Other-Curr Y	778,743.47	4,223,240.63-	5,001,984.10	118.4	
7000	****	2133135	Accrued State Income Tax - Other-Prior	27.51-	0.49	5714.3-		

7000	****	2136010	Accrued Property Taxes	230,555.82	28,288.64-	28.00-	258,844.46	915.0	
7000	****	2139020	Accrued Franchise Tax	0.00	37.00-		37.00	100.0	
7000	****	2139100	Accrued Employer Payroll Taxes	8,984.33-	48,935.32-		39,950.99	81.6	
7000	****	2160025	ACCT BLKEDAccum UTP Defd Federal Inc Ta	27,154.00-	0.00		27,154.00-		
7000	****	2210025	Accum UTP Defd Other Federal Income Tax	27,154.00	0.00		27,154.00		
7000	****	2299900	Prior Yr Adjust - Federal Income Tax No	1.00-	1.00-		0.00		
7000	****	9236000	Taxes Accrued	1,010,586.00-	1,010,586.00-		0.00		
			Taxes Accrued (236)	7,505,788.71-	43,979,400.02-		36,473,611.31	82.9	*5*
7000	****	2115300	Withholding Taxes Payable	68,338.14-	60,715.93-			12.6-	
7000	****	2115900	Other Tax Collections Payable	126.28-	712.72-		586.44	82.3	
			Tax Collections Payable (241)	68,464.42-	61,428.65-			11.5-	*5*
7000	****	2191200	Appropriated Checks - Accounts Payable	422.86-	13,035.42-		7,035.77-		
7000	****	2191800	Centralized Appropriations	4,412.87-	710.86-		12,612.56	96.8	
7000	****	2192035	Exec NQ Benefit Oblig FAS 158 - Current	13,819,742.00-	18,983,118.00-		3,702.01-	5,163,376.00	27.2
7000	****	2192120	Service and Retiree Awards	0.00	107,996.22-		107,996.22	100.0	
7000	****	2199100	Other C&A Liab - Audit Fees	572,411.81-	258,651.81-			121.3-	
7000	****	2199510	Deferred Credit - Current	600,000.00-	516,666.70-		313,760.00-	16.1-	
7000	****	2199900	Misc C&A Liabilities	4,105,389.96-	2,320,957.90-		83,333.30-	76.9-	
7000	****	9242000	Miscellaneous Current & Accrued Liabili	136.00-	0.00		1,784,432.06-		
			Misc Current & Accrued Liabilities (242)	19,102,515.50-	22,201,136.91-		136.00-		
7000	****	2190010	Capital Lease Obligation - Current	614,612.25-	809,845.31-		3,098,621.41	14.0	*5*
			Obligations Under Capital Leases-Curr (243)	614,612.25-	809,845.31-		195,233.06	24.1	*5*
			Total Current & Accrued Liabilities	64,082,651.85-	140,966,217.99-		76,883,566.14	54.5	*3*
			DEFERRED CREDITS						
7000	****	2291510	OPEB ME 158 Benefit Obligation - Non Cu	95,589,279.86-	77,709,422.50-			23.0-	
7000	****	2299200	Deferred Credit - Non Current	1,058,326.20-	541,655.78-		17,879,857.36-	95.4-	
7000	****	2299913	Noncurrent UTP Federal Income Taxes Pay	0.00	6,121,774.00		516,670.42-	100.0-	
			Other Deferred Credits (253)	96,647,606.06-	72,129,304.28-		6,121,774.00-		
			Total Deferred Credits	96,647,606.06-	72,129,304.28-		24,518,301.78-	34.0-	*5*
							24,518,301.78-		*3*
			ACCUMULATED DEFERRED INCOME TAXES						
7000	****	2160020	ACCT BLOCKED-Accum Defd Federal Inco Ta	14,878,030.75-	0.00		14,878,030.75-		
7000	****	2161020	ACCT BLOCKED-Accum Defd State Inco Tax	2,610,197.00-	0.00		2,610,197.00-		
7000	****	2210010	Accum Defd Plant Federal Income Tax Lia	35,599,301.00-	36,963,141.00-		1,363,840.00	3.7	
7000	****	2210020	Accum Defd Other Federal Income Tax Lia	17,209,273.00	8,587,218.01		8,622,054.99	100.4	
7000	****	2211010	Accum Defd Plant State Income Tax Liab-	5,582,796.00-	5,558,968.00-			0.4-	
7000	****	2211020	Accum Defd Other State Income Tax Liab-	1,661,446.00	5,105,635.10		23,828.00-	67.5-	
7000	****	9282000	Accumulated Deferred Income Taxes-Other	1,382,496.00-	1,382,496.00-		3,444,189.10-	0.00	
			Accum Def'd Income Taxes-Other Prop (282)	41,182,101.75-	30,211,751.89-		10,970,349.86-	36.3-	*5*
7000	****	9283000	Accumulated Deferred Income Taxes-Other	24,903,114.00-	24,903,114.00-		0.00		
			Accum Deferred Income Taxes-Other (283)	24,903,114.00-	24,903,114.00-		0.00		*5*
			TOTAL LIABILITIES/PROPRIETARY CAPITAL	662,039,865.95-	693,873,334.96-		31,833,469.01	4.6	*2*

Dom Resources Svcs, Inc. Dom Resources Services FERC-60 Financial Statement Time 07:41:34 Date 7  
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Company code 700 Business area \*\*\* Amounts in USD  
0 \*

C	Comp	Bus.	Texts	Reporting period	Comparison period	Absolute	Rel	Sumt
F	code	area		(01.2015-12.2015)	(01.2016-12.2016)	difference	dif	n lev 1

		INCOME STATEMENT					
		SERVICE COMPANY OPERATING REVENUES					
		Service Company Operating Revenues (400)					
		Services Rendered to Assoc. Co. (457)					
7000	****	4998000	DES Only-Associated Company Operating	1,832.43-	0.00	1,832.43-	
7000	****	4998010	DES Only-Associated Company Unbilled	144.82-	282,393.57		100.1-
7000	****	4998012	DES Only-Associated Company Operating	26,435,229.51-	30,875,907.87-	282,538.39-	14.4
7000	****	4998014	DES Only-Associated Company Operating	4,439,796.42-	4,777,406.46-	4,440,578.36	7.1
7000	****	4998015	DES Only-Associated Company Operating	1,913.71-	1,907.60-		0.3-
7000	****	4998016	DES Only-Associated Compny Operating	29,817,837.21-	30,068,171.64-	250,334.43	0.8
7000	****	4998017	DES Only-Associated Company Operating	61,137,151.15-	66,087,241.15-	4,950,090.00	7.5
7000	****	4998018	DES Only-Associated Company Operating	4,202,634.74-	4,450,504.92-	247,870.18	5.6
7000	****	4998019	DES Only-Associated Company Operating	23,082,491.24-	28,144,969.52-	5,062,478.28	18.0
7000	****	4998020	DES Only-Associated Compny Operating	95,585,227.96-	102,216,914.61-	6,631,686.65	6.5
7000	****	4998021	DES Only-Associated Compny Operating	97,421,680.09-	107,935,339.91-	10,513,659.82	9.7
7000	****	4998022	DES Only-Associated Compny Operating	0.00	93.39-	93.39	100.0
7000	****	4998023	DES Only-Associated Compny Operating	3,397.52-	3,424.31-	26.79	0.8
7000	****	4998024	DES Only-Associated Compny Operating	444,526.03-	498,961.67-	54,435.64	10.9
7000	****	4998025	DES Only-Associated Company Operating	50,066,267.04-	52,504,468.29-	2,438,201.25	4.6
7000	****	4998026	DES Only-Associated Company Operating	6,229,061.98-	7,259,586.99-	1,030,525.01	14.2
7000	****	4998027	DES Only-Associated Company Operating	63,267,975.01-	68,385,283.17-	5,117,308.16	7.5
7000	****	4998028	DES Only-Associated Compny Operating	31,389.55-	14,931.60-		110.2-
7000	****	4998029	DES Only-Associated Company Operating	33,401.74-	40,021.14-	16,457.95-	16.5
7000	****	4998030	DES Only-Associated Company Operating	1,354,831.70-	1,439,891.59-	6,619.40	5.9
7000	****	4998031	DES Only-Associated Company Operating	7,201,694.17-	7,957,921.47-	85,059.89	9.5
7000	****	4998032	DES Only-Associated Company Operating	755,388.12-	437,943.36-		72.5-
7000	****	4998033	DES Only-Associated Company Operating	355,455.64-	555,257.48-	317,444.76-	36.0
7000	****	4998034	DES Only-Associated Company Operating	23,291.97-	25,346.72-	199,801.84	8.1
7000	****	4998035	DES Only-Associated Company Operating	551,663.69-	805,900.52-	2,054.75	31.5
7000	****	4998036	DES Only-Associated Compny Operating	2,983,017.64-	2,695,708.43-	254,236.83	10.7-
7000	****	4998037	DES Only-Associated Compny Operating	2,588,622.60-	2,663,688.98-	287,309.21-	2.8
7000	****	4998038	DES Only-Associated Company Operating	1,585,567.23-	1,593,673.95-	75,066.38	0.5
7000	****	4998039	DES Only-Associated Company Operating	15,508.22-	21,501.40-	8,106.72	27.9
7000	****	4998040	DES Only-Associated Company Operating	5,978,867.95-	7,221,253.09-	5,993.18	17.2
7000	****	4998041	DES Only-Associated Compny Operating	1,348,753.87-	1,541,081.40-	1,242,385.14	12.5
7000	****	4998042	DES Only-Associated Company Operating	1,674,665.73-	1,673,513.39-	192,327.53	0.1-
7000	****	4998043	DES Only-Associated Compny Operating	128,308.76-	35,154.16-	1,152.34-	265.0-
7000	****	4998044	DES Only-Associated Compny Operating	3,322,313.05-	2,919,396.96-	93,154.60-	13.8-
7000	****	4998045	DES Only-Associated Comp Operating	5,655,404.38-	6,417,027.45-	402,916.09-	11.9
7000	****	4998046	DES Only-Associated Company Operating	1,745.00-	0.00	761,623.07	
7000	****	4998047	DES Only-Associated Comp Operating	16,147.01-	8,635.38-	1,745.00-	87.0-
7000	****	4998048	DES Only-Associated Comp Operating	2,211.70-	1,325.09-	7,511.63-	66.9-
7000	****	4998049	DES Only-Associated Company Operating	3,805.53-	21,730.38-	886.61-	82.5
7000	****	4998050	DES Only-Associated Company Operating	5,325,150.54-	5,139,806.42-	17,924.85	3.6-
7000	****	4998051	DES Only-Associated Company Operating	3,965,052.21-	3,777,638.99-	185,344.12-	5.0-
7000	****	4998052	DES Only-Associated Compny Operating	1,202.33-	0.00	187,413.22-	
7000	****	4998053	DES Only-Associated Compny Operating	13,140,476.66-	18,856,068.74-	1,202.33-	30.3
						5,715,592.08	

7000	****	4998054	DES Only-Associated Compy Operating	18,026.05-	18,612.17-	586.12	3.1	
7000	****	4998055	DES Only-Associated Compy Operating Rev	2,524,247.45-	2,560,728.43-	36,480.98	1.4	
7000	****	4998056	DES Only-Associated Co Oper Rev-DBRAY t	721.66	0.00	721.66		
7000	****	4998057	DES Only-Associated Company Operating R	4,706,863.17-	4,217,207.05-	489,656.12-	11.6-	
7000	****	4998058	DES Only-Associated Company Operating R	60,804,613.82-	62,630,814.35-	1,826,200.53	2.9	
7000	****	4998059	DES Only-Associated Co Oper Rev-DKINC	448.52-	0.00	448.52-		
7000	****	4998061	DES Only-Associated Company Operating R	595,828.61-	567,031.09-	28,797.52-	5.1-	
7000	****	4998062	DES Only-Associated Company Operating R	64,143.82-	75,441.10-	11,297.28	15.0	
7000	****	4998063	DES Only-Associated Company Operating R	953,886.53-	1,819,003.35-	865,116.82	47.6	
7000	****	4998064	DES Only-Associated Compy Operating Rev	392,160.82-	419,962.40-	27,801.58	6.6	
7000	****	4998065	DES Only-Associated Compy Operating Rev	870,570.67-	1,221,800.70-	351,230.03	28.7	
7000	****	4998066	DES Only-Associated Compy Operating Rev	55,912.21-	591,183.77-	535,271.56	90.5	
7000	****	4998067	DES Only-Associated Compy Operating Rev	6,286.47-	33,251.98-	26,965.51	81.1	
7000	****	4998068	DES Only-Associated Compy Operating Rev	2,564,827.17-	6,457,490.28-	3,892,663.11	60.3	
7000	****	4998069	DES Only-Associated Compy Operating Rev	987,325.13-	0.00	987,325.13-		
7000	****	4998070	DES Only-Associated Compy Operating Rev	306,049.69-	0.00	306,049.69-		
7000	****	4998071	DES Only-Associated Compy Operating Rev	12,019.43-	1,406.97-	10,612.46-	754.3-	
7000	****	4998072	DES Only-Associated Compy Operating Rev	635,069.01-	0.00	635,069.01-		
7000	****	4998074	DES Only-Associated Compy Operating Rev	0.00	707,194.95-	707,194.95	100.0	
7000	****	4998075	DES Only-Associated Compy Operating Rev	350,089.96-	1,269,108.25-	919,018.29	72.4	
7000	****	4998076	DES Only-Associated Compy Operating Rev	356,798.06-	2,593,125.23-	2,236,327.17	86.2	
7000	****	4998078	DES Only-Associated Compy Operating Rev	0.00	37,276.15-	37,276.15	100.0	
7000	****	4998082	DES Only-Associated Compy Operating Rev	0.00	6,220.11-	6,220.11	100.0	
7000	****	4998084	DES Only-Associated Compy Operating Rev	0.00	188,626.84-	188,626.84	100.0	
7000	****	4998085	DES Only-Associated Compy Operating Rev	0.00	776,797.58-	776,797.58	100.0	
7000	****	4998086	DES Only-Associated Compy Operating Rev	0.00	67,012.80-	67,012.80	100.0	
7000	****	4998087	DES Only-Associated Compy Operating Rev	0.00	43,073.89-	43,073.89	100.0	
7000	****	4998088	DES Only-Associated Compy Operating Rev	0.00	13,475.63-	13,475.63	100.0	
7000	****	4998090	DES Only-Associated Compy Operating Rev	0.00	10,797.00-	10,797.00	100.0	
7000	****	4998091	DES Only-Associated Compy Operating Rev	0.00	3,963.44-	3,963.44	100.0	
			Services Rendered to Assoc. Co. (457)	596,385,548.78-	655,122,711.53-	58,737,162.75	9.0	*6*
7000	****		Services Rendered to Non Assoc. Co. (458)	242,186.29-	314,137.23-	71,950.94	22.9	
			Services Rendered to Non Assoc. Co. (458)	242,186.29-	314,137.23-	71,950.94	22.9	*6*
			Service Company Operating Revenues (400)	596,627,735.07-	655,436,848.76-	58,809,113.69	9.0	*5*
			TOTAL SERVICE COMPANY OPERATING REVENUES	596,627,735.07-	655,436,848.76-	58,809,113.69	9.0	*4*
			SERVICE COMPANY OPERATING EXPENSES					
			Operation Expenses (401)					
			Power Production Operations Expense (500-550)					
7000	****	9500000	Steam Operation - Supervision & Enginee	8,917,607.15	0.00	8,917,607.15		
7000	****	9505000	Steam Operation - Electric Expenses	2,248,441.72	0.00	2,248,441.72		
7000	****	9506000	Steam Operation - Miscellaneous Steam P	1,181,723.81	0.00	1,181,723.81		
7000	****	9507000	Steam Operation - Rents	644,377.56	0.00	644,377.56		
7000	****	9517000	Nuclear Operation - Supervision & Engin	10,040,017.71	0.00	10,040,017.71		
7000	****	9523000	Nuclear Operation - Electric Expenses	5,763,063.53	0.00	5,763,063.53		
7000	****	9524000	Nuclear Operation - Miscellaneous	471,144.12	0.00	471,144.12		
7000	****	9525000	Nuclea	950,099.22	0.00	950,099.22		
7000	****	9535000	Hydraulic Operation - Supervision & Eng	751,118.04	0.00	751,118.04		
7000	****	9539000	Hydraulic Operation - Miscellaneous Hyd	84,111.95	0.00	84,111.95		
7000	****	9540000	Hydraulic Operation - Rents	7,672.87	0.00	7,672.87		
7000	****	9546000	Other Power Operations - Supervision &	3,649,280.20	0.00	3,649,280.20		
7000	****	9548000	Other Power Operations - Generation Exp	222,542.40	0.00	222,542.40		
7000	****	9549000	Other Power Operations - Miscellaneous	223,723.54	0.00	223,723.54		



7000	****	9550000	Other Power Operations - Rents	383,489.22	0.00	383,489.22		
			Power Production Operations Expense (500-550)	35,538,413.04	0.00	35,538,413.04		*6*
			Transmission Operations Expense (560-569)					
7000	****	9560000	Transmission Operations - Supervision &	189,106.09	0.00	189,106.09		
			9566000 Transmission Operations - Misc Transmis	2,576,282.63	0.00	2,576,282.63		
			Transmission Operations Expense (560-569)	2,765,388.72	0.00	2,765,388.72		*6*
			Regional Market Operations Expense (580-589)					
7000	****	9580000	Distribution Operation - Supervision &	879,732.39	0.00	879,732.39		
7000	****	9588000	Distribution Operation - Misc Distribut	7,320,049.25	0.00	7,320,049.25		
			Regional Market Operations Expense (580-589)	8,199,781.64	0.00	8,199,781.64		*6*
			Distribution Operations Expense (901-904)					
7000	****	9901000	Customer Accounts - Supervision	714,323.76	0.00	714,323.76		
7000	****	9903000	Customer Accounts - Customer Records & Distribution Operations Expense (901-904)	13,044,109.67	0.00	13,044,109.67		
			Customer Accounts Expense (908-910)	13,758,433.43	0.00	13,758,433.43		*6*
7000	****	9909000	Customer Service/Info - Info & Instruct	9,187.05	0.00	9,187.05		
			Customer Accounts Expense (908-910)	9,187.05	0.00	9,187.05		*6*
			Salaries & Wages (920)					
7000	****	5300110	Salaries - Straight-Time Wages	284,091,225.89	280,659,375.56	3,431,850.33	1.2	
7000	****	5300120	Salaries - Overtime Wages	3,642,530.06	3,731,339.91		2.4	
						88,809.85-		
7000	****	5300130	Salaries - Supplemental Pay	435,354.46	4,810,839.01		91.0	
						4,375,484.55-		
7000	****	5300150	Salaries - Vacation Accrual	662,379.00	1,499,778.00		55.8	
						837,399.00-		
7000	****	5300161	Salaries - Severance	99,531.64	20,642,967.34		99.5	
						20,543,435.70-		
7000	****	5300170	Salaries - Incentives / Bonuses	2,335,672.17	1,857,527.58		25.7	
7000	****	5300175	A&G Benefits - Long-term Incentive Plan	13,542,568.49	10,900,720.33		24.2	
						2,641,848.16		
7000	****	5300180	Salaries - Annual Incentive	4,630,817.42	55,057,117.43		91.6	
						50,426,300.01-		
7000	****	5300185	Restricted Stock Grants	21,414,592.20	17,068,837.49		25.5	
7000	****	5300210	Hourly - Straight-Time Wages	3,959,454.99	3,743,115.12		5.8	
7000	****	5300220	Hourly - Overtime Wages	45,090.80	63,118.50		28.6	
						18,027.70-		
7000	****	5300230	Hourly - Supplemental Pay	0.00	28,000.00		100.0	
						28,000.00-		
7000	****	5300270	Hourly - Incentives / Bonuses	0.00	5,000.00		100.0	
						5,000.00-		
7000	****	5300280	Hourly - Annual Incentive	82,485.70	335,834.34		75.4	
						253,348.64-		
7000	****	5300999	Capitalized Labor & Benefits-PROJ SETTLL	7,495,487.66-	8,504,315.04-		11.9	
7000	****	9920000	Admin & General - Salaries	98,371,966.66-	0.00			
			Salaries & Wages (920)	229,074,248.50	391,899,255.57		41.5	*6*
						162,825,007.07-		
			Office Supplies & Expenses (921)					
7000	****	5302010	Travel Expense	8,520,872.71	7,519,068.52		13.3	
7000	****	5302014	Meals - Taxable	0.00	8,317.07		100.0	
						8,317.07-		
7000	****	5302015	Meals - Non-Taxable	1,163,821.99	1,355,192.59		14.1	
						191,370.60-		
7000	****	5302020	Entertainment Expense	99,357.19	92,719.51		7.2	
7000	****	5302021	Entertainment Expense - Non-Deductible	11,401.59	13,320.87		14.4	
						1,919.28-		
7000	****	5302110	Recruiting Expenses	313,100.31	272,700.67		14.8	
7000	****	5302930	Employee Relations Expense	351,848.26	446,850.25		21.3	
						95,001.99-		
7000	****	5302940	Safety Functions Expense	114,119.56	42,897.08		166.0	
7000	****	5302990	Miscellaneous Employee-Related Expense	204,842.03	226,388.66		9.5	
						21,546.63-		
7000	****	5304100	Material Exp-Stock	10,445.80-	4,424.94		336.1	
						14,870.74-		
7000	****	5304105	Material Exp-Stk Cr	0.00	95.64		100.0	
7000	****	5304115	Material Expense - Other	0.00	2,941.74		100.0	
						2,941.74-		
7000	****	5304200	Material Exp-Non Stk	1,188,941.86	1,427,873.74		16.7	
						238,931.88-		
7000	****	5304310	Office Supplies	892,124.27	950,237.70		6.1	
						58,113.43-		
7000	****	5304320	Postage Shipping & Freight	8,523,554.35	8,359,459.06		2.0	
7000	****	5304330	Laboratory Supplies	244,650.98	102,677.51		138.3	
7000	****	5304340	Software/Hardware Purchases	14,230,612.78	18,149,519.00		21.6	
						3,918,906.22-		
7000	****	5304350	Office Furn & Equip	103,242.46	5,192,598.43		98.0	
						5,089,355.97-		
7000	****	5304360	Promotion Supplies	12,625.78	28,812.59		56.2	
						16,186.81-		
7000	****	5304390	Misc Supplies	537,274.24	567,670.58		5.4	
						30,396.34-		
7000	****	5304410	Purchasing Card Expenses-MC	395,126.85	620,485.30		36.3	
						225,358.45-		
7000	****	5304500	Aviation Fuel	1,322,477.30	1,198,148.34		10.4	
7000	****	5304510	Gasoline	291,987.38	281,728.52		3.6	
7000	****	5304999	Capitalized M&S-PROJ SETTLMT USE ONLY	11,667,484.29-	21,650,344.15-		46.1	

7000	****	5308010	Subscriptions	3,350,709.01	4,119,035.51	768,326.50-	18.7-
7000	****	5308020	Professional Dues	9,284.00	39,233.56	29,949.56-	76.3-
7000	****	5308090	Other Dues&Membershp	1,063,655.37	952,055.14	111,600.23	11.7
7000	****	5309010	Utilities - Electric and Gas	601,191.61	553,671.90	47,519.71	8.6
7000	****	5309020	Utilities - Phone	1,530,078.14	1,524,301.70	5,776.44	0.4
7000	****	5309021	Utilities - Wireless Services-Cell Phon	1,481,674.38	1,372,470.80	109,203.58	8.0
7000	****	5309030	Utilities - Water	73,335.27	95,668.58	22,333.31-	23.3-
7000	****	5310080	Bank Fees	1,521,967.70-	2,314,358.22-	792,390.52	34.2
7000	****	5399040	Lost Discount Exp	15,207.33-	11,499.88-	3,707.45-	32.2-
7000	****	5399070	Vehicle Expenses-M5-Fleet System- Maint	206,088.98	215,639.55	9,550.57-	4.4-
7000	****	5399071	Vehicle Expenses-M5-Fleet System - Cred	2,095,561.27-	2,110,688.14-	15,126.87	0.7
7000	****	5399072	Vehicle Expenses-M5-Fleet System - Owne	1,621,421.76	1,673,397.20	51,975.44-	3.1-
7000	****	5399073	Vehicle Expenses-M5-Fleet System - Fuel	274,181.78	224,131.84	50,049.94	22.3
7000	****	5399074	Vehicle Purchases	0.00	22,277.74	22,277.74-	100.0-
7000	****	5399100	Communications - Aviation	193,185.62	160,599.17	32,586.45	20.3
7000	****	5399999	Capitalized Other-PROJ SETTLMT USE ONLY	46,766.78-	194,556.85	241,323.63-	124.0-
7000	****	9921000	Admin & General - Office Supplies & Exp	14,837,781.38-	0.00	14,837,781.38-	
			Office Supplies & Expenses (921)	18,731,573.26	31,924,086.18	13,192,512.92-	41.3- *6*
			Outside Services Employed (923)				
7000	****	5303010	Contractor Labor - Straight Time	21,035,584.22	22,422,127.16	1,386,542.94-	6.2-
7000	****	5303015	Contractor Labor OT	132,417.60	153,210.56	20,792.96-	13.6-
7000	****	5303020	Contractor Materials	38,604.82	51,076.57	12,471.75-	24.4-
7000	****	5303030	Contractor Services	5,227,523.76	16,111,163.99	10,883,640.23-	67.6-
7000	****	5303040	Environmental Services	21,694.10	43,669.87	21,975.77-	50.3-
7000	****	5303210	Accounting/Auditing Services	274,500.01	49,093.13	225,406.88	459.1
7000	****	5303220	Legal Services	1,339,559.63	1,234,333.72	105,225.91	8.5
7000	****	5303310	Consultant Services	9,473,228.61	9,748,302.03	275,073.42-	2.8-
7000	****	5303320	Training Services	1,803,199.26	1,479,722.13	323,477.13	21.9
7000	****	5303820	Collection Agency Services	205.88	195.00	10.88	5.6
7000	****	5303840	Security & Investigative Services	426,437.08	388,979.04	37,458.04	9.6
7000	****	5303860	Broker Service Fees	895,398.86-	325,889.16-	569,509.70-	174.8-
7000	****	5303890	Miscellaneous Outside Services	5,117,404.67	6,778,657.06	1,661,252.39-	24.5-
7000	****	5303999	Capitalized Outside Services-PROJ SETTLM	7,114,511.38-	20,080,113.54-	12,965,602.16	64.6
7000	****	5998913	Inter Co --Recoveries of Facilities - 10	178,974.72-	279,614.52-	100,639.80	36.0
7000	****	5998917	Inter Co --Recoveries of Facilities - 10	12,654.72-	26,378.64-	13,723.92	52.0
7000	****	9923000	Admin & General - Outside Services Empl	22,587,131.61-	0.00	22,587,131.61-	
			Outside Services Employed (923)	14,101,688.35	37,748,534.40	23,646,846.05-	62.6- *6*
			Property Insurance (924)				
7000	****	5306060	Insurance-General Property	213,298.02	203,618.24	9,679.78	4.8
			Property Insurance (924)	213,298.02	203,618.24	9,679.78	4.8 *6*
			Injuries & Damages (925)				
7000	****	5305010	Injury Expenses	1,943.49	18,000.00	16,056.51-	89.2-
7000	****	5305020	Damages - Property	83,263.79	27,205.12	56,058.67	206.1
7000	****	5305030	Claims Reimburse	21,289.59-	2,435.50-	18,854.09-	774.1-
7000	****	5305050	Worker's Compensation Claim Expenses	119,020.99	245,659.50	126,638.51-	51.6-
7000	****	5306020	Insurance-Excess Liability/Surty	104,740.04	182,646.71	77,906.67-	42.7-
7000	****	5306070	Insurance-Worker's Comp	397,716.33	704,339.32	306,622.99-	43.5-
7000	****	9925000	Admin & General - Injuries & Damages	239.72-	0.00	239.72-	
			Injuries & Damages (925)	685,155.33	1,175,415.15	490,259.82-	41.7- *6*
			Employee Pensions & Benefits (926)				
7000	****	5301010	Employee Benefits - Medical	26,900,084.36	26,736,892.51	163,191.85	0.6
7000	****	5301020	Employee Benefits - Dental / Vision	1,906,165.27	1,705,185.38	200,979.89	11.8
7000	****	5301030	Employee Benefits - Life Insurance	1,793,314.50	1,956,184.87	162,870.37-	8.3-
7000	****	5301040	Employee Benefits - Disability	1,353,076.49	1,601,487.04	248,410.55-	15.5-
7000	****	5301060	Employee Benefits - OPEB	6,843,899.00-	6,821,997.00-	21,902.00-	0.3-

7000	****	5301090	Employee Benefit Plan Administration	1,654,181.68	1,731,042.75	76,861.07-	4.4-
7000	****	5301110	Employee Pensions	24,183,266.00	12,220,388.00	11,962,878.00	97.9
7000	****	5301120	Executive Supplemental Compensation Pro	9,425,530.23	11,381,885.66		17.2-
7000	****	5301130	Employee Benefits - Savings Plan	9,674,495.18	9,697,541.54	1,956,355.43-	0.2-
7000	****	5301990	Other Employee Benefits - Miscellaneous	435,695.92	1,413,441.89	23,046.36-	69.2-
7000	****	5302120	Transfer/Relocation Expense	2,769,966.44	3,592,996.12	977,745.97-	22.9-
7000	****	5302920	Tuition Reimbursement Expense	451,293.16	448,545.03	823,029.68-	0.6
7000	****	9926000	Admin & General - Employee Benefits	12,846,902.79-	0.00	2,748.13	
			Employee Pensions & Benefits (926)	60,856,267.44	65,663,593.79	12,846,902.79-	7.3- *6*
			Regulatory Commission Expense (928)			4,807,326.35-	
7000	****	9928000	Admin & General - Regulatory Commission	1,832,213.18	0.00	1,832,213.18	
			Regulatory Commission Expense (928)	1,832,213.18	0.00	1,832,213.18	*6*
			General Advertising Expense (930.1)				
7000	****	5303830	Advertising	567,351.85	880,337.68	312,985.83-	35.6-
7000	****	9930100	Admin & General - General Advertising E	9,187.05-	0.00	9,187.05-	
			General Advertising Expense (930.1)	558,164.80	880,337.68	9,187.05-	36.6- *6*
			Miscellaneous General Expenses (930.2)			322,172.88-	
7000	****	5308040	Industry Association Dues	1,847,622.42	1,504,144.59	343,477.83	22.8
7000	****	5310010	Operating Permits	13,353.00	22,687.22		41.1-
7000	****	5310050	Environmental Fees	19,607.38	45,417.93	9,334.22-	56.8-
7000	****	5310060	Financing Fees	6,849,903.19	9,294,606.69	25,810.55-	26.3-
7000	****	5310090	Miscellaneous Fees	749,058.61	692,376.15	2,444,703.50-	8.2
7000	****	5399065	Expense Reimbursements from Customers	882,455.70-	919,717.94-	56,682.46	4.1
7000	****	5399900	Miscellaneous Expense	933,349.83	148,408.97-	37,262.24	728.9
7000	****	5399910	Miscellaneous Expense - Acct Recon	351.33-	407.02-	1,081,758.80	13.7
7000	****	5399997	Project Clearing Account - Entry	0.00	6,154.56	55.69	100.0-
7000	****	5399998	Project Clearing Account - Settlement	0.00	1,223,232.66-	6,154.56-	100.0
7000	****	9930200	Admin & General - Miscellaneous Expense	1,426,705.21-	0.00	1,223,232.66-	
			Miscellaneous General Expenses (930.2)	8,103,382.19	9,273,620.55	1,426,705.21-	12.6- *6*
			Rents (931)			1,170,238.36-	
7000	****	5307000	Rent Expense-Hangars	31,477.60	31,000.00	477.60	1.5
7000	****	5307010	Rent Expense - Buildings	542,840.18	523,742.08	19,098.10	3.6
7000	****	5307030	Rent Expense - Computer Office & Other	3,421,098.76	2,599,199.55	821,899.21	31.6
7000	****	5307040	Rent Expense - Vehicles	1,551,722.88	1,612,594.96		3.8-
7000	****	5307050	Rent Expense - Storage Facilities	2,545.18	699.07	60,872.08-	264.1
7000	****	5307081	Rent Exp-0100-Dominion Energy, Inc.	992,496.00	1,537,879.92	1,846.11	35.5-
7000	****	5307085	Rent Expense - Sales Tax	74,071.60	82,119.44	545,383.92-	9.8-
7000	****	5307090	Rent Expense - Miscellaneous	2,682,958.43	2,844,096.25	8,047.84-	5.7-
7000	****	5398000	Secondary Cost Element Charges	14,267,306.62	14,193,404.48	161,137.82-	0.5
7000	****	5398001	VP Clrng Secondary Cost Elements to ICO	14,267,306.59-	14,193,404.48-	73,902.14	0.5-
7000	****	5999205	Inter-Company Operating Expense-1000-VP	418,212.12	408,513.85	73,902.11-	2.4
7000	****	5999210	Inter-Company Operating Expense-1000-VP	13,849,094.47	13,784,890.63	9,698.27	0.5
7000	****	9931000	Admin & General - Rents	8,245,523.86-	0.00	64,203.84	
			Rents (931)	15,320,993.39	23,424,735.75	8,245,523.86-	34.6- *6*
			Operation Expenses (401)	409,748,188.34	562,193,197.31	8,103,742.36-	27.1- *5*
			Maintenance Expenses (402)			152,445,008.97-	
			Power Production Maintenance Expense(510-559)				
7000	****	9510000	Steam Maintenance - Supervision & Engin	2,974,189.51	0.00	2,974,189.51	
7000	****	9514000	Steam Maintenance - Miscellaneous	15,199.60	0.00	15,199.60	
7000	****	9528000	Nuclear Maintenance - Supervision & Eng	3,231,150.79	0.00	3,231,150.79	
7000	****	9532000	Nuclear Maintenance - Miscellaneous Nuc	7,603.17	0.00	7,603.17	
7000	****	9541000	Hydraulic Maintenance - Supervision & E	339,265.73	0.00	339,265.73	
7000	****	9551000	Other Power Maintenance - Supervision	1,411,479.92	0.00	1,411,479.92	
7000	****	9554000	Other Power Maintenance - Misc Other Po	3,448.13	0.00	3,448.13	
			Power Production Maintenance Expense(510-559)	7,982,336.85	0.00	7,982,336.85	*6*
			Transmission Maintenance Expense (568-598)				

7000	****	9568000	Transmission Maintenance - Supervision	179,270.49	0.00	179,270.49		
7000	****	9590000	Distribution Maintenance - Supervision	139,708.75	0.00	139,708.75		
			Transmission Maintenance Expense (568-598) Maint. of Structures & Equipment (935)	318,979.24	0.00	318,979.24		*6*
7000	****	5303110	Office & Communication Equipment Servic	952,685.29	747,290.84	205,394.45	27.5	
7000	****	5303120	Computer Hardware & Software Services	23,599,186.01	26,034,352.90		9.4	
7000	****	5303130	Building & Grounds Maintenance Services	289,252.39	296,712.45	2,435,166.89-	2.5	
7000	****	5303140	Security Equipment Maintenance Services	788,152.49	751,736.01	7,460.06-	4.8	
7000	****	5303170	Automobile Repairs/Maintenance	310.54	532.26		41.7	
7000	****	5303175	Aviation Repairs/Maintenance- Fixed	756,866.00	989,927.54	221.72-	23.5	
7000	****	5303176	Aviation Repairs/Maintenance - Variable	621,420.24	810,662.55	233,061.54-	23.3	
7000	****	5303190	Miscellaneous Repairs/Maintenance	395,693.51	379,059.20	189,242.31-	4.4	
7000	****	5304210	Auto Parts & Supplies	27,528.41	55,052.64	16,634.31	50.0	
7000	****	5304520	Fuel-Off Hwy Equip	12.24	112.38	27,524.23-	89.1	
7000	****	9935000	Admin & General Maint -Other General Pl Maint. of Structures & Equipment (935)	1,066,057.89-	0.00	100.14-		
				26,365,049.23	30,065,438.77	1,066,057.89-	12.3	*6*
			Maintenance Expenses (402)	34,666,365.32	30,065,438.77	3,700,389.54-	15.3	*5*
			Depreciation & Amortization Expense (403)	1,017,201.00	1,017,204.00	4,600,926.55		
7000	****	5501020	Depreciation Expense - Buildings					
7000	****	5501060	Depreciation Expense - Transportation E	2,748.00	2,748.00	3.00-	0.00	
7000	****	5501070	Depreciation Expense - General Plant & Depreciation & Amortization Expense (403)	14,474,346.08	14,305,979.03		1.2	
			Depr Exp for Asset Retirement Costs (403.1)	15,494,295.08	15,325,931.03	168,364.05	1.1	*5*
7000	****	5501190	Depreciation Expense - Asset Retirement	657.98-	1,178.14-	520.16	44.2	
			Depr Exp for Asset Retirement Costs (403.1)	657.98-	1,178.14-	520.16	44.2	*5*
7000	****	5505010	Amortization Expense - Intangible Prope	13,366,277.87	15,006,371.78		10.9	
7000	****	5505020	Amortization Expense - Capital Leases	796,656.00	899,932.59	1,640,093.91-	11.5	
7000	****	5505025	Amortization Expense - Leasehold Improv	157,136.00	212,209.00	103,276.59-	26.0	
			Amortization of Limited-Term Property (404)	14,320,069.87	16,118,513.37	55,073.00-	11.2	*5*
						1,798,443.50-		
7000	****	5701150	Franchise Taxes	0.00	56.73		100.0	
7000	****	5702100	Property Taxes	1,965,565.16	1,393,924.72	56.73-	571,640.44	41.0
7000	****	5703100	Payroll Taxes	23,084,062.43	23,238,739.92		0.7	
7000	****	5704100	Utility Taxes	136,037.09	133,732.43	154,677.49-	1.7	
7000	****	5706100	Sales and Use Tax	0.00	5,584.15	2,304.66	100.0	
7000	****	5709100	Other Miscellaneous Taxes	0.00	15.37	5,584.15-	100.0	
7000	****	5799900	Capitalized Other Taxes-PROJ SETTLMT US	0.00	27.60-	15.37-	27.60	100.0
7000	****	9408100	Taxes Other than Income Taxes - Utility Taxes Other than Inc Taxes, Op Inc (408.1)	5,049,781.81-	0.00			
				20,135,882.87	24,772,025.72	5,049,781.81-	18.7	*5*
7000	****	6310010	Federal Income Tax Expense	8,459,708.60-	6,223,330.16	4,636,142.85-	235.9	
7000	****	6310030	Prior Year Federal Income Tax Expense	0.00	23,598,265.00	14,683,038.76-	100.0	
7000	****	6310230	UTP Federal Income Tax Expense Non- Curr	0.00	6,121,744.00-	23,598,265.00-	100.0	
7000	****	6311010	State Income Tax Expense	2,586,751.00-	5,777,996.10	6,121,744.00	144.8	
7000	****	9409100	Income Taxes - Utility Operating Income Income Taxes, Operating Income (409.1)	1,571,315.00-	0.00	8,364,747.10-		
				12,617,774.60-	29,477,847.26	1,571,315.00-	142.8	*5*
7000	****	6320010	Defd Federal Income Tax Expense-Curr As	9,602,087.45	0.00	42,095,621.86-		
7000	****	6320020	Defd Federal Income Tax Expense- Noncurr	1,361.85-	1,821.40-	9,602,087.45	25.2	
7000	****	6320025	UTP Defd Federal Income Tax Expense- Non	0.00	6,121,744.00		100.0	
7000	****	6321010	Defd State Income Tax Expense-Curr Asse	2,594,524.00	0.00	6,121,744.00-	2,594,524.00	
7000	****	6321020	Defd State Income Tax Expense-Noncurr A	1,458,482.00-	505,059.00		388.8	
7000	****	9410100	Provision for Deferred Income Taxes - U Prov for Def'd Income Taxes, Op Inc (410.1)	47,101,572.00	0.00	1,963,541.00-	47,101,572.00	
7000	****	6320030	Defd Federal Income Tax Expense-Other C	57,838,339.60	6,624,981.60	4,986.00-	773.0	*5*
7000	****	6320040	Defd Federal Income Tax Expense-Plant N	4,986.00-	0.00		53.4	
				635,831.00	1,363,840.00	728,009.00-		

7000	****	6320050	DFIT Tax Expense-Other NC Liab	1,771,862.00-	31,159,984.76-	29,388,122.76	94.3	
7000	****	6321040	Defd State Income Tax Expense-Plant Non	1,916,799.00	23,828.00-	1,940,627.00	8144.3	
7000	****	6321050	DSIT Expense-Other Noncurr Liab	466,091.00-	6,282,856.10-	5,816,765.10	92.6	
7000	****	9411100	Prov for Deferred Income Taxes-Credit,	47,101,572.00-	0.00			
			Prov for Def'd Inc Taxes-Cr, Op Inc (411.1)	46,791,881.00-	36,102,828.86-	10,689,052.14-	29.6-	*5*
7000	****	5501600	Accretion Expense - Asset Retirement Ob	1,834.70	1,870.96	36.26-	1.9-	
			Accretion Expense (411.10)	1,834.70	1,870.96	36.26-	1.9-	*5*
7000	****	9412000	Costs & Expenses of Construction or Oth	93,068,752.50	0.00	93,068,752.50		
			Cost and Expenses of Const or Oth Prop (41	93,068,752.50	0.00	93,068,752.50		*5*
			TOTAL SERVICE COMPANY OPERATING EXPENSES	585,863,414.70	648,475,799.02	62,612,384.32-	9.7-	*4*
			NET SERVICE COMPANY OPERATING INCOME	10,764,320.37-	6,961,049.74-	3,803,270.63-	54.6-	*4*
			OTHER INCOME					
7000	****	5380010	Operating Gain/Loss-Disposition of Asse	0.00	154,207.00	154,207.00-	100.0-	
			Gain on Disposition of Property (421.1)	0.00	154,207.00	154,207.00-	100.0-	*5*
7000	****	6199900	Miscellaneous Income or Loss (421)	6,182,834.46-	7,557,104.45-	1,374,269.99	18.2	
			Miscellaneous Income - Miscellaneous	6,182,834.46-	7,557,104.45-	1,374,269.99	18.2	*5*
			TOTAL OTHER INCOME	6,182,834.46-	7,402,897.45-	1,220,062.99	16.5	*4*
			OTHER INCOME DEDUCTIONS					
7000	****	6201030	Donations- 501c3	1,316,977.83	729,942.35	587,035.48	80.4	
7000	****	6201040	Donations-Non 501c3	615,245.77	643,215.43	27,969.66-	4.3-	
7000	****	6201070	Donations-Energy Share	292,150.00	365,800.00	73,650.00-	20.1-	
7000	****	9426100	Other Income Deductions - Donations	1,702.00-	0.00	1,702.00-		
			Donations (426.1)	2,222,671.60	1,738,957.78	483,713.82	27.8	*5*
7000	****	6299020	Life Insurance Premiums	274,040.04	61,151.14	212,888.90	348.1	
			Life Insurance (426.2)	274,040.04	61,151.14	212,888.90	348.1	*5*
7000	****	6203020	Penalties - Non-Operating	521.56	0.00	521.56		
			Penalties (426.3)	521.56	0.00	521.56		*5*
7000	****	6202020	Expenditures for Certain Civic etc (426.4)	743,443.83	1,650,441.29	906,997.46-	55.0-	
7000	****	6202040	Civic/Politic CRG	71,599.13	87,243.33	15,644.20-	17.9-	
7000	****	9426400	Other Income Deductions - Civic/Politic	969,494.33	0.00	969,494.33		
			Expenditures for Certain Civic etc (426.4)	1,784,537.29	1,737,684.62	46,852.67	2.7	*5*
			TOTAL OTHER INCOME DEDUCTIONS	4,281,770.49	3,537,793.54	743,976.95	21.0	*4*
			TAXES APPLICABLE TO OTHER INC AND DEDUCTIONS					
7000	****	9409200	Income Taxes, Other Income & Ded (409.2)	1,571,315.00	0.00	1,571,315.00		
			Income Taxes - Other Income & Deduction	1,571,315.00	0.00	1,571,315.00		*5*
			Income Taxes, Other Income & Ded (409.2)	1,571,315.00	0.00	1,571,315.00		*4*
			TOTAL TAXES APPLICABLE TO OTH INC AND DED	1,571,315.00	0.00	1,571,315.00		
			INTEREST CHARGES					
7000	****	6406040	Inter-Co Interest Exp-0100-DEI	5,714,827.39	5,430,824.49	284,002.90	5.2	
7000	****	6406170	Inter-Co Interest Expense-8152-Dom Cove	320,666.03	1,009,165.79	688,499.76-	68.2-	
7000	****	6406264	ICO Int Rev/Exp-Money Pool-1003-Hope Ga	181,703.78-	343,784.49-	162,080.71	47.1	
7000	****	6406267	ICO Int Rev/Exp-Money Pool-7101-Power S	999,734.91	1,126,092.64	126,357.73-	11.2-	
7000	****	6406271	ICO Int Rev/Exp-Money Pool-7104-Coal Co	227,142.43	202,231.85	24,910.58	12.3	
7000	****	6406272	ICO Int Rev/Exp-Money Pool-7113-Dom Fie	6,453,470.97	6,989,262.56	535,791.59-	7.7-	
7000	****	6406273	ICO Int Rev/Exp-Money Pool-7106-Dom Ret	2,475,049.27	3,249,515.22	774,465.95-	23.8-	
7000	****	6406274	ICO Int Rev/Exp-Money Pool-7107-Product	6,448,978.54	7,353,058.75	904,080.21-	12.3-	
7000	****	6406281	ICO Int Rev/Exp-Money Pool-8130-Dom Gre	254,829.85	282,636.77	27,806.92-	9.8-	
7000	****	6406284	ICO Int Rev/Exp-Money Pool-8535-DOTEPI	1,312,601.79	1,296,682.56	15,919.23	1.2	
7000	****	6406286	ICO Int Rev/Exp-Money Pool-0100-Dominio	31,587,784.48	47,288,367.48	15,700,583.00-	33.2-	
7000	****	6406288	ICO Int Rev/Exp-Money Pool-8000-Dominio	58,858,187.29-	91,102,911.65-	32,244,724.36	35.4	
7000	****	6406297	ICO Int Rev/Exp-Money Pool-5008-Dom Tec	59,918.85-	49,372.96	109,291.81-	221.4-	
7000	****	6406299	ICO Int Rev/Exp-Money Pool-6200-VPEME S	2,620,666.64	2,477,635.57	143,031.07	5.8	
7000	****	6406300	ICO Int Rev/Exp-Money Pool-6300-VP	22.72	0.00	22.72		

		Serv					
7000	****	6406302	ICO Int Rev/Exp-Money Pool-8600-Dom	1,413,454.71-	1,204,687.89-		17.3-
		Cap				208,766.82-	
7000	****	6406306	ICO Int Rev/Exp-Money Pool-6200-VPENG	5,283,129.70	11,242,781.01		53.0-
		S				5,959,651.31-	
7000	****	6406307	ICO Int Rev/Exp-Money Pool-1006-	5,994,913.61	10,083,289.02		40.5-
		DomNatr				4,088,375.41-	
7000	****	6406312	ICO Int Rev/Exp-Money Pool-1009-Dom	0.00	34,835.23-		100.0
		ACP				34,835.23	
7000	****	6406313	ICO Int Rev/Exp-Money Pool-8181-Dom	2,792,221.93-	0.00		
		Sol				2,792,221.93-	
7000	****	6406314	ICO Int Rev/Exp-Money Pool-7014-	0.00	45,379.10		100.0-
		DomCaro				45,379.10-	
		Interest on Debt to Assoc. Co.'s (430)		6,388,331.77	5,440,076.51	948,255.26	17.4
		Other Interest Expense (431)					*5*
7000	****	6101906	Interest Income - Taxes	0.00	22.97-	22.97	100.0
7000	****	6401500	Interest Expense - Capital Leases	107,270.90	157,564.59		31.9-
7000	****	6499090	Interest Expense - Tax Deficiencies	3.57	960.55	50,293.69-	99.6-
7000	****	6499900	Interest Expense - Miscellaneous	4,598,463.10	5,227,574.97	956.98-	
		Other Interest Expense (431)		4,705,737.57	5,386,077.14	629,111.87-	12.0-
		TOTAL INTEREST CHARGES		11,094,069.34	10,826,153.65	680,339.57-	12.6-
		Net (Inc)/Ls Bfr Extra Items & Cum Eff of Chg		0.00	0.00	267,915.69	2.5
		Net (Inc)/Loss After Ex Items & Cum Eff Chg		0.00	0.00	0.00	*3*
							*2*

Exhibit 10 DES Services Agreement

See 'Attachment 2018-03-09\_ORIS\_Set\_04\_35'.

Exhibit 11 DES Amortization Guidelines

<b>DRS Amortization Guidelines</b>		
<b>Amount</b>	<b>12 or Fewer Months</b>	<b>More than 12 Months</b>
25,000 or less	Do Not Amortize	Do Not Amortize
25,001 - 50,000	Do Not Amortize	Always Amortize
50,001 or greater	Always Amortize	Always Amortize

\* In the case of agreements that are >12 months, never amortize if the per month amount would be less than \$1,000.

\*\*Invoices can be bundled for amortization, to the extent the invoices are covered under the same PO, and are all for the same term.

\*\*An invoice with different products that have the same performance period should be bundled into one amortization.

# CHAPTER 103

## Public Service Commission

(Statutory Authority: 1976 Code §§ 58-3-140, 58-23-10, 58-23-590, 58-23-1010, and 58-23-1830)

### ARTICLE 1 COMMON CARRIERS SUBARTICLE 1 COMMON CARRIERS BY RAIL AND EXPRESS COMPANIES

#### **103-6. Notice to be Posted.**

All railroad companies, operating in South Carolina as common carriers, shall be required to have printed in large type and kept posted in a conspicuous place in each waiting room at their depots in South Carolina, the following notice:

#### NOTICE

All railroad companies are required, under the laws of South Carolina and the rules of the Public Service Commission, to bulletin trains when late, to furnish good, wholesome drinking water to passengers, to keep waiting rooms and passenger coaches clean, well lighted, properly ventilated, and comfortably heated when necessary.

The Public Service Commission of South Carolina would appreciate the prompt reporting to its office at Columbia, S. C., of the failure of any company or its agents to comply with these requirements.

#### **103-7. Opening Waiting Rooms.**

At junction points, railroad companies shall be required to open their depot waiting rooms for the accommodation of the traveling public at least thirty minutes before the schedule time for their arrival of all passenger trains, or trains carrying passengers.

At local, or non-junction points, all such waiting rooms shall likewise be opened: Provided, That the same shall not be required to be opened, nor kept open, after 10 o'clock p. m., except for delayed trains due before that hour, in which case such rooms shall be kept open until the actual arrival of such delayed trains.

Pursuant to § 58-17-3080, S. C. Code 1976.

#### **103-8. Waiting Rooms.**

A waiting room for passengers, sufficient for their comfort and convenience, shall be provided at all stations where passenger tickets are offered for sale, and these waiting rooms shall be furnished with adequate lights, and, when the inclemency of the weather requires, with heat, and at all times kept clean and made comfortable for passengers.

A substantial water cooler must be in each waiting room with drinking vessel conveniently placed. The said cooler to be supplied with wholesome water at all hours to meet the requirements of passengers. There shall be connected with each of these waiting rooms whenever practicable, except at flag stations on the railroad lines where there is no regularly kept passenger station, two separate and distinct restrooms, one for female passengers and one for male passengers and said restrooms shall be kept in fit and suitable condition for use and convenience of said passengers. Such toilets will be considered and open into or near the waiting rooms so as to afford a reasonable privacy to passengers.



Pursuant to Section 58-17-3080, S.C. Code 1976.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-9. Heating, Lighting, etc., of Coaches.**

On all passenger trains, or trains carrying passengers in this State, the railroad companies shall furnish safe and adequate heating appliances and lights, and shall keep the passenger coaches clean, sufficiently warm, and properly ventilated for the comfort of passengers. All passenger coaches, including closets, after reaching their destination and before being put in service for further use, must be thoroughly cleaned and disinfected.

### **103-10. Handling Baggage.**

All railroad companies shall provide such means or appliances as may be necessary to secure the careful handling of and prevent injury to baggage. At all stations where no proper appliances are supplied, the baggagemaster shall have such assistance from the train hands or others as may be necessary to handle all baggage without injury to same. That at all junctional points and all towns of over 500 inhabitants, sufficient trucks be furnished to both load and unload baggage.

Pursuant to § 58-17-3140, S. C. Code 1976.

### **103-11. Notice as to Delayed Trains.**

Whenever any passenger train or train carrying passengers on any railroad in this State shall be more than one-half of an hour behind its schedule time, it shall be the duty of said railroad company to bulletin, and keep posted at every telegraph station along its line, in the direction in which said train is going, the time such train is behind its schedule time, and the time of its arrival, as near as can be ascertained.

Each bulletin board upon which the foregoing information is to be posted shall contain the regular schedule of the arrival and departure of all trains carrying passengers.

All notices as to trains behind schedule time shall be erased from the bulletin immediately after the departure of such trains.

Such bulletin shall be changed every quarter-hour until delayed train arrives.

103-11 and 103-12 pursuant to § 58-17-3050, S. C. Code 1976.

### **103-12. Notice of Change in Schedules.**

Notices of any change in the schedule time of passenger trains, or trains carrying passengers, must be posted conspicuously at each of the stations along the line of the road, and notice to the Commission be given in writing at least eight days before the change is to take effect; said notice to also be published in two issues of newspapers at least eight days before the change is made: Provided, Freight trains carrying passengers and running between local stations may be excepted from this rule by proper showing before this Commission when said train is not advertised in published schedules as carrying passengers.

### **103-13. Accidents.**

Every railroad corporation shall cause immediate notice of any accident which may occur on its road, attended with injury to any person, to be given to the Public Service Commission, by telegraph, telephone or such other means as may be the quickest under the circumstances, at the same time that notice is given the officials of the road on which the accident occurred, and shall furnish immediate transportation for the Commissioners over its line to the place of accident free of expense to the Commissioners, and if the Commissioners use another railroad to reach the place of accident, the corporation on whose line the accident occurs shall pay the expense of transportation thereon, and shall also give notice in like manner of any accident falling within any description of accidents of which said Commissioners may by general regulation require notice to be given.

Also, every railroad corporation upon whose line any accident may occur, attended with injury to any person or persons, is, in all such cases, required to immediately notify the most accessible physician or physicians, by quickest possible means, of place of accident and require the giving of such medical or surgical attention as the case or cases may require.

Pursuant to Sections 58-17-3440 and 58-17-3450, S.C. Code 1976.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-14. Closing or Discontinuing Depots, Stations and Agencies.**

Each and every depot, flag stop, station, office and agency, now maintained, conducted or used in South Carolina by any railroad, express or telegraph company doing business in this State, for the transaction of business with the public is hereby formally established and located at the point and on the premises where the same is now being so maintained and conducted. No such depot, flag stop, station, office or agency, as aforesaid, now established, or that hereafter may be established, pursuant to orders made by the Commission, or voluntarily by such company, or otherwise, shall be closed, removed, suspended, discontinued or abolished without authority granted by the Public Service Commission. Written application shall be made to the Public Service Commission for authority to post notice to the public setting forth the fact that thirty days from date of said notice application for such closing, removal, suspension, discontinuance or abolition will be made to the Public Service Commission. Said notice to the public shall be posted in a conspicuous place at or near such depot, flag stop, station, office or agency, for not less than thirty (30) days, and a copy of such notice sent to the Public Service Commission. At the expiration of that time, unless protest has been received from the public by the Public Service Commission and the company so notified, then formal application may be made to the Public Service Commission for authority to close, remove, suspend, discontinue or abolish such depot, flag stop, station, office or agency as the case may be. Should protest be received, the Public Service Commission will notify the company involved, who may, if desired, ask for a formal hearing in the matter, and the Commission may order such hearing if, in its judgment, it is necessary.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-15. Discrimination.**

All of the various kinds of tickets that may be on sale at any and all other offices of a given railroad company, in any given town or city, shall likewise be kept on sale at the depot ticket office of such railroad company in such town or city, at the same prices.

There shall be no unjust discrimination as to passenger rates in favor of or against any individual or locality; Provided, however, That this rule shall not be so construed as to prevent railroad companies issuing commutation, excursion or mileage tickets as the same are now issued.

Pursuant to § 58-17-1980, S. C. Code 1976.

### **103-16. Notice as to Obstructed Trains.**

Whenever there is, by reason of accident or otherwise, a break or obstruction on any railroad in this State, which will delay any passenger train on said road, it shall be the duty of said road to have the same bulletined at all stations at and between the said passenger train and the place so obstructed, and the conductor shall give notice of said obstruction to the passengers in the cars, before leaving the station, and the delay that will probably be caused by the same.

### **103-18. Filing Reports and Furnishing Information.**

Each railroad company shall file in the office of the Commission quarterly reports, on or before the last day of the month following the quarter for which the report is made, showing fully and in detail the revenues and expenses of such company during the reporting quarter and cumulatively for the year.

Each railroad company, railroad terminal company, or express agency employing rail services and facilities, shall, on or before the thirty-first day of March of each year file in the office of the Commission an annual report, duly sworn to, showing fully and in detail the operations of such company or agency during the preceding fiscal year, to-wit: From January the first to December the thirty-first, both inclusive.

All of said reports shall be rendered on, and in accordance with, the printed forms that the Commission will prescribe and furnish for that purpose.

In addition to the foregoing, each of said companies or agencies shall furnish such other reports and information as the Commission may require from time to time.

Furthermore, it shall be the duty of each of said companies or agencies to produce, for the inspection of the Commission, any and all books, papers, contracts, agreements and other original records, of any character whatsoever, that may be in possession of said company or agency, or within its power, custody or control, or copies, thereof, as may be demanded and designated by the Commission.

### **103-19. Stopping Passenger Trains at Stations.**

All passenger trains operated in this State shall, at all stations where such trains stop, either upon flag or regular schedule, be brought to a standstill with such relation to the waiting-rooms of the station building, or other passenger facilities at said station, as will render egress from and ingress to said trains most practicable and convenient for the passengers, without reference to the convenient handling of baggage or other freight.

Pursuant to § 58-17-3070, S. C. Code 1976.

### **103-20. Conductors on Pullman, Dining Cars, etc.**

No sleeping car, chair car, parlor car, dining car, or buffet car shall be operated on any line of railroad in South Carolina, when occupied by regular passengers holding proper transportation for the occupancy of such cars, unless such cars are continuously in charge of an employee or an authorized agent of the firm or corporation owning or operating same.

Pursuant to Section 58-17-2710, S. C. Code 1976.

**HISTORY: Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.**

### **103-21. Rates Applicable to Roads Under One Management or Control.**

All connecting railroads, doing business in this State, and under the management or control, by lease, ownership, association or otherwise, of one and the same person, firm, corporation or association, shall, for purposes of transportation, in applying freight and passenger tariffs, be considered as constituting but one and the same road, and the rate shall be computed as upon parts of one and the same road, unless otherwise specified by the Public Service Commission.

Pursuant to § 58-17-2610, S. C. Code 1976.

### **103-22. Local Shipments.**

All shipments moving locally by rail, between points in South Carolina are subject to rates, rules and regulations as adopted by the Public Service Commission of South Carolina, unless there is issued at the time of shipment at the place the shipment originates, or at the nearest agency station thereto, through interstate bill of lading to the final point of destination of the shipment, or such a bill of lading as may be exchanged for ship's bill of lading at a place of export.

### **103-23. Joint Rates Defined, Manner of Making Combination Rates.**

(a) Joint freight rates are those ordered put in, or authorized, by the Public Service Commission of South Carolina, which rates shall only apply on shipments moving between two points in the State of South Carolina, over two or more railroad routes, not under the same management or control.

(b) In making combination rates between points in South Carolina where no joint rates are in effect, no railroad shall charge more than its maximum rates, less twenty per cent, except that in no case shall the total rate so made be less than the maximum mileage rate for the total short line distance.

(c) In making combination rates, where one or more of the factors are specific point to point or mileage rates lower than the maximum rates prescribed by the Commission and the other factor or factors is the maximum mileage rate, the factor or factors which is the maximum mileage rate is subject to a deduction of twenty per cent except that the total rate so made must not be less than the maximum mileage rate for the total short line distance. Where one or more of the factors are specific point to point rates, or mileage rates voluntarily established by the railroads lower than the maximum rates or scales, such rates will not be subject to a deduction of twenty per cent.

(d) "The maximum mileage rates" are the mileage rates (or scales) prescribed by the Public Service Commission of South Carolina.

(e) Fractions resulting in the deduction from the maximum mileage rate, as required by this rule, shall be disposed of in accordance with the provision of Rule No. 36 of the Uniform Freight Classifications, No. 12, and reissues thereof, before combining the factors which constitute the through rate.

### **103-24. Rates Between Competitive Points.**

Where there are two or more railroad lines between any two points in South Carolina, having through connections, the lowest freight rate established between such points shall be charged by the other lines accepting the freight for transportation between said points.

### **103-25. Distances for Changing Rates.**

Ten miles has been fixed as the usual limit for a change of freight rates in South Carolina, but the railroads may, if they so desire for intermediate distances, adopt rates also intermediate between those given in the tables.

When the distance between stations ends in a fraction of a mile, such fraction, if .5 or over will be counted as a mile. If less than .5 such fraction will not be considered.

Stations not over two miles beyond the upper limits of ten-mile group may be included in such group. The Commission reserves the right, however, to correct the charge in extreme cases which work hardships, although the same may not violate the letter of its rules.

### **103-26. No Change of Rates Without Approval of the Commission.**

The rates fixed or authorized by this Commission are to be regarded as maximum rates, which the railroads shall not exceed, except when specifically authorized by rule or written consent of this Commission. The railroads may adopt lower rates with the consent of the Commission, but if they do so for one shipper or person, they must, for like service, apply the same reduction of rates for all other persons and if they fix less freight rates from one station, they shall make a corresponding reduction of the same per cent, at all stations along the line of road, so as not to discriminate against any person or locality except as provided in 103-25.

### **103-27. No Discrimination Allowed.**

There shall be no discrimination by any railroad company chartered by this State in favor of or against any railroad company with which it may connect, but each road shall deal with all its connections at any one point on the same terms, and shall afford the like customary facilities for the interchange of freight between all of its connections at the same point, any contract, combination, joint ownership or management to the contrary notwithstanding.

### **103-28. No Rebate Permitted.**

No rebate, bonus, drawback or other advantage in any form shall be allowed, directly or indirectly, upon shipments made or service rendered to any person, but the rates shall be the same to all.

### **103-29. Obligation to Serve.**

No railroad shall decline or refuse to transport any article proper for transportation.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-30. Notice to be Given Before Change of Rates.**

Before any rate shall be affixed, established or changed by the Public Service Commission, the railroad company to be affected thereby shall have at least twenty (20) days' notice of the time and place when and where the matter of fixing or changing such rate will be considered by the Commission in session; and said railroad company shall be entitled to be heard at such time and place, to the end that justice may be done.

### **103-31. When Rates are Effective.**

All authorities for rates issued by the Commission may be made effective at once, or as soon after date of issuance as possible, but in no case later than thirty (30) days after the date of the Commission's authority, unless otherwise specified.

### **103-32. Conflict Between Rates.**

Whenever there is a conflict between class and commodity rates, or between mileage rates and commodity rates, for the transportation of freight, between any two points in South Carolina the lowest rate in effect shall be charged.

### **103-33. Delays in Transportation.**

No railroad shall, for any cause, subject any article of freight to unreasonable delay in receiving, delivering or forwarding the same.

Pursuant to §§ 58-17-2710, 58-17-2820, S. C. Code 1976.

### **103-35. Articles Not Classified.**

Rates for the transportation of any article not included in the Freight Classification may be assessed as if upon the article most analogous to it in said classification.

### **103-36. Repairs and Improvements.**

Whenever in the judgment of the Public Service Commissioners it shall appear that repairs are necessary upon any railroad in this State, or that any addition to the rolling stock, or that any enlargement of, or improvement in, the stations or station houses, or any changes in the mode of operating the road and conducting its business, is reasonable and expedient, in order to promote the security, convenience and accommodation of the public, they shall give information in writing to the railroad company of the improvements and changes which they adjudge to be proper, and if said company shall fail, within sixty (60) days, to adopt the suggestion of said Commissioners, they will take such legal proceedings, as they may deem expedient.

### **103-37. Adjusting Overcharges.**

Railroad companies shall adjust all freight charges promptly when shipments are delivered, and apply only the legal, published rates and classifications in effect at time shipment moved from point of origin.

Actual weights must be observed in settling charges, unless otherwise, provided for in classification.

If, after settlement is made, an overcharge appears, the railroad company collecting such overcharges shall make proper refund to shipper or consignee when demand is made and said overcharge is shown.

### **103-38. Rates for Less than Carloads Not to Exceed Carload Rates.**

The charge for a less than carload shipment must not exceed the minimum charge for a minimum carload of the same freight at the same rating; provided the loading is done by the consignor and the unloading by the consignee; the charge for a car fully loaded must not exceed the charge for the same lot of freight being taken as a less than carload shipment.

### **103-40. Railroads Required to Furnish Information.**

Every railroad corporation operating in this State shall at all times, on request, furnish the Public Service Commissioners any information required by them concerning the condition, management and operation of its railroads.

Pursuant to § 58-17-1640, S. C. Code 1976.

### **103-41. Carload and Ton Defined.**

A carload shipment is a consignment of at least the specified minimum carload weight of one class of freight, at one time, by one consignor, from one point of consignment to one consignee, at one point of delivery.

A ton is 2,000 pounds unless otherwise provided.

### **103-42. Assessing Rates Where Not Otherwise Provided for.**

Between points where rates are not provided for, the Commission will, on application of shipper, consignee, or railroad interested, make reasonable rates for immediate use, or to correct charges previously assessed for which no rates are published.

### **103-43. Posting of Rates.**

Railroads in this State are required to keep "posted" in all their stations copies of rate schedules with tables showing distances between all stations, applying on their respective roads. It shall be the duty of all such railroads to obtain as needed, from the Public Service Commission, all such schedule of rates, including such changes or revisions as may from time to time be made, and to "post" copies of same as required by law.

### **103-44. Regulating Charges for Shorter Distances.**

The railroads will not be required to regulate their charges for shorter distances by their proportion of through rates between terminal or junctional competitive points.

Pursuant to § 58-17-2000, S. C. Code 1976.

### **103-45. Erecting Depots.**

All railroads in this State are required to erect within the time specified by the Commission union or other depots at such points as the travel and public interest shall in the judgment of the Commission justify.

Pursuant to § 58-17-3090, S. C. Code 1976.

### **103-46. Time Tables.**

All railroads in South Carolina shall furnish the Public Service Commission complete time tables covering schedules of all regular trains carrying passengers over their respective roads; and shall furnish new time tables or schedules, whenever changes are made, as soon as such schedules are received from the printer.

### **103-47. Weighing Carload Shipments.**

Any consignee of coal or other articles to be delivered to him in carload lots by any common carrier at any point within the limits of this State where such common carrier maintains track scales or track scales are accessible, shall have the right to demand that such coal or other articles be reweighed before delivered to him by said common carrier, within forty-eight (48) hours after such demand to reweigh the same, and to deliver to such consignee a written or printed or partly written and partly printed statement, showing the true weight thereon, and that where track scales are accessible and whenever practicable, all railroad companies operating in South Carolina are required to weigh all loaded tank cars for shipment of oil on track scales at the station of the initial line, or at the oil mill where such cars are to be loaded and to weigh these cars on same scales when loaded, and issue Bill of Lading therefor with actual weight of the contents of each car inserted thereon. And that weight of cars may be accurately determined, each car shall be weighed separately and uncoupled at each end from other cars upon the request of consignee. Pursuant to §§ 58-17-2310, 58-17-2350, S. C. Code 1976.

### **103-48. Handling Freight at Non-Agency Stations.**

At all non-agency stations the railroads shall load and unload all less than carload shipments. The consignor or consignee shall load or unload all carload shipments. When a shipper at a non-agency station desires to make a carload shipment the order for empty car shall be placed with the conductor or the agent of the railroad at the nearest station, and said car shall be set off on the siding designated, loaded by the shipper and Bill of Lading issued by the nearest agent of the railroad in the direction the car moves. When a carload shipment is consigned to a non-agency station, the freight charges on which are prepaid, the car shall be set off at that point and unloaded by the consignee. Railroads shall not leave less than carload freight at non-agency stations when there is no one there to receive it if the weather is such as to cause damage, but the same shall be carried to the nearest station for protection and returned at the proper time.

### **103-49. Handling Freight Cars on First Class Passenger Trains.**

No railroad operating trains in South Carolina shall be allowed to handle any freight cars, loaded or empty, on a train that is operated as a first class passenger train, or shown as such in the published time tables of any railroad except by written permission of the Public Service Commission.

### **103-50. Grain-Cleaning in Transit.**

The rate on all movement of grains in South Carolina where grain in transit is stopped at intermediate points for cleaning and grading purposes shall be the present through rate from point of origin to destination, plus 20 per cent for each and every intermediate stop where cleaning and grading is to be done.

Shrinkage on all reshipments from cleaning points will be allowed.

The above rate is intended for an emergency rate.

Grain delivered at local markets for cleaning purposes cannot be substituted for grain in transit which is held at that point for cleaning.

### **103-51. Milling-in-Transit Rules.**

Section 1. Wheat or corn may be shipped from railway stations in South Carolina.

Section 2. To milling points located on the railroads in South Carolina and milled and the product reshipped to stations in South Carolina under the following rules, viz.:

Section 3. Shipments of wheat or corn to be milled in transit must be filled to the milling point at full tariff rates.

Section 4. Original bills of lading and expense bills for wheat or corn (the product of which is to be reshipped), must be surrendered to the railroad's agent at milling point.

Section 5. These bills of lading and expense bills must be cancelled so as to prevent their use a second time.

Section 6. The agent at milling point must keep a ledger account with the mill, which should show the receipts of wheat or corn, and the shipments of each kind of milled product made thereunder.

Section 7. Waybills for the product from milling points must show the original point of shipment of the wheat or corn from which it is milled and the number and date of the waybill upon which it is received at the mill.

Section 8. When the conditions of these rules have been fully complied with the agent at the milling point is authorized to waybill shipments of milled products at the difference between the rate on the wheat or corn into the mill and the rate on the milled product for a distance equal to the sum of the distance from point of origin of the grain (from which milled), to the milling point, plus the distance from the milling point to destination of the milled product, as provided for in local tariff of all railroads.

For example, the agent at Rock Hill, S. C., has a shipment of flour in sacks milled from wheat received from a point 75 miles distant from Rock Hill, to be reshipped to a point 50 miles from Rock Hill. In this instance the total haul is 125 miles. The rate on the wheat into the mill is 19 cents, the rate on the flour in sacks (Class C) for a distance of 125 miles is 27 cents. Shipments should be waybilled from Rock Hill to destination at the difference between the rate on the grain into the mill and the rate on flour in sacks for the combined distance, or 125 miles which is 8 cents per hundred pounds.

### **103-52. General Rule.**

All rules and regulations herein prescribed as applying to railroads are to be regarded as applying, with equal force and effect, to express companies doing business in this State: provided, such application is practicable and does not conflict with the laws of this State or of the United States, nor with the rules and regulations herein distinctly prescribed for the government of express companies.

### **103-53. Posting Schedules.**

All express companies in South Carolina are required to file with the Commission, to print and keep posted at each of their offices in this State, schedules of rates, classification and charges for the carrying of freight, which shall be opened during office hours to public inspection.

### **103-54. Changes in Rates and Classification.**

No change in express rates or classification shall be made until thirty (30) days' notice of such change has been filed or posted at all express offices or agencies in this State, and not until thirty (30) days' notice has been given the Commission and not until the consent of the Commission has been obtained.

### **103-55. Accidents.**

All express companies in South Carolina are required to comply with § 58-47-3440, S. C. Code 1976, "Giving notice of accidents," and 103-13 of the Public Service Commission, "Accidents."

#### **SUBARTICLE 2**

#### **PRACTICE AND PROCEDURE IN PROCEEDINGS INVOLVING COMMON CARRIERS BY RAIL**

### **103-74. Guidelines for Rail Regulation.**

The standards and procedures outlined in Order No. 83-146, modified by Order No. 84-207, are hereby adopted as guidelines for all future rail regulation by the Public Service Commission of South Carolina.

**HISTORY:** Added by State Register Volume 12, Issue No. 5, eff May 27, 1988.

#### **ARTICLE 2**

#### **MOTOR CARRIERS**

#### **SUBARTICLE 1**

#### **GENERAL**

### **103-100. Authorization of Rules.**

1. These rules and regulations are promulgated pursuant to the authority vested in the commission by the General Assembly by its enactments contained in Articles 1 to 11 of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976. All previous rules, regulations, and standards are hereby revoked, annulled and superseded.

2. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint or its own motion, or upon the application of any motor carrier. Moreover, these rules shall not relieve in any way either the commission or the motor carriers of any duties under the laws of this State.

3. These rules and regulations are consistent with Section 601, Pre-emption of Intrastate Transportation of Property, of the Federal Aviation Administration Authorization Act of 1994, enacted on August 23, 1994.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-101. Application of Rules.**

1. Jurisdiction. These rules are for general application and therefore shall apply to any person, firm, partnership, association, or corporation which is now or may hereafter become engaged as a motor carrier for hire within the State of South Carolina except where specifically exempt by statute.

2. Waiver of Rules. These rules are subject to such exceptions as may be considered just and reasonable as ordered by the commission in individual cases when strict compliance with any rule or rules produces unusual difficulty and is not in the public interest. They are considered supplementary to the statutes contained in Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-102. Definitions of Terms.**

As used herein, the following terms shall be accorded meaning as indicated:



1. **Certificated Carrier.** “Certificated Carrier” means a motor carrier operating under a Certificate of PC&N, a Certificate of FWA, or a Charter Bus Certificate.

2. **Certificate of FWA.** “Certificate of FWA” means the certificate of fit, willing, and able authorized to be issued under provisions of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976. Certificates of FWA shall be required of all for-hire household goods carriers operating exclusively within limits of any municipality in this State. Holders of Certificates of FWA shall be considered regulated carriers.

3. **Certificate of PC&N.** “Certificate of PC&N” means the certificate of public convenience and necessity authorized to be issued under the provisions of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976. Certificates of PC&N shall be required of all for-hire passenger carriers, household good carriers (except those operating exclusively within the limits of any municipality), and hazardous waste for disposal carriers. Holders of Certificates of PC&N shall be considered regulated carriers.

4. **Charter Bus Certificate.** A “Charter Bus Certificate” is a certificate issued to charter bus motor carriers which signifies that the motor carrier has met all of the insurance requirements of the commission, and all of the safety requirements of the South Carolina Department of Public Safety. A Charter Bus Certificate shall be denominated “Class C-Charter Bus.”

5. **Charter Bus.** “Charter Bus” is a passenger carrier equipped to carry sixteen (16) or more passengers.

6. **Class C Charter Certificate.** “Class C Charter Certificate” is a Class C certificate required to be held by service providers engaged in passenger for hire transportation using any motor vehicle equipped to carry up to fifteen (15) passengers and accepting passengers exclusively on a pre-arranged basis and which remuneration is determined on an hourly basis. A Class C Charter Certificate shall be denominated “Class C - Charter.”

7. **Class C Taxi Certificate.** “Class C Taxi Certificate” is a Class C certificate required to be held by service providers engaged in passenger for hire transportation using any motor vehicle equipped to carry up to fifteen (15) passengers, whether or not equipped to handle wheelchairs, which operates on call or demand/response service whereby remuneration is determined on a per trip basis. The issuance of a Taxi certificate signifies that the motor carrier has met all of the requirements of the commission and all of the safety requirements of the Department of Public Safety. A Class C Taxi Certificate shall be denominated “Class C - Taxi.”

8. **Commission.** “Commission” means the Public Service Commission of South Carolina.

9. **Common Carrier by Motor Vehicle.** “Common Carrier by Motor Vehicle” means any person which holds itself out to the general public to engage in the transportation by motor vehicle in intrastate commerce of persons or property for compensation, whether over regular or irregular routes, except as exempted in Section 58–23–50 and Section 58–23–70 of Code of Laws of South Carolina, 1976.

10. **Contract Carrier by Motor Vehicle.** “Contract Carrier by Motor Vehicle” means any person which engages in transportation by motor vehicle of property in intrastate commerce for compensation under contracts with one person or a limited number of persons either (a) for the furnishing of transportation service through the assignment of motor vehicles to the exclusive use of each person served, or (b) for the furnishing of transportation services designed to meet the distinct need of each individual customer.

11. **Corporation.** “Corporation” means a corporation, company, association, or joint stock association.

12. **Driver.** “Driver” or “Operator” shall mean any person who physically operates a licensed taxi, limousine, non-emergency vehicle or wheelchair van as defined herein, whether such person operates as agent, lessee, independent contractor or employee of any certificated carrier.

13. **Interstate Commerce.** “Interstate Commerce” means commerce between any place in a state and any place in another state.

14. **Intrastate Commerce.** “Intrastate Commerce” means commerce between points and over a route or within a territory wholly within this State, which commerce is not a part of a prior or subsequent movement to or from points outside of this State in interstate or foreign commerce, and

includes all transportation within this State for compensation which has been exempted by Congress from federal regulation in interstate or foreign commerce.

15. Limousine. A "Limousine" shall mean any motor vehicle equipped to carry up to fifteen (15) passengers which exclusively engages in "Class C Charter" operations. Limousines shall be required to obtain a Class C - Charter certificate.

16. Motor Carrier. "Motor Carrier" means both a common carrier by motor vehicle and a contract carrier by motor vehicle.

17. Motor Vehicle Carrier Law. "Motor Vehicle Carrier Law" means Articles 1 to 11 and 15 of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976.

18. Motor Vehicle. "Motor Vehicle" means any vehicle, machine, tractor, semi-trailer, or any combination thereof, which is propelled or drawn by mechanical power and used upon the highways of this State.

19. Municipality. "Municipality" means any incorporated city or town within the State of South Carolina.

20. Non-Emergency Vehicle. "Non-Emergency Vehicle" means a vehicle that is used for providing, for a fee or charge, non-emergency transportation, for patients in stable medical condition. "Non-Emergency Vehicle" includes "Wheelchair Van" but not taxicabs. "Non-Emergency Vehicle" shall not include vehicles owned by facilities that provide such transportation as described above without charging a separate fee for the transportation service.

21. ORS. The "ORS" means the South Carolina Office of Regulatory Staff.

22. Person. "Person" means any individual, firm, partnership, corporation, company, association, or joint-stock association, and includes any trustee, receiver, assignee, or personal representative thereof.

23. Public Highway. "Public Highway" means every improved public highway in this State which is or may hereafter be declared to be a part of the state highway system or any county highway system or a street of any city or town.

24. Rates. "Rates" include rates, fares, tolls, rentals and charges.

25. State. "State" means the State of South Carolina.

26. STB. "STB" means Surface Transportation Board.

27. Tariff. "Tariff" means any schedule or publication showing the rates, fares, charges, rules, regulations, and classifications for the transportation within this State of persons and property.

28. Taxi. A "Taxi" or "Taxi Cab" means a passenger carrier vehicle capable of carrying between one and fifteen passengers, the use or transportation in which is paid for or billed to the passengers on a per trip basis.

29. Wheelchair Van Patient. "Wheelchair Van Patient" means a patient whose medical condition is such that the person may be transported safely and securely in a Wheelchair Van. These patients must be transported in a sitting position in a secured wheelchair and/or require a ramp or lift to board the vehicle.

30. Wheelchair Van. "Wheelchair Van" means a Non-Emergency Vehicle other than a taxi cab which is modified, equipped and used for the purpose of providing non-emergency medical transportation for Wheelchair Van Patients. These vehicles are specifically designed and modified to load and transport both ambulatory and wheelchair-bound patients in a safe and secure manner.

31. Equipped to Carry. "Equipped to carry" means the number of passengers a vehicle is capable of carrying based on the number of seatbelts in that vehicle. If seatbelts do not exist in or cannot be located by ORS Inspectors, ORS may alternatively calculate the number of passengers a vehicle is capable of carrying by utilizing the method set forth in the Federal Transportation Regulations to determine "seating capacity" pursuant to 49 C.F.R. §387.29. Efforts to circumvent regulation or proper licensing by removing or altering the number of seatbelts in a vehicle and/or otherwise altering the seating configuration will not absolve the carrier from failing to obtain the proper certificate from the commission.

32. Passenger. "Passenger" means every person carried or riding in a motor carrier, including the driver.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 24, Issue No. 7, eff July 28, 2000; State Register Volume 26, Issue No. 5, Part 2, eff May 24, 2002; State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 34, Issue No. 5, eff May 28, 2010.

### **103–103. Regulated Carriers Must Maintain Copy of Motor Vehicle Carrier Law and Commission’s Rules and Regulations.**

Every motor carrier regulated by the commission shall keep at all times in its principal office in South Carolina a copy of these rules and regulations. Access to these rules and regulations via the internet or through other electronic means at the carrier’s principal office shall be deemed sufficient to meet the requirements of this regulation.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 2 CLASSIFICATION OF MOTOR CARRIERS**

### **103–110. Class “A” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class A motor carrier is a common carrier by motor vehicle of passengers, operating over regular routes and upon regular schedules as filed with and approved by the commission. Class A Certificates of Public Convenience and Necessity for the transportation of passengers shall include the authority to transport in the same vehicle with the passengers, baggage, express, mail and newspapers, and to transport baggage of passengers in separate motor vehicles when necessary, provided, however, that such articles for shipment shall be originated and terminated at a terminal of the transporting Class A Certificate holder or of some other Class A carrier, and holders of Class A Certificates of Public Convenience and Necessity approved by the commission and issued by the ORS may transport special or chartered parties originating along their authorized routes to any point intrastate and return, subject to the Rules and Regulations of the commission pertaining thereto, provided further, however, that this provision shall not be applicable to Class A Certificates which are restricted. A Class A motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–111. Class “B” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class B motor carrier is a common carrier by motor vehicle of passengers which does not propose to operate regularly upon a fixed schedule or route and which only desires to operate over a particular route or routes that are not already served by one or more Class A motor carriers. A Class B motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–112. Class “C” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class C motor carrier is a common carrier by motor vehicle of passengers, generally known as “taxi cabs,” “charter buses,” “charter limousine,” and “non-emergency vehicles,” which does not operate over regular routes or upon regular schedules, and which does not, in any way, solicit or receive patronage outside of the radius of two miles of the corporate limits of the city in which it is licensed to do business, except upon such highways as are not served by a Class A or B motor carrier. A Class C motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission, except “charter buses,” which must obtain a Charter Bus Certificate.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 24, Issue No. 7, eff July 28, 2000; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–114. Class “E” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class E motor carrier is a common carrier of property (household goods or hazardous waste for disposal) by motor vehicle including a motor vehicle containing goods packed by a packing service. A Class E motor carrier must obtain either a Certificate of PC&N or FWA from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–115. Class “F” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class F motor carrier is a contract carrier by motor vehicle of hazardous waste for disposal which operates over irregular routes and upon irregular schedules under contract as filed with and approved by the commission and which does not solicit or receive patronage along any such routes. No motor carrier shall be allowed to acquire more than one Class F Certificate, and each Class F Certificate issued may not have more than three contracts attached thereto at any one time. A Class F motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 3 EXEMPTIONS FROM REGULATIONS**

### **103–120. Motor Carriers Exempt from Economic Regulations.**

These rules shall not be construed to apply to:

1. Motor vehicles while used exclusively for transporting persons to and from elementary, middle, or high schools, Sunday schools, churches, or religious services, or to or from church picnics or upon special prearranged church excursions;
2. Vehicles used in ridesharing.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–122. Further Exemptions.**

1. The commission does not have jurisdiction over motor carriers solely:
  - a. Carrying on the business of transporting passengers exclusively within the limits of any municipality in this State for which they have a license to operate within that municipality;
  - b. Transporting passengers to or from state institutions located in Richland County; or
  - c. Transporting passengers within a distance of ten miles from the limits of municipalities in Chester and Lancaster Counties when substantially all of the passengers are workers in industrial plants, eighty percent of the production of which is for defense materials;
  - d. Having a seating capacity of twenty or more passengers which are operated within ten miles from the limits of any municipality with a population of seventy thousand or more inhabitants, according to the United States Census for 1940, by any electric utility company which regularly provides transportation service within the municipality itself. Item (d) does not permit the substantial duplication of any franchise or license in effect at the time service is undertaken by the electric utility company; or
  - e. Used by a county to transport passengers or property.
2. Additionally, the commission does not have jurisdiction over any class of for-hire operations which has been or hereafter may be specifically exempted in the Code of Laws of South Carolina.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 4**  
**APPLICATION PROCEDURES FOR CERTIFICATES**

**103–130. Applications Required.**

Any person desiring to operate in this State as a motor carrier for hire first shall file an application for the type of certificate needed (Certificate of PC&N, Certificate of FWA, Charter Bus Certificate) with the commission on forms to be furnished by the commission. All required information on the application forms must be correctly completed before filing of such application will be accepted.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–131. Responsibility Fixed.**

Applications will not be accepted from two or more persons operating under a trade name unless organized in a manner that will definitely fix responsibility. If a corporation, a photocopy of the corporate charter must accompany the application.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–132. Publication of Notice of Filing.**

Public notice will be given when any application for a Certificate of PC&N or FWA or to amend a Certificate of PC&N or FWA has been filed with the commission, except for applications seeking a Class C Certificate of PC&N. Such notice must be published in newspapers of general coverage in the affected territory, must be in the form prescribed by the commission, and must be published at the applicant's expense. All publication requirements must be complied with and affidavits of publication must be returned to the commission's offices prior to a hearing date being set. If required, a hearing is set and all parties of record will be notified of the hearing date, time, and place. An applicant seeking a Class C Certificate to operate vehicles will not be required to publish a notice of filing.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–133. Proof Required to Justify Approving an Application.**

Applications cannot be amended within forty-eight (48) hours of a scheduled hearing, unless leave to amend the application is granted by the commission.

1. PC&N (Household Goods or Hazardous Waste for Disposal). An application for a Certificate of PC&N or to amend a Certificate of PC&N to operate as a carrier of household goods or hazardous waste for disposal by motor vehicle may be approved upon a showing that the applicant is fit, willing, and able to appropriately perform the proposed service and that public convenience and necessity are not already being served in the territory by existing authorized service. The public convenience and necessity criterion must be shown by the use of shipper witnesses, if the applicant applies for authority for more than three contiguous counties. If the commission determines that the public convenience and necessity is already being served, the commission may deny the application. The following criteria should be used by the commission in determining that an applicant for motor carrier operating authority is fit, willing, and able to provide the requested service to the public:

- a. FIT. The applicant must demonstrate or the commission determines that the applicant's safety rating is satisfactory. This can be obtained from U.S.D.O.T. and S.C.D.P.S. safety records. Applicants should also certify that there are no outstanding judgments pending against such applicant. The applicant should further certify that he is familiar with all statutes and regulations, including safety operations in South Carolina, and agree to operate in compliance with these statutes and regulations.
- b. ABLE. The applicant should demonstrate that he has either purchased or leased on a long-term basis necessary equipment to provide the service for which he is applying. Thirty days or more

shall constitute a long-term basis. The applicant must undergo an inspection of all vehicles and facilities to be used to provide the proposed service. The applicant should also provide evidence in the form of insurance policies or insurance quotes, indicating that he is aware of the commission's insurance requirements and the costs associated therewith. Additionally, the applicant can file a statement indicating the applicant's purpose for seeking a Class E Certificate, the applicant's 5-year plan if the commission grants the applicant a Class E Certificate, and such other information that may be contained in a business proposal.

c. WILLING. Having met the requirements as to "fit and able," the submitting of the application for operating authority would be sufficient demonstration of the applicant's willingness to provide the authority sought.

2. FWA. An application for a Certificate of FWA to operate as a carrier of household goods within the limits of a municipality may be approved upon a showing that the applicant is fit, willing, and able to perform the proposed service, as delineated by the criteria for fit, willing, and able set out in 103-133 (1)(a),(b), and (c) above. No showing as to the public convenience and necessity need be made.

3. For Contract Carrier Authority.

a. If the application is for a Class F Certificate of PC&N to operate as a contract carrier of hazardous waste for disposal or is for an amendment or addition thereto, two copies of the written bilateral contract between the supporting shipper and the applicant must accompany the application setting forth the services proposed, the rates and charges, the duration of the contract, the parties thereto, the territory to be served, and the commodities to be hauled.

b. An application for a Class F Certificate of PC&N to operate as a contract carrier or an addition thereto may be approved upon a showing that the applicant is fit, willing, and able to appropriately perform the proposed service, and that public convenience and necessity are not already being served in the territory by existing authorized service. The public convenience and necessity criterion must be shown by the use of shipper witnesses, or by such other methodology as may be approved by the commission, other than the testimony of the applicant. If the commission determines that the public convenience and necessity is already being served, the commission may deny the application. (To determine whether a carrier is fit, willing, able, see R. 103-133(1).)

c. Once a contract with a particular shipper is approved by the commission, that contract may be renewed periodically by merely filing two copies thereof with the commission and serving the same number of copies on ORS, provided, however, that in no event will the renewal contract alter in any way the commodities authorized to be hauled or the territory authorized to be served. Any alteration of contract terms or rates must also receive the specific approval of the commission which may or may not require notice.

4. PC&N (Passengers).

An application for a Certificate of PC&N or to amend a Certificate of PC&N to operate as a carrier of passengers by motor vehicle may be approved upon a showing that the applicant is fit, willing, and able to appropriately perform the proposed service, provided however, if an intervenor shows or if the commission determines that the public convenience and necessity is already being served, the commission may deny the application. The following criteria should be used by the commission in determining that an applicant for motor carrier operating authority is fit, willing, and able to provide the requested service to the public:

a. FIT. The applicant must demonstrate or the commission determines that the applicant's safety rating is satisfactory. This can be obtained from U.S.D.O.T. and S.C.D.P.S. safety records. Applicants should also certify that there are no outstanding judgments pending against such applicant and that applicant is financially fit to do business as a certified carrier. The applicant should further certify that he is familiar with all statutes and regulations, including safety regulations, governing for-hire motor carrier operations in South Carolina and agree to operate in compliance with these statutes and regulations.

b. ABLE. The applicant should demonstrate that he has purchased, leased, or otherwise arranged for obtaining necessary equipment to provide the service for which he is applying. The applicant should also provide evidence in the form of insurance policies or insurance quotes,

indicating that he is aware of the commission's insurance requirements and the costs associated therewith.

c. WILLING. Having met the requirements as to "fit and able", the submitting of the application for operating authority would be sufficient demonstration of the applicant's willingness to provide the authority sought. The applicant must demonstrate a willingness to comply with all commission regulations.

5. Charter Bus Certificate. An application for a Charter Bus Certificate or to amend a Charter Bus Certificate to operate as a carrier of 16 or more passengers by motor vehicle may be approved upon a showing that the applicant meets the insurance requirements of the commission and the safety requirements of the South Carolina Department of Public Safety, USDOT and other federal safety regulations and guidelines.

6. PC&N (Non-Emergency Vehicles).

In addition to meeting the requirements set out in 103-133(4) above and any and all definitions addressed in the Federal Motor Carrier Safety Regulations (Code of Federal Regulations, Title 49, Parts 40 and 355-397) hereinafter known as the Carrier Safety Administration (CSA) Safety Regulations, applicants for a Certificate of PC&N for non-emergency vehicles must meet the following requirements:

A. Driver Qualifications/Requirements.

1. Carrier must comply with Part 391-Qualifications of Drivers, CSA Safety Regulations, excluding 391.49, in addition to the following requirements:

a. Driver must possess at least a current American Red Cross Standard First Aid and CPR Certificate or its equivalent. Records of such must be kept on file at company's primary place of business within South Carolina.

b. Driver must be in compliance with all OSHA regulations.

c. Driver must be adequately trained in the use of all vehicle installed safety equipment such as two-way radios, first aid kits, fire extinguishers, and other equipment as outlined in the Vehicle Requirement Section of these Regulations.

d. Driver must be able to physically perform actions necessary to assist persons with disabilities, including wheelchair users.

e. Driver must wear a professional uniform and photo identification badge that easily identifies the driver and the company for whom that driver works.

f. Driver must complete 12 hours of in-service training annually in the area of safety. Records of such must be kept on file at company's primary place of business within South Carolina.

B. Vehicle Requirements.

1. Any vehicle purchased on or after the effective date of these regulations shall comply with the following vehicle requirements. The Applicant must certify on a commission prescribed form that its vehicles meet, at a minimum, the following standards.

a. All Non-Emergency Vehicles shall be equipped with at least the following:

(1) Approved seat belt assemblies for all passenger seating locations.

(2) Interior and exterior lighting which must meet ADA requirements set forth in Title 49, Parts 37 and 38 C.F.R. In addition, all standard motor vehicle equipment must be in working order (i.e. all lamps, windshield wipers, horn, emergency flashers/hazard lights, and all other standard motor vehicle equipment.)

(3) Locking devices for all doors and all door latches which shall be in operation from inside and outside on all vehicles manufactured and first registered after January 1, 1980.

(4) Foot stool or extra step for loading.

(5) Sanitary and functional seat covers.

(6) Spare wheel, jack and tire tools necessary to make minor repairs, except when operating service cars are immediately available.

(7) Current maps of streets in the area where service is provided.

(8) Fire extinguisher, Type ABC, 4lbs. or more dry powder or carbon dioxide, inspected annually. Proof of annual inspection shall be attached to each fire extinguisher.

(9) Identification display of the name under which the Non-Emergency Vehicle is doing business or providing service, on both sides and the rear of each such vehicle in letters that contrast sharply with the van's background and are easily read from at least 20 feet. All Non-Emergency Vehicles operated under the same certificate shall display the same identification.

(10) Exterior rearview mirrors affixed to both sides of the vehicle and in working order. There may not be any chips, cracks, or anything else that limits the driver's view.

(11) A two-way radio, mobile or cellular phone equipment which shall be included in the vehicle while patients are being transported. All two-way radios must be in contact with a dispatcher or someone acting as a dispatcher, i.e., must have instant access to standard phone lines and the ability to summon immediate police, fire or ambulance assistance, if needed.

(12) A "No Smoking" sign prominently displayed in the patient compartment if oxygen tanks, whether patient tanks or vehicle equipment, are carried. If oxygen tanks are carried, they must be readily accessible and securely stored.

(13) Heating and cooling systems which meet ADA requirements set forth in Title 49, Parts 37 and 38 C.F.R.

(14) Emergency warning devices.

(15) Any other emergency and safety equipment required in order to meet ADA requirements set forth in Title 49, Parts 37 and 38 C.F.R.

b. In addition to the requirements of subsection (a) above, all wheelchair vans shall be equipped with at least the following:

(1) A loading entrance in compliance with ADA requirements and standards.

(2) Fasteners to secure the wheelchair(s) or stretcher(s) to the vehicle which must be of sufficient strength to prevent the chair or stretcher from rotating and to prevent the chair or stretcher wheels from leaving the floor in case of sudden movement and to support chairs, stretchers and patients in the event the vehicle is overturned.

(3) A lift or ramp with a load capacity as specified by ADA requirements and standards.

2. Any vehicle manufactured after the effective date of these regulations shall comply with the vehicle requirements set forth in Title 49, Parts 37 and 38 C.F.R. and FMVSS.

#### C. Vehicle Maintenance Requirements.

All carriers must comply with Part 396-Inspection, Repair, and Maintenance of CSA Safety Regulations, excluding 396.9, 396.11(d) as to the last phrase "or to any motor carrier operating only one motor vehicle", and excluding 396.15.

#### D. Drug Testing Requirements.

All carriers must implement a verifiable drug testing program for drivers. Pre-employment, post-accident, and random drug screens shall be mandatory.

#### E. Minimum Periodic Inspection Standards.

1. All carriers must comply with Appendix G to Subchapter B-Minimum Periodic Inspection Standards of CSA Safety Regulations.

2. A vehicle does not pass inspection if deficient under any standard included in 1 above. Further, a vehicle does not pass an inspection if any defects or deficiencies are detected with reference to the wheelchair lift or any component relating to the loading of passenger or patient into the vehicle.

3. All carriers are subject to the regulations found in Part 396, CSA Safety Regulations. In addition, any ORS representative or any officers, drivers, agents, representatives, and employees directly concerned with the inspection or maintenance of motor vehicles may recommend that a vehicle be put "out of service" for defects or deficiencies detected with reference to Appendix G to Subchapter B-Minimum Periodic Inspection Standards and defects or deficiencies detected with reference to the wheelchair lift or any component relating to the loading of a passenger or patient into the vehicle.



F. Schedule of Minimum Insurance Limits.

1. Insurance policies and surety bonds for bodily injury and property damage will have limits of liability not less than the following:

- a. Liability Combined Each Occurrence \$1,000,000
- b. Medical Payments/Each Person \$1,000

7. PC&N (Class C-Taxi and Class C-Charter Carriers).

In addition to meeting the requirements set out in 103–133(4) above, applicants for a Certificate of PC&N for Class C Taxi and Class C Charter authority, as well as all vehicle drivers operating under such authority, must meet the following requirements and provide the following information to the ORS upon request:

A. Owner and Driver Qualifications/Requirements.

1. All drivers must be a minimum of 18 years of age.
2. Driving Record - A certified copy of the driver's three (3) year driving record issued by the South Carolina Department of Motor Vehicles and such record from the DMV of the state in which the driver is or has been domiciled for such period.
3. State Criminal Background Check - A criminal history background check from the state where the driver currently lives.
4. Drivers License - All drivers operating a vehicle under a Class C Taxi or Class C Charter certificate must have in their possession at the time of such operation a valid drivers license issued by the South Carolina Department of Motor Vehicles or the current state of residence of the driver.
5. Sex Offender Registry - All Class C Taxi Certificate and Class C-Charter Certificate holders are prohibited from employing or leasing vehicles to drivers who are registered, or required to be registered, as a sex offender with the South Carolina State Law Enforcement Division (SLED) or any national registry of sex offenders. All certificate holders who are registered, or required to be registered, as a sex offender with SLED or any national registry of sex offenders are prohibited from driving a taxi cab or limousine. Any driver who is placed on a Sex Offender Registry shall notify the ORS and the certificate holder under which he operates of his status and shall immediately cease to operate his taxi cab or limo.
6. Engaging in Business - An applicant for a Class C Taxi Certificate shall designate on his/her application those counties it can reasonably supply the service requested. Any applicant who has not provided the service requested in its application within 90 days of approval to begin operation of that certificate, without good cause shown or who has not filed with the commission an amended application, shall have its authority revoked.

B. Owner and Driver Conduct/Vehicle Qualifications.

1. Owners and drivers shall inspect the vehicle that the driver is operating daily to ensure that it can be operated safely.
2. Owners and drivers shall ensure that the interior of the vehicle is kept in a clean and sanitary condition.
3. Owners and drivers shall ensure that the general mechanical condition of his/her vehicle is in good operating condition and mechanical repair.
4. Owners and drivers shall ensure that the vehicle exterior meets the requirements set forth in Regulation 103–153.
5. Owners and drivers shall ensure that jack, spare tire, and other equipment in the trunk or other storage area of the vehicle is secured, and covered with appropriate material to avoid damage to a passenger's luggage or other possessions.
6. Duty to Transport Orderly Passengers - Each driver shall transport all orderly passengers willing and able to pay the required fare, requesting his or her services to the passenger's requested destination.
7. Passenger Discharge - Drivers shall not dismiss, discharge, or otherwise require any passenger to leave the vehicle other than at the passenger's requested destination without reasonable cause. For this purpose, "cause" means, but is not limited to, the vehicle becoming disabled, the passenger

becoming disorderly by refusing to pay the authorized fare, or dangerous driving conditions. A driver who requires a passenger to leave the vehicle other than at the passenger's requested destination shall do so only at a well-lit public place, or (if the vehicle has become disabled) to another vehicle, and shall immediately notify his or her affiliated company of all the details of the incident.

8. Receipt - Each driver shall, upon request of the passenger making payment, and upon receipt of full payment for the authorized fare, give a receipt to the passenger making the payment.

9. Lost and Found - Any property left by a passenger in a vehicle shall be reported by the driver to his or her affiliated company within 30 minutes after its discovery, and thereafter returned to the passenger or the affiliated company as soon as possible, but in any event within 12 hours after its discovery, at the passenger's expense.

10. Identification Badges - While in operation, each driver shall have attached to the interior of the vehicle, in such a way as to be visible by passengers in the rear seat of the taxi, some form of picture identification. Such identification should display as a minimum the driver's name, picture, and the name of the holder of authority under a Certificate of PC&N under which the driver is operating. This paragraph is inapplicable to Class C-Charter Carriers.

11. Driving Record - Each driver shall, not less frequently than annually, provide an updated copy of his or her motor vehicle driving record to the company he or she is affiliated with or leasing.

12. Manifests.

A. The driver of a taxi cab shall keep a daily manifest. The manifest shall contain the following information, which shall be recorded at the time specified:

1. The hour and date at which the vehicle becomes available for use as a taxi cab, the name of the driver and the make, registration number of such vehicle shall be recorded before the driver proceeds to pick up his first passenger or package delivery.

2. The time and place of commencement and the number of passengers or packages shall be recorded when such passengers or packages are picked up.

3. The name and place of delivery of the passengers or packages and the amount of the fare charged shall be recorded immediately after each trip is terminated.

4. The time and place shall be recorded immediately after the driver ceases to operate the taxi cab for hire for the day.

8. PC&N (Stretcher Vans).

Stretcher van service is a mode of non-emergency transportation which may be provided to an individual who cannot be transported in a taxi or wheelchair van due to being non-ambulatory. Stretcher vans are not required or authorized to provide medical monitoring, medical aid, medical care or medical treatment of passengers during their transport. Self-administered oxygen is permitted. In addition to meeting the requirements set out in 103-133(4) and 103-133(6) above, applicants for a Certificate of Public Convenience and Necessity for stretcher van vehicles must meet the following requirements:

A. Driver and Assistant Driver Qualifications/Requirements

1. While providing transportation for hire, all stretcher vans shall be staffed by both a primary and an assistant driver. In addition to the general requirements provided for in 103-133(6) (A), stretcher van drivers and driver assistants shall be trained in transferring, loading and unloading passengers in stretchers.

2. A stretcher van passenger shall not be left unattended at any time.

3. The driver and driver assistant shall confirm that all restraining straps are fastened properly and the stretcher, stretcher fasteners and anchorages are properly secured prior to the vehicle transporting a passenger.

4. The driver assistant shall be seated in the passenger compartment while the vehicle is in motion and shall notify the driver of any change in the passenger's status.

5. All drivers and assistant drivers must be a minimum of 18 years of age.

6. Driving Record - The certificate holder must obtain and retain a certified copy of the driver's and the assistant driver's three (3) year driving records issued by the South Carolina Department of

Motor Vehicles and such records from the DMV of the state in which the driver or the assistant driver is or has been domiciled for such period.

7. State Criminal Background Check - The certificate holder must obtain and retain criminal history background checks from the state where the driver and assistant driver currently live.

8. Drivers License - All drivers and assistant drivers operating a stretcher van must have in their possession at the time of such operation valid drivers' licenses issued by the South Carolina Department of Motor Vehicles or the current state of residence of the driver or assistant driver.

9. Sex Offender Registry - All stretcher van certificate holders are prohibited from employing drivers and assistant drivers who are registered, or required to be registered, as sex offenders with the South Carolina State Law Enforcement Division (SLED) or any national registry of sex offenders. All drivers and assistant drivers who are registered, or required to be registered, as sex offenders with SLED or any national registry of sex offenders are prohibited from driving a stretcher van. Any driver or assistant driver who is placed on a Sex Offender Registry shall notify the ORS and the certificate holder under which he operates of his status and shall immediately cease to operate the stretcher van.

10. All drivers and assistant drivers must possess a current Red Cross First Aid certification or an American Safety and Health Institute certification, or certification from a program that meets or exceeds the certification standards of the Red Cross First Aid or the American Safety and Health Institute, and Adult Cardiopulmonary Resuscitation (CPR) certification. The Red Cross First Aid certification must be renewed every three years, and the Adult CPR certification must be renewed annually.

#### B. Vehicle Requirements

1. The stretcher van must be equipped with a stretcher used to transport individuals in the supine or Fowler's position.

2. Passengers shall be loaded headfirst.

3. The approved stretcher shall be elevating and wheeled. A minimum of three (3) patient restraining straps (chest, waist, and thigh) at least two (2) inches wide shall be provided. The stretcher van shall have proper means to secure the stretcher in its position under all conditions. Crash-stable stretcher fasteners must be provided.

4. A stretcher van vehicle must be maintained in good repair and safe operating condition and shall meet the same motor vehicle safety requirements as apply to all vehicles in South Carolina. Exterior surfaces of the vehicle including windows, mirrors, warning devices and lights must be undamaged and kept clean of dirt and debris.

5. Safety belts must be provided for all passengers.

6. Self-administered oxygen must be secured in accordance with AMD (Ambulance Manufacturers Division of the National Truck Equipment Association) Standard 003, "Oxygen Tank Retention System Test."

7. The interior of the stretcher van vehicle shall include secured storage compartments.

8. All storage compartments, supplies and equipment shall be kept clean and sanitary.

9. A stretcher van shall not contain medical equipment or supplies or display any marking, symbols or warning devices that imply that it offers medical care or ambulance transportation.

10. A stretcher van shall not respond or transport a person if the request for service originated within a public dispatch system.

#### C. Limitations and Conditions of Service

1. Stretcher van vehicles shall not be used:

a. To transport a passenger who requires medical monitoring.

b. To transport more than one (1) stretcher passenger at a time.

c. To transport a person who is being administered intravenous fluids.

d. To transport a person who needs or may need oxygen unless that person's physician has prescribed oxygen as a self-administered therapy.

e. To transport a passenger who needs or may need suctioning.

f. To transport a passenger who has sustained an injury and has not yet been evaluated by a physician.

g. To transport a passenger who is experiencing an acute condition or the exacerbation of a chronic condition or a sudden injury or illness.

h. To transport a passenger who needs to be transported from one hospital to another hospital if the destination hospital is the same level or a higher level as the hospital of origin.

i. To transport a passenger who is being evaluated in an emergency room and for any reason must be transported to another hospital for diagnostic tests that are not available at the first hospital.

2. An individual must not be transported in a stretcher van, if the individual has a written statement from a licensed physician stating that the individual must not be transported in a stretcher van.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 24, Issue No. 7, eff July 28, 2000; State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 33, Issue No. 6, eff June 26, 2009.

### **103–134. When Hearing May Be Held.**

When an application for a Certificate of PC&N is submitted and there is no opposition, the commission may hold a hearing if it deems necessary for the purpose as it shall determine, including the issue of fitness, willingness, or ability of the applicant to appropriately perform the proposed service, or the issue of whether the public convenience and necessity are already being served. When an application for a Certificate of FWA is submitted and there is no opposition, a hearing may be held if necessary, but the issue of whether the public convenience and necessity is already being served shall not be considered.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–135. Sale, Lease or Other Transfer of a Certificate of PC&N or FWA.**

1. Application Required. Application for approval of sale, lease or other transfer of a Certificate of PC&N or FWA shall be filed with the commission and served on the ORS. The application forms shall be provided by the commission. No application is deemed filed until all the required information is completed and all the appropriate signatures obtained.

2. Application to Lease a Certificate of PC&N or FWA. If the application is for approval of a lease of a certificate, a copy of the proposed lease agreement must be filed with the application and must contain the entire agreement between the parties. Only one entity may operate at a time per certificate.

3. Application to Sell or Otherwise Transfer a Certificate of PC&N.

a. If the application is for approval of a sale or other transfer of a certificate, a copy of the proposed sales or other transfer agreement must be filed with the application and must contain the entire agreement between parties, including (1) an accurate description of the operating rights and other property to be transferred, and (2) the purchase price agreed upon and all the terms and conditions with respect to the payment of the same.

b. No sale or other transfer of a Certificate of PC&N shall be approved by the commission until the transferor (seller) has filed with the commission and served on the ORS a statement under oath showing (1) all assets of the holder of the certificate to be sold, (2) all debts and claims against the transferor (seller) of which such seller has any knowledge or notice, (3) wages due employees of the transferor (seller), (4) unremitted COD collections due shippers, (5) claims for loss of or damage to goods transported or received for transportation, (6) claims for overcharges on property transported, and (7) interline accounts due other carriers. There also shall be filed with the commission and served on the ORS a verified statement from the transferee (purchaser) or an authorized agent or officer thereof, guaranteeing the payment of all just obligations as listed in the sworn statement of

the seller. This subsection shall not be applicable to sales by personal representatives of deceased or incompetent persons, receivers, or trustees in bankruptcy under court order.

c. Once a contract with a particular shipper is approved by the commission, that contract may be renewed periodically by merely filing two copies thereof with the commission and serving the same number of copies on ORS, provided, however, that in no event will the renewal contract alter in any way the commodities authorized to be hauled or the territory authorized to be served. Any alteration of contract terms or rates must also receive the specific approval of the commission which may or may not require notice.

4. Proof Required. The commission shall approve an application for lease, sale, or other transfer of a Certificate of PC&N made under this section upon finding (1) that sale, assignment, pledge, transfer, change of control, lease, merger, or combination thereof will not adversely affect the service to the public under said certificate, (2) that the person acquiring said certificate or control thereof is fit, willing, and able to perform such service to the public under said certificate, and (3) that all services under said certificate have been continuously offered and reasonably provided to the public for a period of time not less than twelve months prior to the date of the filing of the application for approval of the sale, lease or transfer of said certificate, or, in lieu thereof, that any suspension of service exceeding thirty (30) days shall have been approved by the commission, seasonal suspensions excepted. No sale, lease, transfer, assignment, or hypothecation of a Certificate of PC&N will be approved where such action would be destructive of competition or would create an unlawful monopoly.

If the application does not contain evidence that the authorized services have been continuously offered and reasonably provided to the public for a period of time not less than twelve (12) months prior to the date of the filing of the application, the application may be denied.

5. Dividing Operating Rights Prohibited by Class E Certificate Holders. Operating rights issued under a commission Class E Certificate may not be split or divided and thereafter sold, transferred, assigned, mortgaged, pledged, or hypothecated by the sale of stock or otherwise, without prior approval of the commission. Leasing of vehicles by Class C Taxi Certificate holders shall not be considered splitting or dividing operating rights.

6. It is unlawful for any person to sell, lease, or otherwise transfer a Class E Certificate of PC&N issued or authorized to be issued after July 1, 1983, under the provisions of Chapter 23 of Title 58 for money, goods, services, or any other thing of value. Class C Taxi Certificate holders who lease taxi cabs to drivers who have signed agreements agreeing to comply with commission regulations shall not be considered to have leased or transferred its authority. A certificate may be transferred incident to the sale or lease of property or assets owned or used by a regulated motor carrier, provided the approval of the commission for the transfer of the certificate is first obtained and that the certificate itself is not transferred for value or utilized to enhance the value of other property transferred. Nothing herein shall affect the sale, lease, or otherwise transfer of a certificate of public convenience and necessity issued prior to July 1, 1983.

7. Application to sell or otherwise transfer a Certificate of FWA.

a. If the application is for approval of a sale or other transfer of a certificate, a copy of the proposed sales or other transfer agreement must be filed with the application and must contain the entire agreement between parties, including (1) an accurate description of the operating rights and other property to be transferred, and (2) the purchase price agreed upon and all the terms and conditions with respect to the payment of the same.

b. The transferee must show that it is fit, willing, and able as per these regulations.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **103-136. Protest.**

Protest Served on commission, ORS and Applicant. The original and any accompanying documents of the protest must be deposited in the United States Mail addressed to the commission and ORS or delivered to the commission and ORS within the time established for filing protests, and it must appear in some statement attached to the protest that a copy thereof has been deposited in the United States

Mail, addressed to the applicant postage prepaid or delivered to the applicant, and a copy sent to his attorney, if any, appearing in the notice of filing.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–137. Amendments.**

An applicant may amend the authority or relief sought in his application any time prior to the end of any hearing held in connection with such application, provided that no amendments will be accepted which tend to enlarge the scope of the applied for authority or relief.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–138. Restrictions, Limitations, and Terms.**

1. Restrictions, limitations, and terms will not be attached to any Certificate of PC&N unless they are reasonable and are required by public convenience and necessity.

2. The commission is not, and cannot be, bound by restrictions agreed to by the parties unless approved by the commission, and no agreement shall be approved which achieves results inconsistent with the public interest and inimical to practical and effective regulation.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–139. Processing of Application by Applicant.**

Without good cause shown, any application for a Certificate of PC&N, FWA, or a Charter Bus Certificate submitted but not processed in compliance with the commission's instructions by the applicant within 90 days of receipt of the notice of filing, may be dismissed.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 5 OPERATIONS OF CERTIFICATED MOTOR CARRIERS**

### **103–150. Beginning Operations Under a Certificate.**

1. Beginning Operations Under a Certificate of PC&N.

a. Registration, Insurance, and Tariffs Required. An Order of the commission, approving an application for a Certificate of PC&N, or the issuance of a Certificate of PC&N does not within itself authorize a carrier to begin operations. Operations are unlawful until the carrier has complied with the law by:

1. Registering its motor vehicles with the ORS;
2. Providing proof of insurance, self-insurance as verified by the S.C. Department of Motor Vehicles or a surety bond with the ORS in the required amounts covering its rolling equipment for the protection of the public;
3. Filing tariffs and schedules of rates, fares, and charges to be made for the transportation service authorized with the commission and the ORS; and
4. Undergoing the required inspection of vehicles and facilities. (Household Goods and Hazardous Waste for Disposal.)

b. Must Begin Operations Within 90 Days. Unless a motor carrier complies with the foregoing requirements and begins operating as authorized within a period of ninety (90) days after the commission's order approving the application becomes final, and unless the time is extended in writing by the commission upon written request, the operating rights therein granted will cease.

c. Upon issuance of a Certificate, the ORS shall provide written notice to the commission stating that the carrier has complied with all provisions of the commission's order.

2. Beginning Operations Under a Certificate of FWA. An order of the commission approving an application for a Certificate of FWA or the issuance of a Certificate of FWA does not within itself authorize a carrier to begin operations. Operations are unlawful until the carrier has complied with the law by:

- a. Providing evidence of an acceptable safety rating.
- b. Providing proof of insurance or a surety bond with the ORS in the required amounts covering its rolling equipment for the protection of the public.
- c. Undergoing the required inspection of vehicles and facilities.

3. Beginning Operations under a Charter Bus Certificate.

An order of the commission approving an application for a Charter Bus Certificate or the issuance of a Charter Bus Certificate does not within itself authorize a carrier to begin operations. Operations are unlawful until the carrier has complied with the law by:

- a. Providing evidence of an acceptable safety rating.
- b. Providing proof of insurance or a surety bond with the ORS in the required amounts covering its rolling equipment for the protection of the public.

4. Vehicle Appearance, Serviceability, and Operation - No person shall operate a taxi cab or limousine unless such taxi cab or limousine meets the following requirements and all owners shall maintain a taxi cab or limousine in accordance with the following requirements:

a. All taxi cab and limousine windows must be free of cracks and all in working order for the passenger to raise or lower as they wish.

b. All taxi cab and limousine drivers shall keep their vehicles free from disfiguring damage to the interior of the vehicle, including significant rust, seat tears or holes and falling or torn headliners.

c. All taxi cab and limousine doors, lights, and safety equipment shall be maintained in good operating condition. All seatbelts shall be visible and available for use by passengers in both the front and rear seats for each and every fare.

d. All taxi cabs and limousines shall be equipped with doors which fasten in a manner so that they may be readily opened from the inside by a passenger.

e. All taxi cab and limousine owners and drivers shall keep the interior and exterior of his or her taxi cab or limousine in a clean and sanitary condition at all times.

f. All taxi cab and limousine owners and drivers shall ensure that all vehicle systems are in safe working order prior to the commencement of work each day.

g. No taxi cab or limousine driver or owner shall fasten or lock the doors of a taxi cab or limousine so that it is impossible for a passenger to open them from the inside.

h. Each taxi cab or limousine owner or driver shall search the interior of the taxi cab or limousine at least once each day for articles left in the cab. The driver shall immediately take such property to the principal office of the certificate holder for safekeeping and proper disposition.

i. No taxi cab driver shall operate a taxi cab for more than twelve hours in any twenty-four hour period.

**HISTORY: Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **103-151. Registration of Motor Vehicles.**

1. Registration and License Fee Required. Before beginning operations as a motor carrier, all motor vehicles to be used in the operation must be registered with the ORS by completing the appropriate forms as provided by the ORS and by paying the appropriate license fees as set forth in Article III of the Motor Vehicle Carrier Law.

2. Adding Motor Vehicles to Operation. New or additional motor vehicles may be added to an operation at any time by appropriately registering the motor vehicle and paying the appropriate license fee.

3. Transferring Permit Cards and Decals. The permit card for a motor vehicle may be transferred to another motor vehicle upon presentation of the vehicle permit card to the ORS and payment of the additional permit fee, if any, provided however, a tractor permit card may not be transferred to a truck. No refund of fees will be made in transferring vehicle permit cards and decals. Transferring license permit cards and decals between vehicles without the prior approval of the commission is prohibited.

4. Motor Vehicles to Be Re-registered. All registered motor vehicles to be continued in service must be re-registered each year as follows:

Motor carriers transporting passengers must provide a list of and re-register the motor vehicles used in their operations and must pay the appropriate license fee, semiannually, in advance, on or before January 1 and July 1 of each year.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–152. Registration of Power Units Domiciled in South Carolina by Interstate Motor Carriers of Passengers.**

Any for-hire motor carrier transporting passengers in interstate commerce which desires to domicile or base any power units in South Carolina, whether owned, leased, or otherwise obtained, must first apply for authorization from this commission corresponding to the type operation which it proposes to conduct. Where it is shown that the motor carrier has STB authority to perform the transportation service proposed, that the motor carrier proposes to transport only interstate movements of passengers that have been exempted from STB regulation, or that the motor carrier proposes to haul only interstate shipments of property or passengers within STB exempt zones, the commission will approve the application without hearing and issue to the motor carrier the appropriate authorization, and thereupon, the motor carrier shall register its motor vehicles based, domiciled, or located in this State in accordance with the provisions of 103–151 and file evidence that the public is protected from bodily injury or property damage as provided in Subarticle 6.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–153. Marking or Identification of Vehicles.**

1. Marking of Vehicles Required. No carrier regulated by the Public Service Commission shall operate any motor vehicle upon the highways in the transportation of property or passengers for compensation unless the name, or trade name, place of principal office, and PSC I.D. number appear on both sides of such vehicle in letters and figures not less than three (3) inches high.

SAMPLE: Richard Skinner Trucking Company Nichols, South Carolina  
SCPSC #1234.

2. Legible Placards or Printing May Be Used. The marking required may be printed on the vehicle or on legible placards securely fastened on both sides of the vehicle. In case of tractor-trailer units, the markings must appear on the tractor. Every vehicle used by a carrier in his operation whether owned, rented, leased, or otherwise obtained must be marked or identified as provided herein.

3. Marked as Required by the STB. If the carrier is engaged in both interstate and intrastate commerce and is marked as required by the STB, then the carrier will be deemed to be in full compliance with this commission's requirements.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.



### **103–154. License Decals and Vehicle Permit Cards.**

All motor vehicles, including substitute or emergency vehicles operated under a Certificate of PC&N, shall have maintained in such vehicles a permit issued by the ORS, and passenger vehicles shall have displayed on the front windshield of the power unit of such vehicles the license decals as issued by the ORS upon proper registration of the vehicle.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–155. Transfer of Certificate of PC&N or Certificate of FWA Without Commission Approval Prohibited.**

No certificate or rights thereunder shall be sold, assigned, leased, transferred, mortgaged, pledged, or hypothecated, by the sale of stock or otherwise, unless first authorized by the commission as provided in 103–135.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–156. Unauthorized Use of Operating Rights Prohibited.**

All motor carriers will be held to strict account for the use of their operating rights, and to permit the use of the same by others for the transportation of persons or property for compensation without prior approval of the commission shall be deemed just cause for the revocation of such rights. This rule positively forbids the party to whom operating rights have been granted from permitting others to use the name or operating authority of such party without prior approval of the commission, or until execution of a proper lease agreement as described in R. 103–220.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–157. Duplication of Authority.**

No motor carrier hereafter will be allowed to acquire any authority which duplicates in whole or in part authority which it presently owns. However, a carrier may acquire additional authority which duplicates his present authority in part, provided the duplicating portion of the authority acquired is omitted.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–158. Issuance of Bills of Lading.**

All holders of Certificates of PC&N and FWA, upon receipt of freight, shall issue and deliver, or cause to be issued and delivered, to the shipper a bill of lading or other documentation approved by the commission. A combination bill of lading and freight or expense bill or invoice may be issued if it shows all of the information required in 103–159. All bills of lading shall comply with, be governed by, and have the consequences stated in the Uniform Commercial Code of South Carolina and any other applicable and effective provisions of the statutes. All carriers, shippers, consignees, and any lease operators involved in a shipment shall keep a copy of the bill of lading for a minimum of three years.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–159. Contents of Bills of Lading.**

Each bill of lading shall show at a minimum the following information:

1. The name of issuing carrier;
2. The date the shipment was received by the carrier;
3. The name and address of the consignor/shipper;
4. The points of origin and destination;
5. The name and address of the consignee/receiver;

6. Declaration of valuation (motor carriers of household goods);
7. The weight by certified public scale, volume, or measurement of the property tendered and received for transportation according to the lawfully applicable rates and charges shown separately by classification;
8. If it relates to a C.O.D. shipment, the amount of the C.O.D. and the name of the individual, corporation, or association who is actually to pay the C.O.D.;
9. Public Service Commission identification number;
10. Financial responsibility information as to insurance coverages;
11. The number of the bill of lading, as numbered consecutively in each motor carrier's own series at the time of printing;
12. Any accessorial or additional service charges in detail, giving size, and kind of equipment, the number of men and total hours of extra labor, and equipment services provided;
13. Rate per hundred weight or rate per hour, whichever is applicable (motor carriers of household goods); and
14. Base liability amount of the carrier for its cargo.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–162. Bill of Lading to Accompany Shipment.**

Each shipment by a freight carrier holding a Certificate of PC&N or FWA must be accompanied by the bill of lading relating thereto or some other procedure authorized by the commission. If two or more trucks are used to transport a single shipment, a separate bill of lading or descriptive instrument must accompany the portion of the shipment contained in each of the trucks and each such bill of lading or descriptive instrument must show, with respect to that portion of the shipment which it accompanies, all information required by 103–159, and must refer specifically to the bill of lading which covers the entire shipment.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–164. Suspension of Operations.**

Any suspension of the operations authorized by a duly issued certificate for a period in excess of thirty (30) days may be approved by the commission upon written application of the motor carrier, filed in accordance with 103–830, et seq. Such application must state clearly and concisely the justification for the proposed suspension of service.

An application for suspension for a period in excess of twelve (12) months, or an application for suspension which, if approved, would result in the continuous suspension of service (e.g., where an approved suspension is in effect at the time the application is filed) for a period in excess of twelve (12) months, may be approved by the commission after such notice, if any, that the commission deems appropriate.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 6 INSURANCE POLICIES AND SURETY BONDS**

### **103–170. Insurance Policy or Surety Bond Required.**

1. Before any certificate can be issued and before any motor carrier operations can be conducted thereunder, the motor carrier must provide and have accepted by the ORS evidence of insurance policy or surety bond from an insurance company licensed or admitted to do business in South Carolina or self-insurance in the amounts hereinafter prescribed, which policy or bond shall be conditioned to pay any final judgment recovered against such motor carrier for bodily injuries to or

death of any person and/or for loss of or damage to property of others resulting from the negligent operation, maintenance, or use of motor vehicles in transportation subject to the Motor Vehicle Carrier Law, regardless of whether the policy or bond specifically describes such motor vehicle or not. The ORS shall accept evidence of self-insurance in compliance with S.C. Code Ann. §56–9–60. Upon failure of the insurance or bonding company to pay any such final judgment recovered against the insured, the judgment creditor may maintain an action in any court of competent jurisdiction against the insurance or bonding company to compel such payment. The bankruptcy or insolvency of the insured shall not relieve the insurance or bonding company of any of its obligations hereunder. The liability of the insurance or bonding company shall extend to such losses, damages, injuries, or deaths whether occurring on the route or in the territory authorized to be served by the insured or elsewhere within the boundaries of South Carolina. The liability of the insurance or bonding company on each motor vehicle whether such vehicle is specifically described in the policy or bond or not shall be a continuing one notwithstanding any recovery thereunder. Furthermore, nothing contained in the policy or bond or any endorsement attached thereto, nor the violation of any of the provisions of the policy or bond or of any endorsement attached thereto, shall relieve the insurance or bonding company from liability under the policy or bond or from the payment of any final judgment recovered against the insured.

2. Notwithstanding the language in Regulation 103–170(1), the ORS shall accept evidence of an insurance policy, surety bond, or other insurance, including self-insurance, or any other evidence that the public is protected from bodily injury or property damage, which has been filed with and accepted by the STB, in lieu of an insurance policy or surety bond from a company licensed or admitted to do business in South Carolina. The provisions of this regulation shall apply only in the case where the carrier is operating on an interstate basis only.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–171. Filing Evidence of Bodily Injury and Property Damage Insurance Policy, Self-Insurance or Surety Bond.**

1. Evidence of Insurance Filed on Form E. Filing evidence of bodily injury and property damage insurance will be made on Form E, “Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance.” (See Form E in 23A S.C. Code Ann. Regs. 38–447) The policy or a copy thereof will not be accepted for filing in lieu of Form E. Self insureds shall have the SCDMV submit a self-insurance certificate in lieu of a Form E.

2. Form F must be attached to Policy. The “Uniform Motor Carrier Bodily Injury and Property Damage Liability Insurance Endorsement,” Form F (see Form F in 23A S.C. Code Ann. Regs. 38–447), must be attached to the bodily injury and property damage insurance policy itself. Form F thereby amends the terms of such policy to conform the policy with requirements not less than those expressed in 103–172 and with other applicable provisions of these rules. Self insureds shall have the SCDMV submit a self-insurance certificate in lieu of a Form F.

3. Evidence of Surety Bond Filed on Form G. Filing evidence of bodily injury and property damage surety bond will be made on Form G, “Uniform Motor Carrier Bodily Injury and Property Damage Liability Surety Bond” (see Form G in 23A S.C. Code Ann. Regs. 38–447), which insures compliance with limits not less than those in 103–172 and with other applicable provisions of these rules. Self insureds shall have the SCDMV submit a self-insurance certificate in lieu of a Form G.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–172. Schedule of Minimum Limits.**

Insurance policies and surety bonds for bodily injury and property damage will have limits of liability not less than the following:

MOTOR CARRIERS, KIND OF LIABILITY LIMITS  
EQUIPMENT & CAPACITY  
PASSENGER

1 to 7 Passengers \$25,000.00 \$50,000.00 \$25,000.00  
8 to 15 Passengers \$25,000.00 \$100,000.00 \$25,000.00  
16 or More Passengers \$25,000.00 \$300,000.00 \$25,000.00

FREIGHT (All motor vehicles used in the transportation of property.)

1. 10,000 OR MORE POUNDS GVWR.

- a. NON-HAZARDOUS \$750,000 per incident
- b. HAZARDOUS \$5,000,000 per incident

(Hazardous substances, as defined in 49 CFR 171.8; Class A or B explosives; liquefied compressed gas or compressed gas; or highway route controlled radioactive materials as defined in 49 CFR 171.455.)

- c. HAZARDOUS \$1,000,000 per incident

(Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials, and hazardous substances defined in 49 CFR 172.101 but not mentioned in 1.(b) or 2.(b).)

2. LESS THAN 10,000 POUNDS GVWR.

- a. NON-HAZARDOUS \$500,000 per incident
- b. HAZARDOUS \$5,000,000 per incident

(Any quantity of Class A or B explosives or highway route controlled quantity radioactive materials as defined in 49 CFR 173.455.)

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–173. Cargo Insurance or Surety Bond Required of Motor Carrier.**

1. Terms of Insurance or Bond and Minimum Limits. Before any Class E Certificate can be issued and before any motor carrier operations can be conducted thereunder, the Class E motor carrier must procure a cargo insurance policy or cargo surety bond from an insurance company licensed or admitted to do business in this state and mail to the ORS evidence of such insurance or bond on forms prescribed by 23A S.C. Code Ann. Regs. 38–447, such policy or bond being conditioned upon such carrier making compensation to shippers or consignees for loss of or damage to all property belonging to shippers or consignees which comes into the possession of such carrier in connection with its transportation service within South Carolina, regardless of whether the policy or bond specifically describes the motor vehicle or not. Within the limits of liability herein after set forth, it is further required that no condition, provision, stipulation, or limitation contained in the policy or bond or in any endorsement thereon or violation thereof shall affect in any way the right of any shipper or consignee, or relieve the insurance or bonding company from liability for the payment of any claim for which the insured may be held legally liable to compensate shippers or consignees, irrespective of the financial responsibility or lack thereof or insolvency or bankruptcy of the insured. Moreover, the liability of the insurance or bonding company extends to such losses or damages whether occurring on the route or in the territory authorized to be served by the insured or elsewhere in South Carolina. Furthermore, the liability of the insurance or bonding company for the following minimum limits shall be a continuing one notwithstanding any recovery hereunder:

- a. For loss of or damage to property carried on any one motor vehicle . . . . . \$2,500.00
- b. For loss of or damage to or aggregate of losses or damages of or to  
property occurring at any one time and place . . . . . \$5,000.00

2. Carriers of Extremely Low Valued Commodities Excepted.

Motor carriers who possess authority to haul only commodities of extremely low value are not required to comply with the provisions of this rule.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–174. Filing Evidence of Cargo Insurance or Surety Bond.**

1. Evidence of Cargo Insurance Filed on Form H. Evidence of cargo insurance will be filed on Form H, “Uniform Motor Carrier Cargo Certificate of Insurance.” (See Form H in 23A S.C. Code Ann. Regs. 38–447) The policy or a copy thereof will not be accepted for filing in lieu of Form H.

2. Form I Must be Attached to Cargo Policy. The “Uniform Motor Carrier Cargo Insurance Endorsement,” Form I (see Form I in 23A S.C. Code Ann. Regs. 38–447), must be attached to the cargo insurance policy itself. Form I thereby amends the terms of such policy to conform with requirements not less than those expressed in 103–173 and with other applicable provisions of these rules.

3. Evidence of Surety Bond Filed on Form J. Evidence of cargo surety bond will be filed on Form J, “Uniform Motor Carrier Cargo Surety Bond” (see Form J in 23A S.C. Code Ann. Regs. 38–447), which insures compliance with the terms of 103–173 and with other applicable provisions of these rules.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–175. Revocation of Certificate.**

A failure to file evidence of insurance, self-insurance or surety bond shall be just cause for the commission, without further evidence or hearing, to suspend its order granting authority or to suspend the certificate or any license issued to the motor carrier. A failure to keep all insurance, self-insurance or surety bond in full force and effect shall result in automatic suspension, upon receipt of an affidavit from the ORS with supporting evidence, of the commission’s order granting authority, the certificate, and any license issued to the motor carrier, with the suspension becoming operative as of the effective date of the cancellation of the motor carrier’s insurance, self-insurance or surety bond.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–176. Cancellation of Insurance or Surety Bond.**

1. Thirty (30) Days’ Notice Required. Any insurance company, surety bond company, or motor carrier which desires to cancel a policy or bond issued to a motor carrier subject to these rules can do so only after giving the ORS not less than thirty (30) days notice. The thirty (30) days will begin to run once the notice is received by the ORS.

2. Form K or Form L Used to Give Notice of Cancellation. Notification of cancellation will be made on forms prescribed by the commission. Form K, “Uniform Notice of Cancellation of Motor Carrier Insurance Policies” (see Form K in 23A S.C. Code Ann. Regs. 38–447), will be used to notify the ORS of cancellation of an insurance policy, and Form L, “Uniform Notice of cancellation of Motor Carrier Surety Bonds” (see Form L in 23A S.C. Code Ann. Regs. 38–447), will be used to notify the ORS of cancellation of a surety bond.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–177. Name of Insured.**

Certificates of insurance, self-insurance and surety bonds shall be issued in the full and correct name as that name appears on the application or certificate of the motor carrier.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–178. Number of Copies Required.**

Certificates of insurance, self-insurance notices of cancellation, and surety bonds must be provided to the ORS in triplicate.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–179. Coverage to be Continuous.**

Surety bonds and certificates of insurance shall specify that coverage thereunder will remain in effect continuously until terminated.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–180. Commission to Prescribe Forms.**

Endorsements for policies of insurance and surety bonds, certificates of insurance, and notices of cancellation will be in the form prescribed and approved by the commission.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 7 TARIFFS**

### **103–190. Tariffs Must be Approved Before Commencement of Operations.**

1. No motor freight carrier who operates under a Certificate of PC&N may operate or perform any service under its operating authority until rates, fares, charges, classifications, and rules for the services to be performed shall have been approved by the commission.

2. All tariffs for motor carriers of household goods will include charges and references to the following services (if appropriate for the particular move):

- a. Transportation Charges.
- b. Additional Services.
  1. Bulky Article Charges
  2. Elevator or Stair Carry
  3. Excessive Distance or Long Carry Charges
  4. Packing and Unpacking
  5. Labor Charges Regular and Overtime Charges
  6. Piano Charges
  7. Pick-Up and Delivery Extra
  8. Waiting Time
  9. Articles, Special Serving
- c. Rules and Regulations.
  1. Claims (to include time frames for settlement)
  2. Value, Declaration of
    - (i) Basic Amount
    - (ii) Insurance for Excess
  3. Value, Excess
  4. Computing Charges
  5. Governing Publications
  6. Storage-in-Transit
  7. Bill of Lading, Contract Terms, and Conditions

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume Issue 22, No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–191. Commission to Establish Rates, etc.**

1. The commission shall make, fix, establish, or allow just and reasonable rates, fares, charges, classifications, and rules for all motor carriers subject to its rate jurisdiction.

2. As often as circumstances may require, the commission upon notice and hearing, if deemed necessary, from time to time may change or revise, or cause to be changed or revised, any rates, fares, charges, classifications, and rules of a carrier who operates under a Certificate of PC&N.

3. Carriers of hazardous waste for disposal and holders of a Class C Certificate need only file maximum rates with the commission and provide a copy to the ORS.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–192. Rates Must be Just and Reasonable.**

Every rate made, demanded, or received by any motor carrier operating under a Certificate of PC&N, or by any two or more motor carriers jointly, shall be just and reasonable as set forth in R.103–194.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–193. Hearing and Publication on New Rate Schedule.**

1. When Hearing Held. Whenever there shall be filed with the commission any tariff stating a new individual or joint rate, fare, charge, rule, or classification for the transportation of passengers or property by motor carrier operating under a Certificate of PC&N or any rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the commission, upon complaint of any interested party or upon its own initiative, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, may enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such rule, regulation, or practice.

2. When Publication Required. Whenever any new or changed rate, fare, charge, rule, or classification is filed, the commission may, in its discretion, require the filing party or parties to give notice of such filing by publishing once, a notice in the form prescribed by the commission, in newspapers of general coverage in the affected territory. If publication is required, affidavits of publication must be returned to the commission's offices as evidence of compliance with such publication requirement.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–194. Criteria for Establishment of Rates.**

In the exercise of its power to prescribe just and reasonable rates for the transportation of passengers or property by common carriers operating under a Certificate of PC&N, the Commission may give due consideration, among other factors, to the need in the public interest of adequate and efficient transportation service by such carriers at the lowest cost consistent with the furnishing of such service and to the need of such carriers for revenues sufficient to enable them, under economical and efficient management, to provide such service.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–195. Duties of Class E Household Good Movers As to Service and Regulations.**

Every motor carrier of property operating under a Certificate of PC&N and FWA shall provide safe and adequate service, equipment, and facilities for the transportation of property, and shall establish, observe, and enforce just and reasonable regulations and practices relating thereto and to the manner and method of presenting, marking, packing, and delivering property for transportation, the facilities for transportation, and all other matters relating to or connected with the transportation of property.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–196. Maintenance of Copies of Tariffs.**

Every motor carrier operating under a Certificate of PC&N shall maintain at each of its principal places of business in the state and make available for inspection to the public at all reasonable times, all of its tariffs containing rates, charges, classifications, and rules or other provisions as filed with and approved by the commission.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–197. Undue Preference Not Permitted.**

Unless otherwise specifically exempted by the commission, it shall be unlawful for any motor carrier operating under a Certificate of PC&N or FWA to make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, gateway, locality, or description of traffic in any respect whatsoever, or to subject any particular person, port, gateway, locality, or description of traffic to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–198. Variations in Charges Prohibited.**

Unless otherwise specifically exempted by the commission, no motor carrier operating under a Certificate of PC&N shall charge, demand, collect, or receive, or cause or permit its agent, servants, or employees to charge, demand, collect, or receive a greater or lesser or different compensation for transportation, or for any service rendered, than the rates, fares, and charges specified in the lawfully applicable tariffs or schedules in effect from time to time; and no motor carrier shall refund or remit in any manner or by any device, directly or indirectly, any portion of the rates, fares, or charges so specified, or extend to any person any privileges, facilities, or services, or do or perform any service, or give, remit, or refund anything of value except in accordance with said lawful tariffs and schedules, or specific order by the commission.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume No. 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–199. Allowances Prohibited.**

No motor carrier operating under a Certificate of PC&N shall grant, pay, give, or make any allowance to the owner, shipper, consignor, or consignee of any property or shipment, for any service or instrumentality furnished by the owner, shipper, consignor, or consignee, unless such allowance is prescribed or permitted in a lawfully applicable tariff, schedule, or specific order of the commission. Moves may be performed without charge to valid 501(c)(3) organizations.

**HISTORY:** Amended by State Register Volume No. 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–199.5. Adjustment of Bills.**

If it is found that a household goods motor carrier has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered by such carrier than that prescribed in the schedules of such carrier applicable thereto, then filed in the manner provided in Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from a carrier for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be provided by the following:

1. Customer Inadvertently Overcharged. If the carrier has inadvertently overcharged a customer as a result of a misapplied schedule or any other human or machine error, the carrier shall at the customer's option credit or refund the excess amount paid by that customer or credit the amount billed.

2. Customer Inadvertently Undercharged. If the carrier has undercharged any customer as a result of a misapplied schedule, or any human or machine error, then the carrier may recover the deficient amount. The customer shall be allowed to pay the deficient amount, in equal installments over a period of six months.

3. Customer Willfully Overcharged. If the utility has willfully overcharged any customer, the carrier shall refund the difference, plus interest, as prescribed by the commission.



4. Customers and Carriers shall have two (2) years from the date of the transaction in question in which to apply for an adjustment as provided in this Regulation.

**HISTORY:** Added by State Register Volume 33, Issue No. 6, eff June 26, 2009.

**SUBARTICLE 8  
COMMODITIES**

**103–210. Applications Must Specifically Set Forth Commodities Applied for.**

Every applicant for a Certificate of PC&N specifically shall set forth in its application each commodity which it proposes to transport. Upon an adequate showing by proper proof, the ORS after approval by the commission may issue a certificate authorizing motor carrier operations and identifying the commodities authorized to be hauled. These will be household goods, hazardous waste, or both.

1. Household Goods. This group includes personal effects and property used or to be used in a dwelling and similar property if the transportation of such effects or property is:

- a. arranged and paid for by the householder, including transportation of property from a factory or store when the property is purchased by the householder with intent to use in his or her dwelling, or
- b. arranged and paid for by another party.

2. Hazardous Wastes. Any waste or combinations of a solid, liquid, contained gaseous, or semisolid form which because of its quantity, concentration, or physical, chemical, or infectious characteristics is defined by S.C. Code Ann., Section 44–56–20(6) (1976) or 25 S.C. Regs. 61–79.261.3 as hazardous waste. Carriers of hazardous waste need only file maximum rates with the commission.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 9**

**AGREEMENTS, LEASES AND CONTRACTS FOR EQUIPMENT BY HOLDERS OF CERTIFICATES OF PC&N**

**103–220. Use of Leased Vehicles.**

1. Agreement Must Meet Certain Conditions. Carriers may perform authorized transportation in or with motor vehicle power units which they do not own only under contract, lease, or other approved arrangement. Such contract, lease, or other approved arrangement must meet the following conditions:

- a. Shall be made between the carrier and the owner of the power unit, provided however, that the same power unit must not be leased to more than one carrier at the same time;
- b. Shall be in writing and signed by the parties thereto or their regular employees or agents duly authorized to act for them in the execution of contracts, leases or other arrangements;
- c. Shall specify the period for which it applies which shall be not less than 30 days;
- d. Shall provide that the lessee has exclusive possession, control, and use of the power unit and bears the complete assumption of public responsibility (i.e., insurance) for the vehicle for the duration of said contract, lease, or other arrangement;
- e. Shall specify the compensation to be paid by the lessee for the use of the power unit;
- f. Shall specify the time and date or the circumstances on which the contract, lease, or other arrangement begins, and the time or the circumstances on which it ends;
- g. Shall specify the power unit or units covered by the lease by designating the serial number, make, and year of model;

h. Shall be executed in quadruplicate; the original shall be retained by the certificated carrier in whose service the power unit is to be operated, one copy may be retained by the owner of the power unit, one copy shall be carried on the power unit specified therein during the entire period of the contract, lease, or other arrangement, and one copy shall be filed with this Commission and provided to the ORS. If the lease, contract, or other arrangement pertains to more than one power unit, copies of such agreement may be maintained in the additional power units.

2. The commission and the ORS Must Be Notified When Agreement Ceases. The lessee shall notify the commission and ORS in writing within 48 hours when any lease is canceled, expired, or otherwise terminated.

3. Lessor Must Charge Rates and Use Bills of Lading of Lessee. In addition to meeting the criteria listed in 1. above, the lessor must charge the rate for transportation of household goods approved by the commission for the lessee. The lessor must also use the lessee's bills of lading. Total responsibility for the operation of the leased unit resides with the lessee.

4. Lease Is for Equipment Only. The provisions of Regulation 103-220 are for the lease of equipment only and shall not be construed as allowing a lease of authority from a certificated motor carrier.

**HISTORY: Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 34, Issue No. 5, eff May 28, 2010.**

### **103-221. Exemptions.**

The provisions set forth in R.103-220 shall not apply to:

1. Agreements Between Carriers. Motor vehicle power units leased by one carrier to another carrier, provided however, that the lessee must maintain a legible, written copy of the agreement on the vehicle for the duration of the agreement. This exemption does not apply to carriers holding certificates of fit, willing and able.

2. Agreements Between Carrier and Leasing Agency. Motor vehicle power units without drivers leased by a carrier from an individual, copartnership, or corporation, whose principal business is the leasing of equipment without drivers for compensation, provided however, that it will be necessary for the lessee to purchase the appropriate rental license decal from the ORS which shall be carried in the power unit prior to any operations being conducted using such vehicle. This rental license decal may be transferred to another power unit obtained under this provision, but it cannot be transferred to any other equipment whether owned or leased. It is further provided that a legible, written copy of the agreement must be maintained in the vehicle for the duration of the agreement.

**HISTORY: Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-222. Lessee Responsible.**

1. For Drivers. The drivers of leased motor vehicle power units shall be directly supervised and controlled by the lessee. The person who, directly or indirectly, shall supervise or regulate the manner and method of shipment and the use of the motor vehicle or vehicles involved shall be presumed to have a right to control, direct, or dominate such shipment.

2. For Transportation Services Rendered. Any property or passengers transported in leased vehicles shall be transported in the name of and under the responsibility of the lessee.

**HISTORY: Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-223. Safety Inspection of Leased Equipment.**

It shall be the duty of the carrier, before taking possession of any motor vehicle equipment, to inspect the same or to have the same inspected by a person who is competent and qualified to make such inspection and who has been duly authorized by such carrier to make such inspection as a representative of the carrier, in order to insure that the said equipment complies with motor carrier safety regulations. The person making the inspection shall certify the results thereof in writing. If his/her inspection discloses that the equipment does not comply with the requirements of safety regulations, possession thereof shall not be taken. This written document shall be countersigned by someone in a supervisory capacity with the lessee indicating that the person performing the inspection was qualified to do so.

**HISTORY: Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–224. Identification of Equipment.**

1. All Vehicles Must Be Marked. The carrier acquiring the use of power units under this article shall identify such equipment during the period of the lease, contract, or other arrangement in accordance with R. 103–153.

2. When Agreement Ceases, Markings Must Be Removed. The authorized carrier operating equipment under this part shall remove any legend, showing it as the operating carrier, displayed on such equipment, and shall remove any removable device showing it as the operating carrier before relinquishing possession of the equipment.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–225. Records Must be Maintained for Three Years.**

Any motor carrier who operates leased vehicles in intrastate commerce pursuant to authority granted by this commission shall keep on file a copy of all leases and shall maintain other records required by this article at its principal place of business within this State for a period of not less than three (3) years.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 10**

### **ANNUAL REPORTS AND ACCOUNTING METHODS AND PROCEDURES**

### **103–230. Accounting.**

1. Method of Keeping Books. Each motor carrier operating under a Certificate of PC&N or FWA shall keep its books on the basis of an accounting year of twelve months ending on the thirty-first day of December in each year.

2. Records Retention. All records shall be maintained for at least three years.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–231. Annual Reports.**

Every motor carrier operating under a Certificate of PC&N and FWA shall file with the commission and ORS on or before March 31 of each year, on forms prescribed and furnished by the commission, an annual report for the preceding calendar year ending on June 30<sup>th</sup>. This annual report shall represent the same calendar year upon which the books are kept and shall present a full, true, and accurate account of the business affairs of the carrier.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–232. Equipment Record.**

Every motor carrier operating under a Certificate of PC&N and FWA shall keep on file in its main office, subject to inspection by the commission, a complete description of each motor vehicle and trailer used during the accounting year, including motor vehicles substituted, rented, leased, or otherwise obtained.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue no. 5, eff May 23, 2008.

### **103–233. Inspection of Vehicles, Books, Records, etc.**

1. Carrier to Cooperate with Inspections. Auditors, accountants, inspectors, examiners, and other agents of the ORS, upon demand and display of proper credentials, shall be permitted by any carrier operating under a Certificate of PC&N and FWA to examine and copy the books, records accounts, bills of lading, load sheets, manifest, correspondence, and other records of such carrier relating to the

transportation of property or passengers and to examine the vehicles, terminals, buildings, and other equipment and facilities used by such carrier in such transportation business, and carriers operating under a Charter Bus Certificate shall permit any designated agent of the ORS to inspect records related to insurance coverages and/or safety, and all such carriers shall instruct their drivers, agents, and employees in charge of such records, equipment, and facilities to cooperate with such examination.

2. Information Not Be Divulged. No inspector or other agent of the ORS shall knowingly and willfully divulge any fact or information which may come to his knowledge during the course of any such examination for inspection, except to the commission or the ORS or as may be directed by the commission and ORS or by a court or judge thereof.

3. Refusal to Allow Inspection Is Violation. Refusal of any carrier or employee of any carrier or independent contractor operating a motor vehicle pursuant to the carriers certificated authority issued by the commission to provide information under this article upon demand is a violation of these rules and the Motor Vehicle Carrier Law and is punishable as provided by S.C. Code Section 58–23–80.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## SUBARTICLE 11 PENALTIES

### **103–240. Grounds for Revocation of Certificate.**

The commission may at any time, after notice and opportunity to be heard, suspend, revoke, alter, or amend any certificate, if it shall be made to appear that the holder has willfully violated or refused to observe orders, rules, or regulations prescribed by the commission, provisions of the Motor Vehicle Carrier Law, or any other law of this State regulating motor carriers for hire and applicable to the holder of such certificate, or, if, in the opinion of the commission, the motor carrier holding a Certificate of PC&N is not furnishing adequate service or it is no longer compatible with the public interest to continue said certificate in force, or, if in the opinion of the commission, the motor carrier holding a Certificate of FWA is no longer furnishing adequate service, or said carrier no longer meets the fit, willing, and able criteria, or the motor carrier holding a charter bus certificate no longer meets the commission's insurance requirements or the safety requirements of the Department of Public Safety, or the continuance of said certificates are not in conformity with the spirit and purpose of the law, provided, however, that this rule shall have no effect upon rules hereinbefore set forth which authorize suspension, revocation, alteration, or amendment of a certificate or of an order granting operating rights without hearing where certain conditions exist.

**HISTORY:** Added by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998. Amended by State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–241. Inspectors.**

The ORS, through inspectors duly appointed, will investigate and report violations of the provisions of the Motor Vehicle Carrier Law and the commission's Rules and Regulations, and for the purpose of enforcing these laws, rules, and regulations, these inspectors shall have and may exercise throughout the State all of the powers of constables.

**HISTORY:** Added by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## ARTICLE 3 ELECTRIC SYSTEMS SUBARTICLE 1 GENERAL PROVISIONS

### **103–300. Authorization of Rules.**

A. Sections 58–27–150 and 58–27–1910, Code of Laws of South Carolina, 1976, provides: "Rules and Regulations.—The commission may make such rules and regulations not inconsistent with law as may be proper in the exercises of its power or in the performance of its duties under this Chapter, all of which shall have the force of law."

In accordance with the above provisions, the Public Service Commission has adopted the following rules and regulations and fixed the following standards for electric service. All previous rules or standards are hereby revoked, annulled, and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint, or upon its own motion, or upon the application of any utility. Furthermore, these rules shall not in any way relieve either the commission or the utilities of any duties under the laws of this State.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–301. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, association, establishment or corporation (except municipalities or agents thereof, within their corporate limits, and any other exempt by South Carolina Statutes), which is now or may hereafter become engaged as an electric system as defined in 103–302(5), herein, in the business of furnishing electric current for domestic, commercial, or industrial customers within the State of South Carolina.

2. Purpose. The rules are intended to define good practice. They are intended to insure adequate and reasonable service. The electric systems shall assist the commission in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–302. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below.

1. Commission. The Public Service Commission of South Carolina.
2. Consolidated Political Subdivision. The term ‘consolidated political subdivision’ means a consolidated political subdivision existing pursuant to the Constitution of this State, and shall not be deemed a city, town, county, special purpose district, or other governmental unit merged thereinto.
3. Customer. Any person, firm, association, establishment, partnership, or corporation, or any agency of the Federal, State or local government, being supplied with electric service by an electrical utility under the jurisdiction of this commission.
4. Electric Supplier. The term ‘electric supplier’ means any electrical utility other than a municipality, and means any electric cooperative other than an electric cooperative engaged primarily in the business of furnishing electricity to other electric cooperatives for resale to other electric consumers, and any consolidated political subdivision owning or operating an electric plant or system for furnishing of electricity to the public for compensation.
5. Electric System. The term ‘electric system’ means any electrical utility, electric supplier, utility, electric cooperative, public utility district, governmental body or agency, including consolidated political subdivisions, or another person or corporation supplying electric service to the public to the extent covered by the applicable Sections of the S. C. Code of Laws.
6. Electrical Utility. The term ‘electrical utility’ includes municipalities to the extent of their business, property, rates, transactions, and operations outside the corporate limits of the municipality, or persons, associations, firms, establishments, partnerships and corporations, their lessees, assignees, trustees, receivers, or other successors in interest owning or operating in this State equipment or facilities for generating, transmitting, delivering or furnishing electricity for street, railway or other public uses or for the production of light, heat or power to or for the public for compensation; but it shall not include an electric cooperative or a consolidated political subdivision and shall not include a person, corporation, special purpose district or municipality furnishing electricity only to himself or itself, their resident employees or tenants when such current is not resold or used by others.

7. Municipality. The term 'municipality' when used in these Rules and Regulations includes a city, town, county, township and any other corporation existing, created or organized as a governmental unit under the Constitution or laws of this State except a 'Consolidated Political Subdivision'.

8. ORS. The South Carolina Office of Regulatory Staff.

9. Rate. The term 'rate' when used in these rules and regulations means and includes every compensation, charge, toll, rental and classification, or any of them, demanded, observed, charged, or collected by any electrical utility for any electric current or service offered by it to the public, and any rules, regulations, practices or contracts affecting any such compensation, charge, toll, rental or classification.

10. Utility. Every privately-owned corporation, firm or person furnishing or supplying electric service to the public, or any portion thereof, for compensation.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-303. Authorization for Rates and Charges.**

A. No schedules of rates or contracts involving rates, under jurisdiction of the commission, differing from approved tariffs or rates shall be changed until after the proposed change has been approved by the commission.

B. All rates, tolls, charges, and contracts involving rates proposed to be put into effect by any electrical utility shall be first approved by this commission before they shall become effective, unless they are exempt from such approval by statute, order of the commission, or other provision of law.

C. No rates, tolls, charges nor service of any electrical utility under the regulation of this commission shall be deemed approved nor consented to by mere filing of schedules or other evidence thereof in the offices of the commission, unless such proposed adjustment is made in accordance with tariff provisions which have previously been approved by the commission.

D. Any change in rates or charges affecting classifications of rates and services by electric cooperatives shall be provided to the ORS and filed with the commission and subject to approval in accordance with S. C. Code Ann., § 58-27-840.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-304. Territory and Certificates.**

No electrical utility supplying electric service to the public shall hereafter begin the construction or operation of any electric facilities, or of any extension thereof, without first obtaining from the commission a certificate that public convenience and necessity requires or will require such construction or operation; such certificate to be granted only after notice to the ORS, other interested electric systems and to the public, and after due hearing; provided, however, that this regulation shall not be construed to require any such electrical utility to secure a certificate for any extension within a municipality or district within which it has heretofore lawfully commenced operations, or for an extension within or to territory already served by it, necessary in the ordinary course of its business, or for an extension into territory contiguous to that already occupied by it and not receiving similar service from another electrical utility, but if any electric system in constructing or extending its lines, plant or system unreasonably interferes, or is about to unreasonably interfere, with the service or the system of any other electric system, the commission may make such order and prescribe such terms and conditions in harmony with this regulation as are just and reasonable.

1. Rural Territorial Act. The commission has assigned all areas outside municipal limits, and more than 300 feet from the lines (as defined in Section 58-27-610(3) of the South Carolina Code of Laws), as such lines existed on the dates of assignments, of any electric supplier (except some territory which was left unassigned to any supplier), and no electric supplier shall construct lines and equipment except as provided by S.C. Code of Laws, Sections 58-27-620(2); 58-27-620(4); 58-27-620(6); 58-27-650; and 58-27-660(1), into territory assigned to another supplier without prior approval of the commission; and no electric supplier shall construct permanent lines and equipment into any territory left unassigned by the commission pursuant to S.C. Code Ann., Section 58-27-640 without prior notice to the commission and the ORS filed within a reasonable period of time prior to the date of actual construction of permanent lines, which notice shall include a map of the area showing existing facilities, location of the customer, and the proposed route of the permanent line, and a written

certification that those electric suppliers furnishing electric service in any areas contiguous to the unassigned territory have been provided a copy of the notice of construction of facilities as filed with the commission and provided to the ORS, and all such facilities providing electric service shall be constructed in accordance with good utility practices and all other applicable provisions of the S.C. Code of Laws, as amended.

2. Utility Facility Siting and Environmental Protection Act. No electric system subject to the jurisdiction of the commission shall begin the construction and/or operation of any transmission line with a designed voltage of 125 KV or more or the construction and/or operation of a generating station of more than 75 megawatts, except a hydroelectric generating facility, before receiving a certificate of Environmental Compatibility and Public Convenience and Necessity in accordance with Sections 58-33-10 et seq., of the Code of Laws of South Carolina, 1976.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-305. Utilities Rules and Regulations.**

Each electrical utility shall adopt Rules, Regulations, Practices, Service Requirements, Terms and Conditions, etc., as may be necessary in the operation of such utility which shall be provided to the ORS and subject to review and order of the commission, unless otherwise specified.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103-310. Location of Records and Reports.**

All records required by these rules, or necessary for the administration thereof, shall be kept within this State, unless otherwise authorized by the commission. These records shall be available for examination by the ORS or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-311. Retention of Records.**

Unless otherwise specified by the commission or by regulation, or commission Order governing specific activities, all records required by these Rules and Regulations shall be preserved for a minimum of two years.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-312. Data to be Filed with the Commission and Provided to the ORS.**

1. Annual Report. Each electrical utility operating in this State shall file an Annual Report with the commission and the ORS giving such information as the commission may direct. This Annual Report shall include the same information included in FERC Form 1; thus, the electrical utility can file its FERC Form 1 with the commission and the ORS or an Annual Report with the equivalent information.

2. Current Information and Documents. The electrical utility shall file with the commission and provide to the ORS the following documents and information.

A. Tariff

1. A copy of each electric system's schedule of rates and charges for service, together with applicable riders.

2. A copy of each electric system's Rules and Regulations, or Terms and Conditions describing each electric system's policies and practices in rendering service. These rules shall include a listing of available voltages and service characteristics.

3. Tariffs must be filed with the office of the chief clerk of the commission and, on that same day, provided to the Executive Director of the ORS.

B. Customer Bill

A copy of each type of bill form used in billing for electric service must be provided to the ORS.

C. Operating Area Map

1. Suitable maps and “one-line diagrams” shall be made available to the ORS showing the size, character and location of each main transmission circuit and generating stations and main substations.

2. When an application for a Certificate of Public Convenience and Necessity is made by an electrical utility, a section of map showing the proposed line extension shall accompany such application.

D. Authorized Representative

The electrical utility shall advise the commission and the ORS of the name, address and telephone number of the person, or persons, to be contacted in connection with:

- a. General management duties.
  - b. Customer relations (complaints).
  - c. Engineering and/or Operations.
  - d. Meter tests and repairs.
  - e. Emergencies during non-office hours.
- E. Contract Forms

A copy of the electrical utility’s electric power contract form, and special electric power contract forms for customer service is to be provided to the ORS.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–313. Inspection of Utility Plant.**

A. Each utility shall, upon request of the commission or the ORS, provide the ORS with a statement regarding the condition and adequacy of its plant, equipment, facilities and service in such form as the commission or the ORS may require.

B. Each utility shall keep sufficient records to give evidence of compliance with its inspection programs as set forth in subarticles 5 and 6 of these rules and regulations.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–314. Interruption of Service.**

Each electrical utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any major community, or an important division of such a community, including a statement of the time, duration, and cause of any such interruption. The commission and the ORS are to be notified of any such interruptions as soon as practicable after it comes to the attention of the utility and a complete report made to the commission and the ORS after restoration of service if such interruption is for more than six hours duration.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–315. Incidents.**

A. Each electrical utility shall, as soon as practicable, report to the ORS each material incident in connection with the operation of the electrical utility’s property, facilities, or service including, but not limited to: (a) serious injury or death of any person; (b) evacuation; and (c) damage to a customer’s or third party’s property that will require, in the electrical utility’s commercially reasonable estimation, repair costs in excess of \$15,000. Such first report shall later be supplemented within thirty (30) days by a statement of the cause and details of the incident, based on the facts then known to the electrical utility, and the measures, if any, that have been taken to reduce the risk of similar incidents in the future.

B. Each electrical utility shall establish and follow procedures for analyzing, reporting, and minimizing the possibilities of any future incidents.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–317. Meter History Records.**

Each electrical utility shall maintain records of the following data, where applicable, for each billing meter for so long as such meter is in possession of the electrical utility and for at least twelve months thereafter.



- a. Date of Purchase.
- b. The complete identification-manufacturer, number, type, size, capacity, multiplier and/or constants.
- c. The dates of installation and removal from service, together with the location, unless otherwise directed by the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-318. Meter, Test, Records and Reports.**

Each electrical utility shall maintain records of tests made of any billing meter. The record of the meter test shall be maintained for a minimum of three years after the meter's retirement. Test records shall include the following:

- a. The date and reason for the test.
- b. The reading of the billing meter before making any test.
- c. Information necessary for identifying the meter.
- d. The result of the test, together with all data taken at the time of the test in sufficiently complete form to permit convenient checking of the methods employed and the calculations.
- e. The accuracy "as found" at "Light Load" and at "Full Load", or "Test Amperes".
- f. The accuracy "as left" at "Light Load" and at "Full Load", or "Test Amperes".

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **SUBARTICLE 3 METERS**

### **103-320. Meter Requirements.**

Service shall be measured by meters furnished by the electrical utility unless otherwise ordered by the commission, and such meters shall maintain the degree of accuracy as set forth in 103-323.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-321. Meter Reading.**

Unless extenuating circumstances prevent, meters shall be read and bills rendered on a monthly basis not less than twenty-eight days nor more than thirty-four days.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-322. Meter Reading Data.**

The Meter Reading Data maintained by the electrical utility shall include:

- a. Customer's name, service address and rate schedule designation.
- b. Identifying number and/or description of the meter(s).
- c. Meter readings.
- d. If the reading has been estimated.
- e. Location of meter or special reading instructions, if applicable.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-323. Meter Accuracy and Condition.**

A. Creeping: No watt-hour meter which registers on "no load" when the applied voltage is less than one hundred and ten (110%) percent of standard service voltage shall be placed in service or allowed to remain in service.

B. No watt-hour meter shall be placed in service which is in any way defective to impair its performance, or which has incorrect constants or which has not been tested individually or under a sample meter testing plan approved by the commission for accuracy of measurements and adjusted, as specified in 103-373(2), if necessary, to meet these requirements:

Average error not over 0.5% plus or minus;

Error at "Full Load" (test amperes) not over 0.5% plus or minus;

Error at "Light Load" not over 1.0% plus or minus.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-324. Meter Seal.**

Immediately after the pre-installation or field test of a meter, the manufacturer or the electrical utility shall affix a seal or locking device in order to avoid tampering. The meter installation shall be sealed or locked to help prevent tampering or theft of current.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-325. Location of Meters.**

A. No customer's meter shall be installed in any location where it may be unreasonably exposed to damage, or in any unduly dirty, or inaccessible location.

B. Outdoor meters shall be used where practicable. Meters should not be placed on any unstable supports subject to vibration or tilting in excess of 4 degrees and should be free of obstruction for a distance of three feet in front of the meter and with sufficient space below the meter to allow the use of proper test facilities.

C. Meters should be easily accessible for reading, testing and making necessary repairs and adjustments, and where more than one meter is installed at one location, sufficient space shall be allowed between and in front of meters to facilitate repairs and tests. Each customer shall tag or mark each "house" loop to indicate circuit metered.

D. Each customer shall provide and maintain at his expense a suitable and convenient place for the location of meters, where they will be readily accessible at any reasonable hour for the purpose of reading, testing, repairing, etc., and such other appliances owned by the electrical utility and placed on the premises of the customers shall be so placed as to be readily accessible at such times as are necessary, and the authorized agent of the electrical utility shall have authority to visit such meters and appurtenances at such times as are necessary in the conduct of the business of the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-326. Change in Character of Service.**

In order that the electrical utility may provide a proper service facility and metering installation, the customer shall advise the electrical utility of the expected service requirements, and shall also advise the electrical utility of any increase or decrease in the expected load to be provided by the electrical utility in sufficient time to change service characteristics.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-327. Master Metering.**

A. All service delivered to new multi-occupancy residential premises at which units of such premises are separately rented, leased or owned shall be delivered by an electrical utility on the basis of individual meter measurement for each dwelling.

B. Any exception to the provisions of paragraph A., supra, must be approved by the commission upon its determination that individual metering to such premises is impractical and unreasonable.

C. Service to structures for which permits were issued or construction started prior to January 23, 1981, shall not be affected by the provisions contained herein.

D. Commercial premises with master metered service established prior to October 31, 1980, which are later converted to residential use shall not be affected by provisions contained herein.

**HISTORY: Added by State Register Volume 5, eff April 24, 1981. Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**SUBARTICLE 4**  
**CUSTOMER RELATIONS**

**103–330. Customer Information.**

Each electrical utility shall:

- a. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the electrical utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.
- b. Provide to each new residential and small commercial customer, within sixty days of application for service, a clear and concise explanation of the available rate schedules for the class of service for which the customer makes application for service.
- c. Provide to each residential and small commercial customer to whom more than one rate schedule is reasonably available a clear and concise summary of the existing rate schedules applicable to the customer's class of service at least once a year.
- d. Notify each affected customer of any proposed adjustment in rates and charges, excluding adjustment of base rates for fuel costs within sixty days of the date of the filing of such adjustment or as otherwise directed by the commission.
- e. Provide to each customer, upon request, a clear and concise statement of the actual consumption of electrical energy by such customer for the previous twelve months.
- f. Post a notice in a conspicuous place in each office of the electrical utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the electrical utility, as filed with and approved by the commission, are available for inspection.
- g. Upon request, inform its customers as to the method of reading meters, as to billing procedures and shall assist customers in selecting the most economical rate schedule applicable and method of metering the service, except as otherwise provided for by the commission.
- h. Provide adequate means (telephone, etc.) whereby each customer can contact the electrical utility or its authorized representative at all hours in cases of emergency or unscheduled interruptions of service.
- i. Upon request, give its customers such information and assistance as is reasonable in order that customers may secure safe and efficient service.
- j. Notify any person making a complaint recorded pursuant to 103–345 that the electrical utility is under the jurisdiction of the commission and the customer may notify the ORS of the complaint.

**HISTORY: Amended by State Register Volume 5, eff April 24, 1981; State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–331. Customer Deposits.**

A. Each electrical utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

1. The customer's past payment record to an electrical utility shows delinquent payment practice, i.e., customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or
2. A new customer cannot demonstrate that he is a satisfactory credit risk by appropriate means including, but not limited to, a letter of good credit from an electrical utility, references which may be quickly and inexpensively checked by the Company or cannot furnish an acceptable cosigner or guarantor on the same system within the State of South Carolina to guarantee payment up to the amount of the maximum deposit, or
3. A customer has no deposit and presently is delinquent in payments, i.e., has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or
4. A customer has had his service terminated for non-payment or fraudulent use, or

5. A non-residential customer or its parent company is experiencing financial difficulties as determined by an electrical utility using its respective internal credit risk rating criteria (even if the customer has not yet defaulted or caused a default on a payment obligation to the utility) and has not negotiated an alternative payment plan designed to mitigate the utility's risk of loss. The electrical utility may use a variety of security options other than the payment of a two-month cash deposit, including but not limited to accelerated payment plans, surety bonds, bank letters of credit or some combination of the above. All electrical utilities engaging in negotiated payment solutions must provide a copy of their respective internal credit risk rating criteria upon request by the Office of Regulatory Staff.

B. If the electrical utility elects to require a deposit under Subsection (A)(5) of this Rule, then the electrical utility shall inform the affected customer of the provisions of this Rule.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue no. 5, eff May 23, 2008; State Register Volume 35, Issue No. 6, eff June 24, 2011.

### **103-332. Amount of Deposits.**

A. A maximum deposit may be required up to an amount equal to an estimated two months (sixty days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two consecutive months based on the experience of the preceding twelve months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

C. A schedule of deposits based upon an analysis of sixty days' usage for categories of customers may be utilized in determining deposits required by the electrical utility upon being provided to the ORS and filed and approved by the commission.

D. Special offerings may be exempt as determined by the commission; i.e., subdivision lighting, outdoor lighting, etc.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-333. Interest on Deposits.**

A. Simple interest on deposits at the current effective interest rate per annum prescribed by order of the Public Service Commission shall be paid by the electrical utility to each customer required to make such deposit for the time it is held by the electrical utility, provided that no interest need be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two years or less and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-334. Deposit Records.**

Each electrical utility shall keep records to show:

- a. The name and address of each depositor.
- b. The amount and date of the deposit.
- c. Each transaction concerning the deposits.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-335. Deposit Receipt.**

Each electrical utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a customer may establish his claim if his receipt is lost.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–336. Deposit Retention.**

A. Deposit shall be refunded completely with interest after two years unless the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears, in the past twenty-four months.

B. An electrical utility shall not be required to refund the deposit if a non-residential customer or its parent company is experiencing financial difficulties as determined by an electrical utility using its respective internal credit risk rating criteria and/or if bankruptcy may be imminent, even though the customer continues to make billed payments in timely manner.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 35, Issue No. 6, eff June 24, 2011.

### **103–337. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least one year, during which time the electrical utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the S. C. State Treasurer as prescribed by state law.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–338. Deposit Credit.**

Where a customer has been required to make a guarantee deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill, or otherwise, an electrical utility shall apply the deposit of such customer toward the discharge of such account and shall, as soon thereafter as practicable, refund the customer any excess of the deposit. If, however, the customer whose service has been disconnected for non-payment, pays the full amount billed within seventy-two hours after service has been disconnected and applies for reconnection, the electrical utility may not charge an additional deposit except under the provisions of regulation 103–332.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–339. Customer Billing.**

The electrical utility shall bill each customer as promptly as possible following the reading of the meter and render a receipt of payment upon request.

1. New Service. Meters shall be read at the initiation and termination of any service and billing shall be based thereon.

2. Bill Forms. The bill shall show:

a. The reading of the meter at the beginning and at the end of the period for which the bill is rendered.

b. The date on which the meter was read, and the date of billing and the latest date on which it may be paid without incurring a penalty, and the method of calculating such penalty.

c. The number and kind of units metered.

d. The applicable rate schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request.

e. Any estimated usage shall be clearly marked with the word “estimate” or “estimated bill”.

f. Any conversions from meter reading units to billing units or any information necessary to determine billing units from recording or other devices, or any other factors used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the electrical utility’s local office.

g. Amount for electrical usage (base rate).

h. Amount of South Carolina Sales Tax (dollars and cents).

i. Total amount due.

j. Number of days for which bill is rendered or beginning and ending dates for the billing period.

3. Late Payment Charges. A charge of no more than one and one-half percent (1 1/2 %) may be added to any unpaid balance not paid within twenty-five days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late-payment charge will be made in lieu of any other penalty.

4. Payment. The electrical utility, at its option for good cause, may refuse to accept a check, debit card, credit card or other electronic payment tendered as payment on a customer's account. "Good cause" must be justified by an electrical utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant.

5. Charges for Discontinuance and Reconnection. Whenever service is turned off for violation of rules and regulations, nonpayment of bills, or fraudulent use of service, the electrical utility may make reasonable charges, to be approved by the commission, for the cost incurred in discontinuing the service and reconnection and require payment for service billed and for service used which has not previously been billed.

6. Estimated Bills. Each electrical utility shall not send a customer an estimated bill, except for a good cause, where the meter could not be read or was improperly registering. In no instance will more than one estimated bill be rendered within a sixty-day period, unless otherwise agreed to by the customer.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-340. Adjustment of Bills.**

If it is found that an electrical utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such electrical utility than that prescribed in the schedules of such electrical utility applicable thereto, then filed in the manner provided in Chapter 27 of Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from an electrical utility for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

1. Fast or Slow Meters. If the overcharge or undercharge is the result of a fast or slow meter, then the method of compensation shall be as follows:

a. In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon request of the customer, as specified in 103-370(2).

b. In the event that the meter so tested is found to have an error in registration of more than two (2) per cent, the bills will be increased or decreased accordingly, but in no case shall such a correction be made for more than sixty days.

2. Customer Willfully Overcharged. If the electrical utility has willfully overcharged any customer, except as provided for in 1 of this rule then the method of adjustment shall be as provided in the S. C. Code Ann. § 58-27-960, and § 58-27-2410 et seq. (1976).

3. Customer Inadvertently Overcharged. If the electrical utility has inadvertently overcharged a customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any other human or machine error, except as provided in 1 of this rule, the electrical utility shall, at the customer's option, credit or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

a. If the interval during which the customer was overcharged can be determined, then the electrical utility shall credit or refund the excess amount charged during that entire interval provided that the applicable statute of limitations shall not be exceeded.

b. If the interval during which the customer was overcharged cannot be determined then the electrical utility shall credit or refund the excess amount charged during the twelve-month period preceding the date when the billing error was discovered.

c. If the exact usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined, then the refund shall be based on an appropriate estimated usage and/or demand.

4. Customer Undercharged Due to Willfully Misleading Company. If the electrical utility has undercharged any customer as a result of a fraudulent or willfully misleading action of that customer, or any such action by any person (other than the employees or agents of the electrical utility), such as tampering with, or bypassing the meter when it is evident that such tampering or bypassing occurred during the residency of that customer, or if it is evident that a customer has knowledge of being undercharged without notifying the electrical utility as such, then notwithstanding 1 of this rule, the electrical utility shall recover the deficient amount provided as follows:

a. If the interval during which the customer was undercharged can be determined, then the electrical utility shall collect the deficient amount incurred during that entire interval, provided that the applicable statute of limitations is not exceeded.

b. If the interval during which the customer was undercharged cannot be determined, then the electrical utility shall collect the deficient amount incurred during the twelve-month period preceding the date when the billing error was discovered by the electrical utility.

c. If the usage and/or demand incurred by that customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage and/or demand.

d. If the metering equipment has been removed or damaged, then the electrical utility shall collect the estimated cost of repairing and/or replacing such equipment.

5. Equal Payment Plans. An electrical utility may provide payment plans wherein the charge for each billing period is the estimated total annual bill divided by the number of billing periods prescribed by the plan. The difference between the actual and estimated annual bill is to be resolved by one payment at the end of the equal payment plan year, unless otherwise approved by the commission. However, any incorrect billing under equal payment plans shall be subject to this rule.

6. Customer Undercharged Due to Human or Machine Error. If the electrical utility has undercharged any customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any human or machine error, except as provided in 1, 2 and 4 of this rule then the electrical utility may recover the deficient amount as provided as follows:

a. If the interval during which a consumer having a demand of less than 50 KW was undercharged can be determined, then the electrical utility may collect the deficient amount incurred during that entire interval up to a maximum period of six months. For a consumer having a demand of 50 KW or greater, the maximum period shall be twelve months.

b. If the interval during which a consumer was undercharged cannot be determined, then the electrical utility may collect the deficient amount incurred during the six-month period preceding the date when the billing error was discovered by the electrical utility. For a consumer having a demand of 50 KW or greater, the maximum period shall be twelve months.

c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

d. If the usage and/or demand incurred by that person during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage and/or demand.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–341. Applications for Service.**

1. Method. Applications for service may be oral or in writing.

2. Obligation. The applicant shall, at the option of the electrical utility, be required to sign a service agreement or a contract. In the absence of such service agreement or contract, the accepted application shall constitute a contract between the electrical utility and the applicant, obligating the applicant to pay for service in accordance with the electrical utility's tariff or rate schedule currently on

file with the commission and the ORS, and to comply with the commission's and the electrical utility's rules and regulations governing service supplied by the electrical utility.

3. Termination. When a customer desires to have his service terminated, he must notify the electrical utility; such notification may be oral or in writing. The electrical utility shall be allowed a reasonable period of time after the receipt of such a notice to take a final reading of the meter and to discontinue service.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–342. Reasons For Denial or Discontinuance of Service.**

Unless otherwise stated, a customer shall be allowed a reasonable time in which to correct any discrepancy which may cause discontinued service. Service may be denied or discontinued for any of the following reasons:

- a. Without notice in the event of a condition determined by the electrical utility to be hazardous or dangerous.
- b. Without notice in the event of customer's use of equipment in such a manner as to adversely affect the electrical utility's service to others.
- c. Without notice in the event of unauthorized or fraudulent use, excluding tampering, of the electrical utility's service, i.e.:
  1. Misrepresentation of the customer's identity.
  2. For reconnection of service by customer who has had service discontinued for violation of and/or noncompliance with the commission's regulation 103–342, et seq.
- d. Tampering.

After the customer has applied for and/or received service from the electrical utility, he shall make every reasonable effort to prevent tampering with the meter and service drop serving his premises. A customer shall notify the electrical utility, as soon as possible, of any tampering with, damage to, or removal of any equipment.

Tampering with meters or with conductors carrying unmetred current and unauthorized breaking of electrical utility's seals is prohibited by law and shall not be tolerated by the electrical utility. Such meter tampering shall include but shall not be limited to, unassigned meters, altered meters, upside down meters, or the attachment to a meter or distribution wire of a device, mechanism or wire which would permit the use of unmetred electricity. Should the electrical utility find that the meter, conductors, or seals have been tampered with, the electrical utility shall give notice to the customer of possible discontinuance of service. Service may be continued or reconnected consistent with the following:

1. A customer can stop discontinuance of service or have service reconnected by paying a reasonable charge for an inspection (to insure proper operating conditions), a reasonable reconnect fee, and charges to compensate for any damage to the electrical utility's facilities.
2. A customer's bill may be adjusted to reflect normal usage should any tampering reflect other than normal meter readings and the customer's bill may include the establishment of a deposit in accordance with the commission's regulation 103–332 et seq.

Nothing herein shall prevent the electrical utility from instituting appropriate legal actions for violations and/or noncompliance with the commission's regulations.

- e. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.
- f. For failure of the customer to permit the electrical utility reasonable access to its equipment.
- g. For nonpayment of bill for service rendered provided that the electrical utility has made reasonable efforts to effect collection and has complied with the provisions of regulation 103–352.
- h. For failure of the customer to provide the electrical utility with a deposit as authorized by regulation 103–331.
- i. For failure of the customer to furnish permits, certificates, and rights-of-way, as necessary to obtain service, or in the event such permissions are withdrawn or terminated.



j. For failure of the customer to comply with reasonable restrictions on the electrical utility's service, provided that notice has been given to the customer and that written notice has been furnished to the commission and the ORS.

k. No electrical utility shall be required to furnish its service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such electrical utility for service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the electrical utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six years prior to the time of application.

l. The electrical utility may terminate a customer's service should the customer be in arrears on an account for service at another premise.

m. For the reason that the customer's use of the electrical utility's service conflicts with, or violates orders, ordinances or laws of the State or any subdivision thereof, or of the commission.

**HISTORY:** Amended by State Register Volume 5, eff May 22, 1981; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register 32, Issue No. 5, eff May 2008.

### **103-343. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

a. Nonpayment for services by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.

b. Failure to pay for merchandise purchased from the electrical utility.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-344. Right of Access.**

Authorized agents of the electrical utility shall have the right of access to premises supplied with electric service, at reasonable hours, for the purpose of reading meters, maintenance, repair, and for any other purpose which is proper and necessary in the conduct of the electrical utility's business. Such agents shall, upon request of a customer, produce proper identification and inform the customer of the purpose of necessary access to the occupied premises.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-345. Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the electrical utility shall be investigated promptly, thoroughly, and professionally. The electrical utility shall keep such records of customer complaints to include the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof as will enable it to review and analyze its procedures and actions.

B. When the ORS has notified the electrical utility that a complaint has been received concerning a specific account, the electrical utility shall refrain from discontinuing the service of that account until the ORS's investigation is completed and the results have been received by the electrical utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission within fifteen days of the ORS mailing the results of the ORS investigation, along with a copy of regulation 103-345, to the complainant. If the complainant does not file the complaint with the commission within fifteen days, service can be discontinued.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-346. Rates for Service, Rate Schedules, Rules and Regulations.**

Copies of all schedules of rates for service, forms of contracts for service, charges for service connections and of all rules and regulations covering the relations of customer and electrical utility, shall be provided to the ORS and the commission by each electrical utility and approved by the commission in the office of the commission. Complete schedule, contract forms, rules and regulations,

etc., as filed with and approved by the commission, shall also be on file in the local offices of the electrical utility and shall be available for inspection by the public.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–347. System Which Electrical Utility Must Maintain.**

Each electrical utility, unless specifically relieved by the commission from such obligation, shall operate and maintain in a safe, efficient and proper condition all of the facilities and equipment used in connection with the regulation, measurement and electric service to any customer up to and including the point of delivery into the facilities owned by that customer.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–348. System Extensions.**

Each electrical utility shall be obligated to comply with all requests for service in accordance with its schedules of rates and service rules and regulations on file with the commission and the ORS within areas assigned to it by the commission and within three-hundred feet of its lines as they existed on the date of assignment.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–349. Replacement of Meters.**

Whenever a customer requests the replacement of an electric meter on his premises, such request shall be treated as a request for the test on such meter, and, as such, shall fall under the provisions of regulation 103–373.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–350. Service Entrance Changes.**

Whenever a customer requests the electrical utility to relocate the electrical utility's service entrance, the electrical utility may require reasonable charges to cover the cost incurred to be paid prior to relocation.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–351. Temporary Service.**

When the electrical utility renders temporary service to a customer, it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–352. Procedures for Termination of Service.**

Prior to the termination of electric service pursuant to R.103–342 e.-m., the following procedures shall be employed by the electrical utility.

a. Not less than ten (10) days prior to termination of service, the electrical utility shall mail a notice of termination to the affected customer. The notice of termination of service shall include, as a minimum, the following information:

1. Address, telephone number and working house of the person(s) to be contacted by the customer for the arrangement of a personal interview with an employee of the electrical utility with the authority to accept full payment or make other payment arrangements.

2. The total amount owed by the customer for electrical services rendered, the date and amount of the last payment and the date by which the customer must either pay in full the amount outstanding or make satisfactory arrangements for payment by installments of such amount.

3. Special Needs Customers.

a. A statement that service to a residential customer who qualifies as a special needs account customer shall only be terminated in accordance with S.C. Code Ann. §58–27–2510 *et. seq.*, as amended. All electrical utilities shall publish their procedures for termination of service on their websites.

b. The statement that service to a residential customer during the months of December through March will not be terminated where such customer, or a member of his household at the premises to which service is rendered, can furnish to the utility, no less than (3) days prior to termination of service or to the terminating crew at time of termination, a certificate on a form provided by the utility and signed by a licensed physician, that termination of electric service would be especially dangerous to such person's health. Such certificate must be signed by the customer and state that such customer is unable to pay by installments. A certification shall expire on the thirty-first day from the date of execution by the physician. Such certification may be renewed no more than three (3) times for an additional thirty (30) day period each. Upon renewal of the certification, the electrical utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to him.

4. The availability of investigation and review of any unresolved dispute by the ORS Staff and include the ORS's toll free telephone number.

b. Not more than two business days prior to termination of service, the electrical utility shall make reasonable efforts either by telephone or in person to contact the customers that are subject to termination of service to notify him that his service is subject to termination for non-payment. Alternatively, not more than three business days prior to termination of service, the electrical utility shall notify the customer by mail that he is subject to termination of service for non-payment. The electrical utility shall maintain records of the efforts made to contact such customers. Termination of service may be delayed in case of inclement weather, emergencies or operational conflicts.

c. The electrical utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for electrical service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by regulation 103-339(3). Service to such customer shall not be terminated unless the electrical utility has informed the customer that such deferred payment plan is available. Any agreement to extend or defer a payment cut off date by more than five work days is a deferred payment plan. If a customer fails to conform to the terms and conditions of such deferred payment plan, the electrical utility may terminate service upon three days written notice, if personally delivered, or upon five days notice by mail.

d. If a residential customer informs the electrical utility that he is unable to make payment in full on his account or to make arrangements for the satisfaction of the balance of his account through a deferred payment plan, the electrical utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to the customer.

e. The electrical utility shall maintain a record of all deferred payment plans established with customer subject to termination for a period of two years.

f. The electrical utility shall provide a copy of the termination notice to any third party identified by the customer upon establishment of the service account or at any time thereafter.

g. Electric service may be terminated only on Monday through Thursday between the hours of 8:00 a.m. and 4:00 p.m., unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. Electric service may not be terminated on the day preceding any day on which the electric utility's collection offices are closed, unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. All employees of electrical utilities assigned to terminate service shall be authorized to accept payment from customers subject to termination of service or in lieu thereof, at the electrical utility's option, allow such customer at least one full working day beyond the initial date set for termination the opportunity to make satisfactory arrangements on the account at the offices of the electrical utility; provided, however, that in certain areas where it has been determined by the electrical utility that the safety of its employees warrants it, those employees shall not be required to accept payments from customers subject to termination.

**HISTORY:** Added by State Register Volume 5, eff April 24, 1981. Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 5  
ENGINEERING**

**103–360. Requirements for Good Engineering Practice.**

The electric plant of an electrical utility shall be constructed, installed, maintained and operated in accordance with good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service, and the safety of persons and property.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–361. Acceptable Standards.**

Unless otherwise specified by the commission, after hearing if requested, the electrical utility shall use the applicable provisions of the latest edition, Part 2, of the “National Electrical Safety Code”, as minimum standards of accepted good engineering practice.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–362. Acceptable References.**

Part 2 of the “National Electrical Safety Code” (latest edition), is considered by the commission to be an acceptable reference.

New additions to Part 2 of the National Electrical Safety Code shall become effective six months after the date of final approval by the American National Standards Institute unless a request for a hearing has been granted by the commission.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–363. Adequacy of Service.**

1. Operation of Electrical Utility.

A. Standard Frequency—Each electrical utility supplying alternating current shall adopt a standard frequency of 60 Hertz, suitability of which has been determined by the commission, and shall maintain this frequency within 15 seconds plus or minus of standard at all times during which service is supplied; provided, however, that momentary variations of frequency of more than fifteen seconds which are clearly due to no lack of proper equipment or reasonable care on the part of the electrical utility, shall not be construed a violation of this rule.

B. Standard Voltage—Each electrical utility shall adopt standard average voltage for its different classes of constant voltage service. This voltage maintained at the electrical utility mains shall at all times be reasonably constant, and the variations in voltage from the average shall in no case exceed the limitations as prescribed below.

The voltage variations for service should not exceed 10% above or below the standard average voltage.

A greater variation of voltage than specified above may be allowed when service is supplied directly from the transmission line or in a limited or extended area where customers are widely scattered, and the business done does not justify close voltage regulation. In such cases, the best voltage regulation should be provided that is practicable under the circumstances.

Variations in the voltage in excess of those specified, caused by the operation of power apparatus on customers' premises which necessarily requires large starting current by the action of the elements, and by infrequent and unavoidable fluctuations of short duration due to station operation, shall not be construed a violation of this rule.

C. Special Equipment—Where a separate transformer or other additional electrical utility standard equipment or capacity is to be used to eliminate fluctuations or other effects detrimental to the quality of service to other customers the electrical utility may make a reasonable charge for the transformer, equipment and line capacity required. In lieu of the above, the electrical utility may require the customer to either discontinue the operation of the equipment causing the disturbance or install the necessary motor generator set or other apparatus to eliminate the disturbance detrimental to the service of other customers.

D. When only one set of overhead service wires (service drop) is required to connect a residential or small non-residential customers to electric service mains, the electrical utility shall provide such service drop including the attachments at the point where service drop wires are attached to customer's premises, which point shall be the point nearest the electrical utility's electric circuit to be used in supplying service to the customer. The customer shall provide "service entrance facilities" including meter loop, entrance switch or circuit breaker, and service entrance conductors complying with rules of the electrical utility from the point of attachment of the electrical utility's service drop on the customer's premises. The customer shall provide a substantial point of attachment for service drop wires. This provision does not apply to large non-residential or industrial customers' connections as they vary so greatly that each requires special consideration. When service to the customer requires individual electrical utility company facilities (such as oil circuit breakers, transformers, etc.), to be located on customer's premises on the ground or in a vault, the customer shall provide a suitable, adequate and readily accessible space for such facilities and shall insure access at all times. Electrical utility property installed on a customer's premises shall remain property of the electrical utility and may be removed for testing, repairs, changes in service or other conditions justifying change or removal.

E. For substations erected to serve an individual customer, the electrical utility shall provide either suitable supports on the substation structure or a suitable structure outside and immediately adjacent to its substation property line to which the customer shall extend his facilities. The customer in addition shall install, or cause to be installed, all facilities beyond the point of delivery thus established. When required by the electrical utility, the customer shall install one set of main disconnecting switches which shall control all of the customer's load other than a fire pump circuit, if any.

F. The meter installation of the electrical utility may include enclosures that may be locked by the electrical utility and not accessible to the customer.

## 2. Voltage Surveys and Records.

A. Each electrical utility shall provide itself with suitable indicating and/or recording voltmeters, and shall make a sufficient number of voltage tests periodically so as to insure compliance with the voltage requirements cited above. These tests shall be made at appropriate points upon the electrical utility's distribution lines.

B. Each electrical utility shall have installed at its generating stations suitable instruments to indicate the frequency and voltage of the service rendered from that station, together with the load or loads demanded in each such station. Each electrical utility shall keep a station record at attended stations which shall show: (1) the time of starting and shutting down the generating units; (2) readings of such instruments as necessary; and (3) all interruptions to service affecting bus bars or distribution systems, with the time, duration, and the cause (when known) of the interruption.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## SUBARTICLE 6 INSPECTIONS AND TESTS

### **103-370. Electrical Utility Inspection and Tests.**

Each electrical utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herein provided or requested by the ORS or as may be approved or ordered by the commission.

1. All electric meters shall be tested and calibrated under the applicable periodic or sample testing plan as prescribed by the American National Standards Institute (ANSI) Standard C12 - Code of Electricity Meters. Results from sample-tested meters shall be communicated to the ORS on an annual basis.

#### 2. Meter Testing on Request of Customers.

A. Each electrical utility shall, at any time (when requested in writing by a customer) upon reasonable notice, test the accuracy of the meter in use by him.

B. No deposit or payment shall be required from the customer for such meter test except when a customer requests a meter test within one year after date of installation or the last previous test of a

meter, in which case he shall be required upon request by the electrical utility to deposit the estimated cost of the test, but not to exceed \$15.00 without approval of the commission. The amount so deposited with the electrical utility shall be refunded or credited to the customer, if the meter is found, when tested, to register more than 2% fast or slow, otherwise the deposit shall be retained by the electrical utility.

C. A customer may request to be present when the electrical utility conducts the test on his meter, or if he desires, may send a representative appointed by him. The electrical utility shall honor such request.

D. A report giving the name of the customer requesting the test; the date of the request; the location of the premises where the meter has been installed; the type, make, size, and serial number of the meter; the date of removal; the date tested; and the result of the test shall be kept by the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-371. ORS Inspections and Tests.**

The ORS shall make tests of meters as follows:

a. Upon written request to the commission or ORS by a customer or an electrical utility, a test will be made of the customer's meter as soon as practicable.

b. On receipt of such request, the ORS shall notify the electrical utility, and the electrical utility shall not knowingly remove or adjust the meter until instructed by the ORS. The ORS shall supervise the test of the meter, using the standard approved by the commission with such standard being compared with the electrical utility's standard. The results of the test shall be made available to the customer.

c. The customer shall be notified of the test in sufficient time to allow the customer or the customer's representative to be present.

d. The ORS shall make a written report of the results of the test to the customer and to the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-372. Facilities and Equipment for Testing.**

A. Each electrical utility furnishing metered electric service shall, unless specifically excused by the commission, provide and have available such meter laboratory, standard meters, instruments and facilities as may be necessary to make the tests required by these rules or other orders of the commission or as requested by the ORS, together with such portable indicating electrical testing instruments, watt-hour testing meters, and facilities of suitable type and range for testing service watt-hour meters, voltmeters and other electrical equipment, used in its operation, as may be deemed necessary and satisfactory to the commission or the ORS.

B. All portable indicating electrical testing instruments such as voltmeters, ammeters and wattmeters, when in regular use for testing purposes, shall be checked against suitable reference standards whenever used in testing service meters of the electrical utility.

C. When the size of the electrical utility is such that it is more economical to contract for meter testing, such procedure is authorized provided the contract work is done by a recognized meter testing laboratory.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-373. Test Procedures and Accuracies.**

1. Method of Determining Average Error of Meters.

A. Field testing the average error of a service watt-hour meter shall be determined as follows: The error at Light Load, here defined as approximately 10% of the rated capacity (Test Amperes) of the meter, shall be determined by taking the average of at least two errors determined from as many separate tests on the same Light Load, which error must agree within one-half percent (1/2 %).

In the same manner, the error at Full Load, here defined as approximately the rated capacity (Test Amperes) of the meter, shall be determined. The average error of the meter shall then be

determined by taking the average error at Light Load plus four times the error at Full Load (Test Amperes) and dividing this sum by five, proper consideration being taken of the sign of the two errors.

B. Meter Shop Testing—When an electronic test board is used, the average error of a watt-hour meter shall be determined as follows: The error at Light Load, here defined as approximately 10% of the rated capacity (Test Amperes) of the meter, shall be determined. The error at Full Load, here defined as approximately the rated capacity of the meter or Test Amperes, shall be determined. The average error of the meter shall then be determined by taking the error at Light Load plus four times the error at Full Load (Test Amperes) and dividing this sum by five, proper consideration being taken of the sign of the two errors.

## 2. Meter Accuracy.

A. Creeping: No watt-hour meter which registers on “no load” when the applied voltage is less than one hundred and ten (110%) percent of standard service voltage shall be placed in service or allowed to remain in service.

B. Initial Accuracy Requirements—No watt-hour meter shall be in service which is in any way defective to impair its performance, or which has incorrect constants, or which has not been tested individually or under a sample meter testing plan approved by the commission for accuracy of measurement and adjusted, if necessary, to meet these requirements at unity power factor:

Average error not over 0.5% plus or minus;

Error at Full Load (Test Amperes) not over 0.5% plus or minus;

Error at Light Load not over 1.0% plus or minus.

C. Adjustment After Test—Whenever a test made by an electrical utility, contract vendor or on behalf of the electrical utility or by the ORS on a service watt-hour meter connected in its permanent position in place of service shows that the average error is greater than that specified allowed above, the meter shall be adjusted to bring the average error within the specified initial accuracy limits, or the meter shall be replaced.

## 3. Test Instruments.

Each electrical utility shall own and maintain such standard watt-hour meters, such instrument transformers, voltmeters, ammeters and such other instruments necessary in maintaining the accuracy of its standards used in testing the meters serving its customers.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## SUBARTICLE 7 STANDARDS AND QUALITY OF SERVICE

### **103–380. Quality of Service.**

Each electrical utility shall provide the best possible service that can be reasonably expected from the facilities of that electrical utility. When the quality or quantity of service falls below what can be reasonably expected, the electrical utility shall, as soon as practicable, provide the proper service.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–381. Interruption of Service.**

A. Each electrical utility shall make all reasonable efforts to avoid interruptions of service, but when interruptions occur, service shall be re-established within the shortest time practicable, consistent with safety of its employees, customers, and of the general public.

B. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by a reasonable attempt to give adequate notice to those who will be affected.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–382. Restrictions on the Use of Service.**

A. The electrical utility may impose reasonable restrictions on the use of electric service during periods of shortage of supply, excessive demand or other difficulty which jeopardizes the supply of service to any group of customers.

B. The electrical utility may impose reasonable restrictions on the use of electric service by customers who create conditions which prevent the electrical utility from supplying satisfactory service to that customer, or to other customers.

C. If an electrical utility finds that it is necessary to restrict the use of electric service, it shall notify its customers and give the commission written notice, except in emergencies, before such restriction becomes effective. Such notification shall specify:

1. The reason for restriction.
2. The nature and extent of the restriction, i.e., amount and time of use by certain classes of customers, etc.
3. The date such restriction is to go into effect.
4. The probable date of termination of such restriction.

D. The electrical utility shall not be required to furnish service to customers whose equipment is operated in such manner as to cause unreasonable voltage fluctuations on the electrical utility's circuits, which fluctuations are detrimental to service to other customers.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–383. Special Tests.**

The electrical utility shall conduct such special and regular tests of its generating transmission and distribution plant as will enable the electrical utility to provide the best service possible at the most reasonable cost to the customers of the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **SUBARTICLE 8 SAFETY**

### **103–390. Acceptable Standards.**

As criteria of accepted good safety practice of the electrical utility, the commission shall use the applicable provisions of the standards listed in regulation 103–361.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–391. Protective Measures.**

A. Each electrical utility shall exercise reasonable care to reduce the hazards to which its employees, its customers and the general public may be subjected.

B. The electrical utility shall give reasonable assistance to the ORS in the investigation of the cause of incidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of preventing incidents.

C. Each electrical utility shall maintain a summary of all reportable incidents arising from its operations. (See regulation 103–315.)

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–392. Safety Program.**

Each electrical utility shall adopt and execute a safety program, fitted to the size and type of its operations. As a minimum, the safety program should:

- a. Require employees to use suitable tools and equipment in order that they may perform their work in a safe manner.
- b. Instruct employees in safe methods of performing their work.
- c. Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.
- d. Establish liaison with appropriate public officials, including fire and police officials in anticipation of a potential emergency.



e. Establish an educational program to enable customers and the general public to recognize and report an electrical emergency to the appropriate officials.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**ARTICLE 4**  
**GAS SYSTEMS**  
**SUBARTICLE 1**  
**GENERAL**

**103–400. Authorization of Rules.**

A. Section 58–5–210 of the Code of Laws of South Carolina, 1976, provides: “That the Public Service Commission is hereby, to the extent granted, vested with power and jurisdiction to supervise and regulate the rates and service of every ‘Public Utility’ in this State as defined in this Act, together with the power, after hearing, to ascertain and fix such just and reasonable standards, classifications, regulations, practices and measurements of service to be furnished, imposed, observed and followed by every public utility in this State, and the State hereby asserts its rights to regulate the rates and services of every ‘Public Utility’ as herein defined.”

In accordance with the above provisions, the Public Service Commission has adopted the following Rules and Regulations and fixed the following standards for gas service. All previous rules or standards are hereby revoked, annulled, and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility or standard, either upon complaint or upon its own motion, or upon the application of any utility.

Furthermore, these rules shall not in any way relieve the commission, the Office of Regulatory Staff, or the utilities of any duties under the laws of this State.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–401. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, association, establishment, or corporation which is now or may hereafter become engaged as a public utility in the business of furnishing gas to any gas customer within the State of South Carolina, except where municipalities or agents thereof, and/or any gas authorities are specifically exempted by statute.

2. Purpose. The rules are intended to define good practice. They are intended to insure adequate and reasonable service. The utilities shall assist the commission in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rules or regulations may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–402. Definitions.**

The following words and terms, when used in these rules, shall have the meaning indicated:

1. Commission. “Commission” means the Public Service Commission of South Carolina.
2. Consolidated Political Subdivision. A “consolidated political subdivision” means that it exists pursuant to the Constitution of this State, and shall not be deemed a city, town, county, special purpose district or other governmental unit merged thereinto.
3. Customer. “Customer” means any person, firm, association, establishment, partnership or corporation, or any agency of the Federal, State, or local government, being supplied with gas service by a gas utility under the jurisdiction of this commission.

4. Gas. "Gas" or "Natural Gas" means either natural gas unmixed, or any mixture of natural and manufactured gas, including but not limited to, synthetic natural gas and liquefied petroleum.

5. Gas Service. "Gas Service" means those functions performed by a gas utility for its customers, including the purchase and/or manufacture of gas, storage of gas, transportation and delivery of gas to the customer.

6. Gas System. "Gas System" includes any gas utilities operating within this State, including gas authorities, municipalities, public service districts and other political subdivisions of this State insofar as they are within the jurisdiction of the commission for regulation of safety standards and conditions, pursuant to S. C. Code Ann. § 58-5-920(f) (1976).

7. Gas Utility. "Gas Utility" includes every privately-owned corporation, firm or person furnishing or supplying gas service to the public, or any portion thereof, for compensation. Provided, however, this term shall not include any gas utility owned or operated by any municipality or agency thereof; nor shall it include any gas utility owned or operated by any gas authority specifically exempted by statute from the jurisdiction of the commission.

8. Municipality. "Municipality" includes a city, town, county, township and any other corporation existing, created or organized as a governmental unit under the Constitution and Laws of this State.

9. ORS. "ORS" means the Office of Regulatory Staff.

10. PHMSA. Pipeline and Hazardous Materials Safety Administration of the United States Department of Transportation ("DOT").

11. Rate. "Rate" when used in these Rules and Regulations means and includes every compensation charge, toll, rental, and classification, or any of them, demanded, observed, charged or collected by any gas utility for any gas service offered by it to the public, and any rules, regulations, practices or contracts affecting any such compensation, charge, toll, rental or classification.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–403. Authorization for Rates and Charges.**

A. All rates, tolls and charges proposed to be put into effect by any gas utility shall be first approved by the commission before they shall become effective, unless they are exempt from such approval by statute, Order of this commission, or other provision of law.

B. No schedule of rates, tolls, or charges under jurisdiction of the commission, differing from the approved tariffs or rates, shall be changed until after proposed change has been approved by the commission.

C. No rates, tolls, charges, nor service of any gas utility shall be deemed approved nor consented to by mere filing of schedules or other evidence thereof in the offices of the commission, unless such proposed adjustment is made in accordance with tariff provisions which have previously been approved by the commission.

D. All contracts between any industrial customer and any gas utility which establish or adjust rates for that industrial customer may become effective as of the dates of the contracts unless disapproved or modified by the commission in the public interest. Such contracts shall be provided to the ORS and filed with the commission within seven (7) days of execution.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–404. Territory and Certificates.**

A. No public utility supplying gas to the public shall hereafter begin the construction or operation of any gas facility, or of any extension thereof, without first obtaining from the commission a certificate that public convenience and necessity requires or will require such construction or operation; such certificate to be granted only after notice to ORS, other interested gas utilities and to the public, and after due hearing; provided, however, that this regulation shall not be construed to require any such gas utility to secure a certificate for any extension within any municipality or district within which it has heretofore lawfully commenced operations, or for an extension within or to territory already served by it, necessary in the ordinary course of its business, or for an extension into territory contiguous to that already occupied by it and not receiving similar service from another gas utility; but if any gas utility in

constructing or extending its lines, plant or facilities unreasonably interferes, or is about to unreasonably interfere, with the service or system of any other gas utility, the commission may make such order and prescribe such terms and conditions in harmony with this regulation as are just and reasonable.

B. The term “public utilities supplying gas to the public” shall include all utilities supplying gas to the public, including natural gas and manufactured gas when such manufactured gas is used to supplement flowing gas supply.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–405. Utility Rules and Regulations.**

Each gas utility shall adopt such rules, regulations, practices, service requirements, terms and conditions, etc. as may be necessary in the operation of gas service to its customers which shall be provided to the ORS and filed with and subject to review and order of the commission, unless otherwise specified.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103–410. Location of Records and Reports.**

All records required by these rules or necessary for the administration thereof, shall be kept within this State, unless otherwise authorized by the commission. These records shall be available for examination by the ORS at all reasonable hours.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–411. Retention of Records.**

1. Retention Period. Unless otherwise specified by the commission or by regulations governing specified activities, all records required by these rules and regulations shall be preserved for two years.

2. Test and Inspection Records. A complete record shall be kept of all tests and inspections made under these rules as to the quality or condition of service which it renders.

3. Contents of Test Records. All records of tests shall contain complete information concerning the test, including the date, hour, and place where the test was made; the name of the person making the test and the result.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–412. Data to be Filed with the Commission and Provided to the ORS.**

1. Annual Report. Each gas utility operating in this State shall make an annual report to the commission and ORS giving such information as the commission may direct. This Annual Report shall include the same information included in FERC Form 2; thus, the gas utility can file its FERC Form 2 with the commission and the ORS or an Annual Report with the equivalent information.

2. Current Information and Documents. The gas utilities shall file with the commission and provide to the ORS the following documents and information.

2.1. Tariff. A copy of the gas utility’s tariff which shall include:

- A. A copy of each schedule of rates for service, together with applicable riders.
- B. A copy of the gas utility’s rules or terms and conditions, describing the gas utility’s policies and practices in rendering jurisdictional gas service. These rules shall include:
  1. The minimum and maximum heating value of the gas in BTU’s per cubic foot.
  2. A list of the classes of items which the gas utility furnishes and maintains on the customer’s premises, such as service pipe, meters, regulators, vents and shutoff valves.
  3. A statement indicating the minimum number of days allowed for payment of the gross amount of the customer’s bill before service will be discontinued for non-payment.
  4. A statement indicating the volumetric measurement base to which all sales of gas at other than standard delivery pressure are corrected.

C. Tariffs must be filed with the office of the Chief Clerk of the commission and, on that same day, provided to the Executive Director of the ORS.

2.2. Customer Bill. A copy of each type of bill form used in billing for gas service must be provided to the ORS.

2.3. Operating Area Map. A map showing the gas systems operating area. This map shall be revised as necessary and made available to the ORS upon request. The map should show:

- a. Gas production plant.
- b. Principal storage facilities.
- c. Transmission lines and principal mains by size and valves located thereon.
- d. System metering (supply) points.
- e. State boundary crossings.
- f. Certified area and/or territory served.
- g. Names of all communities (post offices) served.

2.4. Authorized Representative. The gas utility shall advise the commission and ORS of the name, title, address and telephone number of the person or persons who should be contacted in connection with:

- a. General management duties.
- b. Customer relations (complaints).
- c. Engineering and/or operations.
- d. Meter tests and repairs.
- e. Emergencies during non-office hours.

2.5. Contract Forms. A copy of the gas utility's gas service contract forms, and special gas service contract forms shall be provided to the ORS.

2.6. Pipeline Safety. All gas systems subject to pipeline safety regulation shall file with the commission and provide to the ORS those reports, policies and procedures required by the Federal Pipeline Safety Regulations: Minimum Safety Standards for the Transportation of Natural Gas and Other Gas, 49 C.F.R., as amended from time to time, to include, but not limited to, the following:

- a. Inspection and maintenance manual.
- b. Emergency plan.
- c. Welders. Listing of welders and proof of qualifications.

2.7. New Construction. All gas systems subject to pipeline safety regulation shall notify the commission and the ORS of any construction projects meeting either of the criteria below:

- A. Projects resulting in a cost of \$500,000 or more, whether steel, plastic, or other materials are installed or;
- B. Projects involving 25,000 feet of piping or more, whether steel, plastic, or other material(s) are utilized.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-413. Inspection of Gas Systems.**

A. Each gas system shall, upon request of the commission or ORS, provide to the ORS a statement regarding the condition and adequacy of its plant, equipment, facilities and service in such form as the commission or ORS may require.

B. Each gas system shall keep sufficient records to give evidence of compliance with its inspection program.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-414. Interruption of Service.**

Each gas utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any major community or any important division,

consisting of at least fifty customers, of a community, including a statement of the time, duration and cause of such interruption. The commission and ORS are to be notified by telephone of any such interruption as soon as practicable after it comes to the attention of the gas utility and a complete written report made to the commission and ORS after restoration of service, if such interruption is more than six hours in duration.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-415. Incidents.**

A. Each gas system shall, as soon as possible, report to the ORS each incident occurring wherein there exist either: (a) serious injury or death of any person; (b) property damage in excess of \$5,000, in the gas system's commercially reasonable estimation, including the gas system's cost of lost gas exiting the gas system's lines to a customer's meter and the expense to make repairs to its facilities or property; or (c) an event that is significant in the judgment of the gas system.

B. Each gas system shall establish and follow procedures for analyzing, reporting and minimizing the possibilities of any future incidents.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-417. Meter History.**

Each gas utility shall maintain records of the following data, where applicable, for each billing meter for so long as such meter is in possession of the gas utility and for at least twelve months thereafter.

- a. Date of purchase.
- b. The complete identification—manufacturer, number, type, size, capacity, multiplier, and constants.
- c. The current and last previous locations, and the dates of installation at and removal from service at such locations.
- d. Repairs.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-418. Meter Test Records and Reports.**

A. Each gas utility shall maintain records of at least the last two tests made of any billing meter. The record of the meter test made at time of the meter's retirement shall be maintained for a minimum of two years. Test records shall include the following:

1. The date and reason for the test.
2. The reading of the billing meter before making any test.
3. The accuracy "as found" at check and open rated flow (up to 10,000 cfh).
4. The accuracy "as left" at check and open rated flow (up to 10,000 cfh).

5. In the event test of the meter is made by using a test meter or a flow prover, the gas utility shall retain all data taken at the time of the test in sufficiently complete form to permit the convenient form to permit the convenient checking of the test methods and the calculations.

B. Whenever any gas service meter is tested the original test record shall be preserved, including the information necessary for identifying the meter, the reason for making the test, the reading of the meter upon removal from service, and the result of the test, together with all data taken at the time of the test in sufficiently complete form to permit convenient checking of the methods employed and the calculations.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 3  
METERS**

**103–420. Meter Requirements.**

1. General. Service shall be measured by meters furnished by the gas utility unless otherwise authorized by the commission, and such meters shall maintain the degree of accuracy as set forth in regulation 103–423.

2. Measurement. Where applicable, each gas meter shall indicate clearly the unit of gas registered by such meter. Where gas is metered under high pressure, or where the quantity is determined by calculation from recording devices, the gas utility shall, when requested, supply the customer with such information as will make clear the method by which the quantity is determined.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–421. Meter Reading.**

Unless extenuating circumstances prevent, meters shall be read and bills rendered on a monthly basis of not less than twenty-eight days nor more than thirty-four days.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–422. Meter Reading Data.**

The meter reading data maintained by the gas utility shall include:

- a. Customer's name and service address.
- b. Identifying number and/or description of the meter(s).
- c. Meter Readings.
- d. If the reading has been estimated.
- e. Location of meter on premises, or special reading instructions, if applicable.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–423. Meter Accuracy and Condition.**

A. Every gas meter, whether new, repaired, or removed from service, shall be in good order before being installed for the use of any customer and shall be correct to within the limits prescribed in regulation 103–475(5).

B. Care shall be taken to insure that every gas meter being transported or stored to install or test for the use of any customer is handled in a manner that will not impair the performance of such meter.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–424. Meter Seal.**

Immediately after the pre-installation tests or field tests of a billing meter or other billing device, a seal or locking device shall be affixed or other means provided, where practical, designed to discourage or reveal tampering or theft of gas.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–425. Configuration and Location of Meter.**

A. No customer's meter shall be configured and/or installed in any location where it may reasonably be expected to be exposed to damage, impairment or in any unduly dirty or inaccessible location.

B. Outdoor meters shall be used where practicable.

C. Each customer shall provide and maintain at the customer's expense a suitable and convenient place, agreeable to the gas system, for the location of meters, where the meter will be readily accessible at any reasonable hour for the purpose of reading, testing, repairing, etc., and such other appliances owned by the gas system and placed on the premises of the customers shall be placed as to be readily

accessible at such times as are necessary, and the authorized agent of the gas system shall have authority to visit such meters and appurtenances at such times as are necessary in the conduct of the business of the gas system.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-426. Change in Character of Service.**

A. In order that the gas utility may provide a proper service facility and metering installation, the customer shall advise the gas utility of the expected service requirements and shall also advise the gas utility of any increase or decrease in the load to be provided by the gas utility in sufficient time to change service characteristics.

B. In case any substantial change is made by the gas utility in the service conditions which would affect the operation or adjustment of appliances of customers, the affected appliances shall be readjusted by the gas utility for the conditions without charge.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 4 CUSTOMER RELATIONS**

### **103-430. Customer Information.**

Each gas utility shall:

a. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the gas utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.

b. Notify each affected customer in writing, as prescribed by the commission, of any proposed change in rates and charges. Unless the commission orders otherwise, this notice requirement shall not apply to Purchased Gas Adjustments, Curtailment Adjustments, and Exploration Adjustments. Certification that the above notice requirement has been met shall be furnished to the commission and ORS by the gas utility.

c. Post a notice in a conspicuous place in each office of the gas utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the gas utility, as approved by the commission, are available for inspection at the gas utility.

d. Upon request, inform its customers as to the method of reading meters, as to billing procedures, and shall assist customers in selecting the most economical rate schedule applicable and method of metering the service, except as otherwise provided for by the commission.

e. Each gas system shall provide adequate means (telephone, etc.) whereby each customer can contact the gas system or authorized representative at all hours in cases of emergency or unscheduled interruptions of service.

f. Each gas utility shall, upon request, give its customers such information and assistance as is reasonable and proper in order that customers may secure safe and efficient service.

g. Notify any customer making a complaint recorded pursuant to regulation 103-445, that the gas utility is under the jurisdiction of the commission and the customer may notify the commission and ORS of his complaint.

h. Notify each affected customer of the possibility and degree of anticipated seasonal natural gas curtailments. Such notification shall be sent by the gas utility to its customers as soon as the gas utility becomes aware of the possible imposition of any curtailment. The ORS shall be informed by the gas utility whenever such notification has been given to its customers.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-431. Customer Deposits.**

A. Each gas utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

1. The customer's past payment record to a gas utility shows delinquent payment practice, i.e., customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or

2. A new customer cannot demonstrate that he is a satisfactory credit risk by appropriate means including, but not limited to, letters of good credit from a utility, or references which may be quickly and inexpensively checked by the Company or cannot furnish an acceptable cosigner or guarantor on the same system within the state of South Carolina to guarantee payment, up to the amount of the maximum deposit, or

3. A customer has no deposit and presently is delinquent in payments, i.e., has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or

4. A customer has had his service terminated for non-payment or fraudulent use.

B. Each utility shall inform each prospective customer of the provisions contained in (A) of this rule.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-432. Amount of Deposit.**

A. A maximum deposit may be required up to an amount equal to an estimated two months (sixty days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two consecutive months based on the experience of the preceding twelve months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

C. A schedule of deposits based upon an analysis of sixty days usage for categories of customers may be required by the company upon being provided to the ORS and filed and approved by the commission.

D. Special offerings may be exempt as determined by the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-433. Interest on Deposits.**

A. Simple interest on deposits at the rate of the current effective interest rate per annum prescribed by Order of the South Carolina Public Service Commission shall be paid by the gas utility to each customer required to make such deposit for the time it is held by the gas utility, provided that no interest need to be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer every two years or less and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-434. Deposit Records.**

Each gas utility shall keep records as to show:

- a. The name and address of each depositor.
- b. The amount and date of the deposit.
- c. Each transaction concerning the deposits.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**



### **103–435. Deposit Receipt.**

Each gas utility shall issue a receipt of deposit to each customer from whom a deposit is received and shall provide means whereby a customer may establish his claim if his receipt is lost.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–436. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears, in the past twenty-four months.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–437. Unclaimed Deposit.**

A record of each unclaimed deposit must be maintained for at least one year, during which time the gas utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by state law.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–438. Deposit Credit.**

Where a customer has been required to make a guarantee deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill or otherwise, a gas utility shall apply the deposit of such customer toward the discharge of such account and shall as soon thereafter as practicable, refund the customer any excess of the deposit. If, however, the customer whose service has been disconnected for non-payment, pays the full amount billed within seventy-two hours after service has been disconnected and applies for reconnection, the gas utility may not charge an additional deposit except under the provisions of regulation 103–432.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–439. Customer Billing.**

The gas utility shall bill each customer as promptly as practicable following the reading of the meter and render a receipt of payment upon request.

1. New Service. Meters shall be read at the initiation and termination of any service and billing shall be based thereon.
2. Bill Forms. The bill shall show:
  - a. The reading of the meter at the beginning and at the end of the period for which the bill is rendered.
  - b. The date on which the meter was read, and the date of billing and the latest date on which it may be paid without incurring a penalty and the method of calculating such penalty.
  - c. The number and kind of units metered.
  - d. The applicable rate schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill should carry a statement to the effect that the applicable rate schedule will be furnished on request.
  - e. Any estimated usage shall be clearly marked with the word “estimate” or “estimated bill”.
  - f. Any conversions from meter reading units to billing units or any information necessary to determine billing units from recording or other devices, or any other factors, such as BTU adjustments, used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the gas utility’s local office.
    - g. Amount for gas usage.
    - h. Amount of South Carolina Sales Tax (dollars and cents).
    - i. Total amount due.

j. Number of days for which bill is rendered or beginning and ending dates for the billing period.

3. Late Payment Charges. A charge of no more than one and one-half percent (1 1/2 %) may be added to any unpaid balance not paid within twenty-five days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late-payment charge will be made in lieu of any other penalty.

4. Payment. The gas utility, at its option for good cause, may refuse to accept a check, debit card, credit card or other electronic payment tendered as payment on a customer's account. "Good cause" must be justified by a gas utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant.

5. Charges for Discontinuance and Reconnection. Whenever service is turned off for violation of rules or regulations, non-payment of bills or fraudulent use of service, the gas utility may make a reasonable charge, to be approved by the commission, for the cost incurred in discontinuing the service and reconnection and require payment for service billed and for service used which has not previously been billed.

6. Estimated Bills. Each gas utility shall not send a customer an estimated bill except for good cause where the meter could not be read or was improperly registering. No more than one estimated bill shall be rendered within a sixty day period, unless otherwise agreed to by the customer.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-440. Adjustment of Bills.**

If it is found that a gas utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or less compensation for any service rendered or to be rendered by such gas utility than that prescribed in the schedules of such gas utility applicable, thereto then filed in the manner provided in Title 58 of the South Carolina Code of Laws or if it is found that any customer has received or accepted any service from a gas utility for a compensation greater or less than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

1. Fast or Slow Meters. If the overcharge or undercharge is the result of a fast or slow meter, then the method of compensation shall be as follows:

a. In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon request of the customer, as specified in regulation 103-472.

b. In the event that the meter so tested is found to have an error in registration of more than two percent, the bill shall be increased or decreased accordingly, if the time at which the error first developed or occurred can be definitely determined. If such time cannot be determined, such correction shall not be made for more than six months.

2. Customer Wilfully Overcharged. If the gas utility has wilfully overcharged any customer, except as provided for in 1 of this rule, then the method of adjustment shall be as provided in S. C. Code Ann., § 58-5-370 (1976).

3. Customer Inadvertently Overcharged. If the gas utility has inadvertently overcharged a customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any other human or machine error except as provided in 1 of this rule, the gas utility shall at the customer's option credit or refund the excess amount paid by that customer or credit the amount billed as prescribed by the following:

a. If the interval during which the customer was overcharged can be determined, then the gas utility shall credit or refund the excess amount charged during that entire interval, provided that the applicable statute of limitations shall not be exceeded.

b. If the interval during which the customer was overcharged cannot be determined then the gas utility shall credit or refund the excess amount charged during the twelve month period preceding the date when the billing error was discovered.

c. If the exact usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined then the refund shall be based on an appropriate estimated usage and/or demand.

4. Customer Undercharged Due to Wilfully Misleading Company. If the gas utility has undercharged any customer as a result of a fraudulent or wilfully misleading action of that customer, or any such action by any person (other than the employees or agents of the company), such as tampering with, or bypassing the meter when it is evident that such tampering or bypassing occurred during the residency of that customer, or if it is evident that a customer has knowledge of being undercharged without notifying the gas utility as such, then notwithstanding 1 of this rule, the gas utility shall recover the deficient amount provided as follows:

a. If the interval during which the customer was undercharged can be determined, then the gas utility shall collect the deficient amount incurred during that entire interval, provided that the applicable statute of limitations is not exceeded.

b. If the interval during which the customer was undercharged cannot be determined, then the gas utility shall collect the deficient amount incurred during the twelve-month period preceding the date when the billing error was discovered by the gas utility.

c. If the usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on the appropriate estimated usage and/or demand.

d. If the metering equipment has been removed or damaged, then the gas utility shall collect the estimated cost of repairing and/or replacing such equipment.

5. Equal Payment Plans. A gas utility may provide equal payment plans, wherein the charge for each billing period is the estimated total annual bill divided by the number of billing periods prescribed by the plan. The difference between the actual and estimated annual bill is to be resolved by one payment at the end of the equal payment plan year, unless otherwise approved by the commission. However, any incorrect billing under equal payment plan shall be subject to the first paragraph of this rule.

6. Customer Undercharged Due to Human or Machine Error. If the gas utility has undercharged any customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any human or machine error, except as provided in 1 and 2 of this rule above, then the gas utility shall recover the deficient amount as provided as follows:

a. If the interval during which a customer was undercharged can be determined, then the gas utility may collect the deficient amount incurred during that entire interval up to a maximum period of twelve months.

b. If the full interval during which a customer was undercharged cannot be determined, then the gas utility may collect only the deficient amount of that portion of the interval that can be determined up to a maximum period of twelve months.

c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

d. If the usage incurred by that customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-441. Applications for Service.**

1. Method. Applications for service may be verbal or in writing.

2. Obligation. The applicant shall, at the option of the gas utility, be required to sign a service agreement or contract. In the absence of such a service agreement or contract, accepted application shall constitute a contract between the gas utility and the applicant, obligating the applicant to pay for service in accordance with the gas utility's tariff or rate schedule currently on file with the commission and the ORS, and to comply with the commission's and the gas utility's rules and regulations governing service supplied by the gas utility.

3. Termination. When a customer desires to have his service terminated, he must notify the gas utility; such notification may be verbal or in writing. The gas utility shall be allowed a reasonable period of time after receipt of such notice to take a final reading of the meter and to discontinue service.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–442. Reasons for Denial or Discontinuance of Service.**

Unless otherwise stated, a customer shall be allowed a reasonable time in which to correct any discrepancy which may cause discontinued service.

Service may be denied or discontinued for any of the following reasons:

- a. Without notice in the event of a condition determined by the gas utility to be hazardous or dangerous.
- b. Without notice in the event of customer use of equipment in such a manner as to adversely affect the gas utility's service to others.
- c. Without notice in the event of unauthorized or fraudulent use of gas utility service e.g.:
  1. Misrepresentation of the customer's identity.
  2. For reconnection of service by customer who has had service discontinued for violation of and/or non-compliance with the commission's regulation 103–442 et seq.
- d. Tampering.

After the customer has applied for and/or received service from the gas utility, he shall make every reasonable effort to prevent tampering with the meter and service lines serving his premises. A customer shall notify the gas utility, as soon as possible, of any tampering with, damage to, or removal of any equipment. Tampering with meters or with lines carrying unmetered gas and unauthorized breaking of utility's seals is prohibited by law and shall not be tolerated by the utility. Such meter tampering shall include but shall not be limited to, unassigned meters, or altered meters. Should the utility find that the meter, service line, or seals have been tampered with, the gas utility shall give notice to the customer of possible discontinuance of service. Service may be continued or reconnected consistent with the following:

1. A customer can stop discontinuance of service or have service reconnected by paying a reasonable charge for an inspection (to insure proper operating conditions), a reasonable reconnect fee, and charges to compensate for any damages to the utility's facilities.
2. A customer's bill may be adjusted to reflect normal usage should any tampering reflect other than normal meter readings and the customer's bill may include the establishment of a deposit in accordance with the commission's regulation 103–432 et seq.

Nothing herein shall prevent the gas utility from instituting appropriate legal actions for violations of and/or non-compliances with the commission's regulation 103–442 et seq.

- e. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.
- f. For failure of the customer to permit the gas utility reasonable access to its equipment.
- g. For nonpayment of bill for service rendered provided that the gas utility has made reasonable efforts to effect collection and has complied with the provisions of regulation 103–452.
- h. For failure of the customer to provide the gas utility with a deposit as authorized by regulation 103–431.
- i. For failure of the customer to furnish permits, certificates, and rights-of-way, as necessary in obtaining service, or in the event such permissions are withdrawn or terminated.
- j. For failure of the customer to comply with reasonable restrictions on the use of service, provided that notice has been given to the customer and that written notice has been furnished to the commission and ORS.
- k. No gas utility shall be required to furnish its service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such gas utility for service previously furnished such applicant or furnished any

other member of the applicant's household. However, for the purposes of this regulation, the gas utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six years prior to the time of application.

1. The gas utility may terminate a customer's service should the customer be in arrears on an account for service at another premises.

**HISTORY:** Amended by State Register Volume 5, eff May 22, 1981; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-443. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

- a. Non-payment for services by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.
- b. Failure to pay for merchandise purchased from the gas utility.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-444. Right of Access.**

Authorized agents of the gas system shall have the right of access to premises supplied with gas service at reasonable hours, for the purpose of reading meters, examining facilities and pipes, maintenance, repair, observing the manner of using service and for any other purpose which is proper and necessary in the conduct of the gas system's business.

Such agents shall, upon request of a customer, produce proper identification and inform the customer of the purpose of necessary access to occupied premises.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-445. Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the gas utility, shall be investigated promptly, thoroughly and professionally by the gas utility. Each gas utility shall keep a record of all such complaints received, which record shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof. The gas utility shall keep such records of customer complaints as will enable it to review and analyze its procedures and actions.

B. Unless otherwise specified by the commission, when the ORS has notified the gas utility that a complaint has been received concerning a specific account, the gas utility shall refrain from discontinuing the service of that account for the matter which is the subject of the complaint, until the ORS's investigation is completed, and the results have been received by the gas utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission within fifteen days of ORS mailing the results of the ORS investigation, along with a copy of regulation 103-445, to the complainant. If the complainant does not file the complaint with the commission within fifteen days, service can be discontinued.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-446. Contracts, Rate Schedules, Rules and Regulations.**

Copies of all schedules of rates for service, contracts for service which involve rates, forms of contracts for service, charges for service connections and extensions of mains, and all rules and regulations concerning the relations between the customer and gas utility, shall be filed with the commission by each gas utility and shall be subject to prior approval by the commission. All contracts for service between any industrial customer and any gas utility which establish or adjust rates for any industrial customer shall be filed with the commission by each gas utility and may become effective as of the date of the contracts, unless disapproved or modified by the commission. Complete schedules,

contract forms, rules and regulations, etc., as filed with the commission, shall also be available for public inspection at the local offices of the gas utility.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–447. System Which Gas Utility Must Maintain.**

Each gas utility, unless specifically relieved by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions all of the facilities and equipment used in connection with the regulation, measurement and delivery of gas to any customer up to and including the point of delivery into the piping owned by the customer.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–448. System Extensions.**

When a prospective customer or customers of a gas utility makes application for service at a point not immediately adjacent to a service facility of a gas utility, and as long as the requirement for such service is reasonable, and the prospective service is in territory assigned by the commission to the gas utility, the gas utility shall render service under reasonable terms and conditions, unless otherwise authorized by the commission.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–449. Replacement of Meters.**

Whenever a customer requests the replacement of the gas meter on his premises, such request shall be treated as a request for the test of such meter, and, as such, shall fall under the provisions of regulation 103–475 and shall be subject to the provisions of regulation 103–472.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–450. Service Entrance Changes.**

Whenever a customer requests the gas utility to relocate the gas utility's service entrance, the gas utility may require reasonable charges to cover costs incurred to be paid prior to the relocation.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–451. Temporary Service.**

When the gas utility renders temporary service to a customer, it may require that the customer bear all cost of installing and removing the service in excess of any salvage realized.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–452. Procedures for Termination of Service.**

Prior to the termination of gas service pursuant to 103–442 e-m, the following procedures shall be employed by the gas utility:

a. Not less than ten days prior to termination of service, the gas utility shall mail a notice of termination to the affected customer. The notice of termination of service shall include, as a minimum, the following information:

1. Address, telephone number and working hours of the person(s) to be contacted by the customer for the arrangement of a personal interview with an employee of the gas utility with the authority to accept full payment or make other payment arrangements.

2. The total amount owed by the customer for gas services rendered, the date and amount of the last payment and the date by which the customer must either pay in full the amount outstanding or make satisfactory arrangements for payment by installments of such amount.

3. Special Needs Customers.

a. A statement that service to a residential customer who qualifies as a special needs account customer shall only be terminated in accordance with S.C. Code Ann. §58–5–1110 *et. seq.*, as amended. All gas utilities shall publish their procedures for termination of service on their websites.

b. The statement that service to a residential customer during the months of December through March will not be terminated where such customer, or a member of his household at the premises to which service is rendered, can furnish to the utility, no less than (3) days prior to termination of service, or to the terminating crew at time of termination, a certificate on a form provided by the utility and signed by a licensed physician, that termination of gas service would be especially dangerous to such person's health. Such certificate must be signed by the customer and state that such customer is unable to pay in full the amount of the charges due for gas service or is unable to pay by installments. A certification shall expire on the thirty-first day from the date of execution by the physician. Such certification may be renewed no more than three (3) times for an additional thirty (30) day period each. Upon renewal of the certification, the gas utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to him.

4. The availability of investigation and review of any unresolved dispute by the ORS and include the ORS's toll free telephone number.

b. Not more than two business days prior to termination of service, the gas utility shall make reasonable efforts either by telephone or in person to contact the customer to notify him that his service is subject to termination for non-payment. Alternatively, not more than three business days prior to termination of service, the gas utility shall notify the customer by mail that he is subject to termination of service for non-payment. The gas utility shall maintain records of the efforts made to contact such customers. Termination of service may be delayed in case of inclement weather, emergencies or operational conflicts.

c. The gas utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for gas service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than one-sixth of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by regulation 103-439(3). Service to such customer shall not be terminated unless the gas utility has informed the customer that such deferred payment plan is available. Any agreement to extend or defer a payment cut off date by more than five work days is a deferred payment plan. If a customer fails to conform to the terms and conditions of such deferred payment plan, the gas utility may terminate service upon three days written notice, if personally delivered, or upon five days notice by mail.

d. If a residential customer informs the utility that he is unable to make payment in full on his account or to make arrangements for the satisfaction of the balance of his account through a deferred payment plan, the gas utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to the customer.

e. The gas utility shall maintain a record of all deferred payment plans established with customer subject to termination for a period of two years.

f. The gas utility shall provide a copy of the termination notice to any third party identified by the customer upon establishment of the service account or at any time thereafter.

g. The gas service may be terminated only on Monday through Thursday between the hours of 8:00 a.m. and 4:00 p.m., unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. Gas service may not be terminated on the day preceding any day on which the gas utility's collection offices are closed, unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. All employees of gas utilities assigned to terminate service shall be authorized to accept payment from customers subject to termination of service or in lieu thereof, at the utilities' option, allow such customer at least one full working day beyond the initial date set for termination the opportunity to make satisfactory arrangements on the account at the offices of the utility; provided, however, that in certain areas where it has been determined by the utility that the safety of its employees warrants it, those employees shall not be required to accept payments from customers subject to termination.

**HISTORY:** Added by State Register Volume 5, eff April 24, 1981. Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 5  
ENGINEERING**

**103-460. Criteria for Good Engineering Practice.**

The gas plant of a gas system shall be constructed, installed, maintained, and operated in accordance with good engineering practices and regulations included by reference as part of these rules to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103-461. Acceptable Standards.**

Unless otherwise specified by the commission, after hearing if requested, the gas system shall use the applicable provisions in the publications listed below as operational references, where applicable, and as standards of accepted good engineering practices.

- a. The edition of the American Standard Code for "Gas Transmission and Distribution Piping Systems", ANSI B31.8. as referenced in the Federal Pipeline Safety Regulations.
- b. The latest edition of the American Standards Association Pamphlet, ASA Z21.30, "Installation of Gas Appliances and Gas Piping in Buildings", or the latest edition of the National Board of Fire Underwriters publication NFPA No. 54, "Piping, Appliances and Fittings for City Gas".
- c. The edition of the NFPA No. 59, "The Storage and Handling of Liquefied Petroleum Gases at Utility Gas Plants" as referenced in the Federal Pipeline Safety Regulations.
- d. "Standard Methods of Gas Testing", Circular No. 48, National Bureau of Standards, 1961. (The applicable portions of this Circular have been substantially reproduced in the American Meter Company Handbook E-4, covering the testing of positive displacement meters).
- e. "Testing Large Capacity Rotary Gas Meters", Research Paper No. 1741, National Bureau of Standards Journal of Research, September, 1946.
- f. "Orifice Metering of Natural Gas", Report No. 3 of the AGA Gas Measurement Committee.
- g. "Standard Method of Test for Calorific Value of Gaseous Fuels by Water-Flow Calorimeter", American Society for Testing Materials, Standard D 900-55.
- h. The edition of NFPA No. 59A, "Storage and Handling of Liquefied Natural Gas" as referenced in the Federal Pipeline Safety Regulations.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103-462. Acceptable References.**

The following publications are considered by this commission to be acceptable references:

- a. "Accuracy of the Recording Gas Calorimeter When Used With Gases of High BTU Content", by John H. Eiseimen, National Bureau of Standards, and Elwin A. Potter, Gas Inspection Bureau of the District of Columbia, AGA Publication No. CEP-55-13.
- b. Reports prepared by the Practical Methods Committee of the Appalachian Gas Measurement Short Course, West Virginia University, as follows:
  - (1) Report No. 1, "Method of Testing Large Capacity Displacement Meters".
  - (2) Report No. 2, "Testing Orifice Meters".
  - (3) Report No. 3, "Designing and Installing Measuring and Regulating Stations".
  - (4) Report No. 4, "Useful Tables for Gas Men".
  - (5) Report No. 5, "Prover Room Practices".

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103-463. Adequacy of Service.**

The source of supply and transmission facilities for gas, and/or production and/or storage capacity of the gas utility's plant, supplemented by the gas supply regularly available from other sources, must to



the extent reasonably practicable, be sufficiently large to meet all reasonably expectable demands for firm service, unless otherwise authorized by the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-464. Inspection of Plant.**

Each gas system shall adopt a program of inspection of its gas plant in order to determine the necessity for replacement and repair. The frequency of the various inspections shall be based on the gas system's experience and accepted good practice.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-465. Inactive Service Lines.**

1. Service Lines. Each gas system shall conduct a study at intervals not exceeding twenty-four months to determine the number of inactive service lines in their system and shall take necessary steps to meet the following:

a. Inactive service lines for which there is no definite plan for future use or reasonable possibility for future use or are found to be in unsafe condition shall be physically disconnected from the gas supply at the main, purged and the open pipe ends shall be sealed.

b. Inactive service lines for which there is a definite plan for future use or a reasonable possibility for future use may remain connected to the gas supply at the main if such lines are found to be in safe condition, provided that in addition to maintaining such lines in accordance with all other applicable requirements, such lines be monitored at intervals not exceeding twenty-four months by leakage survey to detect conditions detrimental to public safety.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **SUBARTICLE 6 INSPECTION AND TESTS**

### **103-470. Utility Inspection and Tests.**

A. Each gas utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herein provided, as requested by the ORS or as may be approved or ordered by the commission. Unless otherwise directed by the commission, the methods and apparatus recommended by the National Bureau of Standards in the latest edition of its Circular No. 48, "Standard Methods of Gas Testing" may be used.

B. When the gas itself is to be tested pursuant to these rules, a "cubic foot" shall mean the quantity of gas necessary to fill a cubic foot of space when the gas is at an absolute pressure of 14.73 pounds per square inch and at a temperature of sixty degrees Fahrenheit. For purposes of measurement of gas to a customer a cubic foot of gas shall be taken to be the amount of gas which occupies a volume of one cubic foot under the conditions existing in such customer's meter as and where installed.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-471. Periodic Tests.**

These test periods may be extended upon application and approved by the commission, providing that the gas utility can prove by its own records that different test periods are adequate for the protection of the public. Meters may be tested and calibrated in accordance with "Sample Meter Testing Plans" approved by the commission; and gas utilities using a "Sample Meter Testing Plan" shall continue to advise the commission of the results of the operation of the plan.

a. Positive Displacement Meters.

(1) Up to 251 c.f./hr. (at .5 in. water column differential pressure with non-absorptive diaphragm)-Ten years.

(2) 251 to 3000 c.f./hr (at .5 in. water column differential pressure)-Three years.

(3) Over 3000 c.f./hr. (at .5 in. water column differential pressure)-Two years.

b. Orifice Meters.

Six Months.

c. Turbine Meters.

Six Months.

- |   |             |
|---|-------------|
| d. Base Pressure Correcting Devices.              | Two Years.  |
| e. Base Volume Correcting Devices.                | Two Years.  |
| f. Recording Pressure and Temperature Gauges.     | One Year.   |
| g. Secondary Standards.                           |             |
| (1) Test Bottles, one cubic foot                  | Five Years. |
| (2) Dead Weight Testers including Weights         | Five Years. |
| h. Working Standards.                             |             |
| (1) Bell Provers                                  | Five Years. |
| (2) Flow Provers                                  | Five Years. |
| (3) Transfer Provers                              | Five Years. |
| (4) Laboratory Quality Indicating Pressure Gauges | Six Months. |
| (5) Laboratory Quality Thermometers               | Six Months. |

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-472. Meter Testing on Request of Customer.**

A. Each gas utility shall, at any time when requested in writing by a customer upon reasonable notice, test the accuracy of the meter in use by him.

B. No deposit or payment shall be required from the customer for such meter test except when the customer requests a meter test within one year after date of installation or of the last previous test of this meter, in which case the customer may be required by the gas utility to deposit an amount, to cover the reasonable cost of such test, as approved by the commission in the gas utility's tariff or service regulation. The amount so deposited with the gas utility shall be refunded or credited to the customer if the meter is found, when tested, to register more than two percent fast or slow; otherwise the deposit shall be retained by the gas utility.

C. A customer may request to be present when the gas utility conducts the test on his meter, or if he desires, may send a representative appointed by him. The gas utility shall honor such request.

D. A report giving the name of the customer requesting the test; the date of the request; the location of the premises where the meter has been installed; the type, make, size and serial number of the meter; the date of removal; the date tested; and the result of the test shall be supplied to such customer within a reasonable time after the completion of the test.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-473. ORS Inspection and Tests.**

The ORS shall make tests of meters as follows:

a. Upon order of the commission or request to the ORS by a customer or gas utility, a test will be made of customer's meters as soon as practicable.

b. On receipt of such request the ORS shall notify the gas utility and the gas utility shall not remove or adjust the meter until instructed by the ORS. The gas utility shall furnish to the ORS's representative such reasonable assistance as may be required.

c. The customer shall be notified of the test in sufficient time to allow him or his representative to be present.

d. The ORS shall make a written report of the results of the test to the customer and to the gas utility.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-474. Facilities and Equipment for Testing.**

1. General. Each gas utility shall, unless specifically excused by the commission, provide such laboratory, meter-testing equipment and other equipment and facilities as may be necessary to make the tests required of it by these rules or other orders of the commission or as requested by the ORS. The apparatus and equipment so provided shall be subject to the approval of the commission, and it shall be available at all times for the inspection or use of any member or authorized representative of the ORS.

2. Meter Shop. Each gas utility shall maintain or designate a meter shop for the purpose of inspecting, testing and repairing meters. The shop shall be open for inspection by authorized representatives of the ORS at all reasonable times, and the facilities and equipment, as well as the methods of measurements and testing employed, shall be subject to the approval of the commission. The area within the meter shop used for the testing of meters shall be designed so that the meters and meter testing equipment are protected from drafts and excessive changes in temperature. The meters to be tested shall be stored in such manner that the temperature of the meters is substantially the same as the temperature of the prover.

3. Working Standards.

A. Each gas utility furnishing metered gas service shall own an approved type of meter prover or designate a meter shop which is equipped with an approved type of meter prover preferably of not less than two cubic feet capacity, equipped with suitable thermometers and other necessary accessories, and it shall maintain such equipment in proper adjustment so that it shall be capable of determining the accuracy of any service meter to within one-half of one percent.

B. Bell provers shall be so placed that they will not be subjected to drafts or excessive temperature variations.

C. Means shall be provided to maintain the temperature of the liquid in bell provers at substantially the same level as the ambient temperature in the prover room.

D. Each gas utility having meters which are too large for testing on a five cubic foot bell prover shall use a properly calibrated test meter or a properly designed flow prover for testing the large meters.

E. The accuracy of all provers and methods of operating them will be established from time to time by a representative of the ORS. All alterations, accidents, or repairs which might affect the accuracy of any meter prover or the method of operating it shall be promptly reported in writing to the commission and the ORS.

F. Working standards must be checked periodically by comparison with a secondary standard.

1. Bell provers must be checked with a cubic foot bottle which has been calibrated by the National Bureau of Standards, unless another standard is authorized by the commission.

2. Transfer and Flow Provers must be checked with a bell prover of adequate capacity which has been calibrated by representatives of the National Bureau of Standards unless another standard is authorized by the commission.

G. Extreme care must be exercised in the use and handling of standards to assure that their accuracy is not disturbed.

H. Each gas utility must have properly calibrated orifices, as may be necessary, to achieve the rates of flow required to test the meters on its system.

4. Special Meters. Any meter, the readings or record of which is based on the differential pressure in such meter or upon the measurement of any portion of the total gas delivered to a customer, shall be tested for accuracy before being placed in service in a manner satisfactory to the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **103-475. Test Procedures and Accuracies.**

1. Pre-Installation Inspection.

a. Every meter and/or associated metering device shall be inspected and sealed before being placed in service.

b. New or reconditioned meters which have been sealed at the factory need not be resealed in the shop of the gas utility.

2. Post-Removal Inspection and Tests. All meters and/or associated metering devices shall be tested when returned to the meter shop prior to being placed back in service.

3. Leak Tests. Every meter shall be leak tested prior to installation.

a. Each new meter must have been tested by the manufacturer to a minimum of ten p.s.i.g.

b. Meters removed from service and returned to the meter shop shall, prior to being placed back in service, be tested and subjected to an internal pressure of 1.1 times the maximum operating pressure of the meter and checked for the presence of leaks by one of the tests listed under subsection 4 below.

c. Acceptable Leak Tests.

(1) Immersion Tests.

(2) Soap Tests.

(3) Pressure drop test of a type acceptable to the commission.

4. Operating Pressure Limitations.

A. A meter may not be used at a pressure that is more than sixty-seven percent of the manufacturer's shell test pressure.

B. A rebuilt or repaired tinned steel case meter may not be used at a pressure that is more than fifty percent of the pressure used to test the meter after rebuilding or repairing.

5. Method of Testing. All tests to determine the accuracy of registration of any gas service meter shall be made with a suitable meter prover.

The tests of any unit of metering equipment shall consist of a comparison of its accuracy with the accuracy of a standard. The ORS will use the applicable provisions of the standards listed in 103-461 as criteria of accepted good practice in testing meters.

All meters and/or associated metering devices, when tested, shall be adjusted as closely as possible to the condition of zero error. All tolerances listed below are to be interpreted as maximum permissible variations from the condition of zero error.

a. Diaphragm, Displacement, Rotary, and Turbine Meters

(1) Accuracy at Test Points.

FLOW

ADJUSTED TO  
WITHIN

Check Flow (20% of rated meter capacity)

98.5%—100.5%

Full Flow (Equal to or in excess of operating load requirement)

98.5%—100.5%

(2) Actual Accuracy.

The accuracy as determined by averaging the results at the check and open rated flow.

(3) Overall Accuracy.

The accuracy at a check flow and the accuracy at not less than open rated flow shall agree within one percent.

b. Orifice Meters.

Accuracy at test points must be within one-half of one percent plus or minus.

c. Timing Devices.

All recording type meters or associated instruments which have a timing element that serves to record the time at which the measurement occurs must be adjusted as far as practicable so that the timing element is not in error by more than plus or minus five minutes in twenty-four hours.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

#### SUBARTICLE 7 STANDARDS AND QUALITY OF SERVICE

### 103-480. Quality of Service.

A. Each gas utility shall provide the best gas service that can be reasonably expected from the facilities of that gas utility. When the quality of gas service falls below what can be reasonably expected, the gas utility shall, as soon as practicable, provide the proper gas service.

B. All gas supplied to customers shall be substantially free of impurities which may cause corrosion of mains or piping, or form corrosive or harmful fumes when burned in a properly designed and adjusted burner.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–481. Interruption of Service.**

A. Each gas utility shall make reasonable efforts to avoid interruptions of service but when interruptions occur, service shall be re-established within the shortest time practicable, consistent with safety of its employees, customers and the general public.

B. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–482. Restrictions on Use of Service.**

A. The gas utility may impose reasonable restrictions on the use of service during periods of shortage of supply, excessive demand or other difficulty which jeopardizes the supply of service to any group of customers.

B. Restrictions on the use of service made necessary by the shortage of supply shall be made in conformity with the gas utility's curtailment plan approved by the commission.

C. The gas utility may impose reasonable restrictions on the use of service by customers who create conditions which prevent the gas utility from supplying satisfactory service to that customer, or to other customers.

D. If a gas utility finds that it is necessary to restrict the use of service, it shall notify its customers, and give the commission and the ORS written notice, except in emergencies, before such restriction becomes effective. Such notifications shall specify but not be limited to:

1. The reason for the restriction.
2. The nature and extent of the restriction of use by certain classes of customers, etc.
3. The date such restriction is to go into effect.
4. The probable date of termination of such restriction.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–483. Special Tests.**

Before permitting the initial use of gas at any location, a certificate of inspections and tests of the customer-owned piping shall be furnished the gas system by the customer or by the local inspecting authority. All such inspections and tests shall be made in accordance with applicable local codes. In the absence of a local code such inspections and tests shall be in accordance with minimum standards set forth in the latest edition of Southern Standard Gas Code, and the customer or his contractor shall furnish the gas system a certificate of such inspections and tests. The gas system shall advise the customer of this requirement upon initial application for gas service. When gas is turned on by the gas system, the gas system shall take reasonable precaution to prevent potential hazards and, as a minimum precaution, shall make a check for leakage using the gas meter in accordance with a procedure at least equal to that described in the latest edition of the American Standard Installation of Gas Appliances and Gas Piping ASA Z21.30. A visual examination of gas utility owned exposed piping and components thereof, along with soil and vegetation conditions in the general vicinity of buried piping and components shall be conducted as a minimum precaution for the discovery of any existing or potential hazards.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–485. System Pressure Monitoring.**

A. Each gas system shall maintain on its distribution system in each city in which it supplies gas a sufficient number of recording devices, but not less than one, to ensure detections of abnormal system pressures. No gas system shall maintain less than two such recording pressure gauges of which one should be portable. Electronic and/or remote type devices may be utilized in addition to maintaining a portable pressure recording gauge.

B. Each gas system shall keep records of each test of pressures in various parts of its distribution systems. The records obtained shall include as a minimum, the date, time, and location where the

pressure was taken and shall be retained for a two year period. These records may be electronic with suitable back-up means, and the ability to generate a hard copy upon request of the ORS.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## SUBARTICLE 8 SAFETY

### **103–490. General.**

A. The commission hereby adopts the Federal Minimum Safety Standards for the Transportation of Natural and Other Gas, 49 C.F.R. as applicable to gas systems and as amended from time to time, except where otherwise ordered by the commission.

B. Under the authority of S. C. Code Ann. § 58–5–980 (1976), the commission herein establishes additional minimum safety standards, as noted infra. Such modifications reflect additional requirements to those established by 49 C.F.R., and are not to be construed as deleting the existing Federal requirement.

C. Under the authority of S. C. Code Ann. § 58–5–960 (1976), the safety standards adopted by the commission apply to all gas systems.

D. As criteria of accepted good safety practice, in addition to those of 49 C.F.R., as amended from time to time, the commission will use the applicable provisions of the standards listed in regulation 103–461.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–491. Protective Measures.**

A. Each gas system shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.

B. The gas system shall give reasonable assistance to the ORS in the investigation of the cause of accidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of preventing accidents.

C. Each gas system shall maintain a summary of all reportable accidents arising from its operations.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–492. Safety Program.**

Each gas system shall adopt and execute a safety program, fitted to the size and type of its operations. As a minimum, the safety program should comply with the Federal Regulations: Minimum Safety Standards for the Transportation of Natural and Other Gas, 49 C.F.R., as amended from time to time:

a. Require employees to use suitable tools and equipment in order that they may perform their work in a safe manner.

b. Instruct employees in safe methods of performing their work.

c. Instruct employees, who, in the course of their work are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

d. Establish liaison with appropriate public officials including fire and police officials in anticipation of a potential emergency.

e. Establish an educational program to enable customers and the general public to recognize and report a gas emergency to the appropriate officials.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–493. Leakage.**

1. General. Any notice to the gas system of a leak or odor or notification of damage to gas facilities reported by any source shall constitute the need for immediate action by the gas system. In the event

that the response time exceeded one (1) hour, the reason should be included in the report to the ORS as well as the grade level of the leak and other pertinent information.

2. Classification. Each gas system shall establish procedures for classifying and repairing leaks meeting the requirements of this section:

Grade 1—Grade 1 means a leak that represents an existing or probable hazard to persons or property and requires immediate repair or continuous action until the conditions are no longer hazardous.

Grade 2—Grade 2 means a leak that is recognized as being nonhazardous at the time of detection but requires scheduled repair based on probable future hazard.

Grade 3—Grade 3 means a leak that is nonhazardous at the time of detection and can be reasonably expected to remain nonhazardous.

3. Leakage Surveys.

All buried piping not protected against corrosion in accordance with 49 C.F.R. Section 192, Subpart I, must be subjected to instrument leakage surveys as frequently as necessary, but at intervals not exceeding twelve months.

4. Vegetation Leakage Surveys.

Vegetation type leak surveys are prohibited.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–494. Interruptions in Service.**

A. Each gas system shall adopt and file with the commission, for approval, and provide a copy to the ORS procedures to protect customers during periods when operating conditions require interruptions in service due to scheduled or unscheduled curtailments, line breakage, equipment malfunctions, and force majeure conditions.

B. Such procedures shall insure that adequate safety precautions are taken to prevent hazards to which gas system employees, gas system customers and the general public may be subjected.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **ARTICLE 5 SEWERAGE UTILITIES SUBARTICLE 1 GENERAL**

### **103–500. Authorization of Rules.**

A. Section 58–5–210 of the Code of laws of South Carolina, 1976, provides: “That the Public Service Commission, is hereby, to the extent granted, vested with power and jurisdiction to supervise and regulate the rates and service of every public utility in this State, together with the power, after hearing, to ascertain and fix such just and reasonable standards, classifications, regulations, practices, and measurements of service to be furnished, imposed, observed and followed by every public utility in this State, and the State hereby asserts its rights to regulate the rates and services of every public utility as herein defined.” In accordance with the above provisions the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern sewer service by public utilities. All previous rules or standards are hereby revoked, annulled, and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint, upon the application of any utility, or upon its own motion. Furthermore, these rules shall not relieve either the commission or the Utilities of any duties prescribed under the laws of this State.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–501. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, or association, establishment, corporation (except public utilities owned or operated by any municipality or agency thereof

and/or any sewer authority specifically exempted by statute) which is now or may hereafter become engaged as a public utility in the business of collecting or treating sewerage for any sewerage customer within the State of South Carolina.

2. Purpose. These rules are intended to define good practice. They are intended to insure adequate and reasonable service. The Utilities shall assist the commission and the ORS in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rules or regulations may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

## **103-502. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below:

### **103-502.1. Commission.**

The Public Service Commission of South Carolina.

### **103-502.2. Customer.**

Any person, firm, partnership, or corporation, or any agency of the Federal, State, or Local Government, being supplied with service by a utility under the jurisdiction of this commission. Customers shall be classified for purposes of applying rates as “residential”, “commercial”, or “industrial”.

### **103-502.3. Customer Main Extension Fee.**

A fee paid by a customer under a contract entered into by and between the utility and its customer providing terms for the extension of the utility’s mains to service the customer.

### **103-502.4. Customer Service Line.**

The portion of pipe on the customer’s premises which transports sewerage from the customer’s premises to the “utility service line”.

### **103-502.5. Homeowners Association.**

An association of lot owners located in a particular subdivision or development incorporated under the laws of this State as a non-profit corporation, including as one of its purposes, the operation of a sewerage system to serve the particular subdivision or development. Each homeowners association, prior to the commencement of operations of a sewerage system, shall file with the commission and provide a copy to the ORS (a) a certified copy of its certificate of incorporation; (b) a copy of the corporation’s bylaws; (c) a copy of any declaration of covenants, conditions and restrictions on real property in the subdivision or development filed in conjunction with the formation of the homeowners association; (d) a copy of the permit or authorization from the Department of Health and Environmental Control issued to the homeowners association to operate the system, and (e) copies of a statement signed by each lot owner disclosing that the sewerage services in the subdivision are provided by a non-profit homeowners association, in which each lot owner is a voting member, and that an appropriate assessment to meet operating expenses of the Utility must be paid by each lot owner.

### **103-502.6. Main.**

A sewerage pipe owned, operated, or maintained by a utility, which is used to transport sewerage, but does not include the “utility service line”, or “customer service line”.

### **103-502.7. Premises.**

A piece or tract of land or real estate, including buildings and other appurtenances thereon.

### **103-502.8. Rate.**

The term “rate”, when used in these rules and regulations, means and includes every compensation, charge, toll, rental, classification, or availability fee, or any of them, including tap fee, or other non-recurring charges demanded, observed, charged, or collected by any utility for any service offered by it to the public, and any rules, regulations, practices, or contracts affecting any such compensation,



charge, toll, rental, classification, or availability fee. An application for approval of any rate schedule will not be accepted for filing under S.C. Code Ann., § 58-5-240 unless accompanied by the information specified under 103-512(4).

**103-502.9. The Office of Regulatory Staff.**

The executive director and employees of the Office of Regulatory Staff.

**103-502.10. Tap Fee.**

A non-recurring, non-refundable charge related to connecting the customer to the utility's system which includes the cost of installing the utility's service line from the main to the customer's premises and a portion of plant capacity which will be used to provide service to the new customer. Plant capacity shall be computed by using the Guide Lines for Unit Contributory Loadings to Wastewater Treatment Facilities (1972) to determine the single family equivalency rating. Any privately-owned corporation, firm, partnership, or individual empowered by contract, or otherwise, to collect a tap fee from a customer for the provision of sewerage service to that customer shall be considered a utility, and shall obtain commission approval prior to collecting tap fees, or any other rates for sewerage service. An application for approval of any rate change shall not be considered unless the filing contains appropriate exhibits setting forth all cost criteria justifying the tap fee, setting forth the portion of the tap fee related to installing the service line and the portion related to plant capacity.

**103-502.11. Utility.**

Every person, firm, partnership, association, establishment or corporation furnishing or supplying in any manner sewerage collection and/or sewerage disposal service to the public or any portion thereof, for compensation. A "homeowners association", as defined in 5 of this rule and subject to the requirements set forth herein, upon commission order, may be found not to be a utility.

**103-502.12. Utility Service Line.**

The portion of pipe which runs from the customer's premises to the main, and which receives sewerage from the "customer service line".

**103-502.13. Sewerage or Wastewater Plant.**

Plant and property owned by a utility, used in its business operations of providing sewerage collection and/or sewerage disposal service to its customers.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-503. Authorization for Rates and Charges.**

A. No schedule of rates, contracts, or rules and regulations, shall be changed until after the proposed change has been approved by the commission.

B. All rates, contract forms, and rules and regulations, proposed to be put into effect by any utility as defined in 103-502(11) shall be first approved by this commission before they shall become effective, unless they are exempt from such approval by statute or other provision of law.

C. No rate, contract, or rule and regulation of any utility under the jurisdiction of this commission shall be deemed approved or consented to by the mere filing of a schedule, or other evidence thereof, in the offices of the commission.

D. Each customer within a given classification (i.e., residential, commercial, or industrial) shall be charged the same approved rate, including tap fees, as every other customer within that classification, unless reasonable justification is shown for the use of a different rate, and a contract or tariff setting for the different rate has been filed and approved by the commission through the issuance of an order or directive.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-504. Territory and Certificates.**

No existing public utility supplying wastewater disposal to the public, or any individual, corporation, partnership, association, establishment, or firm undertaking the construction or acquisition of a utility, shall hereafter sell, acquire, transfer, begin the construction or operation of any utility system, or of any extension thereof, by the sale of stock or otherwise, without first obtaining from the commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and

necessity require or will require construction or operation of any utility system, or extension. Such certificate shall be granted only after the applicable information set forth in Subarticle 2, 103-510 et seq., has been filed with the commission and provided to the ORS, and after notice has been given to the Department of Health and Environmental Control and to other interested wastewater utilities, and to the public, and after due hearing. Provided, however, that this regulation shall not be construed to require any existing utility to secure a certificate for an extension within or to territory already served by it, necessary in the ordinary course of its business. But, if any utility in constructing or extending its lines, plant or system unreasonably interferes, or is about to unreasonably interfere, with the service or system of any other utility, the commission may make such order, and prescribe such terms and conditions, in harmony with this regulation, as are just and reasonable.

**HISTORY:** Amended by State Register Volume 24, Issue No. 5, eff May 26, 2000; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-505. Utility Rules and Regulations.**

Each utility shall adopt rules, regulations, operation procedure policies, terms and conditions, etc., as may be necessary in the operation of the Utility. Such service conditions and/or regulations shall be approved by and filed with the commission and provided to the ORS.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-506. Security Issues.**

A. No utility shall issue any securities without the approval of the commission. This rule shall not apply to any issue of securities payable within one year from the date of issue, except in case of subsequent issues made to refund such short-term obligations; but such short-term obligations may be renewed by similar obligations without the approval of the commission for an aggregate period not exceeding two years.

B. Any utility desiring to issue any securities may apply to the commission for approval of the proposed issue by filing an application with the commission and serving a copy on the ORS together with a statement verified by (1) its president and secretary or other appropriate officers; (2) two of its incorporators; or (3) by its owner or owners, if it is unincorporated, setting forth:

- (a) The amount and character of securities proposed to be issued;
- (b) The purpose for which they are to be issued;
- (c) The consideration for which they are to be issued;
- (d) The description and estimated value of the property, if any, to be acquired through the proposed issue;
- (e) The terms and conditions of the issuance; and
- (f) The financial condition of the utility and its operations so far as relevant.

C. The commission shall determine whether the purpose of the issue is proper; shall value the property or services, if any, to be acquired by the issue; shall find and determine the amount of such securities reasonably necessary for the purpose for which they are to be issued. This determination shall follow such investigation as may be necessary, wherein the utility and any other interested party shall be entitled to be heard.

D. To the extent that the commission may approve the proposed issue, it shall grant to the utility a Certificate of Authority stating the character of the securities, the amount reasonably necessary for the purpose for which they are to be issued, and the value of any property or services, if any, to be acquired. This certification shall not impose or imply any guaranty or obligation as to such securities on the part of the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103-510. Location of Records and Reports.**

All records required by these rules are necessary for the administration thereof, shall be kept within an office located in this State, unless otherwise specifically authorized by the commission. These

records shall be available for examination by the ORS or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-511. Retention of Records.**

Unless otherwise specified by the commission, or by regulations or commission Orders governing specific activities, all records required by these rules shall be preserved according to the most current edition of *Regulations to Govern the Preservation of Records for Electric, Gas and Water Utilities*, published by the National Association of Regulatory Utility Commissioners (NARUC). Following are certain modifications to those record retention periods:

(A) Item 30. Plant ledgers:

a. Ledgers of utility plant accounts including land and other detailed ledgers showing the cost of utility plant by class for the life of the utility.

b. Continuing plant inventory ledger, book or card records showing description, location, quantities, cost, etc. of physical units (or items) of utility plant owned - life of the utility.

(B) Item 32. Retirement work in progress ledgers, work orders and supplemental records:

a. Work order sheets to which are posted the entries for removal costs, materials recovered and credits to utility plant accounts for cost of plant retired - life of the utility.

(C) Other - Records related to a test year used in a rate adjustment proceeding shall be preserved for a period of two years after the final order in such case or throughout the period that the Order by the Public Service Commission concerning the rate adjustment may be appealed, whichever is later. The utility shall maintain beyond this two-year period sufficient records to verify and substantiate all requirements included in these rules.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-512. Data to be Filed with the Commission and Provided to the ORS.**

#### **103-512.1. Annual Report.**

Each utility operating in the State shall file an annual report with the commission and provide a copy to the ORS giving accounting and other information as the commission orders. The commission or the ORS will provide an annual report form upon request. If the utility's books are maintained on a calendar year, the annual report must be filed on or before April 1st of each year. If the utility uses a fiscal year other than December 31st, the annual report should be filed within three months after the end of the fiscal year.

#### **103-512.2. Current Information and Documents.**

The utility shall file with the commission and provide a copy to the ORS the following documents and information, and shall maintain such documents and information in a current status.

##### **103-512.2.1. Tariff.**

A copy of each schedule of rates and charges for service, together with the applicable riders, including any rules and regulations, or terms and conditions describing policies and practices of rendering service shall be provided to the commission and the ORS.

##### **103-512.2.2. Special Contract Forms.**

A copy of each special contract for service, including aid to construction agreements, and rate agreements shall be provided to the commission and the ORS.

##### **103-512.2.3. Customer Bill.**

A copy of each type of customer bill form, which shall include the information which is normally shown on a customer's bill for service shall be provided to the ORS.

##### **103-512.2.4. Operating Area Maps.**

A map of the utility's operating area. This map shall be revised and submitted to the ORS annually unless such revision is unnecessary, in which event the utility shall notify the ORS that the map on file is current. The map should show:

(a) Location of transmission lines, pumping stations, waste treatment plants and discharge points;

- (b) Mains by size;
- (c) Service area clearly drawn on operating area map using proper surveying standards;
- (d) Names of all communities (post offices) served; and
- (e) Capacity of the system.

**103-512.2.5. Authorized Utility Representative.**

The utility shall advise the commission and ORS of the name, title, address, and telephone number of the person who should be contacted in connection with:

- (a) General management duties;
- (b) Customer relations (complaints);
- (c) Engineering operations; and
- (d) Emergencies during non-office hours.

**103-512.3. Performance Bond.**

Prior to operating, maintaining, acquiring, expanding or improving any utility system, for which commission approval is required, the utility shall have on file with the commission and provide a copy to the ORS a performance bond with sufficient surety using a format prescribed by the commission.

**103-512.3.1. Amount of Bond.**

The amount of bond shall be based on, but not limited to, the total amount of the following categories of expenses for twelve months: Operation and Maintenance Expenses, General and Administrative Expenses, Taxes Other Than Income Taxes, Income Taxes, and Debt Service including Interest Expenses. The minimum amount of the bond shall be \$100,000 and the maximum amount of the bond shall be \$350,000 based on the verified expenses of the utility for the preceding twelve-month period. A bond shall be required for each water and wastewater provider under the jurisdiction of the Public Service Commission. A certification that the face amount of the bond on file with the commission complies with the provisions of 103-512.3.1 of this rule shall be filed with the annual report required by 103-512.1 of this rule. The ORS shall review the annual reports and certifications and determine whether the present bond of the utility accurately reflects the expenses of the utility. Based upon the expenses of the utility as submitted in the annual report and as reviewed and adjusted by the ORS, the ORS shall make recommendations for increasing or reducing the amount of the bond within the minimum and maximum limits as prescribed by statute.

**103-512.3.2. Sureties.**

Sufficient surety may be any duly licensed bonding or insurance company authorized to do business in this State. A corporate surety, other than such a bonding or insurance company, shall not be considered sufficient surety. Sufficient surety may be any individual, as stockholder, partner, sole owner, etc., in the utility, so long as the individual surety's net worth is at least twice the face amount of the performance bond.

**103-512.3.3. Financial Statement.**

Upon order of the commission, when any individual acts as surety, he shall file with the commission and provide a copy to the ORS annually a financial statement verified by said surety showing the individual surety's personal assets, liabilities, and net worth. The commission may accept a verification of the financial statement in a format prescribed by the commission, including third-party verification.

**103-512.4. Rate Applications.**

A. When a utility makes application for an increase in existing rates and charges, such application shall not be accepted for filing unless it contains the following information:

- 1) A statement of reason justifying the need for the proposed rate adjustments;
- 2) Current income and expense statement for the preceding twelve months;
- 3) Proposed rate schedule;
- 4) Test year proposed to be used;
- 5) Pro-forma income and expense statement using proposed rates applied to proposed test year;
- 6) Balance sheet;
- 7) Depreciation schedule by categories of plant or average service lives;

- 8) Number of present and expected customers in the following twelve months;
- 9) Cost justifications for proposed rates and charges, including tap fees, with attached schedules depicting labor costs, materials costs, and miscellaneous costs;
- 10) Filing or updating of performance bond in accordance with 3 of this rule;
- 11) Current or updated service area map;
- 12) Statement of total plant investment;
- 13) Most recent letter of approval from the Department of Health and Environmental Control;
- 14) Customer bill form;
- 15) Annual Report on file and evidence of last period Gross Receipts paid; and
- 16) Any other pertinent or relevant information determined necessary by the commission.

B. When any utility makes application for establishment of a service area and rates and charges, such application shall contain the following information:

- 1) Copy of articles of incorporation or partnership agreement;
- 2) Plat of proposed area to be served;
- 3) Copy of engineering plans and specification designed or certified to be in accordance with good engineering practices by a professional engineer registered in South Carolina;
- 4) Construction permit from the South Carolina Department of Health and Environmental Control approving the engineering plans and specifications;
- 5) Schedule of proposed rates and charges and cost justifications including tap fees with attached schedules depicting labor costs, materials costs, and miscellaneous costs;
- 6) Number of customers proposed to be served and the capacity of the system;
- 7) Financial statement showing proposed plant investment by categories;
- 8) Depreciation schedule by categories of plant or average service lines;
- 9) Pro-forma income and expense statement showing the effect of using the proposed rates based on plant capacity;
- 10) Filing of performance bond in accordance with 3 of this rule;
- 11) Statement by a professional engineer that the system was built and installed according to plans and specifications on file with the commission and will furnish adequate service for the area to be served;
- 12) Letter from the South Carolina Department of Health and Environmental Control approving the system for operation;
- 13) Customer bill form; and
- 14) Any other pertinent or relevant information determined necessary by the commission.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 27, Issue No. 2, eff February 28, 2003; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-513. Inspection of Plant and Equipment.**

A. Each utility shall, upon request of the ORS, provide to the ORS a statement regarding the condition of the waste treatment facility and the adequacy of the treatment provided by the facility as determined by the Department of Health and Environmental Control and any other information concerning the plant, equipment, facilities and service in such a form as the commission may require or as the ORS may request.

B. Each utility shall keep sufficient records to give evidence of compliance with its inspection program as set forth in Subarticle 6, 103-560 et. seq.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-514. Interruption of Service/Violation of Rules.**

A. Each utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any single community or an important division of a

community, including a statement of the time, duration, and cause of any such interruption. The commission and the ORS should be notified of any interruption lasting more than six hours as soon as it comes to the attention of the utility and a complete report made after restoration of service.

B. Each utility shall make all reasonable efforts to prevent interruptions of service and, when such interruptions occur, shall endeavor to re-establish service with the shortest possible delay consistent with the safety of its consumers and the general public. Scheduled interruptions shall always be preceded by adequate notice to all affected customers.

C. All Wastewater Utilities under the jurisdiction of the commission shall file with the commission and the ORS in writing a notice of any violation of a PSC regulation or a DHEC regulation which results in the issuance of a DHEC order. If the report includes information regarding a DHEC violation which results in the issuance of a DHEC order, the filer shall note if the DHEC order is under appeal and shall inform the commission of the resolution of the appeal. This notice shall be filed within twenty-four hours of the time of the inception of the violation or of the utility's receipt of the issuance of a DHEC order and shall detail the steps taken to correct the violation, if the violation is not corrected at the time of occurrence. The Company shall notify the commission and the ORS in writing within fourteen calendar days after the violation has been corrected.

D. All Wastewater Utilities under the jurisdiction of the commission shall provide the ORS Consumer Services Division a copy of all advisories affecting ten or more customers within twenty-four hours of issuance. The utility shall notify the ORS Consumer Services Division in writing when the advisory has been lifted.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007; State Register Volume 33, Issue No. 6, eff June 26, 2009.**

### **103-515. Accidents.**

Each utility shall, as soon as possible, report by telephone to the ORS each accident happening in connection with the operation of its property, facilities, or service, wherein any person shall have been killed or seriously injured or whereby any serious property damage shall have been caused. Such first report shall later be supplemented by a full statement provided to the ORS of the cause and details of the accident and the precautions, if any, which have been taken to prevent similar accidents.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-516. Complaints.**

Complaints by customers concerning the charges, practices, facilities or services of the utility shall be investigated promptly and thoroughly. Each utility shall keep a record of all such complaints received, which record shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990.**

### **103-517. Accounting Procedures.**

All books and records of the utility shall be maintained in accordance with the NARUC Uniform System of Accounts for Class A, B and C Sewerage Utilities to the extent applicable. Such records must be made available for examination by the ORS or its authorized representatives at all reasonable hours. Full cooperation will be provided by the utility during rate adjustment audits or compliance audits conducted by the ORS or its representatives.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

## **SUBARTICLE 3 METERS**

### **103-520. Change in Character of Service.**

In order that the utility may provide a proper service facility, the customer shall advise the utility of expected service requirements sufficiently in advance of the time service is required and shall also

advise the utility of any significant increase or decrease in service needs sufficiently in advance of the time to change service facilities.

#### SUBARTICLE 4 CUSTOMER RELATIONS

### **103-530. Customer Information.**

Each utility shall:

A. Maintain up-to-date maps, plans, or records of its entire force main collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.

B. Notify each affected customer in writing as prescribed by the commission of any proposed change in rates and charges. A certification that the above notice requirements has been met shall be furnished to the commission by the utility prior to the public hearing.

C. Provide that a complete schedule, contract forms, rules and regulations, etc., as filed with the commission and provided to the ORS, shall also be on file in the local offices of the utility and shall be open to the inspection by the public.

D. Assist prospective customers in selecting the most economical rate schedule applicable.

E. Provide adequate means (telephone, etc.) whereby each customer can contact an authorized representative of the utility at all hours in cases of emergency or unscheduled interruptions of service.

F. Notify any customer making a complaint recorded pursuant to R.103-516 that the utility is under the jurisdiction of the commission and that the customer may notify the ORS of the complaint.

G. Inform each prospective customer from whom a deposit may be required of the provisions contained in R.103-531 and its subsections.

H. Inform each prospective customer that the customers service line and plumbing shall conform to all local plumbing codes, and in the absence of such codes shall conform to the Southern Standard Plumbing Code.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-531. Customer Deposits.**

Each utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

(a) The customer's past payment record to a sewerage utility shows delinquent payment practice, i.e., has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears in the past 24 months, or

(b) A new customer cannot furnish either a letter of good credit from a reliable source or an acceptable cosignor to guarantee payment, or

(c) A customer has no deposit and presently is delinquent in payments (i.e., has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears, in the past 24 months), or

(d) A customer has had his service terminated for nonpayment.

#### **103-531.1. Amount of Deposit.**

A. A maximum deposit may be required up to an amount equal to an estimated two (2) months (60 days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months based on the experience of the preceding twelve (12) months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

#### **103-531.2. Interest on Deposits.**

A. Simple interest on deposits at the rate as determined by commission Order shall be paid by the utility to each customer required to make such deposit for the time it is held by the utility, provided that no interest need be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**103-531.3. Deposit Records.**

Each utility shall keep a record to show:

- (a) The name and address of each depositor;
- (b) The amount and date of the deposit; and
- (c) Each transaction concerning the deposits.

**103-531.4. Deposit Receipt.**

Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a depositor may establish his claim if his receipt is lost.

**103-531.5. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive 30-day arrearages or more than two non-consecutive 30-day arrearages in the past 24 months.

**103-531.6. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least one year during which time the sewerage utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by law.

**103-531.7. Deposit Credit**

Where a customer has been required to make a deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of nonpayment of bill, a utility shall apply the deposit of such customer toward the discharge of the customer's account, and shall as soon thereafter as practicable, refund the customer any excess of the deposit. If, however, the customer whose service has been disconnected for nonpayment, pays the arrears on his account within 72 hours after service has been disconnected, and applies for reconnection, the utility may not charge an additional deposit except under the provisions of R.103-531.1.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-532. Customer Billing.**

The utility shall bill each customer as promptly as possible.

**103-532.1. Customer Bill Forms**

The bill shall show:

- (a) The gross and/or net amount of the bill;
- (b) Person to whom bill is sent;
- (c) Dates for which bill is rendered;
- (d) The applicable rate schedule, or identification of the rate schedule. If the actual rates are not shown, the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request;
- (e) Telephone number where utility can be contacted during regular office hours and non-office hours; and
- (f) Date payment is due.



### **103-532.2. Late Payment Charges.**

A maximum of one and one-half percent (1 and  $\frac{1}{2}$  %) be added to any unpaid balance not paid within 25 days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late-payment charge will be made in lieu of any other penalty.

### **103-532.3. Payment by Check.**

The utility at its option for good cause may refuse to accept a check tendered as payment on a customer's account and require payment in cash or other certified funds. Good cause must be justified by a sewerage utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant. For the purposes of this regulation, the sewerage utility may not consider indebtedness that was incurred by the customer or any member of his household more than six (6) years prior to the time of application.

### **103-532.4. Charges for Disconnection and Reconnection.**

Whenever service is disconnected for violation of rules and regulations, nonpayment of bills or fraudulent use of service, or at the request of the customer the utility shall not be required to reconnect such service until any arrearages have been paid and a reconnection fee of two-hundred-fifty dollars (\$250.00) has been paid to the utility. A reconnection fee shall be reduced to thirty-five dollars (\$35.00) when disconnection has been made by the use of an elder valve or similar device.

### **103-532.5. Deferred Payment Plan.**

The utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by R.103-532.2. Service to such customer shall not be terminated unless the utility has informed the customer that such deferred payment plan is available. A deferred payment plan is any agreement to extend or defer a payment cut-off date by more than 5 work days. If a customer fails to conform to the terms and conditions of such deferred payment plan, the utility may terminate service upon fifteen days written notice, with copies of such termination notice mailed to DHEC and the ORS.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **103-533. Adjustment of Bills.**

If it is found that a utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such utility than that prescribed in the schedules of such utility applicable thereto, then filed in the manner provided in Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from a utility for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be provided by the following:

1. Customer Inadvertently Overcharged. If the utility has inadvertently overcharged a customer as a result of a misapplied schedule or any other human or machine error, the utility shall at the customer's option credit or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

(a) If the interval during which the customer was overcharged can be determined, then the utility shall credit or refund the excess amount charged during the entire interval provided that the applicable statute of limitations shall not be exceeded.

(b) If the interval during which the customer was overcharged cannot be determined, then the utility shall credit or refund the excess amount charged during the twelve-month period preceding the date when the billing error was discovered.

2. Customer Inadvertently Undercharged. If the utility has undercharged any customer as a result of a misapplied schedule, or any human or machine error, then the utility may recover the deficient amount as provided as follows:

(a) If the interval during which a customer was undercharged can be determined, then the utility may collect the deficient amount incurred during that interval up to a maximum period of six months.

(b) If the interval during which a consumer was undercharged cannot be determined, then the utility may collect the deficient amount incurred during the six-month period preceding the date when the billing error was discovered by the utility.

(c) The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

3. Customer Willfully Overcharged. If the utility has willfully overcharged any customer, the utility shall refund the difference, plus interest, as prescribed by the commission for the period of time that can be determined that the customer was overcharged.

4. Customer Undercharged Because of Fraud or Willful Misrepresentation. If the utility has undercharged any customer because of the customer's fraudulent actions or because the customer has willfully misrepresented a material fact resulting in an undercharge, or if it is shown that the customer is aware of any fraudulent or illegal action by another person such as tampering with the facilities owned by the utility and it is evident that such action benefits the customer, or if it is evident that a customer has knowledge of being undercharged without notifying the utility of such, then the utility may recover the deficient amount provided as follows:

(a) If the interval during which the customer was undercharged can be determined, then the utility shall collect the deficient amount incurred during that entire interval provided that the applicable statute of limitations is not exceeded.

(b) If the interval during which the customer was undercharged cannot be determined, then the utility shall collect the deficient amount incurred during the twelve-month period preceding the date when the billing error was discovered by the utility.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-534. Application for Service.**

A. All applications for sewerage service may be made orally or in writing.

B. The accepted application shall constitute a contract between the company and the applicant, obligating the applicant to pay for sewerage service in accordance with the utility's tariff currently on file with the Public Service Commission and the ORS, and to comply with rules and regulations

C. When a customer desires to have his service terminated, he must notify the utility and such notification may be orally or in writing. The utility shall be allowed a reasonable period of time after the receipt of such notice to terminate service.

C. When a customer desires to have his service terminated, he must notify the utility and such notification may be orally or in writing. The utility shall be allowed a reasonable period of time after the receipt of such notice to terminate service.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-535. Denial or Discontinuance of Service.**

Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued.

A. Without notice in the event of a condition determined by the utility, the commission by order, or the South Carolina Department of Health and Environmental Control to be hazardous or dangerous.

B. In the event of customer use of equipment in such a manner as to affect adversely the utility's service to others.

C. In the event of unauthorized use of the utility's service.

D. For customer tampering with equipment furnished and owned by the utility. The customer shall make every reasonable effort to prevent tampering and shall notify the utility immediately of any tampering with damage to, or removal of any equipment.

E. For violation of and/or non-compliance with these rules and regulations.

F. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.

G. For failure of the customer to permit the utility reasonable access to its equipment.

H. For non-payment of any amounts due for connection charges and/or for service rendered provided that the utility has made a reasonable attempt to effect collection and has given the customer the proper notice as required by R.103-535.1.

I. For molesting or tampering with any service or sewerage pipe, or for illegally making connection into any sewerage line for the disposal of drainage surface waters.

J. For failure of the customer to provide the utility with a deposit as authorized by R.103-531.

K. For failure of the customer to furnish permits, certificates, and/or rights of way, as necessary to obtaining service, or in the event such permissions are withdrawn or terminated.

L. No sewer utility shall be required to furnish its sewerage service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such sewer utility company for sewerage service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the sewer utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six (6) years prior to the time of application.

M. The utility may discontinue a customer's service should that customer be in arrears on an account for service at another premises unless the customer pays a reasonable amount of his arrears account and makes reasonable arrangement with the utility to amortize the balance of such past due or arrears account over a reasonable length of time, not to exceed twelve months.

N. For the reason that the customer's use of the utility's service conflicts with, or violates, orders, ordinances or laws, of the State or any subdivision thereof, or of the commission.

O. In the case of a landlord/tenant relationship where the tenant is the customer, the utility may require the landlord to execute an agreement wherein such landlord agrees to be responsible for all charges billed to that premises in accordance with the approved tariffs for that utility and the Rules of the commission, and said account shall be considered the landlord's and tenant's account. In the event the landlord refuses to execute such an agreement, the utility may not discontinue service to the premises unless and until the tenant becomes delinquent on his account or until the premises are vacated. The utility may discontinue service pursuant to R.103-535.1 if the account is delinquent or may discontinue service at the time the premises are vacated and the utility shall not be required to furnish service to the premises until the landlord has executed the agreement, and paid any reconnection charges.

P. No utility shall be required to furnish, or continue to furnish its sewerage service to any premises to which the utility has not inspected the service connection, provided however, if the utility has waived its right to inspect the service connection, it may not refuse to furnish nor refuse to continue service to the premises.

Q. For nonpayment of any connection charge properly imposed by the utility and owed by the customer provided that the utility has made a reasonable attempt to effect collection and has given the customer 30 days written notice, sent by certified mail to the customer's billing address, with a copy forwarded to the commission. A connection charge owed by a third party or a previous occupant or owner of premises is not deemed to be owed by the current customer, and that current customer's service may not be disconnected under such circumstances.

**103-535.1. Notice Prior to Discontinuance of Service.**

Before any sewerage service may be discontinued, the utility must give thirty (30) days written notice to the customer, by certified mail, unless R.103-535.A is applicable, with copies forwarded to the appropriate county health department and the ORS. At the expiration of the thirty (30) day period, the utility shall post a second notice by certified mail to the customer advising that in not less than 10 days nor more than 30 days, his service may be discontinued at any time without further notice. After

the physical disconnection of any sewerage service, the Division of Environmental Health of the South Carolina Department of Health and Environmental Control and the ORS shall immediately be notified of the action and the name and address of the customer. Service will be terminated only on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service. The utility must inform the customer in the notice that the customer can contact the ORS if the customer disputes the discontinuance of service.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-536. Insufficient Reasons for Denying Service.**

The following shall not constitute sufficient cause for refusal of service to a present or prospective customer.

- A. Non-payment for service by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.
- B. Failure to pay for merchandise purchased from the utility.
- C. Failure to pay for a different type or class of public utility service.
- D. Failure to pay the bill of another customer as guarantor thereof.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994.

### **103-537. Right of Access.**

A. The authorized agents of the utility shall have the right of access to the customer's premises, at reasonable hours, for the purpose of inspecting the customer's sewerage connections and for any other purpose which is proper and necessary in the conduct of the utility's business.

B. When a sewerage line which is property of a utility is on the property of a resident in the utility's service area which is on file with the ORS, the resident shall provide reasonable access to the utility for maintenance thereof. Any damage done to the property by the utility shall be corrected by the restoration of comparable grass, shrubbery, and trees from nursery stock to conform with the condition before the maintenance process began.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-538. Customer Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the utility shall be investigated promptly and thoroughly. The utility shall keep such records of customer complaints as will enable it and ORS to review and analyze the utility's procedures and actions. All customer complaints will be processed pursuant to R.103-516 and R.103-530.F.

B. When the ORS has notified the utility that an oral complaint has been received concerning a specific account and such complaint has been received by the ORS before service is terminated, the utility shall not discontinue the service of that account until the ORS's investigation is completed and the results have been received by the utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-539. Tariff's Rules and Regulations.**

A copy of the utility's tariffs as filed with this commission and provided to the ORS will be on file in the local business offices of the utility and shall be available for public inspection.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-540. System Which Utility Must Maintain.**

Each utility, unless specifically relieved in any case by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions of all of its facilities and equipment used

in connection with the services it provides to any customer up to and including the point of delivery from systems or facilities owned by the customer.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-541. Contracts.**

No utility shall execute or enter into any agreement or contract with any person, firm, partnership, or corporation or any agency of the Federal, State or local government which would impact, pertain to, or effect said utility's fitness, willingness, or ability to provide sewerage service, including but not limited to the collection or treatment of said wastewater, without first submitting said contract in form to the commission and the ORS and obtaining approval of the commission.

**HISTORY:** Added by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 5 ENGINEERING**

### **103-550. Good Engineering Practice.**

The sewerage plant of the utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

### **103-551. Design and Construction Requirements**

The design and construction of the sewerage plant shall conform to the requirements of the Bureau of Water of the South Carolina Department of Health and Environmental Control.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-552. Minimum Pipe Size.**

The mains shall be at least eight (8) inches inside diameter and the utility's service pipes shall be at least four (4) inches inside diameter.

### **103-553. Adequacy of Sewerage Plant.**

The capacity of the utility's plant for the collection, transmission, treatment and disposal of sewage, sewage effluent and other removed substances must be sufficiently large to meet all normal demands for service and provide a reasonable reserve for emergencies.

The utility shall furnish the ORS with the following:

- 1) Statement by the South Carolina Department of Health and Environmental Control that the design has been approved;
- 2) Statement by the South Carolina Department of Health and Environmental Control that the utility was installed according to plans and specifications;
- 3) Statement by a professional engineer that the utility design meets his approval and the utility was installed with the approval of a professional engineer; and
- 4) Copy of "as built" plans and specifications approved by a professional engineer.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-554. Inspection of Sewerage Plant.**

Each utility must adopt a program of regular inspection of its sewerage plant in order to determine the necessity for replacement and repair. The frequency of the various inspections shall be based on the utility's experience and accepted good practice. Each utility shall keep sufficient records to substantiate compliance with its inspection program.

### **103-555. Service Pipe Connections.**

A. Utility's Service Pipe—The utility shall install and maintain that portion of the service pipe from the main to the boundary line of the property being served, public road, or street under which such

main may be located. The connection of the service pipe to the main must be made using appropriate wyes, saddles, or other acceptable fittings.

B. Customer's Service Pipe—The customer shall install and maintain that portion of the service pipe from the end of the utility's service pipe into the premises served. The portion of the service pipe installed and maintained by the customer shall conform to all reasonable rules and regulations of the utility. It must be constructed of approved materials and must be installed and maintained in accordance with accepted good practice and in conformance with applicable codes of governmental regulations. Each customer's service pipe shall serve no more than one customer.

C. Restrictions on Installation—A sewer service pipe shall not be laid in the same trench with water pipe unless the water service pipe is laid on a shelf on the side of the trench, not less than eighteen (18) inches above and not less than eighteen (18) inches horizontally away from the sewer pipe.

D. Inspection—If a governmental agency requires an inspection of the customer's plumbing, the utility shall not connect the customer's service pipe until it receives a notice from that governmental agency certifying that the customer's plumbing conforms to those standards set by the agency.

E. Service Pipe Connection—The utility shall be responsible for providing the location for the connection of the customer's service pipe to the utility's service pipe or the utility's main, whichever is applicable, at the utility's expense, and at no expense to the customer. The utility shall have the right to inspect the service connection to the utility service line at the time of the completion of connection, and the service may not be provided to such connection until the utility inspects the service line.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-556. Engineering Analysis.**

A. The ORS may survey anticipated extensions of sewer lines and the utility will assist in such survey and provide all pertinent data necessary to determine the cost and feasibility of extending such lines.

B. The utility shall provide the ORS access to all utility property when the ORS undertakes to verify the inventories of utility plant systems, or obtain other necessary information.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 6 INSPECTION AND TESTS**

### **103-560. Utility Inspection and Test.**

A. Each utility shall adopt a program of periodic tests, inspections, and preventive maintenance designed to achieve and maintain efficient operation of its system and the rendition of safe, adequate and continuous service.

B. Each utility shall maintain or have access to test facilities enabling it to determine the operation and collecting capabilities of all equipment and facilities provided by the utility. These test facilities shall be sufficient for routine maintenance and for trouble location. The actual collection performance of each sewerage system shall be monitored regularly in order to determine if the established objectives and operating requirements are met.

### **103-561. ORS Inspection and Test.**

When tests are conducted by the ORS, to insure that, or determine if, the provisions of these rules are being adhered to, each utility shall assist with such tests as requested, provided such request is in accordance with all legal requirements and sanctions.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-562. Testing Facilities.**

Each utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herewith provided or as requested by ORS or as may be approved or ordered by the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–563. Trouble Reports.**

A. Each utility shall provide for the receipt of customer trouble reports at all hours and make a full and prompt investigation of all complaints. Each utility shall maintain an accurate record of trouble reports made by its customers. This record shall include appropriate identification of the customer or service affected the time, the date, and nature of the report, the action taken to alleviate the trouble or satisfy the complaint, and the date and time of trouble clearance or other disposition of the complaint. This record shall be available to the commission and ORS upon request at any time within the period prescribed for retention of such records.

B. Provisions shall be made to clear trouble of any emergency nature at all times, consistent with the needs of customers and the personal safety of utility personnel.

C. Provisions shall be made to keep all commitments to customers. If unusual repairs are required, or other factors preclude clearing of reported trouble promptly, reasonable efforts shall be made to notify affected customers.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–564. Maintenance of Plant and Equipment.**

A. Each sewerage utility shall adopt and pursue a maintenance program aimed at achieving and maintaining efficient operation of its system so as to permit the rendering of safe, adequate and continuous service at all times.

B. Maintenance shall include keeping all plant and equipment in a good state of repair, consistent with safety and adequate performance factors.

1) Broken, damaged, or deteriorated parts which are no longer serviceable shall be repaired or replaced.

2) Adjustable apparatus and equipment shall be readjusted as necessary when found to be in an unsatisfactory operating condition.

## **SUBARTICLE 7 STANDARDS AND QUALITY OF SERVICE**

### **103–570. Quality of Service.**

A. Each utility shall provide sewerage service insofar as practicable free from objectionable odors. Each utility must have a permit as required by the health laws of the State of South Carolina, and shall comply with all laws and regulations of State and local agencies pertaining to sewerage service.

B. It shall be the obligation of each utility dependent upon its ability to procure and retain suitable facilities and rights for the construction and maintenance of the necessary system to furnish adequate sewerage service to customers in the area or territory in which it operates. Such service is to be rendered according to lawfully established and approved rates and charges for the specific territory involved.

### **103–571. Interruptions of Service.**

A. Each utility shall make reasonable efforts to avoid interruptions of service, but when such interruptions occur, service shall be re-established within the shortest time practicable, consistent with considerations of safety.

B. Scheduled interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

C. Each utility shall maintain records and notify the commission and the ORS of any interruption in its service in accordance with 103–514.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**SUBARTICLE 8**  
**SAFETY**

**103–580. Acceptable Standards.**

As criteria of accepted good safety practice the commission will use the applicable provisions of the standards referred to in 103–551.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–581. Protective Measures.**

A. Each utility shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.

B. The utility shall give reasonable assistance to the ORS in the investigation of the causes of accidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of accident prevention.

C. Each utility shall maintain a summary of all reported accidents arising from its operations.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–582. Safety Program.**

Each utility shall devise and implement a safety program, adapted to the size and type of its operations. At a minimum, the safety program should:

(a) Require the employees to use suitable tools and equipment in order that they may perform their work in a safe manner;

(b) Instruct employees in safe methods of performing their work; and

(c) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

**ARTICLE 6**  
**TELECOMMUNICATIONS UTILITIES**  
**SUBARTICLE 1**  
**GENERAL**

**103–600. Authorization of Rules.**

A. Section 58–9–810 of the Code of Laws of South Carolina, 1976, provides:

“The commission may make such rules and regulations not inconsistent with law or statute as may be proper in the exercise of its powers or for the performance of its duties under Articles 1 through 13 of this chapter all of which shall have the force of law.”

In accordance with the above provisions, the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern telephone and telegraph service by telephone and telegraph utilities.

All previous rules and regulations or standards are hereby annulled, revoked and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or part, or from requiring any other or additional service, equipment, facility or standard, either upon complaint or upon its own motion, or upon the application of any telephone or telegraph utility.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–601. Application of Rules.**

1. Jurisdiction. These rules and regulations shall apply to any person, firm, partnership, cooperative or corporation, which is now or may hereafter become engaged as a telephone utility in the business of furnishing communications service to any customer within the State of South Carolina and to the customers of such telephone utility.



2. Purpose. These rules and regulations are intended to define good practices. They are intended to insure adequate and reasonable service. The utilities shall assist the commission with the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the commission upon a finding by the commission that such a waiver is not contrary to the public interest.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

## **103–602. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below.

### **103–602.1. Access Line.**

The circuit between a subscriber's standard interface located on the subscriber's premises and the central office.

### **103–602.2. Commission.**

The Public Service Commission of South Carolina.

### **103–602.3. Customer.**

Any person, firm, association or corporation, or any agency of the Federal, State or local government, being supplied telecommunications service by a utility.

### **103–602.4. Interexchange Carrier.**

Carrier authorized by the commission to provide services related to long distance services.

### **103–602.5. ORS.**

Office of Regulatory Staff.

### **103–602.6. PSP.**

Payphone Service Provider.

### **103–602.7. Radio Common and Cellular Carrier.**

A mobile telecommunications carrier licensed by the Federal Communications Commission (FCC) and authorized by the FCC to receive and transmit signals from mobile transmitter within a specified geographic area.

### **103–602.8. Reference.**

For the purpose of these rules and regulations the reference as specified in R.103–642 will be used for the definitions of terms, abbreviations, units of measure, etc.

### **103–602.9. Standard Network Interface Device.**

The point of demarcation between telephone company-owned facilities and customer-owned wiring and/or equipment.

### **103–602.10. Telephone Utility.**

A telephone utility operating under the jurisdiction of the commission.

### **103–602.11. Written or in Writing.**

Written or in writing includes, without limitation, electronic transmissions.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

## **103–603. Authorization for Rates and Charges.**

A. No schedules of rates or tariffs involving rates under the jurisdiction of the commission shall be changed until after proposed change has been approved by the commission, unless they are exempt from such approval by statute, order of the commission, or other provision of law.

B. All rates, tolls, or charges involving rates under the jurisdiction of the commission proposed to be put into effect by any telephone utility shall be first approved by the commission before they shall

become effective, unless they are exempt from such approval by statute, order of the commission, or other provision of law.

C. No rate or toll charge involving rates under the jurisdiction of the commission of any telephone utility shall be deemed approved nor consented to by the mere filing of a schedule or other evidence thereof in the offices of the commission, unless otherwise provided for by law.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–604. Territory and Certificated Area.**

Each telephone utility shall provide regulated service only within the areas authorized by the commission, unless exempt by commission action, order or statute.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–605. Telephone Utility Rules and Regulations.**

Each telephone utility shall adopt such rules, regulations, operating procedures, policies and instructions as may be necessary to govern all aspects of telephone service to its customers so long as those rules and regulations, operating procedures, policies and instructions are not in contradiction to rules and regulations and orders of the commission or other statutory laws.

All rules and regulations, operating procedures, policies and instructions as outlined above are subject to review by the commission. Upon request, each utility shall make a copy of such rules and regulations, operating procedures, policies and instructions available to the ORS.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–606. Service Offerings.**

Each telephone utility is authorized to offer such types, class, grades, classification and forms of service as it may deem necessary.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–607. Bonds or Other Security Mechanisms.**

This regulation applies to telephone utilities who provide retail residential local exchange services and who individually or together with their affiliates, have not invested at least five million dollars in telecommunications facilities in the State of South Carolina. The commission may waive this requirement upon petition by the telephone utility if the telephone utility provides evidence of financial stability as deemed appropriate by the commission. This regulation does not apply to Commercial Mobile Radio Services. The commission shall determine the type and the amount of bond or other security mechanism to be filed by the carrier with the commission and the ORS. The commission may order the carrier to file a performance bond or post an irrevocable letter of credit or certificate of deposit. In determining the amount of the performance bond, irrevocable letter of credit, or certificate of deposit, the commission may use, at a minimum, any commercially reasonable, acceptable method, including the following criteria: number of customers, retail price for service, and financial resources of the carrier.

a. Performance Bond. Performance bonds must be issued by an A-grade insurer acceptable to the commission and must be posted with the commission and a copy provided to the ORS. However, the amount of the bond shall be no less than \$100,000. An updated bond shall be filed with the commission and a copy provided to the ORS annually.

b. Irrevocable Letter of Credit. An irrevocable letter of credit shall be issued by a financial institution acceptable to the commission. The amount of the irrevocable letter of credit shall be determined by the commission; however, the amount of the letter of credit shall be no less than \$100,000. An updated irrevocable letter of credit shall be filed with the commission and a copy provided to the ORS annually.

c. Certificate of Deposit. The certificate of deposit shall be issued by a financial institution acceptable to the commission and shall be no less than \$50,000. An updated certificate of deposit shall be filed with the commission and a copy provided to the ORS annually.

Forfeiture of Bond or Other Security Mechanism

The commission, after notice and hearing, may order all or part of any bond or other security forfeited upon finding that the telephone utility has abandoned service to customers.

**HISTORY:** Added by State Register Volume 33, Issue No. 6, eff June 26, 2009. Amended by State Register Volume 35, Issue No. 6, eff June 24, 2011.

## SUBARTICLE 2 RECORDS AND REPORTS

### **103-610. Location of Records and Reports.**

All records required by these rules or necessary for the administration thereof, shall be kept within the State, unless otherwise authorized by the commission. These records shall be available for examination by the ORS, or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-611. Retention of Records.**

Retention of records shall be as specified in the Federal Communications Commission's Rules and Regulations, Part 42, unless otherwise directed by the commission. Further, the telephone utility shall maintain sufficient records necessary to verify and substantiate all requirements included in these rules. These records include, but are not limited to, trouble reports, service orders, itemized customer billing records, customer deposits, and complaints.

**HISTORY:** Amended by State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-612. Data to Be Filed with the Commission and Provided to the ORS.**

The telephone utility shall file the following documents and information:

1. Annual Report. Each telephone utility operating in the State shall file an annual report with the commission and provide a copy to the ORS, giving such information as the commission may direct.

2. Current Information and Documents. The information required under this Section shall be kept current at ALL TIMES.

2.1. Tariff. Unless otherwise provided by law, each telephone utility shall file for approval with the commission and serve on the ORS a tariff with respect to all regulated services offered by the utility.

A. Each telephone utility must provide the ORS a copy of its most recent tariffs.

B. The telephone utility's tariff shall include:

a. A copy of the telephone utility's rules, terms, or conditions, describing the telephone utility's policies and practices in rendering regulated services.

b. A list of all types, grades, classifications and forms of regulated service offered.

c. The non-recurring charges, recurring charges, and the termination charges, if any, that apply to the services.

d. Definitions of all types, classes, grades, classifications, and forms of regulated service offered.

2.2. <sup>1</sup>

2.3. Operating Area Maps. The commission and the ORS shall maintain updated maps showing commission-approved areas and/or exchange service-area(s).

The maps, as outlined above, shall be revised whenever boundary changes are made and shall be signed by the proper officials and filed for approval with the commission.

2.4. Authorized Telephone Utility Representative. Each telephone utility shall maintain with the commission and furnish a copy to the ORS, the name, title, address, and telephone number of the persons who should be contacted in connection with:

a. General Management Duties

<sup>1</sup> So in original. No paragraph 2.2 was promulgated by State Register Volume 31, Issue No. 4, eff April 27, 2007.

- b. Customer Relations (Complaints)
- c. Engineering Operations
- d. Test and Repairs
- e. Emergencies during non-office hours

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-614. Interruption of Service.**

Each telephone utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division of a telephone exchange, including a statement of the time, duration, cause of any such interruption, and steps taken to correct the interruption. The utility shall report any information required to be reported to the FCC regarding outages to the commission and provide a copy electronically to the ORS. This information should be submitted as soon as practicable, and a copy of any written report submitted to any Federal jurisdictional entity shall also be submitted to the commission and a copy provided to the ORS.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-615. Accidents.**

Each telephone utility shall maintain adequate and accurate records of each accident happening in connection with the operation of its property, facilities, or service wherein any person shall have been killed or whereby any serious property damage shall have been caused.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-616. Complaints Received from the ORS.**

Each telephone utility shall keep a record of all complaints received from the ORS. This record shall show the name and address of the complainant, the date, the nature of the complaint, and the adjustment or disposal thereof.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-617. Tests.**

Each telephone utility shall keep a record of all tests procedures which are performed as a result of these rules, unless otherwise directed by the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-618. Service Reports.**

Each telephone utility shall provide the following service reports to the ORS on a quarterly basis within thirty (30) days of the end of each calendar quarter.

A. Trouble reports per hundred access lines:

The report shall contain the total number of actual customer trouble reports received per hundred access lines for the telephone utility's regulated operations.

B. Customer out of service trouble clearing times:

The report shall contain the percentage number of out of service reports cleared within twenty four (24) hours, excluding weekends and holidays.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-619. Held Applications/Availability of Service.**

The following information shall be provided to the ORS on a quarterly basis within thirty (30) days of the end of each calendar quarter. Reported information which indicates that the commission's

specified objectives have not been met shall be accompanied by explanation. Reports shall show results by wire center, central office, exchange or maintenance group. This information shall be reported as a percentage of work order activity characterized as follows:

- a. The number of applications for new service held over thirty (30) days.
- b. The number of applications for regrade held over thirty (30) days.
- c. The total number of access lines.
- d. The percentage of service orders for installations and re-installations completed within five (5) working days.
- e. Commitments fulfilled.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### SUBARTICLE 3 CUSTOMER RELATIONS

#### **103-620. Customer Information.**

Each telephone utility shall:

- a. Maintain up-to-date maps, plans, or records of its entire system, with other information as may be necessary to enable the telephone utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.
- b. If required by law and so directed by the commission, notify each customer affected in writing, of any proposed changes in rates and charges. The form of such notification shall be prescribed by the commission. A certification that the above notice requirement has been met shall be furnished to the commission and served on the ORS by the telephone utility.
- c. Furnish to a customer, upon request, information as to the telephone utility's billing procedures.
- d. Provide adequate means whereby each customer can contact repair service at all hours.
- e. Notify its customers that the telephone utility is under the jurisdiction of the commission, and that its customers may, if necessary, seek assistance from ORS regarding the telephone utility's regulated operations or file a formal complaint with the commission regarding an unresolved dispute involving the telephone utility's regulated operations.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

#### **103-621. Customer Deposits.**

A. Each telephone utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for regulated service, if any of the following conditions exist:

1. The customer has had two 30-day arrearages in the past 24 months, or the customer has been sent two or more late payment notices in the past 9 months; or
2. A new customer cannot furnish either an acceptable co-signer or guarantor who is a customer of the utility within the State of South Carolina to guarantee payment; or
3. The customer's gross monthly billing increases; or
4. A customer has had his service terminated by any telephone utility for non-payment or fraudulent use; or
5. The utility determines, through use of commercially acceptable methods, that the customer's credit and financial condition so warrants.

B. Each telephone utility shall inform affected prospective customers of the provisions contained in R. 103-621-(A).

C. A utility is not required to install new service to a customer prior to the utility's receipt of any deposit that is required of that customer.

##### **103-621.1. Deposit Receipt.**

Each utility shall maintain records of each deposit it receives from a customer and shall provide means whereby a customer may establish a claim regarding his deposit.

**103-621.2. Amount of Deposit.**

A. For a new customer, a maximum deposit may be required up to an amount equal to an estimated two (2) months (60 days) total bill (including toll and taxes). For an existing customer, a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months within the preceding six (6) months.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and the payment habits of the customer.

**103-621.3. Interest on Deposits.**

A. Simple interest on deposits at the rate not less than that as prescribed by the commission shall be paid by the telephone utility to each customer required to make such deposit for the time it is held by the telephone utility.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**103-621.4. Deposit Records.**

Each telephone utility shall keep records to show:

- a. The name and address of each depositor.
- b. The amount and date of the deposit.
- c. The last transaction concerning the deposits.
- d. The reasons why deposit retained after two year retention period. (See R. 103-621.5)

**103-621.5. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two 30-day arrearages in the past 24 months, or has had service denied or interrupted for non-payment of bills, or has been sent more than two late payment notices in the past 9 months, or has a returned check in the past 6 months.

**103-621.6. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least two years, during which time the telephone utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be treated in accordance with law.

**103-621.7. Deposit Credit.**

Where a customer has been required to make a deposit, that deposit shall not relieve the customer of the obligation to pay the service bill when due, but where such deposit has been made and service has been disconnected because of nonpayment of account, then unless the customer shall, within seventy-two hours after service has been disconnected, apply for reconnection of service and pay the account, the account may be discontinued. If the telephone utility discontinues the account, the telephone utility shall apply the deposit of such customer toward the discharge of such account and shall refund to the customer any excess.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-622. Customer Billing.**

Every telephone utility shall render each customer an accurate and timely bill.

**103-622.1. Bill Forms.**

Each telephone utility's bill must comply with the Federal Communications Commission's "Truth in Billing Requirements" that are in effect at the time the utility's bill is prepared.

**103-622.2. Late Payment Charges.**

A maximum of one and one half percent (1 1/2 %) may be added to any unpaid balance brought forward from the previous billing date to cover the cost of collection and carrying accounts in arrears. This method of late payment charge will be made in lieu of any other penalty.

**103-622.3. Disconnection and Reconnection.**

Whenever regulated telephone service is denied or discontinued for any appropriate reason, the telephone utility may make a tariffed charge for cost incurred in disconnecting or discontinuing the regulated telephone service and reconnecting it after restoration and may require payment for service not previously billed.

**103-622.4. Payment by Check.**

The telephone utility, at its option for good cause, may refuse to accept a check tendered as payment on a customer's account.

**103-622.5. Deferred Payment Plan.**

The telephone utility may provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for service. The deferred payment plan may require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by R. 103-622.2. A deferred payment plan is any agreement to defer a payment to the next billing cycle.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-623. Adjustment of Bills.**

If it is found that a telephone utility has directly or indirectly, by any devise whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such telephone utility than that prescribed in the schedules of such telephone utility applicable thereto then filed in the manner provided in Title 58 of the South Carolina Code of Laws, or if it is found that any customer has received or accepted any service from a telephone utility for a compensation greater or lesser than prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

**103-623.1. Customer Willfully Overcharged.**

If the telephone utility has willfully overcharged any customer, the telephone utility shall refund the difference, plus interest, as prescribed by the commission, for the period of time that can be determined that the customer was overcharged.

**103-623.2. Customer Inadvertently Overcharged.**

If the telephone utility has inadvertently overcharged a customer as a result of a misapplied schedule or any other human or machine error, the telephone utility shall, for any amount of one dollar (\$1.00) or more (amounts less than \$1.00 will be credited to account) at the customer's option, credit, or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

a. If the interval during which the customer was overcharged can be determined, then the telephone utility shall credit or refund the excess amount charged during the interval, provided that the applicable statute of limitations shall not be exceeded.

b. If the interval during which the customer was overcharged cannot be determined, then the telephone utility shall credit or refund the excess amount charged during the 12-month period preceding the date when the error was discovered.

c. If the exact amount of the overcharge incurred by the customer during the billing periods subject to adjustment cannot be determined, then the credit or refund shall be based on an appropriate estimated amount of excess payment.

**103-623.3. Customer Undercharged Due to Willfully Misleading Company.**

If the telephone utility has undercharged any customer as a result of a fraudulent or willfully misleading action of that customer, or any action by any person (other than the employees or agents of the telephone utility), such as tampering with the facilities, when it is evident that such tampering or bypassing occurred during the residency of that customer, or if it is evident that a customer has knowledge of being undercharged without notifying the telephone utility as such, then the telephone utility shall recover the deficient amount provided as follows:

a. If the interval during which the customer was undercharged can be determined, then the telephone utility shall collect the deficient amount incurred during the entire interval, provided the applicable statute of limitations is not exceeded.

b. If the interval during which the customer was undercharged cannot be determined, then the telephone utility shall collect the deficient amount incurred during the 12-month period preceding the date when the billing error was discovered by the telephone utility.

#### **103-623.4. Customer Undercharged Due to Human or Machine Error.**

If the telephone utility has undercharged any customer as a result of a misapplied schedule, or any human or machine error then the telephone utility may recover the deficient amount as follows:

a. If the interval during which a customer was undercharged can be determined, then the telephone utility may collect the deficient amount incurred during the entire interval up to a maximum period of six months.

b. If the interval during which a customer was undercharged cannot be determined, then the telephone utility may collect the deficient amount incurred during the six month period preceding the date when the billing error was discovered by the telephone utility.

c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills devoid of late charges, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-624. Applications for Regulated Service.**

#### **103-624.1. Method.**

Applications for service may be oral or in writing.

#### **103-624.2. Obligation.**

The applicant shall, at the option of the telephone utility, be required to sign a service agreement or a contract. In the absence of such service agreement or contract, the accepted application shall constitute a contract between the telephone utility and the applicant, obligating the applicant to pay for service in accordance with the telephone utility's tariff currently on file with the commission, and to comply with the commission's and the telephone utility's rules and regulations.

#### **103-624.3. Termination.**

When a customer desires to have his service terminated, he must notify the telephone utility. Such notification may be oral or in writing. The telephone utility shall be allowed a reasonable period of time after the receipt of such notice to send a final bill.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-625. Reasons for Denial or Discontinuance of Service.**

Service may be refused or discontinued for any of the reasons listed below, for any reason set forth in the utility's tariffs, or for any reason set forth in the utility's individual contracts for services. Unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued.

a. Without notice, in the event of a condition determined by the telephone utility to be hazardous or dangerous.

b. Without notice, in the event of customer use of equipment in such a manner as to adversely affect the telephone utility's service to others.



- c. Without notice, in the event of unauthorized use of telephone service.
- d. For the customer tampering with equipment furnished and owned by the telephone utility.
- e. For violation of and/or non-compliance with the commission's Orders or regulations governing service supplied by the telephone utilities.
- f. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.
- g. For failure of the customer to permit the telephone utility reasonable access to its equipment.
- h. In cases involving abnormal and excessive use of toll service, service may be denied two (2) days after written notice is given to the customer, unless satisfactory arrangements for payment are made.
- i. For failure of the customer to provide the telephone utility with a deposit as authorized by 103-621(1).
- j. For failure of the customer to furnish permits, certificates, and/or right-of-ways, as necessary to obtain service, or in the event such permissions are withdrawn or terminated.
- k. Where there is probable cause to believe that there is illegal or willful misuse of telephone utility's service.
- l. No telephone utility shall be required to furnish its service or to continue its service to any applicant who, at the time of such application, is indebted under an undisputed bill to such telephone utility for telephone service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the telephone utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six (6) years prior to the time of application.
- m. For non-payment of that portion of the bill rendered by the telephone utility for telephone service billed for another telephone utility.
- n. Without notice, in the event of a PSP violation of a commission Order of which the PSP has been notified and has failed to correct the violation within the amount of time specified in such notification.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-626. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

- a. Non-payment for services by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service or unless the new occupant benefited from such old service.
- b. Failure to pay for merchandise purchased from the telephone utility.
- c. Failure to pay for any non-regulated equipment or services provided by the utility.
- d. Failure to pay for business service at a different location and a different telephone number shall not constitute sufficient cause for refusal of residential service or vice versa.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-627. Rights of Access.**

The authorized agents of the telephone utility shall have the right of access to the premises supplied with telephone service, at reasonable hours, for the purpose of maintenance, removal and inspection or for any other purpose which is proper and necessary in the conduct of the telephone utility's business.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-628. Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the telephone utility shall be investigated promptly and thoroughly by the telephone utility. The telephone utility shall keep such records of customer complaints as will enable it to review and analyze its procedures and actions.

B. The telephone utility, except in cases of high toll usage, and when given at least four hours notice shall not terminate service to a complainant until an answer to the complaint is conveyed to the ORS. A written or oral response is allowable for complaints that the telephone utility wishes to dispose of immediately. The use of an oral response does not preclude supplying the ORS with a written response to written complaints.

C. The ORS shall promptly and thoroughly investigate complaints concerning the charges, practices, facilities, or service of the utility. Each utility shall respond to the complaint conveyed to the utility by the ORS in a timely and thorough manner. This time period shall not exceed ten (10) days from the day the complaint is received by the utility, except that the ORS may give the company additional time to respond upon request and for good cause shown.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–629. Tariffs, Rules and Regulations.**

A copy of the telephone utility's tariffs as filed with the commission and provided to the ORS shall be available for inspection by the public.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–630. System Which Telephone Utility Must Maintain.**

Each telephone utility, unless specifically relieved in any case by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions, all of the facilities and instrumentalities used in connection with the furnishing of telephone service excluding customer provided equipment.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–631. Directories.**

Each utility is responsible for having the name, address, and telephone numbers of all of its customers listed in a telephone directory that is published at regular intervals, except public telephone and telephone service unlisted at customer's request.

A. The telephone utility shall list its customers with at least one provider of directory assistance services or with its own directory assistance operators to provide the requested telephone numbers based on the customer's name and address when such requests are made by communication users, except public telephones and telephone service unlisted at customer's request.

B. Upon issuance of the directory in which its customers' listings appear, each utility is responsible for distributing a copy of each directory to all customers served by that directory and a copy of each directory shall be furnished to the commission.

C. The name of the telephone utility, an indication of the area included in the directory and the month and year of issuance shall appear on the front cover or the spine of the directory. The utility shall take appropriate measures to have information pertaining to emergency calls such as for the police and fire departments appear conspicuously in the front pages of the directory, and such information shall be provided without charge to the agency located within the utility's certificated area. Also, the utility shall take appropriate measures to have the address and telephone number of the Public Service Commission and the Office of Regulatory Staff appear in the front portion of the directory in which its customers' listings appear.

D. The utility shall take appropriate measures to have the directory in which its customers' listings appear contain instructions concerning placing of long distance calls, calls to repair and directory assistance services, and calls for the establishment and maintenance of service.

E. At least one directory assistance provider used by the utility or the utility's own directory assistance operators shall have access to records of all telephone numbers in the area for which they are responsible for furnishing directory assistance service except telephone numbers not published at customer's request.

F. Each telephone utility shall make every effort to list its customers with at least one directory assistance provider used by the utility or the utility's own directory assistance operators as necessary for the directory assistance operators to provide the requested telephone numbers based on customer

names and service locations to minimize “not found” numbers where the address is different from the address normally associated with an exchange directory.

G. In the event of an error in the listed numbers of any customer, the telephone utility shall intercept all calls to the listed number for a reasonable period of time provided existing central office equipment will permit and the number is not in service. In such event of an error or omission in the name listing of a customer, such customer’s correct name and telephone number shall be in the files of the directory assistance provider used by the utility, or the utility’s own directory assistance operators. The correct number shall be furnished to the calling party either upon request or interception.

H. Whenever any customer’s telephone number is changed after a directory is published, the telephone utility shall intercept all calls to the former number for a reasonable period of time, and give the calling party the new number provided existing central office equipment will permit, and the customer so desires.

I. When additions or changes in plant or changes to any other telephone utility operations necessitates changing telephone numbers to a group of customers, reasonable notice shall be given to all customers so affected even though the additions or changes may be coincident with a directory issue.

J. Approval must be obtained from the commission prior to a reduction in the size of print in the alphabetical section of the directory.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–633. Procedures for Termination of Service.**

Service may be terminated for non-payment of a bill, provided that the telephone utility has made a reasonable attempt to effect collection and has given the customer written notice that he has five days in which to make settlement on his account or have his service disconnected. Service will be terminated only on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service.

**HISTORY:** Added by State Register Volume 18, Issue No. 3, eff March 25, 1994.

## **SUBARTICLE 4 ENGINEERING**

### **103–640. Requirements for Good Engineering Practice.**

The plant of each telephone utility shall be constructed, installed, maintained, and operated in accordance with accepted good engineering practices and regulations, included by reference as part of these rules as far as possible. Continuity of service, uniformity in quality of service furnished, and the safety of persons and property shall be maintained.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–641. Acceptable Standards.**

Unless otherwise specified by the commission, each telephone utility shall use the applicable provision in the publication listed below as standards of accepted good practices:

- a. Latest edition of The National Electrical Safety Code.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–642. Acceptable References.**

Newton’s Telecom Dictionary as published by CMP Books.

**HISTORY:** Amended by State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–643. Adequacy of Service.**

The capacity of the telephone utility’s plant shall be sufficiently large to meet all reasonably expected requests for service. See R. 103–663(1). Where new construction is required, reasonable allowance will be made for construction and activation of new facilities.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-644. Inspection of Plant.**

A. Each telephone utility shall adopt a program of inspection of its plant in order to determine the necessity for replacement and repair. The frequency of various inspections shall be based on the telephone utility's experience and accepted good practice. Each utility shall keep sufficient records to give evidence of compliance with its inspection programs as set forth in R. 103-640 through -654 of these rules and regulations.

B. Each telephone utility shall maintain its plant, equipment, and other facilities at all times in a reasonably adequate and serviceable condition consistent with the commission's Rules and accepted industry standards.

C. The telephone equipment, apparatus and lines furnished by the telephone utility shall remain the property of the telephone utility, and no instrument, appliance or device of any kind not furnished by the telephone utility shall be attached to or in any way used in connection with such telephone equipment, apparatus, and lines, either directly or indirectly, by induction or otherwise, except in accordance with the guidelines contained in Part 68 of the Federal Communications Commission's Rules and Regulations. In the event any instrument, apparatus, or device of any kind other than that furnished by the telephone utility, or as excepted above, is attached to or connected with any part of its properties, the telephone utility shall have the right to remove such instrument, apparatus, or device in accordance with the applicable law.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-645. Hazardous Locations.**

Explosive Atmospheres and Other Hazardous Locations. No telephone utility shall be required to install or maintain any of its apparatus or equipment in explosive atmospheres, or at outdoor or other locations which, in its judgment, are not suitable for the location of its service and facilities.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-646. Emergency Operation.**

A. Telephone utilities shall make reasonable provisions to meet emergencies resulting from failures of lighting or power services, unusual and prolonged increases in traffic, illness of personnel, or from fire, storm, or other acts of God and inform its employees as to procedures to be followed in the event of emergency in order to prevent or minimize interruption or impairment of telephone service.

B. Each central office shall contain as a minimum two hours of battery reserve. All central offices shall make adequate provisions for emergency power. In offices without installed emergency power facilities, there shall be a mobile power unit available which can be delivered and connected within the period of the battery reserve and can maintain the office for an extended period of time.

C. In exchanges exceeding 5,000 lines, a permanent auxiliary power unit shall be installed.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

## **SUBARTICLE 5 INSPECTION AND TESTS**

### **103-650. Telephone Utility Inspection and Test.**

A. Each telephone utility shall adopt a program of periodic tests, inspections, and preventive maintenance aimed at achieving efficient operation of its system and the rendition of safe, adequate and continuous service.

B. Each telephone utility shall maintain or have access to test facilities enabling it to determine the operating and transmission capabilities of all equipment and facilities provided by the telephone utility both for routine maintenance and for trouble location. The actual transmission performance of each telephone network shall be monitored in order to determine if the established objectives and operating requirements are met. This monitoring function shall consist of circuit order tests prior to placing trunks in service, routine periodic trunk tests, periodic noise tests of a sample of customer loops in each exchange, and special transmission surveys of the telephone network.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–651. ORS Inspection and Test.**

When inspections, audits, or examinations are conducted by the ORS, its staff, or its representatives, to ensure or determine if the provision of these rules herein contained are being adhered to, each telephone utility shall assist with such test as requested provided such request is in accordance with all legal requirements and sanctions.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–652. Testing Facilities.**

A. Each telephone utility shall, unless specifically excused by the commission, provide such instruments and other equipment and facilities as may be necessary to make the tests required of it by these rules or other orders of the commission or as requested by the ORS. The apparatus and equipment so provided shall be available at all times for inspection by any member or authorized representative of the ORS.

B. Each telephone utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herewith provided, as requested by the ORS, or as may be approved or ordered by the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–653. Trouble Reports.**

A. Each telephone utility shall provide for the receipt of customer trouble reports at all hours and make a full and prompt investigation of all trouble reports. Each telephone utility shall maintain an accurate record of trouble reports made by its customers. This record shall include appropriate identification of the customer or service affected, the time, date, and nature of the report, the action taken to clear trouble or satisfy the trouble, and the date and time of trouble clearance or other disposition. This record shall be available to the ORS or its authorized representatives upon request at any time within the period prescribed for retention of such records.

B. Provisions shall be made to clear all trouble of any emergency nature at all hours, consistent with the needs of customers and the personal safety of telephone utility personnel.

C. Provisions shall be made to normally clear all other out-of-service troubles not requiring unusual repair, such as cable failures, within 24 hours of the report received by the telephone utility excluding Sundays and holidays unless the customer agrees to another arrangement.

D. Provisions shall be made to keep all commitments to customers. If unusual repairs are required, or other factors preclude clearing of reported trouble promptly, reasonable efforts shall be made to notify affected customers.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–654. Maintenance of Plant and Equipment.**

A. Each telephone utility shall adopt and pursue a maintenance program aimed at achieving efficient operation of its system so as to permit the rendering of safe, adequate and continuous service at all times.

B. Maintenance shall include keeping all plant and equipment in a good state of repair consistent with safety and the adequate service performance of the plant affected, such as:

1. Broken, damaged, or deteriorated parts which are no longer serviceable shall be repaired or replaced.
2. Adjustable apparatus and equipment shall be readjusted as necessary when found to be in an unsatisfactory operating condition.
3. Electrical faults, such as leakage or poor insulation, noise induction, crosstalk, or poor transmission characteristics shall be corrected to the extent practicable.

**SUBARTICLE 6**  
**STANDARDS AND QUALITY OF SERVICE**

**103-660. Quality of Service.**

It shall be the obligation of each telephone utility, dependent upon their ability to procure and retain suitable facilities and rights for the construction and maintenance of the necessary circuits, to furnish reasonably adequate telephone service to telephone customers in the area or territory in which it operates. Such service is to be rendered according to lawfully established and approved rates and charges for the specific territory involved.

**103-661. Interruptions of Service.**

A. Each telephone utility shall make reasonable efforts to avoid interruptions of service, but when interruptions occur, service shall be reestablished within the shortest time practicable, consistent with safety.

B. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-662. Restrictions on Use of Service.**

Each telephone utility may impose reasonable restrictions on the use of telephone service during periods of excessive demand or other difficulty which jeopardizes the quality of service to any group of customers.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-663. Service Standards.**

**103-663.1. Availability of Service.**

Orders for new service, where all tariff requirements have been met, shall be completed within the interval shown below after receipt of the application, excepting those where a later date is requested by the customer or where special equipment or service is involved:

A. Service Orders for Installation and Re-installations:

85% within 5 working days

B. Commitments fulfilled: 85%

Commitments shall be made for a specific day.

**103-663.2. Equipment Requirements.**

A. The central office and interoffice trunk equipment shall be maintained so as to meet the following standards during an average business day (8:00 AM to 5:00 PM):

Failure rate on intraoffice calls—1.5%

Failure rate on interoffice calls—3%

The failure rate for interoffice calls applies to EAS and multioffice trunking calls but not to toll calls.

B. The central office and interoffice trunk standards are the objectives to be used by the ORS staff when testing. The telephone utilities are not required to perform tests or maintain records of these items.

**103-663.3. Subscriber Loop-Transmission Objectives.**

The following standards are objectives to be used by the ORS staff during testing at the subscriber's station protector. Acceptable measurements are:

DC Line Current: greater than 20 mA

Circuit Loss: less than 8.5 db

Circuit Noise: less than 20 dBnC

Power Influence: less than 90 dBmC

Balance greater than 60 dB

(Where Balance (dB) = Power Influence - Circuit Noise)

**103-663.4. Dialtone.**

Central office equipment shall be maintained so as to meet the following standards:

98% of all calls shall receive dialtone within three (3) seconds.

**103-663.5. Answering Time.**

Each telephone utility shall provide adequate personnel and equipment so as to meet the following service objectives under normal operating conditions:

a. Toll and operator assistance calls answered within 10 seconds (does not include directory assistance calls): 90%

b. Calls to repair service answered within 20 seconds: 90%

c. Directory assistance answered within 30 seconds: 80%

**103-663.6. Customer Trouble Reports.**

A. Service by each telephone utility shall be such that the number of customer trouble reports per 100 total access lines in service per month shall not exceed the following:

EXCHANGE/REPORTING GROUP SIZE	OBJECTIVE
OVER 7,500 ACCESS LINES	5.0
UNDER 7,500 ACCESS LINES	7.0

Unusual situations caused by storms, unavoidable casualties or other conditions causing an excess number of reports should be explained in the trouble report.

B. A customer trouble report is any oral or written notice received by the telephone utility (other than problems detected by the telephone utility's internal diagnostics) indicating difficulty or dissatisfaction with the performance, physical condition, location or appearance of the utility's regulated telephone plant or equipment.

**103-663.7. Customer Out of Service Trouble Clearing Time.**

Provisions shall be made to normally clear all out of service troubles within twenty-four hours of the reported time to the telephone utility, excluding weekends and holidays, unless the customer agrees to another arrangement. The out of service trouble clearing time objectives for telephone utilities is 85% within 24 hours.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**SUBARTICLE 7  
SAFETY**

**103-670. Acceptable Standards.**

As criteria of accepted good safety practice the commission will use the applicable provisions of the standard listed in R.103-641.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-671. Protective Measures.**

Each telephone utility shall exercise reasonable care to reduce the hazards to which its employees, its customers and the general public may be subjected.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-672. Safety Program.**

Each telephone utility shall adopt and execute a safety program fitted to the size and type of its operation.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**SUBARTICLE 8**  
**TELECOMMUNICATION RELAY SERVICE ADVISORY COMMITTEE**

**103-680. Role of the Advisory Committee.**

The Telecommunication Relay Service Advisory Committee shall monitor the establishment, administration, and promotion of the telecommunications relay service, and advise the commission on ways the service may be enhanced to better meet the communication needs of the hearing and speech impaired.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-681. Committee Name.**

The Advisory Committee shall be known as the Telecommunications Relay Service (TRS) Advisory Committee.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993.

**103-682. Composition of the TRS Advisory Committee.**

1. The TRS Advisory Committee shall be comprised of members from the agencies as designated by statute.
2. The TRS Advisory Committee shall select a person from among its members to serve as chairman.
3. Members of the TRS Advisory Committee shall serve at the pleasure of the Commission.
4. Members of the TRS Advisory Committee shall serve without compensation.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993.

**103-683. Meetings.**

1. The TRS Advisory Committee shall meet no less than once per quarter. Other meetings shall be called at the discretion of the chairman.
2. Meetings shall be publicly noticed as far in advance as is practicable.
3. The chairman shall ensure that a qualified interpreter(s) is present at all called meetings.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993.

**103-684. Commission Approval.**

1. The commission anticipates that the TRS Advisory Committee shall make all decisions which are necessary to perform its functions as specified in R. 103-680. However, the commission retains its right to review and approve the decisions of the TRS Advisory Committee.
2. The commission Staff or the ORS Staff, TRS Advisory Committee members, or any other committee members, may require that committee recommendations be approved by the commission.
3. The commission must approve any and all proposed expenditures from the operating fund.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-690. Designation of Eligible Telecommunications Carriers.**

(Statutory Authority: 1976 Code § 58-3-140)

A. Purpose.

1. This regulation defines the requirements for designation as an Eligible Telecommunications Carrier ("ETC") for the purpose of receiving federal universal service support, not state universal service support, pursuant to 47 U.S.C. § 214(e) of the Federal Telecommunications Act of 1996.
2. This regulation will ensure that the commission will only grant a particular application if doing so will further the goals and purposes of the federal high-cost universal service fund and the universal



service fund provisions of Section 254 of the Telecommunications Act of 1996; specifically, that consumers in all regions of South Carolina, including those in rural, insular and high-cost areas will have access to telecommunications services comparable to those in urban areas of the state.

3. Notwithstanding the ETC applicant's regulatory status or the commission's jurisdiction over the applicant's regular operations, in seeking designation as an ETC, the applicant acknowledges the commission's authority and jurisdiction to impose such regulations on ETCs, including the applicant, as are in the public interest.

B. Definitions.

1. Cell Site. A geographic location where antennae and electronic communications equipment are placed to create a cell in a cellular network for the use of mobile phones. A cell site is composed of a tower or other elevated structure for mounting antennae, and one or more sets of transmitter/receivers, transceivers, digital signal processors, control electronics, and backup electrical power sources and sheltering.

2. Commission. The word commission in this regulation means the Public Service Commission of South Carolina.

3. Eligible Telecommunications Carrier (ETC). An ETC is a carrier as defined in 47 U.S.C. §214(e).

4. Lifeline Service. Lifeline Service is a service as defined in 47 C.F.R. §54.401.

5. Link Up Service. Link Up Service is a service as defined in 47 C.F.R. §54.411.

6. ORS. The abbreviation ORS in this regulation means the Office of Regulatory Staff.

7. Wire Center. A geographic location of one or more local switching systems; a location where customer loops converge. References to the evaluation of service within a wire center, for purposes of this regulation, shall mean an evaluation of the quality of the services provided in that part of the licensee's service area served by a cell site in the event the applicant is a wireless service provider.

C. Requirements for initial designation as an Eligible Telecommunications Carrier.

(a) The commission may upon its own motion or upon request, designate a common carrier that meets the requirements in this section, and the public interest standard set forth in subsection (b) of this section, as an ETC for a designated service area. ETCs shall offer services in compliance with 47 C.F.R. §54.101. Upon request and consistent with the public interest, convenience and necessity, the commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an ETC for a service area designated by the commission. Before designating an additional ETC for an area served by a rural telephone company, the commission shall find that the designation is in the public interest. On or after the effective date of this rule, in order to be designated an eligible telecommunications carrier under 47 U.S.C. § 214(e)(2) of the Federal Telecommunications Act of 1996, any common carrier in its application filed with the commission and a copy provided to the ORS must provide the following information:

(1) (A) commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. Each applicant shall certify that it will (1) provide service on a timely basis to requesting customers within the applicant's service area where the applicant's network already passes the potential customer's premises; and (2) provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost by (a) modifying or replacing the requesting customer's equipment; (b) deploying a roof-mounted antenna or other equipment; (c) adjusting the nearest cell tower; (d) adjusting network or customer facilities; (e) reselling services from another carrier's facilities to provide service; or (f) employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment.

(B) submit a two-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis, or on a cell site-by-cell site basis if the applicant is a wireless carrier throughout its proposed designated service area. Each applicant shall demonstrate:

1. How it plans to expand its network to ensure that unserved and underserved rural or high-cost areas will receive sufficient signal quality, that coverage or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation;
2. A detailed map of the coverage area before and after the improvements and in the case of a CMRS provider, a map identifying existing and proposed tower site locations;
3. The specific geographic areas where the improvements will be made;
4. The projected start date and completion date for each improvement;
5. The estimated amount of investment for each project that is funded by high-cost support;
6. A statement as to how all of the facilities funded by high-cost support are eligible for such support;
7. The estimated population that will be served as a result of the improvements;
8. If an applicant believes that service improvements in a particular wire center or on a particular cell site are not needed, it must explain its basis for this determination and demonstrate how funding will otherwise be used to further the provision of supported services in that area; and
9. A statement as to how the proposed improvements funded by universal service dollars would not otherwise occur absent the receipt of high-cost support and that such support will be used in addition to any expenses the ETC would normally incur.

(C) for carriers seeking certification in areas not eligible for High Cost Support from the USF, but seeking ETC designation for the purpose of participation in the Lifeline and Link Up programs, the following shall apply in lieu of paragraph (B) above: shall submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the Lifeline and Link Up programs. All other provisions of this subsection shall apply.

(2) demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, its ability to reroute traffic around damaged facilities, and its capability of managing traffic spikes resulting from emergency situations. The commission shall determine on a case-by-case basis whether a carrier has demonstrated its ability to remain functional in emergency situations.

(3) demonstrate that it will satisfy applicable consumer protection and service quality standards. A commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service will satisfy this requirement. Other commitments will be considered on a case-by-case basis.

(4) demonstrate that it offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation.

(5) certify by affidavit signed by an officer of the company that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area.

(6) certify by affidavit signed by an officer of the company that it does offer or will offer the services that are supported by the federal universal service support mechanisms by using its own facilities or a combination of its own facilities and resale of another carrier's services.

(7) certify by affidavit signed by an officer of the company that it does or will advertise in a media of general distribution the availability of such services, including lifeline services and the applicable charges.

(b) Public Interest Standard. Prior to designating an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(2), the commission must determine that such designation is in the public interest. In doing so, the commission shall consider, *inter alia*, the benefits of increased consumer choice, and the unique advantages and disadvantages of the applicant's service offering. In instances where an eligible telecommunications carrier applicant seeks designation below the study area level of a rural telephone company, the commission shall also conduct a creamskimming analysis that includes, but is not limited to, comparing the population density of each wire center in which the eligible telecommu-

nications carrier applicant seeks designation against that of the wire centers in the study area in which the eligible telecommunications carrier applicant does not seek designation. The commission shall not designate a service area to an ETC that is smaller than an entire wire center.

**HISTORY:** Added by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–690.1. Annual Reporting Requirements for Designated Eligible Telecommunications Carriers.**

#### A. Purpose.

The purpose of this regulation is to specify the annual reporting requirements for designated Eligible Telecommunications Carriers (ETCs).

#### B. Annual Reporting Requirements for ETCs Designated after January 1, 2007.

This section shall apply to all eligible telecommunications carriers who are designated after January 1, 2007.

(a) Filing Deadlines. For ETCs who are designated after January 1, 2007, in order for the common carrier designated under 47 U.S.C. § 214(e)(2) to continue to receive support for the following calendar year, or retain its eligible telecommunications carrier designation, it must file with the commission and provide a copy to the ORS the annual reporting information in paragraph (b) no later than June 30, 2008, and thereafter annually by June 30th of each year. The information provided should cover the previous twelve (12) month period ending December 31st. The ORS shall review each ETC annual report and notify the commission on or before August 20th annually in writing as to the ORS's opinion as to whether the carrier is in compliance with federal and state regulations and rules. The commission, after holding a hearing, if it deems a hearing is necessary, shall determine based upon the information provided to it whether the carrier is in compliance with federal and state regulations and rules and shall notify the Federal Communications Commission and the Universal Service Administrative Company of each company's compliance by October 1st of the reporting year thereby ensuring that each ETC designated by the commission is authorized to receive federal support for the upcoming fiscal year.

Reports must also contain a commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service as of May 18, 2008, or a commitment by other ETCs that they meet the service quality standards outlined in Section 103–663. For the purpose of this regulation, access lines and handsets shall be used interchangeably.

(b) A common carrier designated under 47 U.S.C. § 214(e)(2) as an eligible telecommunications carrier after January 1, 2007 shall provide:

(1) a progress report on its two-year service quality improvement plan, including maps detailing its progress toward meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve signal quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled. The information shall be submitted at the wire center level. Additionally, an updated forward-looking two-year plan shall be filed annually;

(2) detailed information on any outage, as defined in 47C.F.R.§4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. §4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected;

(3) the number of requests for service from potential customers within the eligible telecommunications carrier's service areas that were unfulfilled during the past year. The carrier shall also detail how it attempted to provide service to those potential customers;

(4) the number of complaints or trouble reports per 1000 handsets or access lines;

(5) certification that it is complying with applicable service quality standards and consumer protection rules, as designated by the commission;

- (6) a detailed report and certification that the carrier is able to function in emergency situations;
- (7) for non-incumbent local exchange carriers certification that the carrier is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas;
- (8) certification that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area;
- (9) the number of Lifeline customers and the number of customers that received Link Up assistance as of December 31st of the prior year;
- (10) copies of responses to the Lifeline Verification Survey or Certification filed with the Universal Service Administrative Company on August 31st of each year; and
- (11) For ETCs not eligible for High Cost Fund support, but participating in the Lifeline and Link Up programs, subsections (1) and (2) shall be waived. All other requirements shall remain in force, except that the requirements of (6) may be met by reference to an underlying carrier's continuing certification as for leased facilities.

C. Annual Reporting Requirements for ETCs Designated Prior to January 1, 2007.

To the extent required by 47 C.F.R. 54.313 and 47 C.F.R. 54.314, ETCs who were designated prior to January 1, 2007, must certify to the commission that all federal high-cost support provided to such carriers within South Carolina in the succeeding calendar year will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification must be filed with the commission on or before August 1st annually.

D. Newly Designated Eligible Telecommunications Carriers.

(a) Once a carrier is designated as eligible to receive support, the commission shall file the certification with the Federal Communications Commission and the Universal Service Administrative Company within 60 days of that effective date of its designation as an eligible telecommunications carrier.

(b) Thereafter, the ETC must submit the data required in paragraph B by August 1st of each year to the commission and the commission shall file the certification with the Federal Communications Commission and the Universal Service Administrative Company by October 1st.

E. ETC Requirements for Lifeline and Link Up Services.

(a) ETCs shall offer Lifeline service in the designated service area to all qualifying low-income consumers in accordance with the federal lifeline service guidelines as follows:

(1) ETCs shall publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service.

(2) ETCs shall commit to offer toll limitation to all qualifying low-income consumers at the time such consumers subscribe to Lifeline service. If the consumer elects to receive toll limitation service, that service becomes part of that consumer's Lifeline service.

(3) ETCs may not collect a service deposit in order to initiate Lifeline service if the qualifying low-income consumer voluntarily elects toll limitation service from the carrier where available.

(4) ETCs shall verify annually that its Lifeline customers meet the program qualification.

(5) ETCs shall notify Lifeline subscribers a minimum of 60 days prior to termination of their service if the carrier has a reasonable basis to believe that the subscriber no longer meets the Lifeline qualifying criteria.

(6) ETCs shall not charge Lifeline customers a monthly number- portability charge.

(b) ETCs shall offer Linkup service in the designated service area to all qualifying low-income consumers, in accordance with the following guideline:

(1) ETCs shall publicize availability of Link Up service in a manner reasonably designed to reach those likely to qualify for the service, and shall provide a reduction of the customary charge for connecting telecommunications service for a single line at the consumer's principal place of residence. The reduction shall be in conformance with federal regulations governing the cost of Link Up service.

**ARTICLE 7**  
**WATER UTILITIES**  
**SUBARTICLE 1**  
**GENERAL**

**103–700. Authorization of Rules.**

A. Section 58–5–210 of the Code of Laws of South Carolina 1976, provides: “That the Public Service Commission is hereby, to the extent granted, vested with power and jurisdiction to supervise and regulate the rates and service of every public utility in this State, together with the power, after hearing, to ascertain and fix such just and reasonable standards, classifications, regulations, practices, and measurements of service to be furnished, imposed, observed and followed by every public utility in this State, and the State hereby asserts its rights to regulate the rates and services of every public utility as herein defined. In accordance with the above provisions the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern water service by public utilities. All previous rules or standards are hereby revoked, annulled, and superseded.”

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint, upon the application of any utility or upon its own motion. Furthermore, these rules shall not relieve either the commission or the utilities of any duties prescribed under the laws of this State.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–701. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, association, establishment or corporation (except public utilities owned or operated by any municipality or agency thereof and/or any water authority specifically exempted by statute) which is now or may hereafter become engaged as a public utility in the business of furnishing water to any water consumer within the State of South Carolina.

2. Purpose. These rules are intended to define good practice. They are intended to insure adequate and reasonable service. The utilities shall assist the commission and the ORS in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rules or regulations may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–702. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below:

**103–702.1. Commission.**

The Public Service Commission of South Carolina.

**103–702.2. Curb Stop.**

Valve controlling water flow located on the utility service line. Curb stops are for the exclusive use of the utility for control of the water supply to individual customers and should be located at or adjacent to the customer’s property line but should not be located on the customer’s premises. The control of the water supply by the customer shall be by means of a separate valve, installed by the customer, and located on his premises.

**103–702.3. Customer.**

Any person, firm, partnership or corporation, or any agency of the Federal, State or Local Government, being supplied with service by a utility under the jurisdiction of this commission.

Customers shall be classified for purposes of applying rates as “residential”, or “commercial”, or “industrial”.

**103-702.4. Customer Contribution in Aid of Construction.**

A fee paid by a customer under a contract entered into by and between the utility and its customers providing terms for the extension of the utility’s mains to serve the customer.

**103-702.5. Customer Service Line.**

The portion of the distribution line that transports water from the meter, to the place of consumption on the customer’s premises, or, if there is no meter, from the curb stop to the place of consumption on the customer’s premises.

**103-702.6. Error in Registration.**

The percentage by which the correct registration varies from the meter registration. The error is derived by stopping the meter test hand at the starting point and then determining the percentage variation in registration as indicated by the working standard. The formula for determining the error in registration is:

$$100 \times \frac{(\text{Meter Reading}-\text{Actual Volume})}{(\text{Actual Volume})}$$

A positive percentage indicates a fast meter and a negative percentage indicates the meter is slow.

**103-702.7. Homeowners Association.**

An association of lot owners located in a particular subdivision or development incorporated under the laws of this state as a non-profit corporation, including as one of its purposes, the operation of a water system to serve the particular subdivision or development. Each homeowners association, prior to the commencement of operations of a water system, shall file with the commission and provide a copy to the ORS (a) a certified copy of its certificate of incorporation; (b) a copy of the corporation’s bylaws; (c) a copy of any declaration of covenants, conditions and restrictions on real property in the subdivision or development filed in conjunction with the formation of the homeowners association; (d) a copy of the permit or authorization from the Department of Health and Environmental Control issued to the homeowners association to operate the utility; and (e) copies of a statement signed by each lot owner disclosing that the water services in the subdivision are provided by a non-profit homeowners association, in which each lot owner is a voting member, and that an appropriate assessment to meet operating expenses of the utility must be paid by each lot owner.

**103-702.8. Main.**

A water pipe owned, operated or maintained, by a utility, which is used for the purpose of transmission or distribution of water, but does not include the “utility service line” or “customer service line”.

**103-702.9. Meter.**

Any device, or instrument, which is used by a utility in measuring a quantity of water for billing purposes. The meter will be the property of, and will be maintained by, the utility.

**103-702.10. The Office of Regulatory Staff.**

The executive director and employees of the Office of Regulatory Staff.

**103-702.11. Premises.**

A piece or tract of land or real estate, including buildings and other appurtenances thereon.

**103-702.12. Rate.**

The term “rate” when used in these rules and regulations means and includes every compensation, charge, toll, rental, classification, or availability fee, or any of them, including tap fees, or other non-recurring charges demanded, observed, charged, or collected by any utility for any water service offered by it to the public, and any rules and regulations, practices, or contracts affecting any such compensation, charge, toll, rental or classification. An application for approval of any rate schedule will not be accepted for filing under S.C. Code Ann., § 58-5-240 unless accompanied by the information specified under 103-712(4).

**103-702.13. Tap Fee.**

A non-recurring, non-refundable charge related to connecting the customer to the utility's system which includes the cost of installing the utility's service line from the main to the customer's premises and a portion of plant capacity which will be used to provide service to the new customer. Plant capacity shall be computed by using the Guidelines for Unit Contributory Loadings to Wastewater Treatment Facilities (1972) to determine the single family equivalency rating. Any privately-owned corporation, firm, partnership, or individual empowered by contract, or otherwise, to collect a tap fee from a customer for the provision of water service to that customer shall be considered a utility, and shall obtain commission approval prior to collecting tap fees, or any other rates for water service. An application for approval of any rate change shall not be considered unless the filing contains appropriate exhibits setting forth all cost criteria justifying the tap fee, setting forth the portion of the tap fee related to installing the service line and the portion related to plant capacity.

**103-702.14. Utility.**

Every person, firm, partnership, association, establishment or corporation furnishing or supplying in any manner water to the public, or any portion thereof, for compensation. A "homeowners association", as defined in these rules and regulations and subject to the requirements set forth herein, upon commission order, may be found not to be a utility.

**103-702.15. Utility Service Line.**

The portion of the distribution line that transports water from a main to a meter, or if there is no meter, up to and including the curb stop.

**103-702.16. Water Plant.**

All facilities owned by the utility for the collection, production, purification, storage, transmission, metering, and distribution of potable water.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-703. Authorization for Rates and Charges.**

A. No schedule of rates, contracts, or rules and regulations, shall be changed until after the proposed change has been approved by the commission.

B. All rates, contract forms, or rules and regulations, proposed to be put into effect by any utility as defined in 103-702(14), shall be first approved by this commission before they shall become effective, unless they are exempt from such approval by statute or other provision of law.

C. No rate, contract, or rules and regulations of any utility under the jurisdiction of this commission shall be deemed approved or consented to by the mere filing of a schedule, or other evidence thereof, in the offices of the commission.

D. Each customer within a given classification (i.e., residential, commercial or industrial) shall be charged the same approved rate, including tap fees, as every other customer within that classification unless reasonable justification is shown for the use of a different rate or toll, and a contract or tariff setting forth the different rate has been filed and approved by the commission through the issuance of an order or directive.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-704. Territory and Certificates.**

No existing public utility supplying water to the public, or any individual, corporation, partnership, association, establishment or firm undertaking the construction or acquisition of a utility, shall hereafter sell, acquire, transfer, begin the construction or operation of any utility system, or of any extension thereof, by the sale of stock or otherwise, without first obtaining from the commission a certificate that the sale, transfer or acquisition is in the public interest, or that public convenience and necessity require or will require construction or operation of any utility system, or extension. Such certificate shall be granted only after the applicable information set forth in Subarticle 2, 103-710 et seq., has been filed with the commission and provided to the ORS, and after notice has been given to the Department of Health and Environmental Control and other interested water utilities, and to the public, and after due hearing; provided, however, that this regulation shall not be construed to

require any existing water utility to secure a certificate for an extension within or to territory already served by it, necessary in the ordinary course of its business. But, if any water utility in constructing or extending its lines, plant or system unreasonably interferes, or is about to unreasonably interfere, with the service or system of any other utility, the commission may make such order, and prescribe such terms and conditions, in harmony with this regulation, as are just and reasonable.

**HISTORY:** Amended by State Register Volume 24, Issue No. 5, eff May 26, 2000; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–705. Utilities Rules and Regulations.**

Each utility shall adopt rules, regulations, operation procedure policies, terms and conditions, etc., as may be necessary in the operation of the utility. Such service “conditions or regulations” shall be approved by and filed with the commission, along with certification that these rules are consistent with the rules of the commission and provided to the ORS.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–706. Security Issues.**

A. No utility shall issue any securities without the approval of the commission. This rule shall not apply to any issue of securities payable within one year from the date of issue, except in case of subsequent issues made to refund short term obligations; but such short term obligations may be renewed by similar obligations without the approval of the commission for an aggregate period not exceeding two years.

B. Any utility desiring to issue securities may apply to the commission for approval of the proposed issue by filing an application with the commission and serving a copy on the ORS, together with a statement verified by (1) its president and secretary or other appropriate officers; (2) two of its incorporators, or (3) by its owner or owners, if it is unincorporated, setting forth:

- (a) The amount and character of securities proposed to be issued;
- (b) The purpose for which they are to be issued;
- (c) The consideration for which they are to be issued;
- (d) The description and estimated value of the property, if any, to be acquired through the proposed issue;
- (e) The terms and conditions of the issuance; and
- (f) The financial condition of the utility and its operations so far as relevant.

C. The commission shall determine whether the purpose of the issue is proper; shall value the property or services, if any, to be acquired by the issue, and it shall find and determine the amount of securities reasonably necessary for the purpose for which they are to be issued. This determination shall follow such investigation as may be necessary, wherein the utility and any other interested party shall be entitled to be heard.

D. To the extent that the commission may approve the proposed issue, it shall grant to the utility a certificate of authority stating the character of the securities and the amount reasonably necessary for the purpose for which they are to be issued; and the value of any property or services, if any, to be acquired. This certification shall not impose or imply any guaranty or obligation as to such securities on the part of the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103–710. Location of Records and Reports.**

All records required by these rules are necessary for the administration thereof, shall be kept within an office located in this state, unless otherwise specifically authorized by the commission. These records shall be available for examination by the ORS or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.



### **103–711. Retention of Records.**

Unless otherwise specified by the commission, or by regulations or commission Orders governing specific activities, all records required by these rules shall be preserved according to the most current edition of *Regulations to Govern the Preservation of Records for Electric, Gas and Water Utilities*, published by the National Association of Regulatory Utility Commissioners (NARUC). Following are certain modifications to those record retention periods:

(A) Item 30. Plant ledgers:

a. Ledgers of utility plant accounts including land and other detailed ledgers showing the cost of utility plant by class for the life of the utility.

b. Continuing plant inventory ledger, book or card records showing description, location, quantities, cost, etc. of physical units (or items) of utility plant owned - life of the utility.

(B) Item 32. Retirement work in progress ledgers, work orders and supplemental records:

a. Work order sheets to which are posted the entries for removal costs, materials recovered and credits to utility plant accounts for cost of plant retired - life of the utility.

(C) Other - Records related to a test year used in a rate adjustment proceeding shall be preserved for a period of two years after the final order in such case or throughout the period that the Order by the Public Service Commission concerning the rate adjustment may be appealed, whichever is later. The utility shall maintain beyond this two-year period sufficient records to verify and substantiate all requirements included in these rules.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–712. Data to be Filed with the Commission and Provided to the ORS.**

1. Annual Report. Each utility operating in the State shall file an annual report with the commission and provide a copy to the ORS giving accounting, and other information as the commission directs.

The commission or the ORS will provide an annual report form upon request. If the utility's books are maintained on a calendar year, the annual report must be filed on or before April 1st of each year. If the utility uses a fiscal year other than December 31st, the annual report should be filed within three months after the end of the fiscal year.

2. Current Information and Documents. The utility shall file with the commission and provide a copy to the ORS the following documents and information, and shall maintain such documents and information in a current status.

2.1. Tariff. A copy of each schedule of rates and charges for service, together with the applicable riders, including any rules and regulations or terms and conditions describing policies and practices in rendering service shall be provided to the commission and the ORS.

2.2. Contract Forms. A copy of each special contract for service, including aid to construction agreements, and rate or toll agreements shall be provided to the commission and the ORS.

2.3. Customer Bill. A copy of each type of customer bill form, which shall include the information which is normally shown on a customer's bill for service shall be provided to the ORS.

2.4. Operating Area Maps. A map of the utility's operating area. This map shall be revised annually and provided to the ORS unless such revision is unnecessary, in which event the utility shall notify the ORS that the map on file is current. The map should show:

(a) Location of pumping stations, purification plants and sources of supply;

(b) Potable water storage facilities;

(c) Mains by size;

(d) Location of valves and fire hydrants;

(e) Service area clearly drawn on operating area map utilizing proper surveying standards;

(f) Names of all communities (post offices) served;

(g) Location of blow off valves;

(h) Capacity of the system and;

(i) Location of cross-connection control devices

2.5. Authorized Utility Representative. The utility shall advise the commission and ORS of the name, title, address, and telephone number of the person who should be contacted in connection with:

- (a) General management duties;
- (b) Customer relations (complaints);
- (c) Engineering operations;
- (d) Meter test and repairs; and,
- (e) Emergencies during non-office hours.

3. Performance Bond. Prior to operating, maintaining, acquiring, expanding or improving any water utility system, for which commission approval is required, the utility shall have on file with the commission and provide a copy to the ORS a performance bond with sufficient surety using a format prescribed by the commission.

3.1. Amount of Bond. The amount of bond shall be based on, but not limited to, the total amount of the following categories of expenses for twelve months: Operation and Maintenance Expenses, General and Administrative Expenses, Taxes Other Than Income Taxes, Income Taxes, and Debt Service including Interest Expenses. The minimum amount of the bond shall be \$100,000 and the maximum amount of the bond shall be \$350,000 based on the verified expenses of the utility for the preceding twelve-month period. A bond shall be required for each water and wastewater provider under the jurisdiction of the Public Service Commission. A certification that the face amount of the bond on file with the commission complies with the provisions of 103-712.3.1 shall be filed with the annual report required by 103-712.1 of this rule. The ORS shall review the annual reports and certifications and determine whether the present bond of the utility accurately reflects the expenses of the utility. Based upon the expenses of the utility as submitted in the annual report and as reviewed and adjusted by the ORS, the ORS shall make recommendations for increasing or reducing the amount of the bond within the minimum and maximum limits as prescribed by statute.

3.2. Sureties. Sufficient surety may be any duly licensed bonding or insurance company authorized to do business in this state. A corporate surety, other than such a bonding or insurance company, shall not be considered sufficient surety.

Sufficient surety may be any individual, as stockholder, partner, sole owner, etc., in the utility, so long as the individual surety's net worth is at least twice the face amount of the performance bond.

3.3. Financial statement. Upon order of the commission, when any individual acts as surety, he shall file with the commission and provide a copy to the ORS annually a financial statement verified by said surety showing the individual surety's personal assets, liabilities and net worth. The commission may accept a verification of the financial statement in a format prescribed by the commission, including third-party verification.

#### 4. Rate Applications

A. When any utility makes application for an increase in existing rates and charges, such application shall not be accepted for filing unless it contains the following information:

- 1) A statement of reason justifying need for proposed rate adjustment;
- 2) Most current available income and expense statement for the preceding twelve months;
- 3) Proposed rate schedule;
- 4) Test year proposed to be used;
- 5) Pro forma income and expense statement using proposed rates applied to proposed test year;
- 6) Balance sheet;
- 7) Depreciation schedule by categories of plant or average service lives;
- 8) Number of present and expected customers in the following twelve months;
- 9) Cost justification for proposed rates and charges, including tap fees; with attached schedules depicting labor costs, materials costs, and miscellaneous costs.
- 10) Filing or updating performance bond in accordance with 103-712.3.
- 11) Current or updated service area map;

- 12) Statement of total plant investment by categories; and,
- 13) Most recent letter of approval from the Department of Health and Environmental Control, dated not more than six (6) months prior to date of application; and
- 14) Customer bill form;
- 15) Annual Report on file and evidence of last period Gross Receipts paid; and
- 16) Any other pertinent or relevant information determined necessary by the commission.

B. When any utility makes application for establishment of service area and rates and charges, such application shall contain the following information:

- 1) Copy of articles of incorporation or partnership agreement;
- 2) Plat of proposed area to be served;
- 3) Copy of engineering plans and specifications designed or certified to be in accordance with good engineering practices by a professional engineer registered in South Carolina;
- 4) Construction permit from the Department of Health and Environmental Control approving engineering plans and specifications;
- 5) Schedule of proposed rates and charges and cost justifications, including tap fees with attached schedules depicting labor costs, materials costs, and miscellaneous costs;
- 6) Number of customers proposed to be served and capacity of system;
- 7) Financial statement showing proposed plant investment by categories;
- 8) Depreciation schedule by categories of plant or average service lives;
- 9) Pro forma income and expense statement showing the effect of using the proposed rates based on plant capacity;
- 10) Filing of performance bond in accordance with 103-712.3.
- 11) Statement by a professional engineer that the system was built and installed according to plans and specifications on file with the commission and will furnish adequate service for the area to be served;
- 12) Letter from Department of Health and Environmental Control approving system for operation, dated not more than six (6) months prior to date of application;
- 13) Customer bill form; and
- 14) Other pertinent or relevant information determined necessary by the commission.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 27, Issue No. 2, eff February 28, 2003; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-713. Inspection of Plant and Equipment.**

A. Each utility shall, upon request of the ORS, provide to the ORS a statement regarding the condition and adequacy of its plant, equipment, facilities, and service in such form as the commission may require or as the ORS may request.

B. Each utility shall keep sufficient records to give evidence of compliance with its inspection program as set forth in Subarticle 6, 103-760 et seq.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-714. Interruption of Service.**

A. Each utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any single community or an important division of a community, including a statement of the time, duration, and cause of any such interruption. The commission and the ORS should be notified of any interruption lasting more than six hours as soon as it comes to the attention of the utility and a complete report will be made after restoration of service.

B. Each utility shall make all reasonable efforts to prevent interruptions of service and, when such interruptions occur, shall endeavor to re-establish service with the shortest possible delay consistent with the safety of its consumers and the general public. Scheduled interruptions shall always be

preceded by adequate notice to all affected customers, and will be made at a time that will not cause unreasonable inconvenience to customers.

C. All Water Utilities under the jurisdiction of the commission shall file with the commission and the ORS in writing a notice of any violation of a PSC regulation or a DHEC regulation which results in the issuance of a DHEC order. If the report includes information regarding a DHEC violation which results in the issuance of a DHEC order, the filer shall note if the DHEC order is under appeal and shall inform the commission of the resolution of the appeal. This notice shall be filed within twenty-four hours of the time of the inception of the violation or of the utility's receipt of the issuance of a DHEC order and shall detail the steps to be taken to correct the violation, if the violation is not corrected at the time of occurrence. The Company shall notify the commission and the ORS in writing within fourteen calendar days after the violation has been corrected.

D. All Water Utilities under the jurisdiction of the commission shall provide the ORS Consumer Services Division a copy of all advisories affecting ten or more customers within twenty-four hours of issuance. The utility shall notify the ORS Consumer Services Division in writing when the advisory has been lifted.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007; State Register Volume 33, Issue No. 6, eff June 26, 2009.**

### **103-715. Accidents.**

Each utility shall, as soon as possible, report to the ORS each accident happening in connection with the operation of its property, facilities, or service, wherein any person shall have been killed or seriously injured or whereby any serious property damage shall have been caused. Such first report shall later be supplemented by as full a statement provided to the ORS as is possible of the cause and details of the accident and the precautions, if any, which have been taken to prevent similar accidents.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-716. Complaints.**

Complaints by customers concerning the charges, practices, facilities, or services of the utility shall be investigated promptly and thoroughly. Each utility shall keep a record of all such complaints received, which record shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990.**

### **103-717. Meter History Records.**

Each utility shall maintain records of the following data, where applicable, for each meter until retirement:

- A. The complete identification-manufacturer, number, type, size, capacity, multiplier, and constants.
- B. The dates of installation and removal from service together with the locations.

### **103-718. Meter Test Records and Reports.**

Each utility shall maintain records of at least the last two tests made of any meter. The records of the meter test made at the time of the meter's retirement shall be maintained for a minimum of three years. Test records shall include the following:

- 1) The date and reason for the test;
- 2) The reading of the meter before making any test;
- 3) The accuracy "as found" at each rate of flow;
- 4) The accuracy "as left" at each rate of flow; and,
- 5) In the event tests of the meter are made by using a standard meter the utility shall retain all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the test methods and calculations.

### **103–719. Accounting Procedures.**

All books and records of the utility shall be maintained in accordance with the NARUC Uniform System of Accounts for Class A, B and C Water Utilities to the extent applicable, and such records must be made available for examination by the ORS or its authorized representatives at all reasonable hours. Full cooperation will be provided by the utility during rate adjustment audits or compliance audits conducted by the ORS or its representatives.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 3 METERS**

### **103–720. Meter Requirements.**

Service shall be measured by meters furnished by the utility, unless otherwise ordered by the commission and such meters shall maintain the degree of accuracy as set forth in 103–722.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–721. Meter Readings.**

Each water meter shall indicate clearly the unit of water registered by such meter. Where the quantity of water is determined by calculation from recording devices, the utility shall supply the consumer with such information as will make clear the method by which the quantity is determined.

1. Meter Reading Sheets or Cards. The meter reading sheets or cards shall show:
  - (a) Customer's name, address and rate classification;
  - (b) Identifying number and/or description of the meter(s);
  - (c) Meter readings;
  - (d) Multiplier, if any; and,
  - (e) If the reading has been estimated.

### **103–722. Meter Accuracy and Condition.**

A. Installation Test—Every water meter, whether new or repaired, shall be in good order and shall be correct to within three (3) per cent. However, a utility which has less than one thousand customers and which has no facilities for opening meter cases and adjusting the mechanism, may put a meter back into service if it is not found to be in error by more than three and one-half (3 ½) per cent and appears otherwise to be in good order.

B. Method of Testing—All tests to determine the accuracy of registration of any water service meter shall be made with a suitable meter prover, and records of all regular or complaint tests shall be kept by the utility.

No meter shall be installed which is mechanically defective. The capacity of the meter and the index mechanism should be consistent with the water requirements of the customer.

### **103–723. Meter Seal.**

Immediately after the pre-installation test or field test of a water meter the utility shall affix a seal in such a manner that the meter cannot be tampered with without breaking the seal.

### **103–724. Meter Location.**

A. All meters will be furnished, installed, owned, and maintained by the utility, and shall remain its property and be accessible to and subject to its control. Meters shall be located in accordance with good utility practices on the delivery side of the curb stop so as to control the entire water supply furnished to the premises. No meter shall be installed in any location on or off the premises where it may be unreasonably exposed to heat or cold or other cause of damage, or in an inaccessible or hazardous location.

B. Where water is furnished to the customer in accordance with a flat rate, the utility may install and maintain a meter located in accordance with good utility practices. After all customers in the

utility's service area have been metered, the utility may make application to the commission and provide a copy to the ORS to obtain approval to change from a flat rate to a metered rate. Upon such application, the ORS will conduct an investigation to determine if a utility should utilize meters and, after hearing, the commission may order the use of metered rates. If no meters are in place, the commission after hearing, may order the installation of meters and the implementation of a metered rate.

C. The utility shall make available to the customer sketches of standard meter installations to demonstrate the way in which the customer's portion of the installation should be made.

D. In the event the customer desires any change in the location or position of the meter, meter box or vault, after they have been installed, such change in location shall be made by the utility at the expense of the customer.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-725. Change in Character of Service.**

In order that the utility may provide a proper service facility and metering installation the customer shall advise the utility of the expected service requirements sufficiently in advance of the date service is required, and shall also advise the utility of any significant increase or decrease in service needs in sufficient time to change service facilities.

### **103-726. Meter Damage.**

Meters will be maintained by the utility so far as ordinary wear and tear are concerned. When a meter is designed for and located within a building or structure on the premises, the customer shall pay for all damages due to external causes or heat or cold. When the meter or meter box is damaged by the customer, the customer shall pay for damages pursuant to R.103-733.5.

The customer shall notify the utility of any damage to or improper functioning of the meter as soon as the customer becomes aware of it.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990.**

## **SUBARTICLE 4 CUSTOMER RELATIONS**

### **103-730. Customer Information.**

Each utility shall:

A. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.

B. Notify each affected customer in writing as prescribed by the commission of any proposed change in rates and charges. A certification that the above notice requirements have been met shall be furnished to the commission by the utility prior to the public hearing.

C. Provide that a complete schedule, contract forms, rules and regulations, etc., as filed with the commission and provided to the ORS, shall also be on file in the local offices of the utility and shall be open to the inspection of the public.

D. Upon request, inform its customers as to the method of reading meters and as to billing procedures, and shall assist prospective customers in selecting the most economical rate schedule applicable.

E. Provide adequate means (telephone, etc.) whereby each customer can contact an authorized representative of the utility at all hours in cases of emergency or unscheduled interruptions of service.

F. Notify any customer making a complaint pursuant to 103-716 that remains unresolved after seven days, that the utility is under the jurisdiction of the commission and the customer may notify the ORS of the complaint.

G. Inform each prospective customer from whom a deposit may be required of the provisions contained in 103-731 and its subsections.

H. Inform each prospective customer that the customer's service line shall conform to all local plumbing codes, and in the absence of such codes shall conform to the Southern Standard Plumbing Codes.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-731. Customer Deposits.**

Each utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

(a) The customer's past payment record to a water utility shows delinquent payment practice, i.e. the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months or,

(b) A new customer cannot furnish either a letter of good credit from a reliable source or an acceptable cosigner to guarantee payment, or

(c) A customer has no deposit, and presently is delinquent in payments (i.e., the customer has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears, in the past 24 months), or

(d) A customer has had his service terminated for nonpayment.

#### **103-731.1. Amount of Deposit.**

A. A maximum deposit may be required up to an amount equal to an estimated two (2) months (60 days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months based on the experience of the preceding twelve (12) months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

#### **103-731.2. Interest on Deposits.**

A. Simple interest on deposits at the rate as determined by commission Order shall be paid by the utility to each customer required to make such deposit for the time it is held by the utility, provided that no interest need be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

#### **103-731.3. Deposit Records.**

Each utility shall keep a record to show:

- (a) The name and address of each depositor;
- (b) The amount and date of the deposit; and,
- (c) Each transaction concerning the deposits.

#### **103-731.4. Deposit Receipt.**

Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a depositor may establish his claim if his receipt is lost.

#### **103-731.5. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive 30-day arrearages, or more than two non-consecutive 30-day arrearages, in the past 24 months.

#### **103-731.6. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least one year during which time the water utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by law.

**103-731.7. Deposit Credit.**

Where a customer has been required to make a deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill, a utility shall apply the deposit of such customer toward the discharge of the customer's account and shall as soon thereafter as practicable refund the customer any excess of the deposit. If however, the customer whose service has been disconnected for non-payment, pays the full amount on his account within 72 hours after service has been disconnected and applies for reconnection, the utility may not charge an additional deposit except under the provisions of 1 of this rule.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-732. Customer Billing.**

The utility shall bill each customer as promptly as possible following the reading of his meter.

**103-732.1. New Service.**

Meters shall be read at the initiation and termination of any service and billing shall be based thereon.

**103-732.2. Customer Bill Forms.**

The bill shall show:

- (a) The reading of the meter at the end and beginning of the period for which the bill is rendered;
- (b) The date on which the meter was read;
- (c) The number and kind of units metered;
- (d) The applicable rate, schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request;
- (e) Total amount due;
- (f) A distinct marking to identify an estimated bill;
- (g) Any conversions from meter reading units to billing units or any calculations to determine billing units from recording or other devices, or any other factors used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the utility's principal office;
- (h) Number of days for which bill is rendered;
- (i) Date payments due;
- (j) Date of bill.
- (k) Telephone number where utility can be contacted during regular office hours and non-office hours.

**103-732.3. Late Payment Charges.**

A maximum of one and one-half percent (1 ½ %) may be added to any unpaid balance not paid within 25 days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late payment charge will be made in lieu of any other penalty.

**103-732.4. Payment by Check.**

The utility at its option for good cause may refuse to accept a check tendered as payment on a customer's account, and require payment in cash or other certified funds. Good cause must be justified by a water utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant. For the purposes of this regulation, the water utility may not consider indebtedness that was incurred by the customer or any member of his household more than six (6) years prior to the time of application.

**103-732.5. Charges for Discontinuance and Reconnection.**



Whenever service is turned off for violation of rules and regulations, nonpayment of bills, or fraudulent use of service, or at the request of the customer, the utility may make reasonable charges to be approved by the commission for the cost incurred in discontinuing the service and reconnection and require payment for service billed and for service used which has not previously been billed.

**103-732.6. Estimated Bills.**

No utility shall send a customer an estimated bill, except for good cause, when the meter could not be read or was improperly registering. In no instance will more than one estimated bill be rendered within a 60-day period, unless otherwise agreed to by the customer.

**103-732.7. Deferred Payment Plan.**

The utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for water service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by R.103-732.3. Service to such customer shall not be terminated unless the utility has informed the customer that such deferred payment plan is available. A deferred payment plan is any agreement to extend or defer a payment cut-off date by more than 5 work days. If a Customer defaults on a Deferred Payment Plan, the Utility may terminate service pursuant to 103.735.1 (H).

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**103-733. Adjustments of Bills.**

If it is found that a utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such utility than that prescribed in the approved rate schedules of such utility, then filed in the manner provided in Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from a utility for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

**103-733.1. Fast or Slow Meters.**

If the overcharge or undercharge is the result of a fast or slow meter, then the method of compensation shall be as follows:

(a) In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon request of the customer, as specified in 103-760(B).

(b) In the event that the meter so tested is found to have an error in registration of more than three (3) per cent, the bills will be increased or decreased accordingly, but in no case shall such a correction be made for more than sixty (60) days or two (2) billing periods, whichever is greater, prior to determination of meter error.

**103-733.2. Customer Inadvertently Overcharged.**

If the utility has inadvertently overcharged a customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any other human or machine error, except as provided in 1 of this rule, the utility shall, at the customer's option, credit or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

(a) If the interval during which the customer was overcharged can be determined, then the utility shall credit or refund the excess amount charged during that entire interval provided that the applicable statute of limitations shall not be exceeded.

(b) If the interval during which the customer was overcharged cannot be determined, then the utility shall credit or refund the excess amount charged during the 12-month period preceding the date when the billing error was discovered.

(c) If the exact usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined, then the refund shall be based on an appropriate estimated usage and/or demand.

**103-733.3. Customer Inadvertently Undercharged.**

If the utility has undercharged any customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any human or machine error, except as provided in 1 and 5 of this rule, then the utility may recover the deficient amount as provided as follows:

(a) If the interval during which a customer was undercharged can be determined, then the utility may collect the deficient amount incurred during that interval up to a maximum period of six months.

(b) If the interval during which a customer was undercharged cannot be determined, then the utility may collect the deficient amount incurred during the six-month period preceding the date when the billing error was discovered by the utility.

(c) The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

(d) If the usage and/or demand incurred by that person during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on estimated usage and/or demand. If a meter has ceased to register, the adjustment shall be based on the average registration of the meter over a six-month period when in order.

**103-733.4. Customer Willfully Overcharged.**

If the utility has willfully overcharged any customer, the utility shall refund the difference, plus interest, as prescribed by the commission for the period of time that can be determined that the customer was overcharged.

**103-733.5. Customer Undercharged Because of Fraud or Willful Misrepresentation.**

If the utility has undercharged any customer because of the customer's fraudulent actions, such as tampering with, or by-passing the meter, or because the customer has willfully misrepresented a material fact resulting in an undercharge, or if it is shown that the customer is aware of fraudulent or illegal action by another person, such as tampering with, or bypassing the meter and it is evident that such tampering or bypassing benefits the customer, or if it is evident that a customer has knowledge of being undercharged without notifying the utility as such, then notwithstanding 1 of this rule, the utility shall recover the deficient amount provided as follows:

(a) If the interval during which the customer was undercharged can be determined, then the utility shall collect the deficient amount incurred during that entire interval, provided that the applicable statute of limitations is not exceeded.

(b) If the interval during which the customer was undercharged cannot be determined, then the utility shall collect the deficient amount incurred during the 12-month period preceding the date when the billing error was discovered by the utility.

(c) If the usage and/or demand incurred by that customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage and/or demand.

(d) In addition to the above, if the metering equipment has been removed or damaged, then the utility shall collect the estimated cost of repairing and/or replacing such equipment.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-734. Applications for Service.**

A. All applications for water service may be made orally or in writing.

B. The accepted application shall constitute a contract between the company and the applicant, obligating the applicant to pay for water service in accordance with the utility's tariff currently on file with the Public Service Commission and the ORS, and to comply with these rules and regulations.

C. When a customer desires to have his service terminated, he must notify the utility and such notification may be orally or in writing. The utility shall be allowed a reasonable period of time after the receipt of such notice to take a final reading of the meter and to discontinue service.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–735. Denial or Discontinuance of Service.**

Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued.

A. Without notice in the event of a condition determined by the utility, the commission by Order, or the Department of Health and Environmental Control to be hazardous or dangerous.

B. Without notice in the event of customer use of equipment or service in such a manner as to affect adversely the utility's service to others.

C. Without notice in the event of unauthorized use of the utility's service.

D. For customer tampering with equipment furnished and owned by the utility. The customer shall make every reasonable effort to prevent tampering, and shall notify the utility immediately of any tampering with, damage to, or removal of any equipment.

E. For violation of and/or non-compliance with the commission's regulations governing service supplied by the utility.

F. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.

G. For failure of the customer to permit the utility reasonable access to its equipment.

H. For failure of the customer to provide the utility with a deposit as authorized by 103–731.

I. For failure of the customer to furnish permits, certificates, and rights-of-way as necessary to obtaining service, or in the event such permissions are withdrawn or terminated.

J. For illegal willful misuse of utility's service by the customer.

K. For failure of the customer to comply with reasonable restrictions on the use of water, as imposed under 103–772 provided that notice has been given to the customer and that written notice has been furnished to the ORS.

L. No water utility shall be required to furnish its water service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such water utility for water service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the water utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six (6) years prior to the time of application.

M. The utility may discontinue a customer's service should that customer be in arrears on an account for service at another premise, unless the customer pays a reasonable amount of his arrears account and makes reasonable arrangements with the utility to amortize the balance of such past-due account over a reasonable length of time, not to exceed 12 months.

N. The customer's use of the utility's service conflicts with, or violates order, ordinances or laws of the State, or any subdivision thereof or the commission.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

#### **103–735.1. Procedures for Termination of Service.**

(A) Service may be terminated for non-payment of a bill, provided that the water utility has made a reasonable attempt to effect collection and has given the customer written notice, sent by regular mail to the customer's billing address, that he has ten days in which to make settlement on his account or have his service disconnected. Service will be terminated only on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service.

(B) Service may be terminated for non-payment of any connection charge properly imposed by the utility and owed by the customer provided that the utility has made a reasonable attempt to effect collection and has given the customer 30 days written notice, sent by certified mail to the customer's billing address, with a copy forwarded to the ORS. A connection charge owed by a third party or a previous occupant or owner of premises is not deemed to be owed by the current customer, and that

current customer's service may not be disconnected under such circumstances. At the expiration of the 30 day period, the utility shall post a second notice by certified mail to the customer advising that in not less than 10 days nor more than 30 days, his service may be disconnected at any time without further notice. The utility must inform the customer in the notice that the customer can contact the ORS if the customer disputes the discontinuance of service.

**HISTORY:** Added by State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-736. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

- A. Non-payment for service by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.
- B. Failure to pay for merchandise purchased from the utility.
- C. Failure to pay for a different type or class of public utility service.
- D. Failure to pay the bill of another customer as guarantor thereof.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994.

### **103-737. Right of Access.**

1. The authorized agents of the utility shall have the right of access to the premises supplied with water, at reasonable hours, for the purpose of maintenance and reading of meters, examining fixtures, protective device and pipes, observing the manner of using water, and for any other purpose which is proper and necessary in the conduct of the utility's business.

2. When a water line which is property of a utility is on the property of a resident in the utilities' service area which is on file with the ORS, the resident shall provide reasonable access to the utility for the maintenance thereof. Any damage done to the property by the utility shall be corrected by the restoration of comparable grass, shrubbery and trees from nursery stock to conform the condition before the maintenance process began.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-738. Customer Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the utility shall be investigated promptly and thoroughly. The utility shall keep records of customer complaints as will enable it and the ORS to review and analyze its procedures and actions. All customer complaints shall be processed by the utility pursuant to 103-716 and 103-730.F.

B. When the ORS has notified the utility that an oral complaint has been received concerning a specific account and the ORS has received notice of the complaint before service is terminated, the utility shall not discontinue the service of that account until the ORS's investigation is completed and the results have been received by the utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-739. Tariffs, Rules and Regulations.**

A copy of the utility's tariffs as filed with the commission and provided to the ORS shall be on file in the local business offices of the utility and shall be available for public inspection.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-740. System Which Utility Must Maintain.**

Each utility, unless specifically relieved in any case by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions all of its facilities and equipment used in

connection with the services it provides to any customer up to and including the point of delivery into systems or facilities owned by the customer.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-741. Replacement of Meters.**

Whenever a consumer requests the replacement of a service meter on his premises, such request shall be treated as a request for the test on such meter, and as such shall fall under the provisions of 103-760(B).

### **103-742. Waste of Water.**

The customer should maintain his service pipe and all piping and fixtures on or in the building so that any loss of water through leakage is kept to a reasonably small amount. If the leakage becomes excessive, then it may be treated as a willful waste of water. Unnecessary or excessive use of water may be treated as a willful waste of water.

### **103-743. Contracts.**

No utility shall execute or enter into any agreement or contract with any person, firm, partnership, or corporation or any agency of the Federal, state, or local government which would impact, pertain to, or effect said utility's fitness, willingness, or ability to provide water service, including but not limited to the treatment of said water, without first submitting said contract in form to the commission and the ORS and obtaining approval of the commission.

**HISTORY:** Added by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 5 ENGINEERING**

### **103-750. Requirement for Good Engineering Practice.**

A. The water plant of the utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice and regulations included to assure as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

The design and construction of the water plant shall conform to the requirements of the South Carolina Department of Health and Environmental Control.

B. Disinfection of facilities. All new mains, pumps, tanks, wells and other facilities for handling potable water, repaired mains and other facilities, shall be thoroughly disinfected before being connected to the system. The method of disinfection shall be as approved by the Department of Health and Environmental Control.

#### 1. Mains.

A. Depth of Mains. Water mains should be installed below the frost line or be otherwise protected to minimize the possibility of freezing and shall not have less than 30 inches cover except where it is necessary to avoid underground obstruction or rocky or hardpan conditions where such depth is not feasible, provided such deviation is approved by the Department of Health and Environmental Control.

B. Dead Ends. The utility should design its distribution system so as to avoid dead ends in mains. Where dead ends cannot be avoided the mains shall be flushed as often as necessary to maintain the proper quality of the water. Any dead end which is longer than 200 feet must have a blowoff valve at end of line.

C. Segmentation of System. Valves shall be provided at reasonable intervals in distribution mains so that in case of breaks or repairs a minimum number of customers will be affected. When feasible, valves shall be provided at intersections of mains and in the mains at intervals not to exceed one continuous block or 500 feet, whichever is greater, except where a dead end run is not intended to serve any intervening customers.

D. Grid Systems. The distribution system should be laid out in a properly segmented grid so that in case of breaks or repairs a minimum number of customers will be affected.

E. Minimum Pipe Sizes. This distribution system shall be of adequate size and designed to maintain the pressures within the range required by 103-774. The pipe used in the system should be at least 4 inches in size. In special cases, pipes of the sizes listed below may be installed. However, the maximum length from any connecting main at least 4 inches in size should not exceed the following:

1-inch .....	150 feet
1½-inch .....	300 feet
2-inch .....	1500 feet

**103-751. Acceptable Standards.**

Unless otherwise specified by the commission, each utility shall use the guideline of the Department of Health and Environmental Control as minimum standards of good engineering practices.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-752. Acceptable References.**

Unless otherwise specified by the commission, the utility shall use the applicable provisions in the publications listed below as operational requirements, where applicable, and standards of accepted good practice.

- (a) The most current edition of the Community Water Systems, Ameen
- (b) The most current edition of the Manual of Individual Water Systems

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-753. Adequacy of Service.**

The source of supply and transmission facilities, and/or production and/or storage capacity of the utility's plant, must be sufficiently large to meet all reasonably expectable demands for service.

**103-754. Inspection of Utility Plant.**

Each utility must adopt a program of inspection of its plant in order to determine the necessity for replacement and repair. The frequency of the various inspections shall be based on the utility's experience and accepted good practice.

**103-755. Temporary Service.**

When the utility renders temporary service to a customer, it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

**103-756. Engineering Analysis.**

A. The ORS or its authorized representatives may survey anticipated extensions of water line and the utility will assist in such survey and provide all pertinent data necessary to determine cost and feasibility of extending such lines.

B. The utility shall assist in the verification of tests of water meters made by ORS or its authorized representative.

C. The utility shall provide the ORS and its representatives access to all utility property when the ORS undertakes to verify inventories of utility plant systems, or obtain other necessary information.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**SUBARTICLE 6  
INSPECTION AND TESTS**

**103-760. Utility Inspections and Tests.**

A. Each utility shall, unless specifically excused by the commission, provide such laboratory, meter-testing equipment and other equipment and facilities as may be necessary to make the tests required of

it by these rules or other orders of the commission. The apparatus and equipment so provided shall be subject to the approval of the commission, and it shall be available at all times for the inspection of any member or authorized representative of the ORS.

B. Upon request by a customer and at no charge, the utility shall make a test of the meter serving him, provided that such tests need not be made more frequently than once in 24 months.

1) The customer, or his representative, may be present when his meter is tested.

2) A report of the results of the test shall be made to the customer within a reasonable time after the completion of the test, and a record of the report, together with a complete record of each test, shall be kept on file at the office of the utility.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-761. Commission Inspection and Tests.**

The ORS shall make tests of meters as follows:

(a) Upon written application to the ORS by a customer or a utility, a test will be made of the customer's meter as soon as practicable.

(b) On receipt of such request the ORS will notify the utility and the utility shall not knowingly remove or adjust the meter until instructed by the ORS. The utility shall furnish to the ORS's representative such reasonable assistance as may be required to make the test.

(c) The customer, or his representatives, may be present when his meter is tested.

(d) The ORS will make a written report of the results of the test to the customer and to the utility.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-762. Test Procedures and Accuracies.**

Method of Testing. All tests to determine the accuracy of registration of any water service meter shall be made with a suitable meter prover, and records of all regular or complaint tests shall be kept in the files of the utility.

### **103-763. Facilities and Equipment for Testing.**

Each utility shall maintain or designate a meter shop for the purpose of inspecting, testing and repairing meters. The shop shall be open for inspection by authorized representatives of the ORS at all reasonable times, and the facilities and equipment, as well as the methods of measurement and testing employed, shall be subject to the approval of the commission. The accuracy of the test equipment and test procedures shall be such that the overall error will not exceed .03%.

#### **1. Working Standards.**

A. Each meter shop maintained or designated by a utility shall have at least one calibrated tank available for volumetric measurement or a tank mounted upon scales for weight measurement. The tank shall be of sufficient capacity to insure an acceptable determination of the accuracy of the utility's meters.

B. The utility may use a portable test meter, approved by the commission for use as a standard, for the purpose of testing meters.

C. Reasonable care must be exercised in the use and handling of standards to assure that their accuracy is not disturbed. Each standard shall be accompanied at all times by a certificate or calibration card, duly signed and dated, on which are recorded the corrections required to compensate for errors found at the customary test points at the time of the last previous test.

2. Meter Prover. The accuracy of all provers and methods of operating them will be established from time to time by a representative of the ORS. All alterations, accidents, or repairs which might affect the accuracy of any meter prover or the method of operating it shall be promptly reported in writing to the ORS.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**SUBARTICLE 7**  
**STANDARDS AND QUALITY OF SERVICE**

**103–770. Quality of Service.**

A. Each utility shall provide water that is potable and, insofar as practicable, free from objectionable odor, taste, color and turbidity. Each utility must have a permit as required by the health laws of the State of South Carolina, and shall comply with all laws and regulations of State and local agencies pertaining to water service.

B. Water Supply.

1) The source of supply shall be:

(a) Free from pollution, unless the water is subsequently purified by treatment.

(b) Adequate to provide a continuous supply of water.

(c) Of such quality as to meet the standards of the South Carolina Department of Health and Environmental Control.

2) Operation of supply system.

(a) The water supply system, including wells, reservoirs, pumping equipment, treatment and filtration works, mains, meters, and service pipes shall be free from sanitary defects.

(b) Any physical connection between the distribution system of a public water supply and that of any other water supply must comply with the regulations of the South Carolina Department of Health and Environmental Control.

C. Testing of Water. Each utility shall have representative samples of the water supplied by it examined by the responsible State or local agencies, or by an approved water laboratory, at intervals specified by those agencies in accordance with the standards of the South Carolina Department of Health and Environmental Control.

**103–771. Interruptions of Service.**

A. Each utility shall make reasonable efforts to avoid interruptions of service, but when interruptions occur, service shall be re-established within the shortest time practicable, consistent with considerations of safety.

B. Scheduled interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

C. Each utility shall maintain records and notify the commission and the ORS of any interruption in its service in accordance with 103–714.

D. If an interruption affects the service of any public fire protection system, the utility shall immediately notify the public official responsible for fire protection.

E. When the system pressure is provided through mechanical means, emergency standby pumping equipment or other adequate facilities shall be available to maintain pressure in the mains in the event of failure of the primary pumping facilities.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**103–772. Restrictions of the Use of Service.**

A. The utility may impose reasonable restrictions on the outdoor use of water during period of shortage of supply, excessive demand or other difficulty which jeopardizes the supply of water to any group of customers.

B. The utility may impose reasonable restrictions on the use of water by customers who use large quantities of water and thereby create conditions which prevent the company from supplying satisfactory service to that customer, or to other customers.

C. If a utility finds that it is necessary to restrict the use of water, it shall notify the customers, and give the commission and ORS written notice before such restriction becomes effective, except in the event of an emergency, when such notification may be made by telephone. Such notifications shall specify:



- 1) The reason for the restriction.
- 2) The nature and extent of the restriction, (e.g., on outdoor use of water, use by certain classes of customers, etc.).
- 3) The date such restriction is to go into effect.
- 4) The probable date of termination of such restriction.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-773. Pressure Tests.**

- A. Each utility having more than 100 customers must have at least one portable recording pressure gauge available.
- B. Pressure measurements should be made at the customer's meter, or if no meter, customer's curb stop. If no outlet is available at this point, then the measurement may be made at the nearest available outlet, making due allowance for any pressure differential between the point of measurement.
- C. Each utility shall make a sufficient number of pressure measurements in order to determine if pressures throughout the system are in compliance with the requirements of 103-774.
- D. Each utility shall keep records of each test of pressures. These records shall include, as a minimum, the date, time, and location where the test was conducted. Pressure records shall be retained by the utility for at least two years and shall be made available for inspection by the ORS at all reasonable times.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-774. Pressure Limits.**

- A. Under normal conditions of use of water, the pressure at a customer's service connection shall be:
  - 1) Not less than 25 psig; and,
  - 2) Not more than 125 psig.
- B. Pressure outside the limits specified will not be considered a violation when the variations:
  - 1) Result from the action of the elements.
  - 2) Consist of infrequent fluctuations not exceeding five minutes' duration.
  - 3) Arise from service interruptions.
  - 4) Result from causes beyond the control of the utility.
  - 5) Result from variations in service elevations which are local and which can be controlled in a satisfactory manner.

## **SUBARTICLE 8 SAFETY**

### **103-780. Acceptable Standards.**

As criteria of accepted good safety practice the commission will use the applicable provisions of the standards referred to in 103-751.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-781. Protective Measures.**

- A. Each utility shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.
- B. The utility shall give reasonable assistance to the ORS in the investigation of the cause of accidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of accident prevention.
- C. Each utility shall maintain a summary of all reported accidents arising from its operations.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–782. Safety Program.**

Each utility shall devise and implement a safety program, adapted to the size and type of its operations. At a minimum, the safety program should:

- (a) Require the employees to use suitable tools and equipment in order that they may perform their work in a safe manner.
- (b) Instruct employees in safe methods of performing their work.
- (c) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

## **ARTICLE 8 PRACTICE AND PROCEDURE**

### **Editor's Note**

Regulations 103-800 to 103-885 were adopted December 31, 1976.

### **103–800. Authorization.**

A. In accordance with provisions of law, the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern the practice and procedures of parties before it. All previous rules or standards of practice and procedure are hereby revoked, annulled and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or in part, or from making additions thereto, pursuant to provisions of law, upon petition of a proper party or upon its own motion.

C. The adoption of these rules of practice and procedure shall not relieve either the Commission or any party participating in proceedings before it of any duties prescribed under the laws of this State.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–801. Application of Rules.**

These rules shall apply to any person who participates in proceedings before the Public Service Commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–802. Purpose of Rules.**

These rules are intended to define standards of proper practice before the Public Service Commission. They are intended to insure that all parties participating in proceedings before the Commission will be accorded the procedural fairness to which they are entitled by law. These rules are further intended to promote efficiency in, and certainty of, the procedures and practices herein adopted. All parties participating in proceedings before the Commission shall assist the Commission in the implementation of these rules and regulations.

### **103–803. Waiver of Rules.**

In any case where compliance with any of these rules and regulations produces unusual hardship or difficulty, or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the Commission upon a finding by the Commission that such waiver is not contrary to the public interest.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–804. Definitions.**

The following words and terms, when used in the context of these rules and regulations, shall have the meanings indicated.

A. Applicant. A party on whose behalf an application is made to the Commission for any permission or authorization which the Commission may grant pursuant to statutory or other proper authority.

B. Commission and Commissioner. The South Carolina Public Service Commission and a Commissioner thereof, respectively.

C. Complainant. A party who complains to the Commission of anything done, or omitted to be done, in contravention or violation of the provisions of any statute or other delegated authority administered by the Commission, or of any order, rule or regulation issued or promulgated thereunder, or any other alleged wrong within the jurisdiction of the Commission.

D. Defendant. A party subject to statute or other delegated authority administered by the Commission, or any order, rule or regulation issued or promulgated thereunder, against whom any complaint is filed.

E. Formal Record. The documentation pertaining to a proceeding before the Commission, including the following: the designation of the presiding officer; proofs of publication and notification; all pleadings and intermediate rulings; the transcript or official recording of hearing which shall include all evidence received or considered; a statement of matters officially noticed; all questions and offers of proof, objections and rulings thereof; proposed findings and exceptions, if any; any decision, opinion or report by the presiding officer; all memoranda or data submitted to the hearing officer or members of the Commission in consideration of a proceeding; and the order making final disposition of the matter.

F. Hearing Examiner. A member of the Commission staff, duly appointed and designated by the Commission to serve as a presiding officer for a proceeding before the Commission, and so serving as a presiding officer.

G. Hearing Officer. An attorney qualified to practice in all courts of this State with a minimum of eight years' practice experience employed by the Commission to hear and determine procedural motions or other matters not determinative of the merits of the proceedings and made prior to the hearing. At the hearing, a hearing officer shall make all rulings on nondispositive motions and objections. The hearing officer has full authority, subject to being overruled by the Commission, to rule on questions concerning the conduct of the case and the admission of evidence but may not participate in the determination on the merits of the case. If qualified, a Commission staff attorney may serve as a hearing officer.

H. Intervenor. A person who files a petition to intervene in a proceeding before the Commission, as provided by R. 103-825, and after such petition is approved by the Commission or presiding officer. Admission as an intervenor shall not be construed as recognition by the Commission that such intervenor might be aggrieved by any order of the Commission in such proceeding.

I. Notice of Filing.

(1) A statement prepared by the Chief Clerk upon the filing of a pleading which initiates a proceeding, and which is provided to the party submitting the pleading. The Notice of Filing shall be published pursuant to R. 103-817(C) and shall otherwise be processed according to the Commission's Rules and Regulations concerning specific persons within the Commission's jurisdiction.

(2) The Notice of Filing shall contain a brief description of the pleading, reference to the statutory or other legal authority under which the pleading was filed, and the manner in which interested persons may file petitions to intervene or protests, and the return date.

J. Notice of Hearing.

(1) A statement prepared by the Chief Clerk which provides certain information relative to the public hearing scheduled in a proceeding before the Commission, and submitted to all parties in that proceeding. The Notice of Hearing shall be published, pursuant to applicable provisions of law.

(2) A Notice of Hearing shall include the following items of information:

(a) A statement of the date, time, and place of the public hearing;

(b) A reference to the legal authority under which the proceeding was instituted;

(c) A description of the subject and issues involved, and, in a rulemaking proceeding, the terms or substance of the proposed rule.

(3) At its discretion, the Commission may consolidate a Notice of Hearing with a Notice of Filing, and issue a Notice of Filing and Hearing, if the public interest so requires.

K. Order. A written decision or opinion issued by the Commission representing the whole or any part of the disposition (whether affirmative, negative, injunctive or declaratory in form) of a proceeding before the Commission.

L. Party or Party of Record. A party in a proceeding before the Commission who is entitled to receive all documentary materials, pleadings, orders or other dispositions of matters relevant to the proceeding. Parties of record will include applicants, complainants, defendants, respondents, and intervenors. Parties of record may file a petition for rehearing of Commission orders, pursuant to R. 103–854. The Office of Regulatory Staff shall be considered a party of record for the purposes of filing and receipt of pleadings and documentary materials, data requests, and for the conduct of proceedings.

M. Person. Any individual, partnership, corporation, association, establishment, limited liability companies, limited partnership, entities, governmental subdivision, or public or private organization of any character.

N. Petitioner. A party seeking relief from the Commission, and not otherwise designated herein.

O. Pleading. A document seeking relief in a proceeding before the Commission, including complaint, answer, application, protest, request, motion (other than an oral motion made during a proceeding) or petition.

P. Presiding Officer. A Commissioner or a hearing examiner appointed and duly designated by the Commission, who presides at proceedings before the Commission.

Q. Proceeding. The general process of the Commission's determination of the relevant facts and the applicable law, the consideration thereof and the action thereupon in regard to a particular subject matter within the Commission's jurisdiction, initiated by the filing of an appropriate pleading or issuance of a Commission order or rule to show cause.

R. Protestant. An individual objecting on the ground of private or public interest to the approval of an application, petition, motion or other matter which the Commission may have under consideration. A protestant may offer sworn testimony without the privilege of cross-examination of witnesses offered by other parties. A protestant desiring to become an intervenor in a proceeding before the Commission may file a petition for intervention.

S. Public Records.

(1) Those official items of information within the files of the Commission which are available for inspection by the public. Public records include:

- (a) Applications, complaints, petitions and other papers seeking Commission action;
- (b) Financial, statistical and other reports to the Commission; rates and rate schedules; any other filings and submittals to the Commission in compliance with the requirement of any statute, Commission order, rule or regulation;
- (c) All pleadings, notices, depositions and formal records in proceedings before the Commission;
- (d) Any proposed testimony or exhibit filed with the Commission but not yet offered or received in evidence;
- (e) All Commission orders, notices, findings, opinions, determinations, and other actions in proceedings and all Commission minutes which have been approved and filed with the Chief Clerk;
- (f) All Commission correspondence relating to any furnishing of data or information;
- (g) Commission correspondence relating to the interpretation or applicability of any statute, rule, regulation or order issued or administered by the Commission and letters of opinion on those subjects signed by Staff Counsel and sent to others than the Commission, a Commissioner, or any of the Commission's staff;
- (h) Copies of all filings, certifications, pleadings, records, briefs, orders, judgments, decrees and mandates in court proceedings in which the Commission is a party and all correspondence with the Courts or clerks of court.

(2) The term Public Records does not include any information specifically exempted by statute or Commission order.

(3) Public Records are available for public inspection at the offices of the Commission, during the Commission's business hours. Copies of public records may be made available by the Chief Clerk for a reasonable charge.

T. Representation.

(1) The act of serving as counsel for a party, or of serving as the authorized representative of a party, in a proceeding before the Commission. Representation of a party of record in a proceeding shall include the right to offer evidence on behalf of the party represented and to cross-examine witnesses offered by other parties. Those persons who may act in a representative capacity are the following:

(a) An individual may represent himself or herself in any proceeding before the Commission.

(b) An attorney authorized to practice law in the State of South Carolina may represent a party in any proceeding before the Commission. An attorney not authorized to practice before the courts of the State of South Carolina but authorized to practice before the courts of any other State may represent a party in any formal proceeding before the Commission upon association with an attorney admitted to practice before the courts of South Carolina.

(2) All persons acting in a representative capacity before the Commission shall be subject to any limitation imposed by statute or other proper authority.

U. Respondent. A party subject to any statute or other delegated authority administered by the Commission to whom an order, notice or rule to show cause is issued by the Commission instituting an investigation or a proceeding.

V. Rule. The whole or any part of a Commission statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy or to describe the organization, procedure or practice requirements of the Commission.

W. Rulemaking. The Commission process for the formulation, amendment or repeal of a rule.

X. Rule to Show Cause. An order issued by the Commission instituting a proceeding against a person under the Commission's statutory authority. Such rule shall set forth the grounds for such action, and will contain a statement of the particulars and matters concerning which the Commission seeks to inquire and which shall be deemed to be tentative and for the purpose of framing issues for consideration and decision of the Commission in the proceeding. Such rule shall require that the respondent named respond in writing, as the Commission may direct.

Y. Staff Counsel. Legal Counsel of the Commission and Commission Staff.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

## **103-805. Representation.**

A. Parties and Their Representatives. Parties in a case have the right to participate or to be represented in all hearings or pre-hearing conferences related to their case. Except as otherwise provided herein, a party must be represented by an attorney admitted to practice law in South Carolina, or an attorney possessing a Limited Certificate of Admission pursuant to Rule 405, SCACR. No one shall be permitted to represent a party where such representation would constitute the unauthorized practice of law.

B. Representation of Entities. Except as otherwise provided in S.C. Code Ann. Regs. 103-805(E), any entity including, but not limited to, a corporation, partnership, limited liability company, or professional association, must be represented by an attorney admitted to practice law in South Carolina, or an attorney possessing a Limited Certificate of Admission pursuant to Rule 405, SCACR.

C. Representation of Individuals. An individual person not admitted to practice law in South Carolina may represent himself or herself, but may not represent another person. A party proceeding without legal representation shall remain fully responsible for compliance with the commission's regulations and the Administrative Procedures Act.

D. Notice of Appearance. An attorney or other person authorized to represent a party before the commission pursuant to this regulation shall file with the commission a notice of appearance when retained or authorized to represent a party after commencement of a case.

E. Unopposed Matters in Which an Entity May Proceed without Counsel. Subject to the conditions specified in this regulation, an entity may proceed through an authorized agent in any unopposed case, including but not limited to the following:

- 1) application for approval of a tariff,
- 2) application for approval of a contract,
- 3) application for approval of an interconnection agreement between telephone carriers,
- 4) application for approval of a name change,
- 5) application for a certificate of public convenience and necessity to operate as a Class C motor carrier, including a charter passenger carrier, a charter bus, and a taxi, and
- 6) application of a mover of household goods for a certificate of FWA.

If the entity chooses not to use an attorney, it shall include in its submission a written statement from the entity's president, chairperson, general partner, owner, chief executive officer, or authorized agent which states substantially the following:

"I am owner, officer, director, or other person authorized to act on behalf of [Name of Company], and on behalf of [Name of Company], I have elected to submit [Title of Document] to the Public Service Commission of South Carolina without the benefit of legal counsel admitted to practice in South Carolina. In electing to file [Title of Document] without legal counsel, I acknowledge and agree to assume the risk, if any, of resulting adverse legal consequences."

However, if the case becomes opposed, the unrepresented entity must obtain legal representation by an attorney authorized to practice law in South Carolina in order for the commission to allow the matter to proceed.

F. Motion to Withdraw from Representation. An attorney or other person authorized to represent a party before the commission pursuant to this regulation must file a written motion to withdraw from representation of a party or from participation in proceedings.

**HISTORY: Added by State Register Volume 33, Issue No. 6, eff June 26, 2009.**

## **103–810. Functions of the Commission.**

The Commission, as provided for by the South Carolina Constitution and as vested with power and jurisdiction by the South Carolina General Assembly, performs the following general functions:

A. Regulation and supervision of privately-owned electric utilities as to rates, charges, services, facilities, practices, accounting procedures, the purchase, sale or lease of utility property and the issuance of securities; and the administration of the Rural Electric Cooperative Act, relative to territorial boundaries. S. C. Code Ann., Section 58-27-10 et. seq. (1976), as amended; and R.103-300, et. seq.

B. Regulation and supervision of rates and charges, services, facilities, practices and accounting procedures of all intrastate privately-owned gas, water and sewerage companies; and administration of the Gas Safety Act of 1970. S. C. Code Ann., Section 58-5-10 et. seq., (1976), as amended; R.103-400 et. seq.; R.103-500 et. seq., R.103-700, et. seq.

C. Except as otherwise provided by law, regulation and supervision of rates and charges, services, facilities, practices and accounting procedures for all privately and publicly-owned telephone and telegraph companies within the State. S.C. Code Ann. Section 58–9–10 et. seq., (1976), as amended; R. 103–600 et. seq.

D. Regulation and supervision of rates and charges, services, facilities, practices and accounting procedures of all radio common carriers within the State. S. C. Code Ann., Section 58-11-10 et seq., (1976).

E. Regulation and supervision of for hire motor carriers of freight and passengers relative to rates, schedules, rules, charges and facilities; issuance and supervision of the administration of Certificates of Public Convenience and Necessity; administration of Registration and Safety Act of 1970. S. C. Code Ann., Section 58-23-10 et. seq., (1976), as amended; R.103-100 et. seq.

F. Regulation and supervision of express and telegraph companies. S. C. Code Ann. Section 58-9-2310 et. seq. (1976), as amended.

G. Regulation and supervision of rates, services, charges, schedules, and facilities of railroads and railroads. S. C. Code Ann., Section 58-15-10 et. seq. (1976), as amended; R.103-1 et. seq.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–811. Repealed** by State Register Volume 39, Issue No. 6, Doc. No. 4454, eff June 26, 2015.

**Editor's Note**

Former R. 103–811 was titled **Commissioners** and had the following history: Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–812. Chairman and Vice Chairman.**

The Commission will elect one of their number chairman and another of their number vice-chairman.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988.

**103–813. The Commission Staff.**

The Commission is authorized and empowered to employ a chief clerk and deputy clerk; a commission attorney and assistant commission attorneys; hearing officers; hearing reporters; and such other professional, administrative, technical, and clerical personnel as the commission determines to be necessary in the proper discharge of the commission's duties and responsibilities as provided by law.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–814. Commission Meetings.**

Formal meetings of the Commission are held on a weekly basis, or at the call of the chairman or at the call of a majority of the Commission, for the purposes of formulating decisions, composing orders, planning and coordinating the work of the Commission, and conferring with the Commission staff. The Chief Clerk shall be responsible for the arrangement of the agenda of matters to be considered at Commission meetings. All Commission meetings and executive sessions are conducted in accordance with the terms of S.C. Code Ann., Section 30–4–10 et. seq.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–815. Office Hours.**

The offices of the Commission will be open for business daily during the hours between 8:15 A. M. and 4:45 P. M., Monday through Friday, subject to the observance of State holidays.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–816. Written Correspondence.**

All written communications should be directed to the following address:

The Public Service Commission of South Carolina

Post Office Drawer 11649

Columbia, South Carolina 29211

Or hand-delivered to the Commission's street address:

Synergy Business Park

101 Executive Center Drive

Columbia, South Carolina 29210-8411

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

**103-817. Proceedings.**

A. Nature of Proceedings. If required by law and upon filing of a pleading as set forth in R.103-819, et. seq., proceedings for the purpose of rulemaking, ratemaking, licensing, determining rights, duties, or privileges of any party, and undertaking an official inquiry for the purposes of gathering information or making determinations, which fall under the jurisdiction of the Commission, shall be conducted by one or more Commissioners, or by a hearing examiner through the development of a formal record.

B. Initiation of Proceedings.

(1) All proceedings shall be initiated by filing with the Chief Clerk at the business offices at the Commission an original and copies, as determined by the Commission, of an appropriate pleading unless otherwise provided, as designated in R.103-819, et seq.

(2) The Chief Clerk may refuse to accept for filing any pleading which does not conform to the rules of the Commission, and shall mail written notice to the party or the authorized representative within ten days after receipt, stating why it has not been accepted for filing.

C. Conduct of Proceedings.

(1) All pleadings initiating proceedings shall be dated upon receipt and shall be assigned a docket number after filing, and all subsequent pleadings or correspondence shall refer to that docket number. Pleadings will be captioned in accordance with R.103-819, et seq., and shall be processed pursuant to these rules.

(2) The Chief Clerk after filing of the pleadings shall give the Commission notice of such filing at the next regular meeting of the Commission. Where provided by law, any proceeding initiated under these rules may be disposed of without hearing by Order of the Commission within 14 days after the pleading has been accepted for filing, upon the written opinion of the Commission that the pleading on its face shows that a hearing is not necessary, in the public interest, or for the protection of substantial rights.

(3) After any pleading has been accepted for filing, the Chief Clerk may:

(a) Serve the pleadings, as required, in accordance with R.103-830, or within fourteen (14) days, provide the party filing the pleading a Notice of Filing, and, where required by law, the party at its own expense shall publish such notice one time in newspapers having general circulation in the State, or, if applicable, in newspapers having general circulation in the party's service area. Except for good cause shown, proof of publication must be filed on or before the return date. The Chief Clerk, pursuant to other rules of the Commission, may require that the Notice of Filing be mailed to customers and other persons and a certificate of mailing be filed on or before the return date.

(b) Fix a date for hearing, as soon as practicable, and when a date is available on the docket calendar. If the hearing date has not been included in the Notice of Filing, the Chief Clerk shall prepare a Notice of Hearing, and shall forward such Notice of Hearing to all parties. Proof of mailing must be placed in the formal record.

(c) Assign a time and place for any public hearing necessary in the conduct of any proceeding. The Chief Clerk shall likewise cause the pleadings to be served pursuant to these rules or issue written notice of the filing of pleadings which shall be published pursuant to law, and notice of the hearing date assigned for the conduct of any formal proceeding, as provided by law.

(d) The Chief Clerk shall forward a copy of a Notice of Filing, a Prefile Testimony Letter, or a Transmittal Letter to all parties by electronic service or by U.S. Mail. The Chief Clerk shall forward a Notice of Filing and Hearing, a Notice of Hearing or any other document containing a hearing date to all parties by electronic service or by certified mail.



(e) Require from a person filing a pleading a letter incorporating a statement presenting the number of witnesses the person expects to offer in the proceeding and an estimate of the time required for the presentation of testimony and exhibits.

(4) Public hearings in the conduct of proceedings shall be held pursuant to R.103-836, et seq.

D. Final Disposition of Proceedings. Proceedings shall be concluded upon the issuance of an order by the Commission or upon a settlement or agreement reached by all parties to the proceedings and formally acknowledged by the Commission by issuance of an order.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007; State Register Volume 39, Issue No. 6, Doc. No. 4455, eff June 26, 2015.

### **103-818. Rulemaking Proceedings.**

A. Nature of Rulemaking Proceedings. When permitted by law, and upon the filing of a pleading, proceedings for the purpose of rulemaking shall be conducted by one or more Commissioners or by a hearing examiner through the development of a formal record.

B. Initiation of Rulemaking Proceedings. Rulemaking proceedings shall be initiated by the process identified in R. 103-817B.

C. Conduct of Rulemaking Proceedings.

(1) Pleadings filed with the Commission initiating rulemaking proceedings shall be processed as in proceedings, pursuant to R. 103-817C(1) and (2).

(2) General notice of proposed rulemaking proceedings shall be made in accordance with applicable provisions of law.

(3) The Commission shall provide an opportunity to interested parties for participation in the rulemaking proceeding through submission of written data, views or arguments with or without opportunity for oral presentation.

D. Final Disposition of Rulemaking Proceedings. Rulemaking proceedings shall be concluded upon the issuance of an order by the Commission issuing, amending, or repealing a rule or rules, and containing a concise general statement of the basis and purpose of such rule or rules. Publication of such rule or rules shall be made in accordance with applicable provisions of law.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-819. General Contents of Pleadings.**

All pleadings in proceedings before the Commission to which docket numbers have been assigned shall prominently display such docket numbers. All pleadings shall also include the following information:

A. The legal name and address of each person by whom such pleading is filed;

B. The full name and address of the authorized representative of the person filing the pleading;

C. A concise and cogent statement of the facts such person is prepared to present to the Commission;

D. A statement identifying the specific relief sought by the person filing the pleading.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-820. General Form of Pleadings.**

All pleadings filed in proceedings before the Commission should be typewritten on paper cut or folded to letter size (8 to 8 1/2 inches wide by 10 1/2 to 11 inches long) with a left-hand margin not less than 1 1/2 inches wide and other margins not less than 1 inch wide. The impression shall be on one side of the paper only.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-821. Copies of Pleadings.**

Pleadings shall be filed in one original and copies, as determined by the Commission, unless otherwise specified by the Chief Clerk. In addition, where practicable, an electronic copy of the

pleadings shall be served on the Chief Clerk and all parties according to such procedures as may be directed by the Commission. Mimeographed or photocopied copies will be accepted as typewritten, provided all copies are clearly legible.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–822. Signature and Verification.**

All pleadings filed with the Commission shall be signed. The signature of the person, or its authorized representative, submitting the pleading, shall constitute an admission that such person or representative has read the pleading and knows the contents thereof, and, if the signatory is acting in a representative capacity, that such signatory has the capacity and authority specified therein. A verification under oath shall be required if facts are alleged to be true within the knowledge of the person filing the pleading.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–823. Applications.**

Applications are submitted to the Commission for any authorization or permission which the Commission is empowered to grant under its statutory authority, including applications for establishment or adjustment of rates and charges.

A. Content of Applications. Applications shall state clearly and concisely the authorization or permission sought, and shall refer to the specific statutory provision or other authority under which Commission authorization or permission is sought. Applications shall further set forth the following information:

(1) The precise legal name of the applicant, which shall indicate whether the applicant is a partnership, corporation, association, establishment, governmental subdivision, or other public or private organization.

(2) The name, title, address, e-mail address, and telephone number of the person to whom correspondence or communications relative to the application is to be addressed.

(3) The following data, in general rate establishment or adjustment applications, attached as exhibits and developed for a historic twelve-month test period unless otherwise directed:

- (a) Balance sheet;
- (b) Profit and loss statement;
- (c) Accounting and pro forma adjustments;
- (d) Computation of proposed increase or decrease;
- (e) Effect of proposed increase or decrease to include copies of present and proposed tariffs;
- (f) Statement of fixed assets and depreciation reserve;
- (g) Rates of return on rate base and on common equity.

(4) All other information required by statute or by the Commission's Rules and Regulations under which a specific type of application is filed, or as may be required by the Commission in a particular proceeding.

B. Form of Applications. Except where otherwise prescribed by the Rules and Regulations of the Commission under which a specific type of application is filed, applications shall conform to the requirements of R. 103–819 through R. 103–822.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

#### **103–823.1. Financing Applications.**

Any electrical utility filing financing applications must provide the following information as a separate part of its application:

- a. Identify the effect of the proposed financing on the utility's income statement and balance sheet and identify the impact of the proposed financing on the utility's capital structure;

- b. Identify specifically how the funds obtained through the proposed financing are to be used by the utility;
- c. Provide information on the possible impact on the utility if the proposed financing is not approved or if approval is delayed;
- d. Specify the expected effective rate of interest of any debt financing (a range for the rate is appropriate). For common stock issues, provide information on the anticipated market price and book value per share at the time of issue;
- e. Provide information on the expected benefits (e.g., savings expected from early debt retirement) and costs (e.g., issuance expenses) of the proposed financing. Provide any studies that were developed to identify these costs and benefits and the net result. (This could incorporate present value analysis of the costs and benefits.) Identify the basic assumptions of any analyses of costs and benefits.

**HISTORY:** Added by State Register Volume 36, Issue No. 5, eff May 25, 2012.

### **103–824. Complaints.**

Any person complaining of anything done or omitted to be done by any person under the statutory jurisdiction of the Commission in contravention of any statute, rule, regulation or order administered or issued by the Commission, may file a written complaint with the Commission, requesting a proceeding.

A. Contents of Complaints. A written complaint filed with the Commission shall contain the following information:

- (1) The name, address, e-mail address, and telephone number of the person making the complaint and of his authorized representative, if he is represented.
- (2) The name and address of the person about whom the complaint is made.
- (3) A concise and cogent statement of the factual situation surrounding the complaint. If a complaint relates to an act, rule, regulation or order administered or issued by the Commission, or to a provision in a tariff or contract on file with the Commission, the act, rule, regulation, order, tariff or contract should be specifically identified in the complaint.
- (4) A concise statement of the nature of the relief sought.

B. Form of Complaints. A complaint filed pursuant to this section shall conform to the requirements of R. 103–819 through R. 103–822.

C. Joinder of Complaints. Two or more grounds of complaint concerning the same subject or set of facts may be included in one complaint, but should be separately stated and numbered. Two or more complainants may join in one complaint if their respective causes of complaint are against the same defendant or defendants, and if they involve substantially the same purpose, subject or set of facts.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–825. Petitions.**

Petitions may be submitted to the Commission for any relief, other than for an adjustment of rates and charges, which the Commission is empowered to grant under its statutory authority. Petitions which may be filed include: Petition for Rulemaking, Petition for a Declaratory Order, Petition to Intervene, Petition for Rehearing or Reconsideration, and Petition for a Rule to Show Cause.

A. Content of Petitions. Petitions shall state clearly and concisely the petitioner's grounds of interest in the subject matter, the facts relied upon, and the relief sought. Petitions shall cite by appropriate reference the statutory provision or other authority relied upon for relief. The following requirements are applicable to specific types of Petitions:

- (1) A Petition for Rulemaking shall set forth clearly and concisely:
  - (a) The petitioner's interest in the subject matter;
  - (b) The specific rule, amendment, waiver or repeal requested;
  - (c) The statutory provision or other authority therefore;
  - (d) The purpose of, and the grounds requiring, the proposed rulemaking.

(2) A Petition for Declaratory Order to determine applicability of any statute or of any rule or order of the Commission shall state clearly and concisely:

- (a) A full disclosure of the petitioner's interest;
- (b) The uncertainty which is the subject of the petition;
- (c) The statutory provision or other authority involved;
- (d) A complete statement of the facts prompting the petition.

(3) A Petition to Intervene in a proceeding before the Commission shall set forth clearly and concisely:

- (a) The facts from which the nature of the petitioner's alleged right or interest can be determined;
- (b) The grounds of the proposed intervention;
- (c) The position of the petitioner in the proceeding.

Objections to a Petition to Intervene shall be filed with the Commission within ten days of service of the Petition to Intervene.

(4) A Petition for Rehearing or Reconsideration shall set forth clearly and concisely:

- (a) The factual and legal issues forming the basis for the petition;
- (b) The alleged error or errors in the Commission order;
- (c) The statutory provision or other authority upon which the petition is based.

B. Form of Petitions. With the following exception for Petitions to Intervene, all petitions shall conform to the requirements of R. 103-819 through R. 103-822. Handwritten Petitions to Intervene may be accepted by the Commission, if legible.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-826. Answers.**

Answers are submitted to the Commission in response to complaints and petitions, and to Rules to Show Cause issued by the Commission. Answers are not required to Petitions for Rehearing or Reconsideration.

A. Content of Answers.

(1) Answers shall be drawn so as to advise fully and completely the Commission and any party as to the nature of the defense. Answers shall admit or deny, specifically and in detail, each material allegation of the pleading answered, and shall state clearly and concisely the facts and law relied upon.

(2) In an answer to a Rule to Show Cause, mere general denials of the allegations contained in the rule which are unsupported by specific facts will not be considered as complying with this section and may be deemed a basis for entry of a final order without hearing, unless otherwise required by law, on the ground that that answer has raised no issue requiring a hearing or further proceeding.

B. Form of Answers. Except as provided in R. 103-826 all answers shall conform to the requirements of R. 103-819 through R. 103-822.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-827. Protests.**

A. In General. A protest is intended to advise the Commission and all parties to a proceeding before the Commission of the fact and character of the protestant's objection to part or all of the subject matter of the proceeding. The filing of a protest does not make the protestant a party of record. The protest will be placed in a public file associated with, but not part of the formal record, and will be available for such further exploration of the substantive matters raised therein by the Office of Regulatory Staff and other parties as may be appropriate.

B. Form of Protests. No specific form of protest shall be required. The letter or writing should contain the name and address of the protestant, the proceeding or matter to which the protest is

addressed, a concise statement of the protest, and whether the protestant wishes to make an appearance at a hearing, if scheduled.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–828. Amendments.**

Any modification or supplement to a pleading shall be deemed an amendment to the pleading, and shall comply with the particular requirements of content and form for the type of pleading so amended. Upon its own motion or upon motion duly filed by a party of record, the Commission may for good cause decline to permit, or may strike in whole or in part, any amendment. No amendment to a pleading may be filed within ten (10) days prior to the commencement of or during a hearing unless directed or permitted by the Commission or presiding officer after opportunity for all parties of record to be heard thereon.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–829. Motions.**

A. Motions, except those made during hearings, will be reduced to writing and filed with the Chief Clerk at least ten (10) days prior to the commencement of a hearing. Responses to such motions are due within ten days after service of said motions. Replies to responses to motions shall be filed with the Commission within five days of service of the response. These times may be modified by order of the Commission or its designee for good cause. Written motions to quash a subpoena will be made pursuant to R. 103–832.

B. The Commission, in its discretion and upon due notice to all parties of record, may entertain oral argument and response on prefiled motions in advance of the scheduled hearing in the proceeding to which the motions pertain. Otherwise, such argument and response shall be made at the commencement of the hearing. The presiding officer may make a ruling upon such motion at the completion of oral argument, at the conclusion of the hearing, or in the written order making disposition of the subject matter of the proceeding.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–830. Filing and Service of Pleadings.**

All pleadings shall be filed with the Chief Clerk of the Commission and served on the Office of Regulatory Staff unless and until it chooses not to participate in a proceeding.

#### **A. Service of Complaints and Answers.**

(1) A complainant requesting a hearing shall file the complaint with the Chief Clerk. The Chief Clerk shall mail a copy of the complaint to the defendant within 14 days of filing.

(2) The defendant shall serve its answer on the complainant and shall file its answer with certification of service with the Commission within 30 days of receipt of the complaint, unless an extension of time is granted for good cause shown. Any defendant failing to file its answer within such period, unless an extension of time is granted, shall be deemed in default and all relevant facts stated in such complaint may be deemed admitted.

#### **B. Service of Petitions and Answers.**

(1) If a person other than the petitioner is named in a petition for a declaratory order or in a petition for a rule to show cause, the Chief Clerk shall cause a copy of the petition to be mailed to such named person within 14 days of the filing of the petition.

(2) The person named in a petition for a declaratory order or in a petition for a rule to show cause shall serve its answer on the petitioner and shall file its answer with certification of service with the Chief Clerk within 30 days of the receipt of the petition from the Chief Clerk unless an extension of time is granted for good cause shown.

(3) A person filing a petition to intervene or a party of record filing a petition for rehearing or reconsideration shall file the petition with certification that service of the petition has been made on all parties of record. The Chief Clerk shall make available to the person seeking to intervene a service list consisting of the names of all parties of record.

C. Service of Amendments. Any amendment to a pleading shall be served and answered, if applicable, according to the requirements specified herein for the type of pleading sought to be amended.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–830.1. Service Between Parties of Record.**

Upon written agreement by all the parties in a docket, service of filings made in a docket at the commission may be made through e-mail or electronic service. The written agreement memorializing the parties' consents shall be filed with the commission in the appropriate docket.

**HISTORY:** Added by State Register Volume 33, Issue No. 6, eff June 26, 2009.

### **103–831. Computation of Time.**

The computation of time shall be governed by Rule 6 of the South Carolina Rules of Civil Procedure. Extensions of time may be granted by the commission for good cause shown. The provisions of Regulation 103–831 do not apply to Petitions for Rehearing or Reconsideration.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007; State Register Volume 33, Issue No. 6, eff June 26, 2009.

### **103–832. Subpoenas and Subpoenas Duces Tecum.**

Subpoenas and Subpoenas Duces Tecum shall be issued and served in a manner consistent with the South Carolina Rules of Civil Procedure.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–833. Written Interrogatories and Request for Production of Documents and Things.**

A. Any material relevant to the subject matter involved in the pending proceeding may be discovered unless the material is privileged or is hearing preparation working papers prepared for the pending proceeding.

B. Unless under special circumstances and for good cause shown, written interrogatories shall not be served less than 10 days prior to the date assigned for commencement of hearing. Any party of record may serve upon other parties or parties of record written interrogatories to be answered by the party served. If the party served is a public or private corporation, partnership, association, or governmental agency, any officer or agent who possesses the desired information may respond to the interrogatories. Copies of interrogatories served shall also be filed with the Chief Clerk. Each interrogatory shall be answered separately and fully in writing, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the individual making them and subscribed by an appropriate verification. Objections are to be signed by the authorized representative or individual making them. The person upon whom the interrogatories have been served shall serve a copy of the answers and objections within the time period designated by the party of record submitting the interrogatories, but not less than 20 days after the service thereof, unless the time is extended by the Commission for good cause shown.

C. Unless under special circumstances and for good cause shown, requests for production of documents and things shall not be served less than 10 days prior to the date assigned for commencement of hearing. Any party of record may serve upon other parties or parties of record requests for production of documents and things to be answered by the party served. If the party served is a public or private corporation, partnership, association, or governmental agency, any officer or agent who possesses the desired information may respond to the requests for production of documents and things. Copies of requests for production of documents and things served shall also be filed with the Chief Clerk. Each request for production of documents and things shall be answered separately and fully in writing, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the individual making them and subscribed by an appropriate verification. Objections are to be signed by the authorized representative or individual making them. The person upon whom the requests for production of documents and things have been served shall serve a copy of the answers and objections within the time period designated by the

party of record submitting the requests for production of documents and things, but not less than 20 days after the service thereof, unless the time is extended by the Commission for good cause shown.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-834. Depositions.**

Any party of record to a proceeding may, by written request, ask the Commission or its designee for leave to take the testimony of any witness by deposition. The request shall set forth the facts the requesting party seeks to establish by the deposition. Such written request shall be filed with the Commission at least 10 days prior to the commencement of the scheduled hearing. The requesting party shall give notice by providing a copy of the written request to each party of record to the proceeding. If the Commission or its designee deems the request meritorious, it may issue an Order designating the individual whose deposition may be taken, specifying the subject matter of the examination, and setting forth the time and place of such deposition, and whether it shall be written or oral examination. All costs incidental thereto shall be paid by the party desiring such deposition. If the request is not deemed meritorious, the written request shall be denied by Order or otherwise.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-835. Other Discovery Procedures.**

The S. C. Rules of Civil Procedure govern all discovery matters not covered in Commission Regulations.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-836. How Hearings are Set.**

The Commission will assign a time and place for hearing and shall give notice thereof as required by law.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-837. Hearing Calendar.**

The hearing calendar will be posted in the office of the Chief Clerk of the Commission and shall be available for inspection by the public during the office hours of the Commission. Proceedings pending upon this calendar will be heard in their order of assignment, so far as practicable, at the times and places fixed, provided, however, in its discretion, with or without motion, the Commission may, at any time with reasonable notice to the parties, advance or postpone any proceeding on the hearing calendar.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-838. Continuance.**

Any party of record desiring a continuance shall, immediately upon receipt of notice of the hearing or as soon thereafter as facts requiring such continuance come to its knowledge, notify the Chief Clerk, stating in detail the reasons why such continuance is necessary. Unless good cause is shown, no such continuance shall be granted.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-839. Prehearing Conferences.**

A. Purposes. Upon written notice by the Commission in any proceeding, parties of record or their authorized representative may be directed to meet before a designated staff member at a specified time and place for a conference, prior to a hearing, for the purpose of formulating issues, and considering:

- (1) The simplification of issues;
- (2) The necessity or desirability of amending the pleadings for the purposes of clarification, amplification or limitation;
- (3) The possibility of obtaining admissions of fact and documents which will avoid unnecessary proof;

- (4) Limitations on the number and consolidation of the examination of witnesses;
- (5) The procedure at the hearing;
- (6) The distribution of written testimony and exhibits to the parties prior to the hearing;
- (7) Any other matters as may aid in the disposition of the proceeding, or settlement thereof.

B. Report of Stipulations. Following the prehearing conference, a proposed Report of Stipulations, reciting the action taken at the conference, amendments allowed to the pleadings, if any, and agreements, if any, made by the parties of record concerning all of the matters considered, shall be provided to the parties of record or their authorized representatives for approval. If no objection to the Report of Stipulations is filed within ten days after the date such Report is mailed, it shall be deemed to be approved. This Report, when approved, shall limit the issues to be heard at the hearing to those not disposed of by admissions or agreements of the parties or their authorized representative and will control the subsequent course of the formal proceeding unless modified at the hearing to prevent manifest injustice.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–840. Consolidated Hearings.**

The Commission, upon its own motion or upon motion by any party, may order two or more proceedings involving a similar question of law or fact to be consolidated for hearing where rights of the parties or the public interest will not be prejudiced by such procedure.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–841. Presiding Officer.**

A. In General. When evidence is to be taken in a proceeding before the Commission, any Commissioner or any hearing examiner designated by the Commission may preside at the hearing.

B. Powers and Duties of Presiding Officer. A presiding officer shall have the duty to conduct full, fair, and impartial hearings, to take appropriate action to avoid unnecessary delay in the disposition of proceedings, and to maintain order; and shall possess all powers necessary to that end, including the following:

- (1) To administer oath and affirmations;
- (2) To order subpoenas issued and to provide for other methods of discovery;
- (3) To receive evidence and rule upon all objections and motions which do not involve final determination of proceedings;
- (4) To take such other action as may be necessary and appropriate to the discharge of duties consistent with the statutory authority or other authorities under which the Commission functions.

C. Report of Presiding Officer. When a majority of the Commissioners do not hear a proceeding or read the record thereof, the presiding officer shall mail to the parties of record a proposed Order. The proposed Order shall contain a statement of facts relied upon in formulating such Order and each issue of fact or law necessary to it. Any party of record will then have ten days in which to file exceptions, present briefs, and file written requests for oral argument to the Commission, if it is desired to do so. If exceptions and briefs are filed within the prescribed time period, the Commission will consider the points raised therein and will issue its Order based upon the record of the formal proceeding, the proposed Order, and the exceptions and briefs filed. If a written request for oral argument is filed, the Commission will establish a date for such oral argument to be heard and will notify all parties of record as to date, time and place for such argument. Thereafter, the Commission will issue its Order based upon the record of the formal proceeding, the proposed Order, any exceptions and briefs filed, and the oral argument presented. If no exceptions, briefs, or written requests for oral argument are received within the prescribed ten days, the Commission will issue its Order based upon the record of the formal proceeding and the proposed Order.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.



### **103–842. Order of Procedure.**

A. Investigations. Upon an investigation initiated by the Office of Regulatory Staff or by request of the Commission, evidence in a proceeding will ordinarily be received in the following order:

- (1) Office of Regulatory Staff;
- (2) Respondent;
- (3) Other parties.

B. Applications and Petitions. Evidence will ordinarily be received upon applications and petitions in the following order:

- (1) Applicant or Petitioner;
- (2) Other parties;
- (3) Office of Regulatory Staff.

C. Complaint. Evidence will ordinarily be received upon complaints in the following order:

- (1) Complainants;
- (2) Respondents;
- (3) Other parties;
- (4) Office of Regulatory Staff.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–843. Standard of Conduct.**

All individuals acting in a representative capacity in proceedings before the Commission shall conform to the standards of ethical conduct required of attorneys before the courts of this State. If any such individual does not conform to such standards, the Commission may decline to permit such individual to act in a representative capacity in any proceeding before the Commission.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–844. Failure to Attend Designated Hearing.**

A. At the time and place set for hearing, if an applicant, petitioner, or complainant fails to attend personally or through an authorized representative without having obtained a continuance in the manner specified in R. 103–838, the Commission may dismiss the petition, application, or complaint with or without prejudice or may, upon good cause shown, recess such hearing for a further period to be set by the Commission to enable such applicant, petitioner, or complainant to attend.

B. Parties of record or their authorized representative shall be present during all proceedings of any scheduled matter pending before the Commission except upon leave of the presiding officer.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–845. Witnesses.**

A. In General. Witnesses shall be examined orally. Witnesses presenting testimony shall be sworn, or shall affirm, before their testimony shall be deemed evidence in the proceeding or any questions are put to them.

B. Cumulative Testimony Restricted. The presiding officer may limit the number of witnesses whose testimony may be merely cumulative. In order to enforce this section, the presiding officer may require a clear statement on the record of the nature of the testimony to be given by any witness proffered.

C. Prepared Statements and Exhibits. A witness may read into the record, as his direct testimony, statements of fact or expressions of his opinion prepared by him, or written answers to interrogatories of counsel. A prepared statement of a witness may also be received as an exhibit. All parties of record, insofar as it is practicable, should prefile with all other parties of record copies of prepared testimony and exhibits which the party of record proposes to use during a hearing. In proceedings involving utilities, the Commission shall require any party and the Office of Regulatory Staff to file copies of testimony and exhibits and serve them on all other parties of record within a specified time in advance of the hearing. In proceedings involving companies other than utilities, the Commission may

require any party and staff to file copies of testimony and exhibits and serve them on all other parties of record within a specified time in advance of the hearing. When prepared testimony and exhibits are prefiled with the Commission, twenty-five copies, unless otherwise specified, of such testimony and exhibits must be furnished to the Commission for the use of the Commission and Staff.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–846. Evidence.**

A. In General. Irrelevant, immaterial or unduly repetitious evidence shall be excluded. The rules of evidence as applied in civil cases in the Court of Common Pleas shall be followed. Effect shall be given to the rules of privilege recognized by law. Objections to evidentiary offers may be made and shall be noted in the record. Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced substantially, any part of the evidence may be received in written form.

B. Reception and Ruling on Proffered Evidence. The presiding officer shall rule on the admissibility of all evidence and shall otherwise control the reception of evidence so as to confine it to the issues in the hearing.

C. Notice of Cognizable Facts. Notice may be taken of judicially cognizable facts. In addition, notice may be taken of generally recognized technical or scientific facts within the agency's specialized knowledge. Parties of record shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material noticed. Parties shall be afforded an opportunity to contest the material proposed to be noticed.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–847. Documentary Evidence.**

A. Commission Files. In case any matter contained in a report or other document on file with the Commission is offered in evidence, such report or other document need not be produced or marked for identification, but may be offered in evidence by specifying the report, document, or file containing the matter so offered.

B. Records in Other Proceedings. If the transcript, or any portion thereof, of another proceeding before the Commission is desired to be introduced into the formal record at a subsequent hearing, a true copy of the portion desired must be presented.

C. Abstracts of Documents. When documents are numerous, such as freight bills or bills of lading, and it is desired to offer in evidence more than a limited number of such documents as typical of the others, an abstract of relevant data of such documents shall be prepared in an orderly manner and offered as an exhibit, giving other parties to the proceeding reasonable opportunity to examine both the abstract and the documents.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–848. Exhibits.**

A. Size of Exhibits. Except by special permission of the presiding officer, no prepared exhibits offered as evidence shall be of greater size, when folded, than 8 1/2 inches by 11 inches.

B. Copies of Exhibits. When exhibits are offered in evidence, the original shall be furnished to the reporter, and the party offering exhibits should also be prepared to furnish a copy to each Commissioner sitting and the presiding officer, each party of record, and the staff, unless such copies have been previously furnished or the presiding officer directs otherwise. Whenever practicable, the parties should exchange copies of exhibits which they propose to use prior to the hearing.

C. Marking of Exhibits. All exhibits shall be marked numerically in the order of identification.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–849. Objections to the Introduction of Evidence.**

A. In General. Any evidence offered in whatever form shall be subject to appropriate and timely objection. When objection is made to the admissibility of evidence, such evidence may be received subject to later rulings by the presiding officer. The presiding officer, in his discretion, either with or

without objection, may exclude inadmissible, incompetent, cumulative, or irrelevant evidence, or order the presentation of such evidence discontinued. Parties objecting to the introduction of evidence shall briefly state the grounds of objection at the time such evidence is offered.

B. Offers of Proof. When the presentation of any evidence is objected to and such objection is sustained by the presiding officer, the proponent of the evidence may request that she or he be allowed to present an offer of proof for the formal record. Such offer of proof shall consist of a statement of the substance of the evidence to which objection has been sustained, or if the excluded evidence consists of evidence in documentary or written form, a copy of such evidence shall constitute the offer of proof.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–850. Transcripts.**

A. In General. The Commission will cause to be made a record of all proceedings.

B. Copies of Transcript. Copies of the typewritten transcript of any proceeding may be obtained from the hearing reporters upon request and after payment of the applicable fee.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–851. Briefs or Proposed Orders.**

A. Due Date. The presiding officer shall fix the time for filing and service of briefs or proposed orders.

B. Table of Contents and Citations. A brief of more than 20 pages shall contain a table of contents showing arguments presented with page references and a list of citations, alphabetically arranged with references to the pages where they appear.

C. Scope of Briefs or Proposed Orders. Briefs should contain:

- (1) A concise statement of the case;
- (2) An abstract of the evidence relied upon, preferably assembled by subjects;
- (3) Factual and legal arguments, or if a proposed Order, reasons and authorities therefore.

D. Exhibit Reproduction. Exhibits may be reproduced in an appendix to the brief. Analysis of such exhibits should be included in the abstract of evidence under the subjects to which they pertain.

E. Filing and Service. Briefs or proposed orders must be filed with the Chief Clerk and served on parties of record on or before the date fixed. If not filed on or before the date fixed, the brief will not be received without permission from the Commission or the presiding officer. All briefs shall be accompanied by a certificate showing service upon all parties of record or their authorized representatives who appeared at the hearing. Ten copies of each brief shall be furnished for the use of the Commission and staff.

**HISTORY: Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–852. Service of Orders.**

All Orders representing final disposition of a proceeding shall be filed with the Chief Clerk who shall serve copies thereof upon all parties of record or their authorized representative. Such service shall be by certified mail, registered mail, or by delivery to the parties or their attorneys, as may be appropriate.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–853. Finality of Decision.**

All proceedings before the Commission shall be disposed of by issuance of an Order as defined in R. 103–804K served upon all parties of record.

A. Effective Date of Orders. Commission Orders shall take effect and become operative when served by registered or certified mail, unless otherwise designated, and shall continue in force and effect either for a period which may be designated therein or until rescinded, modified or amended by

the Commission. If an Order cannot be complied with within prescribed time limit, the Commission may grant such additional time as in its judgment is reasonably necessary to comply with the Order.

B. Rescinding, Modifying, Amending Order or Decision. The Commission may rescind, modify, or amend any Order. If the rescission, modification or amendment pertains to other than clerical errors or omissions, parties of record shall be provided notice and opportunity to be heard. Any Order rescinding, modifying or amending a prior Order shall have the same effect as is provided for in original Orders, but no such Order shall affect the legality or validity of any acts done pursuant to the original Order before notice of such rescission, modification, or amendment.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–854. Petition for Rehearing or Reconsideration.**

Unless otherwise provided by law, no cause of action shall accrue in any court of competent jurisdiction to vacate or set aside any Order of the Commission, either in whole or in part, unless a petition for rehearing or reconsideration and proof of service are filed with the Commission, and an Order has been issued disposing of the matter.

A. Form, Contents of Petition for Rehearing or Reconsideration. All petitions for rehearing or reconsideration shall conform to R. 103–825.

B. Time limit for filing a petition for rehearing or reconsideration. Except as otherwise provided by S. C. Code Ann., Section 58–5–330, 58–9–1200, 58–11–550, 58–27–2150 (1976), any party of record may, within 20 days after the date of receipt of Order, petition the Commission for rehearing or reconsideration. A Petition for Reconsideration shall be subject to the same statutory parameters as a Petition for Rehearing.

C. Action by the Commission. The Commission must act upon the petition for rehearing or reconsideration within thirty (30) days after such petition is filed except as otherwise provided by S. C. Code Ann., Section 58–5–330, 58–9–1200, 58–11–550, 58–27–2150 (1976). Failure to act within this time period shall be deemed a denial of the relief sought in the petition.

D. Effect of Filing a Petition. Filing a petition shall not excuse or delay compliance with an Order issued by the Commission, unless specifically provided by the Commission.

**HISTORY: Added by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–855. Presiding Officer's Proposed Report.**

In the event a presiding officer hears a matter before the Commission, the parties of record may, by stipulation, waive the preparation of a proposed report. Parties of record may file exceptions to the proposed report pursuant to R. 103–841C.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–856. Appellate Review.**

A. In General. After denial of rehearing, a party of record may appeal a Commission Order to the appropriate judicial forum pursuant to applicable provisions of law.

B. Stay of Commission Order Pending Review. Except as otherwise provided by law, an appeal from an Order of the Commission shall not of itself stay or suspend operation of the Order of the Commission.

C. Transcript of Testimony. A transcript of the proceeding will be furnished upon request directed to the Commission's hearing reporters, stating the number of copies desired, the person to be billed and the person to whom the transcript is to be sent.

D. Record on Appeal. In any action to review a final decision of the Commission, the record shall consist of all items set forth in R. 103–804E.

E. Stipulations. The Commission, and any party of record appealing a Commission Order, may stipulate that a certain question or questions and a specified portion of the evidence shall be certified to the Court for its judgment, whereupon such stipulation and the question or questions and the evidence therein specified shall constitute the record on view.

F. Priority. Cases appealed from the Commission shall have priority where such is given by statute.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–857. Penalty Provisions.**

A. In General. Any fine or penalty assessed against any person as allowed by statute, may be imposed in accordance with applicable provisions of law and these rules as established by the Commission.

B. Calculation of Fine or Penalty. The fine or penalty will be incurred and will accrue each day with each day considered a separate breach or violation.

C. Payment of Fine or Penalty. A fine or penalty assessed pursuant to the provisions of these rules shall be paid immediately upon demand by certified check made payable to the State of South Carolina. Failure to honor this demand within ten days shall result in a filing in the appropriate county office or offices, for collection of such fine or penalty as provided by law.

D. Disbursement of Fine or Penalty. All fines or penalties assessed by the Commission shall go into the general funds of the State unless otherwise provided by law.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–858. General Provisions.**

A. Additional Hearings. The Commission may, in addition to other hearings as provided for by rule or statute, conduct such other hearings as may be required in the administration of the Commission's power and duties.

B. Construction. If any provision of these rules or the application thereof is held invalid, the remainder of the rules or other application of such rules shall not be affected.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–859. Emergency Procedures.**

A. When it appears to the Office of Regulatory Staff that a utility is planning to disconnect its service to a customer(s) in violation of the Commission's Rules and Regulations and under circumstances which prevent the full Commission from meeting to address the issue, upon the request of the Office of Regulatory Staff, any one Commissioner may issue an Order on behalf of the Commission restraining and/or enjoining a utility from disconnecting service or requiring the utility to maintain the status quo with its customer(s) until further Order of the Commission. Thereafter, at the next scheduled Commission meeting with proper legal notice, the full Commission shall consider the Order of the single Commissioner and take such action on the single Commissioner's Order as it deems appropriate.

B. When it appears to the Office of Regulatory Staff that a utility has disconnected a customer's (s') service in violation of the Commission's Rules and Regulations and under circumstances which prevent the full Commission from meeting to address the issue, upon the request of the Office of Regulatory Staff, any one Commissioner may issue an Order on behalf of the Commission requiring the utility to reconnect the service and maintain that status quo until further Order of the Commission. Thereafter, at the next scheduled Commission meeting with proper legal notice, the full Commission shall consider the Order of the single Commissioner and take such action on the single Commissioner's Order as it deems appropriate.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

# CHAPTER 103

## Public Service Commission

(Statutory Authority: 1976 Code §§ 58-3-140, 58-23-10, 58-23-590, 58-23-1010, and 58-23-1830)

### ARTICLE 1 COMMON CARRIERS SUBARTICLE 1 COMMON CARRIERS BY RAIL AND EXPRESS COMPANIES

#### **103-6. Notice to be Posted.**

All railroad companies, operating in South Carolina as common carriers, shall be required to have printed in large type and kept posted in a conspicuous place in each waiting room at their depots in South Carolina, the following notice:

#### NOTICE

All railroad companies are required, under the laws of South Carolina and the rules of the Public Service Commission, to bulletin trains when late, to furnish good, wholesome drinking water to passengers, to keep waiting rooms and passenger coaches clean, well lighted, properly ventilated, and comfortably heated when necessary.

The Public Service Commission of South Carolina would appreciate the prompt reporting to its office at Columbia, S. C., of the failure of any company or its agents to comply with these requirements.

#### **103-7. Opening Waiting Rooms.**

At junction points, railroad companies shall be required to open their depot waiting rooms for the accommodation of the traveling public at least thirty minutes before the schedule time for their arrival of all passenger trains, or trains carrying passengers.

At local, or non-junction points, all such waiting rooms shall likewise be opened: Provided, That the same shall not be required to be opened, nor kept open, after 10 o'clock p. m., except for delayed trains due before that hour, in which case such rooms shall be kept open until the actual arrival of such delayed trains.

Pursuant to § 58-17-3080, S. C. Code 1976.

#### **103-8. Waiting Rooms.**

A waiting room for passengers, sufficient for their comfort and convenience, shall be provided at all stations where passenger tickets are offered for sale, and these waiting rooms shall be furnished with adequate lights, and, when the inclemency of the weather requires, with heat, and at all times kept clean and made comfortable for passengers.

A substantial water cooler must be in each waiting room with drinking vessel conveniently placed. The said cooler to be supplied with wholesome water at all hours to meet the requirements of passengers. There shall be connected with each of these waiting rooms whenever practicable, except at flag stations on the railroad lines where there is no regularly kept passenger station, two separate and distinct restrooms, one for female passengers and one for male passengers and said restrooms shall be kept in fit and suitable condition for use and convenience of said passengers. Such toilets will be considered and open into or near the waiting rooms so as to afford a reasonable privacy to passengers.

Pursuant to Section 58-17-3080, S.C. Code 1976.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-9. Heating, Lighting, etc., of Coaches.**

On all passenger trains, or trains carrying passengers in this State, the railroad companies shall furnish safe and adequate heating appliances and lights, and shall keep the passenger coaches clean, sufficiently warm, and properly ventilated for the comfort of passengers. All passenger coaches, including closets, after reaching their destination and before being put in service for further use, must be thoroughly cleaned and disinfected.

### **103-10. Handling Baggage.**

All railroad companies shall provide such means or appliances as may be necessary to secure the careful handling of and prevent injury to baggage. At all stations where no proper appliances are supplied, the baggagemaster shall have such assistance from the train hands or others as may be necessary to handle all baggage without injury to same. That at all junctional points and all towns of over 500 inhabitants, sufficient trucks be furnished to both load and unload baggage.

Pursuant to § 58-17-3140, S. C. Code 1976.

### **103-11. Notice as to Delayed Trains.**

Whenever any passenger train or train carrying passengers on any railroad in this State shall be more than one-half of an hour behind its schedule time, it shall be the duty of said railroad company to bulletin, and keep posted at every telegraph station along its line, in the direction in which said train is going, the time such train is behind its schedule time, and the time of its arrival, as near as can be ascertained.

Each bulletin board upon which the foregoing information is to be posted shall contain the regular schedule of the arrival and departure of all trains carrying passengers.

All notices as to trains behind schedule time shall be erased from the bulletin immediately after the departure of such trains.

Such bulletin shall be changed every quarter-hour until delayed train arrives.

103-11 and 103-12 pursuant to § 58-17-3050, S. C. Code 1976.

### **103-12. Notice of Change in Schedules.**

Notices of any change in the schedule time of passenger trains, or trains carrying passengers, must be posted conspicuously at each of the stations along the line of the road, and notice to the Commission be given in writing at least eight days before the change is to take effect; said notice to also be published in two issues of newspapers at least eight days before the change is made: Provided, Freight trains carrying passengers and running between local stations may be excepted from this rule by proper showing before this Commission when said train is not advertised in published schedules as carrying passengers.

### **103-13. Accidents.**

Every railroad corporation shall cause immediate notice of any accident which may occur on its road, attended with injury to any person, to be given to the Public Service Commission, by telegraph, telephone or such other means as may be the quickest under the circumstances, at the same time that notice is given the officials of the road on which the accident occurred, and shall furnish immediate transportation for the Commissioners over its line to the place of accident free of expense to the Commissioners, and if the Commissioners use another railroad to reach the place of accident, the corporation on whose line the accident occurs shall pay the expense of transportation thereon, and shall also give notice in like manner of any accident falling within any description of accidents of which said Commissioners may by general regulation require notice to be given.

Also, every railroad corporation upon whose line any accident may occur, attended with injury to any person or persons, is, in all such cases, required to immediately notify the most accessible physician or physicians, by quickest possible means, of place of accident and require the giving of such medical or surgical attention as the case or cases may require.

Pursuant to Sections 58-17-3440 and 58-17-3450, S.C. Code 1976.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-14. Closing or Discontinuing Depots, Stations and Agencies.**

Each and every depot, flag stop, station, office and agency, now maintained, conducted or used in South Carolina by any railroad, express or telegraph company doing business in this State, for the transaction of business with the public is hereby formally established and located at the point and on the premises where the same is now being so maintained and conducted. No such depot, flag stop, station, office or agency, as aforesaid, now established, or that hereafter may be established, pursuant to orders made by the Commission, or voluntarily by such company, or otherwise, shall be closed, removed, suspended, discontinued or abolished without authority granted by the Public Service Commission. Written application shall be made to the Public Service Commission for authority to post notice to the public setting forth the fact that thirty days from date of said notice application for such closing, removal, suspension, discontinuance or abolition will be made to the Public Service Commission. Said notice to the public shall be posted in a conspicuous place at or near such depot, flag stop, station, office or agency, for not less than thirty (30) days, and a copy of such notice sent to the Public Service Commission. At the expiration of that time, unless protest has been received from the public by the Public Service Commission and the company so notified, then formal application may be made to the Public Service Commission for authority to close, remove, suspend, discontinue or abolish such depot, flag stop, station, office or agency as the case may be. Should protest be received, the Public Service Commission will notify the company involved, who may, if desired, ask for a formal hearing in the matter, and the Commission may order such hearing if, in its judgment, it is necessary.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-15. Discrimination.**

All of the various kinds of tickets that may be on sale at any and all other offices of a given railroad company, in any given town or city, shall likewise be kept on sale at the depot ticket office of such railroad company in such town or city, at the same prices.

There shall be no unjust discrimination as to passenger rates in favor of or against any individual or locality; Provided, however, That this rule shall not be so construed as to prevent railroad companies issuing commutation, excursion or mileage tickets as the same are now issued.

Pursuant to § 58-17-1980, S. C. Code 1976.

### **103-16. Notice as to Obstructed Trains.**

Whenever there is, by reason of accident or otherwise, a break or obstruction on any railroad in this State, which will delay any passenger train on said road, it shall be the duty of said road to have the same bulletined at all stations at and between the said passenger train and the place so obstructed, and the conductor shall give notice of said obstruction to the passengers in the cars, before leaving the station, and the delay that will probably be caused by the same.

### **103-18. Filing Reports and Furnishing Information.**

Each railroad company shall file in the office of the Commission quarterly reports, on or before the last day of the month following the quarter for which the report is made, showing fully and in detail the revenues and expenses of such company during the reporting quarter and cumulatively for the year.

Each railroad company, railroad terminal company, or express agency employing rail services and facilities, shall, on or before the thirty-first day of March of each year file in the office of the Commission an annual report, duly sworn to, showing fully and in detail the operations of such company or agency during the preceding fiscal year, to-wit: From January the first to December the thirty-first, both inclusive.

All of said reports shall be rendered on, and in accordance with, the printed forms that the Commission will prescribe and furnish for that purpose.

In addition to the foregoing, each of said companies or agencies shall furnish such other reports and information as the Commission may require from time to time.



Furthermore, it shall be the duty of each of said companies or agencies to produce, for the inspection of the Commission, any and all books, papers, contracts, agreements and other original records, of any character whatsoever, that may be in possession of said company or agency, or within its power, custody or control, or copies, thereof, as may be demanded and designated by the Commission.

### **103-19. Stopping Passenger Trains at Stations.**

All passenger trains operated in this State shall, at all stations where such trains stop, either upon flag or regular schedule, be brought to a standstill with such relation to the waiting-rooms of the station building, or other passenger facilities at said station, as will render egress from and ingress to said trains most practicable and convenient for the passengers, without reference to the convenient handling of baggage or other freight.

Pursuant to § 58-17-3070, S. C. Code 1976.

### **103-20. Conductors on Pullman, Dining Cars, etc.**

No sleeping car, chair car, parlor car, dining car, or buffet car shall be operated on any line of railroad in South Carolina, when occupied by regular passengers holding proper transportation for the occupancy of such cars, unless such cars are continuously in charge of an employee or an authorized agent of the firm or corporation owning or operating same.

Pursuant to Section 58-17-2710, S. C. Code 1976.

**HISTORY: Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.**

### **103-21. Rates Applicable to Roads Under One Management or Control.**

All connecting railroads, doing business in this State, and under the management or control, by lease, ownership, association or otherwise, of one and the same person, firm, corporation or association, shall, for purposes of transportation, in applying freight and passenger tariffs, be considered as constituting but one and the same road, and the rate shall be computed as upon parts of one and the same road, unless otherwise specified by the Public Service Commission.

Pursuant to § 58-17-2610, S. C. Code 1976.

### **103-22. Local Shipments.**

All shipments moving locally by rail, between points in South Carolina are subject to rates, rules and regulations as adopted by the Public Service Commission of South Carolina, unless there is issued at the time of shipment at the place the shipment originates, or at the nearest agency station thereto, through interstate bill of lading to the final point of destination of the shipment, or such a bill of lading as may be exchanged for ship's bill of lading at a place of export.

### **103-23. Joint Rates Defined, Manner of Making Combination Rates.**

(a) Joint freight rates are those ordered put in, or authorized, by the Public Service Commission of South Carolina, which rates shall only apply on shipments moving between two points in the State of South Carolina, over two or more railroad routes, not under the same management or control.

(b) In making combination rates between points in South Carolina where no joint rates are in effect, no railroad shall charge more than its maximum rates, less twenty per cent, except that in no case shall the total rate so made be less than the maximum mileage rate for the total short line distance.

(c) In making combination rates, where one or more of the factors are specific point to point or mileage rates lower than the maximum rates prescribed by the Commission and the other factor or factors is the maximum mileage rate, the factor or factors which is the maximum mileage rate is subject to a deduction of twenty per cent except that the total rate so made must not be less than the maximum mileage rate for the total short line distance. Where one or more of the factors are specific point to point rates, or mileage rates voluntarily established by the railroads lower than the maximum rates or scales, such rates will not be subject to a deduction of twenty per cent.

(d) "The maximum mileage rates" are the mileage rates (or scales) prescribed by the Public Service Commission of South Carolina.

(e) Fractions resulting in the deduction from the maximum mileage rate, as required by this rule, shall be disposed of in accordance with the provision of Rule No. 36 of the Uniform Freight Classifications, No. 12, and reissues thereof, before combining the factors which constitute the through rate.

### **103-24. Rates Between Competitive Points.**

Where there are two or more railroad lines between any two points in South Carolina, having through connections, the lowest freight rate established between such points shall be charged by the other lines accepting the freight for transportation between said points.

### **103-25. Distances for Changing Rates.**

Ten miles has been fixed as the usual limit for a change of freight rates in South Carolina, but the railroads may, if they so desire for intermediate distances, adopt rates also intermediate between those given in the tables.

When the distance between stations ends in a fraction of a mile, such fraction, if .5 or over will be counted as a mile. If less than .5 such fraction will not be considered.

Stations not over two miles beyond the upper limits of ten-mile group may be included in such group. The Commission reserves the right, however, to correct the charge in extreme cases which work hardships, although the same may not violate the letter of its rules.

### **103-26. No Change of Rates Without Approval of the Commission.**

The rates fixed or authorized by this Commission are to be regarded as maximum rates, which the railroads shall not exceed, except when specifically authorized by rule or written consent of this Commission. The railroads may adopt lower rates with the consent of the Commission, but if they do so for one shipper or person, they must, for like service, apply the same reduction of rates for all other persons and if they fix less freight rates from one station, they shall make a corresponding reduction of the same per cent, at all stations along the line of road, so as not to discriminate against any person or locality except as provided in 103-25.

### **103-27. No Discrimination Allowed.**

There shall be no discrimination by any railroad company chartered by this State in favor of or against any railroad company with which it may connect, but each road shall deal with all its connections at any one point on the same terms, and shall afford the like customary facilities for the interchange of freight between all of its connections at the same point, any contract, combination, joint ownership or management to the contrary notwithstanding.

### **103-28. No Rebate Permitted.**

No rebate, bonus, drawback or other advantage in any form shall be allowed, directly or indirectly, upon shipments made or service rendered to any person, but the rates shall be the same to all.

### **103-29. Obligation to Serve.**

No railroad shall decline or refuse to transport any article proper for transportation.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988.

### **103-30. Notice to be Given Before Change of Rates.**

Before any rate shall be affixed, established or changed by the Public Service Commission, the railroad company to be affected thereby shall have at least twenty (20) days' notice of the time and place when and where the matter of fixing or changing such rate will be considered by the Commission in session; and said railroad company shall be entitled to be heard at such time and place, to the end that justice may be done.

### **103-31. When Rates are Effective.**

All authorities for rates issued by the Commission may be made effective at once, or as soon after date of issuance as possible, but in no case later than thirty (30) days after the date of the Commission's authority, unless otherwise specified.

### **103-32. Conflict Between Rates.**

Whenever there is a conflict between class and commodity rates, or between mileage rates and commodity rates, for the transportation of freight, between any two points in South Carolina the lowest rate in effect shall be charged.

### **103-33. Delays in Transportation.**

No railroad shall, for any cause, subject any article of freight to unreasonable delay in receiving, delivering or forwarding the same.

Pursuant to §§ 58-17-2710, 58-17-2820, S. C. Code 1976.

### **103-35. Articles Not Classified.**

Rates for the transportation of any article not included in the Freight Classification may be assessed as if upon the article most analogous to it in said classification.

### **103-36. Repairs and Improvements.**

Whenever in the judgment of the Public Service Commissioners it shall appear that repairs are necessary upon any railroad in this State, or that any addition to the rolling stock, or that any enlargement of, or improvement in, the stations or station houses, or any changes in the mode of operating the road and conducting its business, is reasonable and expedient, in order to promote the security, convenience and accommodation of the public, they shall give information in writing to the railroad company of the improvements and changes which they adjudge to be proper, and if said company shall fail, within sixty (60) days, to adopt the suggestion of said Commissioners, they will take such legal proceedings, as they may deem expedient.

### **103-37. Adjusting Overcharges.**

Railroad companies shall adjust all freight charges promptly when shipments are delivered, and apply only the legal, published rates and classifications in effect at time shipment moved from point of origin.

Actual weights must be observed in settling charges, unless otherwise, provided for in classification.

If, after settlement is made, an overcharge appears, the railroad company collecting such overcharges shall make proper refund to shipper or consignee when demand is made and said overcharge is shown.

### **103-38. Rates for Less than Carloads Not to Exceed Carload Rates.**

The charge for a less than carload shipment must not exceed the minimum charge for a minimum carload of the same freight at the same rating; provided the loading is done by the consignor and the unloading by the consignee; the charge for a car fully loaded must not exceed the charge for the same lot of freight being taken as a less than carload shipment.

### **103-40. Railroads Required to Furnish Information.**

Every railroad corporation operating in this State shall at all times, on request, furnish the Public Service Commissioners any information required by them concerning the condition, management and operation of its railroads.

Pursuant to § 58-17-1640, S. C. Code 1976.

### **103-41. Carload and Ton Defined.**

A carload shipment is a consignment of at least the specified minimum carload weight of one class of freight, at one time, by one consignor, from one point of consignment to one consignee, at one point of delivery.

A ton is 2,000 pounds unless otherwise provided.

### **103-42. Assessing Rates Where Not Otherwise Provided for.**

Between points where rates are not provided for, the Commission will, on application of shipper, consignee, or railroad interested, make reasonable rates for immediate use, or to correct charges previously assessed for which no rates are published.

### **103-43. Posting of Rates.**

Railroads in this State are required to keep "posted" in all their stations copies of rate schedules with tables showing distances between all stations, applying on their respective roads. It shall be the duty of all such railroads to obtain as needed, from the Public Service Commission, all such schedule of rates, including such changes or revisions as may from time to time be made, and to "post" copies of same as required by law.

### **103-44. Regulating Charges for Shorter Distances.**

The railroads will not be required to regulate their charges for shorter distances by their proportion of through rates between terminal or junctional competitive points.

Pursuant to § 58-17-2000, S. C. Code 1976.

### **103-45. Erecting Depots.**

All railroads in this State are required to erect within the time specified by the Commission union or other depots at such points as the travel and public interest shall in the judgment of the Commission justify.

Pursuant to § 58-17-3090, S. C. Code 1976.

### **103-46. Time Tables.**

All railroads in South Carolina shall furnish the Public Service Commission complete time tables covering schedules of all regular trains carrying passengers over their respective roads; and shall furnish new time tables or schedules, whenever changes are made, as soon as such schedules are received from the printer.

### **103-47. Weighing Carload Shipments.**

Any consignee of coal or other articles to be delivered to him in carload lots by any common carrier at any point within the limits of this State where such common carrier maintains track scales or track scales are accessible, shall have the right to demand that such coal or other articles be reweighed before delivered to him by said common carrier, within forty-eight (48) hours after such demand to reweigh the same, and to deliver to such consignee a written or printed or partly written and partly printed statement, showing the true weight thereon, and that where track scales are accessible and whenever practicable, all railroad companies operating in South Carolina are required to weigh all loaded tank cars for shipment of oil on track scales at the station of the initial line, or at the oil mill where such cars are to be loaded and to weigh these cars on same scales when loaded, and issue Bill of Lading therefor with actual weight of the contents of each car inserted thereon. And that weight of cars may be accurately determined, each car shall be weighed separately and uncoupled at each end from other cars upon the request of consignee. Pursuant to §§ 58-17-2310, 58-17-2350, S. C. Code 1976.

### **103-48. Handling Freight at Non-Agency Stations.**

At all non-agency stations the railroads shall load and unload all less than carload shipments. The consignor or consignee shall load or unload all carload shipments. When a shipper at a non-agency station desires to make a carload shipment the order for empty car shall be placed with the conductor or the agent of the railroad at the nearest station, and said car shall be set off on the siding designated, loaded by the shipper and Bill of Lading issued by the nearest agent of the railroad in the direction the car moves. When a carload shipment is consigned to a non-agency station, the freight charges on which are prepaid, the car shall be set off at that point and unloaded by the consignee. Railroads shall not leave less than carload freight at non-agency stations when there is no one there to receive it if the weather is such as to cause damage, but the same shall be carried to the nearest station for protection and returned at the proper time.

### **103-49. Handling Freight Cars on First Class Passenger Trains.**

No railroad operating trains in South Carolina shall be allowed to handle any freight cars, loaded or empty, on a train that is operated as a first class passenger train, or shown as such in the published time tables of any railroad except by written permission of the Public Service Commission.

### **103-50. Grain-Cleaning in Transit.**

The rate on all movement of grains in South Carolina where grain in transit is stopped at intermediate points for cleaning and grading purposes shall be the present through rate from point of origin to destination, plus 20 per cent for each and every intermediate stop where cleaning and grading is to be done.

Shrinkage on all reshipments from cleaning points will be allowed.

The above rate is intended for an emergency rate.

Grain delivered at local markets for cleaning purposes cannot be substituted for grain in transit which is held at that point for cleaning.

### **103-51. Milling-in-Transit Rules.**

Section 1. Wheat or corn may be shipped from railway stations in South Carolina.

Section 2. To milling points located on the railroads in South Carolina and milled and the product reshipped to stations in South Carolina under the following rules, viz.:

Section 3. Shipments of wheat or corn to be milled in transit must be filled to the milling point at full tariff rates.

Section 4. Original bills of lading and expense bills for wheat or corn (the product of which is to be reshipped), must be surrendered to the railroad's agent at milling point.

Section 5. These bills of lading and expense bills must be cancelled so as to prevent their use a second time.

Section 6. The agent at milling point must keep a ledger account with the mill, which should show the receipts of wheat or corn, and the shipments of each kind of milled product made thereunder.

Section 7. Waybills for the product from milling points must show the original point of shipment of the wheat or corn from which it is milled and the number and date of the waybill upon which it is received at the mill.

Section 8. When the conditions of these rules have been fully complied with the agent at the milling point is authorized to waybill shipments of milled products at the difference between the rate on the wheat or corn into the mill and the rate on the milled product for a distance equal to the sum of the distance from point of origin of the grain (from which milled), to the milling point, plus the distance from the milling point to destination of the milled product, as provided for in local tariff of all railroads.

For example, the agent at Rock Hill, S. C., has a shipment of flour in sacks milled from wheat received from a point 75 miles distant from Rock Hill, to be reshipped to a point 50 miles from Rock Hill. In this instance the total haul is 125 miles. The rate on the wheat into the mill is 19 cents, the rate on the flour in sacks (Class C) for a distance of 125 miles is 27 cents. Shipments should be waybilled from Rock Hill to destination at the difference between the rate on the grain into the mill and the rate on flour in sacks for the combined distance, or 125 miles which is 8 cents per hundred pounds.

### **103-52. General Rule.**

All rules and regulations herein prescribed as applying to railroads are to be regarded as applying, with equal force and effect, to express companies doing business in this State: provided, such application is practicable and does not conflict with the laws of this State or of the United States, nor with the rules and regulations herein distinctly prescribed for the government of express companies.

### **103-53. Posting Schedules.**

All express companies in South Carolina are required to file with the Commission, to print and keep posted at each of their offices in this State, schedules of rates, classification and charges for the carrying of freight, which shall be opened during office hours to public inspection.

### **103–54. Changes in Rates and Classification.**

No change in express rates or classification shall be made until thirty (30) days' notice of such change has been filed or posted at all express offices or agencies in this State, and not until thirty (30) days' notice has been given the Commission and not until the consent of the Commission has been obtained.

### **103–55. Accidents.**

All express companies in South Carolina are required to comply with § 58-47-3440, S. C. Code 1976, "Giving notice of accidents," and 103-13 of the Public Service Commission, "Accidents."

#### **SUBARTICLE 2**

#### **PRACTICE AND PROCEDURE IN PROCEEDINGS INVOLVING COMMON CARRIERS BY RAIL**

### **103–74. Guidelines for Rail Regulation.**

The standards and procedures outlined in Order No. 83-146, modified by Order No. 84-207, are hereby adopted as guidelines for all future rail regulation by the Public Service Commission of South Carolina.

**HISTORY:** Added by State Register Volume 12, Issue No. 5, eff May 27, 1988.

#### **ARTICLE 2**

#### **MOTOR CARRIERS**

#### **SUBARTICLE 1**

#### **GENERAL**

### **103–100. Authorization of Rules.**

1. These rules and regulations are promulgated pursuant to the authority vested in the commission by the General Assembly by its enactments contained in Articles 1 to 11 of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976. All previous rules, regulations, and standards are hereby revoked, annulled and superseded.

2. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint or its own motion, or upon the application of any motor carrier. Moreover, these rules shall not relieve in any way either the commission or the motor carriers of any duties under the laws of this State.

3. These rules and regulations are consistent with Section 601, Pre-emption of Intrastate Transportation of Property, of the Federal Aviation Administration Authorization Act of 1994, enacted on August 23, 1994.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–101. Application of Rules.**

1. Jurisdiction. These rules are for general application and therefore shall apply to any person, firm, partnership, association, or corporation which is now or may hereafter become engaged as a motor carrier for hire within the State of South Carolina except where specifically exempt by statute.

2. Waiver of Rules. These rules are subject to such exceptions as may be considered just and reasonable as ordered by the commission in individual cases when strict compliance with any rule or rules produces unusual difficulty and is not in the public interest. They are considered supplementary to the statutes contained in Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–102. Definitions of Terms.**

As used herein, the following terms shall be accorded meaning as indicated:

1. **Certificated Carrier.** “Certificated Carrier” means a motor carrier operating under a Certificate of PC&N, a Certificate of FWA, or a Charter Bus Certificate.

2. **Certificate of FWA.** “Certificate of FWA” means the certificate of fit, willing, and able authorized to be issued under provisions of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976. Certificates of FWA shall be required of all for-hire household goods carriers operating exclusively within limits of any municipality in this State. Holders of Certificates of FWA shall be considered regulated carriers.

3. **Certificate of PC&N.** “Certificate of PC&N” means the certificate of public convenience and necessity authorized to be issued under the provisions of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976. Certificates of PC&N shall be required of all for-hire passenger carriers, household good carriers (except those operating exclusively within the limits of any municipality), and hazardous waste for disposal carriers. Holders of Certificates of PC&N shall be considered regulated carriers.

4. **Charter Bus Certificate.** A “Charter Bus Certificate” is a certificate issued to charter bus motor carriers which signifies that the motor carrier has met all of the insurance requirements of the commission, and all of the safety requirements of the South Carolina Department of Public Safety. A Charter Bus Certificate shall be denominated “Class C-Charter Bus.”

5. **Charter Bus.** “Charter Bus” is a passenger carrier equipped to carry sixteen (16) or more passengers.

6. **Class C Charter Certificate.** “Class C Charter Certificate” is a Class C certificate required to be held by service providers engaged in passenger for hire transportation using any motor vehicle equipped to carry up to fifteen (15) passengers and accepting passengers exclusively on a pre-arranged basis and which remuneration is determined on an hourly basis. A Class C Charter Certificate shall be denominated “Class C - Charter.”

7. **Class C Taxi Certificate.** “Class C Taxi Certificate” is a Class C certificate required to be held by service providers engaged in passenger for hire transportation using any motor vehicle equipped to carry up to fifteen (15) passengers, whether or not equipped to handle wheelchairs, which operates on call or demand/response service whereby remuneration is determined on a per trip basis. The issuance of a Taxi certificate signifies that the motor carrier has met all of the requirements of the commission and all of the safety requirements of the Department of Public Safety. A Class C Taxi Certificate shall be denominated “Class C - Taxi.”

8. **Commission.** “Commission” means the Public Service Commission of South Carolina.

9. **Common Carrier by Motor Vehicle.** “Common Carrier by Motor Vehicle” means any person which holds itself out to the general public to engage in the transportation by motor vehicle in intrastate commerce of persons or property for compensation, whether over regular or irregular routes, except as exempted in Section 58–23–50 and Section 58–23–70 of Code of Laws of South Carolina, 1976.

10. **Contract Carrier by Motor Vehicle.** “Contract Carrier by Motor Vehicle” means any person which engages in transportation by motor vehicle of property in intrastate commerce for compensation under contracts with one person or a limited number of persons either (a) for the furnishing of transportation service through the assignment of motor vehicles to the exclusive use of each person served, or (b) for the furnishing of transportation services designed to meet the distinct need of each individual customer.

11. **Corporation.** “Corporation” means a corporation, company, association, or joint stock association.

12. **Driver.** “Driver” or “Operator” shall mean any person who physically operates a licensed taxi, limousine, non-emergency vehicle or wheelchair van as defined herein, whether such person operates as agent, lessee, independent contractor or employee of any certificated carrier.

13. **Interstate Commerce.** “Interstate Commerce” means commerce between any place in a state and any place in another state.

14. **Intrastate Commerce.** “Intrastate Commerce” means commerce between points and over a route or within a territory wholly within this State, which commerce is not a part of a prior or subsequent movement to or from points outside of this State in interstate or foreign commerce, and

includes all transportation within this State for compensation which has been exempted by Congress from federal regulation in interstate or foreign commerce.

15. Limousine. A "Limousine" shall mean any motor vehicle equipped to carry up to fifteen (15) passengers which exclusively engages in "Class C Charter" operations. Limousines shall be required to obtain a Class C - Charter certificate.

16. Motor Carrier. "Motor Carrier" means both a common carrier by motor vehicle and a contract carrier by motor vehicle.

17. Motor Vehicle Carrier Law. "Motor Vehicle Carrier Law" means Articles 1 to 11 and 15 of Chapter 23 of Title 58 of the Code of Laws of South Carolina, 1976.

18. Motor Vehicle. "Motor Vehicle" means any vehicle, machine, tractor, semi-trailer, or any combination thereof, which is propelled or drawn by mechanical power and used upon the highways of this State.

19. Municipality. "Municipality" means any incorporated city or town within the State of South Carolina.

20. Non-Emergency Vehicle. "Non-Emergency Vehicle" means a vehicle that is used for providing, for a fee or charge, non-emergency transportation, for patients in stable medical condition. "Non-Emergency Vehicle" includes "Wheelchair Van" but not taxicabs. "Non-Emergency Vehicle" shall not include vehicles owned by facilities that provide such transportation as described above without charging a separate fee for the transportation service.

21. ORS. The "ORS" means the South Carolina Office of Regulatory Staff.

22. Person. "Person" means any individual, firm, partnership, corporation, company, association, or joint-stock association, and includes any trustee, receiver, assignee, or personal representative thereof.

23. Public Highway. "Public Highway" means every improved public highway in this State which is or may hereafter be declared to be a part of the state highway system or any county highway system or a street of any city or town.

24. Rates. "Rates" include rates, fares, tolls, rentals and charges.

25. State. "State" means the State of South Carolina.

26. STB. "STB" means Surface Transportation Board.

27. Tariff. "Tariff" means any schedule or publication showing the rates, fares, charges, rules, regulations, and classifications for the transportation within this State of persons and property.

28. Taxi. A "Taxi" or "Taxi Cab" means a passenger carrier vehicle capable of carrying between one and fifteen passengers, the use or transportation in which is paid for or billed to the passengers on a per trip basis.

29. Wheelchair Van Patient. "Wheelchair Van Patient" means a patient whose medical condition is such that the person may be transported safely and securely in a Wheelchair Van. These patients must be transported in a sitting position in a secured wheelchair and/or require a ramp or lift to board the vehicle.

30. Wheelchair Van. "Wheelchair Van" means a Non-Emergency Vehicle other than a taxi cab which is modified, equipped and used for the purpose of providing non-emergency medical transportation for Wheelchair Van Patients. These vehicles are specifically designed and modified to load and transport both ambulatory and wheelchair-bound patients in a safe and secure manner.

31. Equipped to Carry. "Equipped to carry" means the number of passengers a vehicle is capable of carrying based on the number of seatbelts in that vehicle. If seatbelts do not exist in or cannot be located by ORS Inspectors, ORS may alternatively calculate the number of passengers a vehicle is capable of carrying by utilizing the method set forth in the Federal Transportation Regulations to determine "seating capacity" pursuant to 49 C.F.R. §387.29. Efforts to circumvent regulation or proper licensing by removing or altering the number of seatbelts in a vehicle and/or otherwise altering the seating configuration will not absolve the carrier from failing to obtain the proper certificate from the commission.



32. Passenger. "Passenger" means every person carried or riding in a motor carrier, including the driver.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 24, Issue No. 7, eff July 28, 2000; State Register Volume 26, Issue No. 5, Part 2, eff May 24, 2002; State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 34, Issue No. 5, eff May 28, 2010.

### **103–103. Regulated Carriers Must Maintain Copy of Motor Vehicle Carrier Law and Commission’s Rules and Regulations.**

Every motor carrier regulated by the commission shall keep at all times in its principal office in South Carolina a copy of these rules and regulations. Access to these rules and regulations via the internet or through other electronic means at the carrier’s principal office shall be deemed sufficient to meet the requirements of this regulation.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 2 CLASSIFICATION OF MOTOR CARRIERS**

### **103–110. Class “A” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class A motor carrier is a common carrier by motor vehicle of passengers, operating over regular routes and upon regular schedules as filed with and approved by the commission. Class A Certificates of Public Convenience and Necessity for the transportation of passengers shall include the authority to transport in the same vehicle with the passengers, baggage, express, mail and newspapers, and to transport baggage of passengers in separate motor vehicles when necessary, provided, however, that such articles for shipment shall be originated and terminated at a terminal of the transporting Class A Certificate holder or of some other Class A carrier, and holders of Class A Certificates of Public Convenience and Necessity approved by the commission and issued by the ORS may transport special or chartered parties originating along their authorized routes to any point intrastate and return, subject to the Rules and Regulations of the commission pertaining thereto, provided further, however, that this provision shall not be applicable to Class A Certificates which are restricted. A Class A motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–111. Class “B” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class B motor carrier is a common carrier by motor vehicle of passengers which does not propose to operate regularly upon a fixed schedule or route and which only desires to operate over a particular route or routes that are not already served by one or more Class A motor carriers. A Class B motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–112. Class “C” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class C motor carrier is a common carrier by motor vehicle of passengers, generally known as “taxi cabs,” “charter buses,” “charter limousine,” and “non-emergency vehicles,” which does not operate over regular routes or upon regular schedules, and which does not, in any way, solicit or receive patronage outside of the radius of two miles of the corporate limits of the city in which it is licensed to do business, except upon such highways as are not served by a Class A or B motor carrier. A Class C motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission, except “charter buses,” which must obtain a Charter Bus Certificate.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 24, Issue No. 7, eff July 28, 2000; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–114. Class “E” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class E motor carrier is a common carrier of property (household goods or hazardous waste for disposal) by motor vehicle including a motor vehicle containing goods packed by a packing service. A Class E motor carrier must obtain either a Certificate of PC&N or FWA from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–115. Class “F” Motor Carrier – Certificate of Public Convenience and Necessity.**

A Class F motor carrier is a contract carrier by motor vehicle of hazardous waste for disposal which operates over irregular routes and upon irregular schedules under contract as filed with and approved by the commission and which does not solicit or receive patronage along any such routes. No motor carrier shall be allowed to acquire more than one Class F Certificate, and each Class F Certificate issued may not have more than three contracts attached thereto at any one time. A Class F motor carrier must obtain a Certificate of PC&N from the ORS after approval by the commission.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 3 EXEMPTIONS FROM REGULATIONS**

### **103–120. Motor Carriers Exempt from Economic Regulations.**

These rules shall not be construed to apply to:

1. Motor vehicles while used exclusively for transporting persons to and from elementary, middle, or high schools, Sunday schools, churches, or religious services, or to or from church picnics or upon special prearranged church excursions;
2. Vehicles used in ridesharing.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–122. Further Exemptions.**

1. The commission does not have jurisdiction over motor carriers solely:
  - a. Carrying on the business of transporting passengers exclusively within the limits of any municipality in this State for which they have a license to operate within that municipality;
  - b. Transporting passengers to or from state institutions located in Richland County; or
  - c. Transporting passengers within a distance of ten miles from the limits of municipalities in Chester and Lancaster Counties when substantially all of the passengers are workers in industrial plants, eighty percent of the production of which is for defense materials;
  - d. Having a seating capacity of twenty or more passengers which are operated within ten miles from the limits of any municipality with a population of seventy thousand or more inhabitants, according to the United States Census for 1940, by any electric utility company which regularly provides transportation service within the municipality itself. Item (d) does not permit the substantial duplication of any franchise or license in effect at the time service is undertaken by the electric utility company; or
  - e. Used by a county to transport passengers or property.
2. Additionally, the commission does not have jurisdiction over any class of for-hire operations which has been or hereafter may be specifically exempted in the Code of Laws of South Carolina.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 4**  
**APPLICATION PROCEDURES FOR CERTIFICATES**

**103–130. Applications Required.**

Any person desiring to operate in this State as a motor carrier for hire first shall file an application for the type of certificate needed (Certificate of PC&N, Certificate of FWA, Charter Bus Certificate) with the commission on forms to be furnished by the commission. All required information on the application forms must be correctly completed before filing of such application will be accepted.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–131. Responsibility Fixed.**

Applications will not be accepted from two or more persons operating under a trade name unless organized in a manner that will definitely fix responsibility. If a corporation, a photocopy of the corporate charter must accompany the application.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–132. Publication of Notice of Filing.**

Public notice will be given when any application for a Certificate of PC&N or FWA or to amend a Certificate of PC&N or FWA has been filed with the commission, except for applications seeking a Class C Certificate of PC&N. Such notice must be published in newspapers of general coverage in the affected territory, must be in the form prescribed by the commission, and must be published at the applicant's expense. All publication requirements must be complied with and affidavits of publication must be returned to the commission's offices prior to a hearing date being set. If required, a hearing is set and all parties of record will be notified of the hearing date, time, and place. An applicant seeking a Class C Certificate to operate vehicles will not be required to publish a notice of filing.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–133. Proof Required to Justify Approving an Application.**

Applications cannot be amended within forty-eight (48) hours of a scheduled hearing, unless leave to amend the application is granted by the commission.

1. PC&N (Household Goods or Hazardous Waste for Disposal). An application for a Certificate of PC&N or to amend a Certificate of PC&N to operate as a carrier of household goods or hazardous waste for disposal by motor vehicle may be approved upon a showing that the applicant is fit, willing, and able to appropriately perform the proposed service and that public convenience and necessity are not already being served in the territory by existing authorized service. The public convenience and necessity criterion must be shown by the use of shipper witnesses, if the applicant applies for authority for more than three contiguous counties. If the commission determines that the public convenience and necessity is already being served, the commission may deny the application. The following criteria should be used by the commission in determining that an applicant for motor carrier operating authority is fit, willing, and able to provide the requested service to the public:

- a. FIT. The applicant must demonstrate or the commission determines that the applicant's safety rating is satisfactory. This can be obtained from U.S.D.O.T. and S.C.D.P.S. safety records. Applicants should also certify that there are no outstanding judgments pending against such applicant. The applicant should further certify that he is familiar with all statutes and regulations, including safety operations in South Carolina, and agree to operate in compliance with these statutes and regulations.
- b. ABLE. The applicant should demonstrate that he has either purchased or leased on a long-term basis necessary equipment to provide the service for which he is applying. Thirty days or more

shall constitute a long-term basis. The applicant must undergo an inspection of all vehicles and facilities to be used to provide the proposed service. The applicant should also provide evidence in the form of insurance policies or insurance quotes, indicating that he is aware of the commission's insurance requirements and the costs associated therewith. Additionally, the applicant can file a statement indicating the applicant's purpose for seeking a Class E Certificate, the applicant's 5-year plan if the commission grants the applicant a Class E Certificate, and such other information that may be contained in a business proposal.

c. WILLING. Having met the requirements as to "fit and able," the submitting of the application for operating authority would be sufficient demonstration of the applicant's willingness to provide the authority sought.

2. FWA. An application for a Certificate of FWA to operate as a carrier of household goods within the limits of a municipality may be approved upon a showing that the applicant is fit, willing, and able to perform the proposed service, as delineated by the criteria for fit, willing, and able set out in 103-133 (1)(a),(b), and (c) above. No showing as to the public convenience and necessity need be made.

3. For Contract Carrier Authority.

a. If the application is for a Class F Certificate of PC&N to operate as a contract carrier of hazardous waste for disposal or is for an amendment or addition thereto, two copies of the written bilateral contract between the supporting shipper and the applicant must accompany the application setting forth the services proposed, the rates and charges, the duration of the contract, the parties thereto, the territory to be served, and the commodities to be hauled.

b. An application for a Class F Certificate of PC&N to operate as a contract carrier or an addition thereto may be approved upon a showing that the applicant is fit, willing, and able to appropriately perform the proposed service, and that public convenience and necessity are not already being served in the territory by existing authorized service. The public convenience and necessity criterion must be shown by the use of shipper witnesses, or by such other methodology as may be approved by the commission, other than the testimony of the applicant. If the commission determines that the public convenience and necessity is already being served, the commission may deny the application. (To determine whether a carrier is fit, willing, able, see R. 103-133(1).)

c. Once a contract with a particular shipper is approved by the commission, that contract may be renewed periodically by merely filing two copies thereof with the commission and serving the same number of copies on ORS, provided, however, that in no event will the renewal contract alter in any way the commodities authorized to be hauled or the territory authorized to be served. Any alteration of contract terms or rates must also receive the specific approval of the commission which may or may not require notice.

4. PC&N (Passengers).

An application for a Certificate of PC&N or to amend a Certificate of PC&N to operate as a carrier of passengers by motor vehicle may be approved upon a showing that the applicant is fit, willing, and able to appropriately perform the proposed service, provided however, if an intervenor shows or if the commission determines that the public convenience and necessity is already being served, the commission may deny the application. The following criteria should be used by the commission in determining that an applicant for motor carrier operating authority is fit, willing, and able to provide the requested service to the public:

a. FIT. The applicant must demonstrate or the commission determines that the applicant's safety rating is satisfactory. This can be obtained from U.S.D.O.T. and S.C.D.P.S. safety records. Applicants should also certify that there are no outstanding judgments pending against such applicant and that applicant is financially fit to do business as a certified carrier. The applicant should further certify that he is familiar with all statutes and regulations, including safety regulations, governing for-hire motor carrier operations in South Carolina and agree to operate in compliance with these statutes and regulations.

b. ABLE. The applicant should demonstrate that he has purchased, leased, or otherwise arranged for obtaining necessary equipment to provide the service for which he is applying. The applicant should also provide evidence in the form of insurance policies or insurance quotes,

indicating that he is aware of the commission's insurance requirements and the costs associated therewith.

c. WILLING. Having met the requirements as to "fit and able", the submitting of the application for operating authority would be sufficient demonstration of the applicant's willingness to provide the authority sought. The applicant must demonstrate a willingness to comply with all commission regulations.

5. Charter Bus Certificate. An application for a Charter Bus Certificate or to amend a Charter Bus Certificate to operate as a carrier of 16 or more passengers by motor vehicle may be approved upon a showing that the applicant meets the insurance requirements of the commission and the safety requirements of the South Carolina Department of Public Safety, USDOT and other federal safety regulations and guidelines.

6. PC&N (Non-Emergency Vehicles).

In addition to meeting the requirements set out in 103-133(4) above and any and all definitions addressed in the Federal Motor Carrier Safety Regulations (Code of Federal Regulations, Title 49, Parts 40 and 355-397) hereinafter known as the Carrier Safety Administration (CSA) Safety Regulations, applicants for a Certificate of PC&N for non-emergency vehicles must meet the following requirements:

A. Driver Qualifications/Requirements.

1. Carrier must comply with Part 391-Qualifications of Drivers, CSA Safety Regulations, excluding 391.49, in addition to the following requirements:

a. Driver must possess at least a current American Red Cross Standard First Aid and CPR Certificate or its equivalent. Records of such must be kept on file at company's primary place of business within South Carolina.

b. Driver must be in compliance with all OSHA regulations.

c. Driver must be adequately trained in the use of all vehicle installed safety equipment such as two-way radios, first aid kits, fire extinguishers, and other equipment as outlined in the Vehicle Requirement Section of these Regulations.

d. Driver must be able to physically perform actions necessary to assist persons with disabilities, including wheelchair users.

e. Driver must wear a professional uniform and photo identification badge that easily identifies the driver and the company for whom that driver works.

f. Driver must complete 12 hours of in-service training annually in the area of safety. Records of such must be kept on file at company's primary place of business within South Carolina.

B. Vehicle Requirements.

1. Any vehicle purchased on or after the effective date of these regulations shall comply with the following vehicle requirements. The Applicant must certify on a commission prescribed form that its vehicles meet, at a minimum, the following standards.

a. All Non-Emergency Vehicles shall be equipped with at least the following:

(1) Approved seat belt assemblies for all passenger seating locations.

(2) Interior and exterior lighting which must meet ADA requirements set forth in Title 49, Parts 37 and 38 C.F.R. In addition, all standard motor vehicle equipment must be in working order (i.e. all lamps, windshield wipers, horn, emergency flashers/hazard lights, and all other standard motor vehicle equipment.)

(3) Locking devices for all doors and all door latches which shall be in operation from inside and outside on all vehicles manufactured and first registered after January 1, 1980.

(4) Foot stool or extra step for loading.

(5) Sanitary and functional seat covers.

(6) Spare wheel, jack and tire tools necessary to make minor repairs, except when operating service cars are immediately available.

(7) Current maps of streets in the area where service is provided.

(8) Fire extinguisher, Type ABC, 4lbs. or more dry powder or carbon dioxide, inspected annually. Proof of annual inspection shall be attached to each fire extinguisher.

(9) Identification display of the name under which the Non-Emergency Vehicle is doing business or providing service, on both sides and the rear of each such vehicle in letters that contrast sharply with the van's background and are easily read from at least 20 feet. All Non-Emergency Vehicles operated under the same certificate shall display the same identification.

(10) Exterior rearview mirrors affixed to both sides of the vehicle and in working order. There may not be any chips, cracks, or anything else that limits the driver's view.

(11) A two-way radio, mobile or cellular phone equipment which shall be included in the vehicle while patients are being transported. All two-way radios must be in contact with a dispatcher or someone acting as a dispatcher, i.e., must have instant access to standard phone lines and the ability to summon immediate police, fire or ambulance assistance, if needed.

(12) A "No Smoking" sign prominently displayed in the patient compartment if oxygen tanks, whether patient tanks or vehicle equipment, are carried. If oxygen tanks are carried, they must be readily accessible and securely stored.

(13) Heating and cooling systems which meet ADA requirements set forth in Title 49, Parts 37 and 38 C.F.R.

(14) Emergency warning devices.

(15) Any other emergency and safety equipment required in order to meet ADA requirements set forth in Title 49, Parts 37 and 38 C.F.R.

b. In addition to the requirements of subsection (a) above, all wheelchair vans shall be equipped with at least the following:

(1) A loading entrance in compliance with ADA requirements and standards.

(2) Fasteners to secure the wheelchair(s) or stretcher(s) to the vehicle which must be of sufficient strength to prevent the chair or stretcher from rotating and to prevent the chair or stretcher wheels from leaving the floor in case of sudden movement and to support chairs, stretchers and patients in the event the vehicle is overturned.

(3) A lift or ramp with a load capacity as specified by ADA requirements and standards.

2. Any vehicle manufactured after the effective date of these regulations shall comply with the vehicle requirements set forth in Title 49, Parts 37 and 38 C.F.R. and FMVSS.

#### C. Vehicle Maintenance Requirements.

All carriers must comply with Part 396-Inspection, Repair, and Maintenance of CSA Safety Regulations, excluding 396.9, 396.11(d) as to the last phrase "or to any motor carrier operating only one motor vehicle", and excluding 396.15.

#### D. Drug Testing Requirements.

All carriers must implement a verifiable drug testing program for drivers. Pre-employment, post-accident, and random drug screens shall be mandatory.

#### E. Minimum Periodic Inspection Standards.

1. All carriers must comply with Appendix G to Subchapter B-Minimum Periodic Inspection Standards of CSA Safety Regulations.

2. A vehicle does not pass inspection if deficient under any standard included in 1 above. Further, a vehicle does not pass an inspection if any defects or deficiencies are detected with reference to the wheelchair lift or any component relating to the loading of passenger or patient into the vehicle.

3. All carriers are subject to the regulations found in Part 396, CSA Safety Regulations. In addition, any ORS representative or any officers, drivers, agents, representatives, and employees directly concerned with the inspection or maintenance of motor vehicles may recommend that a vehicle be put "out of service" for defects or deficiencies detected with reference to Appendix G to Subchapter B-Minimum Periodic Inspection Standards and defects or deficiencies detected with reference to the wheelchair lift or any component relating to the loading of a passenger or patient into the vehicle.

F. Schedule of Minimum Insurance Limits.

1. Insurance policies and surety bonds for bodily injury and property damage will have limits of liability not less than the following:

- a. Liability Combined Each Occurrence \$1,000,000
- b. Medical Payments/Each Person \$1,000

7. PC&N (Class C-Taxi and Class C-Charter Carriers).

In addition to meeting the requirements set out in 103–133(4) above, applicants for a Certificate of PC&N for Class C Taxi and Class C Charter authority, as well as all vehicle drivers operating under such authority, must meet the following requirements and provide the following information to the ORS upon request:

A. Owner and Driver Qualifications/Requirements.

1. All drivers must be a minimum of 18 years of age.
2. Driving Record - A certified copy of the driver's three (3) year driving record issued by the South Carolina Department of Motor Vehicles and such record from the DMV of the state in which the driver is or has been domiciled for such period.
3. State Criminal Background Check - A criminal history background check from the state where the driver currently lives.
4. Drivers License - All drivers operating a vehicle under a Class C Taxi or Class C Charter certificate must have in their possession at the time of such operation a valid drivers license issued by the South Carolina Department of Motor Vehicles or the current state of residence of the driver.
5. Sex Offender Registry - All Class C Taxi Certificate and Class C-Charter Certificate holders are prohibited from employing or leasing vehicles to drivers who are registered, or required to be registered, as a sex offender with the South Carolina State Law Enforcement Division (SLED) or any national registry of sex offenders. All certificate holders who are registered, or required to be registered, as a sex offender with SLED or any national registry of sex offenders are prohibited from driving a taxi cab or limousine. Any driver who is placed on a Sex Offender Registry shall notify the ORS and the certificate holder under which he operates of his status and shall immediately cease to operate his taxi cab or limo.
6. Engaging in Business - An applicant for a Class C Taxi Certificate shall designate on his/her application those counties it can reasonably supply the service requested. Any applicant who has not provided the service requested in its application within 90 days of approval to begin operation of that certificate, without good cause shown or who has not filed with the commission an amended application, shall have its authority revoked.

B. Owner and Driver Conduct/Vehicle Qualifications.

1. Owners and drivers shall inspect the vehicle that the driver is operating daily to ensure that it can be operated safely.
2. Owners and drivers shall ensure that the interior of the vehicle is kept in a clean and sanitary condition.
3. Owners and drivers shall ensure that the general mechanical condition of his/her vehicle is in good operating condition and mechanical repair.
4. Owners and drivers shall ensure that the vehicle exterior meets the requirements set forth in Regulation 103–153.
5. Owners and drivers shall ensure that jack, spare tire, and other equipment in the trunk or other storage area of the vehicle is secured, and covered with appropriate material to avoid damage to a passenger's luggage or other possessions.
6. Duty to Transport Orderly Passengers - Each driver shall transport all orderly passengers willing and able to pay the required fare, requesting his or her services to the passenger's requested destination.
7. Passenger Discharge - Drivers shall not dismiss, discharge, or otherwise require any passenger to leave the vehicle other than at the passenger's requested destination without reasonable cause. For this purpose, "cause" means, but is not limited to, the vehicle becoming disabled, the passenger

becoming disorderly by refusing to pay the authorized fare, or dangerous driving conditions. A driver who requires a passenger to leave the vehicle other than at the passenger's requested destination shall do so only at a well-lit public place, or (if the vehicle has become disabled) to another vehicle, and shall immediately notify his or her affiliated company of all the details of the incident.

8. Receipt - Each driver shall, upon request of the passenger making payment, and upon receipt of full payment for the authorized fare, give a receipt to the passenger making the payment.

9. Lost and Found - Any property left by a passenger in a vehicle shall be reported by the driver to his or her affiliated company within 30 minutes after its discovery, and thereafter returned to the passenger or the affiliated company as soon as possible, but in any event within 12 hours after its discovery, at the passenger's expense.

10. Identification Badges - While in operation, each driver shall have attached to the interior of the vehicle, in such a way as to be visible by passengers in the rear seat of the taxi, some form of picture identification. Such identification should display as a minimum the driver's name, picture, and the name of the holder of authority under a Certificate of PC&N under which the driver is operating. This paragraph is inapplicable to Class C-Charter Carriers.

11. Driving Record - Each driver shall, not less frequently than annually, provide an updated copy of his or her motor vehicle driving record to the company he or she is affiliated with or leasing.

12. Manifests.

A. The driver of a taxi cab shall keep a daily manifest. The manifest shall contain the following information, which shall be recorded at the time specified:

1. The hour and date at which the vehicle becomes available for use as a taxi cab, the name of the driver and the make, registration number of such vehicle shall be recorded before the driver proceeds to pick up his first passenger or package delivery.

2. The time and place of commencement and the number of passengers or packages shall be recorded when such passengers or packages are picked up.

3. The name and place of delivery of the passengers or packages and the amount of the fare charged shall be recorded immediately after each trip is terminated.

4. The time and place shall be recorded immediately after the driver ceases to operate the taxi cab for hire for the day.

8. PC&N (Stretcher Vans).

Stretcher van service is a mode of non-emergency transportation which may be provided to an individual who cannot be transported in a taxi or wheelchair van due to being non-ambulatory. Stretcher vans are not required or authorized to provide medical monitoring, medical aid, medical care or medical treatment of passengers during their transport. Self-administered oxygen is permitted. In addition to meeting the requirements set out in 103-133(4) and 103-133(6) above, applicants for a Certificate of Public Convenience and Necessity for stretcher van vehicles must meet the following requirements:

A. Driver and Assistant Driver Qualifications/Requirements

1. While providing transportation for hire, all stretcher vans shall be staffed by both a primary and an assistant driver. In addition to the general requirements provided for in 103-133(6) (A), stretcher van drivers and driver assistants shall be trained in transferring, loading and unloading passengers in stretchers.

2. A stretcher van passenger shall not be left unattended at any time.

3. The driver and driver assistant shall confirm that all restraining straps are fastened properly and the stretcher, stretcher fasteners and anchorages are properly secured prior to the vehicle transporting a passenger.

4. The driver assistant shall be seated in the passenger compartment while the vehicle is in motion and shall notify the driver of any change in the passenger's status.

5. All drivers and assistant drivers must be a minimum of 18 years of age.

6. Driving Record - The certificate holder must obtain and retain a certified copy of the driver's and the assistant driver's three (3) year driving records issued by the South Carolina Department of



Motor Vehicles and such records from the DMV of the state in which the driver or the assistant driver is or has been domiciled for such period.

7. State Criminal Background Check - The certificate holder must obtain and retain criminal history background checks from the state where the driver and assistant driver currently live.

8. Drivers License - All drivers and assistant drivers operating a stretcher van must have in their possession at the time of such operation valid drivers' licenses issued by the South Carolina Department of Motor Vehicles or the current state of residence of the driver or assistant driver.

9. Sex Offender Registry - All stretcher van certificate holders are prohibited from employing drivers and assistant drivers who are registered, or required to be registered, as sex offenders with the South Carolina State Law Enforcement Division (SLED) or any national registry of sex offenders. All drivers and assistant drivers who are registered, or required to be registered, as sex offenders with SLED or any national registry of sex offenders are prohibited from driving a stretcher van. Any driver or assistant driver who is placed on a Sex Offender Registry shall notify the ORS and the certificate holder under which he operates of his status and shall immediately cease to operate the stretcher van.

10. All drivers and assistant drivers must possess a current Red Cross First Aid certification or an American Safety and Health Institute certification, or certification from a program that meets or exceeds the certification standards of the Red Cross First Aid or the American Safety and Health Institute, and Adult Cardiopulmonary Resuscitation (CPR) certification. The Red Cross First Aid certification must be renewed every three years, and the Adult CPR certification must be renewed annually.

#### B. Vehicle Requirements

1. The stretcher van must be equipped with a stretcher used to transport individuals in the supine or Fowler's position.

2. Passengers shall be loaded headfirst.

3. The approved stretcher shall be elevating and wheeled. A minimum of three (3) patient restraining straps (chest, waist, and thigh) at least two (2) inches wide shall be provided. The stretcher van shall have proper means to secure the stretcher in its position under all conditions. Crash-stable stretcher fasteners must be provided.

4. A stretcher van vehicle must be maintained in good repair and safe operating condition and shall meet the same motor vehicle safety requirements as apply to all vehicles in South Carolina. Exterior surfaces of the vehicle including windows, mirrors, warning devices and lights must be undamaged and kept clean of dirt and debris.

5. Safety belts must be provided for all passengers.

6. Self-administered oxygen must be secured in accordance with AMD (Ambulance Manufacturers Division of the National Truck Equipment Association) Standard 003, "Oxygen Tank Retention System Test."

7. The interior of the stretcher van vehicle shall include secured storage compartments.

8. All storage compartments, supplies and equipment shall be kept clean and sanitary.

9. A stretcher van shall not contain medical equipment or supplies or display any marking, symbols or warning devices that imply that it offers medical care or ambulance transportation.

10. A stretcher van shall not respond or transport a person if the request for service originated within a public dispatch system.

#### C. Limitations and Conditions of Service

1. Stretcher van vehicles shall not be used:

a. To transport a passenger who requires medical monitoring.

b. To transport more than one (1) stretcher passenger at a time.

c. To transport a person who is being administered intravenous fluids.

d. To transport a person who needs or may need oxygen unless that person's physician has prescribed oxygen as a self-administered therapy.

e. To transport a passenger who needs or may need suctioning.

f. To transport a passenger who has sustained an injury and has not yet been evaluated by a physician.

g. To transport a passenger who is experiencing an acute condition or the exacerbation of a chronic condition or a sudden injury or illness.

h. To transport a passenger who needs to be transported from one hospital to another hospital if the destination hospital is the same level or a higher level as the hospital of origin.

i. To transport a passenger who is being evaluated in an emergency room and for any reason must be transported to another hospital for diagnostic tests that are not available at the first hospital.

2. An individual must not be transported in a stretcher van, if the individual has a written statement from a licensed physician stating that the individual must not be transported in a stretcher van.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 24, Issue No. 7, eff July 28, 2000; State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 33, Issue No. 6, eff June 26, 2009.

### **103–134. When Hearing May Be Held.**

When an application for a Certificate of PC&N is submitted and there is no opposition, the commission may hold a hearing if it deems necessary for the purpose as it shall determine, including the issue of fitness, willingness, or ability of the applicant to appropriately perform the proposed service, or the issue of whether the public convenience and necessity are already being served. When an application for a Certificate of FWA is submitted and there is no opposition, a hearing may be held if necessary, but the issue of whether the public convenience and necessity is already being served shall not be considered.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–135. Sale, Lease or Other Transfer of a Certificate of PC&N or FWA.**

1. Application Required. Application for approval of sale, lease or other transfer of a Certificate of PC&N or FWA shall be filed with the commission and served on the ORS. The application forms shall be provided by the commission. No application is deemed filed until all the required information is completed and all the appropriate signatures obtained.

2. Application to Lease a Certificate of PC&N or FWA. If the application is for approval of a lease of a certificate, a copy of the proposed lease agreement must be filed with the application and must contain the entire agreement between the parties. Only one entity may operate at a time per certificate.

3. Application to Sell or Otherwise Transfer a Certificate of PC&N.

a. If the application is for approval of a sale or other transfer of a certificate, a copy of the proposed sales or other transfer agreement must be filed with the application and must contain the entire agreement between parties, including (1) an accurate description of the operating rights and other property to be transferred, and (2) the purchase price agreed upon and all the terms and conditions with respect to the payment of the same.

b. No sale or other transfer of a Certificate of PC&N shall be approved by the commission until the transferor (seller) has filed with the commission and served on the ORS a statement under oath showing (1) all assets of the holder of the certificate to be sold, (2) all debts and claims against the transferor (seller) of which such seller has any knowledge or notice, (3) wages due employees of the transferor (seller), (4) unremitted COD collections due shippers, (5) claims for loss of or damage to goods transported or received for transportation, (6) claims for overcharges on property transported, and (7) interline accounts due other carriers. There also shall be filed with the commission and served on the ORS a verified statement from the transferee (purchaser) or an authorized agent or officer thereof, guaranteeing the payment of all just obligations as listed in the sworn statement of

the seller. This subsection shall not be applicable to sales by personal representatives of deceased or incompetent persons, receivers, or trustees in bankruptcy under court order.

c. Once a contract with a particular shipper is approved by the commission, that contract may be renewed periodically by merely filing two copies thereof with the commission and serving the same number of copies on ORS, provided, however, that in no event will the renewal contract alter in any way the commodities authorized to be hauled or the territory authorized to be served. Any alteration of contract terms or rates must also receive the specific approval of the commission which may or may not require notice.

4. Proof Required. The commission shall approve an application for lease, sale, or other transfer of a Certificate of PC&N made under this section upon finding (1) that sale, assignment, pledge, transfer, change of control, lease, merger, or combination thereof will not adversely affect the service to the public under said certificate, (2) that the person acquiring said certificate or control thereof is fit, willing, and able to perform such service to the public under said certificate, and (3) that all services under said certificate have been continuously offered and reasonably provided to the public for a period of time not less than twelve months prior to the date of the filing of the application for approval of the sale, lease or transfer of said certificate, or, in lieu thereof, that any suspension of service exceeding thirty (30) days shall have been approved by the commission, seasonal suspensions excepted. No sale, lease, transfer, assignment, or hypothecation of a Certificate of PC&N will be approved where such action would be destructive of competition or would create an unlawful monopoly.

If the application does not contain evidence that the authorized services have been continuously offered and reasonably provided to the public for a period of time not less than twelve (12) months prior to the date of the filing of the application, the application may be denied.

5. Dividing Operating Rights Prohibited by Class E Certificate Holders. Operating rights issued under a commission Class E Certificate may not be split or divided and thereafter sold, transferred, assigned, mortgaged, pledged, or hypothecated by the sale of stock or otherwise, without prior approval of the commission. Leasing of vehicles by Class C Taxi Certificate holders shall not be considered splitting or dividing operating rights.

6. It is unlawful for any person to sell, lease, or otherwise transfer a Class E Certificate of PC&N issued or authorized to be issued after July 1, 1983, under the provisions of Chapter 23 of Title 58 for money, goods, services, or any other thing of value. Class C Taxi Certificate holders who lease taxi cabs to drivers who have signed agreements agreeing to comply with commission regulations shall not be considered to have leased or transferred its authority. A certificate may be transferred incident to the sale or lease of property or assets owned or used by a regulated motor carrier, provided the approval of the commission for the transfer of the certificate is first obtained and that the certificate itself is not transferred for value or utilized to enhance the value of other property transferred. Nothing herein shall affect the sale, lease, or otherwise transfer of a certificate of public convenience and necessity issued prior to July 1, 1983.

7. Application to sell or otherwise transfer a Certificate of FWA.

a. If the application is for approval of a sale or other transfer of a certificate, a copy of the proposed sales or other transfer agreement must be filed with the application and must contain the entire agreement between parties, including (1) an accurate description of the operating rights and other property to be transferred, and (2) the purchase price agreed upon and all the terms and conditions with respect to the payment of the same.

b. The transferee must show that it is fit, willing, and able as per these regulations.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **103-136. Protest.**

Protest Served on commission, ORS and Applicant. The original and any accompanying documents of the protest must be deposited in the United States Mail addressed to the commission and ORS or delivered to the commission and ORS within the time established for filing protests, and it must appear in some statement attached to the protest that a copy thereof has been deposited in the United States

Mail, addressed to the applicant postage prepaid or delivered to the applicant, and a copy sent to his attorney, if any, appearing in the notice of filing.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–137. Amendments.**

An applicant may amend the authority or relief sought in his application any time prior to the end of any hearing held in connection with such application, provided that no amendments will be accepted which tend to enlarge the scope of the applied for authority or relief.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–138. Restrictions, Limitations, and Terms.**

1. Restrictions, limitations, and terms will not be attached to any Certificate of PC&N unless they are reasonable and are required by public convenience and necessity.

2. The commission is not, and cannot be, bound by restrictions agreed to by the parties unless approved by the commission, and no agreement shall be approved which achieves results inconsistent with the public interest and inimical to practical and effective regulation.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–139. Processing of Application by Applicant.**

Without good cause shown, any application for a Certificate of PC&N, FWA, or a Charter Bus Certificate submitted but not processed in compliance with the commission's instructions by the applicant within 90 days of receipt of the notice of filing, may be dismissed.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 5 OPERATIONS OF CERTIFICATED MOTOR CARRIERS**

### **103–150. Beginning Operations Under a Certificate.**

1. Beginning Operations Under a Certificate of PC&N.

a. Registration, Insurance, and Tariffs Required. An Order of the commission, approving an application for a Certificate of PC&N, or the issuance of a Certificate of PC&N does not within itself authorize a carrier to begin operations. Operations are unlawful until the carrier has complied with the law by:

1. Registering its motor vehicles with the ORS;
2. Providing proof of insurance, self-insurance as verified by the S.C. Department of Motor Vehicles or a surety bond with the ORS in the required amounts covering its rolling equipment for the protection of the public;
3. Filing tariffs and schedules of rates, fares, and charges to be made for the transportation service authorized with the commission and the ORS; and
4. Undergoing the required inspection of vehicles and facilities. (Household Goods and Hazardous Waste for Disposal.)

b. Must Begin Operations Within 90 Days. Unless a motor carrier complies with the foregoing requirements and begins operating as authorized within a period of ninety (90) days after the commission's order approving the application becomes final, and unless the time is extended in writing by the commission upon written request, the operating rights therein granted will cease.

c. Upon issuance of a Certificate, the ORS shall provide written notice to the commission stating that the carrier has complied with all provisions of the commission's order.

2. Beginning Operations Under a Certificate of FWA. An order of the commission approving an application for a Certificate of FWA or the issuance of a Certificate of FWA does not within itself authorize a carrier to begin operations. Operations are unlawful until the carrier has complied with the law by:

- a. Providing evidence of an acceptable safety rating.
- b. Providing proof of insurance or a surety bond with the ORS in the required amounts covering its rolling equipment for the protection of the public.
- c. Undergoing the required inspection of vehicles and facilities.

3. Beginning Operations under a Charter Bus Certificate.

An order of the commission approving an application for a Charter Bus Certificate or the issuance of a Charter Bus Certificate does not within itself authorize a carrier to begin operations. Operations are unlawful until the carrier has complied with the law by:

- a. Providing evidence of an acceptable safety rating.
- b. Providing proof of insurance or a surety bond with the ORS in the required amounts covering its rolling equipment for the protection of the public.

4. Vehicle Appearance, Serviceability, and Operation - No person shall operate a taxi cab or limousine unless such taxi cab or limousine meets the following requirements and all owners shall maintain a taxi cab or limousine in accordance with the following requirements:

- a. All taxi cab and limousine windows must be free of cracks and all in working order for the passenger to raise or lower as they wish.
- b. All taxi cab and limousine drivers shall keep their vehicles free from disfiguring damage to the interior of the vehicle, including significant rust, seat tears or holes and falling or torn headliners.
- c. All taxi cab and limousine doors, lights, and safety equipment shall be maintained in good operating condition. All seatbelts shall be visible and available for use by passengers in both the front and rear seats for each and every fare.
- d. All taxi cabs and limousines shall be equipped with doors which fasten in a manner so that they may be readily opened from the inside by a passenger.
- e. All taxi cab and limousine owners and drivers shall keep the interior and exterior of his or her taxi cab or limousine in a clean and sanitary condition at all times.
- f. All taxi cab and limousine owners and drivers shall ensure that all vehicle systems are in safe working order prior to the commencement of work each day.
- g. No taxi cab or limousine driver or owner shall fasten or lock the doors of a taxi cab or limousine so that it is impossible for a passenger to open them from the inside.
- h. Each taxi cab or limousine owner or driver shall search the interior of the taxi cab or limousine at least once each day for articles left in the cab. The driver shall immediately take such property to the principal office of the certificate holder for safekeeping and proper disposition.
- i. No taxi cab driver shall operate a taxi cab for more than twelve hours in any twenty-four hour period.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **103-151. Registration of Motor Vehicles.**

1. Registration and License Fee Required. Before beginning operations as a motor carrier, all motor vehicles to be used in the operation must be registered with the ORS by completing the appropriate forms as provided by the ORS and by paying the appropriate license fees as set forth in Article III of the Motor Vehicle Carrier Law.

2. Adding Motor Vehicles to Operation. New or additional motor vehicles may be added to an operation at any time by appropriately registering the motor vehicle and paying the appropriate license fee.

3. Transferring Permit Cards and Decals. The permit card for a motor vehicle may be transferred to another motor vehicle upon presentation of the vehicle permit card to the ORS and payment of the additional permit fee, if any, provided however, a tractor permit card may not be transferred to a truck. No refund of fees will be made in transferring vehicle permit cards and decals. Transferring license permit cards and decals between vehicles without the prior approval of the commission is prohibited.

4. Motor Vehicles to Be Re-registered. All registered motor vehicles to be continued in service must be re-registered each year as follows:

Motor carriers transporting passengers must provide a list of and re-register the motor vehicles used in their operations and must pay the appropriate license fee, semiannually, in advance, on or before January 1 and July 1 of each year.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–152. Registration of Power Units Domiciled in South Carolina by Interstate Motor Carriers of Passengers.**

Any for-hire motor carrier transporting passengers in interstate commerce which desires to domicile or base any power units in South Carolina, whether owned, leased, or otherwise obtained, must first apply for authorization from this commission corresponding to the type operation which it proposes to conduct. Where it is shown that the motor carrier has STB authority to perform the transportation service proposed, that the motor carrier proposes to transport only interstate movements of passengers that have been exempted from STB regulation, or that the motor carrier proposes to haul only interstate shipments of property or passengers within STB exempt zones, the commission will approve the application without hearing and issue to the motor carrier the appropriate authorization, and thereupon, the motor carrier shall register its motor vehicles based, domiciled, or located in this State in accordance with the provisions of 103–151 and file evidence that the public is protected from bodily injury or property damage as provided in Subarticle 6.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–153. Marking or Identification of Vehicles.**

1. Marking of Vehicles Required. No carrier regulated by the Public Service Commission shall operate any motor vehicle upon the highways in the transportation of property or passengers for compensation unless the name, or trade name, place of principal office, and PSC I.D. number appear on both sides of such vehicle in letters and figures not less than three (3) inches high.

SAMPLE: Richard Skinner Trucking Company Nichols, South Carolina  
SCPSC #1234.

2. Legible Placards or Printing May Be Used. The marking required may be printed on the vehicle or on legible placards securely fastened on both sides of the vehicle. In case of tractor-trailer units, the markings must appear on the tractor. Every vehicle used by a carrier in his operation whether owned, rented, leased, or otherwise obtained must be marked or identified as provided herein.

3. Marked as Required by the STB. If the carrier is engaged in both interstate and intrastate commerce and is marked as required by the STB, then the carrier will be deemed to be in full compliance with this commission's requirements.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–154. License Decals and Vehicle Permit Cards.**

All motor vehicles, including substitute or emergency vehicles operated under a Certificate of PC&N, shall have maintained in such vehicles a permit issued by the ORS, and passenger vehicles shall have displayed on the front windshield of the power unit of such vehicles the license decals as issued by the ORS upon proper registration of the vehicle.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–155. Transfer of Certificate of PC&N or Certificate of FWA Without Commission Approval Prohibited.**

No certificate or rights thereunder shall be sold, assigned, leased, transferred, mortgaged, pledged, or hypothecated, by the sale of stock or otherwise, unless first authorized by the commission as provided in 103–135.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–156. Unauthorized Use of Operating Rights Prohibited.**

All motor carriers will be held to strict account for the use of their operating rights, and to permit the use of the same by others for the transportation of persons or property for compensation without prior approval of the commission shall be deemed just cause for the revocation of such rights. This rule positively forbids the party to whom operating rights have been granted from permitting others to use the name or operating authority of such party without prior approval of the commission, or until execution of a proper lease agreement as described in R. 103–220.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–157. Duplication of Authority.**

No motor carrier hereafter will be allowed to acquire any authority which duplicates in whole or in part authority which it presently owns. However, a carrier may acquire additional authority which duplicates his present authority in part, provided the duplicating portion of the authority acquired is omitted.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–158. Issuance of Bills of Lading.**

All holders of Certificates of PC&N and FWA, upon receipt of freight, shall issue and deliver, or cause to be issued and delivered, to the shipper a bill of lading or other documentation approved by the commission. A combination bill of lading and freight or expense bill or invoice may be issued if it shows all of the information required in 103–159. All bills of lading shall comply with, be governed by, and have the consequences stated in the Uniform Commercial Code of South Carolina and any other applicable and effective provisions of the statutes. All carriers, shippers, consignees, and any lease operators involved in a shipment shall keep a copy of the bill of lading for a minimum of three years.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–159. Contents of Bills of Lading.**

Each bill of lading shall show at a minimum the following information:

1. The name of issuing carrier;
2. The date the shipment was received by the carrier;
3. The name and address of the consignor/shipper;
4. The points of origin and destination;
5. The name and address of the consignee/receiver;

6. Declaration of valuation (motor carriers of household goods);
7. The weight by certified public scale, volume, or measurement of the property tendered and received for transportation according to the lawfully applicable rates and charges shown separately by classification;
8. If it relates to a C.O.D. shipment, the amount of the C.O.D. and the name of the individual, corporation, or association who is actually to pay the C.O.D.;
9. Public Service Commission identification number;
10. Financial responsibility information as to insurance coverages;
11. The number of the bill of lading, as numbered consecutively in each motor carrier's own series at the time of printing;
12. Any accessorial or additional service charges in detail, giving size, and kind of equipment, the number of men and total hours of extra labor, and equipment services provided;
13. Rate per hundred weight or rate per hour, whichever is applicable (motor carriers of household goods); and
14. Base liability amount of the carrier for its cargo.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–162. Bill of Lading to Accompany Shipment.**

Each shipment by a freight carrier holding a Certificate of PC&N or FWA must be accompanied by the bill of lading relating thereto or some other procedure authorized by the commission. If two or more trucks are used to transport a single shipment, a separate bill of lading or descriptive instrument must accompany the portion of the shipment contained in each of the trucks and each such bill of lading or descriptive instrument must show, with respect to that portion of the shipment which it accompanies, all information required by 103–159, and must refer specifically to the bill of lading which covers the entire shipment.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–164. Suspension of Operations.**

Any suspension of the operations authorized by a duly issued certificate for a period in excess of thirty (30) days may be approved by the commission upon written application of the motor carrier, filed in accordance with 103–830, et seq. Such application must state clearly and concisely the justification for the proposed suspension of service.

An application for suspension for a period in excess of twelve (12) months, or an application for suspension which, if approved, would result in the continuous suspension of service (e.g., where an approved suspension is in effect at the time the application is filed) for a period in excess of twelve (12) months, may be approved by the commission after such notice, if any, that the commission deems appropriate.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 6 INSURANCE POLICIES AND SURETY BONDS**

### **103–170. Insurance Policy or Surety Bond Required.**

1. Before any certificate can be issued and before any motor carrier operations can be conducted thereunder, the motor carrier must provide and have accepted by the ORS evidence of insurance policy or surety bond from an insurance company licensed or admitted to do business in South Carolina or self-insurance in the amounts hereinafter prescribed, which policy or bond shall be conditioned to pay any final judgment recovered against such motor carrier for bodily injuries to or



death of any person and/or for loss of or damage to property of others resulting from the negligent operation, maintenance, or use of motor vehicles in transportation subject to the Motor Vehicle Carrier Law, regardless of whether the policy or bond specifically describes such motor vehicle or not. The ORS shall accept evidence of self-insurance in compliance with S.C. Code Ann. §56–9–60. Upon failure of the insurance or bonding company to pay any such final judgment recovered against the insured, the judgment creditor may maintain an action in any court of competent jurisdiction against the insurance or bonding company to compel such payment. The bankruptcy or insolvency of the insured shall not relieve the insurance or bonding company of any of its obligations hereunder. The liability of the insurance or bonding company shall extend to such losses, damages, injuries, or deaths whether occurring on the route or in the territory authorized to be served by the insured or elsewhere within the boundaries of South Carolina. The liability of the insurance or bonding company on each motor vehicle whether such vehicle is specifically described in the policy or bond or not shall be a continuing one notwithstanding any recovery thereunder. Furthermore, nothing contained in the policy or bond or any endorsement attached thereto, nor the violation of any of the provisions of the policy or bond or of any endorsement attached thereto, shall relieve the insurance or bonding company from liability under the policy or bond or from the payment of any final judgment recovered against the insured.

2. Notwithstanding the language in Regulation 103–170(1), the ORS shall accept evidence of an insurance policy, surety bond, or other insurance, including self-insurance, or any other evidence that the public is protected from bodily injury or property damage, which has been filed with and accepted by the STB, in lieu of an insurance policy or surety bond from a company licensed or admitted to do business in South Carolina. The provisions of this regulation shall apply only in the case where the carrier is operating on an interstate basis only.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–171. Filing Evidence of Bodily Injury and Property Damage Insurance Policy, Self-Insurance or Surety Bond.**

1. Evidence of Insurance Filed on Form E. Filing evidence of bodily injury and property damage insurance will be made on Form E, “Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance.” (See Form E in 23A S.C. Code Ann. Regs. 38–447) The policy or a copy thereof will not be accepted for filing in lieu of Form E. Self insureds shall have the SCDMV submit a self-insurance certificate in lieu of a Form E.

2. Form F must be attached to Policy. The “Uniform Motor Carrier Bodily Injury and Property Damage Liability Insurance Endorsement,” Form F (see Form F in 23A S.C. Code Ann. Regs. 38–447), must be attached to the bodily injury and property damage insurance policy itself. Form F thereby amends the terms of such policy to conform the policy with requirements not less than those expressed in 103–172 and with other applicable provisions of these rules. Self insureds shall have the SCDMV submit a self-insurance certificate in lieu of a Form F.

3. Evidence of Surety Bond Filed on Form G. Filing evidence of bodily injury and property damage surety bond will be made on Form G, “Uniform Motor Carrier Bodily Injury and Property Damage Liability Surety Bond” (see Form G in 23A S.C. Code Ann. Regs. 38–447), which insures compliance with limits not less than those in 103–172 and with other applicable provisions of these rules. Self insureds shall have the SCDMV submit a self-insurance certificate in lieu of a Form G.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–172. Schedule of Minimum Limits.**

Insurance policies and surety bonds for bodily injury and property damage will have limits of liability not less than the following:

MOTOR CARRIERS, KIND OF LIABILITY LIMITS  
EQUIPMENT & CAPACITY  
PASSENGER

1 to 7 Passengers \$25,000.00 \$50,000.00 \$25,000.00  
8 to 15 Passengers \$25,000.00 \$100,000.00 \$25,000.00  
16 or More Passengers \$25,000.00 \$300,000.00 \$25,000.00

FREIGHT (All motor vehicles used in the transportation of property.)

1. 10,000 OR MORE POUNDS GVWR.

- a. NON-HAZARDOUS \$750,000 per incident
- b. HAZARDOUS \$5,000,000 per incident

(Hazardous substances, as defined in 49 CFR 171.8; Class A or B explosives; liquefied compressed gas or compressed gas; or highway route controlled radioactive materials as defined in 49 CFR 171.455.)

- c. HAZARDOUS \$1,000,000 per incident

(Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials, and hazardous substances defined in 49 CFR 172.101 but not mentioned in 1.(b) or 2.(b).)

2. LESS THAN 10,000 POUNDS GVWR.

- a. NON-HAZARDOUS \$500,000 per incident
- b. HAZARDOUS \$5,000,000 per incident

(Any quantity of Class A or B explosives or highway route controlled quantity radioactive materials as defined in 49 CFR 173.455.)

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–173. Cargo Insurance or Surety Bond Required of Motor Carrier.**

1. Terms of Insurance or Bond and Minimum Limits. Before any Class E Certificate can be issued and before any motor carrier operations can be conducted thereunder, the Class E motor carrier must procure a cargo insurance policy or cargo surety bond from an insurance company licensed or admitted to do business in this state and mail to the ORS evidence of such insurance or bond on forms prescribed by 23A S.C. Code Ann. Regs. 38–447, such policy or bond being conditioned upon such carrier making compensation to shippers or consignees for loss of or damage to all property belonging to shippers or consignees which comes into the possession of such carrier in connection with its transportation service within South Carolina, regardless of whether the policy or bond specifically describes the motor vehicle or not. Within the limits of liability herein after set forth, it is further required that no condition, provision, stipulation, or limitation contained in the policy or bond or in any endorsement thereon or violation thereof shall affect in any way the right of any shipper or consignee, or relieve the insurance or bonding company from liability for the payment of any claim for which the insured may be held legally liable to compensate shippers or consignees, irrespective of the financial responsibility or lack thereof or insolvency or bankruptcy of the insured. Moreover, the liability of the insurance or bonding company extends to such losses or damages whether occurring on the route or in the territory authorized to be served by the insured or elsewhere in South Carolina. Furthermore, the liability of the insurance or bonding company for the following minimum limits shall be a continuing one notwithstanding any recovery hereunder:

- a. For loss of or damage to property carried on any one motor vehicle . . . . . \$2,500.00
- b. For loss of or damage to or aggregate of losses or damages of or to  
property occurring at any one time and place . . . . . \$5,000.00

2. Carriers of Extremely Low Valued Commodities Excepted.

Motor carriers who possess authority to haul only commodities of extremely low value are not required to comply with the provisions of this rule.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–174. Filing Evidence of Cargo Insurance or Surety Bond.**

1. Evidence of Cargo Insurance Filed on Form H. Evidence of cargo insurance will be filed on Form H, “Uniform Motor Carrier Cargo Certificate of Insurance.” (See Form H in 23A S.C. Code Ann. Regs. 38–447) The policy or a copy thereof will not be accepted for filing in lieu of Form H.

2. Form I Must be Attached to Cargo Policy. The “Uniform Motor Carrier Cargo Insurance Endorsement,” Form I (see Form I in 23A S.C. Code Ann. Regs. 38–447), must be attached to the cargo insurance policy itself. Form I thereby amends the terms of such policy to conform with requirements not less than those expressed in 103–173 and with other applicable provisions of these rules.

3. Evidence of Surety Bond Filed on Form J. Evidence of cargo surety bond will be filed on Form J, “Uniform Motor Carrier Cargo Surety Bond” (see Form J in 23A S.C. Code Ann. Regs. 38–447), which insures compliance with the terms of 103–173 and with other applicable provisions of these rules.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–175. Revocation of Certificate.**

A failure to file evidence of insurance, self-insurance or surety bond shall be just cause for the commission, without further evidence or hearing, to suspend its order granting authority or to suspend the certificate or any license issued to the motor carrier. A failure to keep all insurance, self-insurance or surety bond in full force and effect shall result in automatic suspension, upon receipt of an affidavit from the ORS with supporting evidence, of the commission’s order granting authority, the certificate, and any license issued to the motor carrier, with the suspension becoming operative as of the effective date of the cancellation of the motor carrier’s insurance, self-insurance or surety bond.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–176. Cancellation of Insurance or Surety Bond.**

1. Thirty (30) Days’ Notice Required. Any insurance company, surety bond company, or motor carrier which desires to cancel a policy or bond issued to a motor carrier subject to these rules can do so only after giving the ORS not less than thirty (30) days notice. The thirty (30) days will begin to run once the notice is received by the ORS.

2. Form K or Form L Used to Give Notice of Cancellation. Notification of cancellation will be made on forms prescribed by the commission. Form K, “Uniform Notice of Cancellation of Motor Carrier Insurance Policies” (see Form K in 23A S.C. Code Ann. Regs. 38–447), will be used to notify the ORS of cancellation of an insurance policy, and Form L, “Uniform Notice of cancellation of Motor Carrier Surety Bonds” (see Form L in 23A S.C. Code Ann. Regs. 38–447), will be used to notify the ORS of cancellation of a surety bond.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–177. Name of Insured.**

Certificates of insurance, self-insurance and surety bonds shall be issued in the full and correct name as that name appears on the application or certificate of the motor carrier.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–178. Number of Copies Required.**

Certificates of insurance, self-insurance notices of cancellation, and surety bonds must be provided to the ORS in triplicate.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–179. Coverage to be Continuous.**

Surety bonds and certificates of insurance shall specify that coverage thereunder will remain in effect continuously until terminated.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–180. Commission to Prescribe Forms.**

Endorsements for policies of insurance and surety bonds, certificates of insurance, and notices of cancellation will be in the form prescribed and approved by the commission.

**HISTORY:** Amended by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 7 TARIFFS**

### **103–190. Tariffs Must be Approved Before Commencement of Operations.**

1. No motor freight carrier who operates under a Certificate of PC&N may operate or perform any service under its operating authority until rates, fares, charges, classifications, and rules for the services to be performed shall have been approved by the commission.

2. All tariffs for motor carriers of household goods will include charges and references to the following services (if appropriate for the particular move):

- a. Transportation Charges.
- b. Additional Services.
  1. Bulky Article Charges
  2. Elevator or Stair Carry
  3. Excessive Distance or Long Carry Charges
  4. Packing and Unpacking
  5. Labor Charges Regular and Overtime Charges
  6. Piano Charges
  7. Pick-Up and Delivery Extra
  8. Waiting Time
  9. Articles, Special Serving
- c. Rules and Regulations.
  1. Claims (to include time frames for settlement)
  2. Value, Declaration of
    - (i) Basic Amount
    - (ii) Insurance for Excess
  3. Value, Excess
  4. Computing Charges
  5. Governing Publications
  6. Storage-in-Transit
  7. Bill of Lading, Contract Terms, and Conditions

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume Issue 22, No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–191. Commission to Establish Rates, etc.**

1. The commission shall make, fix, establish, or allow just and reasonable rates, fares, charges, classifications, and rules for all motor carriers subject to its rate jurisdiction.

2. As often as circumstances may require, the commission upon notice and hearing, if deemed necessary, from time to time may change or revise, or cause to be changed or revised, any rates, fares, charges, classifications, and rules of a carrier who operates under a Certificate of PC&N.

3. Carriers of hazardous waste for disposal and holders of a Class C Certificate need only file maximum rates with the commission and provide a copy to the ORS.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–192. Rates Must be Just and Reasonable.**

Every rate made, demanded, or received by any motor carrier operating under a Certificate of PC&N, or by any two or more motor carriers jointly, shall be just and reasonable as set forth in R.103–194.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–193. Hearing and Publication on New Rate Schedule.**

1. When Hearing Held. Whenever there shall be filed with the commission any tariff stating a new individual or joint rate, fare, charge, rule, or classification for the transportation of passengers or property by motor carrier operating under a Certificate of PC&N or any rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the commission, upon complaint of any interested party or upon its own initiative, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, may enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such rule, regulation, or practice.

2. When Publication Required. Whenever any new or changed rate, fare, charge, rule, or classification is filed, the commission may, in its discretion, require the filing party or parties to give notice of such filing by publishing once, a notice in the form prescribed by the commission, in newspapers of general coverage in the affected territory. If publication is required, affidavits of publication must be returned to the commission's offices as evidence of compliance with such publication requirement.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–194. Criteria for Establishment of Rates.**

In the exercise of its power to prescribe just and reasonable rates for the transportation of passengers or property by common carriers operating under a Certificate of PC&N, the Commission may give due consideration, among other factors, to the need in the public interest of adequate and efficient transportation service by such carriers at the lowest cost consistent with the furnishing of such service and to the need of such carriers for revenues sufficient to enable them, under economical and efficient management, to provide such service.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–195. Duties of Class E Household Good Movers As to Service and Regulations.**

Every motor carrier of property operating under a Certificate of PC&N and FWA shall provide safe and adequate service, equipment, and facilities for the transportation of property, and shall establish, observe, and enforce just and reasonable regulations and practices relating thereto and to the manner and method of presenting, marking, packing, and delivering property for transportation, the facilities for transportation, and all other matters relating to or connected with the transportation of property.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–196. Maintenance of Copies of Tariffs.**

Every motor carrier operating under a Certificate of PC&N shall maintain at each of its principal places of business in the state and make available for inspection to the public at all reasonable times, all of its tariffs containing rates, charges, classifications, and rules or other provisions as filed with and approved by the commission.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–197. Undue Preference Not Permitted.**

Unless otherwise specifically exempted by the commission, it shall be unlawful for any motor carrier operating under a Certificate of PC&N or FWA to make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, gateway, locality, or description of traffic in any respect whatsoever, or to subject any particular person, port, gateway, locality, or description of traffic to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–198. Variations in Charges Prohibited.**

Unless otherwise specifically exempted by the commission, no motor carrier operating under a Certificate of PC&N shall charge, demand, collect, or receive, or cause or permit its agent, servants, or employees to charge, demand, collect, or receive a greater or lesser or different compensation for transportation, or for any service rendered, than the rates, fares, and charges specified in the lawfully applicable tariffs or schedules in effect from time to time; and no motor carrier shall refund or remit in any manner or by any device, directly or indirectly, any portion of the rates, fares, or charges so specified, or extend to any person any privileges, facilities, or services, or do or perform any service, or give, remit, or refund anything of value except in accordance with said lawful tariffs and schedules, or specific order by the commission.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume No. 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–199. Allowances Prohibited.**

No motor carrier operating under a Certificate of PC&N shall grant, pay, give, or make any allowance to the owner, shipper, consignor, or consignee of any property or shipment, for any service or instrumentality furnished by the owner, shipper, consignor, or consignee, unless such allowance is prescribed or permitted in a lawfully applicable tariff, schedule, or specific order of the commission. Moves may be performed without charge to valid 501(c)(3) organizations.

**HISTORY:** Amended by State Register Volume No. 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–199.5. Adjustment of Bills.**

If it is found that a household goods motor carrier has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered by such carrier than that prescribed in the schedules of such carrier applicable thereto, then filed in the manner provided in Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from a carrier for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be provided by the following:

1. Customer Inadvertently Overcharged. If the carrier has inadvertently overcharged a customer as a result of a misapplied schedule or any other human or machine error, the carrier shall at the customer's option credit or refund the excess amount paid by that customer or credit the amount billed.

2. Customer Inadvertently Undercharged. If the carrier has undercharged any customer as a result of a misapplied schedule, or any human or machine error, then the carrier may recover the deficient amount. The customer shall be allowed to pay the deficient amount, in equal installments over a period of six months.

3. Customer Willfully Overcharged. If the utility has willfully overcharged any customer, the carrier shall refund the difference, plus interest, as prescribed by the commission.

4. Customers and Carriers shall have two (2) years from the date of the transaction in question in which to apply for an adjustment as provided in this Regulation.

**HISTORY:** Added by State Register Volume 33, Issue No. 6, eff June 26, 2009.

**SUBARTICLE 8  
COMMODITIES**

**103-210. Applications Must Specifically Set Forth Commodities Applied for.**

Every applicant for a Certificate of PC&N specifically shall set forth in its application each commodity which it proposes to transport. Upon an adequate showing by proper proof, the ORS after approval by the commission may issue a certificate authorizing motor carrier operations and identifying the commodities authorized to be hauled. These will be household goods, hazardous waste, or both.

1. Household Goods. This group includes personal effects and property used or to be used in a dwelling and similar property if the transportation of such effects or property is:

- a. arranged and paid for by the householder, including transportation of property from a factory or store when the property is purchased by the householder with intent to use in his or her dwelling, or
- b. arranged and paid for by another party.

2. Hazardous Wastes. Any waste or combinations of a solid, liquid, contained gaseous, or semisolid form which because of its quantity, concentration, or physical, chemical, or infectious characteristics is defined by S.C. Code Ann., Section 44-56-20(6) (1976) or 25 S.C. Regs. 61-79.261.3 as hazardous waste. Carriers of hazardous waste need only file maximum rates with the commission.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 9**

**AGREEMENTS, LEASES AND CONTRACTS FOR EQUIPMENT BY HOLDERS OF CERTIFICATES OF PC&N**

**103-220. Use of Leased Vehicles.**

1. Agreement Must Meet Certain Conditions. Carriers may perform authorized transportation in or with motor vehicle power units which they do not own only under contract, lease, or other approved arrangement. Such contract, lease, or other approved arrangement must meet the following conditions:

- a. Shall be made between the carrier and the owner of the power unit, provided however, that the same power unit must not be leased to more than one carrier at the same time;
- b. Shall be in writing and signed by the parties thereto or their regular employees or agents duly authorized to act for them in the execution of contracts, leases or other arrangements;
- c. Shall specify the period for which it applies which shall be not less than 30 days;
- d. Shall provide that the lessee has exclusive possession, control, and use of the power unit and bears the complete assumption of public responsibility (i.e., insurance) for the vehicle for the duration of said contract, lease, or other arrangement;
- e. Shall specify the compensation to be paid by the lessee for the use of the power unit;
- f. Shall specify the time and date or the circumstances on which the contract, lease, or other arrangement begins, and the time or the circumstances on which it ends;
- g. Shall specify the power unit or units covered by the lease by designating the serial number, make, and year of model;

h. Shall be executed in quadruplicate; the original shall be retained by the certificated carrier in whose service the power unit is to be operated, one copy may be retained by the owner of the power unit, one copy shall be carried on the power unit specified therein during the entire period of the contract, lease, or other arrangement, and one copy shall be filed with this Commission and provided to the ORS. If the lease, contract, or other arrangement pertains to more than one power unit, copies of such agreement may be maintained in the additional power units.

2. The commission and the ORS Must Be Notified When Agreement Ceases. The lessee shall notify the commission and ORS in writing within 48 hours when any lease is canceled, expired, or otherwise terminated.

3. Lessor Must Charge Rates and Use Bills of Lading of Lessee. In addition to meeting the criteria listed in 1. above, the lessor must charge the rate for transportation of household goods approved by the commission for the lessee. The lessor must also use the lessee's bills of lading. Total responsibility for the operation of the leased unit resides with the lessee.

4. Lease Is for Equipment Only. The provisions of Regulation 103-220 are for the lease of equipment only and shall not be construed as allowing a lease of authority from a certificated motor carrier.

**HISTORY:** Amended by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 34, Issue No. 5, eff May 28, 2010.

### **103-221. Exemptions.**

The provisions set forth in R.103-220 shall not apply to:

1. Agreements Between Carriers. Motor vehicle power units leased by one carrier to another carrier, provided however, that the lessee must maintain a legible, written copy of the agreement on the vehicle for the duration of the agreement. This exemption does not apply to carriers holding certificates of fit, willing and able.

2. Agreements Between Carrier and Leasing Agency. Motor vehicle power units without drivers leased by a carrier from an individual, copartnership, or corporation, whose principal business is the leasing of equipment without drivers for compensation, provided however, that it will be necessary for the lessee to purchase the appropriate rental license decal from the ORS which shall be carried in the power unit prior to any operations being conducted using such vehicle. This rental license decal may be transferred to another power unit obtained under this provision, but it cannot be transferred to any other equipment whether owned or leased. It is further provided that a legible, written copy of the agreement must be maintained in the vehicle for the duration of the agreement.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-222. Lessee Responsible.**

1. For Drivers. The drivers of leased motor vehicle power units shall be directly supervised and controlled by the lessee. The person who, directly or indirectly, shall supervise or regulate the manner and method of shipment and the use of the motor vehicle or vehicles involved shall be presumed to have a right to control, direct, or dominate such shipment.

2. For Transportation Services Rendered. Any property or passengers transported in leased vehicles shall be transported in the name of and under the responsibility of the lessee.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-223. Safety Inspection of Leased Equipment.**

It shall be the duty of the carrier, before taking possession of any motor vehicle equipment, to inspect the same or to have the same inspected by a person who is competent and qualified to make such inspection and who has been duly authorized by such carrier to make such inspection as a representative of the carrier, in order to insure that the said equipment complies with motor carrier safety regulations. The person making the inspection shall certify the results thereof in writing. If his/her inspection discloses that the equipment does not comply with the requirements of safety regulations, possession thereof shall not be taken. This written document shall be countersigned by someone in a supervisory capacity with the lessee indicating that the person performing the inspection was qualified to do so.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.



### **103–224. Identification of Equipment.**

1. All Vehicles Must Be Marked. The carrier acquiring the use of power units under this article shall identify such equipment during the period of the lease, contract, or other arrangement in accordance with R. 103–153.

2. When Agreement Ceases, Markings Must Be Removed. The authorized carrier operating equipment under this part shall remove any legend, showing it as the operating carrier, displayed on such equipment, and shall remove any removable device showing it as the operating carrier before relinquishing possession of the equipment.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–225. Records Must be Maintained for Three Years.**

Any motor carrier who operates leased vehicles in intrastate commerce pursuant to authority granted by this commission shall keep on file a copy of all leases and shall maintain other records required by this article at its principal place of business within this State for a period of not less than three (3) years.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 10**

### **ANNUAL REPORTS AND ACCOUNTING METHODS AND PROCEDURES**

### **103–230. Accounting.**

1. Method of Keeping Books. Each motor carrier operating under a Certificate of PC&N or FWA shall keep its books on the basis of an accounting year of twelve months ending on the thirty-first day of December in each year.

2. Records Retention. All records shall be maintained for at least three years.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–231. Annual Reports.**

Every motor carrier operating under a Certificate of PC&N and FWA shall file with the commission and ORS on or before March 31 of each year, on forms prescribed and furnished by the commission, an annual report for the preceding calendar year ending on June 30<sup>th</sup>. This annual report shall represent the same calendar year upon which the books are kept and shall present a full, true, and accurate account of the business affairs of the carrier.

**HISTORY:** Amended by State Register Volume 12, Issue No. 5, eff May 27, 1988; State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–232. Equipment Record.**

Every motor carrier operating under a Certificate of PC&N and FWA shall keep on file in its main office, subject to inspection by the commission, a complete description of each motor vehicle and trailer used during the accounting year, including motor vehicles substituted, rented, leased, or otherwise obtained.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue no. 5, eff May 23, 2008.

### **103–233. Inspection of Vehicles, Books, Records, etc.**

1. Carrier to Cooperate with Inspections. Auditors, accountants, inspectors, examiners, and other agents of the ORS, upon demand and display of proper credentials, shall be permitted by any carrier operating under a Certificate of PC&N and FWA to examine and copy the books, records accounts, bills of lading, load sheets, manifest, correspondence, and other records of such carrier relating to the

transportation of property or passengers and to examine the vehicles, terminals, buildings, and other equipment and facilities used by such carrier in such transportation business, and carriers operating under a Charter Bus Certificate shall permit any designated agent of the ORS to inspect records related to insurance coverages and/or safety, and all such carriers shall instruct their drivers, agents, and employees in charge of such records, equipment, and facilities to cooperate with such examination.

2. Information Not Be Divulged. No inspector or other agent of the ORS shall knowingly and willfully divulge any fact or information which may come to his knowledge during the course of any such examination for inspection, except to the commission or the ORS or as may be directed by the commission and ORS or by a court or judge thereof.

3. Refusal to Allow Inspection Is Violation. Refusal of any carrier or employee of any carrier or independent contractor operating a motor vehicle pursuant to the carriers certificated authority issued by the commission to provide information under this article upon demand is a violation of these rules and the Motor Vehicle Carrier Law and is punishable as provided by S.C. Code Section 58–23–80.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## SUBARTICLE 11 PENALTIES

### **103–240. Grounds for Revocation of Certificate.**

The commission may at any time, after notice and opportunity to be heard, suspend, revoke, alter, or amend any certificate, if it shall be made to appear that the holder has willfully violated or refused to observe orders, rules, or regulations prescribed by the commission, provisions of the Motor Vehicle Carrier Law, or any other law of this State regulating motor carriers for hire and applicable to the holder of such certificate, or, if, in the opinion of the commission, the motor carrier holding a Certificate of PC&N is not furnishing adequate service or it is no longer compatible with the public interest to continue said certificate in force, or, if in the opinion of the commission, the motor carrier holding a Certificate of FWA is no longer furnishing adequate service, or said carrier no longer meets the fit, willing, and able criteria, or the motor carrier holding a charter bus certificate no longer meets the commission's insurance requirements or the safety requirements of the Department of Public Safety, or the continuance of said certificates are not in conformity with the spirit and purpose of the law, provided, however, that this rule shall have no effect upon rules hereinbefore set forth which authorize suspension, revocation, alteration, or amendment of a certificate or of an order granting operating rights without hearing where certain conditions exist.

**HISTORY:** Added by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998. Amended by State Register Volume 23, Issue No. 3, eff March 26, 1999; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–241. Inspectors.**

The ORS, through inspectors duly appointed, will investigate and report violations of the provisions of the Motor Vehicle Carrier Law and the commission's Rules and Regulations, and for the purpose of enforcing these laws, rules, and regulations, these inspectors shall have and may exercise throughout the State all of the powers of constables.

**HISTORY:** Added by State Register Volume 22, Issue No. 6, Part 3, eff June 26, 1998; State Register Volume 32, Issue No. 5, eff May 23, 2008.

## ARTICLE 3 ELECTRIC SYSTEMS SUBARTICLE 1 GENERAL PROVISIONS

### **103–300. Authorization of Rules.**

A. Sections 58–27–150 and 58–27–1910, Code of Laws of South Carolina, 1976, provides: "Rules and Regulations.—The commission may make such rules and regulations not inconsistent with law as may be proper in the exercises of its power or in the performance of its duties under this Chapter, all of which shall have the force of law."

In accordance with the above provisions, the Public Service Commission has adopted the following rules and regulations and fixed the following standards for electric service. All previous rules or standards are hereby revoked, annulled, and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint, or upon its own motion, or upon the application of any utility. Furthermore, these rules shall not in any way relieve either the commission or the utilities of any duties under the laws of this State.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–301. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, association, establishment or corporation (except municipalities or agents thereof, within their corporate limits, and any other exempt by South Carolina Statutes), which is now or may hereafter become engaged as an electric system as defined in 103–302(5), herein, in the business of furnishing electric current for domestic, commercial, or industrial customers within the State of South Carolina.

2. Purpose. The rules are intended to define good practice. They are intended to insure adequate and reasonable service. The electric systems shall assist the commission in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–302. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below.

1. Commission. The Public Service Commission of South Carolina.
2. Consolidated Political Subdivision. The term ‘consolidated political subdivision’ means a consolidated political subdivision existing pursuant to the Constitution of this State, and shall not be deemed a city, town, county, special purpose district, or other governmental unit merged thereinto.
3. Customer. Any person, firm, association, establishment, partnership, or corporation, or any agency of the Federal, State or local government, being supplied with electric service by an electrical utility under the jurisdiction of this commission.
4. Electric Supplier. The term ‘electric supplier’ means any electrical utility other than a municipality, and means any electric cooperative other than an electric cooperative engaged primarily in the business of furnishing electricity to other electric cooperatives for resale to other electric consumers, and any consolidated political subdivision owning or operating an electric plant or system for furnishing of electricity to the public for compensation.
5. Electric System. The term ‘electric system’ means any electrical utility, electric supplier, utility, electric cooperative, public utility district, governmental body or agency, including consolidated political subdivisions, or another person or corporation supplying electric service to the public to the extent covered by the applicable Sections of the S. C. Code of Laws.
6. Electrical Utility. The term ‘electrical utility’ includes municipalities to the extent of their business, property, rates, transactions, and operations outside the corporate limits of the municipality, or persons, associations, firms, establishments, partnerships and corporations, their lessees, assignees, trustees, receivers, or other successors in interest owning or operating in this State equipment or facilities for generating, transmitting, delivering or furnishing electricity for street, railway or other public uses or for the production of light, heat or power to or for the public for compensation; but it shall not include an electric cooperative or a consolidated political subdivision and shall not include a person, corporation, special purpose district or municipality furnishing electricity only to himself or itself, their resident employees or tenants when such current is not resold or used by others.

7. Municipality. The term 'municipality' when used in these Rules and Regulations includes a city, town, county, township and any other corporation existing, created or organized as a governmental unit under the Constitution or laws of this State except a 'Consolidated Political Subdivision'.

8. ORS. The South Carolina Office of Regulatory Staff.

9. Rate. The term 'rate' when used in these rules and regulations means and includes every compensation, charge, toll, rental and classification, or any of them, demanded, observed, charged, or collected by any electrical utility for any electric current or service offered by it to the public, and any rules, regulations, practices or contracts affecting any such compensation, charge, toll, rental or classification.

10. Utility. Every privately-owned corporation, firm or person furnishing or supplying electric service to the public, or any portion thereof, for compensation.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-303. Authorization for Rates and Charges.**

A. No schedules of rates or contracts involving rates, under jurisdiction of the commission, differing from approved tariffs or rates shall be changed until after the proposed change has been approved by the commission.

B. All rates, tolls, charges, and contracts involving rates proposed to be put into effect by any electrical utility shall be first approved by this commission before they shall become effective, unless they are exempt from such approval by statute, order of the commission, or other provision of law.

C. No rates, tolls, charges nor service of any electrical utility under the regulation of this commission shall be deemed approved nor consented to by mere filing of schedules or other evidence thereof in the offices of the commission, unless such proposed adjustment is made in accordance with tariff provisions which have previously been approved by the commission.

D. Any change in rates or charges affecting classifications of rates and services by electric cooperatives shall be provided to the ORS and filed with the commission and subject to approval in accordance with S. C. Code Ann., § 58-27-840.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-304. Territory and Certificates.**

No electrical utility supplying electric service to the public shall hereafter begin the construction or operation of any electric facilities, or of any extension thereof, without first obtaining from the commission a certificate that public convenience and necessity requires or will require such construction or operation; such certificate to be granted only after notice to the ORS, other interested electric systems and to the public, and after due hearing; provided, however, that this regulation shall not be construed to require any such electrical utility to secure a certificate for any extension within a municipality or district within which it has heretofore lawfully commenced operations, or for an extension within or to territory already served by it, necessary in the ordinary course of its business, or for an extension into territory contiguous to that already occupied by it and not receiving similar service from another electrical utility, but if any electric system in constructing or extending its lines, plant or system unreasonably interferes, or is about to unreasonably interfere, with the service or the system of any other electric system, the commission may make such order and prescribe such terms and conditions in harmony with this regulation as are just and reasonable.

1. Rural Territorial Act. The commission has assigned all areas outside municipal limits, and more than 300 feet from the lines (as defined in Section 58-27-610(3) of the South Carolina Code of Laws), as such lines existed on the dates of assignments, of any electric supplier (except some territory which was left unassigned to any supplier), and no electric supplier shall construct lines and equipment except as provided by S.C. Code of Laws, Sections 58-27-620(2); 58-27-620(4); 58-27-620(6); 58-27-650; and 58-27-660(1), into territory assigned to another supplier without prior approval of the commission; and no electric supplier shall construct permanent lines and equipment into any territory left unassigned by the commission pursuant to S.C. Code Ann., Section 58-27-640 without prior notice to the commission and the ORS filed within a reasonable period of time prior to the date of actual construction of permanent lines, which notice shall include a map of the area showing existing facilities, location of the customer, and the proposed route of the permanent line, and a written

certification that those electric suppliers furnishing electric service in any areas contiguous to the unassigned territory have been provided a copy of the notice of construction of facilities as filed with the commission and provided to the ORS, and all such facilities providing electric service shall be constructed in accordance with good utility practices and all other applicable provisions of the S.C. Code of Laws, as amended.

2. Utility Facility Siting and Environmental Protection Act. No electric system subject to the jurisdiction of the commission shall begin the construction and/or operation of any transmission line with a designed voltage of 125 KV or more or the construction and/or operation of a generating station of more than 75 megawatts, except a hydroelectric generating facility, before receiving a certificate of Environmental Compatibility and Public Convenience and Necessity in accordance with Sections 58-33-10 et seq., of the Code of Laws of South Carolina, 1976.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-305. Utilities Rules and Regulations.**

Each electrical utility shall adopt Rules, Regulations, Practices, Service Requirements, Terms and Conditions, etc., as may be necessary in the operation of such utility which shall be provided to the ORS and subject to review and order of the commission, unless otherwise specified.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103-310. Location of Records and Reports.**

All records required by these rules, or necessary for the administration thereof, shall be kept within this State, unless otherwise authorized by the commission. These records shall be available for examination by the ORS or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-311. Retention of Records.**

Unless otherwise specified by the commission or by regulation, or commission Order governing specific activities, all records required by these Rules and Regulations shall be preserved for a minimum of two years.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-312. Data to be Filed with the Commission and Provided to the ORS.**

1. Annual Report. Each electrical utility operating in this State shall file an Annual Report with the commission and the ORS giving such information as the commission may direct. This Annual Report shall include the same information included in FERC Form 1; thus, the electrical utility can file its FERC Form 1 with the commission and the ORS or an Annual Report with the equivalent information.

2. Current Information and Documents. The electrical utility shall file with the commission and provide to the ORS the following documents and information.

A. Tariff

1. A copy of each electric system's schedule of rates and charges for service, together with applicable riders.

2. A copy of each electric system's Rules and Regulations, or Terms and Conditions describing each electric system's policies and practices in rendering service. These rules shall include a listing of available voltages and service characteristics.

3. Tariffs must be filed with the office of the chief clerk of the commission and, on that same day, provided to the Executive Director of the ORS.

B. Customer Bill

A copy of each type of bill form used in billing for electric service must be provided to the ORS.

C. Operating Area Map

1. Suitable maps and “one-line diagrams” shall be made available to the ORS showing the size, character and location of each main transmission circuit and generating stations and main substations.

2. When an application for a Certificate of Public Convenience and Necessity is made by an electrical utility, a section of map showing the proposed line extension shall accompany such application.

D. Authorized Representative

The electrical utility shall advise the commission and the ORS of the name, address and telephone number of the person, or persons, to be contacted in connection with:

- a. General management duties.
  - b. Customer relations (complaints).
  - c. Engineering and/or Operations.
  - d. Meter tests and repairs.
  - e. Emergencies during non-office hours.
- E. Contract Forms

A copy of the electrical utility’s electric power contract form, and special electric power contract forms for customer service is to be provided to the ORS.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–313. Inspection of Utility Plant.**

A. Each utility shall, upon request of the commission or the ORS, provide the ORS with a statement regarding the condition and adequacy of its plant, equipment, facilities and service in such form as the commission or the ORS may require.

B. Each utility shall keep sufficient records to give evidence of compliance with its inspection programs as set forth in subarticles 5 and 6 of these rules and regulations.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–314. Interruption of Service.**

Each electrical utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any major community, or an important division of such a community, including a statement of the time, duration, and cause of any such interruption. The commission and the ORS are to be notified of any such interruptions as soon as practicable after it comes to the attention of the utility and a complete report made to the commission and the ORS after restoration of service if such interruption is for more than six hours duration.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–315. Incidents.**

A. Each electrical utility shall, as soon as practicable, report to the ORS each material incident in connection with the operation of the electrical utility’s property, facilities, or service including, but not limited to: (a) serious injury or death of any person; (b) evacuation; and (c) damage to a customer’s or third party’s property that will require, in the electrical utility’s commercially reasonable estimation, repair costs in excess of \$15,000. Such first report shall later be supplemented within thirty (30) days by a statement of the cause and details of the incident, based on the facts then known to the electrical utility, and the measures, if any, that have been taken to reduce the risk of similar incidents in the future.

B. Each electrical utility shall establish and follow procedures for analyzing, reporting, and minimizing the possibilities of any future incidents.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–317. Meter History Records.**

Each electrical utility shall maintain records of the following data, where applicable, for each billing meter for so long as such meter is in possession of the electrical utility and for at least twelve months thereafter.

- a. Date of Purchase.
- b. The complete identification-manufacturer, number, type, size, capacity, multiplier and/or constants.
- c. The dates of installation and removal from service, together with the location, unless otherwise directed by the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-318. Meter, Test, Records and Reports.**

Each electrical utility shall maintain records of tests made of any billing meter. The record of the meter test shall be maintained for a minimum of three years after the meter's retirement. Test records shall include the following:

- a. The date and reason for the test.
- b. The reading of the billing meter before making any test.
- c. Information necessary for identifying the meter.
- d. The result of the test, together with all data taken at the time of the test in sufficiently complete form to permit convenient checking of the methods employed and the calculations.
- e. The accuracy "as found" at "Light Load" and at "Full Load", or "Test Amperes".
- f. The accuracy "as left" at "Light Load" and at "Full Load", or "Test Amperes".

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **SUBARTICLE 3 METERS**

### **103-320. Meter Requirements.**

Service shall be measured by meters furnished by the electrical utility unless otherwise ordered by the commission, and such meters shall maintain the degree of accuracy as set forth in 103-323.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-321. Meter Reading.**

Unless extenuating circumstances prevent, meters shall be read and bills rendered on a monthly basis not less than twenty-eight days nor more than thirty-four days.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-322. Meter Reading Data.**

The Meter Reading Data maintained by the electrical utility shall include:

- a. Customer's name, service address and rate schedule designation.
- b. Identifying number and/or description of the meter(s).
- c. Meter readings.
- d. If the reading has been estimated.
- e. Location of meter or special reading instructions, if applicable.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-323. Meter Accuracy and Condition.**

A. Creeping: No watt-hour meter which registers on "no load" when the applied voltage is less than one hundred and ten (110%) percent of standard service voltage shall be placed in service or allowed to remain in service.

B. No watt-hour meter shall be placed in service which is in any way defective to impair its performance, or which has incorrect constants or which has not been tested individually or under a sample meter testing plan approved by the commission for accuracy of measurements and adjusted, as specified in 103-373(2), if necessary, to meet these requirements:

Average error not over 0.5% plus or minus;

Error at "Full Load" (test amperes) not over 0.5% plus or minus;

Error at "Light Load" not over 1.0% plus or minus.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-324. Meter Seal.**

Immediately after the pre-installation or field test of a meter, the manufacturer or the electrical utility shall affix a seal or locking device in order to avoid tampering. The meter installation shall be sealed or locked to help prevent tampering or theft of current.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-325. Location of Meters.**

A. No customer's meter shall be installed in any location where it may be unreasonably exposed to damage, or in any unduly dirty, or inaccessible location.

B. Outdoor meters shall be used where practicable. Meters should not be placed on any unstable supports subject to vibration or tilting in excess of 4 degrees and should be free of obstruction for a distance of three feet in front of the meter and with sufficient space below the meter to allow the use of proper test facilities.

C. Meters should be easily accessible for reading, testing and making necessary repairs and adjustments, and where more than one meter is installed at one location, sufficient space shall be allowed between and in front of meters to facilitate repairs and tests. Each customer shall tag or mark each "house" loop to indicate circuit metered.

D. Each customer shall provide and maintain at his expense a suitable and convenient place for the location of meters, where they will be readily accessible at any reasonable hour for the purpose of reading, testing, repairing, etc., and such other appliances owned by the electrical utility and placed on the premises of the customers shall be so placed as to be readily accessible at such times as are necessary, and the authorized agent of the electrical utility shall have authority to visit such meters and appurtenances at such times as are necessary in the conduct of the business of the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-326. Change in Character of Service.**

In order that the electrical utility may provide a proper service facility and metering installation, the customer shall advise the electrical utility of the expected service requirements, and shall also advise the electrical utility of any increase or decrease in the expected load to be provided by the electrical utility in sufficient time to change service characteristics.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-327. Master Metering.**

A. All service delivered to new multi-occupancy residential premises at which units of such premises are separately rented, leased or owned shall be delivered by an electrical utility on the basis of individual meter measurement for each dwelling.

B. Any exception to the provisions of paragraph A., supra, must be approved by the commission upon its determination that individual metering to such premises is impractical and unreasonable.

C. Service to structures for which permits were issued or construction started prior to January 23, 1981, shall not be affected by the provisions contained herein.

D. Commercial premises with master metered service established prior to October 31, 1980, which are later converted to residential use shall not be affected by provisions contained herein.

**HISTORY: Added by State Register Volume 5, eff April 24, 1981. Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**



**SUBARTICLE 4**  
**CUSTOMER RELATIONS**

**103–330. Customer Information.**

Each electrical utility shall:

- a. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the electrical utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.
- b. Provide to each new residential and small commercial customer, within sixty days of application for service, a clear and concise explanation of the available rate schedules for the class of service for which the customer makes application for service.
- c. Provide to each residential and small commercial customer to whom more than one rate schedule is reasonably available a clear and concise summary of the existing rate schedules applicable to the customer's class of service at least once a year.
- d. Notify each affected customer of any proposed adjustment in rates and charges, excluding adjustment of base rates for fuel costs within sixty days of the date of the filing of such adjustment or as otherwise directed by the commission.
- e. Provide to each customer, upon request, a clear and concise statement of the actual consumption of electrical energy by such customer for the previous twelve months.
- f. Post a notice in a conspicuous place in each office of the electrical utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the electrical utility, as filed with and approved by the commission, are available for inspection.
- g. Upon request, inform its customers as to the method of reading meters, as to billing procedures and shall assist customers in selecting the most economical rate schedule applicable and method of metering the service, except as otherwise provided for by the commission.
- h. Provide adequate means (telephone, etc.) whereby each customer can contact the electrical utility or its authorized representative at all hours in cases of emergency or unscheduled interruptions of service.
- i. Upon request, give its customers such information and assistance as is reasonable in order that customers may secure safe and efficient service.
- j. Notify any person making a complaint recorded pursuant to 103–345 that the electrical utility is under the jurisdiction of the commission and the customer may notify the ORS of the complaint.

**HISTORY: Amended by State Register Volume 5, eff April 24, 1981; State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–331. Customer Deposits.**

A. Each electrical utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

1. The customer's past payment record to an electrical utility shows delinquent payment practice, i.e., customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or
2. A new customer cannot demonstrate that he is a satisfactory credit risk by appropriate means including, but not limited to, a letter of good credit from an electrical utility, references which may be quickly and inexpensively checked by the Company or cannot furnish an acceptable cosigner or guarantor on the same system within the State of South Carolina to guarantee payment up to the amount of the maximum deposit, or
3. A customer has no deposit and presently is delinquent in payments, i.e., has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or
4. A customer has had his service terminated for non-payment or fraudulent use, or

5. A non-residential customer or its parent company is experiencing financial difficulties as determined by an electrical utility using its respective internal credit risk rating criteria (even if the customer has not yet defaulted or caused a default on a payment obligation to the utility) and has not negotiated an alternative payment plan designed to mitigate the utility's risk of loss. The electrical utility may use a variety of security options other than the payment of a two-month cash deposit, including but not limited to accelerated payment plans, surety bonds, bank letters of credit or some combination of the above. All electrical utilities engaging in negotiated payment solutions must provide a copy of their respective internal credit risk rating criteria upon request by the Office of Regulatory Staff.

B. If the electrical utility elects to require a deposit under Subsection (A)(5) of this Rule, then the electrical utility shall inform the affected customer of the provisions of this Rule.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue no. 5, eff May 23, 2008; State Register Volume 35, Issue No. 6, eff June 24, 2011.

### **103-332. Amount of Deposits.**

A. A maximum deposit may be required up to an amount equal to an estimated two months (sixty days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two consecutive months based on the experience of the preceding twelve months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

C. A schedule of deposits based upon an analysis of sixty days' usage for categories of customers may be utilized in determining deposits required by the electrical utility upon being provided to the ORS and filed and approved by the commission.

D. Special offerings may be exempt as determined by the commission; i.e., subdivision lighting, outdoor lighting, etc.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-333. Interest on Deposits.**

A. Simple interest on deposits at the current effective interest rate per annum prescribed by order of the Public Service Commission shall be paid by the electrical utility to each customer required to make such deposit for the time it is held by the electrical utility, provided that no interest need be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two years or less and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-334. Deposit Records.**

Each electrical utility shall keep records to show:

- a. The name and address of each depositor.
- b. The amount and date of the deposit.
- c. Each transaction concerning the deposits.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-335. Deposit Receipt.**

Each electrical utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a customer may establish his claim if his receipt is lost.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–336. Deposit Retention.**

A. Deposit shall be refunded completely with interest after two years unless the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears, in the past twenty-four months.

B. An electrical utility shall not be required to refund the deposit if a non-residential customer or its parent company is experiencing financial difficulties as determined by an electrical utility using its respective internal credit risk rating criteria and/or if bankruptcy may be imminent, even though the customer continues to make billed payments in timely manner.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008; State Register Volume 35, Issue No. 6, eff June 24, 2011.

### **103–337. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least one year, during which time the electrical utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the S. C. State Treasurer as prescribed by state law.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–338. Deposit Credit.**

Where a customer has been required to make a guarantee deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill, or otherwise, an electrical utility shall apply the deposit of such customer toward the discharge of such account and shall, as soon thereafter as practicable, refund the customer any excess of the deposit. If, however, the customer whose service has been disconnected for non-payment, pays the full amount billed within seventy-two hours after service has been disconnected and applies for reconnection, the electrical utility may not charge an additional deposit except under the provisions of regulation 103–332.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–339. Customer Billing.**

The electrical utility shall bill each customer as promptly as possible following the reading of the meter and render a receipt of payment upon request.

1. New Service. Meters shall be read at the initiation and termination of any service and billing shall be based thereon.

2. Bill Forms. The bill shall show:

a. The reading of the meter at the beginning and at the end of the period for which the bill is rendered.

b. The date on which the meter was read, and the date of billing and the latest date on which it may be paid without incurring a penalty, and the method of calculating such penalty.

c. The number and kind of units metered.

d. The applicable rate schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request.

e. Any estimated usage shall be clearly marked with the word “estimate” or “estimated bill”.

f. Any conversions from meter reading units to billing units or any information necessary to determine billing units from recording or other devices, or any other factors used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the electrical utility’s local office.

g. Amount for electrical usage (base rate).

h. Amount of South Carolina Sales Tax (dollars and cents).

i. Total amount due.

j. Number of days for which bill is rendered or beginning and ending dates for the billing period.

3. Late Payment Charges. A charge of no more than one and one-half percent (1 1/2 %) may be added to any unpaid balance not paid within twenty-five days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late-payment charge will be made in lieu of any other penalty.

4. Payment. The electrical utility, at its option for good cause, may refuse to accept a check, debit card, credit card or other electronic payment tendered as payment on a customer's account. "Good cause" must be justified by an electrical utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant.

5. Charges for Discontinuance and Reconnection. Whenever service is turned off for violation of rules and regulations, nonpayment of bills, or fraudulent use of service, the electrical utility may make reasonable charges, to be approved by the commission, for the cost incurred in discontinuing the service and reconnection and require payment for service billed and for service used which has not previously been billed.

6. Estimated Bills. Each electrical utility shall not send a customer an estimated bill, except for a good cause, where the meter could not be read or was improperly registering. In no instance will more than one estimated bill be rendered within a sixty-day period, unless otherwise agreed to by the customer.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-340. Adjustment of Bills.**

If it is found that an electrical utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such electrical utility than that prescribed in the schedules of such electrical utility applicable thereto, then filed in the manner provided in Chapter 27 of Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from an electrical utility for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

1. Fast or Slow Meters. If the overcharge or undercharge is the result of a fast or slow meter, then the method of compensation shall be as follows:

a. In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon request of the customer, as specified in 103-370(2).

b. In the event that the meter so tested is found to have an error in registration of more than two (2) per cent, the bills will be increased or decreased accordingly, but in no case shall such a correction be made for more than sixty days.

2. Customer Willfully Overcharged. If the electrical utility has willfully overcharged any customer, except as provided for in 1 of this rule then the method of adjustment shall be as provided in the S. C. Code Ann. § 58-27-960, and § 58-27-2410 et seq. (1976).

3. Customer Inadvertently Overcharged. If the electrical utility has inadvertently overcharged a customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any other human or machine error, except as provided in 1 of this rule, the electrical utility shall, at the customer's option, credit or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

a. If the interval during which the customer was overcharged can be determined, then the electrical utility shall credit or refund the excess amount charged during that entire interval provided that the applicable statute of limitations shall not be exceeded.

b. If the interval during which the customer was overcharged cannot be determined then the electrical utility shall credit or refund the excess amount charged during the twelve-month period preceding the date when the billing error was discovered.

c. If the exact usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined, then the refund shall be based on an appropriate estimated usage and/or demand.

4. Customer Undercharged Due to Willfully Misleading Company. If the electrical utility has undercharged any customer as a result of a fraudulent or willfully misleading action of that customer, or any such action by any person (other than the employees or agents of the electrical utility), such as tampering with, or bypassing the meter when it is evident that such tampering or bypassing occurred during the residency of that customer, or if it is evident that a customer has knowledge of being undercharged without notifying the electrical utility as such, then notwithstanding 1 of this rule, the electrical utility shall recover the deficient amount provided as follows:

a. If the interval during which the customer was undercharged can be determined, then the electrical utility shall collect the deficient amount incurred during that entire interval, provided that the applicable statute of limitations is not exceeded.

b. If the interval during which the customer was undercharged cannot be determined, then the electrical utility shall collect the deficient amount incurred during the twelve-month period preceding the date when the billing error was discovered by the electrical utility.

c. If the usage and/or demand incurred by that customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage and/or demand.

d. If the metering equipment has been removed or damaged, then the electrical utility shall collect the estimated cost of repairing and/or replacing such equipment.

5. Equal Payment Plans. An electrical utility may provide payment plans wherein the charge for each billing period is the estimated total annual bill divided by the number of billing periods prescribed by the plan. The difference between the actual and estimated annual bill is to be resolved by one payment at the end of the equal payment plan year, unless otherwise approved by the commission. However, any incorrect billing under equal payment plans shall be subject to this rule.

6. Customer Undercharged Due to Human or Machine Error. If the electrical utility has undercharged any customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any human or machine error, except as provided in 1, 2 and 4 of this rule then the electrical utility may recover the deficient amount as provided as follows:

a. If the interval during which a consumer having a demand of less than 50 KW was undercharged can be determined, then the electrical utility may collect the deficient amount incurred during that entire interval up to a maximum period of six months. For a consumer having a demand of 50 KW or greater, the maximum period shall be twelve months.

b. If the interval during which a consumer was undercharged cannot be determined, then the electrical utility may collect the deficient amount incurred during the six-month period preceding the date when the billing error was discovered by the electrical utility. For a consumer having a demand of 50 KW or greater, the maximum period shall be twelve months.

c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

d. If the usage and/or demand incurred by that person during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage and/or demand.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–341. Applications for Service.**

1. Method. Applications for service may be oral or in writing.

2. Obligation. The applicant shall, at the option of the electrical utility, be required to sign a service agreement or a contract. In the absence of such service agreement or contract, the accepted application shall constitute a contract between the electrical utility and the applicant, obligating the applicant to pay for service in accordance with the electrical utility's tariff or rate schedule currently on

file with the commission and the ORS, and to comply with the commission's and the electrical utility's rules and regulations governing service supplied by the electrical utility.

3. Termination. When a customer desires to have his service terminated, he must notify the electrical utility; such notification may be oral or in writing. The electrical utility shall be allowed a reasonable period of time after the receipt of such a notice to take a final reading of the meter and to discontinue service.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–342. Reasons For Denial or Discontinuance of Service.**

Unless otherwise stated, a customer shall be allowed a reasonable time in which to correct any discrepancy which may cause discontinued service. Service may be denied or discontinued for any of the following reasons:

- a. Without notice in the event of a condition determined by the electrical utility to be hazardous or dangerous.
- b. Without notice in the event of customer's use of equipment in such a manner as to adversely affect the electrical utility's service to others.
- c. Without notice in the event of unauthorized or fraudulent use, excluding tampering, of the electrical utility's service, i.e.:
  1. Misrepresentation of the customer's identity.
  2. For reconnection of service by customer who has had service discontinued for violation of and/or noncompliance with the commission's regulation 103–342, et seq.
- d. Tampering.

After the customer has applied for and/or received service from the electrical utility, he shall make every reasonable effort to prevent tampering with the meter and service drop serving his premises. A customer shall notify the electrical utility, as soon as possible, of any tampering with, damage to, or removal of any equipment.

Tampering with meters or with conductors carrying unmetered current and unauthorized breaking of electrical utility's seals is prohibited by law and shall not be tolerated by the electrical utility. Such meter tampering shall include but shall not be limited to, unassigned meters, altered meters, upside down meters, or the attachment to a meter or distribution wire of a device, mechanism or wire which would permit the use of unmetered electricity. Should the electrical utility find that the meter, conductors, or seals have been tampered with, the electrical utility shall give notice to the customer of possible discontinuance of service. Service may be continued or reconnected consistent with the following:

1. A customer can stop discontinuance of service or have service reconnected by paying a reasonable charge for an inspection (to insure proper operating conditions), a reasonable reconnect fee, and charges to compensate for any damage to the electrical utility's facilities.
2. A customer's bill may be adjusted to reflect normal usage should any tampering reflect other than normal meter readings and the customer's bill may include the establishment of a deposit in accordance with the commission's regulation 103–332 et seq.

Nothing herein shall prevent the electrical utility from instituting appropriate legal actions for violations and/or noncompliance with the commission's regulations.

- e. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.
- f. For failure of the customer to permit the electrical utility reasonable access to its equipment.
- g. For nonpayment of bill for service rendered provided that the electrical utility has made reasonable efforts to effect collection and has complied with the provisions of regulation 103–352.
- h. For failure of the customer to provide the electrical utility with a deposit as authorized by regulation 103–331.
- i. For failure of the customer to furnish permits, certificates, and rights-of-way, as necessary to obtain service, or in the event such permissions are withdrawn or terminated.

j. For failure of the customer to comply with reasonable restrictions on the electrical utility's service, provided that notice has been given to the customer and that written notice has been furnished to the commission and the ORS.

k. No electrical utility shall be required to furnish its service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such electrical utility for service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the electrical utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six years prior to the time of application.

l. The electrical utility may terminate a customer's service should the customer be in arrears on an account for service at another premise.

m. For the reason that the customer's use of the electrical utility's service conflicts with, or violates orders, ordinances or laws of the State or any subdivision thereof, or of the commission.

**HISTORY:** Amended by State Register Volume 5, eff May 22, 1981; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register 32, Issue No. 5, eff May 2008.

### **103-343. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

a. Nonpayment for services by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.

b. Failure to pay for merchandise purchased from the electrical utility.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-344. Right of Access.**

Authorized agents of the electrical utility shall have the right of access to premises supplied with electric service, at reasonable hours, for the purpose of reading meters, maintenance, repair, and for any other purpose which is proper and necessary in the conduct of the electrical utility's business. Such agents shall, upon request of a customer, produce proper identification and inform the customer of the purpose of necessary access to the occupied premises.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-345. Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the electrical utility shall be investigated promptly, thoroughly, and professionally. The electrical utility shall keep such records of customer complaints to include the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof as will enable it to review and analyze its procedures and actions.

B. When the ORS has notified the electrical utility that a complaint has been received concerning a specific account, the electrical utility shall refrain from discontinuing the service of that account until the ORS's investigation is completed and the results have been received by the electrical utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission within fifteen days of the ORS mailing the results of the ORS investigation, along with a copy of regulation 103-345, to the complainant. If the complainant does not file the complaint with the commission within fifteen days, service can be discontinued.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-346. Rates for Service, Rate Schedules, Rules and Regulations.**

Copies of all schedules of rates for service, forms of contracts for service, charges for service connections and of all rules and regulations covering the relations of customer and electrical utility, shall be provided to the ORS and the commission by each electrical utility and approved by the commission in the office of the commission. Complete schedule, contract forms, rules and regulations,

etc., as filed with and approved by the commission, shall also be on file in the local offices of the electrical utility and shall be available for inspection by the public.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–347. System Which Electrical Utility Must Maintain.**

Each electrical utility, unless specifically relieved by the commission from such obligation, shall operate and maintain in a safe, efficient and proper condition all of the facilities and equipment used in connection with the regulation, measurement and electric service to any customer up to and including the point of delivery into the facilities owned by that customer.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–348. System Extensions.**

Each electrical utility shall be obligated to comply with all requests for service in accordance with its schedules of rates and service rules and regulations on file with the commission and the ORS within areas assigned to it by the commission and within three-hundred feet of its lines as they existed on the date of assignment.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–349. Replacement of Meters.**

Whenever a customer requests the replacement of an electric meter on his premises, such request shall be treated as a request for the test on such meter, and, as such, shall fall under the provisions of regulation 103–373.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–350. Service Entrance Changes.**

Whenever a customer requests the electrical utility to relocate the electrical utility's service entrance, the electrical utility may require reasonable charges to cover the cost incurred to be paid prior to relocation.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–351. Temporary Service.**

When the electrical utility renders temporary service to a customer, it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–352. Procedures for Termination of Service.**

Prior to the termination of electric service pursuant to R.103–342 e.-m., the following procedures shall be employed by the electrical utility.

a. Not less than ten (10) days prior to termination of service, the electrical utility shall mail a notice of termination to the affected customer. The notice of termination of service shall include, as a minimum, the following information:

1. Address, telephone number and working house of the person(s) to be contacted by the customer for the arrangement of a personal interview with an employee of the electrical utility with the authority to accept full payment or make other payment arrangements.

2. The total amount owed by the customer for electrical services rendered, the date and amount of the last payment and the date by which the customer must either pay in full the amount outstanding or make satisfactory arrangements for payment by installments of such amount.

3. Special Needs Customers.

a. A statement that service to a residential customer who qualifies as a special needs account customer shall only be terminated in accordance with S.C. Code Ann. §58–27–2510 *et. seq.*, as amended. All electrical utilities shall publish their procedures for termination of service on their websites.



b. The statement that service to a residential customer during the months of December through March will not be terminated where such customer, or a member of his household at the premises to which service is rendered, can furnish to the utility, no less than (3) days prior to termination of service or to the terminating crew at time of termination, a certificate on a form provided by the utility and signed by a licensed physician, that termination of electric service would be especially dangerous to such person's health. Such certificate must be signed by the customer and state that such customer is unable to pay by installments. A certification shall expire on the thirty-first day from the date of execution by the physician. Such certification may be renewed no more than three (3) times for an additional thirty (30) day period each. Upon renewal of the certification, the electrical utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to him.

4. The availability of investigation and review of any unresolved dispute by the ORS Staff and include the ORS's toll free telephone number.

b. Not more than two business days prior to termination of service, the electrical utility shall make reasonable efforts either by telephone or in person to contact the customers that are subject to termination of service to notify him that his service is subject to termination for non-payment. Alternatively, not more than three business days prior to termination of service, the electrical utility shall notify the customer by mail that he is subject to termination of service for non-payment. The electrical utility shall maintain records of the efforts made to contact such customers. Termination of service may be delayed in case of inclement weather, emergencies or operational conflicts.

c. The electrical utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for electrical service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by regulation 103-339(3). Service to such customer shall not be terminated unless the electrical utility has informed the customer that such deferred payment plan is available. Any agreement to extend or defer a payment cut off date by more than five work days is a deferred payment plan. If a customer fails to conform to the terms and conditions of such deferred payment plan, the electrical utility may terminate service upon three days written notice, if personally delivered, or upon five days notice by mail.

d. If a residential customer informs the electrical utility that he is unable to make payment in full on his account or to make arrangements for the satisfaction of the balance of his account through a deferred payment plan, the electrical utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to the customer.

e. The electrical utility shall maintain a record of all deferred payment plans established with customer subject to termination for a period of two years.

f. The electrical utility shall provide a copy of the termination notice to any third party identified by the customer upon establishment of the service account or at any time thereafter.

g. Electric service may be terminated only on Monday through Thursday between the hours of 8:00 a.m. and 4:00 p.m., unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. Electric service may not be terminated on the day preceding any day on which the electric utility's collection offices are closed, unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. All employees of electrical utilities assigned to terminate service shall be authorized to accept payment from customers subject to termination of service or in lieu thereof, at the electrical utility's option, allow such customer at least one full working day beyond the initial date set for termination the opportunity to make satisfactory arrangements on the account at the offices of the electrical utility; provided, however, that in certain areas where it has been determined by the electrical utility that the safety of its employees warrants it, those employees shall not be required to accept payments from customers subject to termination.

**HISTORY:** Added by State Register Volume 5, eff April 24, 1981. Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 5  
ENGINEERING**

**103–360. Requirements for Good Engineering Practice.**

The electric plant of an electrical utility shall be constructed, installed, maintained and operated in accordance with good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service, and the safety of persons and property.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–361. Acceptable Standards.**

Unless otherwise specified by the commission, after hearing if requested, the electrical utility shall use the applicable provisions of the latest edition, Part 2, of the “National Electrical Safety Code”, as minimum standards of accepted good engineering practice.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–362. Acceptable References.**

Part 2 of the “National Electrical Safety Code” (latest edition), is considered by the commission to be an acceptable reference.

New additions to Part 2 of the National Electrical Safety Code shall become effective six months after the date of final approval by the American National Standards Institute unless a request for a hearing has been granted by the commission.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–363. Adequacy of Service.**

1. Operation of Electrical Utility.

A. Standard Frequency—Each electrical utility supplying alternating current shall adopt a standard frequency of 60 Hertz, suitability of which has been determined by the commission, and shall maintain this frequency within 15 seconds plus or minus of standard at all times during which service is supplied; provided, however, that momentary variations of frequency of more than fifteen seconds which are clearly due to no lack of proper equipment or reasonable care on the part of the electrical utility, shall not be construed a violation of this rule.

B. Standard Voltage—Each electrical utility shall adopt standard average voltage for its different classes of constant voltage service. This voltage maintained at the electrical utility mains shall at all times be reasonably constant, and the variations in voltage from the average shall in no case exceed the limitations as prescribed below.

The voltage variations for service should not exceed 10% above or below the standard average voltage.

A greater variation of voltage than specified above may be allowed when service is supplied directly from the transmission line or in a limited or extended area where customers are widely scattered, and the business done does not justify close voltage regulation. In such cases, the best voltage regulation should be provided that is practicable under the circumstances.

Variations in the voltage in excess of those specified, caused by the operation of power apparatus on customers’ premises which necessarily requires large starting current by the action of the elements, and by infrequent and unavoidable fluctuations of short duration due to station operation, shall not be construed a violation of this rule.

C. Special Equipment—Where a separate transformer or other additional electrical utility standard equipment or capacity is to be used to eliminate fluctuations or other effects detrimental to the quality of service to other customers the electrical utility may make a reasonable charge for the transformer, equipment and line capacity required. In lieu of the above, the electrical utility may require the customer to either discontinue the operation of the equipment causing the disturbance or install the necessary motor generator set or other apparatus to eliminate the disturbance detrimental to the service of other customers.

D. When only one set of overhead service wires (service drop) is required to connect a residential or small non-residential customers to electric service mains, the electrical utility shall provide such service drop including the attachments at the point where service drop wires are attached to customer's premises, which point shall be the point nearest the electrical utility's electric circuit to be used in supplying service to the customer. The customer shall provide "service entrance facilities" including meter loop, entrance switch or circuit breaker, and service entrance conductors complying with rules of the electrical utility from the point of attachment of the electrical utility's service drop on the customer's premises. The customer shall provide a substantial point of attachment for service drop wires. This provision does not apply to large non-residential or industrial customers' connections as they vary so greatly that each requires special consideration. When service to the customer requires individual electrical utility company facilities (such as oil circuit breakers, transformers, etc.), to be located on customer's premises on the ground or in a vault, the customer shall provide a suitable, adequate and readily accessible space for such facilities and shall insure access at all times. Electrical utility property installed on a customer's premises shall remain property of the electrical utility and may be removed for testing, repairs, changes in service or other conditions justifying change or removal.

E. For substations erected to serve an individual customer, the electrical utility shall provide either suitable supports on the substation structure or a suitable structure outside and immediately adjacent to its substation property line to which the customer shall extend his facilities. The customer in addition shall install, or cause to be installed, all facilities beyond the point of delivery thus established. When required by the electrical utility, the customer shall install one set of main disconnecting switches which shall control all of the customer's load other than a fire pump circuit, if any.

F. The meter installation of the electrical utility may include enclosures that may be locked by the electrical utility and not accessible to the customer.

## 2. Voltage Surveys and Records.

A. Each electrical utility shall provide itself with suitable indicating and/or recording voltmeters, and shall make a sufficient number of voltage tests periodically so as to insure compliance with the voltage requirements cited above. These tests shall be made at appropriate points upon the electrical utility's distribution lines.

B. Each electrical utility shall have installed at its generating stations suitable instruments to indicate the frequency and voltage of the service rendered from that station, together with the load or loads demanded in each such station. Each electrical utility shall keep a station record at attended stations which shall show: (1) the time of starting and shutting down the generating units; (2) readings of such instruments as necessary; and (3) all interruptions to service affecting bus bars or distribution systems, with the time, duration, and the cause (when known) of the interruption.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## SUBARTICLE 6 INSPECTIONS AND TESTS

### **103-370. Electrical Utility Inspection and Tests.**

Each electrical utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herein provided or requested by the ORS or as may be approved or ordered by the commission.

1. All electric meters shall be tested and calibrated under the applicable periodic or sample testing plan as prescribed by the American National Standards Institute (ANSI) Standard C12 - Code of Electricity Meters. Results from sample-tested meters shall be communicated to the ORS on an annual basis.

#### 2. Meter Testing on Request of Customers.

A. Each electrical utility shall, at any time (when requested in writing by a customer) upon reasonable notice, test the accuracy of the meter in use by him.

B. No deposit or payment shall be required from the customer for such meter test except when a customer requests a meter test within one year after date of installation or the last previous test of a

meter, in which case he shall be required upon request by the electrical utility to deposit the estimated cost of the test, but not to exceed \$15.00 without approval of the commission. The amount so deposited with the electrical utility shall be refunded or credited to the customer, if the meter is found, when tested, to register more than 2% fast or slow, otherwise the deposit shall be retained by the electrical utility.

C. A customer may request to be present when the electrical utility conducts the test on his meter, or if he desires, may send a representative appointed by him. The electrical utility shall honor such request.

D. A report giving the name of the customer requesting the test; the date of the request; the location of the premises where the meter has been installed; the type, make, size, and serial number of the meter; the date of removal; the date tested; and the result of the test shall be kept by the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-371. ORS Inspections and Tests.**

The ORS shall make tests of meters as follows:

a. Upon written request to the commission or ORS by a customer or an electrical utility, a test will be made of the customer's meter as soon as practicable.

b. On receipt of such request, the ORS shall notify the electrical utility, and the electrical utility shall not knowingly remove or adjust the meter until instructed by the ORS. The ORS shall supervise the test of the meter, using the standard approved by the commission with such standard being compared with the electrical utility's standard. The results of the test shall be made available to the customer.

c. The customer shall be notified of the test in sufficient time to allow the customer or the customer's representative to be present.

d. The ORS shall make a written report of the results of the test to the customer and to the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-372. Facilities and Equipment for Testing.**

A. Each electrical utility furnishing metered electric service shall, unless specifically excused by the commission, provide and have available such meter laboratory, standard meters, instruments and facilities as may be necessary to make the tests required by these rules or other orders of the commission or as requested by the ORS, together with such portable indicating electrical testing instruments, watt-hour testing meters, and facilities of suitable type and range for testing service watt-hour meters, voltmeters and other electrical equipment, used in its operation, as may be deemed necessary and satisfactory to the commission or the ORS.

B. All portable indicating electrical testing instruments such as voltmeters, ammeters and wattmeters, when in regular use for testing purposes, shall be checked against suitable reference standards whenever used in testing service meters of the electrical utility.

C. When the size of the electrical utility is such that it is more economical to contract for meter testing, such procedure is authorized provided the contract work is done by a recognized meter testing laboratory.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-373. Test Procedures and Accuracies.**

1. Method of Determining Average Error of Meters.

A. Field testing the average error of a service watt-hour meter shall be determined as follows: The error at Light Load, here defined as approximately 10% of the rated capacity (Test Amperes) of the meter, shall be determined by taking the average of at least two errors determined from as many separate tests on the same Light Load, which error must agree within one-half percent (1/2 %).

In the same manner, the error at Full Load, here defined as approximately the rated capacity (Test Amperes) of the meter, shall be determined. The average error of the meter shall then be

determined by taking the average error at Light Load plus four times the error at Full Load (Test Amperes) and dividing this sum by five, proper consideration being taken of the sign of the two errors.

B. Meter Shop Testing—When an electronic test board is used, the average error of a watt-hour meter shall be determined as follows: The error at Light Load, here defined as approximately 10% of the rated capacity (Test Amperes) of the meter, shall be determined. The error at Full Load, here defined as approximately the rated capacity of the meter or Test Amperes, shall be determined. The average error of the meter shall then be determined by taking the error at Light Load plus four times the error at Full Load (Test Amperes) and dividing this sum by five, proper consideration being taken of the sign of the two errors.

## 2. Meter Accuracy.

A. Creeping: No watt-hour meter which registers on “no load” when the applied voltage is less than one hundred and ten (110%) percent of standard service voltage shall be placed in service or allowed to remain in service.

B. Initial Accuracy Requirements—No watt-hour meter shall be in service which is in any way defective to impair its performance, or which has incorrect constants, or which has not been tested individually or under a sample meter testing plan approved by the commission for accuracy of measurement and adjusted, if necessary, to meet these requirements at unity power factor:

Average error not over 0.5% plus or minus;

Error at Full Load (Test Amperes) not over 0.5% plus or minus;

Error at Light Load not over 1.0% plus or minus.

C. Adjustment After Test—Whenever a test made by an electrical utility, contract vendor or on behalf of the electrical utility or by the ORS on a service watt-hour meter connected in its permanent position in place of service shows that the average error is greater than that specified allowed above, the meter shall be adjusted to bring the average error within the specified initial accuracy limits, or the meter shall be replaced.

## 3. Test Instruments.

Each electrical utility shall own and maintain such standard watt-hour meters, such instrument transformers, voltmeters, ammeters and such other instruments necessary in maintaining the accuracy of its standards used in testing the meters serving its customers.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## SUBARTICLE 7 STANDARDS AND QUALITY OF SERVICE

### **103–380. Quality of Service.**

Each electrical utility shall provide the best possible service that can be reasonably expected from the facilities of that electrical utility. When the quality or quantity of service falls below what can be reasonably expected, the electrical utility shall, as soon as practicable, provide the proper service.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–381. Interruption of Service.**

A. Each electrical utility shall make all reasonable efforts to avoid interruptions of service, but when interruptions occur, service shall be re-established within the shortest time practicable, consistent with safety of its employees, customers, and of the general public.

B. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by a reasonable attempt to give adequate notice to those who will be affected.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–382. Restrictions on the Use of Service.**

A. The electrical utility may impose reasonable restrictions on the use of electric service during periods of shortage of supply, excessive demand or other difficulty which jeopardizes the supply of service to any group of customers.

B. The electrical utility may impose reasonable restrictions on the use of electric service by customers who create conditions which prevent the electrical utility from supplying satisfactory service to that customer, or to other customers.

C. If an electrical utility finds that it is necessary to restrict the use of electric service, it shall notify its customers and give the commission written notice, except in emergencies, before such restriction becomes effective. Such notification shall specify:

1. The reason for restriction.
2. The nature and extent of the restriction, i.e., amount and time of use by certain classes of customers, etc.
3. The date such restriction is to go into effect.
4. The probable date of termination of such restriction.

D. The electrical utility shall not be required to furnish service to customers whose equipment is operated in such manner as to cause unreasonable voltage fluctuations on the electrical utility's circuits, which fluctuations are detrimental to service to other customers.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–383. Special Tests.**

The electrical utility shall conduct such special and regular tests of its generating transmission and distribution plant as will enable the electrical utility to provide the best service possible at the most reasonable cost to the customers of the electrical utility.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **SUBARTICLE 8 SAFETY**

### **103–390. Acceptable Standards.**

As criteria of accepted good safety practice of the electrical utility, the commission shall use the applicable provisions of the standards listed in regulation 103–361.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–391. Protective Measures.**

A. Each electrical utility shall exercise reasonable care to reduce the hazards to which its employees, its customers and the general public may be subjected.

B. The electrical utility shall give reasonable assistance to the ORS in the investigation of the cause of incidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of preventing incidents.

C. Each electrical utility shall maintain a summary of all reportable incidents arising from its operations. (See regulation 103–315.)

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–392. Safety Program.**

Each electrical utility shall adopt and execute a safety program, fitted to the size and type of its operations. As a minimum, the safety program should:

- a. Require employees to use suitable tools and equipment in order that they may perform their work in a safe manner.
- b. Instruct employees in safe methods of performing their work.
- c. Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.
- d. Establish liaison with appropriate public officials, including fire and police officials in anticipation of a potential emergency.

e. Establish an educational program to enable customers and the general public to recognize and report an electrical emergency to the appropriate officials.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**ARTICLE 4**  
**GAS SYSTEMS**  
**SUBARTICLE 1**  
**GENERAL**

**103–400. Authorization of Rules.**

A. Section 58–5–210 of the Code of Laws of South Carolina, 1976, provides: “That the Public Service Commission is hereby, to the extent granted, vested with power and jurisdiction to supervise and regulate the rates and service of every ‘Public Utility’ in this State as defined in this Act, together with the power, after hearing, to ascertain and fix such just and reasonable standards, classifications, regulations, practices and measurements of service to be furnished, imposed, observed and followed by every public utility in this State, and the State hereby asserts its rights to regulate the rates and services of every ‘Public Utility’ as herein defined.”

In accordance with the above provisions, the Public Service Commission has adopted the following Rules and Regulations and fixed the following standards for gas service. All previous rules or standards are hereby revoked, annulled, and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility or standard, either upon complaint or upon its own motion, or upon the application of any utility.

Furthermore, these rules shall not in any way relieve the commission, the Office of Regulatory Staff, or the utilities of any duties under the laws of this State.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–401. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, association, establishment, or corporation which is now or may hereafter become engaged as a public utility in the business of furnishing gas to any gas customer within the State of South Carolina, except where municipalities or agents thereof, and/or any gas authorities are specifically exempted by statute.

2. Purpose. The rules are intended to define good practice. They are intended to insure adequate and reasonable service. The utilities shall assist the commission in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rules or regulations may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**103–402. Definitions.**

The following words and terms, when used in these rules, shall have the meaning indicated:

1. Commission. “Commission” means the Public Service Commission of South Carolina.
2. Consolidated Political Subdivision. A “consolidated political subdivision” means that it exists pursuant to the Constitution of this State, and shall not be deemed a city, town, county, special purpose district or other governmental unit merged thereinto.
3. Customer. “Customer” means any person, firm, association, establishment, partnership or corporation, or any agency of the Federal, State, or local government, being supplied with gas service by a gas utility under the jurisdiction of this commission.

4. Gas. "Gas" or "Natural Gas" means either natural gas unmixed, or any mixture of natural and manufactured gas, including but not limited to, synthetic natural gas and liquefied petroleum.

5. Gas Service. "Gas Service" means those functions performed by a gas utility for its customers, including the purchase and/or manufacture of gas, storage of gas, transportation and delivery of gas to the customer.

6. Gas System. "Gas System" includes any gas utilities operating within this State, including gas authorities, municipalities, public service districts and other political subdivisions of this State insofar as they are within the jurisdiction of the commission for regulation of safety standards and conditions, pursuant to S. C. Code Ann. § 58-5-920(f) (1976).

7. Gas Utility. "Gas Utility" includes every privately-owned corporation, firm or person furnishing or supplying gas service to the public, or any portion thereof, for compensation. Provided, however, this term shall not include any gas utility owned or operated by any municipality or agency thereof; nor shall it include any gas utility owned or operated by any gas authority specifically exempted by statute from the jurisdiction of the commission.

8. Municipality. "Municipality" includes a city, town, county, township and any other corporation existing, created or organized as a governmental unit under the Constitution and Laws of this State.

9. ORS. "ORS" means the Office of Regulatory Staff.

10. PHMSA. Pipeline and Hazardous Materials Safety Administration of the United States Department of Transportation ("DOT").

11. Rate. "Rate" when used in these Rules and Regulations means and includes every compensation charge, toll, rental, and classification, or any of them, demanded, observed, charged or collected by any gas utility for any gas service offered by it to the public, and any rules, regulations, practices or contracts affecting any such compensation, charge, toll, rental or classification.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–403. Authorization for Rates and Charges.**

A. All rates, tolls and charges proposed to be put into effect by any gas utility shall be first approved by the commission before they shall become effective, unless they are exempt from such approval by statute, Order of this commission, or other provision of law.

B. No schedule of rates, tolls, or charges under jurisdiction of the commission, differing from the approved tariffs or rates, shall be changed until after proposed change has been approved by the commission.

C. No rates, tolls, charges, nor service of any gas utility shall be deemed approved nor consented to by mere filing of schedules or other evidence thereof in the offices of the commission, unless such proposed adjustment is made in accordance with tariff provisions which have previously been approved by the commission.

D. All contracts between any industrial customer and any gas utility which establish or adjust rates for that industrial customer may become effective as of the dates of the contracts unless disapproved or modified by the commission in the public interest. Such contracts shall be provided to the ORS and filed with the commission within seven (7) days of execution.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–404. Territory and Certificates.**

A. No public utility supplying gas to the public shall hereafter begin the construction or operation of any gas facility, or of any extension thereof, without first obtaining from the commission a certificate that public convenience and necessity requires or will require such construction or operation; such certificate to be granted only after notice to ORS, other interested gas utilities and to the public, and after due hearing; provided, however, that this regulation shall not be construed to require any such gas utility to secure a certificate for any extension within any municipality or district within which it has heretofore lawfully commenced operations, or for an extension within or to territory already served by it, necessary in the ordinary course of its business, or for an extension into territory contiguous to that already occupied by it and not receiving similar service from another gas utility; but if any gas utility in



constructing or extending its lines, plant or facilities unreasonably interferes, or is about to unreasonably interfere, with the service or system of any other gas utility, the commission may make such order and prescribe such terms and conditions in harmony with this regulation as are just and reasonable.

B. The term “public utilities supplying gas to the public” shall include all utilities supplying gas to the public, including natural gas and manufactured gas when such manufactured gas is used to supplement flowing gas supply.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–405. Utility Rules and Regulations.**

Each gas utility shall adopt such rules, regulations, practices, service requirements, terms and conditions, etc. as may be necessary in the operation of gas service to its customers which shall be provided to the ORS and filed with and subject to review and order of the commission, unless otherwise specified.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103–410. Location of Records and Reports.**

All records required by these rules or necessary for the administration thereof, shall be kept within this State, unless otherwise authorized by the commission. These records shall be available for examination by the ORS at all reasonable hours.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–411. Retention of Records.**

1. Retention Period. Unless otherwise specified by the commission or by regulations governing specified activities, all records required by these rules and regulations shall be preserved for two years.

2. Test and Inspection Records. A complete record shall be kept of all tests and inspections made under these rules as to the quality or condition of service which it renders.

3. Contents of Test Records. All records of tests shall contain complete information concerning the test, including the date, hour, and place where the test was made; the name of the person making the test and the result.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–412. Data to be Filed with the Commission and Provided to the ORS.**

1. Annual Report. Each gas utility operating in this State shall make an annual report to the commission and ORS giving such information as the commission may direct. This Annual Report shall include the same information included in FERC Form 2; thus, the gas utility can file its FERC Form 2 with the commission and the ORS or an Annual Report with the equivalent information.

2. Current Information and Documents. The gas utilities shall file with the commission and provide to the ORS the following documents and information.

2.1. Tariff. A copy of the gas utility’s tariff which shall include:

- A. A copy of each schedule of rates for service, together with applicable riders.
- B. A copy of the gas utility’s rules or terms and conditions, describing the gas utility’s policies and practices in rendering jurisdictional gas service. These rules shall include:
  1. The minimum and maximum heating value of the gas in BTU’s per cubic foot.
  2. A list of the classes of items which the gas utility furnishes and maintains on the customer’s premises, such as service pipe, meters, regulators, vents and shutoff valves.
  3. A statement indicating the minimum number of days allowed for payment of the gross amount of the customer’s bill before service will be discontinued for non-payment.
  4. A statement indicating the volumetric measurement base to which all sales of gas at other than standard delivery pressure are corrected.

C. Tariffs must be filed with the office of the Chief Clerk of the commission and, on that same day, provided to the Executive Director of the ORS.

2.2. Customer Bill. A copy of each type of bill form used in billing for gas service must be provided to the ORS.

2.3. Operating Area Map. A map showing the gas systems operating area. This map shall be revised as necessary and made available to the ORS upon request. The map should show:

- a. Gas production plant.
- b. Principal storage facilities.
- c. Transmission lines and principal mains by size and valves located thereon.
- d. System metering (supply) points.
- e. State boundary crossings.
- f. Certified area and/or territory served.
- g. Names of all communities (post offices) served.

2.4. Authorized Representative. The gas utility shall advise the commission and ORS of the name, title, address and telephone number of the person or persons who should be contacted in connection with:

- a. General management duties.
- b. Customer relations (complaints).
- c. Engineering and/or operations.
- d. Meter tests and repairs.
- e. Emergencies during non-office hours.

2.5. Contract Forms. A copy of the gas utility's gas service contract forms, and special gas service contract forms shall be provided to the ORS.

2.6. Pipeline Safety. All gas systems subject to pipeline safety regulation shall file with the commission and provide to the ORS those reports, policies and procedures required by the Federal Pipeline Safety Regulations: Minimum Safety Standards for the Transportation of Natural Gas and Other Gas, 49 C.F.R., as amended from time to time, to include, but not limited to, the following:

- a. Inspection and maintenance manual.
- b. Emergency plan.
- c. Welders. Listing of welders and proof of qualifications.

2.7. New Construction. All gas systems subject to pipeline safety regulation shall notify the commission and the ORS of any construction projects meeting either of the criteria below:

- A. Projects resulting in a cost of \$500,000 or more, whether steel, plastic, or other materials are installed or;
- B. Projects involving 25,000 feet of piping or more, whether steel, plastic, or other material(s) are utilized.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-413. Inspection of Gas Systems.**

A. Each gas system shall, upon request of the commission or ORS, provide to the ORS a statement regarding the condition and adequacy of its plant, equipment, facilities and service in such form as the commission or ORS may require.

B. Each gas system shall keep sufficient records to give evidence of compliance with its inspection program.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-414. Interruption of Service.**

Each gas utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any major community or any important division,

consisting of at least fifty customers, of a community, including a statement of the time, duration and cause of such interruption. The commission and ORS are to be notified by telephone of any such interruption as soon as practicable after it comes to the attention of the gas utility and a complete written report made to the commission and ORS after restoration of service, if such interruption is more than six hours in duration.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-415. Incidents.**

A. Each gas system shall, as soon as possible, report to the ORS each incident occurring wherein there exist either: (a) serious injury or death of any person; (b) property damage in excess of \$5,000, in the gas system's commercially reasonable estimation, including the gas system's cost of lost gas exiting the gas system's lines to a customer's meter and the expense to make repairs to its facilities or property; or (c) an event that is significant in the judgment of the gas system.

B. Each gas system shall establish and follow procedures for analyzing, reporting and minimizing the possibilities of any future incidents.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-417. Meter History.**

Each gas utility shall maintain records of the following data, where applicable, for each billing meter for so long as such meter is in possession of the gas utility and for at least twelve months thereafter.

- a. Date of purchase.
- b. The complete identification—manufacturer, number, type, size, capacity, multiplier, and constants.
- c. The current and last previous locations, and the dates of installation at and removal from service at such locations.
- d. Repairs.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-418. Meter Test Records and Reports.**

A. Each gas utility shall maintain records of at least the last two tests made of any billing meter. The record of the meter test made at time of the meter's retirement shall be maintained for a minimum of two years. Test records shall include the following:

1. The date and reason for the test.
2. The reading of the billing meter before making any test.
3. The accuracy "as found" at check and open rated flow (up to 10,000 cfh).
4. The accuracy "as left" at check and open rated flow (up to 10,000 cfh).

5. In the event test of the meter is made by using a test meter or a flow prover, the gas utility shall retain all data taken at the time of the test in sufficiently complete form to permit the convenient form to permit the convenient checking of the test methods and the calculations.

B. Whenever any gas service meter is tested the original test record shall be preserved, including the information necessary for identifying the meter, the reason for making the test, the reading of the meter upon removal from service, and the result of the test, together with all data taken at the time of the test in sufficiently complete form to permit convenient checking of the methods employed and the calculations.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 3  
METERS**

**103–420. Meter Requirements.**

1. General. Service shall be measured by meters furnished by the gas utility unless otherwise authorized by the commission, and such meters shall maintain the degree of accuracy as set forth in regulation 103–423.

2. Measurement. Where applicable, each gas meter shall indicate clearly the unit of gas registered by such meter. Where gas is metered under high pressure, or where the quantity is determined by calculation from recording devices, the gas utility shall, when requested, supply the customer with such information as will make clear the method by which the quantity is determined.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–421. Meter Reading.**

Unless extenuating circumstances prevent, meters shall be read and bills rendered on a monthly basis of not less than twenty-eight days nor more than thirty-four days.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–422. Meter Reading Data.**

The meter reading data maintained by the gas utility shall include:

- a. Customer's name and service address.
- b. Identifying number and/or description of the meter(s).
- c. Meter Readings.
- d. If the reading has been estimated.
- e. Location of meter on premises, or special reading instructions, if applicable.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–423. Meter Accuracy and Condition.**

A. Every gas meter, whether new, repaired, or removed from service, shall be in good order before being installed for the use of any customer and shall be correct to within the limits prescribed in regulation 103–475(5).

B. Care shall be taken to insure that every gas meter being transported or stored to install or test for the use of any customer is handled in a manner that will not impair the performance of such meter.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–424. Meter Seal.**

Immediately after the pre-installation tests or field tests of a billing meter or other billing device, a seal or locking device shall be affixed or other means provided, where practical, designed to discourage or reveal tampering or theft of gas.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103–425. Configuration and Location of Meter.**

A. No customer's meter shall be configured and/or installed in any location where it may reasonably be expected to be exposed to damage, impairment or in any unduly dirty or inaccessible location.

B. Outdoor meters shall be used where practicable.

C. Each customer shall provide and maintain at the customer's expense a suitable and convenient place, agreeable to the gas system, for the location of meters, where the meter will be readily accessible at any reasonable hour for the purpose of reading, testing, repairing, etc., and such other appliances owned by the gas system and placed on the premises of the customers shall be placed as to be readily

accessible at such times as are necessary, and the authorized agent of the gas system shall have authority to visit such meters and appurtenances at such times as are necessary in the conduct of the business of the gas system.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–426. Change in Character of Service.**

A. In order that the gas utility may provide a proper service facility and metering installation, the customer shall advise the gas utility of the expected service requirements and shall also advise the gas utility of any increase or decrease in the load to be provided by the gas utility in sufficient time to change service characteristics.

B. In case any substantial change is made by the gas utility in the service conditions which would affect the operation or adjustment of appliances of customers, the affected appliances shall be readjusted by the gas utility for the conditions without charge.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **SUBARTICLE 4 CUSTOMER RELATIONS**

### **103–430. Customer Information.**

Each gas utility shall:

a. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the gas utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.

b. Notify each affected customer in writing, as prescribed by the commission, of any proposed change in rates and charges. Unless the commission orders otherwise, this notice requirement shall not apply to Purchased Gas Adjustments, Curtailment Adjustments, and Exploration Adjustments. Certification that the above notice requirement has been met shall be furnished to the commission and ORS by the gas utility.

c. Post a notice in a conspicuous place in each office of the gas utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the gas utility, as approved by the commission, are available for inspection at the gas utility.

d. Upon request, inform its customers as to the method of reading meters, as to billing procedures, and shall assist customers in selecting the most economical rate schedule applicable and method of metering the service, except as otherwise provided for by the commission.

e. Each gas system shall provide adequate means (telephone, etc.) whereby each customer can contact the gas system or authorized representative at all hours in cases of emergency or unscheduled interruptions of service.

f. Each gas utility shall, upon request, give its customers such information and assistance as is reasonable and proper in order that customers may secure safe and efficient service.

g. Notify any customer making a complaint recorded pursuant to regulation 103–445, that the gas utility is under the jurisdiction of the commission and the customer may notify the commission and ORS of his complaint.

h. Notify each affected customer of the possibility and degree of anticipated seasonal natural gas curtailments. Such notification shall be sent by the gas utility to its customers as soon as the gas utility becomes aware of the possible imposition of any curtailment. The ORS shall be informed by the gas utility whenever such notification has been given to its customers.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–431. Customer Deposits.**

A. Each gas utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

1. The customer's past payment record to a gas utility shows delinquent payment practice, i.e., customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or

2. A new customer cannot demonstrate that he is a satisfactory credit risk by appropriate means including, but not limited to, letters of good credit from a utility, or references which may be quickly and inexpensively checked by the Company or cannot furnish an acceptable cosigner or guarantor on the same system within the state of South Carolina to guarantee payment, up to the amount of the maximum deposit, or

3. A customer has no deposit and presently is delinquent in payments, i.e., has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months, or

4. A customer has had his service terminated for non-payment or fraudulent use.

B. Each utility shall inform each prospective customer of the provisions contained in (A) of this rule.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-432. Amount of Deposit.**

A. A maximum deposit may be required up to an amount equal to an estimated two months (sixty days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two consecutive months based on the experience of the preceding twelve months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

C. A schedule of deposits based upon an analysis of sixty days usage for categories of customers may be required by the company upon being provided to the ORS and filed and approved by the commission.

D. Special offerings may be exempt as determined by the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-433. Interest on Deposits.**

A. Simple interest on deposits at the rate of the current effective interest rate per annum prescribed by Order of the South Carolina Public Service Commission shall be paid by the gas utility to each customer required to make such deposit for the time it is held by the gas utility, provided that no interest need to be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer every two years or less and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-434. Deposit Records.**

Each gas utility shall keep records as to show:

- a. The name and address of each depositor.
- b. The amount and date of the deposit.
- c. Each transaction concerning the deposits.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–435. Deposit Receipt.**

Each gas utility shall issue a receipt of deposit to each customer from whom a deposit is received and shall provide means whereby a customer may establish his claim if his receipt is lost.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–436. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears, in the past twenty-four months.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–437. Unclaimed Deposit.**

A record of each unclaimed deposit must be maintained for at least one year, during which time the gas utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by state law.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–438. Deposit Credit.**

Where a customer has been required to make a guarantee deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill or otherwise, a gas utility shall apply the deposit of such customer toward the discharge of such account and shall as soon thereafter as practicable, refund the customer any excess of the deposit. If, however, the customer whose service has been disconnected for non-payment, pays the full amount billed within seventy-two hours after service has been disconnected and applies for reconnection, the gas utility may not charge an additional deposit except under the provisions of regulation 103–432.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–439. Customer Billing.**

The gas utility shall bill each customer as promptly as practicable following the reading of the meter and render a receipt of payment upon request.

1. New Service. Meters shall be read at the initiation and termination of any service and billing shall be based thereon.
2. Bill Forms. The bill shall show:
  - a. The reading of the meter at the beginning and at the end of the period for which the bill is rendered.
  - b. The date on which the meter was read, and the date of billing and the latest date on which it may be paid without incurring a penalty and the method of calculating such penalty.
  - c. The number and kind of units metered.
  - d. The applicable rate schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill should carry a statement to the effect that the applicable rate schedule will be furnished on request.
  - e. Any estimated usage shall be clearly marked with the word “estimate” or “estimated bill”.
  - f. Any conversions from meter reading units to billing units or any information necessary to determine billing units from recording or other devices, or any other factors, such as BTU adjustments, used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the gas utility’s local office.
    - g. Amount for gas usage.
    - h. Amount of South Carolina Sales Tax (dollars and cents).
    - i. Total amount due.

j. Number of days for which bill is rendered or beginning and ending dates for the billing period.

3. Late Payment Charges. A charge of no more than one and one-half percent (1 1/2 %) may be added to any unpaid balance not paid within twenty-five days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late-payment charge will be made in lieu of any other penalty.

4. Payment. The gas utility, at its option for good cause, may refuse to accept a check, debit card, credit card or other electronic payment tendered as payment on a customer's account. "Good cause" must be justified by a gas utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant.

5. Charges for Discontinuance and Reconnection. Whenever service is turned off for violation of rules or regulations, non-payment of bills or fraudulent use of service, the gas utility may make a reasonable charge, to be approved by the commission, for the cost incurred in discontinuing the service and reconnection and require payment for service billed and for service used which has not previously been billed.

6. Estimated Bills. Each gas utility shall not send a customer an estimated bill except for good cause where the meter could not be read or was improperly registering. No more than one estimated bill shall be rendered within a sixty day period, unless otherwise agreed to by the customer.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-440. Adjustment of Bills.**

If it is found that a gas utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or less compensation for any service rendered or to be rendered by such gas utility than that prescribed in the schedules of such gas utility applicable, thereto then filed in the manner provided in Title 58 of the South Carolina Code of Laws or if it is found that any customer has received or accepted any service from a gas utility for a compensation greater or less than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

1. Fast or Slow Meters. If the overcharge or undercharge is the result of a fast or slow meter, then the method of compensation shall be as follows:

a. In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon request of the customer, as specified in regulation 103-472.

b. In the event that the meter so tested is found to have an error in registration of more than two percent, the bill shall be increased or decreased accordingly, if the time at which the error first developed or occurred can be definitely determined. If such time cannot be determined, such correction shall not be made for more than six months.

2. Customer Wilfully Overcharged. If the gas utility has wilfully overcharged any customer, except as provided for in 1 of this rule, then the method of adjustment shall be as provided in S. C. Code Ann., § 58-5-370 (1976).

3. Customer Inadvertently Overcharged. If the gas utility has inadvertently overcharged a customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any other human or machine error except as provided in 1 of this rule, the gas utility shall at the customer's option credit or refund the excess amount paid by that customer or credit the amount billed as prescribed by the following:

a. If the interval during which the customer was overcharged can be determined, then the gas utility shall credit or refund the excess amount charged during that entire interval, provided that the applicable statute of limitations shall not be exceeded.

b. If the interval during which the customer was overcharged cannot be determined then the gas utility shall credit or refund the excess amount charged during the twelve month period preceding the date when the billing error was discovered.



c. If the exact usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined then the refund shall be based on an appropriate estimated usage and/or demand.

4. Customer Undercharged Due to Wilfully Misleading Company. If the gas utility has undercharged any customer as a result of a fraudulent or wilfully misleading action of that customer, or any such action by any person (other than the employees or agents of the company), such as tampering with, or bypassing the meter when it is evident that such tampering or bypassing occurred during the residency of that customer, or if it is evident that a customer has knowledge of being undercharged without notifying the gas utility as such, then notwithstanding 1 of this rule, the gas utility shall recover the deficient amount provided as follows:

a. If the interval during which the customer was undercharged can be determined, then the gas utility shall collect the deficient amount incurred during that entire interval, provided that the applicable statute of limitations is not exceeded.

b. If the interval during which the customer was undercharged cannot be determined, then the gas utility shall collect the deficient amount incurred during the twelve-month period preceding the date when the billing error was discovered by the gas utility.

c. If the usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on the appropriate estimated usage and/or demand.

d. If the metering equipment has been removed or damaged, then the gas utility shall collect the estimated cost of repairing and/or replacing such equipment.

5. Equal Payment Plans. A gas utility may provide equal payment plans, wherein the charge for each billing period is the estimated total annual bill divided by the number of billing periods prescribed by the plan. The difference between the actual and estimated annual bill is to be resolved by one payment at the end of the equal payment plan year, unless otherwise approved by the commission. However, any incorrect billing under equal payment plan shall be subject to the first paragraph of this rule.

6. Customer Undercharged Due to Human or Machine Error. If the gas utility has undercharged any customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any human or machine error, except as provided in 1 and 2 of this rule above, then the gas utility shall recover the deficient amount as provided as follows:

a. If the interval during which a customer was undercharged can be determined, then the gas utility may collect the deficient amount incurred during that entire interval up to a maximum period of twelve months.

b. If the full interval during which a customer was undercharged cannot be determined, then the gas utility may collect only the deficient amount of that portion of the interval that can be determined up to a maximum period of twelve months.

c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

d. If the usage incurred by that customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-441. Applications for Service.**

1. Method. Applications for service may be verbal or in writing.

2. Obligation. The applicant shall, at the option of the gas utility, be required to sign a service agreement or contract. In the absence of such a service agreement or contract, accepted application shall constitute a contract between the gas utility and the applicant, obligating the applicant to pay for service in accordance with the gas utility's tariff or rate schedule currently on file with the commission and the ORS, and to comply with the commission's and the gas utility's rules and regulations governing service supplied by the gas utility.

3. Termination. When a customer desires to have his service terminated, he must notify the gas utility; such notification may be verbal or in writing. The gas utility shall be allowed a reasonable period of time after receipt of such notice to take a final reading of the meter and to discontinue service.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–442. Reasons for Denial or Discontinuance of Service.**

Unless otherwise stated, a customer shall be allowed a reasonable time in which to correct any discrepancy which may cause discontinued service.

Service may be denied or discontinued for any of the following reasons:

- a. Without notice in the event of a condition determined by the gas utility to be hazardous or dangerous.
- b. Without notice in the event of customer use of equipment in such a manner as to adversely affect the gas utility's service to others.
- c. Without notice in the event of unauthorized or fraudulent use of gas utility service e.g.:
  1. Misrepresentation of the customer's identity.
  2. For reconnection of service by customer who has had service discontinued for violation of and/or non-compliance with the commission's regulation 103–442 et seq.
- d. Tampering.

After the customer has applied for and/or received service from the gas utility, he shall make every reasonable effort to prevent tampering with the meter and service lines serving his premises. A customer shall notify the gas utility, as soon as possible, of any tampering with, damage to, or removal of any equipment. Tampering with meters or with lines carrying unmetered gas and unauthorized breaking of utility's seals is prohibited by law and shall not be tolerated by the utility. Such meter tampering shall include but shall not be limited to, unassigned meters, or altered meters. Should the utility find that the meter, service line, or seals have been tampered with, the gas utility shall give notice to the customer of possible discontinuance of service. Service may be continued or reconnected consistent with the following:

1. A customer can stop discontinuance of service or have service reconnected by paying a reasonable charge for an inspection (to insure proper operating conditions), a reasonable reconnect fee, and charges to compensate for any damages to the utility's facilities.
2. A customer's bill may be adjusted to reflect normal usage should any tampering reflect other than normal meter readings and the customer's bill may include the establishment of a deposit in accordance with the commission's regulation 103–432 et seq.

Nothing herein shall prevent the gas utility from instituting appropriate legal actions for violations of and/or non-compliances with the commission's regulation 103–442 et seq.

- e. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.
- f. For failure of the customer to permit the gas utility reasonable access to its equipment.
- g. For nonpayment of bill for service rendered provided that the gas utility has made reasonable efforts to effect collection and has complied with the provisions of regulation 103–452.
- h. For failure of the customer to provide the gas utility with a deposit as authorized by regulation 103–431.
- i. For failure of the customer to furnish permits, certificates, and rights-of-way, as necessary in obtaining service, or in the event such permissions are withdrawn or terminated.
- j. For failure of the customer to comply with reasonable restrictions on the use of service, provided that notice has been given to the customer and that written notice has been furnished to the commission and ORS.
- k. No gas utility shall be required to furnish its service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such gas utility for service previously furnished such applicant or furnished any

other member of the applicant's household. However, for the purposes of this regulation, the gas utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six years prior to the time of application.

1. The gas utility may terminate a customer's service should the customer be in arrears on an account for service at another premises.

**HISTORY:** Amended by State Register Volume 5, eff May 22, 1981; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-443. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

- a. Non-payment for services by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.
- b. Failure to pay for merchandise purchased from the gas utility.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-444. Right of Access.**

Authorized agents of the gas system shall have the right of access to premises supplied with gas service at reasonable hours, for the purpose of reading meters, examining facilities and pipes, maintenance, repair, observing the manner of using service and for any other purpose which is proper and necessary in the conduct of the gas system's business.

Such agents shall, upon request of a customer, produce proper identification and inform the customer of the purpose of necessary access to occupied premises.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-445. Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the gas utility, shall be investigated promptly, thoroughly and professionally by the gas utility. Each gas utility shall keep a record of all such complaints received, which record shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof. The gas utility shall keep such records of customer complaints as will enable it to review and analyze its procedures and actions.

B. Unless otherwise specified by the commission, when the ORS has notified the gas utility that a complaint has been received concerning a specific account, the gas utility shall refrain from discontinuing the service of that account for the matter which is the subject of the complaint, until the ORS's investigation is completed, and the results have been received by the gas utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission within fifteen days of ORS mailing the results of the ORS investigation, along with a copy of regulation 103-445, to the complainant. If the complainant does not file the complaint with the commission within fifteen days, service can be discontinued.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-446. Contracts, Rate Schedules, Rules and Regulations.**

Copies of all schedules of rates for service, contracts for service which involve rates, forms of contracts for service, charges for service connections and extensions of mains, and all rules and regulations concerning the relations between the customer and gas utility, shall be filed with the commission by each gas utility and shall be subject to prior approval by the commission. All contracts for service between any industrial customer and any gas utility which establish or adjust rates for any industrial customer shall be filed with the commission by each gas utility and may become effective as of the date of the contracts, unless disapproved or modified by the commission. Complete schedules,

contract forms, rules and regulations, etc., as filed with the commission, shall also be available for public inspection at the local offices of the gas utility.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–447. System Which Gas Utility Must Maintain.**

Each gas utility, unless specifically relieved by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions all of the facilities and equipment used in connection with the regulation, measurement and delivery of gas to any customer up to and including the point of delivery into the piping owned by the customer.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–448. System Extensions.**

When a prospective customer or customers of a gas utility makes application for service at a point not immediately adjacent to a service facility of a gas utility, and as long as the requirement for such service is reasonable, and the prospective service is in territory assigned by the commission to the gas utility, the gas utility shall render service under reasonable terms and conditions, unless otherwise authorized by the commission.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–449. Replacement of Meters.**

Whenever a customer requests the replacement of the gas meter on his premises, such request shall be treated as a request for the test of such meter, and, as such, shall fall under the provisions of regulation 103–475 and shall be subject to the provisions of regulation 103–472.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–450. Service Entrance Changes.**

Whenever a customer requests the gas utility to relocate the gas utility's service entrance, the gas utility may require reasonable charges to cover costs incurred to be paid prior to the relocation.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–451. Temporary Service.**

When the gas utility renders temporary service to a customer, it may require that the customer bear all cost of installing and removing the service in excess of any salvage realized.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–452. Procedures for Termination of Service.**

Prior to the termination of gas service pursuant to 103–442 e-m, the following procedures shall be employed by the gas utility:

a. Not less than ten days prior to termination of service, the gas utility shall mail a notice of termination to the affected customer. The notice of termination of service shall include, as a minimum, the following information:

1. Address, telephone number and working hours of the person(s) to be contacted by the customer for the arrangement of a personal interview with an employee of the gas utility with the authority to accept full payment or make other payment arrangements.

2. The total amount owed by the customer for gas services rendered, the date and amount of the last payment and the date by which the customer must either pay in full the amount outstanding or make satisfactory arrangements for payment by installments of such amount.

3. Special Needs Customers.

a. A statement that service to a residential customer who qualifies as a special needs account customer shall only be terminated in accordance with S.C. Code Ann. §58–5–1110 *et. seq.*, as amended. All gas utilities shall publish their procedures for termination of service on their websites.

b. The statement that service to a residential customer during the months of December through March will not be terminated where such customer, or a member of his household at the premises to which service is rendered, can furnish to the utility, no less than (3) days prior to termination of service, or to the terminating crew at time of termination, a certificate on a form provided by the utility and signed by a licensed physician, that termination of gas service would be especially dangerous to such person's health. Such certificate must be signed by the customer and state that such customer is unable to pay in full the amount of the charges due for gas service or is unable to pay by installments. A certification shall expire on the thirty-first day from the date of execution by the physician. Such certification may be renewed no more than three (3) times for an additional thirty (30) day period each. Upon renewal of the certification, the gas utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to him.

4. The availability of investigation and review of any unresolved dispute by the ORS and include the ORS's toll free telephone number.

b. Not more than two business days prior to termination of service, the gas utility shall make reasonable efforts either by telephone or in person to contact the customer to notify him that his service is subject to termination for non-payment. Alternatively, not more than three business days prior to termination of service, the gas utility shall notify the customer by mail that he is subject to termination of service for non-payment. The gas utility shall maintain records of the efforts made to contact such customers. Termination of service may be delayed in case of inclement weather, emergencies or operational conflicts.

c. The gas utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for gas service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than one-sixth of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by regulation 103-439(3). Service to such customer shall not be terminated unless the gas utility has informed the customer that such deferred payment plan is available. Any agreement to extend or defer a payment cut off date by more than five work days is a deferred payment plan. If a customer fails to conform to the terms and conditions of such deferred payment plan, the gas utility may terminate service upon three days written notice, if personally delivered, or upon five days notice by mail.

d. If a residential customer informs the utility that he is unable to make payment in full on his account or to make arrangements for the satisfaction of the balance of his account through a deferred payment plan, the gas utility shall advise the customer that he may wish to call the local social service agency to determine what public or private assistance may be available to the customer.

e. The gas utility shall maintain a record of all deferred payment plans established with customer subject to termination for a period of two years.

f. The gas utility shall provide a copy of the termination notice to any third party identified by the customer upon establishment of the service account or at any time thereafter.

g. The gas service may be terminated only on Monday through Thursday between the hours of 8:00 a.m. and 4:00 p.m., unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. Gas service may not be terminated on the day preceding any day on which the gas utility's collection offices are closed, unless provisions have been made for the availability of the acceptance of payment and the reconnection of service. All employees of gas utilities assigned to terminate service shall be authorized to accept payment from customers subject to termination of service or in lieu thereof, at the utilities' option, allow such customer at least one full working day beyond the initial date set for termination the opportunity to make satisfactory arrangements on the account at the offices of the utility; provided, however, that in certain areas where it has been determined by the utility that the safety of its employees warrants it, those employees shall not be required to accept payments from customers subject to termination.

**HISTORY:** Added by State Register Volume 5, eff April 24, 1981. Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

**SUBARTICLE 5  
ENGINEERING**

**103-460. Criteria for Good Engineering Practice.**

The gas plant of a gas system shall be constructed, installed, maintained, and operated in accordance with good engineering practices and regulations included by reference as part of these rules to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103-461. Acceptable Standards.**

Unless otherwise specified by the commission, after hearing if requested, the gas system shall use the applicable provisions in the publications listed below as operational references, where applicable, and as standards of accepted good engineering practices.

a. The edition of the American Standard Code for "Gas Transmission and Distribution Piping Systems", ANSI B31.8. as referenced in the Federal Pipeline Safety Regulations.

b. The latest edition of the American Standards Association Pamphlet, ASA Z21.30, "Installation of Gas Appliances and Gas Piping in Buildings", or the latest edition of the National Board of Fire Underwriters publication NFPA No. 54, "Piping, Appliances and Fittings for City Gas".

c. The edition of the NFPA No. 59, "The Storage and Handling of Liquefied Petroleum Gases at Utility Gas Plants" as referenced in the Federal Pipeline Safety Regulations.

d. "Standard Methods of Gas Testing", Circular No. 48, National Bureau of Standards, 1961. (The applicable portions of this Circular have been substantially reproduced in the American Meter Company Handbook E-4, covering the testing of positive displacement meters).

e. "Testing Large Capacity Rotary Gas Meters", Research Paper No. 1741, National Bureau of Standards Journal of Research, September, 1946.

f. "Orifice Metering of Natural Gas", Report No. 3 of the AGA Gas Measurement Committee.

g. "Standard Method of Test for Calorific Value of Gaseous Fuels by Water-Flow Calorimeter", American Society for Testing Materials, Standard D 900-55.

h. The edition of NFPA No. 59A, "Storage and Handling of Liquefied Natural Gas" as referenced in the Federal Pipeline Safety Regulations.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103-462. Acceptable References.**

The following publications are considered by this commission to be acceptable references:

a. "Accuracy of the Recording Gas Calorimeter When Used With Gases of High BTU Content", by John H. Eiseimen, National Bureau of Standards, and Elwin A. Potter, Gas Inspection Bureau of the District of Columbia, AGA Publication No. CEP-55-13.

b. Reports prepared by the Practical Methods Committee of the Appalachian Gas Measurement Short Course, West Virginia University, as follows:

(1) Report No. 1, "Method of Testing Large Capacity Displacement Meters".

(2) Report No. 2, "Testing Orifice Meters".

(3) Report No. 3, "Designing and Installing Measuring and Regulating Stations".

(4) Report No. 4, "Useful Tables for Gas Men".

(5) Report No. 5, "Prover Room Practices".

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

**103-463. Adequacy of Service.**

The source of supply and transmission facilities for gas, and/or production and/or storage capacity of the gas utility's plant, supplemented by the gas supply regularly available from other sources, must to

the extent reasonably practicable, be sufficiently large to meet all reasonably expectable demands for firm service, unless otherwise authorized by the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-464. Inspection of Plant.**

Each gas system shall adopt a program of inspection of its gas plant in order to determine the necessity for replacement and repair. The frequency of the various inspections shall be based on the gas system's experience and accepted good practice.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-465. Inactive Service Lines.**

1. Service Lines. Each gas system shall conduct a study at intervals not exceeding twenty-four months to determine the number of inactive service lines in their system and shall take necessary steps to meet the following:

- a. Inactive service lines for which there is no definite plan for future use or reasonable possibility for future use or are found to be in unsafe condition shall be physically disconnected from the gas supply at the main, purged and the open pipe ends shall be sealed.
- b. Inactive service lines for which there is a definite plan for future use or a reasonable possibility for future use may remain connected to the gas supply at the main if such lines are found to be in safe condition, provided that in addition to maintaining such lines in accordance with all other applicable requirements, such lines be monitored at intervals not exceeding twenty-four months by leakage survey to detect conditions detrimental to public safety.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **SUBARTICLE 6 INSPECTION AND TESTS**

### **103-470. Utility Inspection and Tests.**

A. Each gas utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herein provided, as requested by the ORS or as may be approved or ordered by the commission. Unless otherwise directed by the commission, the methods and apparatus recommended by the National Bureau of Standards in the latest edition of its Circular No. 48, "Standard Methods of Gas Testing" may be used.

B. When the gas itself is to be tested pursuant to these rules, a "cubic foot" shall mean the quantity of gas necessary to fill a cubic foot of space when the gas is at an absolute pressure of 14.73 pounds per square inch and at a temperature of sixty degrees Fahrenheit. For purposes of measurement of gas to a customer a cubic foot of gas shall be taken to be the amount of gas which occupies a volume of one cubic foot under the conditions existing in such customer's meter as and where installed.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103-471. Periodic Tests.**

These test periods may be extended upon application and approved by the commission, providing that the gas utility can prove by its own records that different test periods are adequate for the protection of the public. Meters may be tested and calibrated in accordance with "Sample Meter Testing Plans" approved by the commission; and gas utilities using a "Sample Meter Testing Plan" shall continue to advise the commission of the results of the operation of the plan.

- a. Positive Displacement Meters.
  - (1) Up to 251 c.f./hr. (at .5 in. water column differential pressure with non-absorptive diaphragm)-Ten years.
  - (2) 251 to 3000 c.f./hr (at .5 in. water column differential pressure)-Three years.
  - (3) Over 3000 c.f./hr. (at .5 in. water column differential pressure)-Two years.
- b. Orifice Meters. Six Months.
- c. Turbine Meters. Six Months.

- |   |             |
|---|-------------|
| d. Base Pressure Correcting Devices.              | Two Years.  |
| e. Base Volume Correcting Devices.                | Two Years.  |
| f. Recording Pressure and Temperature Gauges.     | One Year.   |
| g. Secondary Standards.                           |             |
| (1) Test Bottles, one cubic foot                  | Five Years. |
| (2) Dead Weight Testers including Weights         | Five Years. |
| h. Working Standards.                             |             |
| (1) Bell Provers                                  | Five Years. |
| (2) Flow Provers                                  | Five Years. |
| (3) Transfer Provers                              | Five Years. |
| (4) Laboratory Quality Indicating Pressure Gauges | Six Months. |
| (5) Laboratory Quality Thermometers               | Six Months. |

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-472. Meter Testing on Request of Customer.**

A. Each gas utility shall, at any time when requested in writing by a customer upon reasonable notice, test the accuracy of the meter in use by him.

B. No deposit or payment shall be required from the customer for such meter test except when the customer requests a meter test within one year after date of installation or of the last previous test of this meter, in which case the customer may be required by the gas utility to deposit an amount, to cover the reasonable cost of such test, as approved by the commission in the gas utility's tariff or service regulation. The amount so deposited with the gas utility shall be refunded or credited to the customer if the meter is found, when tested, to register more than two percent fast or slow; otherwise the deposit shall be retained by the gas utility.

C. A customer may request to be present when the gas utility conducts the test on his meter, or if he desires, may send a representative appointed by him. The gas utility shall honor such request.

D. A report giving the name of the customer requesting the test; the date of the request; the location of the premises where the meter has been installed; the type, make, size and serial number of the meter; the date of removal; the date tested; and the result of the test shall be supplied to such customer within a reasonable time after the completion of the test.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-473. ORS Inspection and Tests.**

The ORS shall make tests of meters as follows:

a. Upon order of the commission or request to the ORS by a customer or gas utility, a test will be made of customer's meters as soon as practicable.

b. On receipt of such request the ORS shall notify the gas utility and the gas utility shall not remove or adjust the meter until instructed by the ORS. The gas utility shall furnish to the ORS's representative such reasonable assistance as may be required.

c. The customer shall be notified of the test in sufficient time to allow him or his representative to be present.

d. The ORS shall make a written report of the results of the test to the customer and to the gas utility.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103-474. Facilities and Equipment for Testing.**

1. General. Each gas utility shall, unless specifically excused by the commission, provide such laboratory, meter-testing equipment and other equipment and facilities as may be necessary to make the tests required of it by these rules or other orders of the commission or as requested by the ORS. The apparatus and equipment so provided shall be subject to the approval of the commission, and it shall be available at all times for the inspection or use of any member or authorized representative of the ORS.



2. Meter Shop. Each gas utility shall maintain or designate a meter shop for the purpose of inspecting, testing and repairing meters. The shop shall be open for inspection by authorized representatives of the ORS at all reasonable times, and the facilities and equipment, as well as the methods of measurements and testing employed, shall be subject to the approval of the commission. The area within the meter shop used for the testing of meters shall be designed so that the meters and meter testing equipment are protected from drafts and excessive changes in temperature. The meters to be tested shall be stored in such manner that the temperature of the meters is substantially the same as the temperature of the prover.

3. Working Standards.

A. Each gas utility furnishing metered gas service shall own an approved type of meter prover or designate a meter shop which is equipped with an approved type of meter prover preferably of not less than two cubic feet capacity, equipped with suitable thermometers and other necessary accessories, and it shall maintain such equipment in proper adjustment so that it shall be capable of determining the accuracy of any service meter to within one-half of one percent.

B. Bell provers shall be so placed that they will not be subjected to drafts or excessive temperature variations.

C. Means shall be provided to maintain the temperature of the liquid in bell provers at substantially the same level as the ambient temperature in the prover room.

D. Each gas utility having meters which are too large for testing on a five cubic foot bell prover shall use a properly calibrated test meter or a properly designed flow prover for testing the large meters.

E. The accuracy of all provers and methods of operating them will be established from time to time by a representative of the ORS. All alterations, accidents, or repairs which might affect the accuracy of any meter prover or the method of operating it shall be promptly reported in writing to the commission and the ORS.

F. Working standards must be checked periodically by comparison with a secondary standard.

1. Bell provers must be checked with a cubic foot bottle which has been calibrated by the National Bureau of Standards, unless another standard is authorized by the commission.

2. Transfer and Flow Provers must be checked with a bell prover of adequate capacity which has been calibrated by representatives of the National Bureau of Standards unless another standard is authorized by the commission.

G. Extreme care must be exercised in the use and handling of standards to assure that their accuracy is not disturbed.

H. Each gas utility must have properly calibrated orifices, as may be necessary, to achieve the rates of flow required to test the meters on its system.

4. Special Meters. Any meter, the readings or record of which is based on the differential pressure in such meter or upon the measurement of any portion of the total gas delivered to a customer, shall be tested for accuracy before being placed in service in a manner satisfactory to the commission.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

## **103-475. Test Procedures and Accuracies.**

1. Pre-Installation Inspection.

a. Every meter and/or associated metering device shall be inspected and sealed before being placed in service.

b. New or reconditioned meters which have been sealed at the factory need not be resealed in the shop of the gas utility.

2. Post-Removal Inspection and Tests. All meters and/or associated metering devices shall be tested when returned to the meter shop prior to being placed back in service.

3. Leak Tests. Every meter shall be leak tested prior to installation.

a. Each new meter must have been tested by the manufacturer to a minimum of ten p.s.i.g.

b. Meters removed from service and returned to the meter shop shall, prior to being placed back in service, be tested and subjected to an internal pressure of 1.1 times the maximum operating pressure of the meter and checked for the presence of leaks by one of the tests listed under subsection 4 below.

c. Acceptable Leak Tests.

(1) Immersion Tests.

(2) Soap Tests.

(3) Pressure drop test of a type acceptable to the commission.

4. Operating Pressure Limitations.

A. A meter may not be used at a pressure that is more than sixty-seven percent of the manufacturer's shell test pressure.

B. A rebuilt or repaired tinned steel case meter may not be used at a pressure that is more than fifty percent of the pressure used to test the meter after rebuilding or repairing.

5. Method of Testing. All tests to determine the accuracy of registration of any gas service meter shall be made with a suitable meter prover.

The tests of any unit of metering equipment shall consist of a comparison of its accuracy with the accuracy of a standard. The ORS will use the applicable provisions of the standards listed in 103-461 as criteria of accepted good practice in testing meters.

All meters and/or associated metering devices, when tested, shall be adjusted as closely as possible to the condition of zero error. All tolerances listed below are to be interpreted as maximum permissible variations from the condition of zero error.

a. Diaphragm, Displacement, Rotary, and Turbine Meters

(1) Accuracy at Test Points.

FLOW

ADJUSTED TO  
WITHIN

Check Flow (20% of rated meter capacity)

98.5%—100.5%

Full Flow (Equal to or in excess of operating load requirement)

98.5%—100.5%

(2) Actual Accuracy.

The accuracy as determined by averaging the results at the check and open rated flow.

(3) Overall Accuracy.

The accuracy at a check flow and the accuracy at not less than open rated flow shall agree within one percent.

b. Orifice Meters.

Accuracy at test points must be within one-half of one percent plus or minus.

c. Timing Devices.

All recording type meters or associated instruments which have a timing element that serves to record the time at which the measurement occurs must be adjusted as far as practicable so that the timing element is not in error by more than plus or minus five minutes in twenty-four hours.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

#### SUBARTICLE 7 STANDARDS AND QUALITY OF SERVICE

### 103-480. Quality of Service.

A. Each gas utility shall provide the best gas service that can be reasonably expected from the facilities of that gas utility. When the quality of gas service falls below what can be reasonably expected, the gas utility shall, as soon as practicable, provide the proper gas service.

B. All gas supplied to customers shall be substantially free of impurities which may cause corrosion of mains or piping, or form corrosive or harmful fumes when burned in a properly designed and adjusted burner.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–481. Interruption of Service.**

A. Each gas utility shall make reasonable efforts to avoid interruptions of service but when interruptions occur, service shall be re-established within the shortest time practicable, consistent with safety of its employees, customers and the general public.

B. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–482. Restrictions on Use of Service.**

A. The gas utility may impose reasonable restrictions on the use of service during periods of shortage of supply, excessive demand or other difficulty which jeopardizes the supply of service to any group of customers.

B. Restrictions on the use of service made necessary by the shortage of supply shall be made in conformity with the gas utility's curtailment plan approved by the commission.

C. The gas utility may impose reasonable restrictions on the use of service by customers who create conditions which prevent the gas utility from supplying satisfactory service to that customer, or to other customers.

D. If a gas utility finds that it is necessary to restrict the use of service, it shall notify its customers, and give the commission and the ORS written notice, except in emergencies, before such restriction becomes effective. Such notifications shall specify but not be limited to:

1. The reason for the restriction.
2. The nature and extent of the restriction of use by certain classes of customers, etc.
3. The date such restriction is to go into effect.
4. The probable date of termination of such restriction.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–483. Special Tests.**

Before permitting the initial use of gas at any location, a certificate of inspections and tests of the customer-owned piping shall be furnished the gas system by the customer or by the local inspecting authority. All such inspections and tests shall be made in accordance with applicable local codes. In the absence of a local code such inspections and tests shall be in accordance with minimum standards set forth in the latest edition of Southern Standard Gas Code, and the customer or his contractor shall furnish the gas system a certificate of such inspections and tests. The gas system shall advise the customer of this requirement upon initial application for gas service. When gas is turned on by the gas system, the gas system shall take reasonable precaution to prevent potential hazards and, as a minimum precaution, shall make a check for leakage using the gas meter in accordance with a procedure at least equal to that described in the latest edition of the American Standard Installation of Gas Appliances and Gas Piping ASA Z21.30. A visual examination of gas utility owned exposed piping and components thereof, along with soil and vegetation conditions in the general vicinity of buried piping and components shall be conducted as a minimum precaution for the discovery of any existing or potential hazards.

**HISTORY: Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–485. System Pressure Monitoring.**

A. Each gas system shall maintain on its distribution system in each city in which it supplies gas a sufficient number of recording devices, but not less than one, to ensure detections of abnormal system pressures. No gas system shall maintain less than two such recording pressure gauges of which one should be portable. Electronic and/or remote type devices may be utilized in addition to maintaining a portable pressure recording gauge.

B. Each gas system shall keep records of each test of pressures in various parts of its distribution systems. The records obtained shall include as a minimum, the date, time, and location where the

pressure was taken and shall be retained for a two year period. These records may be electronic with suitable back-up means, and the ability to generate a hard copy upon request of the ORS.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## SUBARTICLE 8 SAFETY

### **103–490. General.**

A. The commission hereby adopts the Federal Minimum Safety Standards for the Transportation of Natural and Other Gas, 49 C.F.R. as applicable to gas systems and as amended from time to time, except where otherwise ordered by the commission.

B. Under the authority of S. C. Code Ann. § 58–5–980 (1976), the commission herein establishes additional minimum safety standards, as noted infra. Such modifications reflect additional requirements to those established by 49 C.F.R., and are not to be construed as deleting the existing Federal requirement.

C. Under the authority of S. C. Code Ann. § 58–5–960 (1976), the safety standards adopted by the commission apply to all gas systems.

D. As criteria of accepted good safety practice, in addition to those of 49 C.F.R., as amended from time to time, the commission will use the applicable provisions of the standards listed in regulation 103–461.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–491. Protective Measures.**

A. Each gas system shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.

B. The gas system shall give reasonable assistance to the ORS in the investigation of the cause of accidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of preventing accidents.

C. Each gas system shall maintain a summary of all reportable accidents arising from its operations.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–492. Safety Program.**

Each gas system shall adopt and execute a safety program, fitted to the size and type of its operations. As a minimum, the safety program should comply with the Federal Regulations: Minimum Safety Standards for the Transportation of Natural and Other Gas, 49 C.F.R., as amended from time to time:

a. Require employees to use suitable tools and equipment in order that they may perform their work in a safe manner.

b. Instruct employees in safe methods of performing their work.

c. Instruct employees, who, in the course of their work are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

d. Establish liaison with appropriate public officials including fire and police officials in anticipation of a potential emergency.

e. Establish an educational program to enable customers and the general public to recognize and report a gas emergency to the appropriate officials.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–493. Leakage.**

1. General. Any notice to the gas system of a leak or odor or notification of damage to gas facilities reported by any source shall constitute the need for immediate action by the gas system. In the event

that the response time exceeded one (1) hour, the reason should be included in the report to the ORS as well as the grade level of the leak and other pertinent information.

2. Classification. Each gas system shall establish procedures for classifying and repairing leaks meeting the requirements of this section:

Grade 1—Grade 1 means a leak that represents an existing or probable hazard to persons or property and requires immediate repair or continuous action until the conditions are no longer hazardous.

Grade 2—Grade 2 means a leak that is recognized as being nonhazardous at the time of detection but requires scheduled repair based on probable future hazard.

Grade 3—Grade 3 means a leak that is nonhazardous at the time of detection and can be reasonably expected to remain nonhazardous.

3. Leakage Surveys.

All buried piping not protected against corrosion in accordance with 49 C.F.R. Section 192, Subpart I, must be subjected to instrument leakage surveys as frequently as necessary, but at intervals not exceeding twelve months.

4. Vegetation Leakage Surveys.

Vegetation type leak surveys are prohibited.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 32, Issue No. 5, eff May 23, 2008.

### **103–494. Interruptions in Service.**

A. Each gas system shall adopt and file with the commission, for approval, and provide a copy to the ORS procedures to protect customers during periods when operating conditions require interruptions in service due to scheduled or unscheduled curtailments, line breakage, equipment malfunctions, and force majeure conditions.

B. Such procedures shall insure that adequate safety precautions are taken to prevent hazards to which gas system employees, gas system customers and the general public may be subjected.

**HISTORY:** Amended by State Register Volume 32, Issue No. 5, eff May 23, 2008.

## **ARTICLE 5 SEWERAGE UTILITIES SUBARTICLE 1 GENERAL**

### **103–500. Authorization of Rules.**

A. Section 58–5–210 of the Code of laws of South Carolina, 1976, provides: “That the Public Service Commission, is hereby, to the extent granted, vested with power and jurisdiction to supervise and regulate the rates and service of every public utility in this State, together with the power, after hearing, to ascertain and fix such just and reasonable standards, classifications, regulations, practices, and measurements of service to be furnished, imposed, observed and followed by every public utility in this State, and the State hereby asserts its rights to regulate the rates and services of every public utility as herein defined.” In accordance with the above provisions the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern sewer service by public utilities. All previous rules or standards are hereby revoked, annulled, and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint, upon the application of any utility, or upon its own motion. Furthermore, these rules shall not relieve either the commission or the Utilities of any duties prescribed under the laws of this State.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–501. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, or association, establishment, corporation (except public utilities owned or operated by any municipality or agency thereof

and/or any sewer authority specifically exempted by statute) which is now or may hereafter become engaged as a public utility in the business of collecting or treating sewerage for any sewerage customer within the State of South Carolina.

2. Purpose. These rules are intended to define good practice. They are intended to insure adequate and reasonable service. The Utilities shall assist the commission and the ORS in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rules or regulations may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

## **103-502. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below:

### **103-502.1. Commission.**

The Public Service Commission of South Carolina.

### **103-502.2. Customer.**

Any person, firm, partnership, or corporation, or any agency of the Federal, State, or Local Government, being supplied with service by a utility under the jurisdiction of this commission. Customers shall be classified for purposes of applying rates as “residential”, “commercial”, or “industrial”.

### **103-502.3. Customer Main Extension Fee.**

A fee paid by a customer under a contract entered into by and between the utility and its customer providing terms for the extension of the utility’s mains to service the customer.

### **103-502.4. Customer Service Line.**

The portion of pipe on the customer’s premises which transports sewerage from the customer’s premises to the “utility service line”.

### **103-502.5. Homeowners Association.**

An association of lot owners located in a particular subdivision or development incorporated under the laws of this State as a non-profit corporation, including as one of its purposes, the operation of a sewerage system to serve the particular subdivision or development. Each homeowners association, prior to the commencement of operations of a sewerage system, shall file with the commission and provide a copy to the ORS (a) a certified copy of its certificate of incorporation; (b) a copy of the corporation’s bylaws; (c) a copy of any declaration of covenants, conditions and restrictions on real property in the subdivision or development filed in conjunction with the formation of the homeowners association; (d) a copy of the permit or authorization from the Department of Health and Environmental Control issued to the homeowners association to operate the system, and (e) copies of a statement signed by each lot owner disclosing that the sewerage services in the subdivision are provided by a non-profit homeowners association, in which each lot owner is a voting member, and that an appropriate assessment to meet operating expenses of the Utility must be paid by each lot owner.

### **103-502.6. Main.**

A sewerage pipe owned, operated, or maintained by a utility, which is used to transport sewerage, but does not include the “utility service line”, or “customer service line”.

### **103-502.7. Premises.**

A piece or tract of land or real estate, including buildings and other appurtenances thereon.

### **103-502.8. Rate.**

The term “rate”, when used in these rules and regulations, means and includes every compensation, charge, toll, rental, classification, or availability fee, or any of them, including tap fee, or other non-recurring charges demanded, observed, charged, or collected by any utility for any service offered by it to the public, and any rules, regulations, practices, or contracts affecting any such compensation,

charge, toll, rental, classification, or availability fee. An application for approval of any rate schedule will not be accepted for filing under S.C. Code Ann., § 58-5-240 unless accompanied by the information specified under 103-512(4).

**103-502.9. The Office of Regulatory Staff.**

The executive director and employees of the Office of Regulatory Staff.

**103-502.10. Tap Fee.**

A non-recurring, non-refundable charge related to connecting the customer to the utility's system which includes the cost of installing the utility's service line from the main to the customer's premises and a portion of plant capacity which will be used to provide service to the new customer. Plant capacity shall be computed by using the Guide Lines for Unit Contributory Loadings to Wastewater Treatment Facilities (1972) to determine the single family equivalency rating. Any privately-owned corporation, firm, partnership, or individual empowered by contract, or otherwise, to collect a tap fee from a customer for the provision of sewerage service to that customer shall be considered a utility, and shall obtain commission approval prior to collecting tap fees, or any other rates for sewerage service. An application for approval of any rate change shall not be considered unless the filing contains appropriate exhibits setting forth all cost criteria justifying the tap fee, setting forth the portion of the tap fee related to installing the service line and the portion related to plant capacity.

**103-502.11. Utility.**

Every person, firm, partnership, association, establishment or corporation furnishing or supplying in any manner sewerage collection and/or sewerage disposal service to the public or any portion thereof, for compensation. A "homeowners association", as defined in 5 of this rule and subject to the requirements set forth herein, upon commission order, may be found not to be a utility.

**103-502.12. Utility Service Line.**

The portion of pipe which runs from the customer's premises to the main, and which receives sewerage from the "customer service line".

**103-502.13. Sewerage or Wastewater Plant.**

Plant and property owned by a utility, used in its business operations of providing sewerage collection and/or sewerage disposal service to its customers.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-503. Authorization for Rates and Charges.**

A. No schedule of rates, contracts, or rules and regulations, shall be changed until after the proposed change has been approved by the commission.

B. All rates, contract forms, and rules and regulations, proposed to be put into effect by any utility as defined in 103-502(11) shall be first approved by this commission before they shall become effective, unless they are exempt from such approval by statute or other provision of law.

C. No rate, contract, or rule and regulation of any utility under the jurisdiction of this commission shall be deemed approved or consented to by the mere filing of a schedule, or other evidence thereof, in the offices of the commission.

D. Each customer within a given classification (i.e., residential, commercial, or industrial) shall be charged the same approved rate, including tap fees, as every other customer within that classification, unless reasonable justification is shown for the use of a different rate, and a contract or tariff setting for the different rate has been filed and approved by the commission through the issuance of an order or directive.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-504. Territory and Certificates.**

No existing public utility supplying wastewater disposal to the public, or any individual, corporation, partnership, association, establishment, or firm undertaking the construction or acquisition of a utility, shall hereafter sell, acquire, transfer, begin the construction or operation of any utility system, or of any extension thereof, by the sale of stock or otherwise, without first obtaining from the commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and

necessity require or will require construction or operation of any utility system, or extension. Such certificate shall be granted only after the applicable information set forth in Subarticle 2, 103-510 et seq., has been filed with the commission and provided to the ORS, and after notice has been given to the Department of Health and Environmental Control and to other interested wastewater utilities, and to the public, and after due hearing. Provided, however, that this regulation shall not be construed to require any existing utility to secure a certificate for an extension within or to territory already served by it, necessary in the ordinary course of its business. But, if any utility in constructing or extending its lines, plant or system unreasonably interferes, or is about to unreasonably interfere, with the service or system of any other utility, the commission may make such order, and prescribe such terms and conditions, in harmony with this regulation, as are just and reasonable.

**HISTORY:** Amended by State Register Volume 24, Issue No. 5, eff May 26, 2000; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-505. Utility Rules and Regulations.**

Each utility shall adopt rules, regulations, operation procedure policies, terms and conditions, etc., as may be necessary in the operation of the Utility. Such service conditions and/or regulations shall be approved by and filed with the commission and provided to the ORS.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-506. Security Issues.**

A. No utility shall issue any securities without the approval of the commission. This rule shall not apply to any issue of securities payable within one year from the date of issue, except in case of subsequent issues made to refund such short-term obligations; but such short-term obligations may be renewed by similar obligations without the approval of the commission for an aggregate period not exceeding two years.

B. Any utility desiring to issue any securities may apply to the commission for approval of the proposed issue by filing an application with the commission and serving a copy on the ORS together with a statement verified by (1) its president and secretary or other appropriate officers; (2) two of its incorporators; or (3) by its owner or owners, if it is unincorporated, setting forth:

- (a) The amount and character of securities proposed to be issued;
- (b) The purpose for which they are to be issued;
- (c) The consideration for which they are to be issued;
- (d) The description and estimated value of the property, if any, to be acquired through the proposed issue;
- (e) The terms and conditions of the issuance; and
- (f) The financial condition of the utility and its operations so far as relevant.

C. The commission shall determine whether the purpose of the issue is proper; shall value the property or services, if any, to be acquired by the issue; shall find and determine the amount of such securities reasonably necessary for the purpose for which they are to be issued. This determination shall follow such investigation as may be necessary, wherein the utility and any other interested party shall be entitled to be heard.

D. To the extent that the commission may approve the proposed issue, it shall grant to the utility a Certificate of Authority stating the character of the securities, the amount reasonably necessary for the purpose for which they are to be issued, and the value of any property or services, if any, to be acquired. This certification shall not impose or imply any guaranty or obligation as to such securities on the part of the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103-510. Location of Records and Reports.**

All records required by these rules are necessary for the administration thereof, shall be kept within an office located in this State, unless otherwise specifically authorized by the commission. These



records shall be available for examination by the ORS or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-511. Retention of Records.**

Unless otherwise specified by the commission, or by regulations or commission Orders governing specific activities, all records required by these rules shall be preserved according to the most current edition of *Regulations to Govern the Preservation of Records for Electric, Gas and Water Utilities*, published by the National Association of Regulatory Utility Commissioners (NARUC). Following are certain modifications to those record retention periods:

(A) Item 30. Plant ledgers:

a. Ledgers of utility plant accounts including land and other detailed ledgers showing the cost of utility plant by class for the life of the utility.

b. Continuing plant inventory ledger, book or card records showing description, location, quantities, cost, etc. of physical units (or items) of utility plant owned - life of the utility.

(B) Item 32. Retirement work in progress ledgers, work orders and supplemental records:

a. Work order sheets to which are posted the entries for removal costs, materials recovered and credits to utility plant accounts for cost of plant retired - life of the utility.

(C) Other - Records related to a test year used in a rate adjustment proceeding shall be preserved for a period of two years after the final order in such case or throughout the period that the Order by the Public Service Commission concerning the rate adjustment may be appealed, whichever is later. The utility shall maintain beyond this two-year period sufficient records to verify and substantiate all requirements included in these rules.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-512. Data to be Filed with the Commission and Provided to the ORS.**

#### **103-512.1. Annual Report.**

Each utility operating in the State shall file an annual report with the commission and provide a copy to the ORS giving accounting and other information as the commission orders. The commission or the ORS will provide an annual report form upon request. If the utility's books are maintained on a calendar year, the annual report must be filed on or before April 1st of each year. If the utility uses a fiscal year other than December 31st, the annual report should be filed within three months after the end of the fiscal year.

#### **103-512.2. Current Information and Documents.**

The utility shall file with the commission and provide a copy to the ORS the following documents and information, and shall maintain such documents and information in a current status.

##### **103-512.2.1. Tariff.**

A copy of each schedule of rates and charges for service, together with the applicable riders, including any rules and regulations, or terms and conditions describing policies and practices of rendering service shall be provided to the commission and the ORS.

##### **103-512.2.2. Special Contract Forms.**

A copy of each special contract for service, including aid to construction agreements, and rate agreements shall be provided to the commission and the ORS.

##### **103-512.2.3. Customer Bill.**

A copy of each type of customer bill form, which shall include the information which is normally shown on a customer's bill for service shall be provided to the ORS.

##### **103-512.2.4. Operating Area Maps.**

A map of the utility's operating area. This map shall be revised and submitted to the ORS annually unless such revision is unnecessary, in which event the utility shall notify the ORS that the map on file is current. The map should show:

(a) Location of transmission lines, pumping stations, waste treatment plants and discharge points;

- (b) Mains by size;
- (c) Service area clearly drawn on operating area map using proper surveying standards;
- (d) Names of all communities (post offices) served; and
- (e) Capacity of the system.

**103-512.2.5. Authorized Utility Representative.**

The utility shall advise the commission and ORS of the name, title, address, and telephone number of the person who should be contacted in connection with:

- (a) General management duties;
- (b) Customer relations (complaints);
- (c) Engineering operations; and
- (d) Emergencies during non-office hours.

**103-512.3. Performance Bond.**

Prior to operating, maintaining, acquiring, expanding or improving any utility system, for which commission approval is required, the utility shall have on file with the commission and provide a copy to the ORS a performance bond with sufficient surety using a format prescribed by the commission.

**103-512.3.1. Amount of Bond.**

The amount of bond shall be based on, but not limited to, the total amount of the following categories of expenses for twelve months: Operation and Maintenance Expenses, General and Administrative Expenses, Taxes Other Than Income Taxes, Income Taxes, and Debt Service including Interest Expenses. The minimum amount of the bond shall be \$100,000 and the maximum amount of the bond shall be \$350,000 based on the verified expenses of the utility for the preceding twelve-month period. A bond shall be required for each water and wastewater provider under the jurisdiction of the Public Service Commission. A certification that the face amount of the bond on file with the commission complies with the provisions of 103-512.3.1 of this rule shall be filed with the annual report required by 103-512.1 of this rule. The ORS shall review the annual reports and certifications and determine whether the present bond of the utility accurately reflects the expenses of the utility. Based upon the expenses of the utility as submitted in the annual report and as reviewed and adjusted by the ORS, the ORS shall make recommendations for increasing or reducing the amount of the bond within the minimum and maximum limits as prescribed by statute.

**103-512.3.2. Sureties.**

Sufficient surety may be any duly licensed bonding or insurance company authorized to do business in this State. A corporate surety, other than such a bonding or insurance company, shall not be considered sufficient surety. Sufficient surety may be any individual, as stockholder, partner, sole owner, etc., in the utility, so long as the individual surety's net worth is at least twice the face amount of the performance bond.

**103-512.3.3. Financial Statement.**

Upon order of the commission, when any individual acts as surety, he shall file with the commission and provide a copy to the ORS annually a financial statement verified by said surety showing the individual surety's personal assets, liabilities, and net worth. The commission may accept a verification of the financial statement in a format prescribed by the commission, including third-party verification.

**103-512.4. Rate Applications.**

A. When a utility makes application for an increase in existing rates and charges, such application shall not be accepted for filing unless it contains the following information:

- 1) A statement of reason justifying the need for the proposed rate adjustments;
- 2) Current income and expense statement for the preceding twelve months;
- 3) Proposed rate schedule;
- 4) Test year proposed to be used;
- 5) Pro-forma income and expense statement using proposed rates applied to proposed test year;
- 6) Balance sheet;
- 7) Depreciation schedule by categories of plant or average service lives;

- 8) Number of present and expected customers in the following twelve months;
- 9) Cost justifications for proposed rates and charges, including tap fees, with attached schedules depicting labor costs, materials costs, and miscellaneous costs;
- 10) Filing or updating of performance bond in accordance with 3 of this rule;
- 11) Current or updated service area map;
- 12) Statement of total plant investment;
- 13) Most recent letter of approval from the Department of Health and Environmental Control;
- 14) Customer bill form;
- 15) Annual Report on file and evidence of last period Gross Receipts paid; and
- 16) Any other pertinent or relevant information determined necessary by the commission.

B. When any utility makes application for establishment of a service area and rates and charges, such application shall contain the following information:

- 1) Copy of articles of incorporation or partnership agreement;
- 2) Plat of proposed area to be served;
- 3) Copy of engineering plans and specification designed or certified to be in accordance with good engineering practices by a professional engineer registered in South Carolina;
- 4) Construction permit from the South Carolina Department of Health and Environmental Control approving the engineering plans and specifications;
- 5) Schedule of proposed rates and charges and cost justifications including tap fees with attached schedules depicting labor costs, materials costs, and miscellaneous costs;
- 6) Number of customers proposed to be served and the capacity of the system;
- 7) Financial statement showing proposed plant investment by categories;
- 8) Depreciation schedule by categories of plant or average service lines;
- 9) Pro-forma income and expense statement showing the effect of using the proposed rates based on plant capacity;
- 10) Filing of performance bond in accordance with 3 of this rule;
- 11) Statement by a professional engineer that the system was built and installed according to plans and specifications on file with the commission and will furnish adequate service for the area to be served;
- 12) Letter from the South Carolina Department of Health and Environmental Control approving the system for operation;
- 13) Customer bill form; and
- 14) Any other pertinent or relevant information determined necessary by the commission.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 27, Issue No. 2, eff February 28, 2003; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-513. Inspection of Plant and Equipment.**

A. Each utility shall, upon request of the ORS, provide to the ORS a statement regarding the condition of the waste treatment facility and the adequacy of the treatment provided by the facility as determined by the Department of Health and Environmental Control and any other information concerning the plant, equipment, facilities and service in such a form as the commission may require or as the ORS may request.

B. Each utility shall keep sufficient records to give evidence of compliance with its inspection program as set forth in Subarticle 6, 103-560 et. seq.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-514. Interruption of Service/Violation of Rules.**

A. Each utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any single community or an important division of a

community, including a statement of the time, duration, and cause of any such interruption. The commission and the ORS should be notified of any interruption lasting more than six hours as soon as it comes to the attention of the utility and a complete report made after restoration of service.

B. Each utility shall make all reasonable efforts to prevent interruptions of service and, when such interruptions occur, shall endeavor to re-establish service with the shortest possible delay consistent with the safety of its consumers and the general public. Scheduled interruptions shall always be preceded by adequate notice to all affected customers.

C. All Wastewater Utilities under the jurisdiction of the commission shall file with the commission and the ORS in writing a notice of any violation of a PSC regulation or a DHEC regulation which results in the issuance of a DHEC order. If the report includes information regarding a DHEC violation which results in the issuance of a DHEC order, the filer shall note if the DHEC order is under appeal and shall inform the commission of the resolution of the appeal. This notice shall be filed within twenty-four hours of the time of the inception of the violation or of the utility's receipt of the issuance of a DHEC order and shall detail the steps taken to correct the violation, if the violation is not corrected at the time of occurrence. The Company shall notify the commission and the ORS in writing within fourteen calendar days after the violation has been corrected.

D. All Wastewater Utilities under the jurisdiction of the commission shall provide the ORS Consumer Services Division a copy of all advisories affecting ten or more customers within twenty-four hours of issuance. The utility shall notify the ORS Consumer Services Division in writing when the advisory has been lifted.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007; State Register Volume 33, Issue No. 6, eff June 26, 2009.**

### **103-515. Accidents.**

Each utility shall, as soon as possible, report by telephone to the ORS each accident happening in connection with the operation of its property, facilities, or service, wherein any person shall have been killed or seriously injured or whereby any serious property damage shall have been caused. Such first report shall later be supplemented by a full statement provided to the ORS of the cause and details of the accident and the precautions, if any, which have been taken to prevent similar accidents.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-516. Complaints.**

Complaints by customers concerning the charges, practices, facilities or services of the utility shall be investigated promptly and thoroughly. Each utility shall keep a record of all such complaints received, which record shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990.**

### **103-517. Accounting Procedures.**

All books and records of the utility shall be maintained in accordance with the NARUC Uniform System of Accounts for Class A, B and C Sewerage Utilities to the extent applicable. Such records must be made available for examination by the ORS or its authorized representatives at all reasonable hours. Full cooperation will be provided by the utility during rate adjustment audits or compliance audits conducted by the ORS or its representatives.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

## **SUBARTICLE 3 METERS**

### **103-520. Change in Character of Service.**

In order that the utility may provide a proper service facility, the customer shall advise the utility of expected service requirements sufficiently in advance of the time service is required and shall also

advise the utility of any significant increase or decrease in service needs sufficiently in advance of the time to change service facilities.

#### SUBARTICLE 4 CUSTOMER RELATIONS

### **103-530. Customer Information.**

Each utility shall:

A. Maintain up-to-date maps, plans, or records of its entire force main collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.

B. Notify each affected customer in writing as prescribed by the commission of any proposed change in rates and charges. A certification that the above notice requirements has been met shall be furnished to the commission by the utility prior to the public hearing.

C. Provide that a complete schedule, contract forms, rules and regulations, etc., as filed with the commission and provided to the ORS, shall also be on file in the local offices of the utility and shall be open to the inspection by the public.

D. Assist prospective customers in selecting the most economical rate schedule applicable.

E. Provide adequate means (telephone, etc.) whereby each customer can contact an authorized representative of the utility at all hours in cases of emergency or unscheduled interruptions of service.

F. Notify any customer making a complaint recorded pursuant to R.103-516 that the utility is under the jurisdiction of the commission and that the customer may notify the ORS of the complaint.

G. Inform each prospective customer from whom a deposit may be required of the provisions contained in R.103-531 and its subsections.

H. Inform each prospective customer that the customers service line and plumbing shall conform to all local plumbing codes, and in the absence of such codes shall conform to the Southern Standard Plumbing Code.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-531. Customer Deposits.**

Each utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

(a) The customer's past payment record to a sewerage utility shows delinquent payment practice, i.e., has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears in the past 24 months, or

(b) A new customer cannot furnish either a letter of good credit from a reliable source or an acceptable cosignor to guarantee payment, or

(c) A customer has no deposit and presently is delinquent in payments (i.e., has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears, in the past 24 months), or

(d) A customer has had his service terminated for nonpayment.

#### **103-531.1. Amount of Deposit.**

A. A maximum deposit may be required up to an amount equal to an estimated two (2) months (60 days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months based on the experience of the preceding twelve (12) months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

#### **103-531.2. Interest on Deposits.**

A. Simple interest on deposits at the rate as determined by commission Order shall be paid by the utility to each customer required to make such deposit for the time it is held by the utility, provided that no interest need be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**103-531.3. Deposit Records.**

Each utility shall keep a record to show:

- (a) The name and address of each depositor;
- (b) The amount and date of the deposit; and
- (c) Each transaction concerning the deposits.

**103-531.4. Deposit Receipt.**

Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a depositor may establish his claim if his receipt is lost.

**103-531.5. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive 30-day arrearages or more than two non-consecutive 30-day arrearages in the past 24 months.

**103-531.6. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least one year during which time the sewerage utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by law.

**103-531.7. Deposit Credit**

Where a customer has been required to make a deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of nonpayment of bill, a utility shall apply the deposit of such customer toward the discharge of the customer's account, and shall as soon thereafter as practicable, refund the customer any excess of the deposit. If, however, the customer whose service has been disconnected for nonpayment, pays the arrears on his account within 72 hours after service has been disconnected, and applies for reconnection, the utility may not charge an additional deposit except under the provisions of R.103-531.1.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-532. Customer Billing.**

The utility shall bill each customer as promptly as possible.

**103-532.1. Customer Bill Forms**

The bill shall show:

- (a) The gross and/or net amount of the bill;
- (b) Person to whom bill is sent;
- (c) Dates for which bill is rendered;
- (d) The applicable rate schedule, or identification of the rate schedule. If the actual rates are not shown, the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request;
- (e) Telephone number where utility can be contacted during regular office hours and non-office hours; and
- (f) Date payment is due.

**103-532.2. Late Payment Charges.**

A maximum of one and one-half percent (1 and ½ %) be added to any unpaid balance not paid within 25 days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late-payment charge will be made in lieu of any other penalty.

**103-532.3. Payment by Check.**

The utility at its option for good cause may refuse to accept a check tendered as payment on a customer's account and require payment in cash or other certified funds. Good cause must be justified by a sewerage utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant. For the purposes of this regulation, the sewerage utility may not consider indebtedness that was incurred by the customer or any member of his household more than six (6) years prior to the time of application.

**103-532.4. Charges for Disconnection and Reconnection.**

Whenever service is disconnected for violation of rules and regulations, nonpayment of bills or fraudulent use of service, or at the request of the customer the utility shall not be required to reconnect such service until any arrearages have been paid and a reconnection fee of two-hundred-fifty dollars (\$250.00) has been paid to the utility. A reconnection fee shall be reduced to thirty-five dollars (\$35.00) when disconnection has been made by the use of an elder valve or similar device.

**103-532.5. Deferred Payment Plan.**

The utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by R.103-532.2. Service to such customer shall not be terminated unless the utility has informed the customer that such deferred payment plan is available. A deferred payment plan is any agreement to extend or defer a payment cut-off date by more than 5 work days. If a customer fails to conform to the terms and conditions of such deferred payment plan, the utility may terminate service upon fifteen days written notice, with copies of such termination notice mailed to DHEC and the ORS.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-533. Adjustment of Bills.**

If it is found that a utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such utility than that prescribed in the schedules of such utility applicable thereto, then filed in the manner provided in Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from a utility for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be provided by the following:

1. Customer Inadvertently Overcharged. If the utility has inadvertently overcharged a customer as a result of a misapplied schedule or any other human or machine error, the utility shall at the customer's option credit or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

(a) If the interval during which the customer was overcharged can be determined, then the utility shall credit or refund the excess amount charged during the entire interval provided that the applicable statute of limitations shall not be exceeded.

(b) If the interval during which the customer was overcharged cannot be determined, then the utility shall credit or refund the excess amount charged during the twelve-month period preceding the date when the billing error was discovered.

2. Customer Inadvertently Undercharged. If the utility has undercharged any customer as a result of a misapplied schedule, or any human or machine error, then the utility may recover the deficient amount as provided as follows:

(a) If the interval during which a customer was undercharged can be determined, then the utility may collect the deficient amount incurred during that interval up to a maximum period of six months.

(b) If the interval during which a consumer was undercharged cannot be determined, then the utility may collect the deficient amount incurred during the six-month period preceding the date when the billing error was discovered by the utility.

(c) The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

3. Customer Willfully Overcharged. If the utility has willfully overcharged any customer, the utility shall refund the difference, plus interest, as prescribed by the commission for the period of time that can be determined that the customer was overcharged.

4. Customer Undercharged Because of Fraud or Willful Misrepresentation. If the utility has undercharged any customer because of the customer's fraudulent actions or because the customer has willfully misrepresented a material fact resulting in an undercharge, or if it is shown that the customer is aware of any fraudulent or illegal action by another person such as tampering with the facilities owned by the utility and it is evident that such action benefits the customer, or if it is evident that a customer has knowledge of being undercharged without notifying the utility of such, then the utility may recover the deficient amount provided as follows:

(a) If the interval during which the customer was undercharged can be determined, then the utility shall collect the deficient amount incurred during that entire interval provided that the applicable statute of limitations is not exceeded.

(b) If the interval during which the customer was undercharged cannot be determined, then the utility shall collect the deficient amount incurred during the twelve-month period preceding the date when the billing error was discovered by the utility.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-534. Application for Service.**

A. All applications for sewerage service may be made orally or in writing.

B. The accepted application shall constitute a contract between the company and the applicant, obligating the applicant to pay for sewerage service in accordance with the utility's tariff currently on file with the Public Service Commission and the ORS, and to comply with rules and regulations

C. When a customer desires to have his service terminated, he must notify the utility and such notification may be orally or in writing. The utility shall be allowed a reasonable period of time after the receipt of such notice to terminate service.

C. When a customer desires to have his service terminated, he must notify the utility and such notification may be orally or in writing. The utility shall be allowed a reasonable period of time after the receipt of such notice to terminate service.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-535. Denial or Discontinuance of Service.**

Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued.

A. Without notice in the event of a condition determined by the utility, the commission by order, or the South Carolina Department of Health and Environmental Control to be hazardous or dangerous.

B. In the event of customer use of equipment in such a manner as to affect adversely the utility's service to others.

C. In the event of unauthorized use of the utility's service.



D. For customer tampering with equipment furnished and owned by the utility. The customer shall make every reasonable effort to prevent tampering and shall notify the utility immediately of any tampering with damage to, or removal of any equipment.

E. For violation of and/or non-compliance with these rules and regulations.

F. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.

G. For failure of the customer to permit the utility reasonable access to its equipment.

H. For non-payment of any amounts due for connection charges and/or for service rendered provided that the utility has made a reasonable attempt to effect collection and has given the customer the proper notice as required by R.103-535.1.

I. For molesting or tampering with any service or sewerage pipe, or for illegally making connection into any sewerage line for the disposal of drainage surface waters.

J. For failure of the customer to provide the utility with a deposit as authorized by R.103-531.

K. For failure of the customer to furnish permits, certificates, and/or rights of way, as necessary to obtaining service, or in the event such permissions are withdrawn or terminated.

L. No sewer utility shall be required to furnish its sewerage service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such sewer utility company for sewerage service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the sewer utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six (6) years prior to the time of application.

M. The utility may discontinue a customer's service should that customer be in arrears on an account for service at another premises unless the customer pays a reasonable amount of his arrears account and makes reasonable arrangement with the utility to amortize the balance of such past due or arrears account over a reasonable length of time, not to exceed twelve months.

N. For the reason that the customer's use of the utility's service conflicts with, or violates, orders, ordinances or laws, of the State or any subdivision thereof, or of the commission.

O. In the case of a landlord/tenant relationship where the tenant is the customer, the utility may require the landlord to execute an agreement wherein such landlord agrees to be responsible for all charges billed to that premises in accordance with the approved tariffs for that utility and the Rules of the commission, and said account shall be considered the landlord's and tenant's account. In the event the landlord refuses to execute such an agreement, the utility may not discontinue service to the premises unless and until the tenant becomes delinquent on his account or until the premises are vacated. The utility may discontinue service pursuant to R.103-535.1 if the account is delinquent or may discontinue service at the time the premises are vacated and the utility shall not be required to furnish service to the premises until the landlord has executed the agreement, and paid any reconnection charges.

P. No utility shall be required to furnish, or continue to furnish its sewerage service to any premises to which the utility has not inspected the service connection, provided however, if the utility has waived its right to inspect the service connection, it may not refuse to furnish nor refuse to continue service to the premises.

Q. For nonpayment of any connection charge properly imposed by the utility and owed by the customer provided that the utility has made a reasonable attempt to effect collection and has given the customer 30 days written notice, sent by certified mail to the customer's billing address, with a copy forwarded to the commission. A connection charge owed by a third party or a previous occupant or owner of premises is not deemed to be owed by the current customer, and that current customer's service may not be disconnected under such circumstances.

#### **103-535.1. Notice Prior to Discontinuance of Service.**

Before any sewerage service may be discontinued, the utility must give thirty (30) days written notice to the customer, by certified mail, unless R.103-535.A is applicable, with copies forwarded to the appropriate county health department and the ORS. At the expiration of the thirty (30) day period, the utility shall post a second notice by certified mail to the customer advising that in not less than 10 days nor more than 30 days, his service may be discontinued at any time without further notice. After

the physical disconnection of any sewerage service, the Division of Environmental Health of the South Carolina Department of Health and Environmental Control and the ORS shall immediately be notified of the action and the name and address of the customer. Service will be terminated only on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service. The utility must inform the customer in the notice that the customer can contact the ORS if the customer disputes the discontinuance of service.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-536. Insufficient Reasons for Denying Service.**

The following shall not constitute sufficient cause for refusal of service to a present or prospective customer.

- A. Non-payment for service by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.
- B. Failure to pay for merchandise purchased from the utility.
- C. Failure to pay for a different type or class of public utility service.
- D. Failure to pay the bill of another customer as guarantor thereof.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994.

### **103-537. Right of Access.**

A. The authorized agents of the utility shall have the right of access to the customer's premises, at reasonable hours, for the purpose of inspecting the customer's sewerage connections and for any other purpose which is proper and necessary in the conduct of the utility's business.

B. When a sewerage line which is property of a utility is on the property of a resident in the utility's service area which is on file with the ORS, the resident shall provide reasonable access to the utility for maintenance thereof. Any damage done to the property by the utility shall be corrected by the restoration of comparable grass, shrubbery, and trees from nursery stock to conform with the condition before the maintenance process began.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-538. Customer Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the utility shall be investigated promptly and thoroughly. The utility shall keep such records of customer complaints as will enable it and ORS to review and analyze the utility's procedures and actions. All customer complaints will be processed pursuant to R.103-516 and R.103-530.F.

B. When the ORS has notified the utility that an oral complaint has been received concerning a specific account and such complaint has been received by the ORS before service is terminated, the utility shall not discontinue the service of that account until the ORS's investigation is completed and the results have been received by the utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-539. Tariff's Rules and Regulations.**

A copy of the utility's tariffs as filed with this commission and provided to the ORS will be on file in the local business offices of the utility and shall be available for public inspection.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-540. System Which Utility Must Maintain.**

Each utility, unless specifically relieved in any case by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions of all of its facilities and equipment used

in connection with the services it provides to any customer up to and including the point of delivery from systems or facilities owned by the customer.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-541. Contracts.**

No utility shall execute or enter into any agreement or contract with any person, firm, partnership, or corporation or any agency of the Federal, State or local government which would impact, pertain to, or effect said utility's fitness, willingness, or ability to provide sewerage service, including but not limited to the collection or treatment of said wastewater, without first submitting said contract in form to the commission and the ORS and obtaining approval of the commission.

**HISTORY:** Added by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 5 ENGINEERING**

### **103-550. Good Engineering Practice.**

The sewerage plant of the utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

### **103-551. Design and Construction Requirements**

The design and construction of the sewerage plant shall conform to the requirements of the Bureau of Water of the South Carolina Department of Health and Environmental Control.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-552. Minimum Pipe Size.**

The mains shall be at least eight (8) inches inside diameter and the utility's service pipes shall be at least four (4) inches inside diameter.

### **103-553. Adequacy of Sewerage Plant.**

The capacity of the utility's plant for the collection, transmission, treatment and disposal of sewage, sewage effluent and other removed substances must be sufficiently large to meet all normal demands for service and provide a reasonable reserve for emergencies.

The utility shall furnish the ORS with the following:

- 1) Statement by the South Carolina Department of Health and Environmental Control that the design has been approved;
- 2) Statement by the South Carolina Department of Health and Environmental Control that the utility was installed according to plans and specifications;
- 3) Statement by a professional engineer that the utility design meets his approval and the utility was installed with the approval of a professional engineer; and
- 4) Copy of "as built" plans and specifications approved by a professional engineer.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-554. Inspection of Sewerage Plant.**

Each utility must adopt a program of regular inspection of its sewerage plant in order to determine the necessity for replacement and repair. The frequency of the various inspections shall be based on the utility's experience and accepted good practice. Each utility shall keep sufficient records to substantiate compliance with its inspection program.

### **103-555. Service Pipe Connections.**

A. Utility's Service Pipe—The utility shall install and maintain that portion of the service pipe from the main to the boundary line of the property being served, public road, or street under which such

main may be located. The connection of the service pipe to the main must be made using appropriate wyes, saddles, or other acceptable fittings.

B. Customer's Service Pipe—The customer shall install and maintain that portion of the service pipe from the end of the utility's service pipe into the premises served. The portion of the service pipe installed and maintained by the customer shall conform to all reasonable rules and regulations of the utility. It must be constructed of approved materials and must be installed and maintained in accordance with accepted good practice and in conformance with applicable codes of governmental regulations. Each customer's service pipe shall serve no more than one customer.

C. Restrictions on Installation—A sewer service pipe shall not be laid in the same trench with water pipe unless the water service pipe is laid on a shelf on the side of the trench, not less than eighteen (18) inches above and not less than eighteen (18) inches horizontally away from the sewer pipe.

D. Inspection—If a governmental agency requires an inspection of the customer's plumbing, the utility shall not connect the customer's service pipe until it receives a notice from that governmental agency certifying that the customer's plumbing conforms to those standards set by the agency.

E. Service Pipe Connection—The utility shall be responsible for providing the location for the connection of the customer's service pipe to the utility's service pipe or the utility's main, whichever is applicable, at the utility's expense, and at no expense to the customer. The utility shall have the right to inspect the service connection to the utility service line at the time of the completion of connection, and the service may not be provided to such connection until the utility inspects the service line.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-556. Engineering Analysis.**

A. The ORS may survey anticipated extensions of sewer lines and the utility will assist in such survey and provide all pertinent data necessary to determine the cost and feasibility of extending such lines.

B. The utility shall provide the ORS access to all utility property when the ORS undertakes to verify the inventories of utility plant systems, or obtain other necessary information.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 6 INSPECTION AND TESTS**

### **103-560. Utility Inspection and Test.**

A. Each utility shall adopt a program of periodic tests, inspections, and preventive maintenance designed to achieve and maintain efficient operation of its system and the rendition of safe, adequate and continuous service.

B. Each utility shall maintain or have access to test facilities enabling it to determine the operation and collecting capabilities of all equipment and facilities provided by the utility. These test facilities shall be sufficient for routine maintenance and for trouble location. The actual collection performance of each sewerage system shall be monitored regularly in order to determine if the established objectives and operating requirements are met.

### **103-561. ORS Inspection and Test.**

When tests are conducted by the ORS, to insure that, or determine if, the provisions of these rules are being adhered to, each utility shall assist with such tests as requested, provided such request is in accordance with all legal requirements and sanctions.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-562. Testing Facilities.**

Each utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herewith provided or as requested by ORS or as may be approved or ordered by the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–563. Trouble Reports.**

A. Each utility shall provide for the receipt of customer trouble reports at all hours and make a full and prompt investigation of all complaints. Each utility shall maintain an accurate record of trouble reports made by its customers. This record shall include appropriate identification of the customer or service affected the time, the date, and nature of the report, the action taken to alleviate the trouble or satisfy the complaint, and the date and time of trouble clearance or other disposition of the complaint. This record shall be available to the commission and ORS upon request at any time within the period prescribed for retention of such records.

B. Provisions shall be made to clear trouble of any emergency nature at all times, consistent with the needs of customers and the personal safety of utility personnel.

C. Provisions shall be made to keep all commitments to customers. If unusual repairs are required, or other factors preclude clearing of reported trouble promptly, reasonable efforts shall be made to notify affected customers.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–564. Maintenance of Plant and Equipment.**

A. Each sewerage utility shall adopt and pursue a maintenance program aimed at achieving and maintaining efficient operation of its system so as to permit the rendering of safe, adequate and continuous service at all times.

B. Maintenance shall include keeping all plant and equipment in a good state of repair, consistent with safety and adequate performance factors.

1) Broken, damaged, or deteriorated parts which are no longer serviceable shall be repaired or replaced.

2) Adjustable apparatus and equipment shall be readjusted as necessary when found to be in an unsatisfactory operating condition.

## **SUBARTICLE 7 STANDARDS AND QUALITY OF SERVICE**

### **103–570. Quality of Service.**

A. Each utility shall provide sewerage service insofar as practicable free from objectionable odors. Each utility must have a permit as required by the health laws of the State of South Carolina, and shall comply with all laws and regulations of State and local agencies pertaining to sewerage service.

B. It shall be the obligation of each utility dependent upon its ability to procure and retain suitable facilities and rights for the construction and maintenance of the necessary system to furnish adequate sewerage service to customers in the area or territory in which it operates. Such service is to be rendered according to lawfully established and approved rates and charges for the specific territory involved.

### **103–571. Interruptions of Service.**

A. Each utility shall make reasonable efforts to avoid interruptions of service, but when such interruptions occur, service shall be re-established within the shortest time practicable, consistent with considerations of safety.

B. Scheduled interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

C. Each utility shall maintain records and notify the commission and the ORS of any interruption in its service in accordance with 103–514.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**SUBARTICLE 8**  
**SAFETY**

**103–580. Acceptable Standards.**

As criteria of accepted good safety practice the commission will use the applicable provisions of the standards referred to in 103–551.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–581. Protective Measures.**

A. Each utility shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.

B. The utility shall give reasonable assistance to the ORS in the investigation of the causes of accidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of accident prevention.

C. Each utility shall maintain a summary of all reported accidents arising from its operations.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–582. Safety Program.**

Each utility shall devise and implement a safety program, adapted to the size and type of its operations. At a minimum, the safety program should:

(a) Require the employees to use suitable tools and equipment in order that they may perform their work in a safe manner;

(b) Instruct employees in safe methods of performing their work; and

(c) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

**ARTICLE 6**  
**TELECOMMUNICATIONS UTILITIES**  
**SUBARTICLE 1**  
**GENERAL**

**103–600. Authorization of Rules.**

A. Section 58–9–810 of the Code of Laws of South Carolina, 1976, provides:

“The commission may make such rules and regulations not inconsistent with law or statute as may be proper in the exercise of its powers or for the performance of its duties under Articles 1 through 13 of this chapter all of which shall have the force of law.”

In accordance with the above provisions, the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern telephone and telegraph service by telephone and telegraph utilities.

All previous rules and regulations or standards are hereby annulled, revoked and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or part, or from requiring any other or additional service, equipment, facility or standard, either upon complaint or upon its own motion, or upon the application of any telephone or telegraph utility.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–601. Application of Rules.**

1. Jurisdiction. These rules and regulations shall apply to any person, firm, partnership, cooperative or corporation, which is now or may hereafter become engaged as a telephone utility in the business of furnishing communications service to any customer within the State of South Carolina and to the customers of such telephone utility.

2. Purpose. These rules and regulations are intended to define good practices. They are intended to insure adequate and reasonable service. The utilities shall assist the commission with the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the commission upon a finding by the commission that such a waiver is not contrary to the public interest.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

## **103–602. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below.

### **103–602.1. Access Line.**

The circuit between a subscriber's standard interface located on the subscriber's premises and the central office.

### **103–602.2. Commission.**

The Public Service Commission of South Carolina.

### **103–602.3. Customer.**

Any person, firm, association or corporation, or any agency of the Federal, State or local government, being supplied telecommunications service by a utility.

### **103–602.4. Interexchange Carrier.**

Carrier authorized by the commission to provide services related to long distance services.

### **103–602.5. ORS.**

Office of Regulatory Staff.

### **103–602.6. PSP.**

Payphone Service Provider.

### **103–602.7. Radio Common and Cellular Carrier.**

A mobile telecommunications carrier licensed by the Federal Communications Commission (FCC) and authorized by the FCC to receive and transmit signals from mobile transmitter within a specified geographic area.

### **103–602.8. Reference.**

For the purpose of these rules and regulations the reference as specified in R.103–642 will be used for the definitions of terms, abbreviations, units of measure, etc.

### **103–602.9. Standard Network Interface Device.**

The point of demarcation between telephone company-owned facilities and customer-owned wiring and/or equipment.

### **103–602.10. Telephone Utility.**

A telephone utility operating under the jurisdiction of the commission.

### **103–602.11. Written or in Writing.**

Written or in writing includes, without limitation, electronic transmissions.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

## **103–603. Authorization for Rates and Charges.**

A. No schedules of rates or tariffs involving rates under the jurisdiction of the commission shall be changed until after proposed change has been approved by the commission, unless they are exempt from such approval by statute, order of the commission, or other provision of law.

B. All rates, tolls, or charges involving rates under the jurisdiction of the commission proposed to be put into effect by any telephone utility shall be first approved by the commission before they shall

become effective, unless they are exempt from such approval by statute, order of the commission, or other provision of law.

C. No rate or toll charge involving rates under the jurisdiction of the commission of any telephone utility shall be deemed approved nor consented to by the mere filing of a schedule or other evidence thereof in the offices of the commission, unless otherwise provided for by law.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–604. Territory and Certificated Area.**

Each telephone utility shall provide regulated service only within the areas authorized by the commission, unless exempt by commission action, order or statute.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–605. Telephone Utility Rules and Regulations.**

Each telephone utility shall adopt such rules, regulations, operating procedures, policies and instructions as may be necessary to govern all aspects of telephone service to its customers so long as those rules and regulations, operating procedures, policies and instructions are not in contradiction to rules and regulations and orders of the commission or other statutory laws.

All rules and regulations, operating procedures, policies and instructions as outlined above are subject to review by the commission. Upon request, each utility shall make a copy of such rules and regulations, operating procedures, policies and instructions available to the ORS.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–606. Service Offerings.**

Each telephone utility is authorized to offer such types, class, grades, classification and forms of service as it may deem necessary.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–607. Bonds or Other Security Mechanisms.**

This regulation applies to telephone utilities who provide retail residential local exchange services and who individually or together with their affiliates, have not invested at least five million dollars in telecommunications facilities in the State of South Carolina. The commission may waive this requirement upon petition by the telephone utility if the telephone utility provides evidence of financial stability as deemed appropriate by the commission. This regulation does not apply to Commercial Mobile Radio Services. The commission shall determine the type and the amount of bond or other security mechanism to be filed by the carrier with the commission and the ORS. The commission may order the carrier to file a performance bond or post an irrevocable letter of credit or certificate of deposit. In determining the amount of the performance bond, irrevocable letter of credit, or certificate of deposit, the commission may use, at a minimum, any commercially reasonable, acceptable method, including the following criteria: number of customers, retail price for service, and financial resources of the carrier.

a. Performance Bond. Performance bonds must be issued by an A-grade insurer acceptable to the commission and must be posted with the commission and a copy provided to the ORS. However, the amount of the bond shall be no less than \$100,000. An updated bond shall be filed with the commission and a copy provided to the ORS annually.

b. Irrevocable Letter of Credit. An irrevocable letter of credit shall be issued by a financial institution acceptable to the commission. The amount of the irrevocable letter of credit shall be determined by the commission; however, the amount of the letter of credit shall be no less than \$100,000. An updated irrevocable letter of credit shall be filed with the commission and a copy provided to the ORS annually.

c. Certificate of Deposit. The certificate of deposit shall be issued by a financial institution acceptable to the commission and shall be no less than \$50,000. An updated certificate of deposit shall be filed with the commission and a copy provided to the ORS annually.

Forfeiture of Bond or Other Security Mechanism



The commission, after notice and hearing, may order all or part of any bond or other security forfeited upon finding that the telephone utility has abandoned service to customers.

**HISTORY:** Added by State Register Volume 33, Issue No. 6, eff June 26, 2009. Amended by State Register Volume 35, Issue No. 6, eff June 24, 2011.

## SUBARTICLE 2 RECORDS AND REPORTS

### **103-610. Location of Records and Reports.**

All records required by these rules or necessary for the administration thereof, shall be kept within the State, unless otherwise authorized by the commission. These records shall be available for examination by the ORS, or its authorized representatives at all reasonable hours.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-611. Retention of Records.**

Retention of records shall be as specified in the Federal Communications Commission's Rules and Regulations, Part 42, unless otherwise directed by the commission. Further, the telephone utility shall maintain sufficient records necessary to verify and substantiate all requirements included in these rules. These records include, but are not limited to, trouble reports, service orders, itemized customer billing records, customer deposits, and complaints.

**HISTORY:** Amended by State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-612. Data to Be Filed with the Commission and Provided to the ORS.**

The telephone utility shall file the following documents and information:

1. Annual Report. Each telephone utility operating in the State shall file an annual report with the commission and provide a copy to the ORS, giving such information as the commission may direct.

2. Current Information and Documents. The information required under this Section shall be kept current at ALL TIMES.

2.1. Tariff. Unless otherwise provided by law, each telephone utility shall file for approval with the commission and serve on the ORS a tariff with respect to all regulated services offered by the utility.

A. Each telephone utility must provide the ORS a copy of its most recent tariffs.

B. The telephone utility's tariff shall include:

a. A copy of the telephone utility's rules, terms, or conditions, describing the telephone utility's policies and practices in rendering regulated services.

b. A list of all types, grades, classifications and forms of regulated service offered.

c. The non-recurring charges, recurring charges, and the termination charges, if any, that apply to the services.

d. Definitions of all types, classes, grades, classifications, and forms of regulated service offered.

2.2. <sup>1</sup>

2.3. Operating Area Maps. The commission and the ORS shall maintain updated maps showing commission-approved areas and/or exchange service-area(s).

The maps, as outlined above, shall be revised whenever boundary changes are made and shall be signed by the proper officials and filed for approval with the commission.

2.4. Authorized Telephone Utility Representative. Each telephone utility shall maintain with the commission and furnish a copy to the ORS, the name, title, address, and telephone number of the persons who should be contacted in connection with:

a. General Management Duties

<sup>1</sup> So in original. No paragraph 2.2 was promulgated by State Register Volume 31, Issue No. 4, eff April 27, 2007.

- b. Customer Relations (Complaints)
- c. Engineering Operations
- d. Test and Repairs
- e. Emergencies during non-office hours

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-614. Interruption of Service.**

Each telephone utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division of a telephone exchange, including a statement of the time, duration, cause of any such interruption, and steps taken to correct the interruption. The utility shall report any information required to be reported to the FCC regarding outages to the commission and provide a copy electronically to the ORS. This information should be submitted as soon as practicable, and a copy of any written report submitted to any Federal jurisdictional entity shall also be submitted to the commission and a copy provided to the ORS.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-615. Accidents.**

Each telephone utility shall maintain adequate and accurate records of each accident happening in connection with the operation of its property, facilities, or service wherein any person shall have been killed or whereby any serious property damage shall have been caused.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-616. Complaints Received from the ORS.**

Each telephone utility shall keep a record of all complaints received from the ORS. This record shall show the name and address of the complainant, the date, the nature of the complaint, and the adjustment or disposal thereof.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-617. Tests.**

Each telephone utility shall keep a record of all tests procedures which are performed as a result of these rules, unless otherwise directed by the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-618. Service Reports.**

Each telephone utility shall provide the following service reports to the ORS on a quarterly basis within thirty (30) days of the end of each calendar quarter.

#### **A. Trouble reports per hundred access lines:**

The report shall contain the total number of actual customer trouble reports received per hundred access lines for the telephone utility's regulated operations.

#### **B. Customer out of service trouble clearing times:**

The report shall contain the percentage number of out of service reports cleared within twenty four (24) hours, excluding weekends and holidays.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-619. Held Applications/Availability of Service.**

The following information shall be provided to the ORS on a quarterly basis within thirty (30) days of the end of each calendar quarter. Reported information which indicates that the commission's

specified objectives have not been met shall be accompanied by explanation. Reports shall show results by wire center, central office, exchange or maintenance group. This information shall be reported as a percentage of work order activity characterized as follows:

- a. The number of applications for new service held over thirty (30) days.
- b. The number of applications for regrade held over thirty (30) days.
- c. The total number of access lines.
- d. The percentage of service orders for installations and re-installations completed within five (5) working days.
- e. Commitments fulfilled.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### SUBARTICLE 3 CUSTOMER RELATIONS

#### **103-620. Customer Information.**

Each telephone utility shall:

- a. Maintain up-to-date maps, plans, or records of its entire system, with other information as may be necessary to enable the telephone utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.
- b. If required by law and so directed by the commission, notify each customer affected in writing, of any proposed changes in rates and charges. The form of such notification shall be prescribed by the commission. A certification that the above notice requirement has been met shall be furnished to the commission and served on the ORS by the telephone utility.
- c. Furnish to a customer, upon request, information as to the telephone utility's billing procedures.
- d. Provide adequate means whereby each customer can contact repair service at all hours.
- e. Notify its customers that the telephone utility is under the jurisdiction of the commission, and that its customers may, if necessary, seek assistance from ORS regarding the telephone utility's regulated operations or file a formal complaint with the commission regarding an unresolved dispute involving the telephone utility's regulated operations.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

#### **103-621. Customer Deposits.**

A. Each telephone utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for regulated service, if any of the following conditions exist:

1. The customer has had two 30-day arrearages in the past 24 months, or the customer has been sent two or more late payment notices in the past 9 months; or
2. A new customer cannot furnish either an acceptable co-signer or guarantor who is a customer of the utility within the State of South Carolina to guarantee payment; or
3. The customer's gross monthly billing increases; or
4. A customer has had his service terminated by any telephone utility for non-payment or fraudulent use; or
5. The utility determines, through use of commercially acceptable methods, that the customer's credit and financial condition so warrants.

B. Each telephone utility shall inform affected prospective customers of the provisions contained in R. 103-621-(A).

C. A utility is not required to install new service to a customer prior to the utility's receipt of any deposit that is required of that customer.

##### **103-621.1. Deposit Receipt.**

Each utility shall maintain records of each deposit it receives from a customer and shall provide means whereby a customer may establish a claim regarding his deposit.

**103-621.2. Amount of Deposit.**

A. For a new customer, a maximum deposit may be required up to an amount equal to an estimated two (2) months (60 days) total bill (including toll and taxes). For an existing customer, a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months within the preceding six (6) months.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and the payment habits of the customer.

**103-621.3. Interest on Deposits.**

A. Simple interest on deposits at the rate not less than that as prescribed by the commission shall be paid by the telephone utility to each customer required to make such deposit for the time it is held by the telephone utility.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

**103-621.4. Deposit Records.**

Each telephone utility shall keep records to show:

- a. The name and address of each depositor.
- b. The amount and date of the deposit.
- c. The last transaction concerning the deposits.
- d. The reasons why deposit retained after two year retention period. (See R. 103-621.5)

**103-621.5. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two 30-day arrearages in the past 24 months, or has had service denied or interrupted for non-payment of bills, or has been sent more than two late payment notices in the past 9 months, or has a returned check in the past 6 months.

**103-621.6. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least two years, during which time the telephone utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be treated in accordance with law.

**103-621.7. Deposit Credit.**

Where a customer has been required to make a deposit, that deposit shall not relieve the customer of the obligation to pay the service bill when due, but where such deposit has been made and service has been disconnected because of nonpayment of account, then unless the customer shall, within seventy-two hours after service has been disconnected, apply for reconnection of service and pay the account, the account may be discontinued. If the telephone utility discontinues the account, the telephone utility shall apply the deposit of such customer toward the discharge of such account and shall refund to the customer any excess.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-622. Customer Billing.**

Every telephone utility shall render each customer an accurate and timely bill.

**103-622.1. Bill Forms.**

Each telephone utility's bill must comply with the Federal Communications Commission's "Truth in Billing Requirements" that are in effect at the time the utility's bill is prepared.

**103-622.2. Late Payment Charges.**

A maximum of one and one half percent (1 1/2 %) may be added to any unpaid balance brought forward from the previous billing date to cover the cost of collection and carrying accounts in arrears. This method of late payment charge will be made in lieu of any other penalty.

**103-622.3. Disconnection and Reconnection.**

Whenever regulated telephone service is denied or discontinued for any appropriate reason, the telephone utility may make a tariffed charge for cost incurred in disconnecting or discontinuing the regulated telephone service and reconnecting it after restoration and may require payment for service not previously billed.

**103-622.4. Payment by Check.**

The telephone utility, at its option for good cause, may refuse to accept a check tendered as payment on a customer's account.

**103-622.5. Deferred Payment Plan.**

The telephone utility may provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for service. The deferred payment plan may require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by R. 103-622.2. A deferred payment plan is any agreement to defer a payment to the next billing cycle.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-623. Adjustment of Bills.**

If it is found that a telephone utility has directly or indirectly, by any devise whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such telephone utility than that prescribed in the schedules of such telephone utility applicable thereto then filed in the manner provided in Title 58 of the South Carolina Code of Laws, or if it is found that any customer has received or accepted any service from a telephone utility for a compensation greater or lesser than prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

**103-623.1. Customer Willfully Overcharged.**

If the telephone utility has willfully overcharged any customer, the telephone utility shall refund the difference, plus interest, as prescribed by the commission, for the period of time that can be determined that the customer was overcharged.

**103-623.2. Customer Inadvertently Overcharged.**

If the telephone utility has inadvertently overcharged a customer as a result of a misapplied schedule or any other human or machine error, the telephone utility shall, for any amount of one dollar (\$1.00) or more (amounts less than \$1.00 will be credited to account) at the customer's option, credit, or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

a. If the interval during which the customer was overcharged can be determined, then the telephone utility shall credit or refund the excess amount charged during the interval, provided that the applicable statute of limitations shall not be exceeded.

b. If the interval during which the customer was overcharged cannot be determined, then the telephone utility shall credit or refund the excess amount charged during the 12-month period preceding the date when the error was discovered.

c. If the exact amount of the overcharge incurred by the customer during the billing periods subject to adjustment cannot be determined, then the credit or refund shall be based on an appropriate estimated amount of excess payment.

**103-623.3. Customer Undercharged Due to Willfully Misleading Company.**

If the telephone utility has undercharged any customer as a result of a fraudulent or willfully misleading action of that customer, or any action by any person (other than the employees or agents of the telephone utility), such as tampering with the facilities, when it is evident that such tampering or bypassing occurred during the residency of that customer, or if it is evident that a customer has knowledge of being undercharged without notifying the telephone utility as such, then the telephone utility shall recover the deficient amount provided as follows:

a. If the interval during which the customer was undercharged can be determined, then the telephone utility shall collect the deficient amount incurred during the entire interval, provided the applicable statute of limitations is not exceeded.

b. If the interval during which the customer was undercharged cannot be determined, then the telephone utility shall collect the deficient amount incurred during the 12-month period preceding the date when the billing error was discovered by the telephone utility.

#### **103-623.4. Customer Undercharged Due to Human or Machine Error.**

If the telephone utility has undercharged any customer as a result of a misapplied schedule, or any human or machine error then the telephone utility may recover the deficient amount as follows:

a. If the interval during which a customer was undercharged can be determined, then the telephone utility may collect the deficient amount incurred during the entire interval up to a maximum period of six months.

b. If the interval during which a customer was undercharged cannot be determined, then the telephone utility may collect the deficient amount incurred during the six month period preceding the date when the billing error was discovered by the telephone utility.

c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills devoid of late charges, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-624. Applications for Regulated Service.**

#### **103-624.1. Method.**

Applications for service may be oral or in writing.

#### **103-624.2. Obligation.**

The applicant shall, at the option of the telephone utility, be required to sign a service agreement or a contract. In the absence of such service agreement or contract, the accepted application shall constitute a contract between the telephone utility and the applicant, obligating the applicant to pay for service in accordance with the telephone utility's tariff currently on file with the commission, and to comply with the commission's and the telephone utility's rules and regulations.

#### **103-624.3. Termination.**

When a customer desires to have his service terminated, he must notify the telephone utility. Such notification may be oral or in writing. The telephone utility shall be allowed a reasonable period of time after the receipt of such notice to send a final bill.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-625. Reasons for Denial or Discontinuance of Service.**

Service may be refused or discontinued for any of the reasons listed below, for any reason set forth in the utility's tariffs, or for any reason set forth in the utility's individual contracts for services. Unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued.

a. Without notice, in the event of a condition determined by the telephone utility to be hazardous or dangerous.

b. Without notice, in the event of customer use of equipment in such a manner as to adversely affect the telephone utility's service to others.

- c. Without notice, in the event of unauthorized use of telephone service.
- d. For the customer tampering with equipment furnished and owned by the telephone utility.
- e. For violation of and/or non-compliance with the commission's Orders or regulations governing service supplied by the telephone utilities.
- f. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.
- g. For failure of the customer to permit the telephone utility reasonable access to its equipment.
- h. In cases involving abnormal and excessive use of toll service, service may be denied two (2) days after written notice is given to the customer, unless satisfactory arrangements for payment are made.
- i. For failure of the customer to provide the telephone utility with a deposit as authorized by 103-621(1).
- j. For failure of the customer to furnish permits, certificates, and/or right-of-ways, as necessary to obtain service, or in the event such permissions are withdrawn or terminated.
- k. Where there is probable cause to believe that there is illegal or willful misuse of telephone utility's service.
  - l. No telephone utility shall be required to furnish its service or to continue its service to any applicant who, at the time of such application, is indebted under an undisputed bill to such telephone utility for telephone service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the telephone utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six (6) years prior to the time of application.
  - m. For non-payment of that portion of the bill rendered by the telephone utility for telephone service billed for another telephone utility.
  - n. Without notice, in the event of a PSP violation of a commission Order of which the PSP has been notified and has failed to correct the violation within the amount of time specified in such notification.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-626. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

- a. Non-payment for services by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service or unless the new occupant benefited from such old service.
- b. Failure to pay for merchandise purchased from the telephone utility.
- c. Failure to pay for any non-regulated equipment or services provided by the utility.
- d. Failure to pay for business service at a different location and a different telephone number shall not constitute sufficient cause for refusal of residential service or vice versa.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 16, Issue No. 6, eff June 26, 1992; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-627. Rights of Access.**

The authorized agents of the telephone utility shall have the right of access to the premises supplied with telephone service, at reasonable hours, for the purpose of maintenance, removal and inspection or for any other purpose which is proper and necessary in the conduct of the telephone utility's business.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-628. Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the telephone utility shall be investigated promptly and thoroughly by the telephone utility. The telephone utility shall keep such records of customer complaints as will enable it to review and analyze its procedures and actions.

B. The telephone utility, except in cases of high toll usage, and when given at least four hours notice shall not terminate service to a complainant until an answer to the complaint is conveyed to the ORS. A written or oral response is allowable for complaints that the telephone utility wishes to dispose of immediately. The use of an oral response does not preclude supplying the ORS with a written response to written complaints.

C. The ORS shall promptly and thoroughly investigate complaints concerning the charges, practices, facilities, or service of the utility. Each utility shall respond to the complaint conveyed to the utility by the ORS in a timely and thorough manner. This time period shall not exceed ten (10) days from the day the complaint is received by the utility, except that the ORS may give the company additional time to respond upon request and for good cause shown.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–629. Tariffs, Rules and Regulations.**

A copy of the telephone utility's tariffs as filed with the commission and provided to the ORS shall be available for inspection by the public.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–630. System Which Telephone Utility Must Maintain.**

Each telephone utility, unless specifically relieved in any case by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions, all of the facilities and instrumentalities used in connection with the furnishing of telephone service excluding customer provided equipment.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–631. Directories.**

Each utility is responsible for having the name, address, and telephone numbers of all of its customers listed in a telephone directory that is published at regular intervals, except public telephone and telephone service unlisted at customer's request.

A. The telephone utility shall list its customers with at least one provider of directory assistance services or with its own directory assistance operators to provide the requested telephone numbers based on the customer's name and address when such requests are made by communication users, except public telephones and telephone service unlisted at customer's request.

B. Upon issuance of the directory in which its customers' listings appear, each utility is responsible for distributing a copy of each directory to all customers served by that directory and a copy of each directory shall be furnished to the commission.

C. The name of the telephone utility, an indication of the area included in the directory and the month and year of issuance shall appear on the front cover or the spine of the directory. The utility shall take appropriate measures to have information pertaining to emergency calls such as for the police and fire departments appear conspicuously in the front pages of the directory, and such information shall be provided without charge to the agency located within the utility's certificated area. Also, the utility shall take appropriate measures to have the address and telephone number of the Public Service Commission and the Office of Regulatory Staff appear in the front portion of the directory in which its customers' listings appear.

D. The utility shall take appropriate measures to have the directory in which its customers' listings appear contain instructions concerning placing of long distance calls, calls to repair and directory assistance services, and calls for the establishment and maintenance of service.

E. At least one directory assistance provider used by the utility or the utility's own directory assistance operators shall have access to records of all telephone numbers in the area for which they are responsible for furnishing directory assistance service except telephone numbers not published at customer's request.

F. Each telephone utility shall make every effort to list its customers with at least one directory assistance provider used by the utility or the utility's own directory assistance operators as necessary for the directory assistance operators to provide the requested telephone numbers based on customer



names and service locations to minimize “not found” numbers where the address is different from the address normally associated with an exchange directory.

G. In the event of an error in the listed numbers of any customer, the telephone utility shall intercept all calls to the listed number for a reasonable period of time provided existing central office equipment will permit and the number is not in service. In such event of an error or omission in the name listing of a customer, such customer’s correct name and telephone number shall be in the files of the directory assistance provider used by the utility, or the utility’s own directory assistance operators. The correct number shall be furnished to the calling party either upon request or interception.

H. Whenever any customer’s telephone number is changed after a directory is published, the telephone utility shall intercept all calls to the former number for a reasonable period of time, and give the calling party the new number provided existing central office equipment will permit, and the customer so desires.

I. When additions or changes in plant or changes to any other telephone utility operations necessitates changing telephone numbers to a group of customers, reasonable notice shall be given to all customers so affected even though the additions or changes may be coincident with a directory issue.

J. Approval must be obtained from the commission prior to a reduction in the size of print in the alphabetical section of the directory.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–633. Procedures for Termination of Service.**

Service may be terminated for non-payment of a bill, provided that the telephone utility has made a reasonable attempt to effect collection and has given the customer written notice that he has five days in which to make settlement on his account or have his service disconnected. Service will be terminated only on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service.

**HISTORY:** Added by State Register Volume 18, Issue No. 3, eff March 25, 1994.

## **SUBARTICLE 4 ENGINEERING**

### **103–640. Requirements for Good Engineering Practice.**

The plant of each telephone utility shall be constructed, installed, maintained, and operated in accordance with accepted good engineering practices and regulations, included by reference as part of these rules as far as possible. Continuity of service, uniformity in quality of service furnished, and the safety of persons and property shall be maintained.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–641. Acceptable Standards.**

Unless otherwise specified by the commission, each telephone utility shall use the applicable provision in the publication listed below as standards of accepted good practices:

- a. Latest edition of The National Electrical Safety Code.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–642. Acceptable References.**

Newton’s Telecom Dictionary as published by CMP Books.

**HISTORY:** Amended by State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–643. Adequacy of Service.**

The capacity of the telephone utility’s plant shall be sufficiently large to meet all reasonably expected requests for service. See R. 103–663(1). Where new construction is required, reasonable allowance will be made for construction and activation of new facilities.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-644. Inspection of Plant.**

A. Each telephone utility shall adopt a program of inspection of its plant in order to determine the necessity for replacement and repair. The frequency of various inspections shall be based on the telephone utility's experience and accepted good practice. Each utility shall keep sufficient records to give evidence of compliance with its inspection programs as set forth in R. 103-640 through -654 of these rules and regulations.

B. Each telephone utility shall maintain its plant, equipment, and other facilities at all times in a reasonably adequate and serviceable condition consistent with the commission's Rules and accepted industry standards.

C. The telephone equipment, apparatus and lines furnished by the telephone utility shall remain the property of the telephone utility, and no instrument, appliance or device of any kind not furnished by the telephone utility shall be attached to or in any way used in connection with such telephone equipment, apparatus, and lines, either directly or indirectly, by induction or otherwise, except in accordance with the guidelines contained in Part 68 of the Federal Communications Commission's Rules and Regulations. In the event any instrument, apparatus, or device of any kind other than that furnished by the telephone utility, or as excepted above, is attached to or connected with any part of its properties, the telephone utility shall have the right to remove such instrument, apparatus, or device in accordance with the applicable law.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-645. Hazardous Locations.**

Explosive Atmospheres and Other Hazardous Locations. No telephone utility shall be required to install or maintain any of its apparatus or equipment in explosive atmospheres, or at outdoor or other locations which, in its judgment, are not suitable for the location of its service and facilities.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-646. Emergency Operation.**

A. Telephone utilities shall make reasonable provisions to meet emergencies resulting from failures of lighting or power services, unusual and prolonged increases in traffic, illness of personnel, or from fire, storm, or other acts of God and inform its employees as to procedures to be followed in the event of emergency in order to prevent or minimize interruption or impairment of telephone service.

B. Each central office shall contain as a minimum two hours of battery reserve. All central offices shall make adequate provisions for emergency power. In offices without installed emergency power facilities, there shall be a mobile power unit available which can be delivered and connected within the period of the battery reserve and can maintain the office for an extended period of time.

C. In exchanges exceeding 5,000 lines, a permanent auxiliary power unit shall be installed.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

## **SUBARTICLE 5 INSPECTION AND TESTS**

### **103-650. Telephone Utility Inspection and Test.**

A. Each telephone utility shall adopt a program of periodic tests, inspections, and preventive maintenance aimed at achieving efficient operation of its system and the rendition of safe, adequate and continuous service.

B. Each telephone utility shall maintain or have access to test facilities enabling it to determine the operating and transmission capabilities of all equipment and facilities provided by the telephone utility both for routine maintenance and for trouble location. The actual transmission performance of each telephone network shall be monitored in order to determine if the established objectives and operating requirements are met. This monitoring function shall consist of circuit order tests prior to placing trunks in service, routine periodic trunk tests, periodic noise tests of a sample of customer loops in each exchange, and special transmission surveys of the telephone network.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–651. ORS Inspection and Test.**

When inspections, audits, or examinations are conducted by the ORS, its staff, or its representatives, to ensure or determine if the provision of these rules herein contained are being adhered to, each telephone utility shall assist with such test as requested provided such request is in accordance with all legal requirements and sanctions.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–652. Testing Facilities.**

A. Each telephone utility shall, unless specifically excused by the commission, provide such instruments and other equipment and facilities as may be necessary to make the tests required of it by these rules or other orders of the commission or as requested by the ORS. The apparatus and equipment so provided shall be available at all times for inspection by any member or authorized representative of the ORS.

B. Each telephone utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as is herewith provided, as requested by the ORS, or as may be approved or ordered by the commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–653. Trouble Reports.**

A. Each telephone utility shall provide for the receipt of customer trouble reports at all hours and make a full and prompt investigation of all trouble reports. Each telephone utility shall maintain an accurate record of trouble reports made by its customers. This record shall include appropriate identification of the customer or service affected, the time, date, and nature of the report, the action taken to clear trouble or satisfy the trouble, and the date and time of trouble clearance or other disposition. This record shall be available to the ORS or its authorized representatives upon request at any time within the period prescribed for retention of such records.

B. Provisions shall be made to clear all trouble of any emergency nature at all hours, consistent with the needs of customers and the personal safety of telephone utility personnel.

C. Provisions shall be made to normally clear all other out-of-service troubles not requiring unusual repair, such as cable failures, within 24 hours of the report received by the telephone utility excluding Sundays and holidays unless the customer agrees to another arrangement.

D. Provisions shall be made to keep all commitments to customers. If unusual repairs are required, or other factors preclude clearing of reported trouble promptly, reasonable efforts shall be made to notify affected customers.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–654. Maintenance of Plant and Equipment.**

A. Each telephone utility shall adopt and pursue a maintenance program aimed at achieving efficient operation of its system so as to permit the rendering of safe, adequate and continuous service at all times.

B. Maintenance shall include keeping all plant and equipment in a good state of repair consistent with safety and the adequate service performance of the plant affected, such as:

1. Broken, damaged, or deteriorated parts which are no longer serviceable shall be repaired or replaced.
2. Adjustable apparatus and equipment shall be readjusted as necessary when found to be in an unsatisfactory operating condition.
3. Electrical faults, such as leakage or poor insulation, noise induction, crosstalk, or poor transmission characteristics shall be corrected to the extent practicable.

**SUBARTICLE 6**  
**STANDARDS AND QUALITY OF SERVICE**

**103-660. Quality of Service.**

It shall be the obligation of each telephone utility, dependent upon their ability to procure and retain suitable facilities and rights for the construction and maintenance of the necessary circuits, to furnish reasonably adequate telephone service to telephone customers in the area or territory in which it operates. Such service is to be rendered according to lawfully established and approved rates and charges for the specific territory involved.

**103-661. Interruptions of Service.**

A. Each telephone utility shall make reasonable efforts to avoid interruptions of service, but when interruptions occur, service shall be reestablished within the shortest time practicable, consistent with safety.

B. Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-662. Restrictions on Use of Service.**

Each telephone utility may impose reasonable restrictions on the use of telephone service during periods of excessive demand or other difficulty which jeopardizes the quality of service to any group of customers.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-663. Service Standards.**

**103-663.1. Availability of Service.**

Orders for new service, where all tariff requirements have been met, shall be completed within the interval shown below after receipt of the application, excepting those where a later date is requested by the customer or where special equipment or service is involved:

A. Service Orders for Installation and Re-installations:

85% within 5 working days

B. Commitments fulfilled: 85%

Commitments shall be made for a specific day.

**103-663.2. Equipment Requirements.**

A. The central office and interoffice trunk equipment shall be maintained so as to meet the following standards during an average business day (8:00 AM to 5:00 PM):

Failure rate on intraoffice calls—1.5%

Failure rate on interoffice calls—3%

The failure rate for interoffice calls applies to EAS and multioffice trunking calls but not to toll calls.

B. The central office and interoffice trunk standards are the objectives to be used by the ORS staff when testing. The telephone utilities are not required to perform tests or maintain records of these items.

**103-663.3. Subscriber Loop-Transmission Objectives.**

The following standards are objectives to be used by the ORS staff during testing at the subscriber's station protector. Acceptable measurements are:

DC Line Current: greater than 20 mA

Circuit Loss: less than 8.5 db

Circuit Noise: less than 20 dBnC

Power Influence: less than 90 dBmC  
Balance greater than 60 dB  
(Where Balance (dB) = Power Influence - Circuit Noise)

**103-663.4. Dialtone.**

Central office equipment shall be maintained so as to meet the following standards:  
98% of all calls shall receive dialtone within three (3) seconds.

**103-663.5. Answering Time.**

Each telephone utility shall provide adequate personnel and equipment so as to meet the following service objectives under normal operating conditions:

- a. Toll and operator assistance calls answered within 10 seconds (does not include directory assistance calls): 90%
- b. Calls to repair service answered within 20 seconds: 90%
- c. Directory assistance answered within 30 seconds: 80%

**103-663.6. Customer Trouble Reports.**

A. Service by each telephone utility shall be such that the number of customer trouble reports per 100 total access lines in service per month shall not exceed the following:

EXCHANGE/REPORTING GROUP SIZE	OBJECTIVE
OVER 7,500 ACCESS LINES	5.0
UNDER 7,500 ACCESS LINES	7.0

Unusual situations caused by storms, unavoidable casualties or other conditions causing an excess number of reports should be explained in the trouble report.

B. A customer trouble report is any oral or written notice received by the telephone utility (other than problems detected by the telephone utility's internal diagnostics) indicating difficulty or dissatisfaction with the performance, physical condition, location or appearance of the utility's regulated telephone plant or equipment.

**103-663.7. Customer Out of Service Trouble Clearing Time.**

Provisions shall be made to normally clear all out of service troubles within twenty-four hours of the reported time to the telephone utility, excluding weekends and holidays, unless the customer agrees to another arrangement. The out of service trouble clearing time objectives for telephone utilities is 85% within 24 hours.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 4, eff April 22, 1994; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**SUBARTICLE 7  
SAFETY**

**103-670. Acceptable Standards.**

As criteria of accepted good safety practice the commission will use the applicable provisions of the standard listed in R.103-641.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-671. Protective Measures.**

Each telephone utility shall exercise reasonable care to reduce the hazards to which its employees, its customers and the general public may be subjected.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103-672. Safety Program.**

Each telephone utility shall adopt and execute a safety program fitted to the size and type of its operation.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

**SUBARTICLE 8**  
**TELECOMMUNICATION RELAY SERVICE ADVISORY COMMITTEE**

**103–680. Role of the Advisory Committee.**

The Telecommunication Relay Service Advisory Committee shall monitor the establishment, administration, and promotion of the telecommunications relay service, and advise the commission on ways the service may be enhanced to better meet the communication needs of the hearing and speech impaired.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–681. Committee Name.**

The Advisory Committee shall be known as the Telecommunications Relay Service (TRS) Advisory Committee.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993.

**103–682. Composition of the TRS Advisory Committee.**

1. The TRS Advisory Committee shall be comprised of members from the agencies as designated by statute.
2. The TRS Advisory Committee shall select a person from among its members to serve as chairman.
3. Members of the TRS Advisory Committee shall serve at the pleasure of the Commission.
4. Members of the TRS Advisory Committee shall serve without compensation.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993.

**103–683. Meetings.**

1. The TRS Advisory Committee shall meet no less than once per quarter. Other meetings shall be called at the discretion of the chairman.
2. Meetings shall be publicly noticed as far in advance as is practicable.
3. The chairman shall ensure that a qualified interpreter(s) is present at all called meetings.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993.

**103–684. Commission Approval.**

1. The commission anticipates that the TRS Advisory Committee shall make all decisions which are necessary to perform its functions as specified in R. 103–680. However, the commission retains its right to review and approve the decisions of the TRS Advisory Committee.
2. The commission Staff or the ORS Staff, TRS Advisory Committee members, or any other committee members, may require that committee recommendations be approved by the commission.
3. The commission must approve any and all proposed expenditures from the operating fund.

**HISTORY:** Added by State Register Volume 17, Issue No. 5, Part 3, eff May 28, 1993; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–690. Designation of Eligible Telecommunications Carriers.**

(Statutory Authority: 1976 Code § 58–3–140)

A. Purpose.

1. This regulation defines the requirements for designation as an Eligible Telecommunications Carrier (“ETC”) for the purpose of receiving federal universal service support, not state universal service support, pursuant to 47 U.S.C. § 214(e) of the Federal Telecommunications Act of 1996.
2. This regulation will ensure that the commission will only grant a particular application if doing so will further the goals and purposes of the federal high-cost universal service fund and the universal

service fund provisions of Section 254 of the Telecommunications Act of 1996; specifically, that consumers in all regions of South Carolina, including those in rural, insular and high-cost areas will have access to telecommunications services comparable to those in urban areas of the state.

3. Notwithstanding the ETC applicant's regulatory status or the commission's jurisdiction over the applicant's regular operations, in seeking designation as an ETC, the applicant acknowledges the commission's authority and jurisdiction to impose such regulations on ETCs, including the applicant, as are in the public interest.

B. Definitions.

1. Cell Site. A geographic location where antennae and electronic communications equipment are placed to create a cell in a cellular network for the use of mobile phones. A cell site is composed of a tower or other elevated structure for mounting antennae, and one or more sets of transmitter/receivers, transceivers, digital signal processors, control electronics, and backup electrical power sources and sheltering.

2. Commission. The word commission in this regulation means the Public Service Commission of South Carolina.

3. Eligible Telecommunications Carrier (ETC). An ETC is a carrier as defined in 47 U.S.C. §214(e).

4. Lifeline Service. Lifeline Service is a service as defined in 47 C.F.R. §54.401.

5. Link Up Service. Link Up Service is a service as defined in 47 C.F.R. §54.411.

6. ORS. The abbreviation ORS in this regulation means the Office of Regulatory Staff.

7. Wire Center. A geographic location of one or more local switching systems; a location where customer loops converge. References to the evaluation of service within a wire center, for purposes of this regulation, shall mean an evaluation of the quality of the services provided in that part of the licensee's service area served by a cell site in the event the applicant is a wireless service provider.

C. Requirements for initial designation as an Eligible Telecommunications Carrier.

(a) The commission may upon its own motion or upon request, designate a common carrier that meets the requirements in this section, and the public interest standard set forth in subsection (b) of this section, as an ETC for a designated service area. ETCs shall offer services in compliance with 47 C.F.R. §54.101. Upon request and consistent with the public interest, convenience and necessity, the commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an ETC for a service area designated by the commission. Before designating an additional ETC for an area served by a rural telephone company, the commission shall find that the designation is in the public interest. On or after the effective date of this rule, in order to be designated an eligible telecommunications carrier under 47 U.S.C. § 214(e)(2) of the Federal Telecommunications Act of 1996, any common carrier in its application filed with the commission and a copy provided to the ORS must provide the following information:

(1) (A) commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. Each applicant shall certify that it will (1) provide service on a timely basis to requesting customers within the applicant's service area where the applicant's network already passes the potential customer's premises; and (2) provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost by (a) modifying or replacing the requesting customer's equipment; (b) deploying a roof-mounted antenna or other equipment; (c) adjusting the nearest cell tower; (d) adjusting network or customer facilities; (e) reselling services from another carrier's facilities to provide service; or (f) employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment.

(B) submit a two-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis, or on a cell site-by-cell site basis if the applicant is a wireless carrier throughout its proposed designated service area. Each applicant shall demonstrate:

1. How it plans to expand its network to ensure that unserved and underserved rural or high-cost areas will receive sufficient signal quality, that coverage or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation;
2. A detailed map of the coverage area before and after the improvements and in the case of a CMRS provider, a map identifying existing and proposed tower site locations;
3. The specific geographic areas where the improvements will be made;
4. The projected start date and completion date for each improvement;
5. The estimated amount of investment for each project that is funded by high-cost support;
6. A statement as to how all of the facilities funded by high-cost support are eligible for such support;
7. The estimated population that will be served as a result of the improvements;
8. If an applicant believes that service improvements in a particular wire center or on a particular cell site are not needed, it must explain its basis for this determination and demonstrate how funding will otherwise be used to further the provision of supported services in that area; and
9. A statement as to how the proposed improvements funded by universal service dollars would not otherwise occur absent the receipt of high-cost support and that such support will be used in addition to any expenses the ETC would normally incur.

(C) for carriers seeking certification in areas not eligible for High Cost Support from the USF, but seeking ETC designation for the purpose of participation in the Lifeline and Link Up programs, the following shall apply in lieu of paragraph (B) above: shall submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the Lifeline and Link Up programs. All other provisions of this subsection shall apply.

(2) demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, its ability to reroute traffic around damaged facilities, and its capability of managing traffic spikes resulting from emergency situations. The commission shall determine on a case-by-case basis whether a carrier has demonstrated its ability to remain functional in emergency situations.

(3) demonstrate that it will satisfy applicable consumer protection and service quality standards. A commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service will satisfy this requirement. Other commitments will be considered on a case-by-case basis.

(4) demonstrate that it offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation.

(5) certify by affidavit signed by an officer of the company that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area.

(6) certify by affidavit signed by an officer of the company that it does offer or will offer the services that are supported by the federal universal service support mechanisms by using its own facilities or a combination of its own facilities and resale of another carrier's services.

(7) certify by affidavit signed by an officer of the company that it does or will advertise in a media of general distribution the availability of such services, including lifeline services and the applicable charges.

(b) Public Interest Standard. Prior to designating an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(2), the commission must determine that such designation is in the public interest. In doing so, the commission shall consider, *inter alia*, the benefits of increased consumer choice, and the unique advantages and disadvantages of the applicant's service offering. In instances where an eligible telecommunications carrier applicant seeks designation below the study area level of a rural telephone company, the commission shall also conduct a creamskimming analysis that includes, but is not limited to, comparing the population density of each wire center in which the eligible telecommu-



nications carrier applicant seeks designation against that of the wire centers in the study area in which the eligible telecommunications carrier applicant does not seek designation. The commission shall not designate a service area to an ETC that is smaller than an entire wire center.

**HISTORY: Added by State Register Volume 32, Issue No. 5, eff May 23, 2008.**

### **103–690.1. Annual Reporting Requirements for Designated Eligible Telecommunications Carriers.**

#### **A. Purpose.**

The purpose of this regulation is to specify the annual reporting requirements for designated Eligible Telecommunications Carriers (ETCs).

#### **B. Annual Reporting Requirements for ETCs Designated after January 1, 2007.**

This section shall apply to all eligible telecommunications carriers who are designated after January 1, 2007.

(a) **Filing Deadlines.** For ETCs who are designated after January 1, 2007, in order for the common carrier designated under 47 U.S.C. § 214(e)(2) to continue to receive support for the following calendar year, or retain its eligible telecommunications carrier designation, it must file with the commission and provide a copy to the ORS the annual reporting information in paragraph (b) no later than June 30, 2008, and thereafter annually by June 30th of each year. The information provided should cover the previous twelve (12) month period ending December 31st. The ORS shall review each ETC annual report and notify the commission on or before August 20th annually in writing as to the ORS's opinion as to whether the carrier is in compliance with federal and state regulations and rules. The commission, after holding a hearing, if it deems a hearing is necessary, shall determine based upon the information provided to it whether the carrier is in compliance with federal and state regulations and rules and shall notify the Federal Communications Commission and the Universal Service Administrative Company of each company's compliance by October 1st of the reporting year thereby ensuring that each ETC designated by the commission is authorized to receive federal support for the upcoming fiscal year.

Reports must also contain a commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service as of May 18, 2008, or a commitment by other ETCs that they meet the service quality standards outlined in Section 103–663. For the purpose of this regulation, access lines and handsets shall be used interchangeably.

(b) A common carrier designated under 47 U.S.C. § 214(e)(2) as an eligible telecommunications carrier after January 1, 2007 shall provide:

(1) a progress report on its two-year service quality improvement plan, including maps detailing its progress toward meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve signal quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled. The information shall be submitted at the wire center level. Additionally, an updated forward-looking two-year plan shall be filed annually;

(2) detailed information on any outage, as defined in 47C.F.R.§4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. §4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected;

(3) the number of requests for service from potential customers within the eligible telecommunications carrier's service areas that were unfulfilled during the past year. The carrier shall also detail how it attempted to provide service to those potential customers;

(4) the number of complaints or trouble reports per 1000 handsets or access lines;

(5) certification that it is complying with applicable service quality standards and consumer protection rules, as designated by the commission;

- (6) a detailed report and certification that the carrier is able to function in emergency situations;
- (7) for non-incumbent local exchange carriers certification that the carrier is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas;
- (8) certification that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area;
- (9) the number of Lifeline customers and the number of customers that received Link Up assistance as of December 31st of the prior year;
- (10) copies of responses to the Lifeline Verification Survey or Certification filed with the Universal Service Administrative Company on August 31st of each year; and
- (11) For ETCs not eligible for High Cost Fund support, but participating in the Lifeline and Link Up programs, subsections (1) and (2) shall be waived. All other requirements shall remain in force, except that the requirements of (6) may be met by reference to an underlying carrier's continuing certification as for leased facilities.

C. Annual Reporting Requirements for ETCs Designated Prior to January 1, 2007.

To the extent required by 47 C.F.R. 54.313 and 47 C.F.R. 54.314, ETCs who were designated prior to January 1, 2007, must certify to the commission that all federal high-cost support provided to such carriers within South Carolina in the succeeding calendar year will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification must be filed with the commission on or before August 1st annually.

D. Newly Designated Eligible Telecommunications Carriers.

(a) Once a carrier is designated as eligible to receive support, the commission shall file the certification with the Federal Communications Commission and the Universal Service Administrative Company within 60 days of that effective date of its designation as an eligible telecommunications carrier.

(b) Thereafter, the ETC must submit the data required in paragraph B by August 1st of each year to the commission and the commission shall file the certification with the Federal Communications Commission and the Universal Service Administrative Company by October 1st.

E. ETC Requirements for Lifeline and Link Up Services.

(a) ETCs shall offer Lifeline service in the designated service area to all qualifying low-income consumers in accordance with the federal lifeline service guidelines as follows:

(1) ETCs shall publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service.

(2) ETCs shall commit to offer toll limitation to all qualifying low-income consumers at the time such consumers subscribe to Lifeline service. If the consumer elects to receive toll limitation service, that service becomes part of that consumer's Lifeline service.

(3) ETCs may not collect a service deposit in order to initiate Lifeline service if the qualifying low-income consumer voluntarily elects toll limitation service from the carrier where available.

(4) ETCs shall verify annually that its Lifeline customers meet the program qualification.

(5) ETCs shall notify Lifeline subscribers a minimum of 60 days prior to termination of their service if the carrier has a reasonable basis to believe that the subscriber no longer meets the Lifeline qualifying criteria.

(6) ETCs shall not charge Lifeline customers a monthly number- portability charge.

(b) ETCs shall offer Linkup service in the designated service area to all qualifying low-income consumers, in accordance with the following guideline:

(1) ETCs shall publicize availability of Link Up service in a manner reasonably designed to reach those likely to qualify for the service, and shall provide a reduction of the customary charge for connecting telecommunications service for a single line at the consumer's principal place of residence. The reduction shall be in conformance with federal regulations governing the cost of Link Up service.

**ARTICLE 7**  
**WATER UTILITIES**  
**SUBARTICLE 1**  
**GENERAL**

**103–700. Authorization of Rules.**

A. Section 58–5–210 of the Code of Laws of South Carolina 1976, provides: “That the Public Service Commission is hereby, to the extent granted, vested with power and jurisdiction to supervise and regulate the rates and service of every public utility in this State, together with the power, after hearing, to ascertain and fix such just and reasonable standards, classifications, regulations, practices, and measurements of service to be furnished, imposed, observed and followed by every public utility in this State, and the State hereby asserts its rights to regulate the rates and services of every public utility as herein defined. In accordance with the above provisions the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern water service by public utilities. All previous rules or standards are hereby revoked, annulled, and superseded.”

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending, or revoking them in whole or in part, or from requiring any other or additional service, equipment, facility, or standard, either upon complaint, upon the application of any utility or upon its own motion. Furthermore, these rules shall not relieve either the commission or the utilities of any duties prescribed under the laws of this State.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–701. Application of Rules.**

1. Jurisdiction. These rules shall apply to any person, firm, partnership, association, establishment or corporation (except public utilities owned or operated by any municipality or agency thereof and/or any water authority specifically exempted by statute) which is now or may hereafter become engaged as a public utility in the business of furnishing water to any water consumer within the State of South Carolina.

2. Purpose. These rules are intended to define good practice. They are intended to insure adequate and reasonable service. The utilities shall assist the commission and the ORS in the implementation of these rules and regulations.

3. Waiver of Rules. In any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rules or regulations may be waived by the commission upon a finding by the commission that such waiver is not contrary to the public interest.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–702. Definitions.**

The following words and terms, when used in these rules and regulations, shall have the meaning indicated below:

**103–702.1. Commission.**

The Public Service Commission of South Carolina.

**103–702.2. Curb Stop.**

Valve controlling water flow located on the utility service line. Curb stops are for the exclusive use of the utility for control of the water supply to individual customers and should be located at or adjacent to the customer’s property line but should not be located on the customer’s premises. The control of the water supply by the customer shall be by means of a separate valve, installed by the customer, and located on his premises.

**103–702.3. Customer.**

Any person, firm, partnership or corporation, or any agency of the Federal, State or Local Government, being supplied with service by a utility under the jurisdiction of this commission.

Customers shall be classified for purposes of applying rates as “residential”, or “commercial”, or “industrial”.

**103-702.4. Customer Contribution in Aid of Construction.**

A fee paid by a customer under a contract entered into by and between the utility and its customers providing terms for the extension of the utility’s mains to serve the customer.

**103-702.5. Customer Service Line.**

The portion of the distribution line that transports water from the meter, to the place of consumption on the customer’s premises, or, if there is no meter, from the curb stop to the place of consumption on the customer’s premises.

**103-702.6. Error in Registration.**

The percentage by which the correct registration varies from the meter registration. The error is derived by stopping the meter test hand at the starting point and then determining the percentage variation in registration as indicated by the working standard. The formula for determining the error in registration is:

$$100 \times \frac{(\text{Meter Reading}-\text{Actual Volume})}{(\text{Actual Volume})}$$

A positive percentage indicates a fast meter and a negative percentage indicates the meter is slow.

**103-702.7. Homeowners Association.**

An association of lot owners located in a particular subdivision or development incorporated under the laws of this state as a non-profit corporation, including as one of its purposes, the operation of a water system to serve the particular subdivision or development. Each homeowners association, prior to the commencement of operations of a water system, shall file with the commission and provide a copy to the ORS (a) a certified copy of its certificate of incorporation; (b) a copy of the corporation’s bylaws; (c) a copy of any declaration of covenants, conditions and restrictions on real property in the subdivision or development filed in conjunction with the formation of the homeowners association; (d) a copy of the permit or authorization from the Department of Health and Environmental Control issued to the homeowners association to operate the utility; and (e) copies of a statement signed by each lot owner disclosing that the water services in the subdivision are provided by a non-profit homeowners association, in which each lot owner is a voting member, and that an appropriate assessment to meet operating expenses of the utility must be paid by each lot owner.

**103-702.8. Main.**

A water pipe owned, operated or maintained, by a utility, which is used for the purpose of transmission or distribution of water, but does not include the “utility service line” or “customer service line”.

**103-702.9. Meter.**

Any device, or instrument, which is used by a utility in measuring a quantity of water for billing purposes. The meter will be the property of, and will be maintained by, the utility.

**103-702.10. The Office of Regulatory Staff.**

The executive director and employees of the Office of Regulatory Staff.

**103-702.11. Premises.**

A piece or tract of land or real estate, including buildings and other appurtenances thereon.

**103-702.12. Rate.**

The term “rate” when used in these rules and regulations means and includes every compensation, charge, toll, rental, classification, or availability fee, or any of them, including tap fees, or other non-recurring charges demanded, observed, charged, or collected by any utility for any water service offered by it to the public, and any rules and regulations, practices, or contracts affecting any such compensation, charge, toll, rental or classification. An application for approval of any rate schedule will not be accepted for filing under S.C. Code Ann., § 58-5-240 unless accompanied by the information specified under 103-712(4).

**103-702.13. Tap Fee.**

A non-recurring, non-refundable charge related to connecting the customer to the utility's system which includes the cost of installing the utility's service line from the main to the customer's premises and a portion of plant capacity which will be used to provide service to the new customer. Plant capacity shall be computed by using the Guidelines for Unit Contributory Loadings to Wastewater Treatment Facilities (1972) to determine the single family equivalency rating. Any privately-owned corporation, firm, partnership, or individual empowered by contract, or otherwise, to collect a tap fee from a customer for the provision of water service to that customer shall be considered a utility, and shall obtain commission approval prior to collecting tap fees, or any other rates for water service. An application for approval of any rate change shall not be considered unless the filing contains appropriate exhibits setting forth all cost criteria justifying the tap fee, setting forth the portion of the tap fee related to installing the service line and the portion related to plant capacity.

**103-702.14. Utility.**

Every person, firm, partnership, association, establishment or corporation furnishing or supplying in any manner water to the public, or any portion thereof, for compensation. A "homeowners association", as defined in these rules and regulations and subject to the requirements set forth herein, upon commission order, may be found not to be a utility.

**103-702.15. Utility Service Line.**

The portion of the distribution line that transports water from a main to a meter, or if there is no meter, up to and including the curb stop.

**103-702.16. Water Plant.**

All facilities owned by the utility for the collection, production, purification, storage, transmission, metering, and distribution of potable water.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-703. Authorization for Rates and Charges.**

A. No schedule of rates, contracts, or rules and regulations, shall be changed until after the proposed change has been approved by the commission.

B. All rates, contract forms, or rules and regulations, proposed to be put into effect by any utility as defined in 103-702(14), shall be first approved by this commission before they shall become effective, unless they are exempt from such approval by statute or other provision of law.

C. No rate, contract, or rules and regulations of any utility under the jurisdiction of this commission shall be deemed approved or consented to by the mere filing of a schedule, or other evidence thereof, in the offices of the commission.

D. Each customer within a given classification (i.e., residential, commercial or industrial) shall be charged the same approved rate, including tap fees, as every other customer within that classification unless reasonable justification is shown for the use of a different rate or toll, and a contract or tariff setting forth the different rate has been filed and approved by the commission through the issuance of an order or directive.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-704. Territory and Certificates.**

No existing public utility supplying water to the public, or any individual, corporation, partnership, association, establishment or firm undertaking the construction or acquisition of a utility, shall hereafter sell, acquire, transfer, begin the construction or operation of any utility system, or of any extension thereof, by the sale of stock or otherwise, without first obtaining from the commission a certificate that the sale, transfer or acquisition is in the public interest, or that public convenience and necessity require or will require construction or operation of any utility system, or extension. Such certificate shall be granted only after the applicable information set forth in Subarticle 2, 103-710 et seq., has been filed with the commission and provided to the ORS, and after notice has been given to the Department of Health and Environmental Control and other interested water utilities, and to the public, and after due hearing; provided, however, that this regulation shall not be construed to

require any existing water utility to secure a certificate for an extension within or to territory already served by it, necessary in the ordinary course of its business. But, if any water utility in constructing or extending its lines, plant or system unreasonably interferes, or is about to unreasonably interfere, with the service or system of any other utility, the commission may make such order, and prescribe such terms and conditions, in harmony with this regulation, as are just and reasonable.

**HISTORY: Amended by State Register Volume 24, Issue No. 5, eff May 26, 2000; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–705. Utilities Rules and Regulations.**

Each utility shall adopt rules, regulations, operation procedure policies, terms and conditions, etc., as may be necessary in the operation of the utility. Such service “conditions or regulations” shall be approved by and filed with the commission, along with certification that these rules are consistent with the rules of the commission and provided to the ORS.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–706. Security Issues.**

A. No utility shall issue any securities without the approval of the commission. This rule shall not apply to any issue of securities payable within one year from the date of issue, except in case of subsequent issues made to refund short term obligations; but such short term obligations may be renewed by similar obligations without the approval of the commission for an aggregate period not exceeding two years.

B. Any utility desiring to issue securities may apply to the commission for approval of the proposed issue by filing an application with the commission and serving a copy on the ORS, together with a statement verified by (1) its president and secretary or other appropriate officers; (2) two of its incorporators, or (3) by its owner or owners, if it is unincorporated, setting forth:

- (a) The amount and character of securities proposed to be issued;
- (b) The purpose for which they are to be issued;
- (c) The consideration for which they are to be issued;
- (d) The description and estimated value of the property, if any, to be acquired through the proposed issue;
- (e) The terms and conditions of the issuance; and
- (f) The financial condition of the utility and its operations so far as relevant.

C. The commission shall determine whether the purpose of the issue is proper; shall value the property or services, if any, to be acquired by the issue, and it shall find and determine the amount of securities reasonably necessary for the purpose for which they are to be issued. This determination shall follow such investigation as may be necessary, wherein the utility and any other interested party shall be entitled to be heard.

D. To the extent that the commission may approve the proposed issue, it shall grant to the utility a certificate of authority stating the character of the securities and the amount reasonably necessary for the purpose for which they are to be issued; and the value of any property or services, if any, to be acquired. This certification shall not impose or imply any guaranty or obligation as to such securities on the part of the commission.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

## **SUBARTICLE 2 RECORDS AND REPORTS**

### **103–710. Location of Records and Reports.**

All records required by these rules are necessary for the administration thereof, shall be kept within an office located in this state, unless otherwise specifically authorized by the commission. These records shall be available for examination by the ORS or its authorized representatives at all reasonable hours.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–711. Retention of Records.**

Unless otherwise specified by the commission, or by regulations or commission Orders governing specific activities, all records required by these rules shall be preserved according to the most current edition of *Regulations to Govern the Preservation of Records for Electric, Gas and Water Utilities*, published by the National Association of Regulatory Utility Commissioners (NARUC). Following are certain modifications to those record retention periods:

(A) Item 30. Plant ledgers:

a. Ledgers of utility plant accounts including land and other detailed ledgers showing the cost of utility plant by class for the life of the utility.

b. Continuing plant inventory ledger, book or card records showing description, location, quantities, cost, etc. of physical units (or items) of utility plant owned - life of the utility.

(B) Item 32. Retirement work in progress ledgers, work orders and supplemental records:

a. Work order sheets to which are posted the entries for removal costs, materials recovered and credits to utility plant accounts for cost of plant retired - life of the utility.

(C) Other - Records related to a test year used in a rate adjustment proceeding shall be preserved for a period of two years after the final order in such case or throughout the period that the Order by the Public Service Commission concerning the rate adjustment may be appealed, whichever is later. The utility shall maintain beyond this two-year period sufficient records to verify and substantiate all requirements included in these rules.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–712. Data to be Filed with the Commission and Provided to the ORS.**

1. Annual Report. Each utility operating in the State shall file an annual report with the commission and provide a copy to the ORS giving accounting, and other information as the commission directs.

The commission or the ORS will provide an annual report form upon request. If the utility's books are maintained on a calendar year, the annual report must be filed on or before April 1st of each year. If the utility uses a fiscal year other than December 31st, the annual report should be filed within three months after the end of the fiscal year.

2. Current Information and Documents. The utility shall file with the commission and provide a copy to the ORS the following documents and information, and shall maintain such documents and information in a current status.

2.1. Tariff. A copy of each schedule of rates and charges for service, together with the applicable riders, including any rules and regulations or terms and conditions describing policies and practices in rendering service shall be provided to the commission and the ORS.

2.2. Contract Forms. A copy of each special contract for service, including aid to construction agreements, and rate or toll agreements shall be provided to the commission and the ORS.

2.3. Customer Bill. A copy of each type of customer bill form, which shall include the information which is normally shown on a customer's bill for service shall be provided to the ORS.

2.4. Operating Area Maps. A map of the utility's operating area. This map shall be revised annually and provided to the ORS unless such revision is unnecessary, in which event the utility shall notify the ORS that the map on file is current. The map should show:

(a) Location of pumping stations, purification plants and sources of supply;

(b) Potable water storage facilities;

(c) Mains by size;

(d) Location of valves and fire hydrants;

(e) Service area clearly drawn on operating area map utilizing proper surveying standards;

(f) Names of all communities (post offices) served;

(g) Location of blow off valves;

(h) Capacity of the system and;

(i) Location of cross-connection control devices

2.5. Authorized Utility Representative. The utility shall advise the commission and ORS of the name, title, address, and telephone number of the person who should be contacted in connection with:

- (a) General management duties;
- (b) Customer relations (complaints);
- (c) Engineering operations;
- (d) Meter test and repairs; and,
- (e) Emergencies during non-office hours.

3. Performance Bond. Prior to operating, maintaining, acquiring, expanding or improving any water utility system, for which commission approval is required, the utility shall have on file with the commission and provide a copy to the ORS a performance bond with sufficient surety using a format prescribed by the commission.

3.1. Amount of Bond. The amount of bond shall be based on, but not limited to, the total amount of the following categories of expenses for twelve months: Operation and Maintenance Expenses, General and Administrative Expenses, Taxes Other Than Income Taxes, Income Taxes, and Debt Service including Interest Expenses. The minimum amount of the bond shall be \$100,000 and the maximum amount of the bond shall be \$350,000 based on the verified expenses of the utility for the preceding twelve-month period. A bond shall be required for each water and wastewater provider under the jurisdiction of the Public Service Commission. A certification that the face amount of the bond on file with the commission complies with the provisions of 103-712.3.1 shall be filed with the annual report required by 103-712.1 of this rule. The ORS shall review the annual reports and certifications and determine whether the present bond of the utility accurately reflects the expenses of the utility. Based upon the expenses of the utility as submitted in the annual report and as reviewed and adjusted by the ORS, the ORS shall make recommendations for increasing or reducing the amount of the bond within the minimum and maximum limits as prescribed by statute.

3.2. Sureties. Sufficient surety may be any duly licensed bonding or insurance company authorized to do business in this state. A corporate surety, other than such a bonding or insurance company, shall not be considered sufficient surety.

Sufficient surety may be any individual, as stockholder, partner, sole owner, etc., in the utility, so long as the individual surety's net worth is at least twice the face amount of the performance bond.

3.3. Financial statement. Upon order of the commission, when any individual acts as surety, he shall file with the commission and provide a copy to the ORS annually a financial statement verified by said surety showing the individual surety's personal assets, liabilities and net worth. The commission may accept a verification of the financial statement in a format prescribed by the commission, including third-party verification.

#### 4. Rate Applications

A. When any utility makes application for an increase in existing rates and charges, such application shall not be accepted for filing unless it contains the following information:

- 1) A statement of reason justifying need for proposed rate adjustment;
- 2) Most current available income and expense statement for the preceding twelve months;
- 3) Proposed rate schedule;
- 4) Test year proposed to be used;
- 5) Pro forma income and expense statement using proposed rates applied to proposed test year;
- 6) Balance sheet;
- 7) Depreciation schedule by categories of plant or average service lives;
- 8) Number of present and expected customers in the following twelve months;
- 9) Cost justification for proposed rates and charges, including tap fees; with attached schedules depicting labor costs, materials costs, and miscellaneous costs.
- 10) Filing or updating performance bond in accordance with 103-712.3.
- 11) Current or updated service area map;



- 12) Statement of total plant investment by categories; and,
- 13) Most recent letter of approval from the Department of Health and Environmental Control, dated not more than six (6) months prior to date of application; and
- 14) Customer bill form;
- 15) Annual Report on file and evidence of last period Gross Receipts paid; and
- 16) Any other pertinent or relevant information determined necessary by the commission.

B. When any utility makes application for establishment of service area and rates and charges, such application shall contain the following information:

- 1) Copy of articles of incorporation or partnership agreement;
- 2) Plat of proposed area to be served;
- 3) Copy of engineering plans and specifications designed or certified to be in accordance with good engineering practices by a professional engineer registered in South Carolina;
- 4) Construction permit from the Department of Health and Environmental Control approving engineering plans and specifications;
- 5) Schedule of proposed rates and charges and cost justifications, including tap fees with attached schedules depicting labor costs, materials costs, and miscellaneous costs;
- 6) Number of customers proposed to be served and capacity of system;
- 7) Financial statement showing proposed plant investment by categories;
- 8) Depreciation schedule by categories of plant or average service lives;
- 9) Pro forma income and expense statement showing the effect of using the proposed rates based on plant capacity;
- 10) Filing of performance bond in accordance with 103-712.3.
- 11) Statement by a professional engineer that the system was built and installed according to plans and specifications on file with the commission and will furnish adequate service for the area to be served;
- 12) Letter from Department of Health and Environmental Control approving system for operation, dated not more than six (6) months prior to date of application;
- 13) Customer bill form; and
- 14) Other pertinent or relevant information determined necessary by the commission.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 27, Issue No. 2, eff February 28, 2003; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-713. Inspection of Plant and Equipment.**

A. Each utility shall, upon request of the ORS, provide to the ORS a statement regarding the condition and adequacy of its plant, equipment, facilities, and service in such form as the commission may require or as the ORS may request.

B. Each utility shall keep sufficient records to give evidence of compliance with its inspection program as set forth in Subarticle 6, 103-760 et seq.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-714. Interruption of Service.**

A. Each utility shall keep a record of any condition resulting in any interruption of service affecting its entire system or major division thereof, or any single community or an important division of a community, including a statement of the time, duration, and cause of any such interruption. The commission and the ORS should be notified of any interruption lasting more than six hours as soon as it comes to the attention of the utility and a complete report will be made after restoration of service.

B. Each utility shall make all reasonable efforts to prevent interruptions of service and, when such interruptions occur, shall endeavor to re-establish service with the shortest possible delay consistent with the safety of its consumers and the general public. Scheduled interruptions shall always be

preceded by adequate notice to all affected customers, and will be made at a time that will not cause unreasonable inconvenience to customers.

C. All Water Utilities under the jurisdiction of the commission shall file with the commission and the ORS in writing a notice of any violation of a PSC regulation or a DHEC regulation which results in the issuance of a DHEC order. If the report includes information regarding a DHEC violation which results in the issuance of a DHEC order, the filer shall note if the DHEC order is under appeal and shall inform the commission of the resolution of the appeal. This notice shall be filed within twenty-four hours of the time of the inception of the violation or of the utility's receipt of the issuance of a DHEC order and shall detail the steps to be taken to correct the violation, if the violation is not corrected at the time of occurrence. The Company shall notify the commission and the ORS in writing within fourteen calendar days after the violation has been corrected.

D. All Water Utilities under the jurisdiction of the commission shall provide the ORS Consumer Services Division a copy of all advisories affecting ten or more customers within twenty-four hours of issuance. The utility shall notify the ORS Consumer Services Division in writing when the advisory has been lifted.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007; State Register Volume 33, Issue No. 6, eff June 26, 2009.**

### **103-715. Accidents.**

Each utility shall, as soon as possible, report to the ORS each accident happening in connection with the operation of its property, facilities, or service, wherein any person shall have been killed or seriously injured or whereby any serious property damage shall have been caused. Such first report shall later be supplemented by as full a statement provided to the ORS as is possible of the cause and details of the accident and the precautions, if any, which have been taken to prevent similar accidents.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-716. Complaints.**

Complaints by customers concerning the charges, practices, facilities, or services of the utility shall be investigated promptly and thoroughly. Each utility shall keep a record of all such complaints received, which record shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof.

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990.**

### **103-717. Meter History Records.**

Each utility shall maintain records of the following data, where applicable, for each meter until retirement:

- A. The complete identification-manufacturer, number, type, size, capacity, multiplier, and constants.
- B. The dates of installation and removal from service together with the locations.

### **103-718. Meter Test Records and Reports.**

Each utility shall maintain records of at least the last two tests made of any meter. The records of the meter test made at the time of the meter's retirement shall be maintained for a minimum of three years. Test records shall include the following:

- 1) The date and reason for the test;
- 2) The reading of the meter before making any test;
- 3) The accuracy "as found" at each rate of flow;
- 4) The accuracy "as left" at each rate of flow; and,
- 5) In the event tests of the meter are made by using a standard meter the utility shall retain all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the test methods and calculations.

### **103–719. Accounting Procedures.**

All books and records of the utility shall be maintained in accordance with the NARUC Uniform System of Accounts for Class A, B and C Water Utilities to the extent applicable, and such records must be made available for examination by the ORS or its authorized representatives at all reasonable hours. Full cooperation will be provided by the utility during rate adjustment audits or compliance audits conducted by the ORS or its representatives.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 3 METERS**

### **103–720. Meter Requirements.**

Service shall be measured by meters furnished by the utility, unless otherwise ordered by the commission and such meters shall maintain the degree of accuracy as set forth in 103–722.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103–721. Meter Readings.**

Each water meter shall indicate clearly the unit of water registered by such meter. Where the quantity of water is determined by calculation from recording devices, the utility shall supply the consumer with such information as will make clear the method by which the quantity is determined.

1. Meter Reading Sheets or Cards. The meter reading sheets or cards shall show:
  - (a) Customer's name, address and rate classification;
  - (b) Identifying number and/or description of the meter(s);
  - (c) Meter readings;
  - (d) Multiplier, if any; and,
  - (e) If the reading has been estimated.

### **103–722. Meter Accuracy and Condition.**

A. Installation Test—Every water meter, whether new or repaired, shall be in good order and shall be correct to within three (3) per cent. However, a utility which has less than one thousand customers and which has no facilities for opening meter cases and adjusting the mechanism, may put a meter back into service if it is not found to be in error by more than three and one-half (3 ½) per cent and appears otherwise to be in good order.

B. Method of Testing—All tests to determine the accuracy of registration of any water service meter shall be made with a suitable meter prover, and records of all regular or complaint tests shall be kept by the utility.

No meter shall be installed which is mechanically defective. The capacity of the meter and the index mechanism should be consistent with the water requirements of the customer.

### **103–723. Meter Seal.**

Immediately after the pre-installation test or field test of a water meter the utility shall affix a seal in such a manner that the meter cannot be tampered with without breaking the seal.

### **103–724. Meter Location.**

A. All meters will be furnished, installed, owned, and maintained by the utility, and shall remain its property and be accessible to and subject to its control. Meters shall be located in accordance with good utility practices on the delivery side of the curb stop so as to control the entire water supply furnished to the premises. No meter shall be installed in any location on or off the premises where it may be unreasonably exposed to heat or cold or other cause of damage, or in an inaccessible or hazardous location.

B. Where water is furnished to the customer in accordance with a flat rate, the utility may install and maintain a meter located in accordance with good utility practices. After all customers in the

utility's service area have been metered, the utility may make application to the commission and provide a copy to the ORS to obtain approval to change from a flat rate to a metered rate. Upon such application, the ORS will conduct an investigation to determine if a utility should utilize meters and, after hearing, the commission may order the use of metered rates. If no meters are in place, the commission after hearing, may order the installation of meters and the implementation of a metered rate.

C. The utility shall make available to the customer sketches of standard meter installations to demonstrate the way in which the customer's portion of the installation should be made.

D. In the event the customer desires any change in the location or position of the meter, meter box or vault, after they have been installed, such change in location shall be made by the utility at the expense of the customer.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-725. Change in Character of Service.**

In order that the utility may provide a proper service facility and metering installation the customer shall advise the utility of the expected service requirements sufficiently in advance of the date service is required, and shall also advise the utility of any significant increase or decrease in service needs in sufficient time to change service facilities.

### **103-726. Meter Damage.**

Meters will be maintained by the utility so far as ordinary wear and tear are concerned. When a meter is designed for and located within a building or structure on the premises, the customer shall pay for all damages due to external causes or heat or cold. When the meter or meter box is damaged by the customer, the customer shall pay for damages pursuant to R.103-733.5.

The customer shall notify the utility of any damage to or improper functioning of the meter as soon as the customer becomes aware of it.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990.**

## **SUBARTICLE 4 CUSTOMER RELATIONS**

### **103-730. Customer Information.**

Each utility shall:

A. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving customers within its operating area.

B. Notify each affected customer in writing as prescribed by the commission of any proposed change in rates and charges. A certification that the above notice requirements have been met shall be furnished to the commission by the utility prior to the public hearing.

C. Provide that a complete schedule, contract forms, rules and regulations, etc., as filed with the commission and provided to the ORS, shall also be on file in the local offices of the utility and shall be open to the inspection of the public.

D. Upon request, inform its customers as to the method of reading meters and as to billing procedures, and shall assist prospective customers in selecting the most economical rate schedule applicable.

E. Provide adequate means (telephone, etc.) whereby each customer can contact an authorized representative of the utility at all hours in cases of emergency or unscheduled interruptions of service.

F. Notify any customer making a complaint pursuant to 103-716 that remains unresolved after seven days, that the utility is under the jurisdiction of the commission and the customer may notify the ORS of the complaint.

G. Inform each prospective customer from whom a deposit may be required of the provisions contained in 103-731 and its subsections.

H. Inform each prospective customer that the customer's service line shall conform to all local plumbing codes, and in the absence of such codes shall conform to the Southern Standard Plumbing Codes.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-731. Customer Deposits.**

Each utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

(a) The customer's past payment record to a water utility shows delinquent payment practice, i.e. the customer has had two consecutive thirty-day arrears, or more than two non-consecutive thirty-day arrears in the past twenty-four months or,

(b) A new customer cannot furnish either a letter of good credit from a reliable source or an acceptable cosigner to guarantee payment, or

(c) A customer has no deposit, and presently is delinquent in payments (i.e., the customer has had two consecutive 30-day arrears, or more than two non-consecutive 30-day arrears, in the past 24 months), or

(d) A customer has had his service terminated for nonpayment.

#### **103-731.1. Amount of Deposit.**

A. A maximum deposit may be required up to an amount equal to an estimated two (2) months (60 days) bill for a new customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months based on the experience of the preceding twelve (12) months or portion of the year, if on a seasonal basis.

B. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer.

#### **103-731.2. Interest on Deposits.**

A. Simple interest on deposits at the rate as determined by commission Order shall be paid by the utility to each customer required to make such deposit for the time it is held by the utility, provided that no interest need be paid unless the deposit is held longer than six months.

B. The interest shall be accrued annually and payment of such interest shall be made to the customer at least every two (2) years and at the time the deposit is returned.

C. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last known address that the deposit is no longer required.

#### **103-731.3. Deposit Records.**

Each utility shall keep a record to show:

- (a) The name and address of each depositor;
- (b) The amount and date of the deposit; and,
- (c) Each transaction concerning the deposits.

#### **103-731.4. Deposit Receipt.**

Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a depositor may establish his claim if his receipt is lost.

#### **103-731.5. Deposit Retention.**

Deposits shall be refunded completely with interest after two years unless the customer has had two consecutive 30-day arrearages, or more than two non-consecutive 30-day arrearages, in the past 24 months.

#### **103-731.6. Unclaimed Deposits.**

A record of each unclaimed deposit must be maintained for at least one year during which time the water utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be turned over to the South Carolina State Treasurer as prescribed by law.

**103-731.7. Deposit Credit.**

Where a customer has been required to make a deposit, this shall not relieve the customer of the obligation to pay the service bills when due. Where such deposit has been made and service has been discontinued for reason of non-payment of bill, a utility shall apply the deposit of such customer toward the discharge of the customer's account and shall as soon thereafter as practicable refund the customer any excess of the deposit. If however, the customer whose service has been disconnected for non-payment, pays the full amount on his account within 72 hours after service has been disconnected and applies for reconnection, the utility may not charge an additional deposit except under the provisions of 1 of this rule.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-732. Customer Billing.**

The utility shall bill each customer as promptly as possible following the reading of his meter.

**103-732.1. New Service.**

Meters shall be read at the initiation and termination of any service and billing shall be based thereon.

**103-732.2. Customer Bill Forms.**

The bill shall show:

- (a) The reading of the meter at the end and beginning of the period for which the bill is rendered;
- (b) The date on which the meter was read;
- (c) The number and kind of units metered;
- (d) The applicable rate, schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill shall carry a statement to the effect that the applicable rate schedule will be furnished on request;
- (e) Total amount due;
- (f) A distinct marking to identify an estimated bill;
- (g) Any conversions from meter reading units to billing units or any calculations to determine billing units from recording or other devices, or any other factors used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the utility's principal office;
- (h) Number of days for which bill is rendered;
- (i) Date payments due;
- (j) Date of bill.
- (k) Telephone number where utility can be contacted during regular office hours and non-office hours.

**103-732.3. Late Payment Charges.**

A maximum of one and one-half percent (1 ½ %) may be added to any unpaid balance not paid within 25 days of the billing date to cover the cost of collection and carrying accounts in arrears. This method of late payment charge will be made in lieu of any other penalty.

**103-732.4. Payment by Check.**

The utility at its option for good cause may refuse to accept a check tendered as payment on a customer's account, and require payment in cash or other certified funds. Good cause must be justified by a water utility by evidencing a credit history problem or by evidencing insufficient funds of the utility customer or applicant. For the purposes of this regulation, the water utility may not consider indebtedness that was incurred by the customer or any member of his household more than six (6) years prior to the time of application.

**103-732.5. Charges for Discontinuance and Reconnection.**

Whenever service is turned off for violation of rules and regulations, nonpayment of bills, or fraudulent use of service, or at the request of the customer, the utility may make reasonable charges to be approved by the commission for the cost incurred in discontinuing the service and reconnection and require payment for service billed and for service used which has not previously been billed.

**103-732.6. Estimated Bills.**

No utility shall send a customer an estimated bill, except for good cause, when the meter could not be read or was improperly registering. In no instance will more than one estimated bill be rendered within a 60-day period, unless otherwise agreed to by the customer.

**103-732.7. Deferred Payment Plan.**

The utility shall provide for the arrangement of a deferred payment plan to enable a residential customer to make payment by installments where such customer is unable to pay the amount due for water service. The deferred payment plan shall require the affected customer to maintain his account current and pay not less than 1/6 of the outstanding balance for a period not to exceed six months. The outstanding balance may include the late payment charge authorized by R.103-732.3. Service to such customer shall not be terminated unless the utility has informed the customer that such deferred payment plan is available. A deferred payment plan is any agreement to extend or defer a payment cut-off date by more than 5 work days. If a Customer defaults on a Deferred Payment Plan, the Utility may terminate service pursuant to 103.735.1 (H).

**HISTORY: Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**103-733. Adjustments of Bills.**

If it is found that a utility has directly or indirectly, by any device whatsoever, demanded, charged, collected or received from any customer a greater or lesser compensation for any service rendered or to be rendered by such utility than that prescribed in the approved rate schedules of such utility, then filed in the manner provided in Title 58 of the South Carolina Code of Laws; or if it is found that any customer has received or accepted any service from a utility for a compensation greater or lesser than that prescribed in such schedules; or if, for any reason, billing error has resulted in a greater or lesser charge than that incurred by the customer for the actual service rendered, then the method of adjustment for such overcharge or undercharge shall be as provided by the following:

**103-733.1. Fast or Slow Meters.**

If the overcharge or undercharge is the result of a fast or slow meter, then the method of compensation shall be as follows:

(a) In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon request of the customer, as specified in 103-760(B).

(b) In the event that the meter so tested is found to have an error in registration of more than three (3) per cent, the bills will be increased or decreased accordingly, but in no case shall such a correction be made for more than sixty (60) days or two (2) billing periods, whichever is greater, prior to determination of meter error.

**103-733.2. Customer Inadvertently Overcharged.**

If the utility has inadvertently overcharged a customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any other human or machine error, except as provided in 1 of this rule, the utility shall, at the customer's option, credit or refund the excess amount paid by that customer or credit the amount billed as provided by the following:

(a) If the interval during which the customer was overcharged can be determined, then the utility shall credit or refund the excess amount charged during that entire interval provided that the applicable statute of limitations shall not be exceeded.

(b) If the interval during which the customer was overcharged cannot be determined, then the utility shall credit or refund the excess amount charged during the 12-month period preceding the date when the billing error was discovered.

(c) If the exact usage and/or demand incurred by the customer during the billing periods subject to adjustment cannot be determined, then the refund shall be based on an appropriate estimated usage and/or demand.

**103-733.3. Customer Inadvertently Undercharged.**

If the utility has undercharged any customer as a result of a misapplied schedule, an error in reading the meter, a skipped meter reading, or any human or machine error, except as provided in 1 and 5 of this rule, then the utility may recover the deficient amount as provided as follows:

(a) If the interval during which a customer was undercharged can be determined, then the utility may collect the deficient amount incurred during that interval up to a maximum period of six months.

(b) If the interval during which a customer was undercharged cannot be determined, then the utility may collect the deficient amount incurred during the six-month period preceding the date when the billing error was discovered by the utility.

(c) The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods which occurred during the interval the customer was subject to pay the deficient amount.

(d) If the usage and/or demand incurred by that person during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on estimated usage and/or demand. If a meter has ceased to register, the adjustment shall be based on the average registration of the meter over a six-month period when in order.

**103-733.4. Customer Willfully Overcharged.**

If the utility has willfully overcharged any customer, the utility shall refund the difference, plus interest, as prescribed by the commission for the period of time that can be determined that the customer was overcharged.

**103-733.5. Customer Undercharged Because of Fraud or Willful Misrepresentation.**

If the utility has undercharged any customer because of the customer's fraudulent actions, such as tampering with, or by-passing the meter, or because the customer has willfully misrepresented a material fact resulting in an undercharge, or if it is shown that the customer is aware of fraudulent or illegal action by another person, such as tampering with, or bypassing the meter and it is evident that such tampering or bypassing benefits the customer, or if it is evident that a customer has knowledge of being undercharged without notifying the utility as such, then notwithstanding 1 of this rule, the utility shall recover the deficient amount provided as follows:

(a) If the interval during which the customer was undercharged can be determined, then the utility shall collect the deficient amount incurred during that entire interval, provided that the applicable statute of limitations is not exceeded.

(b) If the interval during which the customer was undercharged cannot be determined, then the utility shall collect the deficient amount incurred during the 12-month period preceding the date when the billing error was discovered by the utility.

(c) If the usage and/or demand incurred by that customer during the billing periods subject to adjustment cannot be determined, then the adjustment shall be based on an appropriate estimated usage and/or demand.

(d) In addition to the above, if the metering equipment has been removed or damaged, then the utility shall collect the estimated cost of repairing and/or replacing such equipment.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-734. Applications for Service.**

A. All applications for water service may be made orally or in writing.

B. The accepted application shall constitute a contract between the company and the applicant, obligating the applicant to pay for water service in accordance with the utility's tariff currently on file with the Public Service Commission and the ORS, and to comply with these rules and regulations.

C. When a customer desires to have his service terminated, he must notify the utility and such notification may be orally or in writing. The utility shall be allowed a reasonable period of time after the receipt of such notice to take a final reading of the meter and to discontinue service.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.



### **103–735. Denial or Discontinuance of Service.**

Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued.

A. Without notice in the event of a condition determined by the utility, the commission by Order, or the Department of Health and Environmental Control to be hazardous or dangerous.

B. Without notice in the event of customer use of equipment or service in such a manner as to affect adversely the utility's service to others.

C. Without notice in the event of unauthorized use of the utility's service.

D. For customer tampering with equipment furnished and owned by the utility. The customer shall make every reasonable effort to prevent tampering, and shall notify the utility immediately of any tampering with, damage to, or removal of any equipment.

E. For violation of and/or non-compliance with the commission's regulations governing service supplied by the utility.

F. For failure of the customer to fulfill his contractual obligations for service and/or facilities subject to regulation by the commission.

G. For failure of the customer to permit the utility reasonable access to its equipment.

H. For failure of the customer to provide the utility with a deposit as authorized by 103–731.

I. For failure of the customer to furnish permits, certificates, and rights-of-way as necessary to obtaining service, or in the event such permissions are withdrawn or terminated.

J. For illegal willful misuse of utility's service by the customer.

K. For failure of the customer to comply with reasonable restrictions on the use of water, as imposed under 103–772 provided that notice has been given to the customer and that written notice has been furnished to the ORS.

L. No water utility shall be required to furnish its water service or to continue its service to any applicant who, at the time of such application, is indebted or any member of his household is indebted, under an undisputed bill to such water utility for water service previously furnished such applicant or furnished any other member of the applicant's household. However, for the purposes of this regulation, the water utility may not consider any indebtedness which was incurred by the applicant or any member of his household more than six (6) years prior to the time of application.

M. The utility may discontinue a customer's service should that customer be in arrears on an account for service at another premise, unless the customer pays a reasonable amount of his arrears account and makes reasonable arrangements with the utility to amortize the balance of such past-due account over a reasonable length of time, not to exceed 12 months.

N. The customer's use of the utility's service conflicts with, or violates order, ordinances or laws of the State, or any subdivision thereof or the commission.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

#### **103–735.1. Procedures for Termination of Service.**

(A) Service may be terminated for non-payment of a bill, provided that the water utility has made a reasonable attempt to effect collection and has given the customer written notice, sent by regular mail to the customer's billing address, that he has ten days in which to make settlement on his account or have his service disconnected. Service will be terminated only on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service.

(B) Service may be terminated for non-payment of any connection charge properly imposed by the utility and owed by the customer provided that the utility has made a reasonable attempt to effect collection and has given the customer 30 days written notice, sent by certified mail to the customer's billing address, with a copy forwarded to the ORS. A connection charge owed by a third party or a previous occupant or owner of premises is not deemed to be owed by the current customer, and that

current customer's service may not be disconnected under such circumstances. At the expiration of the 30 day period, the utility shall post a second notice by certified mail to the customer advising that in not less than 10 days nor more than 30 days, his service may be disconnected at any time without further notice. The utility must inform the customer in the notice that the customer can contact the ORS if the customer disputes the discontinuance of service.

**HISTORY:** Added by State Register Volume 18, Issue No. 3, eff March 25, 1994; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-736. Insufficient Reasons for Denying Service.**

The following shall not constitute cause for refusal of service to a present or prospective customer:

- A. Non-payment for service by a previous occupant of the premises to be served, unless such previous occupant shall benefit from such new service.
- B. Failure to pay for merchandise purchased from the utility.
- C. Failure to pay for a different type or class of public utility service.
- D. Failure to pay the bill of another customer as guarantor thereof.

**HISTORY:** Amended by State Register Volume 18, Issue No. 3, eff March 25, 1994.

### **103-737. Right of Access.**

1. The authorized agents of the utility shall have the right of access to the premises supplied with water, at reasonable hours, for the purpose of maintenance and reading of meters, examining fixtures, protective device and pipes, observing the manner of using water, and for any other purpose which is proper and necessary in the conduct of the utility's business.

2. When a water line which is property of a utility is on the property of a resident in the utilities' service area which is on file with the ORS, the resident shall provide reasonable access to the utility for the maintenance thereof. Any damage done to the property by the utility shall be corrected by the restoration of comparable grass, shrubbery and trees from nursery stock to conform the condition before the maintenance process began.

**HISTORY:** Amended by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-738. Customer Complaints.**

A. Complaints concerning the charges, practices, facilities, or service of the utility shall be investigated promptly and thoroughly. The utility shall keep records of customer complaints as will enable it and the ORS to review and analyze its procedures and actions. All customer complaints shall be processed by the utility pursuant to 103-716 and 103-730.F.

B. When the ORS has notified the utility that an oral complaint has been received concerning a specific account and the ORS has received notice of the complaint before service is terminated, the utility shall not discontinue the service of that account until the ORS's investigation is completed and the results have been received by the utility. Service shall not be discontinued if the complainant requests in writing a hearing before the commission.

**HISTORY:** Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-739. Tariffs, Rules and Regulations.**

A copy of the utility's tariffs as filed with the commission and provided to the ORS shall be on file in the local business offices of the utility and shall be available for public inspection.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-740. System Which Utility Must Maintain.**

Each utility, unless specifically relieved in any case by the commission from such obligation, shall operate and maintain in safe, efficient and proper conditions all of its facilities and equipment used in

connection with the services it provides to any customer up to and including the point of delivery into systems or facilities owned by the customer.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

### **103-741. Replacement of Meters.**

Whenever a consumer requests the replacement of a service meter on his premises, such request shall be treated as a request for the test on such meter, and as such shall fall under the provisions of 103-760(B).

### **103-742. Waste of Water.**

The customer should maintain his service pipe and all piping and fixtures on or in the building so that any loss of water through leakage is kept to a reasonably small amount. If the leakage becomes excessive, then it may be treated as a willful waste of water. Unnecessary or excessive use of water may be treated as a willful waste of water.

### **103-743. Contracts.**

No utility shall execute or enter into any agreement or contract with any person, firm, partnership, or corporation or any agency of the Federal, state, or local government which would impact, pertain to, or effect said utility's fitness, willingness, or ability to provide water service, including but not limited to the treatment of said water, without first submitting said contract in form to the commission and the ORS and obtaining approval of the commission.

**HISTORY:** Added by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.

## **SUBARTICLE 5 ENGINEERING**

### **103-750. Requirement for Good Engineering Practice.**

A. The water plant of the utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice and regulations included to assure as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

The design and construction of the water plant shall conform to the requirements of the South Carolina Department of Health and Environmental Control.

B. Disinfection of facilities. All new mains, pumps, tanks, wells and other facilities for handling potable water, repaired mains and other facilities, shall be thoroughly disinfected before being connected to the system. The method of disinfection shall be as approved by the Department of Health and Environmental Control.

#### 1. Mains.

A. Depth of Mains. Water mains should be installed below the frost line or be otherwise protected to minimize the possibility of freezing and shall not have less than 30 inches cover except where it is necessary to avoid underground obstruction or rocky or hardpan conditions where such depth is not feasible, provided such deviation is approved by the Department of Health and Environmental Control.

B. Dead Ends. The utility should design its distribution system so as to avoid dead ends in mains. Where dead ends cannot be avoided the mains shall be flushed as often as necessary to maintain the proper quality of the water. Any dead end which is longer than 200 feet must have a blowoff valve at end of line.

C. Segmentation of System. Valves shall be provided at reasonable intervals in distribution mains so that in case of breaks or repairs a minimum number of customers will be affected. When feasible, valves shall be provided at intersections of mains and in the mains at intervals not to exceed one continuous block or 500 feet, whichever is greater, except where a dead end run is not intended to serve any intervening customers.

D. Grid Systems. The distribution system should be laid out in a properly segmented grid so that in case of breaks or repairs a minimum number of customers will be affected.

E. Minimum Pipe Sizes. This distribution system shall be of adequate size and designed to maintain the pressures within the range required by 103-774. The pipe used in the system should be at least 4 inches in size. In special cases, pipes of the sizes listed below may be installed. However, the maximum length from any connecting main at least 4 inches in size should not exceed the following:

1-inch .....	150 feet
1½-inch .....	300 feet
2-inch .....	1500 feet

**103-751. Acceptable Standards.**

Unless otherwise specified by the commission, each utility shall use the guideline of the Department of Health and Environmental Control as minimum standards of good engineering practices.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-752. Acceptable References.**

Unless otherwise specified by the commission, the utility shall use the applicable provisions in the publications listed below as operational requirements, where applicable, and standards of accepted good practice.

- (a) The most current edition of the Community Water Systems, Ameen
- (b) The most current edition of the Manual of Individual Water Systems

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103-753. Adequacy of Service.**

The source of supply and transmission facilities, and/or production and/or storage capacity of the utility's plant, must be sufficiently large to meet all reasonably expectable demands for service.

**103-754. Inspection of Utility Plant.**

Each utility must adopt a program of inspection of its plant in order to determine the necessity for replacement and repair. The frequency of the various inspections shall be based on the utility's experience and accepted good practice.

**103-755. Temporary Service.**

When the utility renders temporary service to a customer, it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

**103-756. Engineering Analysis.**

A. The ORS or its authorized representatives may survey anticipated extensions of water line and the utility will assist in such survey and provide all pertinent data necessary to determine cost and feasibility of extending such lines.

B. The utility shall assist in the verification of tests of water meters made by ORS or its authorized representative.

C. The utility shall provide the ORS and its representatives access to all utility property when the ORS undertakes to verify inventories of utility plant systems, or obtain other necessary information.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**SUBARTICLE 6  
INSPECTION AND TESTS**

**103-760. Utility Inspections and Tests.**

A. Each utility shall, unless specifically excused by the commission, provide such laboratory, meter-testing equipment and other equipment and facilities as may be necessary to make the tests required of

it by these rules or other orders of the commission. The apparatus and equipment so provided shall be subject to the approval of the commission, and it shall be available at all times for the inspection of any member or authorized representative of the ORS.

B. Upon request by a customer and at no charge, the utility shall make a test of the meter serving him, provided that such tests need not be made more frequently than once in 24 months.

1) The customer, or his representative, may be present when his meter is tested.

2) A report of the results of the test shall be made to the customer within a reasonable time after the completion of the test, and a record of the report, together with a complete record of each test, shall be kept on file at the office of the utility.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-761. Commission Inspection and Tests.**

The ORS shall make tests of meters as follows:

(a) Upon written application to the ORS by a customer or a utility, a test will be made of the customer's meter as soon as practicable.

(b) On receipt of such request the ORS will notify the utility and the utility shall not knowingly remove or adjust the meter until instructed by the ORS. The utility shall furnish to the ORS's representative such reasonable assistance as may be required to make the test.

(c) The customer, or his representatives, may be present when his meter is tested.

(d) The ORS will make a written report of the results of the test to the customer and to the utility.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-762. Test Procedures and Accuracies.**

Method of Testing. All tests to determine the accuracy of registration of any water service meter shall be made with a suitable meter prover, and records of all regular or complaint tests shall be kept in the files of the utility.

### **103-763. Facilities and Equipment for Testing.**

Each utility shall maintain or designate a meter shop for the purpose of inspecting, testing and repairing meters. The shop shall be open for inspection by authorized representatives of the ORS at all reasonable times, and the facilities and equipment, as well as the methods of measurement and testing employed, shall be subject to the approval of the commission. The accuracy of the test equipment and test procedures shall be such that the overall error will not exceed .03%.

#### **1. Working Standards.**

A. Each meter shop maintained or designated by a utility shall have at least one calibrated tank available for volumetric measurement or a tank mounted upon scales for weight measurement. The tank shall be of sufficient capacity to insure an acceptable determination of the accuracy of the utility's meters.

B. The utility may use a portable test meter, approved by the commission for use as a standard, for the purpose of testing meters.

C. Reasonable care must be exercised in the use and handling of standards to assure that their accuracy is not disturbed. Each standard shall be accompanied at all times by a certificate or calibration card, duly signed and dated, on which are recorded the corrections required to compensate for errors found at the customary test points at the time of the last previous test.

2. Meter Prover. The accuracy of all provers and methods of operating them will be established from time to time by a representative of the ORS. All alterations, accidents, or repairs which might affect the accuracy of any meter prover or the method of operating it shall be promptly reported in writing to the ORS.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

**SUBARTICLE 7**  
**STANDARDS AND QUALITY OF SERVICE**

**103–770. Quality of Service.**

A. Each utility shall provide water that is potable and, insofar as practicable, free from objectionable odor, taste, color and turbidity. Each utility must have a permit as required by the health laws of the State of South Carolina, and shall comply with all laws and regulations of State and local agencies pertaining to water service.

B. Water Supply.

1) The source of supply shall be:

(a) Free from pollution, unless the water is subsequently purified by treatment.

(b) Adequate to provide a continuous supply of water.

(c) Of such quality as to meet the standards of the South Carolina Department of Health and Environmental Control.

2) Operation of supply system.

(a) The water supply system, including wells, reservoirs, pumping equipment, treatment and filtration works, mains, meters, and service pipes shall be free from sanitary defects.

(b) Any physical connection between the distribution system of a public water supply and that of any other water supply must comply with the regulations of the South Carolina Department of Health and Environmental Control.

C. Testing of Water. Each utility shall have representative samples of the water supplied by it examined by the responsible State or local agencies, or by an approved water laboratory, at intervals specified by those agencies in accordance with the standards of the South Carolina Department of Health and Environmental Control.

**103–771. Interruptions of Service.**

A. Each utility shall make reasonable efforts to avoid interruptions of service, but when interruptions occur, service shall be re-established within the shortest time practicable, consistent with considerations of safety.

B. Scheduled interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.

C. Each utility shall maintain records and notify the commission and the ORS of any interruption in its service in accordance with 103–714.

D. If an interruption affects the service of any public fire protection system, the utility shall immediately notify the public official responsible for fire protection.

E. When the system pressure is provided through mechanical means, emergency standby pumping equipment or other adequate facilities shall be available to maintain pressure in the mains in the event of failure of the primary pumping facilities.

**HISTORY:** Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.

**103–772. Restrictions of the Use of Service.**

A. The utility may impose reasonable restrictions on the outdoor use of water during period of shortage of supply, excessive demand or other difficulty which jeopardizes the supply of water to any group of customers.

B. The utility may impose reasonable restrictions on the use of water by customers who use large quantities of water and thereby create conditions which prevent the company from supplying satisfactory service to that customer, or to other customers.

C. If a utility finds that it is necessary to restrict the use of water, it shall notify the customers, and give the commission and ORS written notice before such restriction becomes effective, except in the event of an emergency, when such notification may be made by telephone. Such notifications shall specify:

- 1) The reason for the restriction.
- 2) The nature and extent of the restriction, (e.g., on outdoor use of water, use by certain classes of customers, etc.).
- 3) The date such restriction is to go into effect.
- 4) The probable date of termination of such restriction.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-773. Pressure Tests.**

- A. Each utility having more than 100 customers must have at least one portable recording pressure gauge available.
- B. Pressure measurements should be made at the customer's meter, or if no meter, customer's curb stop. If no outlet is available at this point, then the measurement may be made at the nearest available outlet, making due allowance for any pressure differential between the point of measurement.
- C. Each utility shall make a sufficient number of pressure measurements in order to determine if pressures throughout the system are in compliance with the requirements of 103-774.
- D. Each utility shall keep records of each test of pressures. These records shall include, as a minimum, the date, time, and location where the test was conducted. Pressure records shall be retained by the utility for at least two years and shall be made available for inspection by the ORS at all reasonable times.

**HISTORY: Amended by State Register Volume 10, Issue No. 6, eff June 27, 1986; State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-774. Pressure Limits.**

- A. Under normal conditions of use of water, the pressure at a customer's service connection shall be:
  - 1) Not less than 25 psig; and,
  - 2) Not more than 125 psig.
- B. Pressure outside the limits specified will not be considered a violation when the variations:
  - 1) Result from the action of the elements.
  - 2) Consist of infrequent fluctuations not exceeding five minutes' duration.
  - 3) Arise from service interruptions.
  - 4) Result from causes beyond the control of the utility.
  - 5) Result from variations in service elevations which are local and which can be controlled in a satisfactory manner.

## **SUBARTICLE 8 SAFETY**

### **103-780. Acceptable Standards.**

As criteria of accepted good safety practice the commission will use the applicable provisions of the standards referred to in 103-751.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103-781. Protective Measures.**

- A. Each utility shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.
- B. The utility shall give reasonable assistance to the ORS in the investigation of the cause of accidents and shall give reasonable assistance to the commission and the ORS in the determination of suitable means of accident prevention.
- C. Each utility shall maintain a summary of all reported accidents arising from its operations.

**HISTORY: Amended by State Register Volume 31, Issue No. 5, eff May 25, 2007.**

### **103–782. Safety Program.**

Each utility shall devise and implement a safety program, adapted to the size and type of its operations. At a minimum, the safety program should:

- (a) Require the employees to use suitable tools and equipment in order that they may perform their work in a safe manner.
- (b) Instruct employees in safe methods of performing their work.
- (c) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

## **ARTICLE 8 PRACTICE AND PROCEDURE**

### **Editor's Note**

Regulations 103-800 to 103-885 were adopted December 31, 1976.

### **103–800. Authorization.**

A. In accordance with provisions of law, the Public Service Commission has adopted the following rules and regulations and fixed the following standards to govern the practice and procedures of parties before it. All previous rules or standards of practice and procedure are hereby revoked, annulled and superseded.

B. The adoption of these rules shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or in part, or from making additions thereto, pursuant to provisions of law, upon petition of a proper party or upon its own motion.

C. The adoption of these rules of practice and procedure shall not relieve either the Commission or any party participating in proceedings before it of any duties prescribed under the laws of this State.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–801. Application of Rules.**

These rules shall apply to any person who participates in proceedings before the Public Service Commission.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–802. Purpose of Rules.**

These rules are intended to define standards of proper practice before the Public Service Commission. They are intended to insure that all parties participating in proceedings before the Commission will be accorded the procedural fairness to which they are entitled by law. These rules are further intended to promote efficiency in, and certainty of, the procedures and practices herein adopted. All parties participating in proceedings before the Commission shall assist the Commission in the implementation of these rules and regulations.

### **103–803. Waiver of Rules.**

In any case where compliance with any of these rules and regulations produces unusual hardship or difficulty, or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the Commission upon a finding by the Commission that such waiver is not contrary to the public interest.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–804. Definitions.**

The following words and terms, when used in the context of these rules and regulations, shall have the meanings indicated.

A. Applicant. A party on whose behalf an application is made to the Commission for any permission or authorization which the Commission may grant pursuant to statutory or other proper authority.



B. Commission and Commissioner. The South Carolina Public Service Commission and a Commissioner thereof, respectively.

C. Complainant. A party who complains to the Commission of anything done, or omitted to be done, in contravention or violation of the provisions of any statute or other delegated authority administered by the Commission, or of any order, rule or regulation issued or promulgated thereunder, or any other alleged wrong within the jurisdiction of the Commission.

D. Defendant. A party subject to statute or other delegated authority administered by the Commission, or any order, rule or regulation issued or promulgated thereunder, against whom any complaint is filed.

E. Formal Record. The documentation pertaining to a proceeding before the Commission, including the following: the designation of the presiding officer; proofs of publication and notification; all pleadings and intermediate rulings; the transcript or official recording of hearing which shall include all evidence received or considered; a statement of matters officially noticed; all questions and offers of proof, objections and rulings thereof; proposed findings and exceptions, if any; any decision, opinion or report by the presiding officer; all memoranda or data submitted to the hearing officer or members of the Commission in consideration of a proceeding; and the order making final disposition of the matter.

F. Hearing Examiner. A member of the Commission staff, duly appointed and designated by the Commission to serve as a presiding officer for a proceeding before the Commission, and so serving as a presiding officer.

G. Hearing Officer. An attorney qualified to practice in all courts of this State with a minimum of eight years' practice experience employed by the Commission to hear and determine procedural motions or other matters not determinative of the merits of the proceedings and made prior to the hearing. At the hearing, a hearing officer shall make all rulings on nondispositive motions and objections. The hearing officer has full authority, subject to being overruled by the Commission, to rule on questions concerning the conduct of the case and the admission of evidence but may not participate in the determination on the merits of the case. If qualified, a Commission staff attorney may serve as a hearing officer.

H. Intervenor. A person who files a petition to intervene in a proceeding before the Commission, as provided by R. 103-825, and after such petition is approved by the Commission or presiding officer. Admission as an intervenor shall not be construed as recognition by the Commission that such intervenor might be aggrieved by any order of the Commission in such proceeding.

I. Notice of Filing.

(1) A statement prepared by the Chief Clerk upon the filing of a pleading which initiates a proceeding, and which is provided to the party submitting the pleading. The Notice of Filing shall be published pursuant to R. 103-817(C) and shall otherwise be processed according to the Commission's Rules and Regulations concerning specific persons within the Commission's jurisdiction.

(2) The Notice of Filing shall contain a brief description of the pleading, reference to the statutory or other legal authority under which the pleading was filed, and the manner in which interested persons may file petitions to intervene or protests, and the return date.

J. Notice of Hearing.

(1) A statement prepared by the Chief Clerk which provides certain information relative to the public hearing scheduled in a proceeding before the Commission, and submitted to all parties in that proceeding. The Notice of Hearing shall be published, pursuant to applicable provisions of law.

(2) A Notice of Hearing shall include the following items of information:

(a) A statement of the date, time, and place of the public hearing;

(b) A reference to the legal authority under which the proceeding was instituted;

(c) A description of the subject and issues involved, and, in a rulemaking proceeding, the terms or substance of the proposed rule.

(3) At its discretion, the Commission may consolidate a Notice of Hearing with a Notice of Filing, and issue a Notice of Filing and Hearing, if the public interest so requires.

K. Order. A written decision or opinion issued by the Commission representing the whole or any part of the disposition (whether affirmative, negative, injunctive or declaratory in form) of a proceeding before the Commission.

L. Party or Party of Record. A party in a proceeding before the Commission who is entitled to receive all documentary materials, pleadings, orders or other dispositions of matters relevant to the proceeding. Parties of record will include applicants, complainants, defendants, respondents, and intervenors. Parties of record may file a petition for rehearing of Commission orders, pursuant to R. 103–854. The Office of Regulatory Staff shall be considered a party of record for the purposes of filing and receipt of pleadings and documentary materials, data requests, and for the conduct of proceedings.

M. Person. Any individual, partnership, corporation, association, establishment, limited liability companies, limited partnership, entities, governmental subdivision, or public or private organization of any character.

N. Petitioner. A party seeking relief from the Commission, and not otherwise designated herein.

O. Pleading. A document seeking relief in a proceeding before the Commission, including complaint, answer, application, protest, request, motion (other than an oral motion made during a proceeding) or petition.

P. Presiding Officer. A Commissioner or a hearing examiner appointed and duly designated by the Commission, who presides at proceedings before the Commission.

Q. Proceeding. The general process of the Commission's determination of the relevant facts and the applicable law, the consideration thereof and the action thereupon in regard to a particular subject matter within the Commission's jurisdiction, initiated by the filing of an appropriate pleading or issuance of a Commission order or rule to show cause.

R. Protestant. An individual objecting on the ground of private or public interest to the approval of an application, petition, motion or other matter which the Commission may have under consideration. A protestant may offer sworn testimony without the privilege of cross-examination of witnesses offered by other parties. A protestant desiring to become an intervenor in a proceeding before the Commission may file a petition for intervention.

S. Public Records.

(1) Those official items of information within the files of the Commission which are available for inspection by the public. Public records include:

- (a) Applications, complaints, petitions and other papers seeking Commission action;
- (b) Financial, statistical and other reports to the Commission; rates and rate schedules; any other filings and submittals to the Commission in compliance with the requirement of any statute, Commission order, rule or regulation;
- (c) All pleadings, notices, depositions and formal records in proceedings before the Commission;
- (d) Any proposed testimony or exhibit filed with the Commission but not yet offered or received in evidence;
- (e) All Commission orders, notices, findings, opinions, determinations, and other actions in proceedings and all Commission minutes which have been approved and filed with the Chief Clerk;
- (f) All Commission correspondence relating to any furnishing of data or information;
- (g) Commission correspondence relating to the interpretation or applicability of any statute, rule, regulation or order issued or administered by the Commission and letters of opinion on those subjects signed by Staff Counsel and sent to others than the Commission, a Commissioner, or any of the Commission's staff;
- (h) Copies of all filings, certifications, pleadings, records, briefs, orders, judgments, decrees and mandates in court proceedings in which the Commission is a party and all correspondence with the Courts or clerks of court.

(2) The term Public Records does not include any information specifically exempted by statute or Commission order.

(3) Public Records are available for public inspection at the offices of the Commission, during the Commission's business hours. Copies of public records may be made available by the Chief Clerk for a reasonable charge.

T. Representation.

(1) The act of serving as counsel for a party, or of serving as the authorized representative of a party, in a proceeding before the Commission. Representation of a party of record in a proceeding shall include the right to offer evidence on behalf of the party represented and to cross-examine witnesses offered by other parties. Those persons who may act in a representative capacity are the following:

(a) An individual may represent himself or herself in any proceeding before the Commission.

(b) An attorney authorized to practice law in the State of South Carolina may represent a party in any proceeding before the Commission. An attorney not authorized to practice before the courts of the State of South Carolina but authorized to practice before the courts of any other State may represent a party in any formal proceeding before the Commission upon association with an attorney admitted to practice before the courts of South Carolina.

(2) All persons acting in a representative capacity before the Commission shall be subject to any limitation imposed by statute or other proper authority.

U. Respondent. A party subject to any statute or other delegated authority administered by the Commission to whom an order, notice or rule to show cause is issued by the Commission instituting an investigation or a proceeding.

V. Rule. The whole or any part of a Commission statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy or to describe the organization, procedure or practice requirements of the Commission.

W. Rulemaking. The Commission process for the formulation, amendment or repeal of a rule.

X. Rule to Show Cause. An order issued by the Commission instituting a proceeding against a person under the Commission's statutory authority. Such rule shall set forth the grounds for such action, and will contain a statement of the particulars and matters concerning which the Commission seeks to inquire and which shall be deemed to be tentative and for the purpose of framing issues for consideration and decision of the Commission in the proceeding. Such rule shall require that the respondent named respond in writing, as the Commission may direct.

Y. Staff Counsel. Legal Counsel of the Commission and Commission Staff.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.

## **103-805. Representation.**

A. Parties and Their Representatives. Parties in a case have the right to participate or to be represented in all hearings or pre-hearing conferences related to their case. Except as otherwise provided herein, a party must be represented by an attorney admitted to practice law in South Carolina, or an attorney possessing a Limited Certificate of Admission pursuant to Rule 405, SCACR. No one shall be permitted to represent a party where such representation would constitute the unauthorized practice of law.

B. Representation of Entities. Except as otherwise provided in S.C. Code Ann. Regs. 103-805(E), any entity including, but not limited to, a corporation, partnership, limited liability company, or professional association, must be represented by an attorney admitted to practice law in South Carolina, or an attorney possessing a Limited Certificate of Admission pursuant to Rule 405, SCACR.

C. Representation of Individuals. An individual person not admitted to practice law in South Carolina may represent himself or herself, but may not represent another person. A party proceeding without legal representation shall remain fully responsible for compliance with the commission's regulations and the Administrative Procedures Act.

D. Notice of Appearance. An attorney or other person authorized to represent a party before the commission pursuant to this regulation shall file with the commission a notice of appearance when retained or authorized to represent a party after commencement of a case.

E. Unopposed Matters in Which an Entity May Proceed without Counsel. Subject to the conditions specified in this regulation, an entity may proceed through an authorized agent in any unopposed case, including but not limited to the following:

- 1) application for approval of a tariff,
- 2) application for approval of a contract,
- 3) application for approval of an interconnection agreement between telephone carriers,
- 4) application for approval of a name change,
- 5) application for a certificate of public convenience and necessity to operate as a Class C motor carrier, including a charter passenger carrier, a charter bus, and a taxi, and
- 6) application of a mover of household goods for a certificate of FWA.

If the entity chooses not to use an attorney, it shall include in its submission a written statement from the entity's president, chairperson, general partner, owner, chief executive officer, or authorized agent which states substantially the following:

"I am owner, officer, director, or other person authorized to act on behalf of [Name of Company], and on behalf of [Name of Company], I have elected to submit [Title of Document] to the Public Service Commission of South Carolina without the benefit of legal counsel admitted to practice in South Carolina. In electing to file [Title of Document] without legal counsel, I acknowledge and agree to assume the risk, if any, of resulting adverse legal consequences."

However, if the case becomes opposed, the unrepresented entity must obtain legal representation by an attorney authorized to practice law in South Carolina in order for the commission to allow the matter to proceed.

F. Motion to Withdraw from Representation. An attorney or other person authorized to represent a party before the commission pursuant to this regulation must file a written motion to withdraw from representation of a party or from participation in proceedings.

**HISTORY: Added by State Register Volume 33, Issue No. 6, eff June 26, 2009.**

## **103–810. Functions of the Commission.**

The Commission, as provided for by the South Carolina Constitution and as vested with power and jurisdiction by the South Carolina General Assembly, performs the following general functions:

A. Regulation and supervision of privately-owned electric utilities as to rates, charges, services, facilities, practices, accounting procedures, the purchase, sale or lease of utility property and the issuance of securities; and the administration of the Rural Electric Cooperative Act, relative to territorial boundaries. S. C. Code Ann., Section 58-27-10 et. seq. (1976), as amended; and R.103-300, et. seq.

B. Regulation and supervision of rates and charges, services, facilities, practices and accounting procedures of all intrastate privately-owned gas, water and sewerage companies; and administration of the Gas Safety Act of 1970. S. C. Code Ann., Section 58-5-10 et. seq., (1976), as amended; R.103-400 et. seq.; R.103-500 et. seq., R.103-700, et. seq.

C. Except as otherwise provided by law, regulation and supervision of rates and charges, services, facilities, practices and accounting procedures for all privately and publicly-owned telephone and telegraph companies within the State. S.C. Code Ann. Section 58–9–10 et. seq., (1976), as amended; R. 103–600 et. seq.

D. Regulation and supervision of rates and charges, services, facilities, practices and accounting procedures of all radio common carriers within the State. S. C. Code Ann., Section 58-11-10 et seq., (1976).

E. Regulation and supervision of for hire motor carriers of freight and passengers relative to rates, schedules, rules, charges and facilities; issuance and supervision of the administration of Certificates of Public Convenience and Necessity; administration of Registration and Safety Act of 1970. S. C. Code Ann., Section 58-23-10 et. seq., (1976), as amended; R.103-100 et. seq.

F. Regulation and supervision of express and telegraph companies. S. C. Code Ann. Section 58-9-2310 et. seq. (1976), as amended.

G. Regulation and supervision of rates, services, charges, schedules, and facilities of railroads and railroads. S. C. Code Ann., Section 58-15-10 et. seq. (1976), as amended; R.103-1 et. seq.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–811. Repealed** by State Register Volume 39, Issue No. 6, Doc. No. 4454, eff June 26, 2015.

**Editor's Note**

Former R. 103–811 was titled **Commissioners** and had the following history: Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–812. Chairman and Vice Chairman.**

The Commission will elect one of their number chairman and another of their number vice-chairman.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988.

**103–813. The Commission Staff.**

The Commission is authorized and empowered to employ a chief clerk and deputy clerk; a commission attorney and assistant commission attorneys; hearing officers; hearing reporters; and such other professional, administrative, technical, and clerical personnel as the commission determines to be necessary in the proper discharge of the commission's duties and responsibilities as provided by law.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–814. Commission Meetings.**

Formal meetings of the Commission are held on a weekly basis, or at the call of the chairman or at the call of a majority of the Commission, for the purposes of formulating decisions, composing orders, planning and coordinating the work of the Commission, and conferring with the Commission staff. The Chief Clerk shall be responsible for the arrangement of the agenda of matters to be considered at Commission meetings. All Commission meetings and executive sessions are conducted in accordance with the terms of S.C. Code Ann., Section 30–4–10 et. seq.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–815. Office Hours.**

The offices of the Commission will be open for business daily during the hours between 8:15 A. M. and 4:45 P. M., Monday through Friday, subject to the observance of State holidays.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

**103–816. Written Correspondence.**

All written communications should be directed to the following address:

The Public Service Commission of South Carolina

Post Office Drawer 11649

Columbia, South Carolina 29211

Or hand-delivered to the Commission's street address:

Synergy Business Park

101 Executive Center Drive

Columbia, South Carolina 29210-8411

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

**103-817. Proceedings.**

A. Nature of Proceedings. If required by law and upon filing of a pleading as set forth in R.103-819, et. seq., proceedings for the purpose of rulemaking, ratemaking, licensing, determining rights, duties, or privileges of any party, and undertaking an official inquiry for the purposes of gathering information or making determinations, which fall under the jurisdiction of the Commission, shall be conducted by one or more Commissioners, or by a hearing examiner through the development of a formal record.

B. Initiation of Proceedings.

(1) All proceedings shall be initiated by filing with the Chief Clerk at the business offices at the Commission an original and copies, as determined by the Commission, of an appropriate pleading unless otherwise provided, as designated in R.103-819, et seq.

(2) The Chief Clerk may refuse to accept for filing any pleading which does not conform to the rules of the Commission, and shall mail written notice to the party or the authorized representative within ten days after receipt, stating why it has not been accepted for filing.

C. Conduct of Proceedings.

(1) All pleadings initiating proceedings shall be dated upon receipt and shall be assigned a docket number after filing, and all subsequent pleadings or correspondence shall refer to that docket number. Pleadings will be captioned in accordance with R.103-819, et seq., and shall be processed pursuant to these rules.

(2) The Chief Clerk after filing of the pleadings shall give the Commission notice of such filing at the next regular meeting of the Commission. Where provided by law, any proceeding initiated under these rules may be disposed of without hearing by Order of the Commission within 14 days after the pleading has been accepted for filing, upon the written opinion of the Commission that the pleading on its face shows that a hearing is not necessary, in the public interest, or for the protection of substantial rights.

(3) After any pleading has been accepted for filing, the Chief Clerk may:

(a) Serve the pleadings, as required, in accordance with R.103-830, or within fourteen (14) days, provide the party filing the pleading a Notice of Filing, and, where required by law, the party at its own expense shall publish such notice one time in newspapers having general circulation in the State, or, if applicable, in newspapers having general circulation in the party's service area. Except for good cause shown, proof of publication must be filed on or before the return date. The Chief Clerk, pursuant to other rules of the Commission, may require that the Notice of Filing be mailed to customers and other persons and a certificate of mailing be filed on or before the return date.

(b) Fix a date for hearing, as soon as practicable, and when a date is available on the docket calendar. If the hearing date has not been included in the Notice of Filing, the Chief Clerk shall prepare a Notice of Hearing, and shall forward such Notice of Hearing to all parties. Proof of mailing must be placed in the formal record.

(c) Assign a time and place for any public hearing necessary in the conduct of any proceeding. The Chief Clerk shall likewise cause the pleadings to be served pursuant to these rules or issue written notice of the filing of pleadings which shall be published pursuant to law, and notice of the hearing date assigned for the conduct of any formal proceeding, as provided by law.

(d) The Chief Clerk shall forward a copy of a Notice of Filing, a Prefile Testimony Letter, or a Transmittal Letter to all parties by electronic service or by U.S. Mail. The Chief Clerk shall forward a Notice of Filing and Hearing, a Notice of Hearing or any other document containing a hearing date to all parties by electronic service or by certified mail.

(e) Require from a person filing a pleading a letter incorporating a statement presenting the number of witnesses the person expects to offer in the proceeding and an estimate of the time required for the presentation of testimony and exhibits.

(4) Public hearings in the conduct of proceedings shall be held pursuant to R.103-836, et seq.

D. Final Disposition of Proceedings. Proceedings shall be concluded upon the issuance of an order by the Commission or upon a settlement or agreement reached by all parties to the proceedings and formally acknowledged by the Commission by issuance of an order.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007; State Register Volume 39, Issue No. 6, Doc. No. 4455, eff June 26, 2015.

### **103-818. Rulemaking Proceedings.**

A. Nature of Rulemaking Proceedings. When permitted by law, and upon the filing of a pleading, proceedings for the purpose of rulemaking shall be conducted by one or more Commissioners or by a hearing examiner through the development of a formal record.

B. Initiation of Rulemaking Proceedings. Rulemaking proceedings shall be initiated by the process identified in R. 103-817B.

C. Conduct of Rulemaking Proceedings.

(1) Pleadings filed with the Commission initiating rulemaking proceedings shall be processed as in proceedings, pursuant to R. 103-817C(1) and (2).

(2) General notice of proposed rulemaking proceedings shall be made in accordance with applicable provisions of law.

(3) The Commission shall provide an opportunity to interested parties for participation in the rulemaking proceeding through submission of written data, views or arguments with or without opportunity for oral presentation.

D. Final Disposition of Rulemaking Proceedings. Rulemaking proceedings shall be concluded upon the issuance of an order by the Commission issuing, amending, or repealing a rule or rules, and containing a concise general statement of the basis and purpose of such rule or rules. Publication of such rule or rules shall be made in accordance with applicable provisions of law.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-819. General Contents of Pleadings.**

All pleadings in proceedings before the Commission to which docket numbers have been assigned shall prominently display such docket numbers. All pleadings shall also include the following information:

A. The legal name and address of each person by whom such pleading is filed;

B. The full name and address of the authorized representative of the person filing the pleading;

C. A concise and cogent statement of the facts such person is prepared to present to the Commission;

D. A statement identifying the specific relief sought by the person filing the pleading.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-820. General Form of Pleadings.**

All pleadings filed in proceedings before the Commission should be typewritten on paper cut or folded to letter size (8 to 8 1/2 inches wide by 10 1/2 to 11 inches long) with a left-hand margin not less than 1 1/2 inches wide and other margins not less than 1 inch wide. The impression shall be on one side of the paper only.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-821. Copies of Pleadings.**

Pleadings shall be filed in one original and copies, as determined by the Commission, unless otherwise specified by the Chief Clerk. In addition, where practicable, an electronic copy of the

pleadings shall be served on the Chief Clerk and all parties according to such procedures as may be directed by the Commission. Mimeographed or photocopied copies will be accepted as typewritten, provided all copies are clearly legible.

**HISTORY:** Amended by State Register Volume 19, Issue No. 5, eff May 26, 1995; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–822. Signature and Verification.**

All pleadings filed with the Commission shall be signed. The signature of the person, or its authorized representative, submitting the pleading, shall constitute an admission that such person or representative has read the pleading and knows the contents thereof, and, if the signatory is acting in a representative capacity, that such signatory has the capacity and authority specified therein. A verification under oath shall be required if facts are alleged to be true within the knowledge of the person filing the pleading.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–823. Applications.**

Applications are submitted to the Commission for any authorization or permission which the Commission is empowered to grant under its statutory authority, including applications for establishment or adjustment of rates and charges.

A. Content of Applications. Applications shall state clearly and concisely the authorization or permission sought, and shall refer to the specific statutory provision or other authority under which Commission authorization or permission is sought. Applications shall further set forth the following information:

(1) The precise legal name of the applicant, which shall indicate whether the applicant is a partnership, corporation, association, establishment, governmental subdivision, or other public or private organization.

(2) The name, title, address, e-mail address, and telephone number of the person to whom correspondence or communications relative to the application is to be addressed.

(3) The following data, in general rate establishment or adjustment applications, attached as exhibits and developed for a historic twelve-month test period unless otherwise directed:

- (a) Balance sheet;
- (b) Profit and loss statement;
- (c) Accounting and pro forma adjustments;
- (d) Computation of proposed increase or decrease;
- (e) Effect of proposed increase or decrease to include copies of present and proposed tariffs;
- (f) Statement of fixed assets and depreciation reserve;
- (g) Rates of return on rate base and on common equity.

(4) All other information required by statute or by the Commission's Rules and Regulations under which a specific type of application is filed, or as may be required by the Commission in a particular proceeding.

B. Form of Applications. Except where otherwise prescribed by the Rules and Regulations of the Commission under which a specific type of application is filed, applications shall conform to the requirements of R. 103–819 through R. 103–822.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

#### **103–823.1. Financing Applications.**

Any electrical utility filing financing applications must provide the following information as a separate part of its application:

- a. Identify the effect of the proposed financing on the utility's income statement and balance sheet and identify the impact of the proposed financing on the utility's capital structure;



- b. Identify specifically how the funds obtained through the proposed financing are to be used by the utility;
- c. Provide information on the possible impact on the utility if the proposed financing is not approved or if approval is delayed;
- d. Specify the expected effective rate of interest of any debt financing (a range for the rate is appropriate). For common stock issues, provide information on the anticipated market price and book value per share at the time of issue;
- e. Provide information on the expected benefits (e.g., savings expected from early debt retirement) and costs (e.g., issuance expenses) of the proposed financing. Provide any studies that were developed to identify these costs and benefits and the net result. (This could incorporate present value analysis of the costs and benefits.) Identify the basic assumptions of any analyses of costs and benefits.

**HISTORY:** Added by State Register Volume 36, Issue No. 5, eff May 25, 2012.

### **103–824. Complaints.**

Any person complaining of anything done or omitted to be done by any person under the statutory jurisdiction of the Commission in contravention of any statute, rule, regulation or order administered or issued by the Commission, may file a written complaint with the Commission, requesting a proceeding.

A. Contents of Complaints. A written complaint filed with the Commission shall contain the following information:

- (1) The name, address, e-mail address, and telephone number of the person making the complaint and of his authorized representative, if he is represented.
- (2) The name and address of the person about whom the complaint is made.
- (3) A concise and cogent statement of the factual situation surrounding the complaint. If a complaint relates to an act, rule, regulation or order administered or issued by the Commission, or to a provision in a tariff or contract on file with the Commission, the act, rule, regulation, order, tariff or contract should be specifically identified in the complaint.
- (4) A concise statement of the nature of the relief sought.

B. Form of Complaints. A complaint filed pursuant to this section shall conform to the requirements of R. 103–819 through R. 103–822.

C. Joinder of Complaints. Two or more grounds of complaint concerning the same subject or set of facts may be included in one complaint, but should be separately stated and numbered. Two or more complainants may join in one complaint if their respective causes of complaint are against the same defendant or defendants, and if they involve substantially the same purpose, subject or set of facts.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–825. Petitions.**

Petitions may be submitted to the Commission for any relief, other than for an adjustment of rates and charges, which the Commission is empowered to grant under its statutory authority. Petitions which may be filed include: Petition for Rulemaking, Petition for a Declaratory Order, Petition to Intervene, Petition for Rehearing or Reconsideration, and Petition for a Rule to Show Cause.

A. Content of Petitions. Petitions shall state clearly and concisely the petitioner's grounds of interest in the subject matter, the facts relied upon, and the relief sought. Petitions shall cite by appropriate reference the statutory provision or other authority relied upon for relief. The following requirements are applicable to specific types of Petitions:

- (1) A Petition for Rulemaking shall set forth clearly and concisely:
  - (a) The petitioner's interest in the subject matter;
  - (b) The specific rule, amendment, waiver or repeal requested;
  - (c) The statutory provision or other authority therefore;
  - (d) The purpose of, and the grounds requiring, the proposed rulemaking.

(2) A Petition for Declaratory Order to determine applicability of any statute or of any rule or order of the Commission shall state clearly and concisely:

- (a) A full disclosure of the petitioner's interest;
- (b) The uncertainty which is the subject of the petition;
- (c) The statutory provision or other authority involved;
- (d) A complete statement of the facts prompting the petition.

(3) A Petition to Intervene in a proceeding before the Commission shall set forth clearly and concisely:

- (a) The facts from which the nature of the petitioner's alleged right or interest can be determined;
- (b) The grounds of the proposed intervention;
- (c) The position of the petitioner in the proceeding.

Objections to a Petition to Intervene shall be filed with the Commission within ten days of service of the Petition to Intervene.

(4) A Petition for Rehearing or Reconsideration shall set forth clearly and concisely:

- (a) The factual and legal issues forming the basis for the petition;
- (b) The alleged error or errors in the Commission order;
- (c) The statutory provision or other authority upon which the petition is based.

B. Form of Petitions. With the following exception for Petitions to Intervene, all petitions shall conform to the requirements of R. 103-819 through R. 103-822. Handwritten Petitions to Intervene may be accepted by the Commission, if legible.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-826. Answers.**

Answers are submitted to the Commission in response to complaints and petitions, and to Rules to Show Cause issued by the Commission. Answers are not required to Petitions for Rehearing or Reconsideration.

#### A. Content of Answers.

(1) Answers shall be drawn so as to advise fully and completely the Commission and any party as to the nature of the defense. Answers shall admit or deny, specifically and in detail, each material allegation of the pleading answered, and shall state clearly and concisely the facts and law relied upon.

(2) In an answer to a Rule to Show Cause, mere general denials of the allegations contained in the rule which are unsupported by specific facts will not be considered as complying with this section and may be deemed a basis for entry of a final order without hearing, unless otherwise required by law, on the ground that that answer has raised no issue requiring a hearing or further proceeding.

B. Form of Answers. Except as provided in R. 103-826 all answers shall conform to the requirements of R. 103-819 through R. 103-822.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-827. Protests.**

A. In General. A protest is intended to advise the Commission and all parties to a proceeding before the Commission of the fact and character of the protestant's objection to part or all of the subject matter of the proceeding. The filing of a protest does not make the protestant a party of record. The protest will be placed in a public file associated with, but not part of the formal record, and will be available for such further exploration of the substantive matters raised therein by the Office of Regulatory Staff and other parties as may be appropriate.

B. Form of Protests. No specific form of protest shall be required. The letter or writing should contain the name and address of the protestant, the proceeding or matter to which the protest is

addressed, a concise statement of the protest, and whether the protestant wishes to make an appearance at a hearing, if scheduled.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–828. Amendments.**

Any modification or supplement to a pleading shall be deemed an amendment to the pleading, and shall comply with the particular requirements of content and form for the type of pleading so amended. Upon its own motion or upon motion duly filed by a party of record, the Commission may for good cause decline to permit, or may strike in whole or in part, any amendment. No amendment to a pleading may be filed within ten (10) days prior to the commencement of or during a hearing unless directed or permitted by the Commission or presiding officer after opportunity for all parties of record to be heard thereon.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–829. Motions.**

A. Motions, except those made during hearings, will be reduced to writing and filed with the Chief Clerk at least ten (10) days prior to the commencement of a hearing. Responses to such motions are due within ten days after service of said motions. Replies to responses to motions shall be filed with the Commission within five days of service of the response. These times may be modified by order of the Commission or its designee for good cause. Written motions to quash a subpoena will be made pursuant to R. 103–832.

B. The Commission, in its discretion and upon due notice to all parties of record, may entertain oral argument and response on prefiled motions in advance of the scheduled hearing in the proceeding to which the motions pertain. Otherwise, such argument and response shall be made at the commencement of the hearing. The presiding officer may make a ruling upon such motion at the completion of oral argument, at the conclusion of the hearing, or in the written order making disposition of the subject matter of the proceeding.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–830. Filing and Service of Pleadings.**

All pleadings shall be filed with the Chief Clerk of the Commission and served on the Office of Regulatory Staff unless and until it chooses not to participate in a proceeding.

#### **A. Service of Complaints and Answers.**

(1) A complainant requesting a hearing shall file the complaint with the Chief Clerk. The Chief Clerk shall mail a copy of the complaint to the defendant within 14 days of filing.

(2) The defendant shall serve its answer on the complainant and shall file its answer with certification of service with the Commission within 30 days of receipt of the complaint, unless an extension of time is granted for good cause shown. Any defendant failing to file its answer within such period, unless an extension of time is granted, shall be deemed in default and all relevant facts stated in such complaint may be deemed admitted.

#### **B. Service of Petitions and Answers.**

(1) If a person other than the petitioner is named in a petition for a declaratory order or in a petition for a rule to show cause, the Chief Clerk shall cause a copy of the petition to be mailed to such named person within 14 days of the filing of the petition.

(2) The person named in a petition for a declaratory order or in a petition for a rule to show cause shall serve its answer on the petitioner and shall file its answer with certification of service with the Chief Clerk within 30 days of the receipt of the petition from the Chief Clerk unless an extension of time is granted for good cause shown.

(3) A person filing a petition to intervene or a party of record filing a petition for rehearing or reconsideration shall file the petition with certification that service of the petition has been made on all parties of record. The Chief Clerk shall make available to the person seeking to intervene a service list consisting of the names of all parties of record.

C. Service of Amendments. Any amendment to a pleading shall be served and answered, if applicable, according to the requirements specified herein for the type of pleading sought to be amended.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–830.1. Service Between Parties of Record.**

Upon written agreement by all the parties in a docket, service of filings made in a docket at the commission may be made through e-mail or electronic service. The written agreement memorializing the parties' consents shall be filed with the commission in the appropriate docket.

**HISTORY:** Added by State Register Volume 33, Issue No. 6, eff June 26, 2009.

### **103–831. Computation of Time.**

The computation of time shall be governed by Rule 6 of the South Carolina Rules of Civil Procedure. Extensions of time may be granted by the commission for good cause shown. The provisions of Regulation 103–831 do not apply to Petitions for Rehearing or Reconsideration.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007; State Register Volume 33, Issue No. 6, eff June 26, 2009.

### **103–832. Subpoenas and Subpoenas Duces Tecum.**

Subpoenas and Subpoenas Duces Tecum shall be issued and served in a manner consistent with the South Carolina Rules of Civil Procedure.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–833. Written Interrogatories and Request for Production of Documents and Things.**

A. Any material relevant to the subject matter involved in the pending proceeding may be discovered unless the material is privileged or is hearing preparation working papers prepared for the pending proceeding.

B. Unless under special circumstances and for good cause shown, written interrogatories shall not be served less than 10 days prior to the date assigned for commencement of hearing. Any party of record may serve upon other parties or parties of record written interrogatories to be answered by the party served. If the party served is a public or private corporation, partnership, association, or governmental agency, any officer or agent who possesses the desired information may respond to the interrogatories. Copies of interrogatories served shall also be filed with the Chief Clerk. Each interrogatory shall be answered separately and fully in writing, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the individual making them and subscribed by an appropriate verification. Objections are to be signed by the authorized representative or individual making them. The person upon whom the interrogatories have been served shall serve a copy of the answers and objections within the time period designated by the party of record submitting the interrogatories, but not less than 20 days after the service thereof, unless the time is extended by the Commission for good cause shown.

C. Unless under special circumstances and for good cause shown, requests for production of documents and things shall not be served less than 10 days prior to the date assigned for commencement of hearing. Any party of record may serve upon other parties or parties of record requests for production of documents and things to be answered by the party served. If the party served is a public or private corporation, partnership, association, or governmental agency, any officer or agent who possesses the desired information may respond to the requests for production of documents and things. Copies of requests for production of documents and things served shall also be filed with the Chief Clerk. Each request for production of documents and things shall be answered separately and fully in writing, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the individual making them and subscribed by an appropriate verification. Objections are to be signed by the authorized representative or individual making them. The person upon whom the requests for production of documents and things have been served shall serve a copy of the answers and objections within the time period designated by the

party of record submitting the requests for production of documents and things, but not less than 20 days after the service thereof, unless the time is extended by the Commission for good cause shown.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-834. Depositions.**

Any party of record to a proceeding may, by written request, ask the Commission or its designee for leave to take the testimony of any witness by deposition. The request shall set forth the facts the requesting party seeks to establish by the deposition. Such written request shall be filed with the Commission at least 10 days prior to the commencement of the scheduled hearing. The requesting party shall give notice by providing a copy of the written request to each party of record to the proceeding. If the Commission or its designee deems the request meritorious, it may issue an Order designating the individual whose deposition may be taken, specifying the subject matter of the examination, and setting forth the time and place of such deposition, and whether it shall be written or oral examination. All costs incidental thereto shall be paid by the party desiring such deposition. If the request is not deemed meritorious, the written request shall be denied by Order or otherwise.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-835. Other Discovery Procedures.**

The S. C. Rules of Civil Procedure govern all discovery matters not covered in Commission Regulations.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-836. How Hearings are Set.**

The Commission will assign a time and place for hearing and shall give notice thereof as required by law.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-837. Hearing Calendar.**

The hearing calendar will be posted in the office of the Chief Clerk of the Commission and shall be available for inspection by the public during the office hours of the Commission. Proceedings pending upon this calendar will be heard in their order of assignment, so far as practicable, at the times and places fixed, provided, however, in its discretion, with or without motion, the Commission may, at any time with reasonable notice to the parties, advance or postpone any proceeding on the hearing calendar.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-838. Continuance.**

Any party of record desiring a continuance shall, immediately upon receipt of notice of the hearing or as soon thereafter as facts requiring such continuance come to its knowledge, notify the Chief Clerk, stating in detail the reasons why such continuance is necessary. Unless good cause is shown, no such continuance shall be granted.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103-839. Prehearing Conferences.**

A. Purposes. Upon written notice by the Commission in any proceeding, parties of record or their authorized representative may be directed to meet before a designated staff member at a specified time and place for a conference, prior to a hearing, for the purpose of formulating issues, and considering:

- (1) The simplification of issues;
- (2) The necessity or desirability of amending the pleadings for the purposes of clarification, amplification or limitation;
- (3) The possibility of obtaining admissions of fact and documents which will avoid unnecessary proof;

- (4) Limitations on the number and consolidation of the examination of witnesses;
- (5) The procedure at the hearing;
- (6) The distribution of written testimony and exhibits to the parties prior to the hearing;
- (7) Any other matters as may aid in the disposition of the proceeding, or settlement thereof.

B. Report of Stipulations. Following the prehearing conference, a proposed Report of Stipulations, reciting the action taken at the conference, amendments allowed to the pleadings, if any, and agreements, if any, made by the parties of record concerning all of the matters considered, shall be provided to the parties of record or their authorized representatives for approval. If no objection to the Report of Stipulations is filed within ten days after the date such Report is mailed, it shall be deemed to be approved. This Report, when approved, shall limit the issues to be heard at the hearing to those not disposed of by admissions or agreements of the parties or their authorized representative and will control the subsequent course of the formal proceeding unless modified at the hearing to prevent manifest injustice.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–840. Consolidated Hearings.**

The Commission, upon its own motion or upon motion by any party, may order two or more proceedings involving a similar question of law or fact to be consolidated for hearing where rights of the parties or the public interest will not be prejudiced by such procedure.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–841. Presiding Officer.**

A. In General. When evidence is to be taken in a proceeding before the Commission, any Commissioner or any hearing examiner designated by the Commission may preside at the hearing.

B. Powers and Duties of Presiding Officer. A presiding officer shall have the duty to conduct full, fair, and impartial hearings, to take appropriate action to avoid unnecessary delay in the disposition of proceedings, and to maintain order; and shall possess all powers necessary to that end, including the following:

- (1) To administer oath and affirmations;
- (2) To order subpoenas issued and to provide for other methods of discovery;
- (3) To receive evidence and rule upon all objections and motions which do not involve final determination of proceedings;
- (4) To take such other action as may be necessary and appropriate to the discharge of duties consistent with the statutory authority or other authorities under which the Commission functions.

C. Report of Presiding Officer. When a majority of the Commissioners do not hear a proceeding or read the record thereof, the presiding officer shall mail to the parties of record a proposed Order. The proposed Order shall contain a statement of facts relied upon in formulating such Order and each issue of fact or law necessary to it. Any party of record will then have ten days in which to file exceptions, present briefs, and file written requests for oral argument to the Commission, if it is desired to do so. If exceptions and briefs are filed within the prescribed time period, the Commission will consider the points raised therein and will issue its Order based upon the record of the formal proceeding, the proposed Order, and the exceptions and briefs filed. If a written request for oral argument is filed, the Commission will establish a date for such oral argument to be heard and will notify all parties of record as to date, time and place for such argument. Thereafter, the Commission will issue its Order based upon the record of the formal proceeding, the proposed Order, any exceptions and briefs filed, and the oral argument presented. If no exceptions, briefs, or written requests for oral argument are received within the prescribed ten days, the Commission will issue its Order based upon the record of the formal proceeding and the proposed Order.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–842. Order of Procedure.**

A. Investigations. Upon an investigation initiated by the Office of Regulatory Staff or by request of the Commission, evidence in a proceeding will ordinarily be received in the following order:

- (1) Office of Regulatory Staff;
- (2) Respondent;
- (3) Other parties.

B. Applications and Petitions. Evidence will ordinarily be received upon applications and petitions in the following order:

- (1) Applicant or Petitioner;
- (2) Other parties;
- (3) Office of Regulatory Staff.

C. Complaint. Evidence will ordinarily be received upon complaints in the following order:

- (1) Complainants;
- (2) Respondents;
- (3) Other parties;
- (4) Office of Regulatory Staff.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–843. Standard of Conduct.**

All individuals acting in a representative capacity in proceedings before the Commission shall conform to the standards of ethical conduct required of attorneys before the courts of this State. If any such individual does not conform to such standards, the Commission may decline to permit such individual to act in a representative capacity in any proceeding before the Commission.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–844. Failure to Attend Designated Hearing.**

A. At the time and place set for hearing, if an applicant, petitioner, or complainant fails to attend personally or through an authorized representative without having obtained a continuance in the manner specified in R. 103–838, the Commission may dismiss the petition, application, or complaint with or without prejudice or may, upon good cause shown, recess such hearing for a further period to be set by the Commission to enable such applicant, petitioner, or complainant to attend.

B. Parties of record or their authorized representative shall be present during all proceedings of any scheduled matter pending before the Commission except upon leave of the presiding officer.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–845. Witnesses.**

A. In General. Witnesses shall be examined orally. Witnesses presenting testimony shall be sworn, or shall affirm, before their testimony shall be deemed evidence in the proceeding or any questions are put to them.

B. Cumulative Testimony Restricted. The presiding officer may limit the number of witnesses whose testimony may be merely cumulative. In order to enforce this section, the presiding officer may require a clear statement on the record of the nature of the testimony to be given by any witness proffered.

C. Prepared Statements and Exhibits. A witness may read into the record, as his direct testimony, statements of fact or expressions of his opinion prepared by him, or written answers to interrogatories of counsel. A prepared statement of a witness may also be received as an exhibit. All parties of record, insofar as it is practicable, should prefile with all other parties of record copies of prepared testimony and exhibits which the party of record proposes to use during a hearing. In proceedings involving utilities, the Commission shall require any party and the Office of Regulatory Staff to file copies of testimony and exhibits and serve them on all other parties of record within a specified time in advance of the hearing. In proceedings involving companies other than utilities, the Commission may

require any party and staff to file copies of testimony and exhibits and serve them on all other parties of record within a specified time in advance of the hearing. When prepared testimony and exhibits are prefiled with the Commission, twenty-five copies, unless otherwise specified, of such testimony and exhibits must be furnished to the Commission for the use of the Commission and Staff.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–846. Evidence.**

A. In General. Irrelevant, immaterial or unduly repetitious evidence shall be excluded. The rules of evidence as applied in civil cases in the Court of Common Pleas shall be followed. Effect shall be given to the rules of privilege recognized by law. Objections to evidentiary offers may be made and shall be noted in the record. Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced substantially, any part of the evidence may be received in written form.

B. Reception and Ruling on Proffered Evidence. The presiding officer shall rule on the admissibility of all evidence and shall otherwise control the reception of evidence so as to confine it to the issues in the hearing.

C. Notice of Cognizable Facts. Notice may be taken of judicially cognizable facts. In addition, notice may be taken of generally recognized technical or scientific facts within the agency's specialized knowledge. Parties of record shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material noticed. Parties shall be afforded an opportunity to contest the material proposed to be noticed.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–847. Documentary Evidence.**

A. Commission Files. In case any matter contained in a report or other document on file with the Commission is offered in evidence, such report or other document need not be produced or marked for identification, but may be offered in evidence by specifying the report, document, or file containing the matter so offered.

B. Records in Other Proceedings. If the transcript, or any portion thereof, of another proceeding before the Commission is desired to be introduced into the formal record at a subsequent hearing, a true copy of the portion desired must be presented.

C. Abstracts of Documents. When documents are numerous, such as freight bills or bills of lading, and it is desired to offer in evidence more than a limited number of such documents as typical of the others, an abstract of relevant data of such documents shall be prepared in an orderly manner and offered as an exhibit, giving other parties to the proceeding reasonable opportunity to examine both the abstract and the documents.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–848. Exhibits.**

A. Size of Exhibits. Except by special permission of the presiding officer, no prepared exhibits offered as evidence shall be of greater size, when folded, than 8 1/2 inches by 11 inches.

B. Copies of Exhibits. When exhibits are offered in evidence, the original shall be furnished to the reporter, and the party offering exhibits should also be prepared to furnish a copy to each Commissioner sitting and the presiding officer, each party of record, and the staff, unless such copies have been previously furnished or the presiding officer directs otherwise. Whenever practicable, the parties should exchange copies of exhibits which they propose to use prior to the hearing.

C. Marking of Exhibits. All exhibits shall be marked numerically in the order of identification.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–849. Objections to the Introduction of Evidence.**

A. In General. Any evidence offered in whatever form shall be subject to appropriate and timely objection. When objection is made to the admissibility of evidence, such evidence may be received subject to later rulings by the presiding officer. The presiding officer, in his discretion, either with or



without objection, may exclude inadmissible, incompetent, cumulative, or irrelevant evidence, or order the presentation of such evidence discontinued. Parties objecting to the introduction of evidence shall briefly state the grounds of objection at the time such evidence is offered.

B. Offers of Proof. When the presentation of any evidence is objected to and such objection is sustained by the presiding officer, the proponent of the evidence may request that she or he be allowed to present an offer of proof for the formal record. Such offer of proof shall consist of a statement of the substance of the evidence to which objection has been sustained, or if the excluded evidence consists of evidence in documentary or written form, a copy of such evidence shall constitute the offer of proof.

**HISTORY:** Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–850. Transcripts.**

A. In General. The Commission will cause to be made a record of all proceedings.

B. Copies of Transcript. Copies of the typewritten transcript of any proceeding may be obtained from the hearing reporters upon request and after payment of the applicable fee.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–851. Briefs or Proposed Orders.**

A. Due Date. The presiding officer shall fix the time for filing and service of briefs or proposed orders.

B. Table of Contents and Citations. A brief of more than 20 pages shall contain a table of contents showing arguments presented with page references and a list of citations, alphabetically arranged with references to the pages where they appear.

C. Scope of Briefs or Proposed Orders. Briefs should contain:

- (1) A concise statement of the case;
- (2) An abstract of the evidence relied upon, preferably assembled by subjects;
- (3) Factual and legal arguments, or if a proposed Order, reasons and authorities therefore.

D. Exhibit Reproduction. Exhibits may be reproduced in an appendix to the brief. Analysis of such exhibits should be included in the abstract of evidence under the subjects to which they pertain.

E. Filing and Service. Briefs or proposed orders must be filed with the Chief Clerk and served on parties of record on or before the date fixed. If not filed on or before the date fixed, the brief will not be received without permission from the Commission or the presiding officer. All briefs shall be accompanied by a certificate showing service upon all parties of record or their authorized representatives who appeared at the hearing. Ten copies of each brief shall be furnished for the use of the Commission and staff.

**HISTORY:** Amended by State Register Volume 12, Issue No. 6, eff June 24, 1988; State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–852. Service of Orders.**

All Orders representing final disposition of a proceeding shall be filed with the Chief Clerk who shall serve copies thereof upon all parties of record or their authorized representative. Such service shall be by certified mail, registered mail, or by delivery to the parties or their attorneys, as may be appropriate.

**HISTORY:** Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.

### **103–853. Finality of Decision.**

All proceedings before the Commission shall be disposed of by issuance of an Order as defined in R. 103–804K served upon all parties of record.

A. Effective Date of Orders. Commission Orders shall take effect and become operative when served by registered or certified mail, unless otherwise designated, and shall continue in force and effect either for a period which may be designated therein or until rescinded, modified or amended by

the Commission. If an Order cannot be complied with within prescribed time limit, the Commission may grant such additional time as in its judgment is reasonably necessary to comply with the Order.

B. Rescinding, Modifying, Amending Order or Decision. The Commission may rescind, modify, or amend any Order. If the rescission, modification or amendment pertains to other than clerical errors or omissions, parties of record shall be provided notice and opportunity to be heard. Any Order rescinding, modifying or amending a prior Order shall have the same effect as is provided for in original Orders, but no such Order shall affect the legality or validity of any acts done pursuant to the original Order before notice of such rescission, modification, or amendment.

**HISTORY: Amended by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–854. Petition for Rehearing or Reconsideration.**

Unless otherwise provided by law, no cause of action shall accrue in any court of competent jurisdiction to vacate or set aside any Order of the Commission, either in whole or in part, unless a petition for rehearing or reconsideration and proof of service are filed with the Commission, and an Order has been issued disposing of the matter.

A. Form, Contents of Petition for Rehearing or Reconsideration. All petitions for rehearing or reconsideration shall conform to R. 103–825.

B. Time limit for filing a petition for rehearing or reconsideration. Except as otherwise provided by S. C. Code Ann., Section 58–5–330, 58–9–1200, 58–11–550, 58–27–2150 (1976), any party of record may, within 20 days after the date of receipt of Order, petition the Commission for rehearing or reconsideration. A Petition for Reconsideration shall be subject to the same statutory parameters as a Petition for Rehearing.

C. Action by the Commission. The Commission must act upon the petition for rehearing or reconsideration within thirty (30) days after such petition is filed except as otherwise provided by S. C. Code Ann., Section 58–5–330, 58–9–1200, 58–11–550, 58–27–2150 (1976). Failure to act within this time period shall be deemed a denial of the relief sought in the petition.

D. Effect of Filing a Petition. Filing a petition shall not excuse or delay compliance with an Order issued by the Commission, unless specifically provided by the Commission.

**HISTORY: Added by State Register Volume 14, Issue No. 3, eff March 23, 1990; State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–855. Presiding Officer's Proposed Report.**

In the event a presiding officer hears a matter before the Commission, the parties of record may, by stipulation, waive the preparation of a proposed report. Parties of record may file exceptions to the proposed report pursuant to R. 103–841C.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103–856. Appellate Review.**

A. In General. After denial of rehearing, a party of record may appeal a Commission Order to the appropriate judicial forum pursuant to applicable provisions of law.

B. Stay of Commission Order Pending Review. Except as otherwise provided by law, an appeal from an Order of the Commission shall not of itself stay or suspend operation of the Order of the Commission.

C. Transcript of Testimony. A transcript of the proceeding will be furnished upon request directed to the Commission's hearing reporters, stating the number of copies desired, the person to be billed and the person to whom the transcript is to be sent.

D. Record on Appeal. In any action to review a final decision of the Commission, the record shall consist of all items set forth in R. 103–804E.

E. Stipulations. The Commission, and any party of record appealing a Commission Order, may stipulate that a certain question or questions and a specified portion of the evidence shall be certified to the Court for its judgment, whereupon such stipulation and the question or questions and the evidence therein specified shall constitute the record on view.

F. Priority. Cases appealed from the Commission shall have priority where such is given by statute.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103-857. Penalty Provisions.**

A. In General. Any fine or penalty assessed against any person as allowed by statute, may be imposed in accordance with applicable provisions of law and these rules as established by the Commission.

B. Calculation of Fine or Penalty. The fine or penalty will be incurred and will accrue each day with each day considered a separate breach or violation.

C. Payment of Fine or Penalty. A fine or penalty assessed pursuant to the provisions of these rules shall be paid immediately upon demand by certified check made payable to the State of South Carolina. Failure to honor this demand within ten days shall result in a filing in the appropriate county office or offices, for collection of such fine or penalty as provided by law.

D. Disbursement of Fine or Penalty. All fines or penalties assessed by the Commission shall go into the general funds of the State unless otherwise provided by law.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103-858. General Provisions.**

A. Additional Hearings. The Commission may, in addition to other hearings as provided for by rule or statute, conduct such other hearings as may be required in the administration of the Commission's power and duties.

B. Construction. If any provision of these rules or the application thereof is held invalid, the remainder of the rules or other application of such rules shall not be affected.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**

### **103-859. Emergency Procedures.**

A. When it appears to the Office of Regulatory Staff that a utility is planning to disconnect its service to a customer(s) in violation of the Commission's Rules and Regulations and under circumstances which prevent the full Commission from meeting to address the issue, upon the request of the Office of Regulatory Staff, any one Commissioner may issue an Order on behalf of the Commission restraining and/or enjoining a utility from disconnecting service or requiring the utility to maintain the status quo with its customer(s) until further Order of the Commission. Thereafter, at the next scheduled Commission meeting with proper legal notice, the full Commission shall consider the Order of the single Commissioner and take such action on the single Commissioner's Order as it deems appropriate.

B. When it appears to the Office of Regulatory Staff that a utility has disconnected a customer's (s') service in violation of the Commission's Rules and Regulations and under circumstances which prevent the full Commission from meeting to address the issue, upon the request of the Office of Regulatory Staff, any one Commissioner may issue an Order on behalf of the Commission requiring the utility to reconnect the service and maintain that status quo until further Order of the Commission. Thereafter, at the next scheduled Commission meeting with proper legal notice, the full Commission shall consider the Order of the single Commissioner and take such action on the single Commissioner's Order as it deems appropriate.

**HISTORY: Added by State Register Volume 31, Issue No. 4, eff April 27, 2007.**



 **SCANA Corporation Retirement Plan** 

  Summary Plan Description      November 1, 2013

**SCANA Corporation**  
**Retirement Plan**  
**Summary Plan Description**

**(As applicable to Cash Balance Participants)**

**November 1, 2013**

**Summary Plan Description  
of the  
SCANA Corporation  
Retirement Plan**

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## Introduction

This Summary Plan Description gives you<sup>1</sup> a brief summary of the SCANA Corporation Retirement Plan (the “Plan”). The Plan is sponsored by SCANA Corporation and is made available to employees of SCANA Corporation and certain participating subsidiaries.

## History of the Plan

The Plan was established in 1946 and has been designed to help you meet your financial needs in retirement. Prior to July 1, 2000, Plan benefits were determined solely under a Final Average Pay formula. The Final Average Pay formula calculates benefits by considering a participant’s retirement eligible pay for the highest three years out of the last five years the participant was paid, as well as the participant’s age, length of service and Social Security covered compensation amounts established for the participant’s year of birth.

Effective July 1, 2000, SCANA Corporation added a new Cash Balance Pension formula to the Plan. The Cash Balance Pension formula bases each participant’s pension benefit on the value of a hypothetical account. During the period of participation in a cash balance plan, the value of the hypothetical account grows, with monthly Compensation and Interest credits.

For ease of reference, this Summary Plan Description refers to the Cash Balance portion of the Plan as the “Cash Balance Plan” and the Final Average Pay portion of the Plan as the “Final Average Pay Plan.” See the section entitled “How the Cash Balance Plan Works” for more details.

Effective December 31, 2013, the Plan is closed to new hires and rehires. Also, effective December 31, 2023, all participants in the Plan will stop earning any future benefits (the Plan will be frozen).

## Participation in the Cash Balance Plan

Prior to the conversion of the Plan to a Cash Balance formula, Plan participants were allowed to choose to remain covered under the Final Average Pay formula or become covered under the Cash Balance formula. The Cash Balance formula generally applies to any individual who elected to participate in the Cash Balance Plan. The Cash Balance Plan also applies to any employee initially hired by SCANA Corporation or a participating subsidiary (other than PSNC) on or after January 1, 2000 and before January 1, 2014 and to any former employee of SCANA Corporation or a participating subsidiary (other than PSNC) who is rehired on or after July 1, 2000 and before January 1, 2014. The Cash Balance Plan also applies to any PSNC employee hired on or after February 11, 2000 and before January 1, 2014 as well as any former PSNC employee who is rehired on or after July 1, 2000 and before January 1, 2014. In addition, the

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<sup>1</sup> The term “you” as used in this Summary Plan Description refers to a Company employee who otherwise meets all the eligibility and participation requirements under the Plan. Receipt of this Summary Plan Description does not guarantee that the recipient is in fact a participant under the Plan and/or otherwise eligible for benefits under the Plan.

Cash Balance Plan applies to any eligible employee who is hired on or after January 1, 2001 and before January 1, 2014 or rehired on or after July 1, 2001 and before January 1, 2014 and covered by the IBEW contract.

Certain employees who participate in the Cash Balance Plan were covered under other retirement plans that were merged into the SCANA Corporation Retirement Plan. Any special provisions regarding these transferred participants are summarized in **Appendix One** to this Summary Plan Description.

## **Summary Plan Descriptions**

This booklet constitutes the “Summary Plan Description” called for by the Employee Retirement Income Security Act of 1974 (“ERISA”). This Summary Plan Description explains key features of the Plan in an easy-to-read format and style, and contains information relating only to the benefits that are provided under the Cash Balance formula. A separate version of this Summary Plan Description describes the benefits that are provided under the Final Average Pay formula.

This Summary Plan Description explains your rights and obligations under the Plan, but it does not contain every detail of the Plan. The official Plan document contains all the details of the Plan. While every attempt has been made to ensure that the information in this booklet and the summary plan description for the Final Average Pay Plan provisions are accurate, the legal Plan document consists of the Cash Balance Plan Document and the Final Average Pay Plan Document. If there is a conflict between statements in this booklet or the Summary Plan Description for the Final Average Pay Plan provisions and the official Plan document, or if anything is not fully described in this summary or the Summary Plan Description for the Final Average Pay Plan provisions, the terms of the Plan document will govern.

Nothing in the Plan or in this Summary Plan Description creates or is intended to create a contract of employment between any individual and the Company. Nothing in the Plan or in this Summary Plan Description gives any person the right to be employed by the Company nor does it interfere with the Company’s right to discharge an employee at any time.

## **Eligibility and Participation**

### **Eligible Employees**

The Plan is available to all active full-time and part-time employees employed by SCANA Corporation or one of the following subsidiaries that participates in the Plan on December 31, 2013:

- Public Service Company of North Carolina, Incorporated (“PSNC”)
- SCANA Communications, Inc.
- SCANA Energy Marketing, Inc.
- SCANA Services Company



- ServiceCare, Inc. (including SCANA Security Division until March 23, 2001)
- South Carolina Electric & Gas Company
- Carolina Gas Transmission (formerly South Carolina Pipeline Corporation)

SCANA Corporation and the participating subsidiaries listed above are collectively referred to in this Summary Plan Description as the “Company” or “SCANA.”

Active full-time and part-time employees first hired by SCANA on or after January 1, 2014 are not eligible to participate in the Plan. In addition, if an active full-time or part-time employee stops working at SCANA and is later rehired at any point after December 31, 2013, the employee will not be eligible to earn any future benefit accruals under the Plan for services performed and/or compensation earned after he or she is rehired. However, if the rehired employee earned an accrued benefit under the Plan due to his or her prior employment by SCANA, the rehired employee will keep his or her rights to his or her prior accrued benefit, subject to the Plan’s vesting requirements.

The following persons are not eligible to participate in the Plan, regardless of their date of hire: leased employees, individuals who do not receive payment for services directly from the Company’s payroll, employees of employment agencies, employees who are in a union that has determined through collective bargaining not to participate in the Plan, individuals who sign a written employment contract expressly stating they are not eligible to participate in the Plan, employees of a SCANA subsidiary that has not become a participating employer, and non-resident aliens who do not receive any United States source income. In addition, any person who is otherwise eligible to participate may voluntarily elect, in writing, to waive his right to participate.

## **Becoming a Participant**

Each eligible employee described above automatically becomes a participant in the Plan on the first day of the month after the eligible employee completes one year of eligibility service, provided the eligible employee is employed by SCANA or one of its participating subsidiaries on that date. For example, an eligible employee hired on March 2, 2013 who remains employed by the Company will automatically become a participant in the Plan on April 1, 2014 so long as the eligible employee is employed by the Company on April 1, 2014. Employees hired on or after January 1, 2014 are not eligible to become participants in the Plan.

Eligibility service usually begins with your date of employment with SCANA and ends when you retire, terminate or die. Generally, service with any SCANA subsidiary counts for this purpose. If you have questions regarding your eligibility, please call the SCANA Employee Stock and Pension Plans Department.

## **Reemployment and Eligibility Service**

If your employment with SCANA and its subsidiaries ends after you become a participant but before you are vested in your Cash Balance Account (see the section entitled “Vesting in Your Cash Balance Account”) and you are later reemployed by SCANA or one of its subsidiaries after five or more years from your termination of employment, you will incur a break in service. You will be treated as a newly hired employee upon your reemployment by the Company. If you terminate employment and your reemployment occurs on or after January 1, 2014, you will not be eligible to become or continue participation as an active participant in the Plan.

If you are rehired before you incur a five-year break in service and before January 1, 2014, you will begin active participation in the Plan again on your reemployment date. You also will receive vesting service credit for that prior period of employment (see the section of this summary entitled “Vesting in Your Cash Balance Account” for details). If you are rehired before you incur a five-year break in service and after January 1, 2014, you will not be eligible to resume active participation in the Plan on your reemployment date. However, you will receive vesting service credit for that prior period of employment and your period of reemployment (see the section of this summary entitled “Vesting in Your Cash Balance Account” for details).

If your employment ends after you become a participant and after you are vested in your Cash Balance Account and you are reemployed before January 1, 2014, you will become an active participant again on your reemployment date with the Company, regardless of the interruption in your employment. If you are reemployed on or after January 1, 2014, you will not be eligible to resume active participation in the Plan.

Once you become an active participant again, you will start to receive monthly Compensation and Interest credits to your Cash Balance Account, as described below (see the section “If You are Reemployed” below for details). However, in no event will you receive any monthly Compensation credits to your Cash Balance Account after December 31, 2023.

## **Naming a Beneficiary**

When you become a Plan participant, you are given the opportunity to designate a beneficiary. A beneficiary is the person who receives your benefits if you die. You can name any one person or trust as your beneficiary.

If you are married and name someone other than your spouse as your beneficiary, federal law requires that your spouse provide written consent to your designation. Your spouse’s written consent must be witnessed by a notary public. If your spouse does not provide written consent, federal law requires the Plan to pay benefits to your surviving spouse in the event of your death, regardless of whom you named as beneficiary. Your spouse’s consent is irrevocable with respect to a particular beneficiary designation; however, you may revoke your beneficiary designation without your spouse’s consent at any time. If you revoke your beneficiary designation, your spouse will be your beneficiary unless you name someone other than your spouse as your beneficiary and your spouse provides written consent to that designation.

Also, if you are married and not yet age 35 when you designate a non-spouse beneficiary, your designation will become invalid on the January 1 of the year in which you turn 35. You will need to complete a new beneficiary designation if you want the Plan's death benefit to be paid to someone other than your spouse.

This explanation of the beneficiary rules, including your right to designate a beneficiary other than your spouse, will be provided to you on several occasions depending upon how old you are when you first become a Cash Balance Plan participant. This explanation is first provided as soon as possible after you become a Cash Balance Plan participant, and also during the period beginning with the calendar year in which you reach age 32 and ending with the calendar year that precedes the year in which you reach age 35. If you become vested in your Cash Balance Account and terminate employment before you reach age 35, you will be provided this explanation if you do not otherwise receive or start payment of your Cash Balance Account soon after you terminate.

If your marital status changes you should review your beneficiary designation. You can change your beneficiary at any time by submitting a new beneficiary designation form to the Plan Manager. You can obtain beneficiary designation forms by contacting the SCANA Employee Stock and Pension Plans Department.

## **How the Cash Balance Plan Works**

Once you become a participant in the Cash Balance Plan, a Cash Balance Account is established in your name. The Cash Balance Account is not an actual individual account, as one might have with a bank savings account. Rather, it is a hypothetical bookkeeping account that grows with monthly Compensation credits and Interest credits. Compensation credits are based on your retirement eligible Compensation and the Social Security wage base. Interest credits are based on an interest rate established at the beginning of each year. As long as you remain an employee of the Company and a participant in the Plan, your Cash Balance Account will grow with monthly Compensation and Interest credits through December 31, 2023. On and after January 1, 2024, monthly Compensation credits to your Cash Balance Account will stop, regardless of whether you remain an employee of the Company. However, your Cash Balance Account will continue to grow with monthly Interest credits until the date you receive or commence to receive a distribution of your Cash Balance Account.

Unlike the Final Average Pay portion of the Plan, Cash Balance Plan participants are not eligible to make any after-tax voluntary employee contributions.

You have a right to request and obtain, free of charge, a paper statement of your Cash Balance Account once each year. A statement of the value of your Cash Balance Account is also available on The Edge by selecting the "View Pension Summary" option under the Manager/Employee Self Service heading. When you leave SCANA Corporation and its subsidiaries, whether at retirement or earlier, you can take the vested value of your Cash Balance Account with you. You will have the choice of receiving your benefit as a single lump sum

distribution or as a monthly annuity payment, as described later in this Summary Plan Description.

## Monthly Compensation Credits

Beginning with the date your Cash Balance Account is established, as of the last day of each month that you are actively employed with the Company (or on an approved leave of absence), your Cash Balance Account is credited with an amount equal to 5% of your monthly retirement eligible Compensation for that month, plus an additional 5% of your monthly retirement eligible Compensation in excess of the Social Security wage base. However, effective December 31, 2023, monthly Compensation credits to your Cash Balance Account will cease even if you remain actively employed with the Company.

The Social Security wage base is the maximum amount of earnings on which you and the Company pay annual Social Security taxes. The Social Security wage base changes yearly and for 2013 is \$113,700. You will be informed of the Social Security wage base that is in effect each year. Effective December 31, 2023, no future adjustments to the Social Security wage base will be taken into account.

Your retirement eligible “Compensation” includes your annual base salary or regular wages, plus overtime, commissions, bonuses, shift differential, military differential wage payments, license pay and other incentive pay (except for long-term incentive pay). Generally, military differential wage payments, also commonly referred to as “military supplemental pay”, are payments made by SCANA to an employee called to active military service. Compensation also includes any salary reduction amounts that you elect to contribute before taxes under the Company’s Flexible Benefits program and under the SCANA Corporation Stock Purchase Savings Plan. Compensation **does not include** payments to you for unused flex credits or payments in lieu of overtime meals, posthumous pay, relocation payments, per diem payments, car allowances, severance payments, cash awards under the SCANA Performance Recognition Award Program, reimbursements for adoption related expenses under SCANA Corporation’s adoption assistance policy paid on or after May 1, 2013 and any non-cash compensation. Also, federal law limits the amount of your annual pay that may be used to determine the monthly Compensation credits. For calendar year 2013, no more than \$255,000 can be recognized as Compensation. Effective December 31, 2023, no future changes to this dollar limit will be taken into account.

If you incur a “workers compensation leave” and receive workers compensation benefits representing lost wages, you will receive a credit to your Cash Balance Account each calendar year during periods of such workers compensation leave if, and only if, after your workers compensation leave ends you either: (1) return to work with SCANA within 30 days or (2) are eligible for benefits under SCANA’s long-term disability plan. The credit will equal a percentage of your base salary for the calendar year reduced by any compensation actually received by you during the year. In no event will you receive a credit to your Cash Balance Account for periods of workers compensation leave after December 31, 2023. A “workers compensation leave” is an authorized leave of absence due to a short-term disability during which you receive benefits under the applicable state workers compensation laws.

## Monthly Interest Credits

As of the last day of each month, your Cash Balance Account also will be credited with interest based on the value of your Cash Balance Account on the first day of the month. The rate that is used to determine the monthly Interest credits is determined each December and applies to each month in the following calendar year. The rate for each year is currently based on the interest rate on 30-year U.S. Treasury constant maturities for the prior December, compounded monthly. Monthly Interest credits will continue to be credited to your Cash Balance Account until the date you receive or commence to receive a distribution of your Cash Balance Account, even if that date is after December 31, 2023.

## Calculating Your Cash Balance Benefit

At any point in time, you can calculate the benefit you have earned to date using the following Cash Balance formula:

$$\begin{array}{r} \text{Previous month's Cash Balance Account value} \\ \text{PLUS} \\ \text{Monthly Interest credits} \\ \text{PLUS} \\ \text{Monthly Compensation credits*} \\ \text{EQUALS} \\ \text{Your Current Cash Balance Account value} \end{array}$$

\*In no event will you receive monthly Compensation credits to your Cash Balance Account after December 31, 2023, regardless of whether you remain employed by SCANA.

An example<sup>2</sup> will help illustrate how Compensation and Interest credits to your Cash Balance Account are calculated prior to January 1, 2024. Remember, no Compensation credits will be made to your Cash Balance Account after December 21, 2023:

ASSUMPTIONS:

Current Retirement Eligible Compensation: \$72,000  
 Retirement Eligible Compensation above Social Security Wage Base of \$113,700: \$0  
 Vesting Status: 100% vested  
 Annual Interest Rate: 2.88%  
 Previous month's Cash Balance Account value: \$80,000

You'll notice that no age and years of service are used under the Cash Balance Pension formula assumptions. That's because age and years of service don't impact how your benefit grows under the Cash Balance formula.

THE MATH – HOW YOUR INTEREST AND COMPENSATION CREDITS ARE CALCULATED:

Previous month's Cash Balance Account value		\$80,000.00		
Monthly Interest credit (\$80,000 x .240%*)	+	192.00		
Monthly Compensation credit (\$6,000 x 5%)	+	<u>300.00</u>		
Your Cash Balance account	=	\$80,492.00		

\*.240% is the annual 2.88% rate converted to a monthly rate.

Because this example assumes 100% vesting, upon termination or retirement, the participant, regardless of age and service, has the choice of taking the \$80,492.00 as a lump sum payment or having the Cash Balance Account paid in one of the annuity forms available under the Plan. Alternatively, the participant can defer the distribution of the Cash Balance Account until age 65 (because the balance is more than \$1,000). See the section entitled "Payment of Your Cash Balance Account" for an explanation of the Plan's distribution rules.

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<sup>2</sup> The examples contained in this Summary Plan Description are for demonstration purposes only. The calculation of your benefit under the Plan may be different from the calculations shown in the examples due to reasons such as a subsequent change in law that affects the calculation of your benefit.

The following chart illustrates how this participant’s Cash Balance Account would grow over a 6-month period prior to January 1, 2024:

<b>PROJECTED GROWTH OF ACCOUNT*</b>				
	<b>Beginning Balance</b>	<b>Interest Credit</b>	<b>Compensation Credit</b>	<b>Ending Balance</b>
Month 1	\$80,000.00	\$192.00	\$300.00	\$80,492.00
Month 2	\$80,492.00	\$193.18	\$300.00	\$80,985.18
Month 3	\$80,985.18	\$194.36	\$300.00	\$81,479.54
Month 4	\$81,479.54	\$195.55	\$300.00	\$81,975.09
Month 5	\$81,975.09	\$196.74	\$300.00	\$82,471.83
Month 6	\$82,471.83	\$197.93	\$300.00	\$82,969.76

\*This example assumes that the participant’s compensation continues unchanged, and that the participant is paid no more than twice a month.

## Vesting in Your Cash Balance Account

Participants in the Plan who earn at least one hour of service on or after January 1, 2008 will be fully vested in their Plan benefit after being credited with three years of Vesting Service. The previous vesting schedule required the completion of five years of Vesting Service. After you become vested, you will have a nonforfeitable (vested) right to your Cash Balance Account. You also will become vested in your Cash Balance Account upon attaining your normal retirement age (age 65) if you are working for SCANA or one of its subsidiaries at that time. Once you become vested, you will have the right to receive a distribution of your entire Cash Balance Account after you terminate or retire from employment. See the section of this summary entitled “Optional Forms of Payment” for a description of the available distribution options.

## Determining Vesting Service

Vesting Service is tracked based on whole and partial years (with each 365 days of Vesting Service being equivalent to one Year of Vesting Service) that you work for SCANA and its subsidiaries, starting with your hire date and ending on your severance date (as described below). Vesting Service also includes any authorized leaves of absence (including a layoff) if it does not exceed 12 months and you return to work during or at the end of that 12-month period. Any participant that takes a leave of absence for certain military service is credited with the period of his or her military service upon his or her return to work. Participants who are receiving disability benefits under SCANA’s long-term disability program until retirement also are credited with Vesting Service for their period of disability.

Your severance date is generally the date you quit, retire, are discharged or die. However, if you have an unpaid leave of absence, your severance date occurs one year from the date your unpaid leave began. If you are on a leave of absence or have been laid off and you quit, retire, are discharged or die during the first 12 months of such leave or layoff period, your severance date is the date you actually quit, retire, are discharged or die.

If you are on an authorized leave of absence of two years or less for parental leave purposes, you will be credited with Vesting Service for the leave period. If the parental leave period extends beyond two years, you will receive Vesting Service credit for up to an additional 12 months provided that you return to employment no later than the third anniversary of the date the leave began.

If you terminate your employment with less than three years of Vesting Service, you will not be vested in Plan benefits. If you return to work for the Company as an eligible employee within five years after your termination of employment, however, you will be credited with your years of Vesting Service credited before your termination of employment. If you terminate your employment after becoming a vested participant and you later return as an eligible employee, your prior Vesting Service will be credited regardless of the length of your break in service.

### **Service with a SCANA Affiliate**

If you are transferred from a SCANA subsidiary that is not a participating employer under the Plan to a participating employer under the Plan, you will be credited with Vesting Service for the period that you worked at the non-participating SCANA subsidiary. (In order to have a benefit under this Plan, however, you have to meet the Plan's eligibility requirements.) If you are transferred to a SCANA subsidiary that is not a participating employer under the Plan from a participating employer under the Plan, you will be credited with Vesting Service for the period that you worked at the non-participating SCANA subsidiary.

If you were employed by a company that is acquired by or merged into SCANA prior to January 1, 2014, your employment with that company before the acquisition or merger date may be credited as Vesting Service if the Company determines to grant such service credit. With regard to past acquisitions and mergers, pre-acquisition service with SCANA Energy Marketing, Inc., Peoples Natural Gas Company of South Carolina, South Carolina Pipeline Corporation is included as Vesting Service under the Plan. In addition, a participant employed by PSNC is credited with the vesting service the participant earned under the PSNC Pension Plan for periods before February 11, 2000.

### **Payment of Your Cash Balance Account**

You may elect to commence payment of your Cash Balance Account after you have become fully vested in your Account and you terminate or retire from SCANA and its subsidiaries. See the section of this summary entitled "When Your Cash Balance Account Can Be Paid" for additional details regarding when you can commence payment of your Plan benefit. There is no minimum age requirement that must be met prior to commencing payment of your Cash Balance Account, although there may be special tax consequences to you based on your age at benefit commencement. See the section of this summary entitled "Income Tax Considerations" for additional information regarding the possible tax consequences of electing payment of your Cash Balance Account prior to age 59 1/2.

You can choose to receive payment of your Account in either a lump sum distribution or in one of several types of annuity forms available under the Plan and described below.



Regardless of when you commence payment and which payment method you choose, the benefit you receive is calculated so that it has an actuarially equivalent value to the balance in your Cash Balance Account as of the end of the month preceding your benefit commencement date.

The Plan specifies the various mortality and interest factors that are used in converting your Cash Balance Account into the different actuarially equivalent annuity payment forms. Effective for annuity starting dates on or after December 31, 2007, the factors used for converting Cash Balance Accounts into the automatic annuity payment form are (i) the 2008 Applicable Mortality Table for annuity starting dates within 2008 and the Subsequent Applicable Mortality Tables published annually by the IRS with respect to annuity starting dates after 2008 and (ii) the "Applicable Interest Rate" under Internal Revenue Code § 417(e)(3). The current factors used for converting your automatic annuity payment form into any of the optional annuity forms of payment are (i) the 1983 Group Annuity Mortality Table (Unisex), and (ii) 6%.

### **Automatic Form of Payment**

When you retire or terminate and elect to begin receiving payments of your Cash Balance Account, your benefit must be paid as follows, unless you elect otherwise (with spousal consent, if you are married):

- If you are married when you begin receiving payments, your benefit will be paid in the form of a qualified joint and survivor annuity. A qualified joint and survivor annuity will provide you with monthly pension payments during your lifetime. After your death, your surviving spouse will receive 50% of your monthly pension payments for his or her lifetime. Your monthly pension amount is reduced to reflect the fact that benefits are paid over two lifetimes.

For any Cash Balance Participant who previously participated in the Final Average Pay Plan and who had been married for at least one year as of July 1, 2000 and is married to the same spouse when his benefits commence, the qualified joint and survivor annuity described above will not be less (on an actuarial equivalent basis) than the benefit amount payable under the joint and 60% survivor annuity available under the Final Average Pay Document, based on the participant's Final Average Pay accrued benefit immediately prior to becoming a Cash Balance Plan participant.

- If you are not married when you begin receiving payments, you will receive monthly pension payments for your lifetime. After your death, all payments stop.

### **Optional Forms of Payment**

You can choose an optional form of payment if you wish. However, if you are married, you must have your spouse consent to your election of any optional form that does not continue lifetime payments to your spouse after your death. Your spouse's consent must be in writing and notarized by a Notary Public. Before you receive a distribution, you will be provided with a written explanation of the normal and optional forms available under the Plan. An election to waive the normal form of payment may be made during the 90-day period before the annuity is

to begin. Generally, your election (and spousal consent) cannot be made sooner than 30 days before the scheduled commencement date. However, payments can begin sooner if you affirmatively request such commencement on forms provided to you.

The following optional forms of benefit are available:

- **Lump Sum Option:** The lump sum distribution option pays the total value of your Cash Balance Account in a single cash payment.
- **Joint and Survivor Annuity Option:** The joint and survivor annuity option pays you a monthly benefit during your lifetime and continues payments following your death to your spouse or other designated joint annuitant for his or her lifetime. This is similar to the qualified joint and survivor annuity (the automatic form of payment for married employees), except that you can choose to have either 50%, 75% or 100% of your monthly pension payments continued to your spouse or other joint annuitant if you die.

If you select this option, your spouse must consent if you name someone else to be the joint annuitant. You must provide proof of your joint annuitant's age. The amount by which your pension is reduced is determined by the percentage (50%, 75% or 100%) of your benefit you choose to continue to your joint annuitant, and the difference in age between you and your joint annuitant. A joint annuitant must be an individual and cannot be a trust or other entity.

- **Life Annuity Option:** You can choose to have your Cash Balance Account paid over your lifetime. After your death, all payments stop.
- **10-Year Period Certain Pension:** This optional payment form provides you with a reduced monthly pension for as long as you live. If you die within 10 years, your designated beneficiary will receive the amount of your pension each month for the balance of the 10-year period. If your designated beneficiary dies before the 10-year period ends, the estate of the last to die of you and your designated beneficiary will receive the monthly pension payments. You may designate any natural person (as opposed to a trust) as your beneficiary.

## Income Tax Considerations

Generally, the benefits you receive from the Plan are subject to taxes. However, if you choose the lump sum payment option and roll over all or part of the lump sum distribution directly into an individual retirement account (IRA) or another employer's tax qualified retirement plan, the portion that you do not direct to be rolled over to an IRA or another employer's tax qualified retirement plan will be subject to mandatory 20% federal income tax withholding. In addition, you may be subject to a 10% additional tax when you file your federal income tax return if you terminate your employment before the year you turn age 55 and elect to receive a lump sum payment of your benefit prior to reaching age 59 1/2.

If you are paid a monthly annuity, the amounts you receive will be taxable when you receive them. You will be given the option of having income taxes withheld from the payments you receive. Regardless of your election whether to withhold income taxes from your payments,

you are responsible for estimating and paying all income taxes owed. *It is important to remember that the amount withheld may not represent your actual tax liability.*

Tax laws are complicated and neither the Company, the Plan Administrator, nor the Plan Manager can give you tax advice. At the time you receive your benefit distributions, you will be provided with a copy of a Federal tax notice that explains the tax treatment of distributions. A copy of this notice also is included in **Appendix Two** to this Summary Plan Description. Because each individual's financial situation is different, it is important that you discuss your options with a financial advisor or tax consultant before you choose your payment option.

## **Benefit Restrictions if the Plan Becomes Underfunded**

Federal law imposes certain limitations on the ability to take distributions in the form of a lump sum or certain optional forms if the funding levels of the Plan fall below 80%. Federal law also imposes additional restrictions on benefit accruals in the event that the funding levels of the Plan fall below 60%. You will be advised if the Plan becomes subject to these restrictions.

## **When Your Cash Balance Account Can Be Paid**

As described earlier, your Cash Balance Account is available to you only after your employment with SCANA and its subsidiaries ends and only to the extent you are vested in your Cash Balance Account. Generally, you cannot receive payment of your Cash Balance Account if you are employed by SCANA or a subsidiary, even if you are receiving disability payments or you are on paid time off or a leave of absence.

The only exception to this general rule applies if you continue working after you reach age 65 ("Delayed Retirement"). If you work beyond age 65, you can make an irrevocable election to begin receiving payments of your Cash Balance Account while working. If you make this irrevocable choice, your Cash Balance Account will be paid to you in the automatic annuity form, unless you elect (with spousal consent if you are married) to have payment made in one of the optional annuity forms or the lump sum distribution form. Your Cash Balance Account will continue to be credited with additional Compensation and Interest credits while you remain employed by the Company. However, no Compensation credits will be added to your Cash Balance Account after December 31, 2023, even if you remain employed by the Company.

If you begin receiving payment of your Cash Balance Account in an annuity form while you are employed, your monthly pension payments will be adjusted at the beginning of each year to reflect the additional credits made to your Cash Balance Account since your benefit commencement date (or since the last adjustment, if more recent). If you elect to have your Cash Balance Account paid in a lump sum distribution, then any additional Compensation and Interest credits made to your Cash Balance Account will be distributed to you annually in a lump sum as soon as possible after the beginning of each calendar year. No additional Compensation credits will be made to your Cash Balance Account after December 31, 2023.

If you continue to work after you reach age 70 1/2 and do not elect to begin receiving payment of your Cash Balance Account while working, your Cash Balance Account will be

actuarially increased to reflect the delay in payments beyond your attainment of age 70 1/2. Any actuarial increase will be offset by the actuarial value of any continued Compensation and Interest credits to your Cash Balance Account. No additional Compensation credits will be made to your Cash Balance Account after December 31, 2023.

## **Requesting Payment of Your Cash Balance Account**

To request payment of your Cash Balance Account, you should submit an application to the SCANA Employee Stock and Pension Plans Department at least 60 days before the date you want your Cash Balance Account to be paid in an annuity form or in a lump sum distribution. If you terminate or retire before your 65<sup>th</sup> birthday, you are required to start receiving payment of your Cash Balance Account no later than when you reach age 65. If you do not submit a distribution election form by age 65, your Cash Balance Account will be paid to you in the automatic annuity form, depending on your marital status at that time.

## **Automatic Lump Sum Distribution**

If the total vested value of your Cash Balance Account is \$1,000 or less when you terminate or retire, the Plan will automatically pay you a lump sum distribution of your Cash Balance Account. You can direct the rollover of all or part of your automatic lump sum distribution directly into an individual retirement account (IRA) or another employer's tax qualified retirement plan. The portion that you do not directly roll over to an IRA or another employer's tax qualified retirement plan will be subject to mandatory 20% federal income tax withholding. In addition, you may be subject to a 10% additional tax when you file your federal income tax return if you terminate your employment before the year you turn age 55.

## **If You Are Reemployed**

If you terminate employment after becoming vested, and then are reemployed by the Company prior to January 1, 2014, you will become an active Cash Balance Plan participant on your reemployment date, subject to the following rules:

1. If you received a lump sum distribution of your Plan benefit or started receiving annuity payments after your termination, a Cash Balance Account with a \$0 beginning balance will be established on your behalf upon your reemployment. If you started receiving annuity payments from the Plan, you will continue to receive your annuity payments during your reemployment. The Cash Balance Account to which you become entitled during your reemployment period will then be paid in the form you choose – either a lump sum distribution or an annuity available under the Plan – when you subsequently terminate or retire.
2. If you did not receive or start payment of your Plan benefit after you previously terminated employment, and you were a Final Average Pay Plan participant, a Cash Balance Account will be established on your behalf. The opening balance of your Cash Balance Account will equal the present value of your Final Average Pay Plan benefit earned during your prior

period of employment. You will not be eligible to receive any “transition credits” offered to eligible “grandfathered” participants when the Cash Balance formula first became effective (July 1, 2000 or July 1, 2001 for IBEW participants). If you previously participated in the Cash Balance Plan, monthly Compensation credits will begin to be credited to your previously established Cash Balance Account upon your reemployment.

If you terminate employment before becoming vested in your Plan benefit, and then are reemployed by the Company before January 1, 2014, you will become an active Cash Balance Plan participant on your reemployment date, subject to the following rules:

1. If you are reemployed before you incur a five year break in service, you will become a participant again on your reemployment date and a Cash Balance Account will be established on your behalf. Your Cash Balance Account will reflect the Plan benefit attributable to your prior employment that is restored upon your reemployment.
2. If you are reemployed after you incur a five year break in service, you will become a participant again on your reemployment date and a new, zero balance Cash Balance Account will be established on your behalf. Any benefit attributable to your prior employment is forfeited.

If you terminate employment and then are reemployed by the Company on or after January 1, 2014, you will not become an active Cash Balance Plan participant on your reemployment date. However, if you terminated employment before becoming vested in your Plan benefit and are reemployed by the Company on or after January 1, 2014 and before you incur a five year break in service, your Cash Balance Account balance for your prior period of employment will be reinstated and your period of reemployment will be counted for vesting purposes only.

In no event will your Cash Balance Account be credited with monthly Compensation credits for your period of reemployment that begins on or after January 1, 2024.

## **If You Are Transferred**

If you are a Final Average Pay participant and, prior to January 1, 2024, transfer to a position that is covered by a collective bargaining agreement that requires participation in the Cash Balance Plan, a Cash Balance Account will be established as of your transfer date (if not already established). The opening balance of your Cash Balance Account will equal the present value of the Plan benefit you had earned while a participant in the Final Average Pay Plan.

## **Death Benefits**

If you die after you become vested in your Cash Balance Account but before you begin receiving payment of your Cash Balance Account, the total value of your Cash Balance Account will be paid to your spouse or other beneficiary you designate (with spousal consent, if married).

If your spouse is your designated beneficiary, your Cash Balance Account will be paid to your surviving spouse in the form of a single life annuity for the life of your surviving spouse, based on the value of your Cash Balance Account. If you die before you reach age 65, your spouse can choose to begin receiving the single life annuity with the month that immediately follows the date you die or to delay the first payment date until the first day of any month thereafter, but no later than the first day of the month in which you would have turned age 65. If your spouse delays payment, your Cash Balance Account will continue to be credited with Interest credits. Alternatively, within a reasonable period of time following your death, your spouse can elect to receive a lump sum distribution equal to the value of your Cash Balance Account at the time of your death. If your spouse makes this election, the lump sum distribution will be paid as soon as administratively practicable after your death.

If you are not married or you are married but designate someone other than your spouse to be your beneficiary (with spousal consent), the value of your Cash Balance Account at the time of your death will be paid in a lump sum distribution to your designated beneficiary as soon as administratively practicable after your death. Refer to the section of this Summary Plan Description entitled “Naming a Beneficiary” for important rules and limitations on naming a beneficiary under the Cash Balance Plan provisions.

If your beneficiary is someone other than your spouse, that beneficiary may receive an eligible rollover distribution under the Plan. However, that beneficiary may only roll over the eligible rollover distribution to an inherited individual retirement account (Inherited IRA). Generally, an Inherited IRA is an individual retirement account that is established in the beneficiary’s name. The distribution to a non-spouse beneficiary may not be rolled over into another type of individual retirement account or eligible retirement plan.

If you die while performing qualified military service and would have been entitled to reemployment rights with SCANA under federal law, your beneficiary will receive all benefits (other than benefit accruals relating to your period of qualified military service) that the beneficiary would have received if you had resumed employment with SCANA and then terminated employment due to death, including receiving vesting credit for the period of your qualified military service.

## **Disability**

If you become disabled on or after July 1, 2000, and you are eligible to receive disability benefits under SCANA’s long-term disability program, Compensation credits will be made to your Cash Balance Account during your period of disability, based on your monthly rate of pay immediately prior to the disability. Compensation credits will be made until the earliest of when your disability ends if you don’t return to work within 30 days, the date you return to work if you return within 30 days, the date you reach your normal retirement age (age 65) (or, if later, the date your long-term disability payments cease), the date you begin receiving payment of your Cash Balance Account (which in no event will occur until you have terminated employment with the Company), the date of your death or December 31, 2023. Of course, Interest credits will continue to be made for as long as a Cash Balance Account is maintained for you.

If you recover from your disability, are no longer eligible for benefits under SCANA's long-term disability program, and you return to work for the Company, Compensation credits will be made to your Cash Balance Account until the earliest of your termination of employment, your death, or December 31, 2023.

## **Assignment of Benefits**

Your benefits under the Plan are not assignable or subject to the claim of any creditor. However, if you are filing for a divorce, your spouse may be entitled to a portion of your Cash Balance Account as required by a Qualified Domestic Relations Order ("QDRO"). A QDRO is any judgment, decree or order (including certain property settlement agreements) that provides for child support, alimony and/or marital property rights to a spouse, former spouse, child or other dependents of the participant under state domestic relations law, including community property law. A QDRO must meet certain Plan and administrative requirements to be honored by the Plan. Please contact the SCANA Employee Stock and Pension Plans Department before the QDRO is made a final order of a court to confirm the validity of the QDRO. To ease this process, you or your spouse may obtain a copy of the Plan's QDRO procedures and a model QDRO document applicable to the Plan from the SCANA Employee Stock and Pension Plans Department without charge.

## **Pension Benefit Guaranty Corporation (PBGC)**

Because the Plan is a defined benefit plan, your benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), an agency of the federal government. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if the plan so provides and you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the Company; (4) benefits for which you have not met all of the requirements at the time the Plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money the Plan has and on how much the PBGC collects from the Company.

For more information about the PBGC and the benefits it guarantees, contact the SCANA Employee Stock and Pension Plans Department or the PBGC. Inquiries to the PBGC should be directed to:

Technical Assistance Division  
Pension Benefit Guaranty Corporation  
1200 K Street, N.W.  
Suite 930  
Washington, D.C. 20005-4026

You also can contact PBGC's Technical Assistance Division by calling 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## **Administration of the Plan**

The SCANA Corporation Retirement Plan Committee (the "Committee") administers the Plan. The Committee includes the SCANA Chief Financial Officer and is appointed by and serves at the pleasure of the SCANA Chief Executive Officer. The Committee is responsible for (a) interpreting or construing the Plan, (b) determining all questions of eligibility, (c) determining the classification, status and rights of Employees, Participants and beneficiaries of Participants, (d) determining the amount, manner and time and type of any distribution hereunder, (e) fixing minimum periods of notice where notice is required, and (f) day-to-day operations of the Plan, all in a manner not inconsistent with the terms of the Plan. Benefits under the Plan will be paid only if the Committee (or its delegate) determines in its discretion that the Participant (or beneficiary) is entitled to them. All rules and decisions of the Committee shall be consistently applied to all persons in similar circumstances and shall be conclusive and binding upon all persons affected thereby. The Committee establishes all administrative rules and makes any interpretations necessary under the Plan. The Committee has the discretionary authority to construe and interpret disputed or doubtful Plan terms, to determine eligibility for benefits and to construe the terms of the Plan, and all such decisions will be final, conclusive and binding and will be subject to the arbitrary and capricious or abuse of discretion standard of judicial review.

The Committee has the authority to delegate, and has so delegated, certain of its responsibilities to the Plan Manager with respect to management of the regular operations of the Plan. The Plan Manager is appointed by the Committee and reports to the Committee. The Plan Manager shall have the full discretionary authority to decide all matters for which the Plan Manager is responsible under this Plan, including the discretionary authority to interpret the applicable Plan terms, to the same extent that such authority otherwise is granted to the Committee. Any questions you may have regarding the particular circumstances affecting your own benefits, such as the length of service, the determination of your age, etc., should be directed to the Committee or the Plan Manager.



In addition, the Committee has the authority to delegate or allocate to a person who is not a member of the Committee any fiduciary or non-fiduciary duty. Any such delegation or allocation will be in writing.

## **Investment of Assets**

Under the Plan, the Investment Committee consists of the SCANA Chief Financial Officer and any other individuals designated by the SCANA Chief Executive Officer. The Investment Committee is the named investment fiduciary of the Plan and is responsible for establishing investment guidelines, establishing and carrying out a funding policy and method, for designating one or more Investment Managers and for monitoring the activities of the Investment Managers. The Investment Committee has the authority to delegate or allocate to a person who is not a member of the Investment Committee any fiduciary or non-fiduciary duty. Any such delegation or allocation will be in writing, including delegation of authority to act on behalf of the Investment Committee in the absence of the presence of the Investment Committee.

## **Maximum Benefits**

Federal law sets a maximum on the amount of benefits you can receive from the Plan. Federal law also sets a maximum on the amount of Compensation that can be recognized for purposes of making the monthly Compensation credits. For 2013, the Compensation limit is \$255,000. This limit may be subject to change in future years to reflect changes in the cost of living. Effective December 31, 2023, no future changes to the Compensation limit will be taken into account.

Another federal law requires that the Plan be tested periodically to see if certain higher paid employees of the Company are earning more than 60% of the total benefits provided by the Plan. It is very unlikely that this will ever happen. However, if this does happen, the Company could be required to make modifications to the Plan affecting all participants. These may include additional contributions, increased benefits, or an increase in the rate at which benefits become vested, depending upon the particular provisions of the Plan.

You will be notified by the Plan Manager if any of these limits apply to you.

## **Updating Your Address**

Participants, former participants, spouses, beneficiaries and other individuals who are to receive benefits are urged to keep the SCANA Employee Stock and Pension Plans Department advised of current addresses and names so that benefits can be paid properly.

## **Cost of the Plan**

Earnings on the assets of the Trust Fund and Company contributions to the Trust Fund provide for Plan benefits. Company contributions are actuarially determined annually.

## **Plans for the Future**

SCANA expects to continue the Plan, but it reserves the right to terminate all or parts of the Plan, at any time. If SCANA terminates the Plan, in full or part, each affected participant's accrued benefit, to the extent funded, will become fully vested as of the date of full or partial termination. Upon termination, SCANA may either continue the Trust or terminate the Trust and pay all Plan expenses and benefits under the Plan.

The Employee Plans Committee has the right to amend the Plan from time to time. The SCANA Chief Executive Officer, in consultation with the Chairman of the Management Development and Corporate Performance Committee of the Board of Directors, appoints the Employee Plans Committee.

## **Claims and Appeals**

When you terminate or retire from SCANA and its subsidiaries and want to receive your benefits from the Plan, you will need to file a claim with the Plan Manager. The Plan Manager will review your claim and make its determination within 90 days. If the Plan Manager fully or partially denies your claim, you will be provided a written notice stating: (i) the specific reason or reasons your claim was denied; (ii) the exact references to the Plan provisions that dealt with your claim, and why it was denied; (iii) a description of any additional information or information necessary for you to revise and perfect your claim, and an explanation as to why such material or information is necessary; and (iv) an explanation of the Plan's claims procedure.

If special circumstances require an extension of time, the Plan Manager will give you a written notice of the delay, and will issue your statement within another 90 days.

If you would like to request an appeal of your claim to the Committee for a full and fair review, you must make that request within 60 days after you have received the written denial from the Plan Manager or, if the claim has neither been approved nor denied within the applicable 90-day period, the request must be made within 60 days after the expiration of the 90-day period. You, or your authorized representative, may (i) request a review, in writing, to the Committee; (ii) request, in writing, to review applicable documents; and (iii) submit comments and issues in writing.

After you have made the appeal, the Committee will make its decision no later than 60 days after it receives your request for a review. If special circumstances require an extension of time, the Committee will notify you of the delay, and will reach a decision within another 60 days. The Committee's decision on the review will be written, and will include specific reasons for the decision and references to the Plan provision that the decision is based on.

## Your Rights as a Participant

As a participant in the SCANA Corporation Retirement Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all plan participants shall be entitled to:

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The plan administrator may make a reasonable charge for the copies;
- Receive a summary of the Plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report;
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court after you have fully exhausted the Plan's administrative remedies as described above ("Claims and Appeals"). In addition, if you disagree

with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## Additional Important Information

This section describes certain administrative information relating to the Plan:

Name of Plan:	SCANA Corporation Retirement Plan
Name and Address of Plan Sponsor:	SCANA Corporation 220 Operation Way Cayce, South Carolina 29033 803-217-9000
Federal EIN of Plan Sponsor:	57-0784499
Plan Identification Number:	001
Plan Year:	The records of the Plan are kept on a calendar year basis.
Name and Address of Plan Administrator:	SCANA Corporation Retirement Plan Committee SCANA Corporation 220 Operation Way Cayce, South Carolina 29033 803-217-9000
Type of Plan:	Defined benefit pension plan
Plan Trustee:	State Street Bank & Trust Company One Lincoln Street Boston, Massachusetts 02111
Agent for Service of Legal Process:	SCANA Corporation 220 Operation Way Cayce, South Carolina 29033 803-217-9000

Process also may be served upon the Plan Trustee or the Plan Administrator.

## **Appendix One**

### **Special Provisions for Merged Plans**

This Appendix provides special provisions applicable to certain Cash Balance Plan participants who previously participated in another retirement plan, the assets and liabilities of which were merged into the SCANA Corporation Retirement Plan:

#### **Additional Annuity Form for Participants Employed by PSNC**

If you were a participant in the Public Service Company of North Carolina, Incorporated Employees' Retirement Plan and Trust prior to its merger into the SCANA Corporation Retirement Plan, a Social Security adjustment annuity option is available to you in addition to the optional forms of payment described in this booklet. Under the Social Security adjustment annuity option, your benefit is actuarially adjusted to provide that the amount of your monthly annuity payment before your Social Security benefits begin is increased in an estimated amount equal to what your Social Security monthly benefit will be. When your monthly Social Security benefit begins, your monthly annuity payment under the Plan is decreased, and will continue in this amount until you die. The Social Security adjustment annuity option is designed so that once you retire, the total amount of your monthly benefits from both the Plan and Social Security will remain relatively constant.

#### **Peoples Account Balances**

If you had a Peoples Savings Plan account maintained on your behalf as of December 31, 1990, you will be eligible to receive the value of your account balance in a lump sum or an annuity (installments) when you retire. The annuity may be for your lifetime, for the life of you and a beneficiary, or for a specified number of years. Your account balance also is payable if you elect early retirement, if you leave the Company before retirement, if you die, or if you become disabled (as defined by the SCANA LTD Plan). If you elect early retirement, leave the Company, or become disabled, you can defer payment of your account balance until your normal retirement date. Your account balance will be credited with interest (as defined in the Plan) until you elect to withdraw it.

After you reach age 59 1/2, you may also take one withdrawal from your Peoples Savings Plan account of amounts attributable to elective deferrals or employer matching contributions every 12 months. If you have a financial hardship (as defined by the Plan), you may be eligible to take a hardship withdrawal from your account. If part of your account balance is attributable to rollovers from another tax-qualified plan, during each plan year you may elect to withdraw up to 100% of the amount attributable to rollover contributions. If you have questions about making a withdrawal from your Peoples Savings Plan account, please contact the Employee Stock and Pension Plans Department.

## **Appendix Two**

### **Section 402(f) Notice Regarding Plan Distributions**

This Appendix contains important information you will need before you decide how to receive your Plan benefits. This Appendix constitutes a “section 402(f)” notice that is required by the IRS to be provided to all Plan members. You will receive a summary of this notice when you request a payment that is eligible for rollover treatment.

This Appendix explains how you can continue to defer federal income tax on your retirement savings in the Plan when you receive a distribution and contains important information you will need before you decide how to receive your Plan benefits.

#### **YOUR ROLLOVER OPTIONS**

This Appendix is provided to you because all or a portion of a payment you will receive from the Plan may be eligible for rollover to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

#### **GENERAL INFORMATION ABOUT ROLLOVERS**

##### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

##### **Where may I roll over the payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

##### **How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

### **How much may I roll over?**

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Corrective distributions of contributions that exceed tax law limitations

The Plan Administrator or the payor can tell you what portion of a payment is eligible for rollover.

### **If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy



- Payments made under a QDRO
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

**If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for QDROs does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

**Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

**SPECIAL RULES AND OPTIONS**

**If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day

rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

### **If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

### **If you roll over your payment to a Roth IRA**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not

qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

### **If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

**If you are a surviving spouse.** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

### **If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

### **Other special rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

### **FOR MORE INFORMATION**

You may wish to consult with the Plan Administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

**SCANA Corporation**  
**Retirement Plan**  
**Summary Plan Description**

**(As applicable to Final Average Pay Participants)**

**November 1, 2013**

**Summary Plan Description  
of the  
SCANA Corporation  
Retirement Plan**

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## Introduction

This Summary Plan Description gives you<sup>1</sup> a brief summary of the SCANA Corporation Retirement Plan (the “Plan”). The Plan is sponsored by SCANA Corporation and is made available to employees of SCANA Corporation and certain participating subsidiaries.

Certain groups of employees are provided Plan benefits that are different from those generally provided under the Plan to all eligible employees. These include groups of employees who work at various acquired businesses. These groups are described in **Appendix One** to this Summary Plan Description.

## History of the Plan

The Plan was established in 1946 and has been designed to help you meet your financial needs in retirement. Prior to July 1, 2000, Plan benefits were determined solely under a Final Average Pay formula. The Final Average Pay formula calculates benefits by considering a participant’s retirement eligible pay for the highest three consecutive years out of the last five years the participant was paid, as well as the participant’s age, length of service and Social Security covered compensation amounts established for the participant’s year of birth.

Effective July 1, 2000, SCANA Corporation replaced the Final Average Pay formula with a new Cash Balance formula except for those participants who were eligible to and elected to remain covered under the Final Average Pay formula. A cash balance formula bases each participant’s pension benefit on the value of a hypothetical account. During the period of participation in a cash balance plan, the value of the hypothetical account grows, with pay and interest credits.

For ease of reference, this Summary Plan Description refers to the Final Average Pay portion of the Plan as the “Final Average Pay Plan” and the Cash Balance portion of the Plan as the “Cash Balance Plan.”

Effective December 31, 2013, the Plan is closed to new hires and rehires. Also, effective December 31, 2023, all participants in the Plan will stop earning any future benefits (the Plan will be frozen).

## Participation in the Cash Balance Plan

Prior to the conversion of the Plan to a Cash Balance formula, Plan participants were allowed to choose to remain covered under the Final Average Pay formula or become covered under the Cash Balance formula. The Cash Balance formula generally applies to any individual who elected to participate in the Cash Balance Plan. The Cash Balance Plan also applies to any

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<sup>1</sup> The term “you” as used in this Summary Plan Description refers to a Company employee who otherwise meets all the eligibility and participation requirements under the Plan. Receipt of this Summary Plan Description does not guarantee that the recipient is in fact a participant under the Plan and/or otherwise eligible for benefits under the Plan.



employee initially hired by SCANA Corporation or a participating subsidiary (other than PSNC) on or after January 1, 2000 and before January 1, 2014 and to any former employee of SCANA Corporation or a participating subsidiary (other than PSNC) who is rehired on or after July 1, 2000 and before January 1, 2014. The Cash Balance Plan also applies to any PSNC employee hired on or after February 11, 2000 and before January 1, 2014 as well as any former PSNC employee who is rehired on or after July 1, 2000 and before January 1, 2014. In addition, the Cash Balance Plan applies to any eligible employee who is hired on or after January 1, 2001 and before January 1, 2014 or rehired on or after July 1, 2001 and before January 1, 2014 and covered by the IBEW contract.

## **Summary Plan Descriptions**

This Summary Plan Description contains information relating only to the benefits that are provided under the Final Average Pay formula. A separate summary plan description, contained in another section of this booklet, describes the benefits that are provided under the Cash Balance formula.

While every attempt has been made to ensure that the information in this Summary Plan Description and the summary plan description for the Cash Balance Plan are accurate, the legal Plan documents consist of the Final Average Pay Plan document and the Cash Balance Plan document. If there is any difference between this Summary Plan Description or the summary plan description for the Cash Balance Plan and the official Plan documents, the Plan documents control.

Nothing in the Plan or in this Summary Plan Description creates or is intended to create a contract of employment between any individual and SCANA Corporation and its subsidiaries. Nothing in the Plan or in this Summary Plan Description gives any person the right to be employed by SCANA Corporation and its subsidiaries nor does it interfere with the right of SCANA Corporation or its subsidiaries to discharge an employee at any time.

## **Eligibility and Participation**

### **Eligible Employees**

The Plan is available to all active full-time and part-time employees employed by SCANA Corporation or one of the following subsidiaries that participates in the Plan on December 31, 2013:

- Public Service Company of North Carolina, Incorporated (“PSNC”)
- SCANA Communications, Inc.
- SCANA Energy Marketing, Inc.
- SCANA Services Company
- ServiceCare, Inc. (including SCANA Security Division until March 23, 2001)
- South Carolina Electric & Gas Company
- Carolina Gas Transmission (formerly South Carolina Pipeline Corporation)

SCANA Corporation and the participating subsidiaries listed above are collectively referred to in this Summary Plan Description as the “Company.”

Active full-time and part-time employees first hired by SCANA on or after January 1, 2014 are not eligible to participate in the Plan. In addition, if an active full-time or part-time employee stops working at SCANA and is later rehired at any point after December 31, 2013, the employee will not be eligible to earn any future benefit accruals under the Plan for services performed and/or compensation earned after he or she is rehired. However, if the rehired employee earned an accrued benefit under the Plan due to his or her prior employment by SCANA, the rehired employee will keep his or her rights to his or her prior accrued benefit, subject to the Plan’s vesting requirements.

The following persons are not eligible to participate in the Plan, regardless of their date of hire: leased employees, individuals who do not receive payment for services directly from the Company’s payroll, employees of employment agencies, employees who are in a union that has determined through collective bargaining not to participate in the Plan, individuals who sign a written employment contract expressly stating they are not eligible to participate in the Plan, employees of a SCANA subsidiary that has not become a participating employer, and non-resident aliens who do not receive any United States source income. In addition, any person who is otherwise eligible to participate may voluntarily elect, in writing, to waive his right to participate.

### **Continued Participation in the Final Average Pay Plan**

Prior to the conversion of the Plan to the new Cash Balance formula, Plan participants were allowed to choose to remain covered under the Final Average Pay Plan or become covered under the Cash Balance Plan. The Final Average Pay Plan generally applies only to those participants who elected to continue to participate in the Final Average Pay Plan.

Certain of the participants who elected to continue to participate in the Final Average Pay Plan were previously covered under other retirement plans that were merged into the SCANA Corporation Retirement Plan. Any special provisions regarding these transferred participants are summarized in **Appendix One** to this Summary Plan Description.

If you have questions regarding your participation in the Plan, please call the SCANA Employee Stock and Pension Plans Department.

## **Reemployment**

If your employment with SCANA and its subsidiaries ends and you are later reemployed by the Company before January 1, 2014, you will begin active participation in the Plan as a participant in the Cash Balance Plan (as opposed to the Final Average Pay Plan) on your reemployment date with the Company, regardless of the length of the interruption in your employment. However, if you are reemployed by the Company on or after January 1, 2014 after having previously terminated employment, you will not be eligible to become or continue participation as an active participant in either the Final Average Pay Plan or the Cash Balance Plan. However, your service with the Company after your post-December 31, 2013 reemployment date may count for purposes of determining your eligibility for early retirement subsidies.

## **Final Average Pay Benefit**

The Final Average Pay Plan provides a retirement benefit based on your Final Average Earnings, Covered Compensation, and years of Benefit Service. Effective, December 31, 2023, your Final Average Earnings, Covered Compensation, and years of Benefit Service will be frozen as described below. In addition, your Vesting Service is used to determine when you are entitled to begin receiving the retirement benefit payable under the Final Average Pay Plan. These terms are defined below. You have the right to request and obtain, free of charge, a paper statement of your accrued benefit under the Final Average Pay Plan payable at age 65 or, if later, your actual age. This statement is also available on The Edge if you select the “View Pension Summary” option under the Manager/Employee Self Service heading.

## **Definition of Final Average Earnings**

The term “Final Average Earnings” means the monthly average of your regular base pay for the highest-paid three complete consecutive years out of the last five complete consecutive years of employment through December 31, 2023. Your regular base pay after December 31, 2023 will not be taken into account when determining your Final Average Earnings. For the final calendar year used in this calculation (which in no event will be a calendar year commencing after December 31, 2023), it will be assumed that your base pay for the whole year was paid at your most recent rate of pay, if this results in a higher average. For purposes of determining your Final Average Earnings, earnings include a participant's regular annual base salary (including military differential wage payments), but do not include bonuses, overtime, cash awards under the SCANA Performance Recognition Award Program or other compensation received from the Company. Generally, military differential wage payments, also commonly referred to as “military supplemental pay,” are payments made by SCANA to an employee called to active military service. The amount of earnings recognized in determining Final Average Earnings is subject to the limitations provided in the Internal Revenue Code (Code).

## **Definition of Covered Compensation**

The term “Covered Compensation” means the average of the maximum amount of earnings subject to Social Security taxes over the 35-year period that ends when you reach Social Security retirement age. Keep in mind that the Social Security Administration normally changes the Covered Compensation amounts each year. However, effective December 31, 2023, no future adjustments in the Covered Compensation amount shall be taken into account.

## **Determination of Vesting Service**

Vesting Service is tracked based on whole and partial years (with each 365 days of Vesting Service being equivalent to one Year of Vesting Service) that you work for SCANA and its subsidiaries, starting with your hire date and ending on your severance date (as described below). Vesting Service also includes any authorized leaves of absence (including a layoff) if it does not exceed 12 months and you return to work during or at the end of that 12-month period. Any participant that takes a leave of absence for certain military service is credited with the period of his or her military service upon his or her return to work. Participants who are receiving disability benefits under SCANA’s long-term disability program until retirement also are credited with Vesting Service and Benefit Service for their period of disability.

Your severance date is generally the date you quit, retire, are discharged or die. However, if you have an unpaid leave of absence, your severance date occurs one year from the day your unpaid leave began. If you are on a leave of absence or have been laid off and you quit, retire, are discharged or die during the first 12 months of such leave or layoff period, your severance date is the date you actually quit, retire, are discharged or die.

If you are on an authorized leave of absence of two years or less for parental leave purposes, you will be credited with Vesting Service for the leave period. If the parental leave period extends beyond two years, you will receive Vesting Service credit for up to an additional 12 months provided that you return to employment no later than the third anniversary of the date the leave began.

If you terminate your employment on or after January 1, 2008 after being credited with at least three years of Vesting Service (five years of Vesting Service for terminations prior to January 1, 2008), you will be vested in your Final Average Pay Plan benefits. See section of this summary entitled “Vested Termination Benefit” for a description of the benefit available to terminated vested participants. If you later return as an eligible employee, your prior Vesting Service will be credited regardless of the length of your break in service.

## **Determination of Benefit Service**

Benefit Service includes the period of time you are employed by the Company. Benefit Service is determined by crediting all Vesting Service you have accumulated, but excluding (1) any period of severance, (2) Vesting Service exceeding six months for a leave of absence for maternity, paternity and adoption reasons, (3) an unauthorized leave of absence, (4) any period during which you are employed by an Affiliate that has not adopted the Plan, (5) any period

during which you are employed as a leased employee of the Company, (6) periods during which you are not employed (unless you were on an authorized leave of absence (including a layoff) that does not exceed 12 months and you return to work during or at the end of that 12-month period), and (7) Vesting Service accumulated after December 31, 2023.

### **Service with a SCANA Affiliate**

If you are transferred from a SCANA subsidiary that is not a participating employer under the Plan to a participating employer under the Plan, you will be credited with Vesting Service for the period that you worked at the non-participating SCANA subsidiary. If you are transferred to a SCANA subsidiary that is not a participating employer under the Plan from a participating employer under the Plan, you will be credited with Vesting Service for the period that you worked at the non-participating SCANA subsidiary. However, you will **not** be credited with Benefit Service unless the SCANA subsidiary adopts the Plan with the consent and approval of the SCANA Board of Directors.

If you were employed by a company that is acquired by or merged into SCANA, your employment with that company before the acquisition or merger date may be credited as Vesting Service if the Company determines to grant such service credit. With regard to past acquisitions and mergers, pre-acquisition service with SCANA Energy Marketing, Inc., Peoples Natural Gas Company of South Carolina, South Carolina Pipeline Corporation is included as Vesting Service under the Plan. In addition, a participant employed by PSNC is credited with the vesting service the participant earned under the PSNC Pension Plan for periods before February 11, 2000.

### **Normal Retirement Benefit**

As a participant in the Plan, you will have a nonforfeitable (vested) right to your Plan benefit upon attaining your normal retirement age (age 65) if you are working for SCANA or one of its subsidiaries at that time. You can commence your normal retirement benefit on the first day of the month that begins with your 65<sup>th</sup> birthday or that next follows your 65<sup>th</sup> birthday, provided you actually retire from employment with SCANA and its subsidiaries. This day is referred to as your normal retirement date.

Your monthly normal retirement benefit payments will begin on your normal retirement date and will be paid on the first day of each following month during your lifetime. You should submit an application to the SCANA Employee Stock and Pension Plans Department at least 60 days before your normal retirement date to begin receiving your normal retirement benefit payments in a timely manner.

The amount of your normal retirement benefit is based on your years of Benefit Service, Covered Compensation and Final Average Earnings at your 65<sup>th</sup> birthday. However, in no event will your normal retirement benefit include benefit accruals for services you perform and/or Compensation you earn after December 31, 2023, even if you continue to be actively employed by SCANA.

## Final Average Pay Formula

Your normal retirement benefit under the Final Average Pay Plan is calculated by using the following formula:

$$\begin{aligned} & 1\% \text{ of your Final Average Earnings* up to Covered Compensation*} \\ & \qquad \qquad \qquad \text{PLUS} \\ & 1.5\% \text{ of your Final Average Earnings* over Covered Compensation*} \\ & \qquad \qquad \qquad \text{TIMES} \\ & \qquad \qquad \qquad \text{your years of Benefit Service,* up to 35 years.} \end{aligned}$$

\* Remember, in no event will your Benefit Service, Covered Compensation and Final Average Earnings take into account any services you perform and/or Compensation you earn after December 31, 2023, even if you continue to be actively employed by the Company.

## Normal Retirement Benefit Examples

The examples below show how your benefit is calculated under the Final Average Pay Plan before it is frozen effective December 31, 2023. Effective December 31, 2023, you will not earn any future benefit accruals under the Plan even if you remain actively employed.

An example<sup>2</sup> will help illustrate how your normal retirement benefit under the Final Average Pay Plan is calculated if you retire at age 65 with 35 years of Benefit Service prior to January 1, 2024:

ASSUMPTIONS:

Final Average Earnings: \$85,000

Covered Compensation: \$70,000

APPLYING THE FORMULA:

$$\begin{aligned} & 1\% \times \$70,000 = & \$ & 700 \\ & \qquad \qquad \qquad \text{PLUS} \\ & 1.5\% \times \$15,000 \text{ (or } \$85,000 - \$70,000) = & \$ & \underline{225} \\ & \qquad \qquad \qquad \text{TIMES} \\ & 35 \text{ years of Benefit Service} = & \$32,375/\text{year or } \$2,697.92/\text{month} \end{aligned}$$

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<sup>2</sup> The examples contained in this Summary Plan Description are for demonstration purposes only. The calculation of your benefit under the Plan may be different from the calculations shown in the examples due to reasons such as a subsequent change in law that affects the calculation of your benefit.

The example below illustrates your normal retirement benefit if you retire at age 65 with the same Final Average Earnings, but with only 15 years of Benefit Service prior to January 1, 2024.

ASSUMPTIONS:

Final Average Earnings: \$85,000

Covered Compensation: \$70,000

APPLYING THE FORMULA:

1% x \$70,000 =	\$ 700
PLUS	
1.5% x \$15,000 (or \$85,000 - \$70,000) =	<u>\$ 225</u>
	\$ 925
TIMES	
15 years of Benefit Service =	\$13,875/year or \$1,156.25/month

## Early Retirement Benefit

You may elect to retire early from SCANA and its subsidiaries on the first day of any month on or after the date you reach age 55 and have completed at least 20 years of Vesting Service and before the first day of the month you reach age 65. This day is referred to as your early retirement date.

If your early retirement benefit begins before your 65th birthday and you had less than 35 years of Benefit Service, your benefit will be reduced by 1/3 of 1% for each full month (4% for each year) that you receive benefits before your normal retirement date. However, if you retire early with 35 or more years of Benefit Service, there will be no reduction in your early retirement benefit.

The amount of your early retirement benefit will be determined using the same formula for a normal retirement benefit but based upon your Final Average Earnings, Covered Compensation and Benefit Service (up to 35 years) as of your early retirement date. However, if you retire before age 62 with 35 or more years of Benefit Service, your early retirement benefit formula is adjusted. The percentage applying to your Final Average Earnings up to Covered Compensation will be increased by .033% for each year and fractional year that you retire before age 62. In addition, as indicated above, the early commencement reduction will not apply. In no event will your early retirement benefit include benefit accruals for services you perform and/or Compensation you earn after December 31, 2023, even if you continue to be actively employed by SCANA; however, your years of Vesting Service earned after December 31, 2023 will be combined with your pre-2024 years of Benefit Service to determine whether you are eligible for a subsidized benefit under these provisions.

Different years of Vesting Service requirements and early commencement reduction rates may apply to individuals who were participants in plans of companies that SCANA acquired. For more details, refer to **Appendix One** of this Summary Plan Description.

You should submit an application to the SCANA Employee Stock and Pension Plans Department at least 60 days before the date you want your early retirement benefit to begin.

## Early Retirement Benefit Examples

The examples below show how your benefit is calculated under the Final Average Pay Plan before it is frozen effective December 31, 2023. Effective December 31, 2023, you will not earn any future benefit accruals under the Plan even if you remain actively employed. For examples illustrating how your benefit will be calculated after December 31, 2023, please see **Appendix Three**.

The following example will help illustrate how your early retirement benefit under the Final Average Pay Plan is calculated if you retire at age 62 with 30 years of Benefit Service prior to January 1, 2024:

ASSUMPTIONS:

Final average earnings: \$80,000

Covered Compensation: \$75,000

APPLYING THE FORMULA:

1% x \$75,000 =	\$ 750
PLUS	
1.5% x \$5,000 (or \$80,000 - \$75,000) =	<u>\$ 75</u>
	\$ 825
TIMES	
30 years of Benefit Service =	\$24,750/year
MINUS	
Adjustment for early commencement reduction based on age 62 -- 4% per year for 3 years, or 12%	<u>\$ 2,970</u>
x \$24,750=	\$ 21,780/year or \$1,815/month

The next example will help illustrate how your early retirement benefit under the Final Average Pay Plan is calculated if you retire at age 60 with 35 years of Benefit Service prior to January 1, 2024:

ASSUMPTIONS:

Final average earnings: \$80,000

Covered Compensation: \$78,000

ADJUSTMENT TO FORMULA:

.033% x 2 years = .066%

APPLYING THE ADJUSTED FORMULA:

1.066% x \$78,000 =	\$ 831.48
PLUS	
1.5% x \$2,000 (or \$80,000 - \$78,000) =	<u>\$ 30.00</u>
	\$ 861.48
TIMES	
35 years of Benefit Service =	\$30,151.80/year or \$2,512.65/month



## **Delayed Retirement Benefit**

If you continue in employment after you have reached age 65, you can delay payment of your Plan benefit until the first day of the month that begins with or next follows the day you actually retire. Alternatively, you can make an irrevocable election to commence payment of your retirement benefit as of the first day of any month following your normal retirement date. Once you elect to begin receiving your delayed retirement benefit, you cannot change your election. You should submit an application to the SCANA Employee Stock and Pension Plans Department at least 60 days before the date you want your delayed retirement benefit to begin.

Your delayed retirement benefit is determined using the same benefit formula that applies to determine your normal retirement benefit, based on your Final Average Earnings, Covered Compensation, and Benefit Service (up to 35 years) as of your delayed retirement date or benefit commencement date if you elect to begin receiving your benefit while you are employed. If you make this irrevocable election, monthly benefit payments will be paid to you on the first day of each month during your lifetime. The monthly benefit amount will be adjusted as of each January 1 to reflect any additional accruals earned during the prior year. In no event will your delayed retirement benefit include benefit accruals for services you perform and/or Compensation you earn after December 31, 2023, even if you continue to be actively employed by SCANA.

If you continue to work after you reach age 70 1/2 and do not elect to begin receiving your delayed retirement benefit while working, your benefit under the Plan will be actuarially increased to reflect the delay in payments beyond your attainment of age 70 1/2. Any actuarial increase will be offset by the actuarial value of any benefit that you continue to accrue during your employment.

## **Vested Termination Benefit**

Participants in the Plan who earn at least one hour of service on or after January 1, 2008 will be fully vested in their Plan benefit after being credited with three years of Vesting Service. The previous vesting schedule required the completion of five years of Vesting Service in order for a participant to be vested in his or her Plan benefit. After you become vested, you will have a nonforfeitable (vested) right to your Final Average Pay Plan benefit as a vested participant in the Plan. If you terminate your employment with SCANA and its subsidiaries as a vested participant, you are eligible for a vested termination benefit, payable on your normal retirement date. If you have completed 20 or more years of Vesting Service, you may file an application with the SCANA Employee Stock and Pension Plans Department to receive a reduced termination benefit beginning on the first day of any month on or after your 55th birthday. The application must be filed at least 60 days before the date you wish your vested termination benefit to begin.

Different years of vesting service requirements may apply to individuals who were participants in plans of companies that SCANA acquired and that were merged into the SCANA

Corporation Retirement Plan. For more details, please refer to **Appendix One** of this Summary Plan Description.

If your benefits begin before your 65th birthday and you have less than 35 years of Benefit Service, your benefit will be reduced as described in the Early Retirement Benefit section.

## **Disability Retirement Benefit**

If you are considered “disabled” under SCANA’s long-term disability program and are eligible to receive long-term disability payments until the earlier of your early retirement age or normal retirement age, you will be entitled to receive a disability retirement benefit under the Final Average Pay Plan. The disability retirement benefit is calculated in the same manner as the normal retirement benefit; however, it will be assumed that your earnings remained the same since your disability date (in other words, since the last day you actually worked before your disability began). In addition, if you remain disabled until you reach your normal retirement age (or, if later, the date your long-term disability payments cease), actual early retirement age or death, you will receive Vesting Service and Benefit Service from your disability date through the date you retire. However, in no event will your disability retirement benefit include benefit accruals for periods after December 31, 2023.

You may elect to receive early retirement benefits as early as age 55, if you have 20 years of Vesting Service, subject to the early commencement reduction if you do not have 35 years of Benefit Service. The number of years of Vesting Service may be different for individuals who were participants in plans of companies that were acquired by SCANA and merged into the SCANA Corporation Retirement Plan. For more details, please refer to **Appendix One** of this Summary Plan Description. In no event can you receive any payments from the Plan until you have terminated employment with the Company.

## **If You Recover**

If you recover from your disability, are no longer eligible for benefits under SCANA’s long-term disability program, and you return to work for the Company, your Plan benefit at retirement will be determined as if your earnings as of your disability date had remained constant while you were disabled, and you continued to earn Vesting and Benefit Service until your reemployment date.

If you recover and request to go back to work for the Company, but your request is denied, you will receive a benefit that is calculated as if your pay on your disability date remained constant and you continued to earn Vesting and Benefit Service until your recovery date.

If you recover from your disability, are no longer eligible under SCANA’s long-term disability program, and do not report your recovery or do not resume employment with the Company after receiving a written offer, you will receive a benefit at age 65 that is based on your

Final Average Earnings and years of Benefit Service as of your disability date. You will be eligible for this benefit only if you became disabled after completing 3 years of Vesting Service.

In no event will you earn future benefit accruals under the Plan after December 31, 2023.

## **Voluntary Employee Contributions**

If you have a voluntary employee contributions account, your Final Average Pay Plan benefit will be adjusted as described in **Appendix Two** of this Summary Plan Description.

## **Payment of Your Plan Benefit**

You will receive your Final Average Pay Plan benefit in monthly payments for your lifetime. If you have been married at least one year when you commence your payments, and if you are still married to that spouse at the time of your death, your spouse will receive a monthly lifetime benefit equal to 60% of your benefit after you die. Effective for retirement occurring on or after January 1, 2008, you may elect to receive a reduced 75% Joint & Survivor annuity in lieu of the unreduced 60% Joint and Survivor annuity provided by the Plan. If you elect to receive the reduced 75% Joint and Survivor annuity, your benefit will be reduced during your lifetime based on the life expectancies of you and your spouse. After your death, your spouse will receive a monthly lifetime benefit equal to 75% of the reduced benefit that was payable to you while you were living.

If you participated in a plan of a company that SCANA acquired and that was merged into the SCANA Corporation Retirement Plan, you may be eligible for certain optional forms of payment, as described in more detail in **Appendix One** of this Summary Plan Description.

Prior to when your monthly benefit payments begin, you will be given the option of having income taxes withheld from the payments you receive. Regardless of your election whether to withhold income taxes from your payments, you are responsible for estimating and paying all income taxes owed. *It is important to remember that the amount withheld may not represent your actual tax liability.*

## **Lump Sum Distribution/Eligible Rollover Distribution**

If the present value of your retirement benefit is \$1,000 or less when you terminate or retire, the Final Average Pay Plan will automatically pay you your benefit as a one-time lump sum distribution. You can direct the rollover of all or part of your automatic lump sum distribution directly into an individual retirement account (IRA) or another employer's tax qualified retirement plan. The portion that you do not directly roll over to an IRA or another employer's tax qualified retirement plan will be subject to a mandatory 20% federal income tax withholding. In addition, you may be subject to a 10% additional tax when you file your federal income tax return if you terminate employment before the calendar year in which you turn age 55. You may want to consult a tax advisor before receiving your distribution from the Plan.

Separately, in the case of any eligible rollover distribution that is paid to a beneficiary who is someone other than your spouse (in the case of certain benefits paid on account of merged plans referred to in **Appendix One** or voluntary employee contributions), that beneficiary may receive an eligible rollover distribution under the Plan. However, that beneficiary may only roll over the eligible rollover distribution to an inherited individual retirement account (Inherited IRA). Generally, an Inherited IRA is an individual retirement account that is established in the beneficiary's name, but may not be rolled over into another individual retirement account or eligible retirement plan.

## **Benefit Restrictions if the Plan Becomes Underfunded**

Federal law imposes certain limitations on the ability to take distributions in the form of a lump sum or certain optional forms if the funding levels of the Plan fall below 80%. Federal law also imposes additional restrictions on benefit accruals in the event that the funding levels of the Plan fall below 60%. You will be advised if the Plan becomes subject to these restrictions.

## **Reemployment after Retirement**

If you are reemployed with the Company after you begin receiving your benefit payments and before January 1, 2014, your benefit payments will continue and you will participate in the Plan as a Cash Balance Plan participant. Please refer to the Summary Plan Description for the Cash Balance Plan for information on how you accrue benefits under the Cash Balance Plan during your period of reemployment. If you are reemployed with the Company after you begin receiving your benefit payments and on or after January 1, 2014, your benefit payments will continue but you will not become an active participant in either the Cash Balance Plan or Final Average Pay Plan.

## **Pre-Retirement Surviving Spouse Benefit**

If you die after becoming a vested participant under the Final Average Pay Plan but before you begin receiving payment of your Final Average Pay Plan benefit, and you have been married to your spouse for at least one year immediately before the date of your death, a pre-retirement death benefit is available for your spouse. The amount of the death benefit payable to your eligible spouse is equal to 60% of the monthly retirement benefit that would have been payable to you beginning at age 65, based on your Final Average Earnings and years of Benefit Service completed as of your date of death. This surviving spouse's benefit will be paid to your eligible spouse for life, beginning on the first day of the month following the date of your death. If you do not have a surviving spouse to whom you have been married for at least one year as of your date of death, no death benefit is payable on your behalf.

If you die while performing qualified military service and would have been entitled to reemployment rights with SCANA Corporation under federal law, your beneficiary will receive all benefits (other than benefit accruals relating to your period of qualified military service) that the beneficiary would have received if you had resumed employment with SCANA Corporation

and then terminated employment due to death, including receiving vesting credit for the period of your qualified military service.

## **Assignment of Benefits**

Your benefits under the Plan are not assignable or subject to the claim of any creditor. However, if you are filing for a divorce, your spouse may be entitled to a portion of your Final Average Pay Plan benefit as required by a Qualified Domestic Relations Order (“QDRO”). A QDRO is any judgment, decree or order (including certain property settlement agreements) that provides for child support, alimony and/or marital property rights to a spouse, former spouse, child or other dependents of the participant under state domestic relations law, including community property law. A QDRO must meet certain Plan and administrative requirements to be honored by the Plan. Please contact the SCANA Employee Stock and Pension Plans Department before the QDRO is made a final order of a court to confirm the validity of the QDRO. To ease this process, you or your spouse may obtain a copy of the Plan’s QDRO procedures and a model QDRO document applicable to the Plan from the SCANA Employee Stock and Pension Plans Department without charge.

## **Pension Benefit Guaranty Corporation (PBGC)**

Because the Plan is a defined benefit plan, your benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), an agency of the federal government. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if the plan so provides and you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the Company; (4) benefits for which you have not met all of the requirements at the time the Plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money the Plan has and on how much the PBGC collects from the Company.

For more information about the PBGC and the benefits it guarantees, contact the SCANA Employee Stock and Pension Plans Department or the PBGC. Inquiries to the PBGC should be directed to:

Technical Assistance Division  
Pension Benefit Guaranty Corporation  
1200 K Street, N.W.  
Suite 930  
Washington, D.C. 20005-4026

You also can contact PBGC's Technical Assistance Division by calling 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## **Administration of the Plan**

The SCANA Corporation Retirement Plan Committee (the "Committee") administers the Plan. The Committee is appointed by and serves at the pleasure of the SCANA Chief Executive Officer. The Committee is responsible for (a) interpreting or construing the Plan, (b) determining all questions of eligibility, (c) determining the classification, status and rights of Employees, Participants and beneficiaries of Participants, (d) determining the amount, manner and time and type of any distribution hereunder, (e) fixing minimum periods of notice where notice is required, and (f) day-to-day operations of the Plan, all in a manner not inconsistent with the terms of the Plan. Benefits under the Plan will be paid only if the Committee (or its delegate) determines in its discretion that the Participant (or beneficiary) is entitled to them. All rules and decisions of the Committee shall be consistently applied to all persons in similar circumstances and shall be conclusive and binding upon all persons affected thereby. The Committee establishes all administrative rules and makes any interpretations necessary under the Plan. The Committee has the discretionary authority to construe and interpret disputed or doubtful Plan terms, to determine eligibility for benefits and to construe the terms of the Plan, and all such decisions will be final, conclusive and binding and will be subject to the arbitrary and capricious or abuse of discretion standard of judicial review.

The Committee has the authority to delegate, and has so delegated, certain of its responsibilities to the Plan Manager with respect to management of the regular operations of the Plan. The Plan Manager is appointed by the Committee and reports to the Committee. The Plan Manager shall have the full discretionary authority to decide all matters for which the Plan Manager is responsible under this Plan, including the discretionary authority to interpret the applicable Plan terms, to the same extent that such authority otherwise is granted to the Committee. Any questions you may have regarding the particular circumstances affecting your own benefits, such as the length of service, the determination of your age, etc., should be directed to the Committee or the Plan Manager.

In addition, the Committee has the authority to delegate or allocate to a person who is not a member of the Committee any fiduciary or non-fiduciary duty. Any such delegation or allocation will be in writing.

## **Investment of Assets**

Under the Plan, the Investment Committee consists of the SCANA Chief Financial Officer and any other individuals designated by the SCANA Chief Executive Officer. The Investment Committee is the named investment fiduciary of the Plan and is responsible for establishing investment guidelines, establishing and carrying out a funding policy and method, for designating one or more Investment Managers and for monitoring the activities of the Investment Managers. The Investment Committee has the authority to delegate or allocate to a person who is not a member of the Investment Committee any fiduciary or non-fiduciary duty. Any such delegation or allocation will be in writing, including delegation of authority to act on behalf of the Investment Committee in the absence of the presence of the Investment Committee.

## **Maximum Benefits**

Federal law sets a maximum on the amount of benefits you can receive from the Plan. Federal law also sets a maximum on the amount of compensation that can be recognized for purposes of determining Final Average Earnings. For 2013, the earnings limit is \$255,000. This limit may be subject to change in future years to reflect changes in the cost of living. Effective December 31, 2023, no future changes to the earnings limit will be taken into account.

Another federal law requires that the Plan be tested periodically to see if certain higher paid employees of the Company are earning more than 60% of the total benefits provided by the Plan. It is very unlikely that this will ever happen. However, if it does happen, the Company could be required to make modifications to the Plan affecting all participants. These may include additional contributions, increased benefits, or an increase in the rate at which benefits become vested, depending upon the particular provisions of the Plan.

You will be notified by the Plan Manager if either of these limits apply to you.

## **Updating Your Address**

Participants, former participants, spouses, beneficiaries and other individuals who are to receive benefits are urged to keep the SCANA Employee Stock and Pension Plans Department advised of current addresses and names so that benefits can be paid properly.

## **Cost of the Plan**

Earnings on the assets of the Trust Fund and Company contributions to the Trust Fund provide for Plan benefits. Company contributions are actuarially determined annually.

## **Plans For the Future**

SCANA expects to continue the Plan, but it reserves the right to terminate all or parts of the Plan, at any time. If SCANA terminates the Plan, in full or part, each affected participant's accrued benefit, to the extent funded, will become fully vested as of the date of full or partial termination. Upon termination, SCANA may either continue the Trust or terminate the Trust and pay all Plan expenses and benefits under the Plan.

The Employee Plans Committee has the right to amend the Plan from time to time. The SCANA Chief Executive Officer, in consultation with the Chairman of the Management Development and Corporate Performance Committee of the Board of Directors, appoints the Employee Plans Committee.

## **Claims and Appeals**

When you terminate or retire from SCANA and its subsidiaries and want to receive your benefits from the Plan, you will need to file a claim with the Plan Manager. The Plan Manager will review your claim and make its determination within 90 days. If the Plan Manager fully or partially denies your claim, you will be provided a written notice stating: (i) the specific reason or reasons your claim was denied; (ii) the exact references to the Plan provisions that dealt with your claim, and why it was denied; (iii) a description of any additional information or information necessary for you to revise and perfect your claim, and an explanation as to why such material or information is necessary; and (iv) an explanation of the Plan's claims procedure.

If special circumstances require an extension of time, the Plan Manager will give you a written notice of the delay, and will issue your statement within another 90 days.

If you would like to request an appeal of your claim to the Committee for a full and fair review, you must make that request within 60 days after you have received the written denial from the Plan Manager or, if the claim has neither been approved nor denied within the applicable 90-day period, the request must be made within 60 days after the expiration of the 90-day period. You, or your authorized representative, may (i) request a review, in writing, to the Committee; (ii) request, in writing, to review applicable documents; and (iii) submit comments and issues in writing.

After you have made the appeal, the Committee will make its decision no later than 60 days after it receives your request for a review. If special circumstances require an extension of time, the Committee will notify you of the delay, and will reach a decision within another 60 days. The Committee's decision on the review will be written, and will include specific reasons for the decision and references to the Plan provision that the decision is based on.



## Your Rights as a Participant

As a participant in the SCANA Corporation Retirement Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all plan participants shall be entitled to:

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The plan administrator may make a reasonable charge for the copies;
- Receive a summary of the Plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report;
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court after you have fully exhausted the Plan's administrative remedies as described above ("Claims and Appeals"). In addition, if you disagree

with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## Additional Plan Information

This section describes certain administrative information relating to the Plan:

Name of Plan:	SCANA Corporation Retirement Plan
Name and Address of Plan Sponsor:	SCANA Corporation 220 Operation Way Cayce, South Carolina 29033 803-217-9000
Federal EIN of Plan Sponsor:	57-0784499
Plan Identification Number:	001
Plan Year:	The records of the Plan are kept on a calendar year basis.
Name and Address of Plan Administrator:	SCANA Corporation Retirement Plan Committee SCANA Corporation 220 Operation Way Cayce, South Carolina 29033 803-217-9000
Type of Plan:	Defined benefit pension plan
Plan Trustee:	State Street Bank & Trust Company One Lincoln Street Boston, Massachusetts 02111
Agent for Service of Legal Process:	SCANA Corporation 220 Operation Way Cayce, South Carolina 29033 803-217-9000

Process also may be served upon the Plan Trustee or the Plan Administrator.

## **Appendix One**

### **Special Provisions for Merged Plans**

This Appendix One provides special provisions applicable to certain Final Average Pay Plan participants who previously participated in another retirement plan, the assets and liabilities of which were merged into the SCANA Corporation Retirement Plan. Notwithstanding anything to the contrary herein, effective as of December 31, 2023, all benefit accruals under the Plan will cease and no future accruals will be earned with respect to any future periods of employment.

- A. Carolina Energies, Inc.:** Final Average Pay Plan participants who previously participated in the Carolina Energies Plan have their service as an employee of Carolina Energies, Inc. before January 1, 1983 counted in determining Vesting Service and Benefit Service under the Final Average Pay Plan.

For certain former Carolina Energies Plan participants, the earliest retirement date is the first day of the month on or after the date the participant reaches age 55 and completes at least 10 years of vesting service. Thus, if you are one of these certain former Carolina Energies Plan participants, and you terminate your employment as a vested participant with 10 or more years of Vesting Service, you may file an application with the SCANA Employee Stock and Pension Plans Department to receive a reduced retirement benefit beginning on the first of any month on or after your 55th birthday.

The minimum accrued benefit for certain former Carolina Energies Plan participants will be no less than the greater of such participant's accrued benefit under either the Carolina Energies Plan as of December 31, 1982 or the formula under the Carolina Energies Plan when that plan was merged into the SCANA Corporation Retirement Plan.

Certain former Carolina Energies Plan participants may elect to receive their Final Average Pay Plan benefit in a lump sum payment.

- B. Peoples Natural Gas Company of South Carolina:** Final Average Pay Plan participants who previously participated in the Pension Plan for Employees of Peoples Natural Gas Company of South Carolina (the "Peoples Pension Plan") have their service as an employee of Peoples Natural Gas Company of South Carolina and Supertane Gas Company before December 31, 1990 counted in determining Vesting and Benefit Service under the Final Average Pay Plan.

The minimum accrued benefit for any former Peoples Pension Plan participant will be the participant's accrued benefit under the Peoples Pension Plan as of December 31, 1990.

The earliest retirement date for any former Peoples Pension Plan participant is the first day of the month on or after the date the Participant has reached age 55 and completed at least 10 years of Vesting Service, and the benefit reduction applied to their special minimum benefit is 5/12 of 1% for each full month (5% for each year) their early retirement date precedes their normal retirement date. Thus, if you are a former Peoples Pension Plan participant and you terminate your employment as a vested participant with

10 or more years of Vesting Service, you may file an application with the SCANA Employee Stock and Pension Plans Department to receive a reduced retirement benefit beginning on the first of any month on or after your 55<sup>th</sup> birthday.

Former Peoples Pension Plan participants may receive the Peoples Pension Plan benefit (namely, the amount earned as of December 31, 1990), in a lump sum or single life annuity. You also may elect to receive your Peoples Pension Plan benefit in a form of payment that would continue 50% or 100% of your (reduced) monthly benefits to your surviving spouse or beneficiary after your death.

- C. Peoples Savings Plan:** If you had a Peoples Savings Plan account maintained on your behalf as of December 31, 1990, you will be eligible to receive the value of your account balance in a lump sum or an annuity (installments) when you retire. The annuity may be for your lifetime, for the life of you and a beneficiary, or for a specified number of years. Your account balance also is payable if you elect early retirement, if you leave the Company before retirement, if you die, or if you become disabled (as defined by the SCANA LTD Plan). If you elect early retirement, leave the Company, or become disabled, you can defer payment of your account balance until your normal retirement date. Your account balance will be credited with interest (as defined in the Plan) until you elect to withdraw it.

After you reach age 59 1/2, you may also take one withdrawal from your Peoples Savings Plan account of amounts attributable to elective deferrals or employer matching contributions every 12 months. If you have a financial hardship (as defined by the Plan), you may be eligible to take a hardship withdrawal from your account. If part of your account balance is attributable to rollovers from another tax-qualified plan, during each plan year you may elect to withdraw up to 100% of the amount attributable to rollover contributions. If you have questions about making a withdrawal from your Peoples Savings Plan account, please contact the SCANA Employee Stock and Pension Plans Department.

- D. Public Service Company of North Carolina (PSNC):** Final Average Pay Plan participants who previously participated in the Public Service Company of North Carolina, Incorporated Employees' Retirement Plan and Trust (PSNC Plan) have their service as an employee of PSNC before July 1, 2000 counted in determining Vesting Service and Benefit Service under the Final Average Pay Plan.

In determining Final Average Earnings, all compensation credited under the PSNC Plan for benefit accrual purposes will be taken into account under this Plan.

The earliest retirement date for former PSNC Plan participants is the first day of the month on or after the date the participant has reached age 55 and completed at least 10 years of Vesting Service. The minimum early retirement benefit applicable to any former PSNC Plan participant will be the participant's accrued benefit as of June 30, 2000 reduced by the early commencement reduction factors under the PSNC Plan in effect on June 30, 2000.

If you terminate your employment as a vested participant with 10 or more years of Vesting Service, you may file an application with the SCANA Employee Stock and Pension Plans Department to receive a reduced retirement benefit beginning on the first of any month on or after your 55th birthday, subject to the same reductions as described above for early commencement.

The minimum accrued benefit for former PSNC Plan participants will be no less than such participant's accrued benefit under the PSNC Plan as of June 30, 2000.

If you are eligible for a disability retirement benefit, you may elect to receive such benefit as early as age 55 if you have 10 years or more of Vesting Service.

If you are a former PSNC participant, you may elect to receive your entire accrued benefit under the Plan in one of the following optional benefit forms.

Lump Sum: You may elect to receive your entire accrued benefit under the Final Average Pay Plan in one lump sum payment.

Life Annuity: You may elect to receive your entire accrued benefit under the Final Average Pay Plan in the form of a life annuity that will provide you with monthly annuity benefits until your death.

Joint and Survivor Annuity: You may elect to receive your entire accrued benefit under the Final Average Pay Plan in the form of 50%, 75% or 100% joint and survivor annuity. Under this option, your monthly benefit is reduced during your life to provide that either 50%, 75% or 100% of your (reduced) monthly benefits are paid to your surviving spouse or beneficiary after your death.

Period Certain and Life Annuity: You may elect to receive your entire benefit in the form of a period certain and life annuity. Under this option, if you die during the period certain (either 120 months, 180 months or 240 months) your annuity will continue and be paid to your designated beneficiary for the remaining portion of the period. If you do not die during this period, your annuity will continue for your life, but there will be no payment to any beneficiary after your death.

Social Security Adjustment Annuity: Under the Social Security adjustment annuity option, your benefit is actuarially adjusted to provide that the amount of your monthly annuity payment before your Social Security benefits begin is increased in an estimated amount equal to what your Social Security monthly benefit will be. When your monthly Social Security benefit begins, your monthly annuity payment under the Plan is decreased, and will continue in this amount until you die. The Social Security adjustment annuity option is designed so that once you retire, the total amount of your monthly benefits from both the Plan and Social Security will remain relatively constant.

## **Appendix Two**

### **Voluntary Employee Contributions**

This Appendix Two provides special provisions applicable to certain Final Average Pay Plan participants who have a voluntary employee contributions account under the Plan. Any such Final Average Pay Plan participant is referred to as an “eligible participant” in this Appendix Two.

- A. Eligible participants can no longer make voluntary employee contributions under the Plan.
- B. Voluntary employee contributions are credited with interest for a calendar year at an annual rate equal to 120% of the midterm applicable federal rate for January of that calendar year as determined by the Internal Revenue Service. Prior to 1988, voluntary employee contributions were credited with interest at 6%, compounded annually.
- C. The balance in an eligible employee’s voluntary employee contributions account will be used to provide an additional monthly retirement benefit. If the participant commences his or her Final Average Pay Plan benefit at his or her normal retirement date, the participant will receive an additional monthly benefit equal to 1/12 of 37½% of the employee’s contributions, but not more than \$281.25. If the benefit is paid prior to the participant’s normal retirement date, the additional benefit provided by the voluntary employee contributions will be reduced in the same manner as the early retirement benefit or the vested termination benefit, as the case may be. If the benefit is first paid after the participant’s normal retirement date, the additional benefit provided by the voluntary employee contributions will be actuarially increased.
- D. If the participant becomes eligible for benefits under SCANA’s long-term disability program, the participant can withdraw the entire balance in his or her voluntary employee contributions account in a single lump sum payment. Otherwise, no withdrawals from your voluntary employee contributions account are permitted while you are employed.
- E. The balance in a participant’s voluntary employee contributions account will be used to provide additional surviving spouse’s benefit in the event you die before your account is paid to you and you have been married for at least one year before your death. The amount that is payable to your spouse is equal to 60% of the benefit that you were entitled to receive. If you die before your payments begin, the amount that is payable to your spouse is equal to 60% of the benefits you would have received at age 65. If you have not been married to your spouse for at least one year when you die, any balance in your voluntary employee contributions account will be paid to the beneficiary you designate.

If your spouse dies before the entire balance of your voluntary employee contributions account has been paid out, the remaining amount will be paid to your spouse’s estate or beneficiary in a lump sum. Alternatively, if you do not have a spouse living on your date

of death, the balance in your voluntary employee contributions account will be paid to your beneficiary in a lump sum.

For more information about your voluntary employee contributions account, please contact the SCANA Employee Stock and Pension Plans Department.



## **Appendix Three**

### **Early Retirement Benefit Examples**

### **After December 31, 2023**

This Appendix Three provides examples to help illustrate how your early retirement benefit under the Final Average Pay Plan will be calculated after December 31, 2023 when the Plan is frozen.

#### **Unreduced Early Retirement Benefit after December 31, 2023**

You do not lose the right to earn an unreduced early retirement benefit (described in the “Early Retirement Benefit” section of this Summary Plan Description) when the Plan is frozen effective December 31, 2023. As required by law, your right to earn an early retirement subsidy, based on the amount of your benefit at the freeze date, is preserved. That means you can “grow into” a full subsidy for your accrued benefit as of December 31, 2023 by continuing to work after 2023.

#### ***Example 1:***

Assume an employee is age 52 with an average salary of \$45,000 and 25 years of service as of December 31, 2023. Assume that covered compensation at the time is more than \$45,000. Finally, assume that the employee continues to work another 10 years and then retires on December 31, 2033, at age 62. The employee’s accrued benefit at December 31, 2023 (the freeze date) is expressed as a benefit of \$11,250 per year (1% of \$45,000 times 25 years of benefit service), commencing at age 65. When the employee chooses to retire three years earlier, at age 62, the employee’s years of service are 35. Although only 25 years of benefit service count in determining the amount of the employee’s Retirement Plan accrued benefit, the 10 years of service earned *after* the freeze date will still count in determining whether the employee is entitled to have that \$11,250 per year benefit paid as an unreduced annuity benefit

#### **Favorable Early Retirement Benefit Reduction Factor after December 31, 2023**

You do not lose the right to earn the favorable reduction factor for certain early retirements (described in the “Early Retirement Benefit” section of this Summary Plan Description) when the Plan is frozen effective December 31, 2023. Here is how it works.

The amount of your early retirement benefit will be determined using the same formula for a normal retirement benefit but based upon your Final Average Earnings, Covered Compensation and Benefit Service (up to 35 years) earned through December 31, 2023. However, if you retire before age 62 and you have 35 or more years of service at your actual retirement, your early retirement benefit formula is adjusted. The Final Average Pay Plan benefit accrual percentage that would otherwise apply to your Final Average Earnings up to Covered Compensation (1%) will be increased by .033% for each year and fractional year that you retire before age 62. In addition, the early commencement reduction under the Final Average Pay Plan will not apply.

#### ***Example 2:***

Assume the same facts as in Example 1, above, except that the employee was age 50 at December 31, 2023 and retires on December 31, 2033, at age 60. The employee's accrued benefit at December 31, 2023 (the freeze date) is determined under the special adjusted early retirement benefit formula and is equal to 1.066% times \$45,000 times 25 years of service (for a benefit of \$11,992.50 per year). That benefit is not reduced for early commencement because the employee had a total of 35 years of service, counting 25 years of Benefit Service through December 31, 2023 plus 10 years of Vesting Service from January 1, 2024 through December 31, 2033.

## **Appendix Four**

### **Section 402(f) Notice Regarding Plan Distributions**

This Appendix contains important information you will need before you decide how to receive your Plan benefits. This Appendix constitutes a “section 402(f)” notice that is required by the IRS to be provided to all Plan members. You will receive a summary of this notice when you request a payment that is eligible for rollover treatment.

This Appendix explains how you can continue to defer federal income tax on your retirement savings in the Plan when you receive a distribution and contains important information you will need before you decide how to receive your Plan benefits.

#### **YOUR ROLLOVER OPTIONS**

This Appendix is provided to you because all or a portion of a payment you will receive from the Plan may be eligible for rollover to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

#### **GENERAL INFORMATION ABOUT ROLLOVERS**

##### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

##### **Where may I roll over the payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

##### **How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

### **How much may I roll over?**

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Corrective distributions of contributions that exceed tax law limitations

The Plan Administrator or the payor can tell you what portion of a payment is eligible for rollover.

### **If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations

- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a QDRO
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

**If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for QDROs does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

**Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

**SPECIAL RULES AND OPTIONS**

**If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day

rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

### **If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

### **If you roll over your payment to a Roth IRA**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not

qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

### **If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

**If you are a surviving spouse.** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

### **If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

### **Other special rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

### **FOR MORE INFORMATION**

You may wish to consult with the Plan Administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.







**SCANA Corporation Retirement Plan  
Notice of Changes  
November 1, 2013**

Providing industry leading retirement benefits to our employees is important to SCANA Corporation. However, in order to remain competitive in an increasingly challenging marketplace, after careful consideration of the costs of the SCANA Corporation Retirement Plan (Retirement Plan) and the competitiveness of our retirement benefits in comparison to other companies, SCANA is closing the Retirement Plan to new hires (and rehired employees), effective December 31, 2013.

**Who is affected by this change?**

Employees first hired by SCANA on or after January 1, 2014 will not be eligible to participate in the Retirement Plan. In addition, if you stop working at SCANA (or are not working at SCANA as of the date of this notice) and are later rehired at any point after December 31, 2013, you will not be eligible to earn any future benefit accruals under the Retirement Plan for services performed and/or compensation earned after you are rehired. However, if you earned an accrued benefit under the Retirement Plan due to your prior employment by SCANA, you will keep your rights to your prior accrued benefit.

This change will not affect you if you are actively employed and participating in the Retirement Plan at the end of 2013 as long as you remain an eligible Retirement Plan participant.

**Examples**

*Example #1:* Employee A is first hired by SCANA on January 2, 2014. Employee A is not eligible to participate in the Retirement Plan.

*Example #2:* Employee B terminates employment on November 1, 2013 and is rehired by SCANA on December 1, 2014. Employee B is not eligible to earn any future benefit accruals under the Retirement Plan for services performed and/or compensation earned after he is rehired. However, if he earned an accrued benefit under the Retirement Plan due to his prior (pre-2014) employment by SCANA, he will keep his rights to his prior accrued benefit.

*Example #3:* Employee C was employed by SCANA for 10 years through his date of termination on November 1, 2014 and participated in the Retirement Plan during his employment. Employee C is rehired on December 1, 2015. Employee C is not eligible to earn any future benefit accruals under the Retirement Plan for services performed and/or compensation earned after he is rehired. However, if he earned an accrued benefit under the Retirement Plan due to his prior period of employment by SCANA (through November 1, 2014), he will keep his rights to his prior accrued benefit.

*Example #4:* Employee D, a participant in the Retirement Plan, is actively employed with SCANA on December 31, 2013. He remains employed and eligible to participate in the Retirement Plan through December 31, 2023. Employee D will continue to earn benefit accruals under the Retirement Plan for that 10-year period.

*Example #5:* Former employee E, who terminated employment on February 1, 2012, is a deferred vested participant in the Retirement Plan on December 31, 2013. Former employee E is rehired on December 1, 2014. Employee E is not eligible to earn any future benefit accruals under the Retirement Plan for services performed and/or compensation earned after he is rehired. However, he will keep his rights to his deferred vested benefit under the Retirement Plan due to his prior period of employment by SCANA (through February 1, 2012). Employee E may commence payment of his Retirement Plan benefit when he terminates employment or retires.

*Example #6:* Former employee F, who terminated employment on June 1, 2012, commenced receiving monthly payments of his accrued benefit under the Retirement Plan on October 1, 2012. Former employee F is rehired on October 1, 2014. Employee F is not eligible to earn any future benefit accruals under the Retirement Plan for services performed and/or compensation earned after he is rehired. Employee F will continue receiving his monthly benefit payment during his period of reemployment.

If you need additional information about the changes described herein, you may contact Tami Haselden at (803) 217-9465.

#### **Additional Information**

This notice is intended to meet the requirements of Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, and Section 4980F of the Internal Revenue Code of 1986, as amended, with respect to the Retirement Plan. If there is any inconsistency between this notice and the Retirement Plan document, as applicable, the Retirement Plan document, as applicable, will govern. SCANA reserves the right to amend, modify or terminate the Retirement Plan at any time. This notice is in no way intended to constitute a contract of employment.



SCANA Corporation Health and Welfare Plan

# Retired Employee Healthcare Summary Plan Description

Amended and Restated  
Effective  
January 1, 2015

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## INTRODUCTION

SCANA Corporation provides retiree health and welfare benefits through the SCANA Corporation Retiree Welfare Benefits Plan. This summary plan description (SPD) describes the medical, pharmacy, dental and vision benefits offered through the SCANA Corporation Retiree Welfare Benefits Plan to retired SCANA Employees and their eligible dependents, as well as coverage available through COBRA continuation. The benefits described herein are referred to collectively in this summary plan description as the “Plan” or “benefits”.

Throughout this document, please note that “You” refers to you, a retired person, and/or, where applicable, your eligible dependent(s) – any covered person for whom a claim might be filed. SCANA refers to SCANA Corporation and its participating affiliates.

Certain benefits described in this SPD are provided under insurance contracts entered into between SCANA Corporation and insurers, while others are self-insured by SCANA Corporation and paid from the assets of the SCANA Corporation Retiree Welfare Benefits Trust. Nothing in this SPD creates or is intended to create a contract between you or your eligible dependents and SCANA or the Plan Administrator.

The operation of this summary plan description is governed by the Official Plan document for the SCANA Corporation Retiree Welfare Benefits Plan. If there is any inconsistency between the Official Plan document and any oral representation or any other written communication (such as this SPD), the Official Plan document will always govern. However, to the extent a benefit described in this SPD is provided under an insurance contract, the terms of the insurance contract will govern in the event there is an inconsistency between the Official Plan document or this SPD and the insurance contract unless the term or provision of the insurance contract violates applicable law.

### Reservation of Rights

Although SCANA currently intends to continue the Plan indefinitely, SCANA reserves the right to modify, amend, or terminate any and all provisions of the Plan, including the medical benefits portion of the Plan, at any time. No employee has any vested right to any benefit or coverage under the Plan.

## RETIRED EMPLOYEE ELIGIBILITY

### Retired Employee Eligibility

If you satisfy one of the following criteria, you are eligible to participate in SCANA's retiree medical, pharmacy, vision and dental benefits as explained below. If you were hired on or after January 1, 2011 and later become eligible for benefits under this Plan, you will be responsible for the full cost of coverage elected under this Plan.

#### A. Retired Employees

At the time of your separation from employment with SCANA, if you are at least age fifty-five (55) and have at least twenty (20) years of full-time service with SCANA, you will be eligible to elect retiree medical, pharmacy and vision coverage under the plan.

Years of service with SCANA are tracked based on the number of full months and years from your date of hire until your date of separation from employment during which you are scheduled to work 32 or more hours per week.

Any non-continuous years of service will be treated as follows: (1) if you terminate employment before having at least five years of service and incur at least a five-year break from service, you will not be credited with any pre-break years of service; (2) if you terminate employment before having at least five years of service and incur less than a five-year break in service, you will be credited with pre-break years of service; and (3) if you terminate employment after having five or more years of service, you will be credited with any pre-break years of service regardless of the length of the interruption of service. If your separation from SCANA involves gross misconduct, SCANA reserves the right to determine that you are ineligible for retiree medical, pharmacy, and vision benefits.

You are eligible to elect retiree dental coverage if you are over age 65 and retired from SCANA before January 1, 1994.

- An employee who retires from SCANA can DEFER enrollment in SCANA's Retired Employee Health benefits one time and remain in deferred status as long as they choose.
- Once enrolled in one of SCANA's Retired Employee Health Benefits, if the retiree chooses to WAIVE coverage, eligibility for future benefits ends.
- Failure to pay applicable premiums constitutes WAIVING coverage and eligibility for future benefits ends.

#### B. Grandfathered Participants

Any participants covered under the Plan as of December 31, 2006 will remain eligible for coverage under the Plan.

#### C. Excluded Individuals

Eligible Retiree does not include any individual who does not satisfy the criteria as a retired employee or grandfathered participant described above.

Effective January 1, 2016, an Eligible Retiree also does not include:

1. Any individual who is a current full-time employee of SCANA; and
2. Any individual who is a participant in SCANA's medical benefit plan for active employees (including, but not limited to, an individual participating in SCANA's active employee medical benefit plan pursuant to COBRA).

## **DEPENDENT ELIGIBILITY**

### **A. Eligible Dependents**

Generally, if you are covered by the Plan, your eligible dependents can also be covered. If both you and your spouse are eligible for retiree benefits, either of you, but not both, may cover your children who are eligible dependents. No one may be considered a Dependent of more than one Participant. You are required to provide evidence of your Dependent's eligibility for coverage.

Your eligible dependent is any individual who, at the time of your retirement, is:

1. Your lawful spouse as determined under the laws of the state in which you were married.
2. Your son or daughter under the age of 26 (or age 23 for dental coverage.)
3. An individual who is 26 years of age or older, is primarily supported by you, and is incapable of self-sustaining employment because of a mental or physical disability. You should provide proof of the child's condition and dependence to the Plan within 31 days after the 26th birthday. The Plan may periodically ask for proof of continuation of the condition and dependence.
4. The biological or legally adopted child of your spouse at the time of your retirement, if your spouse has physical and legal custody of the child by a decreed court order and your spouse is also a Dependent covered under the same benefit coverage requested for the child.
5. A child for whom you have legal guardianship or is part of a Qualified Medical Child Support Order.

### **B. Eligibility for Coverage of Adopted Children**

You must be legally obligated to support any adopted child, prior to your retirement, for the adopted child to be eligible for coverage under a retiree plan.

If a child placed for adoption is not adopted, all health coverage ceases when the placement ends, and will not be continued.

### **C. Dependents of a Deceased Retiree**

If you die while covered by SCANA retiree medical benefits, only your Eligible Dependents covered at the time of your death may continue these benefits as long as they remain eligible and pay the appropriate premiums. However, if you retired before January 1, 1994, your surviving spouse will not be eligible for retiree dental coverage.

### **D. Dependents of Active, Full-Time Employee**

If you die as an active, full-time employee, your Dependents who, at that time, are participants in the active employee medical benefits sponsored by SCANA may become eligible for retiree medical, pharmacy and vision benefits if you were eligible for retiree health and welfare benefits under this Plan at the time of your death.

The SCANA Benefits team will provide information to your eligible Dependents of any coverage options under this Plan, if applicable.

### **E. Excluded Dependents**

#### **Eligible Dependents DO NOT include:**

1. A dependent who is on active duty with the armed forces of any country;
2. A dependent who is eligible to be covered as an employee under another employer's group medical insurance plan and elects not to be covered under such plan; and
3. A dependent who is a participant in SCANA's active employee medical benefits plan (including, but not limited to, an individual participating in SCANA's active employee medical benefit plan pursuant to the COBRA).

### **F. Eligibility for Coverage under a Qualified Medical Child Support Order:**

If a qualified medical child support order is issued for your child and you are an eligible employee, that child will be eligible for coverage as required by the order. You must notify SCANA and elect coverage for that child and yourself, if you are not already enrolled, within 31 days of a valid order being issued.

**A Qualified Medical Child Support Order** is a judgment, decree or order (including approval of a settlement agreement), or administrative notice, which is issued pursuant to a state domestic relations law (including a community property law), or to an administrative process, which provides for child support or provides for health benefit coverage to such child and relates to benefits under the group health plan and satisfies all of the following: (A copy of the Qualified Medical Child Support Order procedures may be obtained by contacting the Benefits Care Line at 803-217-4444.)

- The order recognizes or creates a child's right to receive group health benefits for which a participant or beneficiary is eligible;
- The order specifies your name and last known address, and the child's name and last known address, except that the name and address of an official of a state or political subdivision may be substituted for the child's mailing address;
- The order provides a description of the coverage to be provided, or the manner in which the type of coverage is to be determined;
- The order states the period to which it applies; and
- If the order is a National Medical Support Notice completed in accordance with the Child Support Performance and Incentive Act of 1998, such Notice meets the requirements above.
- The qualified medical child support order may not require the health insurance Plan to provide coverage for any type or form of benefit or option not otherwise provided under the Plan.

A copy of the Plan's Qualified Medical Child Support Order procedures may be obtained by contacting the Benefits Care Line at 803-217-4444

## **ENROLLING FOR COVERAGE**

### **When Coverage Begins**

When you are offered benefits for the first time under this Plan, you can choose not to enroll; thereby **deferring** enrollment. You can remain in a deferred status indefinitely. Every year during open enrollment, you will receive enrollment information, at which time you can enroll in the plan or continue to DEFER enrollment.

Once you enroll in the plan, you can re-enroll every year. If, however, you choose to WAIVE coverage, you and your dependents will permanently lose eligibility for Retiree Healthcare benefits. If you waive coverage you will no longer be sent enrollment information. If you are rehired by SCANA after you retire from the company and work more than 130 hours per month, you will lose eligibility under this Plan and be eligible for Active Healthcare benefits during your time of re-employment. However, your loss of retiree coverage will not be considered a waiver of coverage.

If you have NOT waived coverage, your coverage under the Plan will begin as follows:

- On the first day of the month after you enroll in a retiree healthcare option, otherwise on the date you first become eligible for coverage, provided you enroll in the Plan within 31 days of first becoming eligible and you pay the required cost of coverage; or
- If you do not enroll within 31 days of first becoming eligible, you will be automatically placed in a "deferred status". You will not be able to change your coverage until the next annual open enrollment unless you have a family status change or special enrollment event after 31 days of first becoming eligible. Your coverage will become effective on the date you first became eligible for coverage, or if during open enrollment, your coverage will become effective January 1; or
- On the date of your family status change or special enrollment event, provided you notify the SCANA Benefits team and enroll in the Plan within 31 days (60 days in the event of a Medicaid or Children's Health Insurance Program (CHIP) special enrollment) of the family status change or special enrollment event and pay the required cost of coverage; or
- If you currently participate in the Plan and do not enroll during the annual open enrollment period, you will be automatically enrolled in your previous year's coverage, provided it is still available. If your previous year's coverage option is not available, the Plan Administrator will determine the option you will be automatically enrolled in and provide notice to you. You will not be able to change your coverage until the next open enrollment unless you have a family status change or special enrollment.

Coverage for dependents under the Plan will begin as follows:

- On the date your coverage with the Plan begins if you enroll the dependent at that time and provide proof of dependent status; or

If you do not enroll your dependent and provide proof of dependent status within 31 days of when you first become eligible, you cannot enroll your



dependent until the next annual open enrollment unless you have a family status change or special enrollment event after 31 days of you first becoming eligible. The dependent coverage will become effective January 1 following his or her enrollment during the annual open enrollment period; or

- On the date you experience a family status change or special enrollment event that is consistent with your request to add your dependent, provided you notify the SCANA Benefits team, provide proof of dependent status and enroll your dependent in the Plan within 31 days (60 days in the event of a Medicaid or CHIP special enrollment) of the family status change or special enrollment event and pay the required cost of coverage; or
- On the later of the date specified in a qualified medical child support order (QMCSO), or the date the Plan administrator determines that the order is a QMCSO.

### **Changing Coverage**

You may enroll yourself and your eligible dependents only when you first become eligible to participate in the Plan or during the annual open enrollment period and you cannot make changes during the Plan year. However, you can enroll in the Plan or make changes to your election if you have not previously waived coverage and experience certain qualifying change in status events, including a family status change or special enrollment event. If you are enrolled in the Plan, you will only be able to make changes to lower the tier of coverage (ex: move from family to retiree only coverage) which corresponds to your qualifying change in status event. You will not be allowed to increase your coverage level (ex: move from retiree only to family coverage) unless the increase in coverage level is being made by you in order to cover your dependent who has lost other employer-sponsored health coverage, and such individual was your dependent at the time of your retirement from SCANA. You also will not be allowed to change benefit Plan options unless your qualifying change in status event results in the loss of primary coverage for you. The permitted events upon which a change may be made are described below:

**Family Status Changes.** A change in coverage is allowed due to the following family status changes: a) change in your legal marital status due to death of a spouse, divorce, annulment or legal separation; b) death of a dependent; c) changes in employment status of you or your dependent at the time of your retirement resulting in eligibility or ineligibility for coverage; d) change in residence for you or your dependents where such change affects eligibility for coverage under the Plan; e) changes which cause a dependent to become eligible or ineligible for coverage; and f) termination of adoption proceedings.

Changes in coverage must pertain directly to the change in status and you must notify your SCANA Benefits team of your election to change coverage or enroll, and provide proof of the change in status event within 31 days of your change in status. Following timely notification and timely submission of election, your election would be effective as of the date of the change in status.

**Special Enrollment Rights.** If you and/or your dependents are entitled to special enrollment rights under the Plan, you may change your election to correspond with the special enrollment right. If you are eligible but deferred enrollment for coverage under the Plan, you or your dependent may enroll for coverage under the terms of the Plan if either of the following conditions are met: (a) you or your dependent is covered under a Medicaid plan or a state child health plan under the Children's Health Insurance Program ("CHIP") and coverage under the Medicaid or CHIP plan is terminated as a result of a loss of eligibility for such coverage, and you request coverage under this Plan no later than 60 days after termination of the Medicaid or CHIP coverage, or (b) you or your dependent become eligible for a premium assistance program (that could be used toward the Plan costs) under a Medicaid or state child health plan under CHIP and you request coverage under this Plan no later than 60 days after the date you or your dependent is determined to be eligible for the premium assistance.

**Certain Judgments and Orders.** If a judgment, decree, or order from a divorce, separation, annulment, or custody change requires you to cover your child under this Plan, you may change your election to provide coverage for the child. If the order requires that your former spouse cover the child under his or her plan, you may change your election to revoke coverage for the child. However, coverage for your spouse under this Plan is not allowed based on a judgment, decree, or order from a divorce, separation or annulment. Notwithstanding any judgment, decree, or order described above, changes to your election to cover an individual who was not your dependent at the time of your retirement from SCANA, or provide coverage after coverage has been waived are not allowed.

**Entitlement to Medicare or Medicaid.** If you or your dependent becomes entitled to Medicare or Medicaid, you may cancel that person's health coverage. Such a cancellation of coverage will be treated as a waiver of coverage under the Plan.

**Significant Changes in Cost or Coverage.** If there are significant increases in premiums or significant reductions of coverage, you may revoke your prior elections under this Plan and elect coverage under another Plan option with similar coverage, provided that you notify the SCANA Benefits team within 31 days of receiving written notice of the change.

**Changes in Coverage Attributable to Spouse's Employment.** If there is a significant change in your or your spouse's health coverage which is attributable to your spouse's employment, you may change your election under the Plan, provided that the change is on account of and consistent with the change in coverage, as determined by the Plan Administrator (in its sole discretion).

**Minor Mid-Year Premium Increase.** The amount of your premium payments under the Plan will be automatically increased to reflect any minor mid-year premium increases.

**Prevention of Discrimination.** To prevent the Plan from becoming discriminatory under the Internal Revenue Code, the Plan Administrator may modify your election(s) downward during the Plan year if you are a highly compensated individual.

## OVERVIEW OF YOUR HEALTH CARE OPTIONS

This Plan includes health care options designed to help protect you and your family from financial loss due to health care problems. Your benefits also encourage cost-conscious health care choices and emphasize preventive care and healthy lifestyles. Below is an overview of each benefit and the options available:

### If you are under age 65

- **Retiree Share plan:** After you meet your annual deductible, you will pay 20% of the allowable cost of medical services from in-network providers, until you reach your annual out-of-pocket maximum. Prescription drug benefit and vision benefit coinsurance or maximums do not count toward the Share Plan deductible, coinsurance or maximums. This is a self-insured plan option, administered by BlueCross BlueShield of South Carolina. See pages 10-39.
- **Health Reimbursement Account (HRA):** An annual allowance that can be used to pay your premiums for non-SCANA third-party retiree medical plans, co-pays, deductibles, coinsurance and other eligible expenses. You will not be able to enroll in the Share plan option. See pages 40-43.

### If you are age 65 or older

- **NEBCO Enhanced:** Medical and prescription drug coverage that coordinates with Medicare and helps pay some of the health care costs not covered by Medicare. You must be enrolled in Medicare Parts A and B. This is an insured benefit with coverage provided by Transamerica (medical coverage) and Sterling Life Insurance Company (prescription drug coverage). See pages 44-48.
- **Health Reimbursement Account (HRA):** An annual allowance that can be used to pay your premiums for non-SCANA third-party medical plans, co-pays, deductibles, coinsurance and other eligible expenses. OneExchange administers the HRA. See pages 40-43.

### Prescription Drug Benefits

Prescription drug benefits are automatic when you enroll in the Retiree Share plan or the NEBCO Enhanced plan. Retiree Share plan participants can use prescription benefits at the SCANA Pharmacy, retail pharmacies, Caremark Mail Order Pharmacy and Accredo Specialty Pharmacy. NEBCO participants can use any network pharmacy or Walgreens Mail Order pharmacy.

### Vision Benefits

Vision benefits are also automatic when you enroll in the Retiree Share Plan. The vision benefit is administered by EyeMed Vision Care, which provides a nationwide network of providers. The vision benefit provides a free annual comprehensive eye exam and an allowance amount for most other services, lenses, contacts and frames through an in-network provider. Services through an out-of-network provider are generally reimbursed up to a fixed amount.

### Dental Benefits

Dental Benefits are only available for retirees age 65 or older who retired from SCANA prior to January 1, 1994. These expenses do not integrate with or apply to medical benefits. The plan is fully insured and administered by Companion Life.

### Tiers of Coverage

You may elect the appropriate coverage for your family needs:

- Retiree Only
- Retiree & Spouse
- Retiree & Children
- Family

### Premiums

You and SCANA will share the cost of your coverage. You will be notified of the cost of your coverage at least annually. SCANA reserves the right to change the amount you pay for coverage each year. SCANA also reserves the right to charge appropriate surcharges and fees, in addition to your premium, for administering the plan.

If you do not provide your premium when it is due, you will receive an arrears notice after 30 days. After 60 days you will receive another arrears notice and your coverage will be suspended. After 90 days, your coverage will be terminated retroactively to the date your premium payment was first due. Failure to pay applicable premiums that results in a cancellation of coverage constitutes waiving of coverage and eligibility for future benefits ends.

### **Split Options (Only for retirees who retired after December 31, 1993)**

If you elect NEBCO Enhanced, you and your eligible dependents may be able to split benefit options. Your eligible dependents under age 65 may be enrolled in the Retiree Share Plan option based on your dependent's age. Your spouse and dependent children must elect the same benefit option. No other split options are available. The cost of coverage for your eligible dependents will be at the retiree only (if only your spouse is covered) or retiree plus children rate.

### **Spousal Surcharge**

If your spouse has active or retiree medical coverage available to him/her through his/her place of employment, a Spousal Surcharge will be required in addition to your normal premium if you elect to cover your spouse through SCANA's plan but your spouse declines coverage from his or her place of employment. Please contact the SCANA Benefits Team for more information if this may apply to you. **Providing false or misleading information related to this provision may result in loss of coverage under this Plan for you and your dependents retroactive to the date you provided the false or misleading information. You may also be required to repay any amounts paid by the Plan for you and your dependent(s) since you provided the false or misleading information, or if greater, the company and retiree share of the premium.**

## **RETIREE SHARE PLAN**

### **BENEFIT RESOURCES**

#### **Online Resources**

The BlueCross website at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com) provides:

- A **Provider Directory** updated nightly;
- A list of **Network Pharmacies** through Caremark;
- **My Health Toolkit**® where you can view the status of claims, how much has been applied toward your deductible and out-of-pocket expenses, authorization statuses, eligibility requirements, and order ID cards;
- You can use the **Ask Customer Service** feature to get a response from a BlueCross representative.

#### **Telephone Resources**

BlueCross BlueShield of SC Customer Service .....	877-705-5428
PPO Network Providers .....	800-810-2583
Precertification – Inpatient, Outpatient, Durable Medical Equipment .....	800-334-7287
Precertification – Outpatient MRIs, MRAs, CAT or PET Scans.....	866-500-7664
Mental Health, Substance Abuse, and EAP .....	800-790-5770
Health Management Programs .....	855-838-5897
EyeMed.....	866-723-0513
Caremark Mail Order Pharmacy.....	888-963-7290
Accredo Specialty Pharmacy .....	877-512-5981
SCANA Pharmacy .....	803-217-9173
SCANA Benefits Department and BlueCross Onsite Representatives .....	803-217-4444

## Provider Access

You have access to in-network or out-of-network providers.

When using the “in-network” benefits:

- Your care is coordinated by your in-network physician or specialist (You do not need a referral to see a specialist. You may select a participating network specialist and receive in-network benefits);
- The Plan pays a more substantial portion of the cost for routine office visits, inpatient or outpatient surgery, and hospital expenses after the annual deductible has been met.
- There are no claim forms to file;
- If you need to be hospitalized, your in-network physician will handle the authorization request for your hospital stay;
- Preventive care is covered at 100% as defined by the United States Preventive Services Task Force (USPSTF), such as physical exams, routine mammograms, well-baby checkups, and immunizations.

If you or your dependents need medical care while away from home, you also have access to a national network of in-network providers through the BlueCross BlueShield BlueCard program. There are two easy ways to identify in-network providers. The directory of providers is located on the internet at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com). You can also call the number on the back of your member ID card: 1-800-810-2583.

## Unable to Locate an In-Network Provider

If there are no in-network providers within a 50-mile radius of your home, you can call the number on the back of your ID card to obtain authorization to use a particular out-of-network provider at the in-network level of benefits. The plan will pay 80% and you will pay 20% of billed charges, after you meet the in-network benefit year deductible. Billed charges will likely exceed the negotiated allowable charges from in-network providers.

The service(s) received may also require prior authorization. The out-of-network provider has no obligation to pre-authorize services you may receive. It is your responsibility to obtain authorization from BlueCross BlueShield for any services that require prior authorization.

## MANAGING YOUR CARE

**Prior Authorization.** The term prior authorization means the approval that an in-network provider must receive from a review organization with which BlueCross has contracted prior to services being rendered, in order for certain services and benefits to be covered under this Plan. Services that require prior authorization include, but are not limited to:

- Inpatient hospital services
- Inpatient services at any other participating health care facility
- Outpatient facility services
- Advanced radiological imaging
- Transplant services
- Hospice service
- Durable medical equipment for purchases over \$1,000
- Inpatient rehabilitation and habilitation services
- Inpatient and outpatient mental health services and substance abuse services (MHSA).

**Inpatient Certification Requirements for Hospital Confinement.** The certification process is designed to help ensure that recommended services are medically necessary before they are given. BlueCross has contracted with a review organization, staffed by registered nurses, licensed mental health and substance abuse professionals, and other trained staff members. The review organization performs the certification process in conjunction with consultant physicians.

The certification process occurs at two different points to support your care:

- Preadmission certification (PAC)
- Continued stay review (CSR)

These two reviews refer to the processes used to certify the medical necessity and length of a hospital stay when you require treatment in a hospital:

- As a registered bed patient;
- For a partial hospitalization for the treatment of mental health or substance abuse;
- For the treatment of substance abuse in a substance abuse intensive outpatient therapy program; and
- For mental health or substance abuse residential treatment services.

### **Inpatient Certification**

Your physician (in-network only) is responsible for obtaining prior certification before any non-emergency admission to a hospital. Failure to do so will result in denial of room and board. If you need to stay in the hospital longer than originally certified, your physician should request a continued stay review.

If you use an out-of-network provider, you are responsible for making sure the prior certification is done. If you fail to obtain prior certification, you will incur a penalty of \$500 that does not contribute to your deductible or out-of-pocket maximum.

In any case, those expenses incurred for which payment is excluded by the terms set forth above will not be considered as expenses incurred for the purpose of any other part of this Plan, except for the “Coordination of Benefits” section.

**Emergency Admissions.** In the case of an emergency admission, contact the review organization within 24 hours after the admission.

**Outpatient Certification Requirements.** Outpatient certification refers to the process used to certify the medical necessity of outpatient diagnostic testing and some outpatient procedures, including, but not limited to, advanced radiological imaging (CAT scans, MRI, MRA or PET scans) sclerotherapy, septoplasty, any potentially cosmetic procedure, and hysterectomies performed in an outpatient, free-standing surgical facility, other health care facility or a physician’s office. Outpatient certification is performed through a utilization review program by a review organization with which BlueCross has contracted. Outpatient certification should only be requested for non-emergency procedures or services, and should be requested by your physician (in-network provider only) prior to having the procedure performed or the service rendered.

Your physician should call the toll-free number on the back of your ID card to determine if outpatient certification is required prior to any outpatient diagnostic testing or procedures.

If you use an out-of-network provider, you are responsible for making sure you have the appropriate certifications. If you fail to obtain certification for outpatient treatment, no benefits are paid, unless it’s medically necessary. You will incur a penalty of \$500 that does not contribute to your deductible or out-of-pocket maximum.

In any case, those expenses incurred for which payment is excluded by the terms set forth above will not be considered as expenses incurred for the purpose of any other part of this Plan, except for the “Coordination of Benefits” section.

**Case Management.** Case management is a service provided through the review organization, which assists you when treatment becomes extraordinarily complex, costly or difficult to manage. This is most often beyond short-term hospital care. The goal of case management is to ensure that you receive appropriate care in the most effective setting possible whether at home, as an outpatient, or an inpatient in a hospital or specialized facility.

If you need case management, a professional will work closely with you and your physician to determine appropriate treatment options which will best meet your needs and help to keep costs manageable. The case manager will help coordinate the treatment program and arrange for necessary resources. Case managers are also available to answer questions and provide ongoing support for your family in times of medical crisis.

You, your dependent or an attending physician can request case management services by calling the toll-free care line number shown on the back of your ID card during normal business hours, Monday through Friday.

**Coverage for Maternity Hospital Stay.** Group health plans and health insurance issuers generally may not, under a federal law known as the “Newborns’ and Mothers’ Health Protection Act,” restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section, or require that a provider obtain authorization from the Plan or insurance issuer for prescribing a length of stay not in excess of the above periods. The law generally does not stop an attending provider of the mother or newborn, in consultation with the mother, from discharging the mother or newborn earlier than 48 or 96 hours, as applicable. Please review the rest of this SPD for further details on the specific coverage available to you.

**Women’s Health and Cancer Rights Act (WHCRA).** The Plan, as required by the Women’s Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services, including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema. Call member services at the toll-free number listed on your ID card for more information.

## MEDICAL HEALTH CARE OPTIONS – SCHEDULE OF BENEFITS

The benefits schedules that follow are brief outlines describing the benefits which may be payable under the Retiree Share Plan option offered under the Plan. For further detail on covered expenses, limitations and exclusions, refer to the appropriate sections of this summary plan description or contact BlueCross at 1-877-705-5428.

The medical benefit options provide coverage for care in-network and out-of-network. To receive medical benefits, you and your dependents may be required to pay a portion of the covered expenses for services and supplies. That portion is the deductible or coinsurance.

### Deductibles

The amount you pay toward medical expenses each year before the plan starts paying benefits. Once the deductible maximum in the Schedule of Benefits has been reached, you and your family need not satisfy any further medical deductible for the rest of that year.

### Coinsurance

The term coinsurance means the percentage of charges for covered expenses that you or your dependent is required to pay under the Plan, after you meet the deductible.

### Out-of-Pocket Expenses

Out-of-pocket expenses are covered expenses incurred for in-network and out-of-network charges that are not paid by the benefit Plan because of any deductible and coinsurance.

When the out-of-pocket maximum shown in the Schedule of Benefits is reached, benefits are payable at 100% except for non-compliance penalties and provider charges in excess of the allowable charge.

### Accumulation of Plan Deductibles and Out-of-Pocket Maximums

Expenses incurred for either in-network provider or out-of-network provider charges will be used to satisfy both the in-network provider deductibles and out-of-pocket maximums and the out-of-network provider deductibles and out-of-pocket maximums simultaneously, until the in-network provider deductibles and out-of-pocket maximums have been satisfied. However, only expenses incurred for out-of-network provider charges will be used to satisfy the remainder of the out-of-network provider deductibles and out-of-pocket maximums. All other plan maximums and service-specific maximums (dollar and occurrence) cross-accumulate between in- and out-of-network, unless otherwise noted.

### Calendar Year

Your benefit maximums and limits accumulate on a calendar year basis.

## RETIREE SHARE SCHEDULE OF BENEFITS

Benefit Provision	In-Network	Out-of-Network
Deductible Individual/Family	\$1,500 \$3,000	\$3,000 \$6,000
Office Visits – <i>all types</i> Outpatient Care Inpatient Care	20% <i>After deductible</i>	40% <i>After deductible</i>
Emergency/ Urgent care/ Ambulance	20% <i>After deductible</i>	
Annual Out-of-Pocket Maximum <i>deductible &amp; coinsurance</i>	\$3,000 Single \$6,000 Family	\$6,000 Single \$12,000 Family

- Allowable charges are paid at 100% after the out-of-pocket maximum is met.
- Covered expenses that are applied to the out-of-pocket maximum shall contribute to both the in-network and out-of-network provider out-of-pocket maximums.
- If the claim pays secondary, coinsurance and benefit year deductible amounts will accumulate toward the out-of-pocket maximum.

For all services listed below, received from **in-network providers**, SCANA pays 80% of the allowable charge after the benefit year deductible. **You pay the remaining 20%** of the allowable charge after meeting your benefit year deductible. For all services listed below, received from **out-of-network providers**, SCANA **pays 60%** of the allowable charge after the benefit year deductible. You pay the remaining 40% of the allowable charge after meeting your benefit year deductible. You must pay the balance of the provider's charges.

## SCHEDULE OF BENEFITS (continued)

Hospital charges for room and board related to admissions	Preauthorization is required for hospital admission
All other benefits in a hospital during an admission (including for example, facility charges related to the administration of anesthesia, obstetrical services <sup>1</sup> including labor and delivery rooms, drugs, medicine, lab and X-ray services)	
Inpatient physical rehabilitation services	Preauthorization is required
Skilled nursing, rehabilitation and sub-acute facility admissions	Preauthorization is required, limited to combined 120 days per participant per benefits year; No prior hospitalization required
Hospital and ambulatory surgical center charges for benefits provided on an outpatient basis, including: lab, X-ray and other diagnostic services	Preauthorization is required for outpatient surgery
Surgical services, when rendered in a physician's office	
Physician services in a hospital	
Physician services for treatment in a hospital outpatient department or ambulatory surgical center	
Services in the physician's office including contraceptives, contraceptive devices and family planning	Physician services in the participant's home
Second surgical opinion	
All other physician services	
Durable medical equipment, prosthetics and orthopedic devices	Preauthorization is required if purchase or rental of durable medical equipment is \$1,000 or more
Medical supplies	
Maternity Care	Employee or spouse only; no dependents <sup>1</sup>
Advanced radiological imaging ( <i>at all places of service</i> ) MRI, MRA, CAT scans, PET scans,	Preauthorization is required
Radiation therapy, cancer chemotherapy, respiratory therapy	Preauthorization is required
Urgent care when not filed as emergency care	
Emergency room and urgent care filed as an emergency treated as in-network regardless of the provider status	
Hospice care, limited to 6 months per episode, including bereavement counseling	Preauthorization is required
Short term habilitation or rehabilitative therapy including cardiac rehabilitation, physical therapy, speech therapy, occupational therapy, pulmonary rehabilitation and cognitive therapy	Limited to 60 visits combined per participant per benefit year; see "outpatient rehabilitation" in the covered expenses section
Home health care	Preauthorization is required; unlimited visits, 16 hours per day maximum
Allergy injections	
Chiropractic devices, including modalities and office visits	Limited to 12 visits per participant per benefit year
Oral Surgery including removal of impacted teeth	Preauthorization required only if performed in an outpatient surgery center, not physician's office. In and out-of-network benefits apply
Temporomandibular Joint Disorder (TMJ) including treatment, excluding appliances and orthodontic treatment	Preauthorization is required for surgical and non-surgical and subject to medical necessity
Orthognathic surgery	Preauthorization is required
Treatment of morbid obesity including surgical procedures and bariatric surgery office visits <sup>2</sup>	See "Bariatric Exclusions" in the exclusions section of the Plan, page 26
Routine foot care/podiatry <sup>3</sup>	
Inpatient hospital charges for mental health services and substance abuse services	Preauthorization is required



Outpatient hospital or clinic charges for mental health services and substance abuse services	Preauthorization is required
Inpatient physician charges for mental health services and substance abuse services	Preauthorization is required
Outpatient physician charges for mental health services and substance abuse services	Preauthorization is required
Residential treatment center and services	Preauthorization is required
Office physician charges for mental health services and substance abuse services	Preauthorization is required

<sup>1</sup> No maternity or obstetrical services or supplies are covered for a participant who is a dependent child, except for life-threatening pregnancy complications to either the mother or fetus. BlueCross provides medical review to determine what constitutes a “life threatening” complication. An elective abortion is not considered to be a complication of pregnancy.

<sup>2</sup> Treatment of clinically severe obesity as defined by body mass index (BMI) is covered only at approved Blue Distinction Centers through the precertification process.

<sup>3</sup> Only covered in the case of diabetes or peripheral vascular disease, when medically necessary.

**Important notes about preauthorization:**

- In-network providers are required to precertify all hospital admissions, outpatient surgical procedures, some radiological imaging, and durable medical equipment (DME) that exceeds \$1,000. In-network providers incur a penalty for non-emergency services that are not precertified.
- If you use an out-of-network provider, precertification is your responsibility, and you are responsible for paying the penalty if you fail to precertify.

*For more information about precertification /preauthorization, see pages 8-9.*

**HUMAN ORGAN AND TISSUE TRANSPLANT SERVICES  
(EXCLUDING DRUGS)**

<b>Blue Distinction Center of Excellence</b>	Transplants performed by a Blue Distinction Center of Excellence are covered at 100% after the benefit year deductible is met.	
<b>In-Network Provider</b>	SCANA pays 80% of the allowable charge after the benefit year deductible You pay the remaining 20% of the allowable charge after meeting the benefit year deductible	
<b>Out-of-Network Provider</b>	SCANA pays 60% of the allowable charge after the benefit year deductible, up to the per transplant lifetime maximum below:	
	Bone Marrow	\$130,000
	Heart	\$150,000
	Heart/Lung	\$185,000
	Lung	\$185,000
	Liver	\$230,000
	Pancreas	\$ 50,000
	Pancreas/Kidney	\$ 80,000
	Kidney	\$ 80,000



## PREVENTIVE BENEFITS

The services below are covered at 100% when received from an in-network provider.

The benefit year deductible and applicable coinsurance does apply when services are received from out-of-network providers.

### Preventive Benefits:

- Routine annual benefits rely on the United States Preventive Services Task Force guidelines for age limits. They include: immunizations, routine screening mammogram, PSA, Pap smear, colonoscopies and associated wellness exam.
- Specific laboratory tests and X-rays are covered at 100% if billed by physician's office or by any separate provider or facility in conjunction with a wellness exam.
- A diagnosis indicating family history will allow preventive screenings to be paid at 100%, regardless of age.

### Contraceptives and Contraceptive Devices:

- Contraceptives: generic oral contraceptives, generic injections, Mirena IUD, Nexplanon implant, Ortho Evra Patch, Nuvaring, Ortho Flex, Ortho Coil, Ortho Flat, Wide-seal, Omniflex, Prentif and Femcap-vaginal - covered under the medical or pharmacy benefits at no cost to the member.
- All non-generic contraceptives are paid at the preferred brand and non-preferred brand drug payment levels, unless a generic contraceptive is unavailable.

### Preventive Generic Medication – SCANA Pharmacy Only

- A defined list of generic medications are available at no cost to the employee through the SCANA Pharmacy. The list includes medications for the treatment of high blood pressure, high cholesterol, heart disease, diabetes, asthma, COPD, osteoporosis and prenatal vitamins. A complete list can be obtained by calling the SCANA Pharmacy at 803-217-9173

## COVERED EXPENSES

Expenses incurred for services listed below are considered covered expenses if the services or supplies provided are recommended by a physician and are medically necessary for the care and treatment of an injury or a sickness, as determined by BlueCross. Any applicable deductibles or limits are shown in the Schedule of Benefits.

### ALLERGY INJECTIONS

The Plan will pay covered expenses for allergy injections as set forth below:

1. For patients with demonstrated hypersensitivity that cannot be managed by medications or avoidance; and,
2. To ensure the potency and efficacy of the antigens, the provision of multiple dose vials is restricted to sufficient antigen for the lesser of a twelve (12) week or twenty-four (24) week dose; and,
3. When any of the following conditions are met:
  - a. The patient has symptoms of allergic rhinitis and/or asthma after natural exposure to the allergen; or,
  - b. The patient has a life-threatening allergy to insect stings or food; or,
  - c. The patient has a skin test and/or serologic evidence of a potent extract of the antigen; or,
  - d. Avoidance or pharmacological (drug) therapy cannot control allergic symptoms.

### AMBULANCE

The Plan will pay covered expenses for ambulance transportation (including air ambulance when necessary) when used:

1. Locally to or from a hospital providing medically necessary services in connection with an accidental injury or as the result of an emergency medical condition; and,
2. To or from a hospital in connection with an admission.

### BARIATRIC SURGERY OFFICE VISIT

The Plan will pay covered expenses for bariatric surgery office visit as set forth on the Schedule of Benefits.

## **CHIROPRACTIC SERVICES**

The Plan will pay covered expenses for services and medical supplies required in connection with the detection and correction, by manual or mechanical means, of structural imbalance, distortion, or subluxation in the human body, for purposes of removing nerve interference and the effects of such nerve interference where such interference is the result of or related to distortion, misalignment or subluxation of or in the vertebral column.

## **CLEFT LIP OR PALATE**

The Plan will pay covered expenses for the care and treatment of a congenital cleft lip or palate, or both, and any physical condition or illness that is related to or developed as a result of a cleft lip or palate.

Benefits shall include, but not be limited to:

1. Oral and facial surgical services, surgical management and follow-up care; and
2. Prosthetic device treatment such as obturators, speech appliances and feeding appliances; and
3. Orthodontic treatment and management; and
4. Prosthodontia treatment and management; and
5. Otolaryngology treatment and management; and
6. Audiological assessment, treatment, and management, including surgically implanted amplification devices; and
7. Physical therapy assessment and treatment.

Benefits for a cleft lip or palate must be preauthorized. If a participant with a cleft lip or palate is covered by a dental policy, then teeth capping, prosthodontics, and orthodontics shall be covered by the dental policy to the limit of coverage provided under such dental policy prior to coverage under this Plan. Covered expenses for any excess medical expenses after coverage under any dental policy is exhausted shall be provided as for any other condition or illness under the terms and conditions of this Plan.

## **CLINICAL TRIALS**

The Plan will pay for routine member costs for items and services related to approved clinical trials when:

1. The member has cancer or other life-threatening disease or condition as determined by BlueCross; and
2. The referring provider is a participating provider that has concluded that the member's participation in such trial would be appropriate, or the member provides medical and scientific information establishing that the member's participation in such trial would be appropriate; and
3. The services are furnished in connection with an approved clinical trial.

An approved clinical trial is one that is a Phase I, Phase II, Phase III, or Phase IV clinical trial that is conducted in relation to the prevention, detection or treatment of cancer or other life-threatening disease or condition approved or funded through the National Institutes of Health (NIH), the Centers for Disease Control and Prevention (CDC), the Agency for Health Care Research and Quality (AHRQ), the Centers for Medicare & Medicaid services (CMS), the Department of Defense (DOD), the Department of Veterans Affairs (VA), a qualified non- governmental research entity identified in the guidelines issued by the NIH or is conducted under an investigational new drug application reviewed by the Food and Drug Administration (FDA).

Routine member costs for purposes of an approved clinical trial include items and services typically provided under the plan for a participant not enrolled in a clinical trial. However, such items and services do not include (a) the investigational item, device or service itself; (b) items and services not included in the direct clinical management of the patient, but instead provided in connection with data collection and analysis; or (c) a service clearly not consistent with widely accepted and established standards of care for the particular diagnosis.

## **DENTAL CARE FOR ACCIDENTAL INJURY**

The Plan will pay covered expenses for dental services to natural teeth required because of accidental injury. For purposes of this section, an accidental injury is defined as an injury caused by a traumatic force, such as a car accident or a blow by a moving object. No covered expenses will be paid for injuries that occur while you are in the act of chewing or biting. Services for conditions that are not directly related to the accidental injury are not covered. The first visit to a dentist does not require preauthorization; however, the dentist must submit a plan for any future treatment to BlueCross for review and preauthorization before such treatment is rendered if covered expenses are to be paid. Benefits are limited to treatment for only one (1) year from the date of the accidental injury.

**DIABETES EDUCATION**

The Plan will pay covered expenses for outpatient self-management training and education for participants with diabetes mellitus provided that such training and educational benefits are rendered by a provider whose program is recognized by the American Diabetes Association.

**DISEASE MANAGEMENT PROGRAM (HEALTH MANAGEMENT)**

The Plan will offer participants who have an appropriate diagnosis the option to participate in the Plan Disease Management Program. A participant's participation in the Disease Management Program is voluntary.

**DURABLE MEDICAL EQUIPMENT**

The Plan will pay covered expenses for durable medical equipment. The Plan will decide (in its sole discretion) whether to buy or rent equipment and whether to repair or replace damaged or worn durable medical equipment. The Plan will not pay covered expenses for durable medical equipment that is solely used by a participant in a hospital or that the Plan determines (in its sole discretion) is included in any hospital room charge. Many items are rented for a few months and re-evaluated for effectiveness and medical necessity. The purchase price of the equipment typically equals ten months of rental.

**EMERGENCY MEDICAL CARE**

The Plan will pay covered expenses for care that is necessary as a result of an emergency medical condition.

**HEALTH CARE HOTLINE**

The Plan will provide participants with access to a health care hotline to answer your health-care-related questions.

**HEMOPHILIA SERVICE**

Must have care coordinated through a designated hemophilia treatment center at least once per benefit year or coverage of services for treatment of hemophilia will be reduced to 50%.

**HOME HEALTH CARE**

The Plan will pay covered expenses for preauthorized home health care when rendered to a homebound participant in the participant's current place of residence.

**HOSPICE CARE**

The Plan will pay covered expenses for preauthorized hospice care provided in an outpatient setting, including bereavement counseling.

**HOSPITAL SERVICES**

The Plan will pay covered expenses for admissions as follows:

1. Semi-private room, board, and general nursing care; and,
2. Private room, at semi-private rate as determined by the Plan; and,
3. Services performed in a special care unit when it is medically necessary that such services be performed in such unit rather than in another portion of the hospital; and,
4. Ancillary services and medical supplies, including services performed in operating, recovery and delivery rooms; and,
5. Diagnostic services, including interpretation of radiological and laboratory examinations, electrocardiograms, and electroencephalograms; and,

Benefits for admissions are subject to the requirements for preadmission review, emergency admission review, and continued stay review.

The day on which a participant leaves a hospital, with or without permission, is treated as a day of discharge and will not be counted as a day of admission, unless such participant returns to the hospital by midnight of the same day. The day a participant enters a hospital is treated as a day of admission. The days during which a participant is not physically present for inpatient care are not counted as admission days.

**HUMAN ORGAN AND TISSUE TRANSPLANTS**

1. The Plan will pay covered expenses for certain preauthorized human organ and tissue transplants. To be covered, such transplants must be provided from a human donor to a participant, and provided at a transplant center approved by SCANA's group health Plan. Covered expenses shall only be provided for the human organ and tissue transplants in the amounts set forth on the Schedule of Benefits.

2. The payment of covered expenses for living donor transplants will be subject to the following conditions:
  - a. When both the transplant recipient and the donor are participants, covered expenses will be paid for both.
  - b. When the transplant recipient is a participant and the donor is not, covered expenses will be paid for both the recipient and the donor to the extent that covered expenses to the donor are not provided by any other source.
  - c. When the donor is a participant and the transplant recipient is not, no covered expenses will be paid to either the donor or the recipient.
3. Benefits for human organ and tissue transplants are subject to the benefit year deductible amount and will be provided according to the percentage and/or dollar maximum specified on the Schedule of Benefits.
4. Human organ and tissue transplant coverage includes expenses incurred for legal donor organ and tissue procurement and all inpatient and outpatient hospital and medical expenses for the transplant procedure and related preoperative and postoperative care, including immunosuppressive drug therapy and air ambulance expenses.
5. Transplants of tissue as set forth below (rather than whole major organs) are benefits under the Plan, subject to all of the provisions of the Plan as follows:
  - a. Blood transfusions; and,
  - b. Autologous parathyroid transplants; and,
  - c. Corneal transplants; and,
  - d. Bone and cartilage grafting; and,
  - e. Skin grafting.

#### **IMPACTED TOOTH REMOVAL**

The Plan will pay covered expenses for services and medical supplies for the removal of impacted teeth.

#### **IN-HOSPITAL MEDICAL SERVICE**

The Plan will pay covered expenses for physician's visits to a participant during a medically necessary admission for treatment of a condition other than that for which surgical service or obstetrical service is required as follows:

1. In-hospital medical benefits primarily for mental health services and substance abuse services; and,
2. In-hospital medical benefits in a skilled nursing facility will be provided for visits of a physician, limited to one visit per day, not to exceed the number of visits set forth on the Schedule of Benefits.
3. Where two (2) or more physicians render in-hospital medical visits on the same day, payment for such services will be made only to one (1) physician.
4. Concurrent medical and surgical benefits for in-hospital medical services are only provided:
  - a. When the condition for which in-hospital medical services requires medical care not related to surgical services or obstetrical service and does not constitute a part of the usual, necessary, and related preoperative or postoperative care, but requires supplemental skills not possessed by the attending surgeon or his/her assistant; and,
  - b. When the surgical procedure performed is designated by the employer's group health plan as a warranted diagnostic procedure or as a minor surgical procedure.
5. When the same physician renders different levels of care on the same day, benefits will only be provided for the highest level of care.

#### **INFERTILITY**

Coverage will be provided for the treatment of an underlying medical condition up to the point an infertility condition is diagnosed, and for initial testing performed specifically to determine the cause of infertility.

**MAMMOGRAPHY TESTING**

The Plan will pay 100% for one (1) screening mammography test per benefit year regardless of medical necessity for female participants who are within the appropriate age guidelines. The Plan will pay covered expenses for additional mammograms during a benefit year based on medical necessity.

**MEDICAL SUPPLIES**

The Plan will pay covered expenses for medical supplies, provided that the supplies are not covered by some other benefit.

**MENTAL HEALTH SERVICES**

The Plan will pay covered expenses for the inpatient and outpatient treatment for mental health services.

**OBESITY RELATED PROCEDURES**

The plan will pay covered expenses for the treatment of clinically severe obesity as defined by the body mass index (BMI). Covered only at approved Blue Distinction Centers through the precertification process.

**OBSTETRICAL SERVICES**

The Plan will pay covered expenses for preauthorized obstetrical services. Notwithstanding the preceding sentence, no maternity or obstetrical services or supplies are covered for a participant who is a dependent child, except for life-threatening pregnancy complications to either the mother or fetus. BlueCross provides medical review to determine what constitutes a "life-threatening" complication. An elective abortion is not considered to be a complication of pregnancy.

Midwives licensed and practicing in compliance with the Nurse Practices Act in a hospital will be covered under this benefit.

Under the terms of the Newborn and Mother's Health Act of 1996, the corporation generally may not restrict covered expenses for any hospital length of stay in connection with childbirth for the mother or newborn child to less than forty-eight (48) hours following a vaginal delivery (not including the day of delivery), or less than ninety-six (96) hours following a cesarean section (not including the day of surgery). Nothing in this paragraph prohibits the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than the specified time frames or from requesting additional time for hospitalization. In any case, the corporation may not require that a provider obtain authorization from the corporation for prescribing a length of stay not in excess of forty-eight (48) or ninety-six (96) hours as applicable. However, preauthorization is required to use certain providers or facilities, or to reduce out-of-pocket costs.

**ORAL SURGERY**

Charges for care of the mouth, teeth, gum and alveolar processes will be covered under your medical benefits only if that care is for the following procedures:

- Excision of tumors and cysts of the jaws, cheeks, lips, tongue, roof and floor of mouth.
- Emergency repair due to injury to sound, natural teeth made within 12 months from the date of an accident.
- Surgery needed to correct accidental injuries to the jaws, cheeks, lips, tongue, floor and roof of mouth done within 12 months from the date of an accident.
- Excision of benign bony growths of the jaw and hard palate.
- External excision and drainage of cellulitis.
- Incision of sensory sinuses, salivary glands or ducts.
- Extraction of impacted wisdom teeth.
- Dental implants as a result of an accidental injury to sound, natural teeth as long as treatment for the injury began within 12 months of the accident.

**ORTHOGNATHIC SURGERY**

The Plan will pay covered expenses for any service related to the treatment of malpositions or deformities of the jaw bone(s), dysfunction of the muscles of mastication, or orthognathic deformities.

**ORTHOPEDIC DEVICES**

The Plan will pay covered expenses for preauthorized orthopedic devices.

**ORTHOTIC DEVICES**

The Plan will pay covered expenses for preauthorized orthotic devices that are not available on an over-the-counter basis.

**OUTPATIENT HOSPITAL AND AMBULATORY SURGICAL CENTER SERVICES**

The Plan will pay covered expenses for surgical services and diagnostic services, including radiological examinations, laboratory tests, and machine tests, performed in an outpatient hospital setting or an ambulatory surgical center. Preauthorization is required.

**OUTPATIENT REHABILITATION SERVICES**

The Plan will pay covered expenses, subject to the following paragraph, for physical therapy, occupational therapy, speech therapy and rehabilitation services as set forth on the Schedule of Benefits.

Covered expenses for outpatient rehabilitation services will be paid only following an acute incident involving disease, trauma or surgery that requires such care.

**OXYGEN**

The Plan will pay covered expenses for preauthorized oxygen. Durable medical equipment for oxygen use in a participant's home is covered under the durable medical equipment benefit.

**PAP SMEAR**

The Plan will pay covered expenses for a single pap smear as part of the annual gynecological examination benefit, regardless of medical necessity. The Plan will pay covered expenses for additional pap smears during a benefit year based on medical necessity.

**PHYSICAL EXAMINATION**

The Plan will pay covered expenses for a single annual physical examination each benefit year for participants who are within the appropriate age guidelines, regardless of medical necessity.

**PHYSICIAN SERVICES**

The Plan will pay covered expenses for physician services provided that when different levels of physician services are provided on the same day, covered expenses for such benefits will only be paid for the highest level of physician services.

**PRESCRIPTION DRUGS**

1. The Plan will pay covered expenses for prescription drugs (as specified on the Schedule of Benefits) that are used to treat a condition for which benefits are otherwise available. Any coinsurance percentage for prescription drugs is based on the allowable charge at the in-network pharmacy, and does not change due to receipt of any credits by the Plan. Copayments likewise do not change due to receipt of any credits by the health Plan.
2. Insulin shall be treated as a prescription drug whether injectable or otherwise.
3. The Plan may, in its sole discretion, place quantity limits on prescription drugs.
4. Over-the-counter medications used in compound drugs are covered, and the liquid version of Zantac, at the appropriate drug tier.

**PREVENTIVE SERVICES**

The Plan will pay for the following preventive health services:

1. Evidence-based services that have a rating of A or B in the current United States Preventive Services Task Force (USPSTF) recommendations;
2. Immunizations as recommended by the Centers for Disease Control and Prevention (CDC); and
3. Preventive care and screenings for children and women as recommended by the Health Resources and Services Administration (HRSA).

These benefits are provided without any cost-sharing by the participant when the services are provided by an in-network provider. Any other covered preventive screenings will be provided as specified in the Schedule of Benefits.

## **PROSTATE EXAMINATION**

The Plan will pay covered expenses for one (1) prostate examination per benefit year, regardless of medical necessity, as set forth in the schedule of benefits for participants that are within the appropriate age guidelines. The Plan will pay covered expenses for additional prostate examinations during a benefit year based on medical necessity.

## **PROSTHETIC DEVICES**

The Plan will only pay covered expenses for a prosthetic device, other than a dental or cranial prosthetic, which is a replacement for a body part and which meets minimum specifications for the body part it is replacing regardless of the functional activity level. Coverage is provided for the cost of the standard, non-luxury item only (as determined by the Plan). Components that are considered deluxe or upgraded over a standard model are not a covered service. Except as provided below, benefits are provided for only the initial temporary prosthesis and one (1) permanent prosthesis. No benefits are provided for repair, replacement or duplicates, nor are benefits provided for services related to the repair or replacement of such prosthetics except when necessary due to a change in the member's medical condition, and with prior authorization from the corporation.

Prosthetic devices do not include bioelectric, microprocessor or computer programmed prosthetic components.

## **RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES**

In the case of a participant who is receiving covered expenses in connection with a mastectomy, the Plan will pay covered expenses for preauthorized services for each of the following (if requested by such participant):

1. Reconstruction of the breast on which the mastectomy has been performed; and
2. Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
3. Prosthetic devices and physical complications at all stages of the mastectomy, including lymphedema.

## **REHABILITATION**

The Plan will pay covered expenses for participation in a multidisciplinary team rehabilitation program only following severe neurologic or physical impairment as specified on the Schedule of Benefits if the following criteria are met:

1. All such treatment must be ordered by a medical doctor; and
2. All such treatment requires preauthorization and must be performed by a provider and at a location designated by the Plan; and
3. The documentation that accompanies a request for rehabilitation benefits must contain a detailed participant evaluation from a medical doctor that documents that to a degree of medical certainty the participant has rehabilitation potential such that there is an expectation that the participant will achieve an ability to provide self care and perform activities of daily living; and
4. All such rehabilitation benefits are subject to periodic review by the Plan.

After the initial rehabilitation period, continuation of rehabilitation benefits will require documentation that the participant is making substantial progress and that there continues to be significant potential for the achievement of the established rehabilitation goals.

## **RESIDENTIAL TREATMENT CENTER AND SERVICES**

The Plan will pay covered expenses for residential treatment center and services as set forth on the Schedule of Benefits.

## **ROUTINE FOOT CARE/PODIATRY**

The Plan will pay covered expenses for routine foot care/podiatry as set forth on the Schedule of Benefits.

## **SHORT TERM HABILITATION AND REHABILITATIVE THERAPY**

The Plan will pay covered expenses for therapy as set forth on the Schedule of Benefits. Therapy days provided as part of home health care accumulate to the therapy maximum.

## **SKILLED NURSING FACILITY SERVICES**

The Plan will pay covered expenses for admissions in a skilled nursing facility as follows:

1. Semi-private room, board, and general nursing care;
2. Private room, at semi-private rate as determined by the Plan;



3. Services performed in a special care unit when it is medically necessary that such services be performed in such unit;
4. Ancillary services and medical supplies including services performed in operating, recovery and delivery rooms;
5. Diagnostic services including interpretation of radiological and laboratory examinations, electrocardiograms, and electroencephalograms;

Benefits for admissions are subject to the requirements for preadmission review, emergency admission review, and continued stay review. The day on which a participant leaves a skilled nursing facility, with or without permission, is treated as a day of discharge and will not be counted as a day of admission, unless such participant returns to the skilled nursing facility by midnight of the same day. The day a participant enters a skilled nursing facility is treated as a day of admission. The days during which a participant is not physically present for inpatient care are not counted as admission days.

### **SPECIALTY DRUGS**

The Plan will pay covered expenses for specialty drugs through Accredo Specialty Pharmacy. Covered expenses for specialty drugs dispensed to a participant shall not exceed the quantity and benefits maximum set by the Plan. Specialty drugs may be considered medical benefits. For any specialty drugs paid as medical benefits the benefits year deductible, out-of-pocket maximum and/or benefits maximum will apply. The participant may obtain a list of specialty drugs by contacting the Plan at the number listed on the ID card or at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com).

Any coinsurance percentage for specialty drugs is based on the allowable charge at the in-network pharmacy and does not change due to receipt of any credits by the Plan. Copayments likewise do not change due to receipt of any credits by the Plan. Specialty drugs are not available at the SCANA Pharmacy.

### **SUBSTANCE ABUSE SERVICES**

The Plan will pay covered expenses for substance abuse services as set forth on the Schedule of Benefits.

### **SURGICAL SERVICES**

The Plan will pay covered expenses for surgical services performed by a medical doctor or oral surgeon for treatment and diagnosis of disease or injury or for obstetrical services, as follows:

1. Surgical services, subject to the following:
  - a. If two (2) or more operations or procedures are performed at the same time, through the same surgical opening or by the same surgical approach, the total amount covered for such operations or procedures will be the allowable charge for the major procedure only.
  - b. If two (2) or more operations or procedures are performed at the same time, through different surgical openings or by different surgical approaches, the total amount covered will be the allowable charge for the operation or procedure bearing the highest allowable charge, plus one-half of allowable charge for all other operations or procedures performed.
  - c. If an operation consists of the excision of multiple skin lesions, the total amount covered will be the allowable charge for the procedure bearing the highest allowable charge, fifty (50%) percent for the procedure bearing the second and third highest allowable charges, twenty-five (25%) percent for the procedures bearing the fourth through the eighth highest allowable charges, and, ten (10%) percent for all other procedures. Provided, however, if the operation consists of the excision of multiple malignant lesions, the total amount covered will be the allowable charge for the procedure bearing the highest allowable charge, and fifty (50%) percent of the charge for each subsequent procedure.
  - d. If an operation or procedure is performed in two (2) or more steps or stages, coverage for the entire operation or procedure will be limited to the allowable charge set forth for such operation or procedure.
  - e. If two (2) or more medical doctors or oral surgeons perform operations or procedures in conjunction with one another, other than as an assistant surgeon or anesthesiologist, the allowable charge, subject to the above paragraphs, will be coverage for the services of only one (1) medical doctor or oral surgeon (as applicable) or will be prorated between them by the Plan when so requested by the medical doctor or oral surgeon in charge of the case.
  - f. Certain surgical procedures are designated as separate procedures by the Plan, and the allowable charge is payable when such procedure is performed as a separate and single entity; however, when a separate procedure is performed as an integral part of another surgical procedure, the total amount covered will be the allowable charge for the major procedure only.
2. Surgical assistant services, that consist of the medically necessary service of one (1) medical doctor or oral surgeon who actively assists the operating surgeon when a covered surgical service is performed in a hospital, and when such surgical assistant service is not available by



an intern, resident, physician's assistant or in-house physician. The Plan will pay charges at the percentage of the allowable charge set forth on the Schedule of Benefits for the surgical service, not to exceed the medical doctor's or oral surgeon's (as applicable) actual charge.

3. Anesthesia services that consists of services rendered by a medical doctor, oral surgeon or a certified registered nurse anesthetist, other than the attending surgeon or his or her assistant, and includes the administration of spinal or rectal anesthesia, or a drug or other anesthetic agent by injection or inhalation, except by local infiltration, the purpose and effect of which administration is the obtaining of muscular relaxation, loss of sensation, or loss of consciousness. Additional benefits will not be provided for preoperative anesthesia consultation.

### **TELEMEDICINE**

The plan will pay covered expenses for telemedicine consultation when the following exist. The use of medical information about a patient is exchanged from one eligible referring provider ("Referring Physician") site to another eligible consulting provider site ("Consulting Physician") via two-way, real-time, interactive, secured and HIPAA compliant, electronic audio and video telecommunications systems to provide medical care to a patient in circumstances in which in person, face-to-face contact with the consulting physician is not necessary. Telemedicine includes consultation, diagnostic, and treatment services. Telemedicine is not an expansion of covered services but an option for delivery of certain covered services. Such a service delivery option can, in some cases, provide increased access to specialists, better continuity of care, and elimination of the hardship of traveling extended distances. Quality of health care delivery must be maintained, regardless of the mode of delivery. A referring physician must have determined that medical care can be provided via electronic communication with no loss in the quality or efficacy of the care.

### **TEMPOROMANDIBULAR JOINT (TMJ) DISORDER**

The Plan will pay covered expenses for any service for the treatment of dysfunctions or derangements of the temporomandibular joint, including orthognathic surgery for the treatment of dysfunctions or derangements of the temporomandibular joint.

### **TOBACCO CESSATION TREATMENT**

The Plan will pay covered expenses for tobacco cessation treatment as described in the Wellness Programs section of the Plan.

### **URGENT CARE**

The Plan will pay covered expenses for urgent care as set forth on the Schedule of Benefits.

## **EXCLUSIONS AND LIMITATIONS**

REGARDLESS OF LANGUAGE CONTAINED ELSEWHERE IN THIS PLAN OF BENEFITS, THE FOLLOWING ARE NOT BENEFITS UNDER THIS PLAN OF BENEFITS. THE ONLY EXCEPTIONS TO THIS ARE AS FOLLOWS: (1) WHERE SUCH ITEMS ARE SPECIFICALLY INCLUDED (UP TO THE CORRESPONDING DOLLAR AMOUNT AND/OR COVERAGE PERCENTAGE) IN THE SCHEDULE OF BENEFITS OR IN ARTICLE III-BENEFITS, (2) SERVICES RENDERED BY A HEALTH CARE PROVIDER AS PART OF A PHYSICIAN INCENTIVE PROGRAM (E.G. PATIENT-CENTERED MEDICAL HOME PROGRAM), AN ACCOUNTABLE CARE ORGANIZATION OR EPISODE-BASED ARRANGEMENT OR (3) AS THE LAW REQUIRES (I.E. INTENTIONAL OR UNREASONABLE INJURIES OR ILLNESSES THAT RESULT FROM MEDICAL CONDITIONS OR DOMESTIC VIOLENCE). SUBJECT TO THE ABOVE-LISTED EXCEPTIONS, THE EMPLOYER'S GROUP HEALTH PLAN WILL NOT PAY ANY AMOUNT FOR THE FOLLOWING:

### **ACUPUNCTURE**

Acupuncture treatment or services.

### **ACTS OF WAR**

Illness contracted or injury sustained as a result of a participant's participation as a combatant in a declared or undeclared war, or any act of war, or while in military service.

### **ADMISSIONS THAT ARE NOT PREAUTHORIZED**

If Preauthorization is not received for an otherwise covered expense related to an admission, penalties will be applied (up to and including denial of the covered expenses) as set forth on the Schedule of Benefits.

### **BARIATRIC EXCLUSIONS**

Medical and surgical services to alter appearances or physical changes that are the result of any surgery performed for the management of obesity or clinically severe (morbid) obesity, unless medically necessary.

Weight loss programs or treatments, whether prescribed or recommended by a physician or under medical supervision.

### **BEHAVIORAL, EDUCATIONAL OR ALTERNATE THERAPY PROGRAMS**

Any behavioral, educational or alternative therapy techniques to target cognition, behavior, language and social skills modification, including:

1. Animal assisted therapy

2. Applied behavioral analysis therapy
3. Developmental Individual-Difference Relationship-based model (DIR)
4. Facilitated communication
5. Floor time
6. Higashi schools/daily life
7. Holding therapy
8. Movement therapies
9. Music therapy
10. Relationship Development Intervention (RDI)
11. Teaching, Expanding, Appreciating, Collaborating and Holistic (TEACCH) programs

#### **BENEFITS PROVIDED BY STATE OR FEDERAL PROGRAMS**

Any service or charge for a service to the extent that the participant is entitled to payment or benefits relating to such service under any state or federal program that provides health care benefits, including Medicare, but only to the extent that benefits are paid or are payable under such programs.

#### **BENEFITS PROVIDED UNDER ANY LAW**

Any service or charge for a service to the extent a participant is entitled to receive payment or benefits pursuant to any local, state or federal law. This exclusion applies whether or not the participant has applied for or received payment for the service. This exclusion includes, but is not limited to, benefits provided by the Veterans Administration for a service-related disability, or any state or federal hospital services for which the participant is not legally obligated to pay.

#### **BIO-FEEDBACK SERVICES**

Bio-feedback when related to psychological services.

#### **COMPLICATIONS FROM FAILURE TO COMPLETE TREATMENT**

Complications that occur because a participant did not follow the course of treatment prescribed by a provider, including complications that occur because a participant left a hospital against medical advice.

#### **COMPLICATIONS FROM NON-COVERED SERVICES**

Complications arising from a participant's receipt or use of either services or medical supplies or other treatment that are not benefits, including complications arising from a participant's use of discount services.

#### **COPYING CHARGES**

Fees for copying or production of medical records and/or claims filing.

#### **COSMETIC SERVICES**

1. This Plan of benefits excludes cosmetic or reconstructive procedures, and any related services or medical supplies, which alter appearance but do not restore or improve impaired physical function. Examples of services that are cosmetic and are not covered are:
  - a. Rhinoplasty (nose);
  - b. Mentoplasty (chin);
  - c. Rhytidoplasty (face lift);
  - d. Glabellar rhytidoplasty (forehead lift);

- e. Surgical planing (dermabrasion);
  - f. Blepharoplasty (eyelid);
  - g. Mammoplasty (reduction, suspension or augmentation of the breast);
  - h. Superficial chemosurgery (chemical peel of the face); and,
  - i. Rhytidectomy (abdomen, legs, hips, buttocks, or elsewhere including lipectomy or adipectomy).
2. A cosmetic service may, under certain circumstances, be considered restorative in nature. In order for benefits to be available for such restorative surgery, the following requirements must be met:
- a. The service must be necessary to correct a loss of physical function or alleviate significant pain; or,
  - b. The service must be necessary due to a malappearance or deformity that was caused by physical trauma, surgery or congenital anomaly; and,
  - c. The proposed surgery or treatment must be preauthorized.

### **CUSTODIAL OR LONG-TERM CARE SERVICES**

Admissions, or portions thereof, for custodial care or long-term care, including:

- 1. Rest care;
- 2. Long-term acute or chronic psychiatric care;
- 3. Care to assist a participant in the performance of activities of daily living (including, but not limited to: walking, movement, bathing, dressing, feeding, toileting, continence, eating, food preparation, and taking medication);
- 4. Care in a sanitarium;
- 5. Custodial or long-term care; or,
- 6. Psychiatric or substance abuse residential treatment, including: residential treatment centers, therapeutic schools, wilderness/boot camps, therapeutic boarding homes, half-way houses, and therapeutic group homes.

### **DENTAL SERVICES**

Any dental procedures involving tooth structures, excision or extraction of teeth, gingival tissue, alveolar process, dental X-rays, preparation of mouth for dentures, or other procedures of dental origin. However, that such procedures may be preauthorized if the need for dental services results from an accidental injury within one (1) year prior to the date of such services and the participant is not covered by other health or dental insurance.

### **DISCOUNT SERVICES**

Any charges that result from the use of discount services, including charges related to any injury or illness that results from a participant's use of discount services. Discount services are not covered under the Plan of benefits, and participants must pay for discounted services.

### **EYEGASSES**

Eyeglasses or contact lenses of any type, even though dispensed by a prescription (except after cataract surgery).

### **FOOD SUPPLEMENTS**

Unless such item has a percentage or dollar amount associated with it on the Schedule of Benefits, orthomolecular therapy including infant formula, nutrients, vitamins and food supplements. Enteral feedings when not a sole source of nutrition.

### **GROWTH HORMONE THERAPY**

Unless such item has a percentage or dollar amount associated with it on the Schedule of Benefits, growth hormone therapy for patients over 18 years of age. Growth hormone therapy for patients 18 years of age or younger is excluded unless for documented growth hormone deficiency.

### **HEARING AIDS**

Hearing aids or examinations for the prescription or fitting of hearing aids.

## **HUMAN ORGAN AND TISSUE TRANSPLANTS**

Human organ and tissue transplants that are not:

1. Preauthorized; or,
2. Performed by a provider as designated by the corporation; or,
3. Listed as a covered transplant on the Schedule of Benefits.

## **IMPOTENCE**

Services or supplies related to any treatment for impotence, unless deemed medically necessary through the precertification process.

## **INCAPACITATED DEPENDENTS**

Any service, supply or charge for an incapacitated dependent that is not enrolled by the maximum dependent child age listed on the schedule of benefits.

## **INJURY OR ILLNESS RESULTING FROM CRIMINAL ACTIVITY**

Illness contracted or injury sustained as a result of a riot or insurrection, or while engaged in the commission of a felony or an illegal occupation.

## **INPATIENT DIAGNOSTIC AND EVALUATIVE PROCEDURES**

Inpatient care and related physician services rendered in conjunction with an admission, which is principally for diagnostic studies or evaluative procedures that could have been performed on an outpatient basis are not covered unless the participant's medical condition alone required admission.

## **INVESTIGATIONAL OR EXPERIMENTAL SERVICES**

Services or supplies or drugs that are investigational or experimental.

## **LIFESTYLE IMPROVEMENT SERVICES**

Services or supplies relating to lifestyle improvements including, but not limited to, nutrition counseling or physical fitness programs.

## **MEMBERSHIP DUES AND OTHER FEES**

Amounts payable (whether in the form of initiation fees, annual dues or otherwise) for membership or use of any gym, workout center, fitness center, club, golf course, wellness center, health club, weight control organization or other similar entity or payable to a trainer of any type.

## **MISSED PROVIDER APPOINTMENTS**

Charges for a participant's appointment with a provider that the participant did not attend.

## **NO LEGAL OBLIGATION TO PAY**

Any service, supply or charge the participant is not legally obligated to pay.

## **NOT MEDICALLY NECESSARY SERVICES OR SUPPLIES**

Any service or supply that is not medically necessary. However, if a service is determined to be not medically necessary because it was not rendered in the least costly setting, covered expenses will be paid in an amount equal to the amount payable had the service been rendered in the least costly setting.

## **PAIN MANAGEMENT PROGRAMS**

Chronic pain management programs or multi-disciplinary pain management programs, unless medically necessary.

## **PHYSICAL THERAPY ADMISSIONS**

All admissions solely for physical therapy, except as provided in the covered expenses section under rehabilitation benefits.

## **PHYSICIAN CHARGES**

Charges by a physician for blood and blood derivatives and for charges for prescription drugs that are not consumed at the physician's office.

## **PRE-MARITAL AND PRE-EMPLOYMENT EXAMINATIONS**

Charges for services, supplies or fees for premarital or pre-employment examinations.

**PREGNANCY OF A DEPENDENT CHILD**

A covered dependent child's pregnancy, including childbirth, except for life-threatening pregnancy complications to either the mother or fetus. BlueCross provides medical review to determine what constitutes a life-threatening complication.

**PREOPERATIVE ANESTHESIA CONSULTATION**

Charges for preoperative anesthesia consultation.

**PROSTHETIC DEVICES**

Prosthetic Devices do not include bioelectric, microprocessor or computer programmed prosthetic components.

**PSYCHOLOGICAL AND EDUCATIONAL TESTING**

Psychological or educational diagnostic testing to determine job or occupational placement, school placement or for other educational purposes, or to determine if a learning disability exists.

**RADIOLOGY MANAGEMENT**

All charges for MRIs, MRAs, CAT scans or PET scans in an office or outpatient facility when the required preauthorization is not obtained.

**RELATIONSHIP COUNSELING**

Relationship counseling, including marriage counseling, for the treatment of premarital, marital or relationship dysfunction.

**SERVICES FOR CERTAIN DIAGNOSES OR DISORDERS**

Unless such item has a percentage or dollar amount associated with it on the Schedule of Benefits, medical supplies or services or charges for the diagnosis or treatment of learning disabilities, developmental speech delay, perceptual disorders, mental retardation, vocational rehabilitation, animal assisted therapy, repetitive transcranial magnetic stimulation (rTMS), eye movement desensitization and reprocessing (EMDR), behavioral therapy for solitary maladaptive habits, or rapid opiate detoxification.

**SERVICES FOR COUNSELING OR PSYCHOTHERAPY**

Counseling and psychotherapy services for the following conditions:

1. Feeding and eating disorders in early childhood and infancy;
2. Tic disorders except when related to Tourette's disorder;
3. Elimination disorders;
4. Mental disorders due to a general medical condition;
5. Sexual function disorders;
6. Sleep disorders;
7. Medication induced movement disorders; or
8. Nicotine dependence unless specifically listed as a benefits in this Plan or on the Schedule of Benefits.

**SERVICES NOT LISTED AS COVERED BENEFITS**

Medical supplies or services or other items not specifically listed as a covered expense in the covered expenses section of this Plan or on the schedule of benefits.

**SERVICES PRIOR TO MEMBER EFFECTIVE DATE OR PLAN OF BENEFITS EFFECTIVE DATE**

Any charges for medical supplies or services rendered to the participant prior to the participant's effective date, the employer's effective date, or after the participant's coverage terminates, except as provided in the COBRA and ERISA rights sections. (see pages 53 and 67)

**SERVICES RENDERED BY FAMILY**

Any medical supplies or services rendered by a participant to him or herself or rendered by a participant's immediate family (parent, child, spouse, brother, sister, grandparent or in-law).

**SERVICES RESULTING FROM INTOXICATION OR DRUG USE**

Any service (other than substance abuse services), medical supplies, charges or losses resulting from a participant being intoxicated or under the influence of any drug or other substance; abusing alcohol, drugs, or other substance; or, taking some action the purpose of which is to create a euphoric state or alter consciousness, unless taken on the advice of a physician.

**SEX CHANGE**

Any medical supplies or services or charges incurred for consultation, therapy, surgery or any procedures related to changing a participant's sex.

**TRAVEL**

Travel, whether or not recommended by a physician, unless directly related to human organ or tissue transplants when preauthorized.

**VISION CARE SERVICES**

Any medical supply or service rendered to a participant for vision care.

**WHEELCHAIRS OR POWER OPERATED VEHICLES**

Unless such item has a percentage or dollar amount associated with it on the Schedule of Benefits, manual or motorized wheelchairs or power-operated vehicles such as scooters for mobility outside of the home setting. Coverage for these devices to assist with mobility in the home setting is subject to the establishment of medical necessity by the corporation.

**WORKERS' COMPENSATION**

This policy does not provide benefits for diagnosis, treatment or other service for any injury or illness that is sustained by a participant that arises out of, in connection with, or as the result of, any work for wage or profit when coverage under any Workers' Compensation Act or similar law is required or is otherwise available for the participant. Benefits will not be provided under this Plan if coverage under the Workers' Compensation Act or similar law would have been available to the participant but the participant elects exemption from available workers' compensation coverage; waives entitlement to workers' compensation benefits for which he/she is eligible; failed to timely file a claim for workers' compensation benefits; or, the participant sought treatment for the injury or illness from a provider which is not authorized by the participant'

**RETIREE SHARE PLAN PRESCRIPTION DRUG HEALTH CARE OPTIONS  
SCHEDULE OF BENEFITS**

	<b>SCANA Pharmacy</b>	<b>In Network Retail or Mail Order</b>	<b>Per Rx Out-of-Pocket Maximum</b>
Preventive Generic Medications <sup>1</sup>	Free	30%	\$100/31-day \$250/90-day
Non-preventive Generic Medications <b>and</b> Preferred Brand Medication	25%	30%	
Non-Preferred Brand	50%		None
Specialty Medications <i>31 day supply only</i>	Accredo Specialty Pharmacy ONLY 50%		\$250/31-day

**90-day Prescriptions:** Only available at the **SCANA Pharmacy** or **Caremark Mail Order Pharmacy**

**Over-the-Counter (OTC) Medications:** Not covered under the prescription benefit if available OTC (except Zantac liquid).

**Out-of-Network Benefits:** Only available with **50%** coinsurance for **generic and preferred brand** only.

<sup>1</sup> Specific generic medications included can change without notice.

**PRESCRIPTION DRUG BENEFITS**

Most medicines are available in a generic form, which cost less than their brand name counterparts. By law, both brand name and generic medicines must meet the same standards for safety, purity, strength, and quality. You can determine if your prescription drug is generic, preferred brand or non-preferred by visiting SouthCarolinaBlues.com or calling the toll free number shown on the back of your ID card.

A generic medicine has the same indications, cautions and instructions as a brand name; however, generics cost less, because their manufacturers do not have to pay the initial startup costs for the medicine. This savings enables you to enjoy lower coinsurance for generic medicines.

Certain medications may require preauthorization. You may call the number on your ID card for additional information.

## **PRESCRIPTION DRUG COVERED EXPENSES**

If you incur expenses for pharmacy charges for medically necessary prescription drugs ordered by a physician, SCANA will pay that portion of the expenses remaining after you meet the required deductible or have paid the required coinsurance as shown in the Schedule of Benefits. Coverage also includes prescription drugs dispensed by a pharmacy for a prescription issued to you by a licensed dentist for the prevention of infection or pain in conjunction with an invasive dental procedure.

When you are issued a prescription for a prescription drug as part of emergency services and that prescription cannot reasonably be filled by an in-network pharmacy, the prescription will be covered by the Plan, as if filled by an in-network pharmacy.

Benefits include coverage of insulin, insulin needles and syringes, insulin pens, glucose test strips and lancets. Coverage also includes injectable drugs or medicines.

You may experience a cost savings when you opt to use the SCANA Pharmacy. The SCANA Pharmacy is staffed with licensed pharmacists and located at the SCANA Corporate Headquarters. Employees and their dependents who elect SCANA medical coverage may use the pharmacy to have prescriptions filled.

## **Limitations**

Each prescription order or refill shall be limited as follows:

- Up to a consecutive thirty-one (31) day supply at a retail pharmacy, unless limited by the drug manufacturer's packaging; or
- Up to a consecutive ninety (90)-day supply at a mail order in-network pharmacy or the SCANA Pharmacy, unless limited by the drug manufacturer's packaging or by law; or
- Up to a dosage limit as determined by the BlueCross provider organization's Pharmacy and Therapeutics Committee (P&T Committee).
- A 31-day supply only for specialty prescriptions.

## **Prior Authorization Required for Certain Drugs**

The Plan may require special prior authorization to fill certain types of drugs. If your pharmacist tells you that a prescription medicine prescribed by your doctor requires prior authorization, ask your pharmacist or doctor to call BlueCross. You can inquire if your prescription drug is part of this group of medications by calling the toll-free number shown on the back of your ID card or by visiting [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com).

## **Quantity Management**

The quantity management program promotes the safe use of medications and limits the amount of some medications your benefit plan covers. The limits are based on U.S. Food and Drug Administration and manufacturer dosing guidelines, medical literature, safety, accepted medical practice, appropriate use and benefit plans. The limits only affect the amount of medication your benefit plan covers. You and your doctor make the final decision about the amount of medication that is right for you.

## **PRESCRIPTION DRUG EXCLUSIONS**

No payment will be made for the following expenses:

1. Prescription drugs that have not been prescribed by a physician;
2. Prescription drugs not approved by the Food and Drug Administration;
3. Prescription drugs for non-covered therapies, services, or conditions;
4. Prescription drug refills in excess of the number specified on the physician's prescription order or prescription drug refills dispensed more than one (1) year after the original prescription date;
5. Any type of service or handling fee (with the exception of the dispensing fee charged by the pharmacist for filling a prescription) for prescription drugs, including fees for the administration or injection of a prescription drug;
6. Dosages that exceed the recommended daily dosage of any prescription drug as described in the current physician's desk reference or as recommended under the guidelines of the pharmacy benefits manager, whichever is lower;
7. Prescription drugs used for or related to cosmetic purposes, including hair growth, unless otherwise specified on the Schedule of Benefits;

8. Prescription drugs related to any treatment for infertility, including but not limited to, fertility drugs;
9. Prescription drugs administered or dispensed in a physician's office, skilled nursing facility, hospital or any other place that is not a pharmacy licensed to dispense prescription drugs in the state where it is operated;
10. With the exception of compound drugs and Zantac Liquid, any medication available over the counter is not covered under the prescription benefit, regardless of dose or formulation. This includes, but is not limited to, the list below:
  - a. Omeprazole (Prilosec)
  - b. Omeprazole/Sodium Bicarbonate (Zegerid);
  - c. Lansoprazole (Prevacid)
  - d. Esomeprazole (Nexium)
  - e. Ranitidine (Zantac)
  - f. Famotidine (Pepsid)
  - g. Loratadine (Claritin)
  - h. Cetirizine (Zyrtec)
  - i. Fexofenadine (Allegra)
  - j. Ibuprophen (Motrin)
  - k. Naproxen (Naprosyn, Aleve, Anaprox)
  - l. Vitamins (except prenatal and Vitamin D 50,000 i.u.);
11. Prescription drugs that are being prescribed for a specific medical condition that are not approved by the Food and Drug Administration for treatment of that condition (except for prescription drugs for a specific medical condition that has at least two (2) formal clinical studies for the condition for which the participant intends to use it; or prescription drugs for the treatment of a specific type (of cancer, provided the drug is recognized for treatment of that specific cancer in at least one standard, universally accepted reference compendia or is found to be safe and effective in formal clinical studies, the results of which have been published in peer reviewed professional medical journals);
12. Prescription drugs that are not consistent with the diagnosis and treatment of a participant's illness, injury or condition, or are excessive in terms of the scope, duration, dosage or intensity of drug therapy that is needed to provide safe, adequate and appropriate care;
13. Prescription drugs or services that require preauthorization by the corporation and preauthorization is not obtained;
14. Prescription drugs for injury or disease that are paid by workers' compensation benefits (if a workers' compensation claim is settled, it will be considered paid by workers' compensation benefits);
15. Prescription drugs that are not medically necessary;
16. Prescription drugs that are not authorized when part of a Step Therapy Program, excluding PPI and NSA classes of drugs.
17. Food and Drug Administration (FDA)-approved drugs used for purposes other than those approved by the FDA, unless the drug is recognized for the treatment of the particular indication in one of the standard reference compendia (The United States Pharmacopoeia Drug Information, the American Medical Association Drug Evaluations, or The American Hospital Formulary service Drug Information) or in medical literature. Medical literature means scientific studies published in a peer reviewed national professional medical journal;
18. Any prescription and non-prescription supplies (such as ostomy supplies), devices, and appliances;
19. Implantable contraceptive products (these devices may be available through the Family Planning benefit under the medical plan);



20. Any prescription vitamins (other than pre-natal vitamins and Vitamin D 50,000 i.u), dietary supplements and fluoride products;
21. Immunization agents, biological products for allergy immunization, biological sera, blood, blood plasma and other blood products or fractions and medications used for travel prophylaxis;
22. Replacement of prescription drugs and related supplies due to loss or theft;
23. Drugs used to enhance athletic performance;
24. Drugs which are to be taken by or administered to a member while the member is a patient in a licensed hospital, skilled nursing facility, rest home or similar institution which operates on its premises or allows to be operated on its premises a facility for dispensing pharmaceuticals;

Other limitations are shown in the "General Limitations" section.

### **Reimbursement/Filing a Claim: Prescription Drugs**

When you purchase your prescription drugs through an in-network pharmacy, you pay only the pharmacy coinsurance amount, after applicable deductible, as shown in the benefits schedule at the time of purchase. You do not need to file a claim form.

For participants in all Plans, if you purchase your prescription drugs through an out-of-network pharmacy in conjunction with emergency services, you pay the full cost at the time of purchase. You must submit a claim form to be reimbursed at the in-network pharmacy level of benefits. For non-emergency prescriptions, if you purchase your prescription drugs through any out-of-network pharmacy, you pay the full cost at the time of purchase and then you must submit a claim form to be reimbursed at the out-of-network pharmacy level of benefits.

Contact BlueCross at 877-705-5428 or [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com) to obtain the appropriate claim form. To purchase prescription drugs from the Caremark Mail-Order Pharmacy, refer to the customer service phone number on your ID card.

### **VISION BENEFITS** (FOR RETIREE SHARE PARTICIPANTS)

SCANA Corporation has arranged access to quality vision care and prescription eyewear through a network of in-network providers. If you choose to visit an out-of-network provider, you will receive the out-of-network benefit reimbursements, provided you pay the provider in full at the time of service and then submit a completed out-of-network claim form and copy of your receipt to EYEMED Vision Care, SCANA's vision care administrator, at:

EyeMed Vision Care

Attn: OON Claims

P.O. Box 8504

Mason, Ohio 45040

888-362-7463

### Vision Benefit Frequency

Exam: Once every 12 months

Frames: Once every 24 months

Lenses or Contact Lenses: Once every 12 months

Vision Care Services	In-Network	Out-of-Network
Exam with Dilation as Necessary	\$0 Copayment	Up to \$60
<b>Contact Lens Fit and Follow-Up:</b>		
Standard Contact Lens Fit and Follow-up Visits*	\$55 Copayment	Non-Covered
Premium Contact Lens Fit and Follow-up Visits**	10% off retail price	Non-Covered
<b>Frames</b> (Any available frame at provider location)	\$135 allowance, 20% off balance over \$135	Up to \$82
<b>Standard Plastic Lenses:</b>		
Single Vision	\$0 Copayment	Up to \$78
Bifocal	\$0 Copayment	Up to \$97
Trifocal	\$0 Copayment	Up to \$107
Lenticular	\$0 Copayment	Up to \$150
Standard Progressive Lens	\$0 Copayment	Up to \$149
Premium Progressive lens	\$120 allowance, 80% off balance over \$120	Up to \$149
Progressive Vision Allowance	\$0 Copayment	Up to \$149
<b>Lens Options:</b>		
Tint (Solid and Gradient)	\$15	Non-Covered
Standard Plastic Scratch-Resistance	\$15	Non-Covered
Standard Polycarbonate – Adults	\$40	Non-Covered
Standard Polycarbonate – Children under 19	\$0	Non-Covered
Standard Anti-Reflective Coating	\$45	Non-Covered
Polarized	20% off retail price	
Other Add-Ons and Services	20% off retail price	Non-Covered
<b>Additional Pairs Benefit</b>		
Completed Pair of eyeglasses	40% off retail price	Non-Covered
Conventional Contact Lenses once the funded benefit is used	15% off retail price	Non-Covered
<b>Contact Lenses:</b>		
Conventional	\$0 Copayment, \$135 allowance, 15% off balance over \$135	Up to \$125
Disposable	\$0 Copayment, \$135 allowance, plus balance over \$135	Up to \$125
Medically Necessary	\$0 Copayment, Paid-in-Full	Up to \$210

\* Standard Contact Lens Fitting - spherical clear contact lenses in conventional wear and planned replacement (Examples include but not limited to disposable, frequent replacement, etc.)

\*\* Premium Contact Lens Fitting - all lens designs, materials and specialty fittings other than Standard Contact Lenses (Examples include toric, multifocal, etc.)

#### Additional discounts:

- Participants will receive a 20% discount on items not covered by the plan at in-network providers, which may not be combined with any other discounts or promotional offers, and the discount does not apply to EyeMed provider's professional services, or contact lenses. Retail prices may vary by location.

- Discounts do not apply for benefits provided by other group benefit plans. Allowances are one-time use benefits; no remaining balance.
- Lost or broken materials are not covered.
- Participants also receive a 40% discount off complete pair eyeglass purchases and a 15% discount off conventional contact lenses once the funded benefit has been used.
- Participants also receive 15% off retail price or 5% off promotional price for Lasik or PRK from the US Laser Network, owned and operated by LCA vision. Since Lasik or PRK vision correction is an elective procedure, performed by specially trained providers, this discount may not always be available from a provider in your immediate location. For a location near you and the discount authorization please call 1-877-5LASER6.
- After initial purchase, replacement contact lenses may be obtained via the Internet at substantial savings and mailed directly to the member. Details are available at [www.EyeMedVisionCare.com](http://www.EyeMedVisionCare.com). The contact lens benefit allowance is not applicable to this service.

**Plan Limitations/Exclusions:**

- Orthoptic or vision training, subnormal vision aids and any associated supplemental testing; Aniseikonic lenses;
- Medical and/or surgical treatment of the eye, eyes or supporting structures;
- Any eye or vision examination, or any corrective eyewear required by a policyholder as a condition of employment; safety eyewear
- Services provided as a result of any workers' compensation law, or similar legislation, or required by any governmental agency or program whether federal, state or subdivisions thereof;
- Plano (non-prescription) lenses and/or contact lenses;
- Non-prescription sunglasses;
- Two pair of glasses in lieu of bifocals;
- Services or materials provided by any other group benefit plan providing vision care;
- Services rendered after the date an insured person ceases to be covered under the policy, except when vision materials ordered before coverage ended are delivered, and the services rendered to the insured person are within 31 days from the date of such order.
- Lost or broken lenses, frames, glasses, or contact lenses will not be replaced except in the next benefits frequency when vision materials would next become available.

**COORDINATING WITH OTHER PLANS**

If you are covered under more than one plan, this section provides an overview of how benefits payable from all such plans will be coordinated. You should file all claims with each plan. Coverage coordinated between this Plan and another plan or plans may not guarantee 100% total reimbursement.

When this Plan is a primary plan, its benefits are determined before those of the other plan without considering the other plan's benefits. When this Plan is a secondary plan, its benefits are determined after those of the other plan. You may either receive reduced benefits or no benefit because of the other plan's benefits.

When processing a claim under this Plan as secondary, BlueCross will determine the amount this Plan would have paid for an allowable expense if it were primary. If this amount is greater than the benefit that the actual primary plan did pay, it would be reduced by the amount paid by the actual primary plan and this plan, as secondary, would pay you the difference. If the benefit paid by the primary plan is the same or more for an allowable expense than this Plan would have paid as primary, no further benefit will be paid under this Plan.

	<b>Primary Plan</b>	<b>Secondary</b>	<b>Plan Result</b>
<b>Example 1</b>	Primary plan covers a service at <b>80%</b> of the allowable	Covers a service at <b>80%</b> of the allowable	Secondary plan pays nothing; member pays <b>20%</b>
<b>Example 2</b>	Primary plan covers a service at <b>60%</b> of the allowable	Covers a service at <b>80%</b> of the allowable	Secondary plan pays <b>20%</b> of the allowable; member pays <b>20%</b>
<b>Example 3</b>	Primary plan doesn't cover the service	Covers the service at <b>80%</b> of the allowable	Secondary plan pays <b>80%</b> ; member pays <b>20%</b>
<b>Example 4</b>	Primary plan covers the service at <b>80%</b> of the allowable	Secondary plan doesn't cover the service	Secondary Plan pays nothing; member pays <b>20%</b>

### **Determining Primary/Secondary Coverage**

The following guidelines will help you to determine which plans provide primary coverage and which plans provide secondary coverage for you and your family:

- If you and your dependents are enrolled in the SCANA Plan, and you are not covered under any other insurance plan, then the SCANA Plan is your primary plan;
- If you are enrolled in the SCANA Plan and you have coverage under a plan other than SCANA's Plan, the SCANA Plan is primary unless the other plan is provided by your current employer, in which case, the SCANA Plan will be secondary and the other plan will be primary;
- If your spouse has coverage through a plan other than SCANA's, that coverage is primary for your spouse and the SCANA Plan is secondary for your spouse, if you are carrying SCANA coverage on you and your spouse. Plus, if your spouse covers you through his/her primary plan, your spouse's plan is secondary for you;
- Primary coverage for dependent children is determined by the "birthday rule" when both parents cover the child under separate coverage. The plan of the parent whose birthday comes first in the calendar year, regardless of the year of birth, is primary for dependent children. In the event that both parents have the same birth date, the plan of the parent who has been employed the longest will be primary for the dependent children. A plan that does not use maintenance/coordination of benefits is automatically primary for your dependent children;
- Special rules may apply in cases of multiple coverage not addressed by these rules, such as divorced parents, or conflicting coordination of benefits provisions.

SCANA Corporation or BlueCross will annually request "other insurance" information from you regarding other group health insurance coverage you may carry for yourself and/or any of your eligible dependents. This request may occur in connection with a submitted claim; if so, you will be advised that the other insurance information (including an Explanation of Benefits from the other insurance carrier) is required before the submitted claim will be processed for payment. If no response is received within 90 days, the claim will be denied. If the requested information is subsequently received by our claim administrator, the claim will be processed.

### **Recovery of Excess Benefits**

If this Plan pays charges for services and supplies that should have been paid by the actual primary plan, BlueCross will have the right to recover such payments.

BlueCross will have sole discretion to seek such recovery from any person to, or for whom, or, respect to whom, such services were provided or such payments made by any insurance company, healthcare plan or other organization. If requested, you may be required to deliver to BlueCross such instruments and documents necessary to secure the right of recovery.

### **Right to Receive and Release Information**

BlueCross, without consent or notice to you, may obtain information from and release information to any other plan in order to coordinate your benefits. If requested, you must provide BlueCross with claim related information determined necessary to coordinate your benefits.

## WELLNESS PROGRAMS (FOR RETIREE SHARE PLAN PARTICIPANTS)

### Health Management:

You have access to **Health Management**, a disease management program for participants with any of the following diseases:

- Asthma
- COPD (Chronic Obstructive Pulmonary Disease or chronic lung problems)
- Diabetes
- Heart failure
- Coronary artery disease (Heart Disease)
- Hypertension (High Blood Pressure)
- Hyperlipidemia (High Cholesterol)
- Migraine

The purpose of this program is to help you understand your risk factors and treatment options, explore healthy lifestyle choices, set and reach realistic health goals and learn to successfully self-manage your condition. You may receive educational resources periodically, and you can call health coaches for additional support and information at 1-855-838-5897.

## CLAIMS PROCEDURES

### ELIGIBILITY CLAIMS PROCEDURES (For All Participants)

1. Decisions on eligibility to participate in the Plan are reviewed by the SCANA Benefits team and decided in a uniform and non-discriminatory manner. If you or your dependent were denied enrollment in the Plan and believe that you or your dependent are entitled to participate, you may file a claim in writing with the benefits manager at SCANA Corporation, Mail Code C131, 220 Operation Way, Cayce, SC 29033. The benefits manager will make a determination and notify you of that determination within 90 days after receipt of your claim. If special circumstances require up to another 90 days to process the claim, the benefits manager will notify you that an extension is needed within the initial 90 days. This notice of extension will describe the special circumstances requiring an extension and the date the benefits manager expects to issue a determination.
2. If you disagree with the decision of the benefits manager, you can appeal in writing to the Plan Administrator within 60 days of the claim denial. The plan administrator will notify you of the decision on appeal within sixty (60) days after receipt of your appeal, unless special circumstances require an extension of time of up to sixty (60) days for processing the appeal. If an extension is required, the plan administrator will notify you before the expiration of the initial 60-day period that explains the special circumstances that require an extension of time and includes the date by which the Plan Administrator expects to issue a determination on the appeal.

### CLAIMS FILING PROCEDURES (Retiree Share Participants Only. Claims procedures for other benefit options are contained in the applicable benefit booklets for such benefit options.)

1. Where a network provider renders services, generally the network provider will file the claim on a Participant's behalf. However, the Participant is responsible for ensuring that the claim is filed.
2. Written notice of receipt of services on which a claim is based must be furnished to the BlueCross, at its address listed in the benefit booklet, within twenty (20) days of the beginning of services, or as soon thereafter as is reasonably possible. Failure to give notice within the time does not invalidate nor reduce any claim if the Participant can show that it was not reasonably possible to give the notice within the required time frame and if notice was given as soon as reasonably possible. Upon receipt of the notice, the BlueCross BlueShield furnish or cause a claim form to be furnished to the Participant. If the claim form is not furnished within fifteen (15) days after BlueCross receives the notice, the Participant will be deemed to have complied with the requirements of this Plan as to proof of loss. The Participant must submit written proof covering the character and extent of the services within the time fixed for filing proof of loss.
3. For benefits not provided by a network provider, the Participant is responsible for filing claims with BlueCross BlueShield. When filing the claims, the Participant will need the following:

- a. A claim form for each Participant. Participants can get claim forms from a Participant services representative at the telephone number indicated on the Identification Card or via BlueCross BlueShield's website, [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com).
  - b. Itemized bills from the network provider (s). These bills should contain all the following:
    - i. Provider's name and address;
    - ii. Participant's name and date of birth;
    - iii. Participant's Identification Card number;
    - iv. Description and cost of each service;
    - v. Date that each service took place; and,
    - vi. Description of the illness or injury and diagnosis.
  - c. Participants must complete each claim form and attach the itemized bill(s) to it. If a Participant has other insurance that already paid on the claim(s), the Participant should also attach a copy of the other Plan's EOB notice.
    - i. Participants should make copies of all claim forms and itemized bills for the Participant's records since they will not be returned. Claims should be mailed to BlueCross BlueShield's address listed on the claim form.
4. BlueCross BlueShield must receive the claim within ninety (90) days after the beginning of services. Failure to file the claim within the ninety (90) day period, however, will not prevent payment of Covered Expenses if the Participant shows that it was not reasonably possible to file the claim timely, provided the claim is filed as soon as is reasonably possible. Except in the absence of legal capacity, claims must be filed no later than twelve (12) months following the date services were received.
5. Receipt of a claim by BlueCross will be deemed written proof of loss and will serve as written authorization from the Participant to BlueCross BlueShield to obtain any medical or financial records and documents useful to BlueCross BlueShield. BlueCross BlueShield, however, is not required to obtain any additional records or documents to support payment of a claim and is responsible to pay claims only on the basis of the information supplied at the time the claim was processed. Any party who submits medical or financial reports and documents to the BlueCross BlueShield in support of a Participant's claim will be deemed to be acting as the agent of the Participant. If the Participant desires to appoint an Authorized Representative in connection with such Participant's claims, the Participant should contact the BlueCross BlueShield for an Authorized Representative form.
6. There are four (4) types of claims: Pre-Service Claims, Urgent Care Claims, Post-Service Claims, and Concurrent Care claims. BlueCross and BlueShield will make a determination for each type of claim within the following time periods:
- i. Pre-Service Claim
    - (1) A determination will be provided in writing or in electronic form within a reasonable period of time, appropriate to the medical circumstances, but no later than fifteen (15) days from receipt of the claim.
    - (2) If a Pre-service Claim is improperly filed, or otherwise does not follow applicable procedures, the Participant will be sent notification within five (5) days of receipt of the claim.
    - (3) An extension of fifteen (15) days is permitted if BlueCross BlueShield (on behalf of the Plan) determines that, for reasons beyond the control of BlueCross BlueShield, an extension is necessary. If an extension is necessary the BlueCross BlueShield will notify the Participant within the initial fifteen (15) day time period that an extension is necessary, the circumstances requiring the extension, and the date BlueCross BlueShield expects to render a determination. If the extension is necessary to request additional information, the extension notice will describe the required information. The Participant will have at least forty-five (45) days to provide the required information. If BlueCross BlueShield does not receive the required information within the forty-five (45) day time period, the claim will be denied. BlueCross BlueShield will make its determination within fifteen (15) days of receipt of the requested information, or, if earlier, the deadline to submit the information. If the BlueCross BlueShield receives the requested information after the forty-five (45) days, but within two hundred twenty-five (225) days, the claim will be reviewed as a first level appeal.

ii. Urgent Care Claim

- (1) A determination will be sent to the Participant in writing or in electronic form as soon as possible taking into account the medical exigencies, but no later than seventy-two (72) hours from receipt of the claim.
- (2) If the Participant's Urgent Care Claim is determined to be incomplete, the Participant will be sent a notice to this effect within twenty-four (24) hours of receipt of the claim. The Participant will then have forty-eight (48) hours to provide the additional information. Failure to provide the additional information within forty-eight (48) hours may result in the denial of the claim.
- (3) If the Participant requests an extension of urgent care benefits beyond an initially determined period and makes the request at least twenty-four (24) hours prior to the expiration of the original determination period, the Participant will be notified within twenty-four (24) hours of receipt of the request for an extension.

iii. Post-Service Claim

- (1) A determination will be sent within a reasonable time period, but no later than thirty (30) days from receipt of the claim.
- (2) An extension of fifteen (15) days may be necessary if BlueCross BlueShield (on behalf of the Plan) determines that, for reasons beyond the control of BlueCross BlueShield, an extension is necessary. If an extension is necessary, the BlueCross BlueShield will notify the Participant within the initial thirty (30) day time period that an extension is necessary, the circumstances requiring the extension, and the date the BlueCross BlueShield expects to render a determination. If the extension is necessary to request additional information, the extension notice will describe the required information. The Participant will have at least forty-five (45) days to provide the required information. If BlueCross BlueShield does not receive the required information within the forty-five (45) day time period, the claim will be denied. BlueCross BlueShield will make its determination within fifteen (15) days of receipt of the requested information, or, if earlier, the deadline to submit the information. If the BlueCross BlueShield receives the requested information after the forty-five (45) days, but within two hundred twenty-five (225) days, the claim will be reviewed as a first level appeal.

iv. Concurrent Care Claim

- (1) The Participant will be notified if there is to be any reduction or termination in coverage for ongoing care sufficiently in advance of such reduction or termination to allow the Participant time to appeal the decision before the benefits are reduced or terminated.

g. Notice of Determination

7. If the Participant's claim is filed properly, and the claim is in part or wholly denied, the Participant will receive notice of an Adverse Benefit Determination in a culturally and linguistically appropriate manner, that will:
- a. Include information sufficient to identify the claim involved (including date of service, health care Provider, claim amount (if applicable) and a statement describing the availability, upon request, of the diagnosis and treatment codes and their corresponding meanings;
  - b. State the specific reason(s) for the Adverse Benefit Determination, including the denial code and its corresponding meaning, as well as a description of the standard (if any) that was used in denying the claim;
  - c. State that the Participant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the Participant's claim;
  - d. Reference the specific Plan of Benefits provisions on which the determination is based;
  - e. Describe additional material or information, if any, needed to complete the claim and the reasons such material or information is necessary;
  - f. Describe the claims review procedures and the Plan and the time limits applicable to such procedures, including a statement of the Participant's right to bring a civil action under section 502(a) of ERISA following an Adverse Benefit Determination on review;
  - g. Disclose any internal rule, guideline, or protocol relied on in making the Adverse Benefit Determination (or state that such information is available free of charge upon request);
  - h. If the reason for denial is based on a lack of Medical Necessity or Investigational or Experimental Services exclusion or similar limitation, explain the scientific or clinical judgment for the determination (or state that such information will be provided free of charge upon request);

- i. Provide a description of available internal appeals and external review processes, including information regarding how to initiate such appeals;
- j. Disclose the availability of, and contact information for, any applicable office of health insurance consumer assistance or ombudsman established under section 2793 of the Public Health Service Act to assist individuals with the internal claims and appeals and external review processes ERISA.
- k. Participant will be provided, as soon as practicable upon request, the diagnosis and treatment codes and their corresponding meanings, associated with the Adverse Benefit Determination.
- l. No decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual will be made based upon the likelihood that the individual will support the denial of Benefits.
- m. The Participant will also receive a notice if the claim is approved.

**APPEAL PROCEDURES FOR AN ADVERSE BENEFIT DETERMINATION (Retiree Share Participants Only)**

1. Participant has one hundred eighty (180) days from receipt of an Adverse Benefit Determination to file an appeal. An appeal must meet the following requirements:
  - a. An appeal must be in writing;
  - b. An appeal must be sent (via U.S. mail) at the address below:
 

Blue Cross and Blue Shield of South Carolina  
 Claims Service Center  
 Post Office Box 100300  
 Columbia, SC 29202
  - c. The appeal request must state that a formal appeal is being requested and include all pertinent information regarding the claim in question; and,
  - d. An appeal must include the Participant's name, address, identification number and any other information, documentation or materials that support the Participant's appeal.
2. The Participant may submit written comments, documents, or other information in support of the appeal, and will (upon request) have access to all documents relevant to the claim. A person other than the person who made the initial decision will conduct the appeal. No deference will be afforded to the initial determination.
3. The Participant must raise all issues and grounds for appealing an Adverse Benefit Determination at every stage of the appeals process, or such issues and grounds will be deemed permanently waived.
4. If the appealed claim involves an exercise of medical judgment, BlueCross BlueShield will consult with an appropriately qualified health care practitioner with training and experience in the relevant field of medicine. If a health care professional was consulted for the initial determination, a different health care professional will be consulted on the appeal.
5. The final decision on the appeal will be made within the time periods specified below:

a. Pre-Service Claim

BlueCross BlueShield (on behalf of the Plan) will decide the appeal within a reasonable period of time, taking into account the medical circumstances, but no later than thirty (30) days after receipt of the appeal. If the participant disagrees with BlueCross decision, the participant can submit a second appeal within ninety (90) days after receipt of the final decision of the first appeal. BlueCross (on behalf of the Plan) will decide the second appeal within a reasonable period of time, taking into account the medical circumstances, but no later than fifteen (15) days after receipt of the second appeal.

b. Urgent Care Claim

The Participant may request an expedited appeal of an Urgent Care Claim. This expedited appeal request may be made orally, and BlueCross BlueShield (on behalf of the Plan) will communicate with the Participant by telephone or facsimile. BlueCross BlueShield (on behalf of the Plan)



will decide the appeal within a reasonable period of time, taking into account the medical circumstances, but no later than seventy-two (72) hours after receipt of the request for an expedited appeal.

c. Post-Service Claim

BlueCross BlueShield (on behalf of the Plan) will decide the appeal within a reasonable period of time, but no later than sixty (60) days after receipt of the appeal. If the participant disagrees with BlueCross' decision, the participant can submit a second appeal within ninety (90) days after receipt of the final decision of the first appeal. BlueCross (on behalf of the Plan) will decide the second appeal within a reasonable period of time, but no later than thirty (30) days after receipt of the second appeal.

d. Concurrent Care Claim

BlueCross BlueShield (on behalf of the Plan) will decide the appeal of Concurrent Care claims within the time frames set forth in Section 4(a-c) depending on whether such claim is also a Pre-Service Claim, an Urgent Care Claim or a Post-Service Claim.

6. Notice of Final Internal Appeals Determination

a. If a Participant's appeal is denied in whole or in part, the Participant will receive notice of an Adverse Benefit Determination, in a culturally and linguistically appropriate manner, that will:

- i. Include information sufficient to identify the claim involved (including date of service, health care Provider, claim amount (if applicable), and a statement describing the availability, upon request, of the diagnosis and treatment codes and their corresponding meanings;
- ii. State specific reason(s) for the Adverse Benefit Determination, including the denial code and its corresponding meaning, as well as a description of the standard (if any) that was used in denying the claim and a discussion of the decision;
- iii. Reference specific provision(s) of the Plan of Benefits on which the Benefit determination is based;
- iv. State that the Participant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claim for Benefits;
- v. Describe any mandatory or voluntary appeal procedures offered by BlueCross BlueShield (on behalf of the Plan) and the Participant's right to obtain such information;
- vi. Disclose any internal rule, guideline, or protocol relied on in making the Adverse Benefit Determination (or state that such information is available free of charge upon request);
- vii. If the reason for an Adverse Benefit Determination on appeal is based on a lack of Medical Necessity, Investigational or Experimental services or other limitation or exclusion, explain the scientific or clinical judgment for the determination (or state that such information will be provided free of charge upon request);
- viii. Include a statement regarding the Participant's right to bring an action under section 502(a) of ERISA.

7. The Participant will also receive, free of charge, any new or additional evidence considered, relied upon, or generated in connection with the claim. This evidence will be provided as soon as possible and sufficiently in advance of the date on which the notice of Adverse Benefit Determination is received, to give the Participant a reasonable opportunity to respond prior to that date.

8. If the Adverse Benefit Determination is based on a new or additional rationale, then the Participant will be provided with the rationale, free of charge. The rationale will be provided as soon as possible and sufficiently in advance of the date of the Adverse Benefit Determination to give the Participant a reasonable opportunity to respond prior to that date.

9. The Participant will be provided, as soon as practicable upon request, the diagnosis and treatment codes and their corresponding meanings, associated with the Adverse Benefit Determination.

10. No decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual will be made based upon the likelihood that the individual will support the denial of Benefits.

11. A Participant's claim and appeals will be decided pursuant to a good faith interpretation of the Plan, in the best interest of the Participant, without

taking into account either the amount of the Benefits that will be paid to the Participant or the financial impact on the Plan.

a. The Participant will also receive a notice if the claim on appeal is approved.

12. SCANA has retained BlueCross BlueShield to make the initial claims determination as well as determinations on appeal as the claims fiduciary. Accordingly, the Plan Administrator has delegated to BlueCross BlueShield discretionary authority to construe and interpret questions of related to claims for benefits under the terms of the Plan. The Plan Administrator delegates to BlueCross BlueShield the discretionary authority to make utilization review and precertification determinations for the purpose of making claim decisions under the Plan and to interpret and construe the Plan as necessary to make such determinations. It is understood and agreed that the BlueCross BlueShield is a fiduciary with respect to its exercise of such discretionary authority. In making its decision, BlueCross BlueShield will rely on the Plan, its internal procedures and will rely on eligibility data provided by the Company. BlueCross BlueShield will undertake the responsibility for providing the initial and appellate reviews and final determination of claims that have been denied in whole or in part in accordance with the rules set forth in ERISA Section 503 and the regulations there under.

#### **VOLUNTARY LEVEL APPEAL PROCEDURES (Retiree Share Participants Only)**

1. The Participant shall have sixty (60) calendar days from receipt of a second level appeal adverse benefits determination to file an appeal to the Plan Administrator. This appeal is completely voluntary but must be filed and completed prior to any external review process is initiated. An appeal must meet the following requirements:
  - a. An appeal must be in writing;
  - b. The appeal must be sent to the Plan Administrator at the address in the Plan Information section of this document;
  - c. The appeal must include the name, address of the participant, and all relevant information in support of the appeal.
2. The Plan Administrator will review the appeal and make a determination within a reasonable period of time, but no later than 90 days after receipt of the voluntary appeal. If additional information is needed, as determined by the Plan Administrator, the time to decide the appeal will be suspended until such information is reviewed.

#### **EXTERNAL REVIEW PROCEDURES (Retiree Share Participants Only)**

1. After a Participant has completed the appeal process, a Participant may be entitled to an additional, external review of the Participant's claim at no cost to the Participant. An external review may be used to reconsider the Participant's claim if BlueCross BlueShield has denied, either in whole or in part, the Participant's claim. In order to qualify for external review, the claim must have been denied, reduced, or terminated because:
  - a. It does not meet the requirements for Medical Necessity, appropriateness, health care setting, level of care or effectiveness; or,
  - b. It is an Investigational or Experimental Service and it involves a life-threatening or seriously disabling condition.
2. After a Participant has completed the appeal process, (and an Adverse Benefit Determination has been made) such Participant will be notified in writing of such Participant's right to request an external review. The Participant should file a request for external review within four (4) months of receiving the notice of BlueCross BlueShield's decision on the Participant's appeal. In order to receive an external review, the Participant will be required to authorize the release of such Participant's medical records (if needed in the review for the purpose of reaching a decision on Participant's claim).
3. Within five (5) business days of the date of receipt of a Participant's request for an external review, BlueCross BlueShield will respond by either:
  - a. Assigning the Participant's request for an external review to an independent review organization and forwarding the Participants records to such organization; or,
  - b. Notifying the Participant in writing that the Participant's request does not meet the requirements for an external review and the reasons for the Corporation's decision.
4. The external review organization will take action on the Participant's request for an external review within forty-five (45) days after it receives the request for external review from the Corporation.
5. Expedited external reviews are available if the Participant's Provider certifies that the Participant has a Serious Medical Condition. A Serious

Medical Condition, as used in this paragraph, means one that requires immediate medical attention to avoid serious impairment to body functions, serious harm to an organ or body part, or that would place the Participant's health in serious jeopardy. If the Participant may be held financially responsible for the treatment, a Participant may request an expedited review of BlueCross BlueShield's decision if BlueCross BlueShield's denial of Benefits involves Emergency Medical Care and the Participant has not been discharged from the treating Hospital. The independent review organization must make its decision within seventy-two (72) hours after it receives the request for expedited review.

## **SUBROGATION – INSURER'S RIGHT OF REIMBURSEMENT**

As a condition to receiving benefits under this Plan, you must:

- Reimburse the Plan for any such benefits paid or payable to you, or on your behalf, when said benefits are recovered, in any form, regardless of how classified or characterized including but not limited to amounts allocated to attorney's fees, from any person, corporation, entity, no-fault carrier, uninsured motorist carrier, underinsured motorist carrier, other insurance policies or funds; and
- Refrain from releasing any party, person, corporation, entity, insurance company, insurance policies or funds that may be liable for or obligated to you for the injury or condition without obtaining the Plan's written approval; and
- Without limiting the preceding, subrogate the Plan to any and all claims, causes of action or rights that they have or that may arise against any person, corporation and/or other entity and to any coverage, no-fault coverage, uninsured motorist coverage, underinsured motorist coverage, other insurance policies or funds ("Coverage") for which you claim an entitlement to benefits under this Plan, regardless of how classified or characterized.
- Rights of the plan under this section are not conditional on the entry of a judgment or finding of fault by any party, including but not limited to a court, agency, or any third party.

In the event you settle, recover or are reimbursed by any third party or coverage, you must hold any such funds received in trust for the benefit of the Plan, and to reimburse the Plan for all benefits paid or that will be paid as a result of the injury or condition. The Plan's subrogation rights shall be considered a first priority claim and shall be paid in full before any other claims for you as the result of the illness or injury, regardless of whether you are made whole. If you fail to reimburse the Plan for all benefits paid or to be paid, as a result of the injury or condition, out of any recovery or reimbursement received, you will be liable for any and all expenses (whether fees or costs) associated with the Plan's attempt to recover such money from you. If you fail to reimburse the Plan for all benefits paid or to be paid, as a result of the injury or condition, the Plan may withhold payment of future benefits until such amounts are repaid in full.

You are required to execute and return all required documents to the Plan Administrator and shall supply other reasonable information and assistance as requested by the Plan Administrator regarding the claim or potential claim. If the required documentation is not executed and returned or if information and assistance is not provided to the Plan Administrator upon request, no benefits will be payable under the Plan with respect to costs incurred in connection with such illness or injury. Failure to obtain the requested information, however, will not preclude the Plan Administrator from pursuing the Plan's subrogation and reimbursement rights.

If you (or your guardian or estate) decide to pursue a third party or any coverage available to them as a result of an injury or condition, you must include the Plan's subrogation claim in that action and if there is failure to do so, the Plan will be legally presumed to be included in such action or recovery. In the event you decide not to pursue any and all third parties or coverage, you authorize the Plan to pursue, sue, compromise or settle any such claims in their name, to execute any and all documents necessary to pursue said claims in their name, and agrees to fully cooperate with the Plan in the prosecution of any such claims. You (or your guardian or estate) agree to take no prejudicial actions against the subrogation rights of the Plan or to in any way impede the action taken by the Plan to recover its subrogation claim. Such cooperation shall include a duty to provide information, execute and deliver any acknowledgment and other legal instruments documenting the Plan's subrogation rights and take such action as requested by the Plan to secure the subrogation claim. Such cooperation shall include a duty to provide information, execute and deliver any acknowledgment and other legal instruments documenting the Plan's subrogation rights and take such action as requested by the Plan to secure the subrogation rights of the Plan.

The Plan will not pay or be responsible, without its written consent, for any fees or costs, including but not limited to attorney's fees, associated with your pursuing a claim against any coverage or third party. The plan administrator retains sole and final discretion for interpreting the terms and conditions of this Plan document. The Plan Administrator may amend the Plan in its sole discretion at anytime without notice. This right of subrogation and reimbursement applies to you, your guardian(s), estate, executor, personal representative, and heir(s). In the event of any overpayment of benefits by this Plan, the Plan will have the right to recover the overpayment. If you are paid a benefit greater than allowed in accordance with the provisions of the Plan, you will be requested to refund the overpayment. If payment is made on your behalf to a hospital, physician or other provider of health care, and that payment is found to be an overpayment, the Plan will request a refund, the Plan will then request the overpayment from you. If the refund is not received from the provider or you, the amount of the overpayment will be deducted from future benefits for you.

For the purposes of implementing the terms of this Plan, the Plan Administrator retains the right to request any medical information from any insurance company or provider of service it deems necessary to properly process a claim. Any person claiming benefits under this Plan shall furnish to the plan administrator such information as may be necessary to implement this provision.

## HEALTH REIMBURSEMENT ACCOUNT (HRA)

The HRA is a bookkeeping account credited with the amounts as listed below and is reduced from time to time by the amount of eligible expenses for which you are reimbursed under the Plan. The account is not funded and does not accrue interest. All reimbursements are paid out of SCANA general assets. OneExchange has been delegated as the Claims Administrator and will administer the HRA.

OneExchange can also support you in evaluating and choosing a Medicare supplemental health care plan and prescription drug coverage that fit your individual health care needs and budget. OneExchange will work with you at no cost to obtain quotes for you on a broad range of Medicare plans and provide you personal assistance in helping you choose the one that works best for you.

Should you have any questions regarding your HRA account or need assistance in choosing an individual health and/or drug plan, OneExchange customer service representatives are available Monday through Friday, from 9 a.m. to 9 p.m. Eastern Time. Their toll-free number is 866-715-4673.

If you have any questions after reviewing the information provided you may call OneExchange toll-free at **866-715-4673** or go to their website at **[medicare.oneexchange.com/scanacorporation](http://medicare.oneexchange.com/scanacorporation)**

### A. HRA amount and availability

SCANA will contribute a fixed amount annually to your HRA account administered by OneExchange.

#### Pre-65 Retirees

	Retiree	Retiree plus spouse	Retiree and child*	Family*
<b>Annual Allowance</b>	\$6,604	\$13,208	\$13,208	\$19,812

\*Annual maximum, regardless of the number of dependents.

#### 65 and Older Retirees

	Retiree	Retiree plus spouse	Retiree and child*	Family*
Annual Allowance	\$2,131	\$4,262 (over 65 spouse)	\$4,262 (over 65 dependent)	\$10,866 (over 65 spouse/ under 65 dependent)
		\$8,735 (under 65 spouse)	\$8,735 (under 65 dependent)	\$15,339 (under 65 spouse/ dependent)

\* Annual maximum, regardless of the number of dependents.

NOTE: Retirees or their dependents entering the plan mid-year will receive a prorated amount for that year, based on the month of enrollment.

The HRA funds may be used to:

- pay for premiums for third-party retiree medical plans offered outside of SCANA's Plan
- pay co-pays, deductibles and coinsurance
- purchase Medicare Part D coverage
- pay for Medicare Part B premiums

You are reimbursed on the costs up to the maximum allowed. If you select this option, you will not be able to enroll in other SCANA plans. Any amounts in the account at the end of the plan year will not rollover to the next plan year.

## **A. Eligible Expenses**

Your HRA is a convenient way to be reimbursed for your health care premiums, deductibles, co-pays, coinsurance, etc. Only eligible expenses incurred within the plan year (January 1 - December 31) and submitted within 90-days after the end of the plan year will be eligible for reimbursement. To view an online list of eligible expenses, access the OneExchange website. To obtain a list of eligible expenses over the phone, contact OneExchange directly. A OneExchange representative will be happy to help you.

The following expenses may not be reimbursed from your HRA:

- expenses incurred prior to the date you became a participant in the HRA;
- expenses incurred after the date you cease to be a participant in the HRA;
- expenses that have been reimbursed by another plan or for which you plan to seek reimbursement under another health plan.

To view a complete list of all other expenses that are not eligible for reimbursement go to the OneExchange website or contact a OneExchange representative.

## **B. Accessing your HRA**

You may access your HRA account information online through the OneExchange website, or by calling their toll-free number. To access your account online or to contact by phone, use the website address and phone number listed above.

## **C. Web site information**

The OneExchange website has all of your current account information, including your account balance and claim status. Using the Web site, you may also file a claim for reimbursement or enroll in direct deposit.

The website also has helpful information about obtaining individual health, dental and vision insurance outside of the SCANNA plan options available. OneExchange representatives are also available to assist you identifying other individual and/or Medicare coverage options available to you.

## **CLAIMS PROCEDURES – SUBMITTING CLAIMS**

For your convenience, you may submit claims online or by using a paper claim form. Whichever option you choose, you will need to provide documentation of your expenses.

To file a claim online, you will need to log into your HRA account at [medicare.oneexchange.com/scanacorporation](http://medicare.oneexchange.com/scanacorporation).

- Once you are in your HRA Account online, click File a Claim under Quick Links.
- Select Pay Me.
- Enter the following claim information: type of expense, date of expense and amount of expense. To add additional claims, select Add Another Claim.
- After entering in all your claims, click Next.
- Confirm all expense details, then click Next. To make changes, click Previous.
- Select Fax or Upload (Upload requires claims to be provided in PDF format).
- To Fax, click on Create Coversheet, then print, sign and fax the form (and itemized receipts) to 1-866-932-2567.
- To upload, use the Browse button to select your receipts in PDF format from your computer.
- To add additional documents, click on Add Additional Document.
- Check the Signature Box at the bottom of the page to sign your claim.
- Click Submit.

If you have signed up for eNotify, PayFlex on behalf of OneExchange will send a confirmation email once your claim has been processed.

To file a paper claim via mail or fax, you will need to:

1. Complete, sign and date the claim form (which can be printed from the OneExchange website at [medicare.oneexchange.com/scanacorporation](http://medicare.oneexchange.com/scanacorporation) or by contacting OneExchange at 866-715-4673). Attach a copy of your expense receipt(s) or documentation of the expense.

Note: To submit a claim for monthly premiums, attach a copy of the premium invoice from your plan, a copy of your bank statement OR a copy of your cashed check as documentation of your payment. Otherwise, your receipt or documentation must include:

- Name of health care provider or merchant
  - Name of patient
  - Identification of product or description of service
  - Date of service or purchase
  - Amount paid or owed
2. Mail or fax claim form and documentation to: Mail: PayFlex Systems USA, Inc.  
OneExchange HRA  
P.O. Box 3039  
Omaha, NE 68103-3039  
Fax: (402) 231-4310

When faxing, your claim form should be the first page, followed by receipts or supporting documentation. You do not need to provide a separate cover sheet.

## Claims and Reimbursement

1. Reimbursement process

Once your claim and receipts have been received and approved, you will receive payment within 14 days. If you have elected direct deposit, payment will be issued within three days of the claim approval.

For quicker access to your reimbursement, sign up for direct deposit online or request the direct deposit election form from an OneExchange representative.

2. Claim forms and automatic reimbursement

If you have elected to receive automatic reimbursement from your HRA for premium payments, you do not have to submit claims for these expenses in order to be reimbursed. To verify whether or not you chose automatic reimbursement, please refer to your confirmation letter from OneExchange.

## Claim Denials and Appeals

If a claim for benefits is denied in part or in whole, you have the right to file a formal appeal as described below.

1. How to Appeal a Denied Claim

If you wish to appeal a denied claim, you must submit your appeal in writing within 180 days of receiving the denial. This written communication should include:

- the patient's name and ID number as shown on the ID card;
- the provider's or insurer's name;
- the date of medical service or period of coverage;
- the reason you think your claim should be paid; and
- any documentation or other written information to support your request.

If you wish to request a formal appeal of a denied claim for reimbursement, the appeals should be submitted to:

PayFlex Systems USA, Inc.  
OneExchange HRA  
P.O. Box 3039  
Omaha, NE 68103-3039  
Fax: (402) 231-4310

## 2. Review of an Appeal

OneExchange will conduct a full and fair review of your appeal. The appeal may be reviewed by:

- an appropriate individual(s) who did not make the initial benefit determination; and
- a health care professional who was not consulted during the initial benefit determination process.

Once the review is complete, if OneExchange upholds the denial, you will receive a written explanation of the reasons and facts relating to the denial.

## 3. Timing

- If your claim is incomplete,
  - OneExchange must notify you within 30 days
  - You must then provide completed claim information to OneExchange within 45 days after receiving an extension notice
- If OneExchange denies your initial claim, they must notify you of the denial:
  - If the initial claim is complete, within 30 days
  - After receiving the completed claim (if the initial claim is incomplete), within 30 days
  - You must appeal the claim denial no later than 180 days after receiving the denial
- If OneExchange denies your appeal, they must notify you of the denial 30 days after receiving the first level appeal
- OneExchange may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control

## 4. Limitation of Action

You cannot bring any legal action against the Plan, SCANA, or the OneExchange to recover reimbursement until 90 days after you have properly submitted a request for reimbursement as described in this section and all required reviews of your claim have been completed. If you want to bring a legal action against the Plan, SCANA, or the Claims Administrator, you must do so within one (1) year from the expiration of the time period in which a request for reimbursement must be submitted or you lose any rights to bring such an action against the Plan or the Claims Administrator.

## NEBCO ENHANCED


### Medicare Supplement for Retirees Age 65 and Over

NEBCO Enhanced coverage, underwritten by Transamerica Life Insurance Company (medical) and Sterling Life Insurance Company (prescription drug), is an insured benefit. The controlling policies and certificates of coverage are incorporated by reference and include the applicable claims procedures. To the extent this document or the policy or certificate of coverage conflict, the policy and/or certificate of coverage control.

#### Retiree Medical Insurance Enhanced Plan

Medicare (Part A) - Hospital services - Per Benefit Period\*


\*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

Services	Medicare Pays	Plan Pays	You Pay
<b>Hospitalization*</b>			
Semiprivate room and board, general nursing and miscellaneous services and supplies:			
First 60 days All but	<b>\$1,260</b> (Part A deductible)	<b>\$1,260</b> (Part A deductible)	<b>\$0</b>
61st through 90th day	All but \$315 per day	\$315 per day	<b>\$0</b>
91st day and after:			
While using 60 lifetime reserve days	All but \$630 per day	\$630 per day	<b>\$0</b>
Once lifetime reserve days are used:			
Additional 365 days	\$0	100% of Medicare Eligible Expenses	<b>\$0</b>
Beyond the Additional 365 days	\$0	\$0	<b>All costs</b>
<b>Skilled Nursing Facility Care*</b>			
You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital:			
First 20 days	All approved amounts	\$0	<b>\$0</b>
21st through 100th day	All but \$157.50 per day	\$157.50 per day	<b>\$0</b>
101st day and after	\$0	\$0	<b>All costs</b>
<b>Blood</b>			
First 3 pints	\$0	100%	<b>\$0</b>
Additional amounts	100%	\$0	
<b>Hospice Care</b>			
Available as long as your doctor certifies that you are terminally ill and you elect to receive these services.	All but very limited coinsurance for outpatient drugs and limited inpatient respite care	\$0	<b>Balance</b>
Administered by AmWINS, formerly National Employee Benefit Companies, Inc. (NEBCO)			
			




**Retiree Medical Insurance Enhanced Plan (continued)**

Medicare (Part B) Medical Services – Per Calendar Year

<b>Services</b>	<b>Medicare Pays</b>	<b>Plan Pays</b>	<b>You Pay</b>
<b>Medical Expenses - In or Out of the Hospital and Out-patient Hospital Treatment</b> , such as Physician's services, in-patient and out-patient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment:			
Medicare Part B Deductible	\$0	\$0	<b>\$147 (Part B Deductible)</b>
Medicare-approved amounts	Generally 80%	\$0	<b>20% up to \$500 including the Medicare Part B Deductible</b>
After payment of the standard Part B Deductible and an annual Policy deductible totaling \$500, the plan pays 20% of Medicare-eligible Part B expenses.	Generally 80%	20%	<b>\$0</b>
Part B Excess Charges (Above Medicare-approved amounts)	\$0	100%	<b>\$0</b>
<b>Blood</b>			
First 3 pints	\$0	All costs	<b>\$0</b>
Medicare Part B Deductible	\$0	\$0	<b>\$147 (Part B Deductible)</b>
Medicare-approved amounts	Generally 80%	\$0	<b>20% up to \$500 including the Medicare Part B Deductible</b>
After payment of the standard Part B Deductible and an annual Policy deductible totaling \$500, the plan pays 20% of Medicare-eligible Part B expenses.	Generally 80%	20%	<b>\$0</b>
<b>Clinical Laboratory Services</b>			
Blood tests for Diagnostic Services	100%	\$0	<b>\$0</b>
Administered by AmWINS, formerly National Employee Benefit Companies, Inc. (NEBCO)			
			

**Retiree Medical Insurance Enhanced Plan (continued)**

Medicare Parts A & B

Services	Medicare Pays	Plan Pays	You Pay
<b>Home Health Care</b>			
Medicare-approved services:			
Medically necessary skilled care services and medical supplies			
Durable medical equipment:	100%	\$0	\$0
Medicare Part B Deductible	\$0	\$0	\$147 (Part B Deductible)
Medicare-approved amounts	Generally 80%	\$0	20% up to \$500 including the Medicare Part B Deductible
After payment of the standard Part B Deductible and an annual Policy deductible totaling \$500, the plan pays 20% of Medicare-eligible Part B expenses.	Generally 80%	20%  Services	\$0 Medicare Pays
Other Benefits Not Covered Medicare			
Services	Medicare Pays	Plan Pays	You Pay
<b>Foreign Travel</b>			
Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA:			
First \$250 each calendar year	\$0	\$0	<b>\$250</b>
Remainder of charges	\$0	80% to a lifetime maximum of \$50,000	<b>20% and amounts over the \$50,000 lifetime maximum</b>
<p>*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.</p> <p>**Once you have been billed \$147 of Medicare-Approved amounts for covered services, your Medicare Part B Deductible will have been met for the calendar year.</p> <p>The summary of program benefits described herein is for illustrative purposes only. In case of differences or errors, the Group Policy governs.</p> <p>Benefits will not be paid for any expenses which are not determined to be Medicare Eligible Expenses by the Federal Medicare Program or its administrators, except as otherwise specified. For complete details please see the Master Policy. This policy is renewable at the option of the insurer.</p>			
<p>Administered by AmWINS, formerly National Employee Benefit Companies, Inc. (NEBCO)</p> 			

# STERLING Retiree Rx<sup>SM</sup> (PDP)

The prescription drug plan included in the NEBCO option is **Rx Plan 1**. Retirees can buy up to **Rx Plan 2** for an additional monthly fee.

**Rx Plan 1**  
**Prescription Drug Plan - Summary of Benefits**  
**2015 Enhanced Medicare Part D Four-Tier Plan**

Enhanced Medicare Part D plan with no annual deductible and no gap in coverage		
Deductible: \$0		
Tier	30-Day Retail Pharmacy† Coinsurance	90 Day Retail Pharmacy or Mail Order† Coinsurance
Tier 1: Generic	30% (maximum out of pocket of \$100 per prescription)	30% (maximum out of pocket of \$250 per prescription)
Tier 2: Preferred Brand	30% (maximum out of pocket of \$100 per prescription)	30% (maximum out of pocket of \$250 per prescription)
Tier 3: Non-Preferred Brand & High Cost Generics	50% (maximum out of pocket of \$100 per prescription on High Cost Generics Only)	50% (maximum out of pocket of \$250 per prescription on High Cost Generics Only)
Tier 4: Specialty and High Priced Brand Drugs	50% (maximum out of pocket of \$250 per prescription)	Not Available
<b>Catastrophic Coverage: Total out-of-pocket expenses of \$4,700.00+</b>	<b>Greater of 5% or \$2.65 co-payment for generic drugs Greater of 5% or \$6.60 for all covered drugs</b>	

**Formulary (drug list):** Includes nearly all generic drugs covered by Medicare Part D and most commonly used brand name drugs.

**Non-Preferred Brand Drugs** are those medications that are higher cost brands and are less cost-effective than preferred brand drugs.

**High Priced Brand Drugs** those medications that cost more than \$600.00 for a 30 day supply.

**Plan Service Area:** All 50 states of the United States along with most U.S. Territories.

**Network Pharmacies:** There are more than 63,000 network pharmacies nationwide, including Walgreens, CVS, Rite-Aid, Wal-Mart, and Target.

†Up to a 34 day supply on prescriptions is available through participating retail pharmacy locations. Up to a 93 day supply on prescriptions is available through mail order and may be available through participating retail pharmacy locations.

**Rx Plan 2- Buy-Up Option  
Prescription Drug Plan - Summary of Benefits  
2015 Enhanced Medicare Part D Four-Tier Plan**

<b>Four-Tier Plan Enhanced Medicare Part D plan with no annual deductible and no gap in coverage</b>		
Deductible: \$0		
Copay Tier	30-Day Retail Pharmacy† Copay	90 Day Retail Pharmacy or Mail Order† Copay
Tier 1: Generic	\$8	\$20
Tier 2: Preferred Brand	\$45	\$90
Tier 3: Non-Preferred Generic & Non-Preferred Brand	\$95	\$285
Tier 4: Some Generic & Brand and Specialty	33%	33%
<b>Coverage in Gap*</b>	<b>Same copay schedule as above.</b>	
<b>Catastrophic Coverage: Total out-of-pocket expenses of \$4,700.00+</b>	<b>Greater of 5% or \$2.65 co-payment for generic and multi-source drugs. Greater of 5% or \$6.60 for all other covered drugs.</b>	

**Formulary (drug list):** Includes nearly all generic drugs covered by Medicare Part D and most commonly used brand name drugs.

**Plan Service Area:** All 50 states of the United States along with most U.S. Territories.

**Network Pharmacies:** More than 60,000 network pharmacies nationwide, including Walgreens, CVS, Rite-Aid, Wal-Mart, and Target.

\*Your Coverage Gap copay already includes the 50% manufacturer's discount on covered brand name drugs to Part D enrollees not already receiving extra help.

†Up to a 34 day supply on prescriptions is available through participating retail pharmacy locations. Up to a 93 day supply on prescriptions is available through mail order and may be available through participating retail pharmacy locations.

**Note:** In the event the Employer Group terminates coverage before the end of the coverage year, 90 day prescriptions will be reduced to a 30 day prescription.

The benefit information provided is a brief summary, not a complete description of benefits. For more information contact the plan. Benefits, formulary, pharmacy network, provider network, premium and/or co-payments/co-insurance may change on January 1 of each year. Limitations, copayments and restrictions may apply.

Retiree Only	Retiree & Spouse	Spouse/Surviving Spouse Only
<input type="checkbox"/> Enhanced Rx Plan 2 <b>\$55.00</b> additional per month	<input type="checkbox"/> Enhanced Rx Plan 2 <b>\$110.00</b> additional per month	<input type="checkbox"/> Enhanced Rx Plan 2 <b>\$55.00</b> additional per month

## COMPANION LIFE DENTAL (For those retired prior to 1994)

Companion Life Dental coverage is an insured benefit. The controlling policy and certificate of coverage provided to you is incorporated by reference, and to the extent this document or the policy or certificate of coverage conflict, the policy and/or certificate of coverage control. Payment is based upon allowable charges in the area in which service is rendered. Any dentist charge above the allowable charge is not a covered expense.

### Schedule of Benefits

<b>Program Deductible</b>	
Per Individual	\$50 Contract Year
Family Unit	3
Waived for Type I Services	Yes
<b>Type I Preventive Services</b>	
Oral exams, cleanings (two per 12 months), bitewing X rays (one per 12 months), space maintainers, pain treatment, sealants, full-mouth X-rays	100%
<b>Type II</b>	
Basic Services	
Fillings, anesthesia, endodontics, simple and surgical extractions, oral surgery, periodontics	80%
Benefit waiting period	None
<b>Type III</b>	
Major Services	
Crowns, inlays, onlays, dentures, bridges, implants	50%
Benefit waiting period	None
<b>Contract Year Maximum</b>	
	\$1,500
<b>Type IV</b>	
Orthodontia (child(ren) only)	Not Selected

## WHEN COVERAGE ENDS

### Termination Coverage – Your Coverage

Your coverage will cease on the earliest date below:

- The end of the month following the date you cease to be an Eligible Retired Employee or cease to qualify for the coverage;
- The 91st day after you fail to make required premium payments;
- The date the Plan is terminated.
- The date you submit a false claim or are involved in any other form of fraudulent act related to the Plan.

### Termination of Coverage – Dependent Coverage

Your coverage for all of your Dependents will cease on the earliest date below:

- The date your coverage ceases;
- The end of the month following the last day you cease to be eligible for Dependent coverage;
- The 91st day after you fail to make required premium payments;
- The end of the month following the last day the date Dependent coverage is canceled;
- The end of the month following the last day the date you pre-decease your spouse, provided you meet certain active criteria.

The coverage for any one of your Dependents will cease on the date that Dependent no longer qualifies as a Dependent. In the case of a dependent Child, coverage will terminate at the end of the month following the date that child reaches the limiting age.

## CONTINUATION OF GROUP HEALTH COVERAGE RIGHTS (COBRA)

The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires employers providing group health plan coverage to offer covered participants the opportunity to temporarily extend their coverage at group rates in certain instances when coverage under the Plan would otherwise end.

### General

At the time you retire, you will be given the choice of electing COBRA continuation coverage under the Active Employee Healthcare SPD of the SCANA Corporation Health and Welfare Plan ("active Plan") or enrolling in the healthcare benefits under this SCANA Corporation Retiree Welfare Benefits Plan (for purposes of this COBRA section referred to as the "retiree Plan"). If you elect to enroll in the retiree Plan, you will forfeit your right to continuation coverage.

Dental benefits is covered by the retiree Plan only for individuals who retired from SCANA at age 65 or older who retired from SCANA prior to January 1, 1994. If you have dental coverage under the active Plan at the time you retire, you may be able to elect COBRA continuation coverage for those benefits.

Your covered eligible dependents may still have COBRA continuation rights under the retiree Plan if:

- you or your spouse dies;
- you are divorced or legally separated;
- your dependents cease to be eligible dependents;
- you are entitled to Medicare benefits; or
- the company files for bankruptcy.

These events are referred to as "qualifying events." Through COBRA, your eligible dependents may continue the same healthcare coverage they had before the event that qualified them for COBRA. If coverage for non-COBRA beneficiaries is modified, coverage made available to your eligible dependent through COBRA will be similarly modified.

COBRA coverage is provided subject to your eligibility for coverage as described below. The COBRA Administrator reserves the right to terminate your and your dependents' coverage retroactively if it's determined that you and/or your dependents are ineligible for COBRA coverage under the terms of the retiree Plan.

Individuals who elect continued coverage under COBRA generally have to pay the entire cost of that coverage plus a 2% administrative fee.

For more information, contact your COBRA administrator in writing at:

Vice President of Human Resources  
SCANA Corporation  
Mail Code C121  
220 Operation Way  
Cayce, SC 29033  
803-217-4444

You also can contact the COBRA administrator by calling 803-217-4444.

## COBRA-at-a-Glance

The following table provides an overview of available COBRA coverage for most types of healthcare coverage that can be continued under COBRA if your eligible dependent loses coverage under a plan based on a qualifying event. See the following sections of this summary for more details.

Who Is Affected	Qualifying Event	Who Is Eligible for COBRA Coverage	Duration of COBRA Coverage*
<b>Your Spouse or Dependent Child</b>	You die	Your covered dependents	Up to 36 months
	You and your enrolled spouse become divorced or legally separated	Your covered dependents, including your former spouse	Up to 36 months
	You become entitled to Medicare (Part A, Part B, or both)	Your covered dependents	Up to 36 months
	The Company files for bankruptcy under Title 11, United States Code (This is a qualifying event for any eligible dependents if there is a substantial elimination of coverage within one year before or after the date bankruptcy was filed.)	Your covered dependents	Up to 36 months
<b>Your Dependent Child</b>	Your dependent child is no longer an eligible dependent (for example, due to reaching a plan's age limit, or marriage).	Your covered dependent child	Up to 36 months

\*Duration of COBRA coverage is measured from the last day of the month in which the qualifying event occurs and is not available for more than a total of 36 months.

**If you are a qualified beneficiary and you lose coverage under the Plan due to the death of the retiree, a divorce or legal separation, or due to a child's loss of dependency status, you must notify the Plan administrator of the event within 60 days after the qualifying event occurs or you will lose your right to elect COBRA continuation coverage.**

**Electing COBRA Coverage.** If you are a qualified beneficiary and you experience a qualifying event, you will receive a qualifying event notice from the COBRA administrator describing your rights to elect COBRA continuation coverage, as well as an election form you can use to apply for that coverage. Remember, if the qualifying event is a divorce, legal separation, or a child's loss of dependency status, you must first notify the COBRA administrator of the event before this notice will be sent to you. If you do not receive a qualifying event notice and election form within 30 days of your qualifying event (or within 14 days of the date you notified the Plan administrator of a qualifying event, if applicable), you should contact the COBRA administrator.

Although each qualified beneficiary has an independent right to elect COBRA coverage, the qualifying event notice and election form will usually only be sent to your spouse, at the address shown in the records of the Plan. However, if the records of the Plan show that your spouse lives at different locations, or that a dependent child lives at a different location, separate notices will be sent. For this reason, it is very important that you keep the Plan administrator informed of your current address and the addresses of your spouse and covered dependents. Again, each qualified beneficiary has an independent right to elect COBRA continuation coverage. Parents may elect COBRA continuation coverage on behalf of their minor children.

COBRA coverage will be provided only if it is elected by a qualified beneficiary during the COBRA election period. The COBRA election period begins on the date of the qualifying event and ends 60 days after the date a qualifying event notice is sent to the qualified beneficiary or, if later, the date the qualified beneficiary would otherwise lose coverage as a result of the qualifying event. For elections sent by mail, the postmark date is used to determine whether an election was made prior to the end of the COBRA election period.

If elected, COBRA coverage begins on the date coverage would otherwise have been lost. The Plan does not permit you to waive COBRA coverage during the election period and then revoke the waiver before the end of the election period in order to elect coverage as of a date other than the date coverage was initially lost.

Prior to the time a qualified beneficiary elects COBRA coverage, his or her coverage under the Plan will be terminated. However, the coverage will be retroactively reinstated to the date coverage was lost following a timely election of COBRA coverage and the timely payment by the qualified beneficiary of the first premium payment. This means that, until you elect COBRA coverage, any provider who asks will be told that your coverage has been terminated, but may be retroactively reinstated if you timely elect and pay for COBRA coverage.

**Paying for COBRA Coverage.** Qualified beneficiaries must pay for each one-month period of COBRA coverage on a monthly basis. A period of COBRA coverage runs from the first day of the month through the end of that month, except that the initial period of coverage runs from the date coverage was lost due to the qualifying event, through the end of the month in which the qualifying event occurred.

The cost for each one-month period of COBRA coverage depends on the type of coverage that is being continued. The cost will be communicated to you in the qualifying event notice sent to you by the Plan administrator. The cost may change at the beginning of each Plan year. Any changes will be communicated to you.

The first payment for COBRA coverage must be postmarked or received by the Plan no later than 45 days after the date you elect COBRA coverage. The first payment must include payment for all one-month periods of coverage that have begun between the date coverage was lost and the date the first premium payment is received. If the payment is not postmarked or received within 45 days of the date you elected COBRA coverage, you will lose your right to COBRA coverage.

Payments for subsequent one-month periods are due on the first day of those periods and should be sent to the Plan administrator. You will have a 30-day grace period to send in these payments, but they must be postmarked or received no later than 30 days after the first day of the coverage period or your COBRA coverage will be terminated retroactively to the first day of that period and cannot be reinstated. Any

payment that is less than the full premium payment due will not be accepted unless the balance is paid prior to the end of the normal grace period. In some cases, however, if your payment is not significantly less than the applicable premium, you will have 30 days following the date you are notified of the shortfall to make up the balance.

If payment for a period of COBRA coverage is made after the first day of that period, your coverage will be continued but will be subject to retroactive termination if payment for that period is not received during the grace period. However, any claims incurred prior to payment will not be processed until payment is made. This means that, until you pay for COBRA coverage, any health care provider who asks will be told that your coverage is in force, but may be retroactively terminated if you do not timely pay for COBRA coverage. In addition, you will be required to reimburse the Plan for any claims that are paid if you do not subsequently send in timely payment.

**Application of Deductibles and Other Plan Limits.** If COBRA coverage begins during the middle of a Plan year, the qualified beneficiary's deductibles for the remainder of the Plan year will be administered as follows:

Each qualified beneficiary who elects COBRA coverage will receive credit for any expenses previously applied during the Plan year to his or her individual deductible.

If the qualified beneficiary was previously part of a family unit, only those expenses incurred by family members electing COBRA coverage will be credited. If the qualifying event results in more than one family unit (for example, due to a divorce), the expenses incurred by the members assigned to a given family unit following the COBRA election shall be credited as of the date coverage begins.

Other plan limits will be applied consistent with the rules applicable for deductibles.

**How to Notify the Plan Administrator.** You must send written notice of a qualifying event that is a divorce, a legal separation, or a child's loss of dependent status, to the COBRA Administrator within 60 days of the event. Notice must be sent by first-class mail or other nationally-recognized courier service; by fax; e-mail; or by hand delivery. Oral notice will not be accepted. Contact information for the COBRA Administrator is located above and in the Plan Information section of this document. Your notice must include your name and the names of other affected family members, the type of qualifying event and written documentation of the event that identifies the date on which the event occurred. You should keep a copy, for your records, of any notices you send to the COBRA Administrator.

Any notices required to be provided to the COBRA Administrator may be provided by you, a qualified beneficiary with respect to the qualifying event, or any representative acting on behalf of either of them, and will be sufficient for all beneficiaries affected by the same qualifying event.

**If You Have Questions.** Questions concerning the Plan or your COBRA continuation coverage rights should be addressed to the COBRA Administrator. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act ("HIPAA"), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's employee benefits Security Administration ("EBSA") in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)



## DEFINITIONS

You will find terms throughout this SPD. To help you understand your benefits, most of these terms are defined in the following definitions section.

### Charges

The term charges means the actual billed charges submitted by a provider. The allowed charges are what the provider has contracted directly or indirectly with BlueCross to receive.

### Claimant

A covered participant or covered dependent or provider, to whom payment for services may be assigned, who is making claims for services under this Plan.

### Coinsurance

The term coinsurance means the percentage of charges for covered expenses that a covered person is required to pay under the Plan.

### Cross Accumulation

The dollars you spend toward meeting your plan deductible and maximum out-of-pocket costs for in-network services apply toward meeting your deductible and maximum out-of-pocket costs for out-of-network services.

Likewise, the dollars you spend toward meeting your plan deductible and maximum out-of-pocket costs for out-of-network services apply toward meeting your deductible and maximum out-of-pocket costs for in-network services. However, only expenses incurred for out-of-network provider charges will be used to satisfy the remainder of the out-of-network provider deductibles and out-of-pocket maximums.

### Custodial Services

The term custodial services means any services which are not intended primarily to treat a specific injury or sickness (including mental illness, alcohol or drug abuse). Custodial services include, but shall not be limited to:

- Services related to watching or protecting a person;
- Services related to performing or assisting a person in performing any activities of daily living, such as: (a) walking; (b) grooming; (c) bathing; (d) dressing; (e) getting in or out of bed; (f) toileting; (g) eating; (h) preparing foods; or (i) taking medications that can usually be self-administered; and
- Services not required to be performed by trained or skilled medical or paramedical personnel.

### Deductible

The amount you pay toward medical expenses each year before the Plan starts paying benefits.

### Dentist

The term dentist means a person practicing dentistry or oral surgery within the scope of his license. It will also include a physician operating within the scope of his license when he performs any of the dental services described in this booklet.

### Durable Medical Equipment:

Medical equipment that:

1. Can withstand repeated use; and,
2. Is medically necessary; and,
3. Is customarily used for the treatment of a member's illness, injury, disease or disorder; and,
4. Is appropriate for use in the home; and,
5. Is not useful to a member in the absence of illness or injury; and,
6. Does not include appliances that are provided solely for the member's comfort or convenience; and,
7. Is a standard, non-luxury item (as determined by the employer's group health Plan); and,
8. Is ordered by a medical doctor, oral surgeon, podiatrist, or osteopath.

Prosthetic devices, orthopedic devices and orthotic devices are considered durable medical equipment when the required preauthorization is obtained.

## **Emergency Services**

Emergency services are medical, psychiatric, surgical, hospital and related health care services and testing, including ambulance service, which are required to treat a sudden, unexpected onset of a bodily injury or serious sickness which could reasonably be expected by a prudent layperson to result in serious medical complications, loss of life or permanent impairment to bodily functions in the absence of immediate medical attention.

Examples of emergency situations include uncontrolled bleeding, seizures or loss of consciousness, shortness of breath, chest pains or severe squeezing sensations in the chest, suspected overdose of medication or poisoning, sudden paralysis or slurred speech, burns, cuts and broken bones. The symptoms that led you to believe you needed emergency care, as coded by the provider and recorded by the hospital on the UB92 claim form, or its successor, or the final diagnosis, whichever reasonably indicated an emergency medical condition, will be the basis for the determination of coverage, provided such symptoms reasonably indicate an emergency.

“Emergency Medical Condition” means a medical condition which manifests itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a) placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy; b) serious impairment to bodily functions; or c) serious dysfunction of any bodily organ or part.

“Emergency services” means, with respect to an emergency medical condition: (a) a medical screening examination that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate the emergency medical condition; and (b) such further medical examination and treatment, to the extent they are within the capabilities of the staff and facilities available at the hospital, to stabilize the patient.

## **Employer**

The term employer means the applicable subsidiary of SCANA Corporation, the Plan sponsor self-insuring the Retiree Share Plan benefits described in this Plan, on whose behalf BlueCross is providing claim administration services.

## **Expense Incurred**

An expense is incurred when the service or the supply for which it is incurred is provided.

## **Free-Standing Surgical Facility**

The term free-standing surgical facility means an institution that meets all of the following requirements:

- It has a medical staff of physicians, nurses and licensed anesthesiologists;
- It maintains at least two operating rooms and one recovery room;
- It maintains diagnostic laboratory and X-ray facilities;
- It has equipment for emergency care;
- It has a blood supply;
- It maintains medical records;
- It has agreements with hospitals for immediate acceptance of patients who need hospital confinement on an inpatient basis; and
- It is licensed in accordance with the laws of the appropriate legally authorized agency.

## **Home Health Aide**

The term home health aide means a person who: (a) provides care of a medical or therapeutic nature; and (b) reports to and is under the direct supervision of a home health care agency.

## **Home Health Care Agency**

The term home health care agency means a hospital or a non-profit or public home health care agency which:

- Primarily provides skilled nursing services and other therapeutic services under the supervision of a physician or a registered graduate nurse;
- Is run according to rules established by a group of professional persons;
- Maintains clinical records on all patients;

- Does not primarily provide custodial care or care and treatment of the mentally ill;
- But only if, in those jurisdictions where licensure by statute exists, that home health care agency is licensed and run according to the laws that pertain to agencies which provide home health care.

### **Home Health Care Plan**

The term home health care plan means a plan for care and treatment of a person in his home. To qualify, the plan must be established and approved in writing by a physician who certifies that the person would require confinement in a hospital or skilled nursing facility if he did not have the care and treatment stated in the plan.

### **Hospice Care Program**

The term hospice care program means:

- A coordinated, interdisciplinary program to meet the physical, psychological, spiritual and social needs of dying persons and their families;
- A program that provides palliative and supportive medical, nursing and other health services through home or inpatient care during the illness.

### **Hospice Care Services**

The term hospice care services means any services provided by: (a) a hospital, (b) a skilled nursing facility or a similar institution, (c) a home health care agency, (d) a hospice facility, or (e) any other licensed facility or agency under a hospice care program.

### **Hospice Facility**

The term hospice facility means an institution or part of it which:

- Primarily provides care for terminally ill patients;
- Is accredited by the National Hospice Organization;
- Meets standards established by BlueCross for the Retiree Share Plan; and
- Fulfills any licensing requirements of the state or locality in which it operates.
- A program for persons who have a terminal illness and for the families of those persons.

### **Hospital**

The term hospital means:

- An institution licensed as a hospital, which: (a) maintains, on the premises, all facilities necessary for medical and surgical treatment; (b) provides such treatment on an inpatient basis, for compensation, under the supervision of physicians; and (c) provides 24-hour service by registered graduate nurses;
- An institution which qualifies as a hospital, a psychiatric hospital or a tuberculosis hospital, and a provider of services under Medicare, if such institution is accredited as a hospital by the Joint Commission on the Accreditation of hospitals; or
- An institution which: (a) specializes in treatment of mental illness, alcohol or drug abuse or other related illness; (b) provides residential treatment programs; and (c) is licensed in accordance with the laws of the appropriate legally authorized agency.

The term hospital will not include an institution which is primarily a place for rest, a place for the aged, or a nursing home.

### **Hospital Inpatient or Confined in a Hospital**

A person will be considered confined in a hospital if he is:

- A registered bed patient in a hospital upon the recommendation of a physician; or
- Receiving treatment for mental health and substance abuse services in a partial hospitalization program;
- Receiving treatment for substance abuse in a substance abuse intensive therapy program;
- Receiving treatment in a mental health residential treatment center.

**Injury**

The term injury means an accidental bodily injury.

**Maximum Payment**

The maximum amount the Plan will pay for a particular benefit.

**Medicaid**

The term Medicaid means a state program of medical aid for needy persons established under Title XIX of the Social Security Act of 1965, as amended.

**Medically Necessary**

The term medically necessary means a service or supply which is determined to be required for the treatment or evaluation of a medical condition which is consistent with the diagnosis, and which would not have been omitted under generally accepted medical standards, or provided in a less intensive setting.

**Medical Necessity**

Health care services and supplies which are determined to be: (a) no more than required to meet the basic health needs of the covered participant; (b) consistent with the diagnosis of the condition for which they are required; (c) consistent in type, frequency and duration of treatment with scientifically based guidelines as determined by medical research; (d) required for purposes other than the comfort and convenience of the patient or their physician; (e) rendered in the least intensive setting that is appropriate for the delivery of health care; and (f) of demonstrated medical value.

**Medicare**

The term Medicare means the program of medical care benefits provided under Title XVIII of the Social Security Act of 1965 as amended.

**Necessary Services and Supplies**

The term necessary services and supplies includes:

- Any charges, except charges for room and board, made by a hospital on its own behalf for medical services and supplies actually used during hospital confinement;
- Any charges, by whomever made, for licensed ambulance service to or from the nearest hospital where the needed medical care and treatment can be provided; and
- Any charges, by whomever made, for the administration of anesthetics during hospital confinement.

The term necessary services and supplies will not include any charges for special nursing fees, dental fees or medical fees.

**Nurse**

The term nurse means a registered graduate nurse, a licensed practical nurse or a licensed vocational nurse who has the right to use the abbreviation "R.N.," "L.P.N." or "L.V.N."

**Ophthalmologist**

A physician operating within the scope of his license when he performs any of the vision care services described in this booklet.

**Optometrist**

A physician operating within the scope of his license when he performs any of the vision care services described in this booklet.

**Out-of-Pocket Expenses**

Out-of-pocket maximums limit the amount of money you pay in one calendar year for services and protect you against the financial burden of a serious illness or injury. Once you reach the out-of-pocket maximum, the Plan may pay 100% of covered expenses for the remainder of the year. Out-of-pocket expenses apply to charges from both in-network and out-of-network providers.

**Participant**

A participant is a SCANA retiree or his/her dependent(s) who has satisfied the eligibility and enrollment requirements under the plan.

**Participating In-Network Pharmacy**

In-network pharmacy means the SCANA in-house pharmacy, a retail pharmacy or mail-order pharmacy which has contracted with BlueCross either directly or indirectly to provide prescription services to its covered participants.

## **Participating In-Network Provider**

The term in-network provider means:

- An institution, facility or agency which has entered into a contract with a Preferred Provider Organization (referred to as the PPO) to provide medical services at a predetermined cost .
- A health care professional who has entered into a contract with a PPO to provide medical services at predetermined fees.

## **Pharmacy**

The term pharmacy means your SCANA in-house pharmacy, a retail pharmacy, or a mail-order pharmacy.

## **Pharmacy & Therapeutics (P&T) Committee**

A committee of provider organization participants comprised of medical providers, pharmacists, medical directors and pharmacy directors, which reviews medications for safety and efficacy. The P&T Committee evaluates medications for potential addition to or deletion from the formulary and may also set dosage and dispensing limits on medications.

## **Physician**

The term physician means a licensed medical practitioner who is practicing within the scope of his license and who is licensed to prescribe and administer drugs or to perform surgery. It will also include any other licensed medical practitioner whose services are required to be covered by law in the locality where coverage is provided if he is:

- Operating within the scope of his license; and
- Performing a service for which benefits are provided under this Plan when performed by a physician.

## **Prescription Drug**

Prescription drug means; (a) a drug which has been approved by the Food and Drug Administration for safety and efficacy; or (b) certain drugs approved under the Drug Efficacy Study Implementation review; or (c) drugs marketed prior to 1938 and not subject to review, and which can, under federal or state law, be dispensed only pursuant to a prescription order; or (d) injectable insulin.

## **Prescription Drug List**

Prescription drug list means a listing of approved prescription drugs and related supplies. The prescription drugs and related supplies included in the prescription drug list have been approved in accordance with parameters established by the P&T Committee. The prescription drug list is regularly reviewed and updated.

## **Prescription Order**

Prescription order means the lawful authorization for a prescription drug or related supply by a physician who is duly licensed to make such authorization within the course of such physician's professional practice or each authorized refill thereof.

## **Primary Care Physician**

The term primary care physician means a physician: (a) who qualifies as a in-network provider in general practice, internal medicine, family practice or pediatrics; and (b) who has been selected by you, as authorized by the provider organization, to provide or arrange for medical care for you or any of your insured dependents.

## **Preventive Services**

Preventive services means preventive care services provided on an outpatient basis at a physician's office or a hospital that have been recommended to be effective in either the early detection of disease or in the prevention of disease. The Plan covers items and services in the following preventive care categories in accordance with federal law:

- evidence-based items or services that have in effect a rating of "A" or "B" in the current recommendations of the United States Preventive services Task Force;
- immunizations as recommended from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention;
- with respect to infants, children and adolescents, preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration; and

- with respect to women, such additional preventive care and screenings as provided for in comprehensive guidelines supported by the Health Resources and Services Administration.

For a detailed list of the covered services, see the government website <http://www.healthcare.gov/law/about/provisions/services/lists.html>.

### **Proper Verification**

Proper verification refers to the documentation necessary to substantiate a qualifying change in status. Examples of proper verification include but are not limited to marriage license, affidavit of common law marriage, birth certificate, divorce decree, and verification of other coverage.

### **Provider Organization**

The term provider organization refers to a network of in-network providers.

### **Psychologist**

The term psychologist means a person who is licensed or certified as a clinical psychologist. Where no licensure or certification exists, the term psychologist means a person who is considered qualified as a clinical psychologist by a recognized psychological association. It will also include: (1) any other licensed counseling practitioner whose services are required to be covered by law in the locality where coverage is provided if he is: (a) operating within the scope of his license; and (b) performing a service for which benefits are provided under this Plan when performed by a psychologist; and (2) any psychotherapist while he is providing care authorized by the provider organization if he is: (a) state licensed or nationally certified by his professional discipline; and (b) performing a service for which benefits are provided under this Plan when performed by a psychologist.

### **Related Supplies**

Related supplies means diabetic supplies (insulin needles and syringes, lancets and glucose test strips), needles and syringes for injectables covered under the pharmacy plan, and spacers for use with oral inhalers.

### **Review Organization**

The review organization is an organization with a staff of clinicians which may include physicians, registered nurses, licensed mental health and substance abuse professionals, and other trained staff participants who perform utilization review services.

### **Room and Board**

The term room and board includes all charges made by a hospital on its own behalf for room and meals and for all general services and activities needed for the care of registered bed patients.

### **Sickness - For Medical Insurance**

The term sickness means a physical or mental illness. It also includes pregnancy for employees and spouses. Expenses incurred for routine hospital and pediatric care of a newborn child prior to discharge from the hospital nursery will be considered to be incurred as a result of sickness.

### **Skilled Nursing Facility**

The term skilled nursing facility means a licensed institution (other than a hospital, as defined) which specializes in:

- Physical rehabilitation on an inpatient basis; or
- Skilled nursing and medical care on an inpatient basis;
- but only if that institution: (a) maintains on the premises all facilities necessary for medical treatment; (b) provides such treatment, for compensation, under the supervision of physicians; and (c) provides nurses' services.

### **Special Injectables**

Injectable drugs are medications that may be physician-administered or self-administered via an injection. These drugs require prior authorization. These drugs do not include immunizations, insulin or any medications administered intravenously on a continuous basis for a period of time.

### **Specialist**

The term specialist means a physician who provides specialized services, and is not engaged in general practice, family practice, internal medicine, obstetrics/gynecology or pediatrics.

## **Surviving Spouse**

A person you have been legally married to as of your date of death.

## **Terminal Illness**

A terminal illness will be considered to exist if a person becomes terminally ill with a prognosis of six months or less to live, as diagnosed by a physician.

## **Urgent Care**

Urgent care is medical, surgical, hospital or related health care services and testing which are not emergency services, but which are, in accordance with generally accepted medical standards, to have been necessary to treat a condition requiring prompt medical attention. This does not include care that could have been foreseen before leaving the immediate area where you ordinarily receive and/or were scheduled to receive services. Such care includes, but is not limited to, dialysis, scheduled medical treatments or therapy, or care received after a physician's recommendation that the covered participant should not travel due to any medical condition.

## **Urgent Care Center**

The term urgent care center means a medical facility where ambulatory patients can be treated for urgent care conditions.

## **You (or your)**

A person in the eligible group, including the employee and any dependents.

## **ERISA RIGHTS**

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

### **Receive Information About Your Plan and Benefits**

- Examine, without charge, at the Plan Administrator's office and at other specified locations such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U. S. Department of Labor and available at the Public Disclosure Room of the employee benefits Security Administration;
- Obtain, upon written request to the Plan Administrator, copies of documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) and updated SPDs. The Plan Administrator may make a reasonable charge for the copies; and
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

### **Continue Group Health Plan Coverage**

- Continue health care coverage for your spouse and/or dependents if there is a loss of coverage under the Plan as a result of a family status change. You may have to pay for such coverage. Review this SPD and the documents governing the Plan on the rules governing your federal continuation coverage rights;

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan participants, ERISA imposes duties upon the people responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may terminate you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored in whole or in part, you may file suit in a state or Federal court after you have exhausted all administrative remedies.

In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting

your rights, you may seek assistance from the U. S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### **Assistance with Your Questions**

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

### **HIPAA Amendment**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) is a federal law that, in part, requires group health plans to protect the privacy and security of your confidential health information. As an employee welfare plan under ERISA, the Plan is subject to the HIPAA privacy and security rules. Pursuant to the HIPAA request a description of the Plan's uses and disclosures of your protected health information and your rights and protections under the HIPAA privacy and security rules as set forth in the plan's Notice of Privacy Practices, the Plan will not use or disclose your protected health information without your Authorization, except for purposes of payment, health care operations, Plan administration or as required or permitted by law. You may request a description of the Plan's uses and disclosures of your protected health information and your rights and protections under the HIPAA privacy rules as set forth in the plan's Notice of Privacy Practices, by contacting:

SCANA Privacy Officer  
SCANA Corporation Mail Code B111  
220 Operation Way  
Cayce, SC 29033



**Plan Information**  
**Retiree Healthcare**

<b>Plan Name</b>	SCANA Corporation Retiree Welfare Benefits Plan		
<b>Plan Sponsor / Employer</b>	SCANA Corporation 220 Operation Way Cayce, SC 29033 803-217-4444		
<b>Employer ID Number</b>	57-0784499		
<b>Type of Plan</b>	Welfare benefit plan providing medical, dental, pharmacy and vision benefits.		
<b>Plan Number</b>	521		
<b>Plan Fiscal Year</b>	January 1 - December 31		
<b>Plan Effective Date</b>	January 1, 2015; this summary plan description is effective January 1, 2015		
<b>Plan Administrator and Named Fiduciary</b>	Vice President of Human Resources  The plan administrator shall have the full discretionary authority and power to control and manage all aspects of the Plan and determine eligibility for benefits under the Plan in accordance with its terms and all applicable laws. The plan administrator may allocate or delegate its responsibilities for the administration of the Plan to others and employ others to carry out or give advice with respect to its responsibilities under the Plan. The plan administrator has delegated various aspects of the Plan administration to BlueCross BlueShield of South Carolina.		
<b>Claims Administration and Funding</b>	SCANA Corporation has entered into an administrative services agreement with BlueCross BlueShield of South Carolina, who in turn contracts with administrators for the pharmacy and vision portions of the plan.		
<b>Claims Fiduciary</b>	See table below.		
<b>Agent for Service of Process</b>	Corporation Service Company 1703 Laurel Street Columbia, SC 29201		
<b>Plan Trustee</b>	State Street Corporation Specialized Trust service 200 Newport Avenue JQB-7N North Quincy, MA 02171		
<b>Reservation of Rights</b>	Although SCANA currently intends to continue the Plan indefinitely, SCANA reserves the right to modify, amend or terminate any and all provisions of the Plan at any time. No employee has any vested right to any benefit or coverage under the Plan. SCANA intends that any changes to the Plan will apply to all participants receiving benefits under the Plan on the effective date of the change.		
	<b>Administrator</b>	<b>Benefit</b>	<b>Contact Information</b>
	<b>BlueCross BlueShield of South Carolina</b>	Retiree Share medical	P.O. Box 100300 Columbia, SC 29202
	<b>EyeMed</b>	Retiree Share vision benefit	4000 Luxottica Place Mason, OH 45040 (866) 723-0513
	<b>PayFlex Systems USA, Inc. OneExchange HRA</b>	Health Reimbursement Account (HRA) benefit	P.O. Box 3039 Omaha, NE 68103-3039 Fax: (402) 231-4310
	<b>Transamerica Life Insurance Company</b>	NEBCO medical benefit	P.O. Box 3350 Cedar Rapids, IA 52406-3350
	<b>Sterling Life Insurance Company</b>	NEBCO prescription drug benefit	AmWINS Rx 50 Whitecap Drive North Kingstown, RI 02852
	<b>Companion Life</b>	Dental benefit	P.O. Box 100102 Columbia, SC 29202 (800) 765-9603





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Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-61

**VCS 2 and 3 CWIP  
(\$000)**

	<u>Dec-14</u>	<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>	<u>Apr-15</u>	<u>May-15</u>	<u>Jun-15</u>	<u>Jul-15</u>	<u>Aug-15</u>	<u>Sep-15</u>	<u>Oct-15</u>	<u>Nov-15</u>
<b>WO 17 - NND only*</b>												
Direct Expenditures		\$ 43,764	\$ 63,248	\$ 37,876	\$ 45,888	\$ 32,123	\$ 32,511	\$ 38,452	\$ 30,218	\$ 29,265	\$ 35,508	\$ 52,144
AFUDC		\$ 854	\$ 941	\$ 1,229	\$ 1,515	\$ 1,654	\$ 1,845	\$ 2,038	\$ 2,195	\$ 2,374	\$ 2,355	\$ 437
CWIP for Period		\$ 44,617	\$ 64,189	\$ 39,105	\$ 47,403	\$ 33,777	\$ 34,355	\$ 40,491	\$ 32,413	\$ 31,640	\$ 37,863	\$ 52,582
Balance to Date	\$ 2,742,371	\$ 2,786,988	\$ 2,851,177	\$ 2,890,282	\$ 2,937,685	\$ 2,971,462	\$ 3,005,817	\$ 3,046,308	\$ 3,078,721	\$ 3,110,361	\$ 3,148,224	\$ 3,200,806
<b>Transmission WO's</b>												
Direct Expenditures		\$ 2,738	\$ 4,473	\$ 3,170	\$ 3,665	\$ 3,153	\$ 5,155	\$ 4,676	\$ 4,452	\$ 5,357	\$ 4,876	\$ 2,924
AFUDC		\$ 224	\$ 240	\$ 261	\$ 279	\$ 298	\$ 320	\$ 343	\$ 369	\$ 393	\$ 412	\$ 164
CWIP for Period		\$ 2,961	\$ 4,712	\$ 3,431	\$ 3,945	\$ 3,451	\$ 5,475	\$ 5,019	\$ 4,821	\$ 5,751	\$ 5,288	\$ 3,088
Balance to Date	\$ 199,221	\$ 202,182	\$ 206,895	\$ 210,326	\$ 214,271	\$ 217,721	\$ 223,196	\$ 228,216	\$ 233,037	\$ 238,787	\$ 244,076	\$ 247,163
<b>Total BLRA</b>												
Direct Expenditures		\$ 46,501	\$ 67,720	\$ 41,046	\$ 49,553	\$ 35,276	\$ 37,666	\$ 43,129	\$ 34,670	\$ 34,623	\$ 40,384	\$ 55,068
AFUDC		\$ 1,077	\$ 1,181	\$ 1,491	\$ 1,795	\$ 1,951	\$ 2,164	\$ 2,381	\$ 2,564	\$ 2,768	\$ 2,767	\$ 601
CWIP for Period		\$ 47,579	\$ 68,901	\$ 42,537	\$ 51,348	\$ 37,228	\$ 39,830	\$ 45,510	\$ 37,235	\$ 37,390	\$ 43,151	\$ 55,669
Balance to Date	\$ 2,941,592	\$ 2,989,171	\$ 3,058,072	\$ 3,100,608	\$ 3,151,956	\$ 3,189,183	\$ 3,229,013	\$ 3,274,524	\$ 3,311,758	\$ 3,349,149	\$ 3,392,300	\$ 3,447,969
	<u>Dec-15</u>	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>
<b>WO 17 - NND only*</b>												
Direct Expenditures	\$ 163,799	\$ 55,918	\$ 40,921	\$ 32,911	\$ 52,738	\$ 48,956	\$ 44,315	\$ 50,810	\$ 46,449	\$ 170,371	\$ 83,374	\$ 109,336
AFUDC	\$ 1,276	\$ 567	\$ 1,058	\$ 1,334	\$ 2,031	\$ 2,480	\$ 2,944	\$ 3,479	\$ 4,014	\$ 619	\$ 2,656	\$ 3,660
CWIP for Period	\$ 165,075	\$ 56,486	\$ 41,979	\$ 34,246	\$ 54,769	\$ 51,436	\$ 47,259	\$ 54,289	\$ 50,463	\$ 170,990	\$ 86,030	\$ 112,996
Balance to Date	\$ 3,365,881	\$ 3,422,366	\$ 3,464,346	\$ 3,498,591	\$ 3,553,360	\$ 3,604,797	\$ 3,652,055	\$ 3,706,344	\$ 3,756,807	\$ 3,927,798	\$ 4,013,828	\$ 4,126,824
<b>Transmission WO's</b>												
Direct Expenditures	\$ 6,943	\$ 2,092	\$ 3,516	\$ 3,451	\$ 5,574	\$ 2,697	\$ 2,817	\$ 5,694	\$ 2,362	\$ 2,600	\$ 1,281	\$ 2,435
AFUDC	\$ 186	\$ 216	\$ 231	\$ 249	\$ 269	\$ 290	\$ 306	\$ 325	\$ 344	\$ 358	\$ 368	\$ 377
CWIP for Period	\$ 7,128	\$ 2,308	\$ 3,747	\$ 3,699	\$ 5,844	\$ 2,987	\$ 3,123	\$ 6,019	\$ 2,706	\$ 2,958	\$ 1,649	\$ 2,812
Balance to Date	\$ 254,292	\$ 256,600	\$ 260,347	\$ 264,046	\$ 269,889	\$ 272,877	\$ 276,000	\$ 282,019	\$ 284,725	\$ 287,683	\$ 289,332	\$ 292,144
<b>Total BLRA</b>												
Direct Expenditures	\$ 170,741	\$ 58,010	\$ 44,437	\$ 36,362	\$ 58,312	\$ 51,653	\$ 47,132	\$ 56,504	\$ 48,811	\$ 172,971	\$ 84,656	\$ 111,771
AFUDC	\$ 1,462	\$ 783	\$ 1,289	\$ 1,583	\$ 2,300	\$ 2,770	\$ 3,250	\$ 3,804	\$ 4,357	\$ 977	\$ 3,024	\$ 4,037
CWIP for Period	\$ 172,203	\$ 58,794	\$ 45,726	\$ 37,945	\$ 60,613	\$ 54,423	\$ 50,382	\$ 60,308	\$ 53,168	\$ 173,948	\$ 87,679	\$ 115,808
Balance to Date	\$ 3,620,172	\$ 3,678,966	\$ 3,724,692	\$ 3,762,637	\$ 3,823,250	\$ 3,877,673	\$ 3,928,055	\$ 3,988,364	\$ 4,041,532	\$ 4,215,480	\$ 4,303,160	\$ 4,418,968

**South Carolina Electric & Gas Company**  
**Office of Regulatory Staff's Continuing**  
**Audit Information Request**  
**Docket No. 2017-207-E (5th Continuing AIR)**  
**Docket No. 2017-305-E (4th Continuing AIR)**  
**Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-61

**VCS 2 and 3 CWIP**  
(\$000)

	<u>Dec-16</u>	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Totals</u>
<b>WO 17 - NND only*</b>											
Direct Expenditures	\$ 79,187	\$ 48,702	\$ 51,083	\$ 15,306	\$ 86,861	\$ 82,031	\$ 110,707	\$ 70,203	\$ 18,140	\$ 20,965	\$ 1,924,082
AFUDC	\$ 2,523	\$ 3,082	\$ 3,247	\$ 3,602	\$ 4,105	\$ 4,511	\$ 1,250	\$ 4,569	\$ -	\$ (6,713)	\$ 63,731
CWIP for Period	\$ 81,710	\$ 51,784	\$ 54,329	\$ 18,907	\$ 90,966	\$ 86,542	\$ 111,958	\$ 74,772	\$ 18,140	\$ 14,252	\$ 1,987,813
Balance to Date	\$ 4,208,534	\$ 4,260,318	\$ 4,314,647	\$ 4,333,555	\$ 4,424,521	\$ 4,511,063	\$ 4,623,020	\$ 4,697,792	\$ 4,715,932	\$ 4,730,184	
<b>Transmission WO's</b>											
Direct Expenditures	\$ 2,473	\$ 1,555	\$ 1,795	\$ 1,565	\$ 1,604	\$ 2,722	\$ 1,392	\$ 2,797	\$ 4,959	\$ 1,430	\$ 108,393
AFUDC	\$ 118	\$ 133	\$ 142	\$ 151	\$ 159	\$ 169	\$ 180	\$ 190	\$ (358)	\$ 181	\$ 7,886
CWIP for Period	\$ 2,591	\$ 1,688	\$ 1,937	\$ 1,715	\$ 1,763	\$ 2,891	\$ 1,572	\$ 2,986	\$ 4,601	\$ 1,612	\$ 116,280
Balance to Date	\$ 294,735	\$ 296,423	\$ 298,360	\$ 300,076	\$ 301,839	\$ 304,729	\$ 306,301	\$ 309,288	\$ 313,889	\$ 315,501	
<b>Total BLRA</b>											
Direct Expenditures	\$ 81,660	\$ 50,257	\$ 52,878	\$ 16,870	\$ 88,465	\$ 84,753	\$ 112,099	\$ 72,999	\$ 23,099	\$ 22,395	\$ 2,032,475
AFUDC	\$ 2,642	\$ 3,215	\$ 3,389	\$ 3,753	\$ 4,263	\$ 4,680	\$ 1,430	\$ 4,759	\$ (358)	\$ (6,532)	\$ 71,618
CWIP for Period	\$ 84,302	\$ 53,472	\$ 56,266	\$ 20,623	\$ 92,729	\$ 89,432	\$ 113,529	\$ 77,759	\$ 22,741	\$ 15,863	\$ 2,104,093
Balance to Date	\$ 4,503,270	\$ 4,556,742	\$ 4,613,008	\$ 4,633,631	\$ 4,726,360	\$ 4,815,792	\$ 4,929,321	\$ 5,007,080	\$ 5,029,821	\$ 5,045,684	

\*Does not reflect impairment charges related to VCS 2 and VCS 3.

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	7.38	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	1.88	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	156.59	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	13,079.47	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	333.15	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	150.38	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	30.43	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	393.46	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	399.15	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	14.52	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	3.70	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	308.21	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	25,744.08	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	655.73	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	296.00	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	59.90	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	774.44	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	785.63	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	329.16	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,726.63	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	5,709.90	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	7.65	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	6.66	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	8.09	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	2.63	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	198.75	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	51.33	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	849.00	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	30,141.49	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201501	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	35.49	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,366.69	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,716.02	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,674.42	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	1.45	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	1.44	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	2,982.69	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	304.53	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	1,368.53	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	245.84	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	647.88	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,398.49	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	11,238.69	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	15.05	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	13.11	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	15.92	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	5.17	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	391.20	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	101.04	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,671.08	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	59,326.94	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.85	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,404.57	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,377.61	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,295.72	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	2.86	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	2.84	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	5,870.78	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	599.39	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	2,693.66	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	483.88	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	24.24	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	6.85	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	2.23	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,257.26	201501	0103SG	Plant Journals	Actuals

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Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	903	168103	ACJV	DR	108.21	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	103.60	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	105.65	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	1.25	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,348.60	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	23.06	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	47.72	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	13.47	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	4.38	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	2,474.65	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	213.00	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	203.91	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	207.94	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	2.45	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,654.42	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201501	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	45.40	201501	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	1.88	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	200.23	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	14,234.14	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	408.38	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	151.55	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	32.73	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	400.68	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	487.12	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	3.70	201502	0103SG	Plant Journals	Actuals



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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	932	540028	ACJV	DR	394.10	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	28,016.80	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	803.81	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	298.30	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	64.43	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	788.66	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	958.79	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	341.16	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,733.36	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	5,919.23	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	8.89	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	15.55	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.34	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	5.08	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	240.34	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	89.04	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	860.72	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	30,337.64	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	35.49	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,366.69	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,716.86	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,674.35	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	1.57	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	1.44	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	3,658.80	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	346.17	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	3,682.08	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	377.08	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	671.49	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,411.75	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	11,650.72	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	17.50	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	30.60	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.37	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	9.99	201502	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450033	ACJV	DR	473.06	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	175.26	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,694.14	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	59,713.03	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.85	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,404.57	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,379.27	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,295.59	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	3.09	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	2.84	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	7,201.55	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	681.36	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	7,247.37	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	742.19	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	28.01	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	23.11	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	4.98	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,306.99	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	134.81	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	110.46	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	107.59	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	1.25	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,548.14	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	23.28	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	55.14	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	45.48	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	9.80	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	2,572.52	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	265.35	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	217.41	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	211.78	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	2.45	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	3,047.17	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201502	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201502	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168802	ACJV	DR	45.81	201502	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	1.88	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	256.04	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	15,531.95	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	476.67	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	151.55	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	43.19	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	403.01	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	505.94	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	3.70	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	503.95	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	30,571.26	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	938.22	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	298.30	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	85.01	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	793.25	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	995.83	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	348.82	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	3.00	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	0.17	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,739.27	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	6,351.33	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	8.89	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	22.44	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.34	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	321.20	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	102.58	201503	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450037	ACJV	DR	861.03	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	32,236.36	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	35.49	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,366.69	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,718.40	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,675.93	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	1.57	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	1.44	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,282.79	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	473.11	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	5,959.37	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	687.50	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	686.59	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	5.90	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	0.34	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,423.38	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	12,501.21	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	17.50	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	44.16	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.37	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	632.21	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	201.91	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,694.75	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	63,450.24	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.85	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,404.57	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,382.30	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,298.70	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	3.09	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	2.84	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,429.74	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	931.21	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	11,729.71	201503	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450072	ACJV	DR	1,353.19	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	27.05	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	20.14	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	3.03	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,316.24	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	148.26	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	109.42	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	108.25	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	1.25	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,574.92	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	22.70	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	53.25	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	39.64	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	5.97	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	2,590.73	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	291.82	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	215.37	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	213.06	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	2.45	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	3,099.89	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201503	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	44.67	201503	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	1.88	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	435.68	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	15,965.81	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	536.74	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	152.82	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	61.93	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	404.29	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	512.06	201504	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	3.70	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	857.54	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	31,425.22	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,056.46	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	300.78	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	121.90	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	795.76	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,007.89	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	341.25	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	3.16	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	7.81	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	0.35	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,745.49	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	6,819.68	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	12.43	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	30.02	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.34	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	472.95	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	148.56	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	862.64	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	34,836.98	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	35.49	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,366.69	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,719.94	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,678.82	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	1.57	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	2.74	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,291.94	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	645.01	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	7,374.54	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	1,094.32	201504	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450001	ACJV	DR	671.68	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	6.22	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	15.37	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	0.68	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,435.62	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	13,423.05	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	24.46	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	59.08	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.37	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	930.90	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	292.42	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,697.92	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	68,569.00	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.85	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,404.57	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,385.32	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,304.39	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	3.09	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	5.39	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,447.76	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	1,269.56	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	14,515.16	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	2,153.94	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	28.07	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	22.36	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.63	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,301.31	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	149.76	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	110.15	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	115.42	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	1.25	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,626.63	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	22.12	201504	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
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Docket No. 2017-207-E (5th Continuing AIR)  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168003	ACJV	DR	55.25	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	44.01	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	11.08	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	2,561.34	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	294.78	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	216.81	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	227.17	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	2.45	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	3,201.67	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201504	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	43.53	201504	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	2.33	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	1,031.62	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	16,215.11	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	594.15	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	154.08	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	73.63	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	1.31	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	408.06	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	523.36	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	4.58	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	2,030.53	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	31,915.91	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,169.46	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	303.27	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	144.92	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	2.58	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	803.17	201505	0103SG	Plant Journals	Actuals



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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,030.12	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	326.14	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	9.97	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	9.40	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	0.35	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,726.90	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	6,987.75	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	20.31	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	36.35	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.34	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	1,709.29	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	202.96	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	864.22	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	36,598.76	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	35.49	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,366.69	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,719.94	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,680.18	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	1.57	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	4.03	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,304.73	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	764.17	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	8,528.76	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	1,354.08	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	641.93	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	19.62	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	18.50	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	0.68	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,399.03	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	13,753.86	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	39.97	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	71.54	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.37	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201505	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450033	ACJV	DR	3,364.36	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	399.48	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,701.03	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	72,036.67	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.85	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,404.57	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,385.32	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,307.06	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	3.09	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	7.93	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,472.91	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	1,504.10	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	16,787.01	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	2,665.21	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	38.19	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	30.26	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	19.49	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,493.67	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	161.32	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	124.07	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	127.54	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	0.23	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,813.50	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	22.63	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	75.17	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	59.56	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	38.37	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	2,939.97	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	317.52	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	244.21	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	251.04	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	0.45	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	3,569.47	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201505	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201505	0103SG	Plant Journals	Actuals

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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168802	ACJV	DR	44.55	201505	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	2.77	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	3,038.87	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	16,451.37	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	620.14	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	158.06	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	75.31	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	3.90	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	411.40	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	526.84	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	5.46	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	5,981.35	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	32,380.93	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,220.61	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	311.10	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	148.23	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	7.67	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	809.75	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,036.96	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	345.11	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	10.25	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	10.99	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	0.35	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	0.77	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,724.48	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	7,086.92	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	32.09	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	46.87	201506	0103SG	Plant Journals	Actuals

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Docket No. 2017-207-E (5th Continuing AIR)  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.34	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	3,952.82	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	231.36	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	865.20	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	37,805.30	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	35.87	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,372.79	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,726.79	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,683.22	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	4.14	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	11.28	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,323.17	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	988.92	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	9,246.76	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	1,522.15	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	679.27	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	20.18	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	21.64	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	0.68	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	1.52	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,394.26	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	13,949.05	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	63.15	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	92.25	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.37	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	7,780.26	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	455.39	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,702.96	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	74,411.48	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	70.60	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,416.57	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,398.82	201506	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,313.06	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	8.14	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	22.20	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,509.22	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	1,946.48	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	18,200.24	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	2,996.01	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	46.92	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	42.29	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	43.33	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,719.94	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	167.89	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	139.08	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	138.95	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	2.38	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,958.59	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	23.15	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	92.35	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	83.24	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	85.29	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	3,385.33	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	330.45	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	273.76	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	273.49	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	4.68	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	3,855.05	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201506	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	45.56	201506	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	2.77	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	5,733.54	201507	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	903	540029	ACJV	DR	16,727.67	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	621.33	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	196.74	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	75.31	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	4.98	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	411.40	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	526.88	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	5.46	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	11,285.23	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	32,924.77	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,222.95	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	387.24	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	148.23	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	9.81	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	809.75	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,037.05	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	364.42	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	8.03	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	10.99	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	0.35	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	1.80	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,752.15	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	7,114.63	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	53.13	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	60.40	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.34	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	5,600.03	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	293.38	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	881.59	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	38,124.14	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	18.36	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	36.25	201507	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,378.88	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,733.65	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,686.27	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	6.70	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	20.19	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,330.10	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	2,512.94	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	10,050.77	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	1,739.25	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	717.27	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	15.81	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	21.64	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	0.68	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	3.54	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,448.73	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	14,003.60	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	104.58	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	118.88	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.37	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	11,022.44	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	577.46	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,735.23	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	75,039.06	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	36.13	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	71.35	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,428.56	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,412.31	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,319.06	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	13.20	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	39.73	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,522.85	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	4,946.18	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	19,782.75	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	3,423.34	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	49.21	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	31.21	201507	0103SG	Plant Journals	Actuals

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Docket No. 2017-207-E (5th Continuing AIR)  
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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	903	168101	ACJV	DR	51.90	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,708.39	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	153.95	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	136.51	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	121.36	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	5.99	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	2,005.00	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	23.15	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	96.85	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	61.44	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	102.15	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	3,362.59	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	303.02	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	268.69	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	238.87	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	11.80	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	3,946.40	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.44	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201507	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	45.56	201507	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	2.77	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	7,295.24	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	17,160.33	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	623.84	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	227.99	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	75.31	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	5.39	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	411.40	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	526.88	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201508	0103SG	Plant Journals	Actuals



**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	5.46	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	14,359.10	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	33,776.36	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,227.90	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	448.74	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	148.23	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	10.61	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	809.75	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,037.05	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	382.92	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	8.03	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	10.99	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	1.40	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	1.80	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,767.46	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	7,174.65	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	76.78	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	67.71	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.52	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	7,705.19	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	360.69	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	897.22	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	38,177.19	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	46.42	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	5.11	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	36.41	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,378.88	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,733.66	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,686.27	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	6.70	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	22.73	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,331.22	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	5,613.99	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	10,738.37	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	2,063.58	201508	0103SG	Plant Journals	Actuals

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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450001	ACJV	DR	753.69	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	15.81	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	21.64	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	2.76	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	3.54	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,478.86	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	14,121.73	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	151.13	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	133.27	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	18.74	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	15,165.99	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	709.94	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,765.99	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	75,143.47	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	91.37	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	10.06	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	71.66	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,428.56	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,412.33	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,319.06	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	13.20	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	44.73	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,525.07	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	11,049.91	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	21,136.14	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	4,061.70	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	49.21	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	36.77	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,783.70	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	180.05	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	145.03	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	147.05	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	6.44	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	2,089.98	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	33.25	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	21.92	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	29.44	201508	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168003	ACJV	DR	96.85	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	72.38	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	3,510.82	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	354.39	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	285.45	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	289.44	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	12.68	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	4,113.67	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	65.45	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	43.14	201508	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	57.95	201508	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	2.77	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	8,080.56	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	17,365.44	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	626.00	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	224.53	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	77.30	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	5.69	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	411.40	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	526.88	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	5.46	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	15,904.81	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	34,180.08	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,232.14	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	441.94	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	152.15	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	11.21	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	809.75	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,037.05	201509	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450001	ACJV	DR	402.48	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	0.05	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	2.16	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	8.03	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	1.01	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	14.51	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.46	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.12	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,773.33	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	7,313.62	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	110.31	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	79.75	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.70	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	6.90	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	9,607.02	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	383.25	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	899.54	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	38,195.70	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	49.68	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	8.43	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	36.82	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,379.54	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,734.58	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,686.58	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	7.53	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	25.85	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,334.46	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	9,203.85	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	11,026.66	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	2,990.78	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	792.19	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	0.09	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	4.24	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	15.81	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	2.00	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	28.55	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.85	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.17	201509	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
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Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,490.42	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	14,395.27	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	217.11	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	156.96	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	19.10	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	13.59	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	18,909.33	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	754.35	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,770.54	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	75,179.90	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	97.79	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	16.59	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	72.48	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,429.86	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,414.15	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,319.66	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	14.83	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	50.88	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,531.45	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	18,115.76	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	21,703.57	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	5,886.69	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	51.40	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	61.89	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,897.31	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	218.45	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	162.39	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	192.06	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	6.44	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	2,142.58	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	35.18	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	23.85	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	31.83	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	101.17	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	121.81	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	3,734.44	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	429.97	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	319.63	201509	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168105	ACJV	DR	378.02	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	12.68	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	4,217.20	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	69.25	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	46.93	201509	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	62.66	201509	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	903	540012	ACJV	DR	0.26	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0137	932	540012	ACJV	DR	0.51	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540010	ACJV	DR	19.45	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540013	ACJV	DR	0.73	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540017	ACJV	DR	36.49	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540018	ACJV	DR	11.20	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540020	ACJV	DR	2.77	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	8,875.22	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	17,463.67	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	612.70	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	230.85	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	89.38	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	5.77	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540035	ACJV	DR	411.40	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	526.88	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540010	ACJV	DR	38.29	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540013	ACJV	DR	1.44	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540017	ACJV	DR	71.81	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540018	ACJV	DR	22.04	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540020	ACJV	DR	5.46	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	17,468.94	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	34,373.42	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	1,205.97	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	454.38	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	175.92	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	11.35	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540035	ACJV	DR	809.75	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	1,037.05	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	403.94	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	4.74	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	6.85	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	8.03	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	5.71	201510	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450008	ACJV	DR	19.40	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.46	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.44	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450022	ACJV	DR	18.24	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	1,779.24	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	7,667.87	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	717.43	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	97.98	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	9.70	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	10.39	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	11,012.13	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	413.96	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	901.85	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	38,206.84	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	26.26	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	13.12	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	39.02	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,382.26	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,737.21	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,687.64	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	8.36	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	28.09	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	4,336.72	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	11,399.82	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	11,079.31	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	3,811.71	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	795.07	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	9.34	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	13.49	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	15.81	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	11.24	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	38.18	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.85	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.80	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450022	ACJV	DR	35.90	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	3,502.05	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	15,092.52	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	1,412.10	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	192.86	201510	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450029	ACJV	DR	19.10	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	20.45	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	21,674.98	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	814.78	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	1,775.10	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	75,201.83	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	51.68	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	25.83	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	76.81	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,435.22	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,419.33	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,321.75	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	16.45	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	55.30	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	8,535.89	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	22,438.07	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	21,807.21	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	7,502.52	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	54.51	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	59.58	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,877.83	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	213.27	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	164.60	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	182.72	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168106	ACJV	DR	6.44	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	2,142.94	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	37.91	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	26.57	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	28.74	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	107.29	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	117.27	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	3,696.09	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	419.77	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	323.97	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	359.64	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168106	ACJV	DR	12.68	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	4,217.92	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	74.63	201510	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	52.31	201510	0103SG	Plant Journals	Actuals



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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168802	ACJV	DR	56.56	201510	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	7,813.37	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,129.89	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	83.21	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	38.90	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	2.88	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.10	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	15,378.91	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,223.94	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	163.78	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	76.56	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	5.67	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	74.46	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.22	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	4.67	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	9.39	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	9.79	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.12	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.23	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.18	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	83.08	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	1,090.29	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,464.03	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	84.86	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	1.16	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	8.52	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	11,419.82	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	264.05	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	37.55	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	392.36	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	9.29	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	9.39	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	28.77	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,368.55	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,613.31	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,658.37	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	6.79	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	0.32	201511	0103SG	Plant Journals	Actuals

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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450062	ACJV	DR	24.06	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	20.62	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	12,160.96	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,245.65	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	2,749.33	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	146.57	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.37	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.20	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.49	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.27	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.17	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.42	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.29	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	163.52	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	2,146.00	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	2,881.61	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	167.03	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	2.29	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	16.76	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,477.42	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	519.72	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	73.92	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	772.27	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.28	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.49	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	56.63	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,408.22	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,175.45	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,264.13	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	13.36	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	0.62	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.36	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	40.58	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	23,936.19	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,420.07	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	5,411.46	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.30	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	12.92	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	75.25	201511	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	903	168103	ACJV	DR	19.46	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	3.53	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	24.21	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	136.83	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.47	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	5.46	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	6.39	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.42	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	25.43	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	148.11	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	38.30	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	6.94	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	47.65	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	269.33	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.77	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.74	201511	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.58	201511	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	8,145.40	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,184.99	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	83.32	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	106.21	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	7.63	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.10	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	16,032.43	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,332.39	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	164.00	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	209.06	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	15.02	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	74.90	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.22	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	4.67	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	9.39	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	9.79	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.12	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.23	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.18	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	91.99	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	1,731.72	201512	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,659.53	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	154.46	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	2.07	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	12.39	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	11,460.33	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	328.18	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	37.70	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	543.28	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	9.29	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	9.39	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	32.28	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	10,376.90	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,625.57	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,658.37	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	6.87	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	1.47	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	24.06	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	21.44	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	14,479.89	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,279.24	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	5,477.06	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	147.42	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.37	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.20	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.49	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.27	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.17	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.42	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.29	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	181.06	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	3,408.52	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,266.42	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	304.03	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	4.07	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	24.39	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,557.16	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	645.95	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.20	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,069.34	201512	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.28	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.49	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	63.53	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,424.66	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,199.58	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,264.13	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	13.53	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	2.89	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.36	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	42.19	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	28,500.51	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,486.18	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	10,780.40	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.30	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	26.67	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	289.76	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	50.19	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	12.11	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	71.24	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	437.67	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.47	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	5.46	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	6.39	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.42	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	52.50	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	570.33	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	98.78	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	23.84	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	140.22	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	861.46	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.77	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.74	201512	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.58	201512	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	9,527.81	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,407.41	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	236.07	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	15.11	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201601	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	932	540028	ACJV	DR	16,745.04	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,473.52	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	414.89	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	26.55	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	84.68	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.61	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.39	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.46	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	106.02	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	2,623.07	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,892.94	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	254.19	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	6.33	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	20.17	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	12,968.57	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	470.91	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	648.36	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	39.29	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,726.34	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,910.97	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,873.24	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	9.75	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	1.66	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	25.99	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	17,634.01	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,609.06	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	10,450.41	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	148.82	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201601	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.65	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.44	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.33	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	186.33	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	4,610.02	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,326.83	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	446.73	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	11.13	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	35.45	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,792.15	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	827.62	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,139.49	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.05	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,608.95	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,358.51	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,292.20	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	17.13	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	2.91	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	45.68	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	30,991.63	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,585.41	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	18,366.51	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	35.51	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	509.73	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	72.04	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	16.97	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	101.64	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	819.57	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	6.18	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201601	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	62.40	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	895.85	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	126.61	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	29.82	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	178.62	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	1,440.39	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.86	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201601	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201601	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	9,779.52	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,459.74	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	346.77	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	42.43	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	17,187.42	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,565.48	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	609.45	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	74.57	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	84.68	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.78	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.39	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.46	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	115.81	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	3,575.50	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,906.52	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	277.12	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	10.21	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	31.01	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	12,967.01	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	1,148.58	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201602	0103SG	Plant Journals	Actuals



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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450039	ACJV	DR	658.71	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	39.58	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,726.96	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,974.99	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,879.43	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	18.73	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	1.66	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	26.84	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	17,970.70	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,620.55	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	13,194.47	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	148.82	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.94	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.44	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.33	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	203.54	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	6,283.90	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,350.69	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	487.04	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	17.94	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	54.49	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,789.41	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	2,018.62	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,157.68	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	69.56	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,610.03	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,471.03	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,303.08	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	32.91	201602	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450061	ACJV	DR	2.91	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	47.17	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	31,583.35	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,605.60	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	23,189.17	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	35.96	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	606.42	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	84.29	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	16.93	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	103.57	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	831.54	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	6.18	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	63.21	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,065.78	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	148.13	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	29.75	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	182.02	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	1,461.42	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.86	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201602	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201602	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	9,965.88	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,525.85	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	400.77	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	83.73	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	17,514.95	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,681.67	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	704.35	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	147.16	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	84.92	201603	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	7.56	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.77	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.40	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.46	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	130.84	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,327.67	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,919.13	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	255.35	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	DR	10.21	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	66.44	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	12,981.78	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	2,821.31	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	686.38	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	39.87	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,728.43	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,984.93	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,890.02	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	26.65	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	4.68	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	32.57	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	19,513.07	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,631.23	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	14,918.19	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	149.25	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	13.29	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.92	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.46	201603	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.33	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	229.95	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,605.84	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,372.86	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	448.78	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	DR	17.94	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	116.77	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,815.38	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	4,958.43	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,206.32	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	70.07	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,612.61	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,488.50	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,321.70	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	46.84	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	8.22	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	57.24	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	34,294.06	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,624.36	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	26,218.60	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	39.58	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	680.38	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	84.57	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	18.71	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	108.90	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	971.51	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	6.96	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	69.56	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,195.77	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	148.64	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	32.88	201603	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168105	ACJV	DR	191.39	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	1,707.41	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	12.23	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201603	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201603	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,127.32	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,551.07	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	400.77	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	108.99	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	3.82	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	17,798.68	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,726.00	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	704.35	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	191.55	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	6.71	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	85.17	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.41	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	2.46	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	144.08	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,363.83	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,990.22	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	262.54	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	126.78	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	12,995.54	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	7,336.93	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	706.83	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201604	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
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Docket No. 2017-207-E (5th Continuing AIR)  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450052	ACJV	DR	39.87	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,731.51	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,996.25	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,900.32	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	27.49	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	15.02	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	46.57	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	20,825.72	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,652.23	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	15,930.59	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	149.68	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.47	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	4.33	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	253.23	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,669.39	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,497.79	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	461.42	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	222.82	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,839.56	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	12,894.60	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,242.25	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	70.07	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,618.03	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,508.39	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,339.80	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	48.31	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	26.41	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	81.84	201604	0103SG	Plant Journals	Actuals

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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450069	ACJV	DR	36,601.02	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,661.27	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	27,997.88	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	41.62	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	676.05	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	70.30	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	19.77	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	108.35	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,124.48	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	6.83	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	73.15	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,188.16	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	123.55	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	34.75	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	190.43	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	1,976.26	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	12.00	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201604	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201604	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,383.97	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,626.46	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	400.87	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.17	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	10.69	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,249.74	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	2,858.48	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	704.52	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.44	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	18.79	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	85.17	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201605	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	1.42	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	7.03	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	158.67	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,397.84	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	2,440.79	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	317.74	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450029	ACJV	CR	(334.79)	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	499.59	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	12,997.38	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	12,461.00	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	708.16	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	44.58	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,739.99	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,009.58	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,906.67	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	30.72	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	24.37	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	55.54	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,119.89	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,687.84	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	16,909.21	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	149.68	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	2.50	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	12.35	201605	0103SG	Plant Journals	Actuals



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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450023	ACJV	DR	278.86	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,729.16	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	4,289.67	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	558.43	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450029	ACJV	CR	(652.64)	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	942.27	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,842.79	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	21,900.10	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,244.58	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	78.35	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,632.94	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,531.82	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,350.96	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	54.00	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	42.82	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	97.62	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	37,118.04	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,723.86	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	29,717.79	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	43.49	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	739.44	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	72.68	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	21.77	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	117.26	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,166.95	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	76.43	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,299.55	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	127.73	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	38.26	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	206.08	201605	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,050.90	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201605	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201605	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,579.85	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,749.37	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	400.97	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.19	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	17.29	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,594.00	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	3,074.51	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	704.70	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.48	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	30.38	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	114.32	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	5.99	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	15.31	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	183.68	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,408.41	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	2,830.08	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	364.37	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	174.07	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	13,017.30	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	16,111.23	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	730.71	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	49.29	201606	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,746.24	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,018.87	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,907.13	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	35.72	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	26.38	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	56.29	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,479.34	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,709.55	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	17,457.24	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	200.91	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	10.53	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	26.90	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	322.82	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,747.74	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	4,973.84	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	640.37	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	305.92	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,877.81	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	28,315.36	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,284.22	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	86.62	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,643.93	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,548.14	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,351.77	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	62.78	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	46.37	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	98.93	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	37,749.75	201606	0103SG	Plant Journals	Actuals

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Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,762.01	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	30,680.96	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	50.66	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	809.84	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	90.90	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	24.85	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	134.10	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,278.57	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	89.04	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,423.28	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	159.76	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	43.67	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	235.68	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,247.08	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201606	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201606	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,582.05	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	1,900.20	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	400.97	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.19	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	25.93	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,597.86	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	3,339.58	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	704.70	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.48	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	45.57	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	144.77	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201607	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
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Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	11.32	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	26.95	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	215.22	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,411.79	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	2,836.59	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	419.15	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	185.70	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	13,037.23	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	19,385.00	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	753.42	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	49.29	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,746.24	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,018.87	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,907.13	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	37.49	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	26.38	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	56.33	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,621.65	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,711.08	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	20,462.58	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	254.44	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	19.90	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	47.37	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	378.25	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,753.68	201607	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450026	ACJV	DR	4,985.28	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	736.66	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	326.37	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,912.82	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	34,068.97	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,324.13	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	86.62	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,643.93	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,548.14	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,351.77	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	65.88	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	46.37	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	99.00	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	37,999.87	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,764.71	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	35,962.81	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	56.53	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	789.92	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	105.69	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	26.31	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	143.91	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,352.94	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	99.36	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,388.29	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	185.75	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	46.24	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	252.92	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,377.78	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201607	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201607	0103SG	Plant Journals	Actuals

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Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201607	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,596.79	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	2,043.96	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	400.97	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.19	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	34.02	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	2.01	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,623.77	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	3,592.24	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	704.70	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.48	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	59.79	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	3.54	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	151.96	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	17.15	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	36.58	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	250.67	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,413.33	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	2,942.57	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	513.29	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	199.06	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	13,024.15	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	22,741.96	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	42.58	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	754.64	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	49.29	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,746.24	201608	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,018.87	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,907.13	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	37.93	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	26.38	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	56.33	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,726.29	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,711.08	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	23,442.09	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	267.07	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	30.15	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	64.29	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	440.55	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,756.38	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	5,171.54	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	902.11	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	349.85	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,889.84	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	39,968.80	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	74.84	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,326.27	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	86.62	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,643.93	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,548.14	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,351.77	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	66.66	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	46.37	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	99.00	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	38,183.78	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,764.71	201608	0103SG	Plant Journals	Actuals



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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450072	ACJV	DR	41,199.28	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	56.91	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	748.93	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	112.25	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	26.57	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	145.17	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,342.00	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	100.03	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,316.24	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	197.28	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	46.70	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	255.14	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,358.55	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201608	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201608	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,611.57	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	2,089.05	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	405.66	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.19	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	37.73	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	7.70	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,649.75	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	3,671.49	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	712.94	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.48	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	66.31	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	13.53	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	169.28	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201609	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	22.21	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	41.42	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	280.56	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,426.49	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	3,069.91	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	719.53	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	208.01	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	13,011.66	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	26,841.77	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	44.08	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	765.23	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	49.29	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,746.24	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,018.87	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,907.13	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	40.61	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	26.38	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	58.74	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,865.15	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,713.05	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	23,738.38	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	297.50	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	39.03	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	72.80	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	493.08	201609	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450025	ACJV	DR	7,779.52	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	5,395.35	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	1,264.57	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	365.58	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,867.89	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	47,174.19	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	77.47	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,344.88	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	86.62	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,643.93	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,548.14	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,351.77	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	71.37	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	46.37	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	103.24	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	38,427.82	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,768.17	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	41,720.01	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	56.91	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	747.78	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	122.57	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	26.57	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	145.17	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,328.16	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	100.03	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,314.21	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	215.41	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	46.70	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	255.14	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,334.22	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201609	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201609	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201609	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,612.02	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	2,089.18	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	418.34	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.19	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	39.03	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	13.23	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,650.53	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	3,671.71	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	735.23	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.48	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	68.59	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	23.24	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	195.59	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	29.27	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.93	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	315.90	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,633.96	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	3,109.59	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	1,165.22	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	218.39	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	13,012.25	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	29,145.70	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	45.96	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	776.22	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	49.29	201610	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,746.24	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,018.87	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,907.13	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	48.00	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	26.38	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	61.16	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,923.40	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,715.02	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	24,142.08	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	343.75	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	51.45	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	82.49	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	555.20	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	8,144.15	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	5,465.07	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	2,047.87	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	383.82	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,868.92	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	51,223.33	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	80.78	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,364.20	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	86.62	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,643.93	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,548.14	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,351.77	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	84.37	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	46.37	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	107.48	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	38,530.19	201610	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,771.63	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	42,429.50	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	56.91	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	889.17	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	122.38	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	26.57	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	145.17	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,312.40	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	100.03	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,562.71	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	215.08	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	46.70	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	255.14	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,306.53	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201610	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201610	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	10,612.02	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	2,089.25	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540031	ACJV	DR	94.12	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	428.51	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540034	ACJV	DR	119.19	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540036	ACJV	DR	0.11	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	465.43	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	62.81	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	18,650.53	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	3,671.83	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540031	ACJV	DR	165.41	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	753.10	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540034	ACJV	DR	209.48	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540036	ACJV	DR	0.19	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	818.00	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	110.38	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	231.26	201611	0103SG	Plant Journals	Actuals

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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450002	ACJV	DR	2.51	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450003	ACJV	DR	5.28	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450004	ACJV	DR	21.60	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450007	ACJV	DR	10.59	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450008	ACJV	DR	11.06	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	2.39	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	40.76	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	49.70	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	365.39	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	4,831.62	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	3,128.37	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	2,510.36	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	261.94	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450033	ACJV	DR	13,012.29	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	29,540.79	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	45.95	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	777.58	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450043	ACJV	DR	10.49	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450044	ACJV	DR	10.61	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	49.29	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,746.24	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	2,018.87	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,907.13	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	55.69	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450061	ACJV	DR	26.38	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450062	ACJV	DR	27.18	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	61.16	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	21,938.30	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	2,715.02	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	24,836.17	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	406.44	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450002	ACJV	DR	4.41	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450003	ACJV	DR	9.27	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450004	ACJV	DR	37.96	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450007	ACJV	DR	18.62	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450008	ACJV	DR	19.43	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	4.20	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	71.63	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	87.35	201611	0103SG	Plant Journals	Actuals

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Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450023	ACJV	DR	642.17	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	8,491.53	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	5,498.08	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	4,411.94	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	460.36	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450033	ACJV	DR	22,868.99	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	51,917.70	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	80.76	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	1,366.58	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450043	ACJV	DR	18.43	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450044	ACJV	DR	18.65	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	86.62	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,643.93	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,548.14	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,351.77	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	97.87	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450061	ACJV	DR	46.37	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450062	ACJV	DR	47.77	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	107.48	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	38,556.38	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	4,771.63	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	43,649.36	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168003	ACJV	DR	5.98	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168100	ACJV	DR	56.91	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	1,025.81	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	124.29	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168104	ACJV	DR	26.57	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168105	ACJV	DR	145.17	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	1,295.03	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168800	ACJV	DR	5.92	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168801	ACJV	DR	6.17	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168802	ACJV	DR	7.22	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168003	ACJV	DR	10.51	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168100	ACJV	DR	100.03	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,802.85	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	218.44	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168104	ACJV	DR	46.70	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168105	ACJV	DR	255.14	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	2,276.00	201611	0103SG	Plant Journals	Actuals



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Docket No. 2017-370-E (4th Continuing AIR)**

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168800	ACJV	DR	10.40	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168801	ACJV	DR	10.84	201611	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168802	ACJV	DR	12.69	201611	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	29.51	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	286.33	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	6.54	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	29.10	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	871.50	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	165.51	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.86	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	503.22	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	11.50	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	51.15	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	1,531.66	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	290.88	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	111.44	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	34.41	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	36.73	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	189.19	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	442.68	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	309.45	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	3,391.43	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	855.47	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	11,632.92	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	2.91	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	24.83	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	25.19	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	11,687.57	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,800.46	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	1,863.96	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	20.94	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	5.19	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	349.62	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	7.61	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	8,610.07	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	195.86	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.47	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	64.56	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	332.50	201612	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450025	ACJV	DR	778.00	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	543.86	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	5,960.40	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	1,503.47	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	20,444.77	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	5.11	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	43.64	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	44.27	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,540.80	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,164.29	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,275.89	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.81	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	9.12	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	614.45	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	13.37	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	15,132.12	201612	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	132.94	201612	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	15.12	201612	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	233.64	201612	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	26.57	201612	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.48	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	7.14	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	953.36	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	407.20	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.07	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	11.43	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	1,525.72	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	651.67	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.88	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	225.95	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	513.23	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	349.46	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	4,310.13	201701	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450031	ACJV	DR	2,383.09	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	12,854.45	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	3.09	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	27.90	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.10	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	17.04	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	427.45	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	11.07	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	10,833.54	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.10	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.03	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	361.60	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	821.35	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	559.27	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	6,897.74	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	3,813.79	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	20,571.69	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	4.95	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	44.65	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.97	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	27.27	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	684.07	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	17.72	201701	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	17,337.51	201701	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	194.51	201701	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	20.85	201701	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	89.33	201701	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	311.29	201701	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	33.36	201701	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	142.96	201701	0103SG	Plant Journals	Actuals

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**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	7.14	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	970.18	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	585.00	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	11.43	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	1,552.64	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	936.20	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	225.96	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	533.74	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	375.81	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	4,698.38	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	3,128.44	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	13,007.00	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	3.35	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	28.28	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	36.03	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	435.92	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	13.87	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	12,659.60	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	361.62	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	854.18	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	601.44	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	7,519.08	201702	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450031	ACJV	DR	5,006.61	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	20,815.84	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	5.37	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	45.26	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	57.66	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	697.63	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	22.19	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	20,259.86	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	241.23	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	24.07	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	273.41	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	386.05	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	38.53	201702	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	437.55	201702	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	28.01	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	986.65	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	596.71	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	44.83	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	1,579.00	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	954.95	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	211.12	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	553.90	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	411.24	201703	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450028	ACJV	DR	4,957.83	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	3,352.65	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	13,172.15	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	3.88	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	28.28	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	49.44	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	458.31	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	31.92	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	15,150.41	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	337.87	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	886.44	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	658.13	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	7,934.30	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	5,365.44	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	21,080.14	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	6.21	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	45.26	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	79.12	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	733.47	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	51.08	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	24,246.05	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	365.33	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	24.09	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	226.63	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201703	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168102	ACJV	DR	584.65	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	38.55	201703	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	362.68	201703	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	19.08	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	912.00	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	599.68	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	30.54	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	1,459.52	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	959.70	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	211.12	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	564.36	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	434.89	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	5,254.93	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	3,494.10	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	13,256.40	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	5.00	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	28.46	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	54.84	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	500.93	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	47.28	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	17,488.79	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	337.87	201704	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
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Docket No. 2017-207-E (5th Continuing AIR)  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450025	ACJV	DR	903.18	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	695.98	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	8,409.76	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	5,591.80	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	21,214.95	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	8.00	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	45.54	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	87.77	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	801.67	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	75.66	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	27,988.29	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	489.62	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	23.70	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	196.23	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	783.57	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	37.94	201704	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	314.04	201704	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	532.45	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	600.02	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	852.11	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	960.25	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	211.12	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	569.34	201705	0103SG	Plant Journals	Actuals



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Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,078.41	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	6,325.70	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	3,536.02	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	13,547.41	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	5.85	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	28.99	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	54.84	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	525.84	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	48.61	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	19,644.62	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	337.87	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	911.15	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	1,725.84	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	10,123.37	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	5,658.89	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	21,680.67	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	9.36	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	46.40	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	87.77	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	841.52	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	77.80	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	31,438.38	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	607.40	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	23.70	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	298.05	201705	0103SG	Plant Journals	Actuals

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Office of Regulatory Staff's Continuing  
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Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	972.06	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	37.94	201705	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	476.98	201705	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	43.95	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	229.05	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	600.02	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	70.34	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	366.55	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	960.25	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	211.12	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	572.37	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,714.99	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	7,499.53	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	3,725.47	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	14,303.36	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	5.85	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	40.40	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	54.84	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	525.84	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	48.61	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	20,950.35	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201706	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450023	ACJV	DR	337.87	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	916.00	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	2,744.60	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	12,001.91	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	5,962.08	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	22,890.47	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	9.36	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	64.66	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	87.77	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	841.52	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	77.80	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	33,528.01	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	766.92	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	23.70	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	374.98	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,227.35	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	37.94	201706	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	600.10	201706	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	93.69	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	229.83	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	600.02	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	149.93	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	367.81	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	960.25	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201707	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	211.12	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	575.64	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	1,735.66	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	7,747.09	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	3,953.98	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	15,058.50	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	5.85	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	57.55	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	54.84	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	525.84	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	48.61	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	23,487.57	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	337.87	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	921.22	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	2,777.67	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	12,398.10	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	6,327.78	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	24,098.96	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	9.36	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	92.10	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	87.77	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	841.52	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	77.80	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	37,588.47	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201707	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
NU	1070100	VCS	0247	903	168102	ACJV	DR	836.27	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	23.70	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	393.82	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,338.33	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	37.94	201707	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	630.25	201707	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	95.49	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	229.91	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	605.16	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	152.82	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	367.93	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	968.47	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	213.48	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	577.23	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	2,013.32	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	8,619.06	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	4,051.45	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	15,934.35	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	5.85	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	CR	(115,615.00)	201708	0103MN	Manual Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	72.92	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	54.84	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	525.84	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	48.61	201708	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
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Docket No. 2017-207-E (5th Continuing AIR)  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/ Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	903	450072	ACJV	DR	28,888.62	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	341.65	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	923.77	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,222.03	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	13,793.57	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	6,483.76	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	25,500.62	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	9.36	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	CR	(451,968.00)	201708	0103MN	Manual Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	116.70	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	87.77	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	841.52	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	77.80	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	46,232.08	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	864.48	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	23.70	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	404.80	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,383.48	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	37.94	201708	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	647.83	201708	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540028	ACJV	DR	32.20	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540029	ACJV	DR	312.49	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540030	ACJV	DR	96.42	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540032	ACJV	DR	31.76	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540040	ACJV	DR	229.98	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	903	540041	ACJV	DR	610.65	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540028	ACJV	DR	51.54	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540029	ACJV	DR	500.09	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540030	ACJV	DR	154.31	201709	0103SG	Plant Journals	Actuals

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
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Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0145	932	540032	ACJV	DR	50.83	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540040	ACJV	DR	368.05	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0145	932	540041	ACJV	DR	977.26	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450001	ACJV	DR	129.37	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450013	ACJV	DR	0.34	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450020	ACJV	DR	37.56	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450021	ACJV	DR	46.89	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450023	ACJV	DR	215.84	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450025	ACJV	DR	577.23	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450026	ACJV	DR	2,275.71	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450028	ACJV	DR	9,665.32	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450031	ACJV	DR	4,478.73	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450035	ACJV	DR	16,833.07	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450037	ACJV	DR	5.85	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	115,615.00	201709	0103MN	Manual Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	CR	(123,232.00)	201709	0103MN	Manual Journals	Actuals
IN	1070100	PDEN	0146	903	450039	ACJV	DR	100.73	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450052	ACJV	DR	27.49	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450053	ACJV	DR	12,754.49	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450054	ACJV	DR	1,964.82	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450055	ACJV	DR	2,034.11	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450059	ACJV	DR	23.11	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450064	ACJV	DR	54.84	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450069	ACJV	DR	525.84	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450071	ACJV	DR	48.61	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	903	450072	ACJV	DR	32,678.16	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450001	ACJV	DR	207.04	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450013	ACJV	DR	0.54	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450020	ACJV	DR	60.12	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450021	ACJV	DR	75.05	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450023	ACJV	DR	345.42	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450025	ACJV	DR	923.77	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450026	ACJV	DR	3,641.95	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450028	ACJV	DR	15,467.96	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450031	ACJV	DR	7,167.56	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450035	ACJV	DR	26,938.91	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450037	ACJV	DR	9.36	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	DR	451,968.00	201709	0103MN	Manual Journals	Actuals
IN	1070100	PDEN	0146	932	450039	ACJV	CR	(489,522.00)	201709	0103MN	Manual Journals	Actuals

**South Carolina Electric & Gas Company**  
**Office of Regulatory Staff's Continuing**  
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**Docket No. 2017-207-E (5th Continuing AIR)**  
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**Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-63

**Transmission AFUDC - January 2015 through September 2017**

Busines Unit	Account	Operating Unit	Department	Resource Code	Work Order	Activity	Debit/Credit	Amount	Month Number	GL Category	Source	Amount Type
IN	1070100	PDEN	0146	932	450039	ACJV	DR	161.21	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450052	ACJV	DR	43.99	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450053	ACJV	DR	20,411.73	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450054	ACJV	DR	3,144.41	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450055	ACJV	DR	3,255.30	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450059	ACJV	DR	36.99	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450064	ACJV	DR	87.77	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450069	ACJV	DR	841.52	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450071	ACJV	DR	77.80	201709	0103SG	Plant Journals	Actuals
IN	1070100	PDEN	0146	932	450072	ACJV	DR	52,296.69	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168101	ACJV	DR	5.58	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168102	ACJV	DR	876.83	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168103	ACJV	DR	23.70	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	903	168107	ACJV	DR	400.68	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168101	ACJV	DR	8.92	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168102	ACJV	DR	1,403.23	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168103	ACJV	DR	37.94	201709	0103SG	Plant Journals	Actuals
NU	1070100	VCS	0247	932	168107	ACJV	DR	641.22	201709	0103SG	Plant Journals	Actuals
<b>Total</b>								<b>7,886,484.82</b>				



Account Number	Account Description	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
1900408	Adit Fed Toshiba Settlement										
1900409	Adit St Toshiba Settlement										
1900410	Adit Fed Impairment Charge										
1900411	Adit St Impairment Charge										
1900412	Adit Fed Nuc Fuel Impairment										
1900413	Adit St Nuc Fuel Impairment										
2820017	Adit Fed Pilot Fasb 109	(39,305,200)	(39,305,200)	(40,056,900)	(40,056,900)	(40,056,900)	(41,847,100)	(41,847,100)	(41,847,100)	(44,206,600)	(44,206,600)
2820020	Adit St Pilot Fasb 109	(5,910,600)	(5,910,600)	(6,023,600)	(6,023,600)	(6,023,600)	(6,292,800)	(6,292,800)	(6,292,800)	(6,647,600)	(6,647,600)
2820030	Adit Fed New Nucl Basis Difference	109,133,900	113,704,900	118,150,600	122,830,500	127,548,900	132,337,700	137,179,000	142,027,900	128,795,000	144,477,500
2820034	Adit St New Nucl Basis Difference	16,410,900	17,098,200	17,766,900	18,470,500	19,180,100	19,900,300	20,628,200	21,357,400	19,367,400	21,725,600
2820084	Adit Fed Nnd Basis Diff (orig claim)	(79,477,000)	(79,477,000)	(79,477,000)	(79,477,000)	(79,477,000)	(79,477,000)	(79,477,000)	(79,477,000)	(78,061,700)	(84,878,900)
2820085	Adit St Nnd Basis Diff (orig claim)	(11,951,400)	(11,951,400)	(11,951,400)	(11,951,400)	(11,951,400)	(11,951,400)	(11,951,400)	(11,951,400)	(11,707,200)	(12,763,700)
2820086	Adit Fed Nnd Rate Base (orig claim)	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300
2820087	Adit St Nnd Rate Base (orig Claim)	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700
2820088	Adit Fed Nnd 174 Rate Base (orig claim)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)
2820089	Adit St Nnd 174 Rate Base (orig claim)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)
2820101	Adit Fed Nnd Basis Diff (pilot)										
2820102	Adit St Nnd Basis Diff (pilot)										
2830163	2830163 Adit Fed Nnd Reg Asset Basis Diff										
2830164	2830164 Adit St Nnd Reg Asset Basis Diff										
<b>TOTALS</b>											
	FEDERAL	-	-	-	-	-	-	-	-	-	-
	STATE	-	-	-	-	-	-	-	-	-	-
	FEDERAL	(39,305,200)	(39,305,200)	(40,056,900)	(40,056,900)	(40,056,900)	(41,847,100)	(41,847,100)	(41,847,100)	(44,206,600)	(44,206,600)
	STATE	(5,910,600)	(5,910,600)	(6,023,600)	(6,023,600)	(6,023,600)	(6,292,800)	(6,292,800)	(6,292,800)	(6,647,600)	(6,647,600)
	FEDERAL	146,305,200	150,876,200	155,321,900	160,001,800	164,720,200	169,509,000	174,350,300	179,199,200	165,966,300	181,648,800



Account Number	Account Description	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
1900408	Adit Fed Toshiba Settlement										
1900409	Adit St Toshiba Settlement										
1900410	Adit Fed Impairment Charge										
1900411	Adit St Impairment Charge										
1900412	Adit Fed Nuc Fuel Impairment										
1900413	Adit St Nuc Fuel Impairment										
2820017	Adit Fed Pilot Fasb 109	(44,206,600)	(45,850,900)	(45,850,900)	(45,850,900)	(46,864,200)	(46,864,200)	(46,864,200)	(49,422,600)	(49,422,600)	(49,422,600)
2820020	Adit St Pilot Fasb 109	(6,647,600)	(6,894,900)	(6,894,900)	(6,894,900)	(7,047,300)	(7,047,300)	(7,047,300)	(7,432,000)	(7,432,000)	(7,432,000)
2820030	Adit Fed New Nucl Basis Difference	149,825,300	150,109,600	156,761,300	163,467,600	170,235,800	177,029,500	183,890,000	190,807,500	197,777,700	204,802,500
2820034	Adit St New Nucl Basis Difference	22,529,900	22,572,600	23,572,900	24,581,400	25,599,200	26,620,800	27,652,400	28,692,700	29,740,800	30,797,200
2820084	Adit Fed Nnd Basis Diff (orig claim)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)
2820085	Adit St Nnd Basis Diff (orig claim)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)
2820086	Adit Fed Nnd Rate Base (orig claim)	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300
2820087	Adit St Nnd Rate Base (orig Claim)	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700
2820088	Adit Fed Nnd 174 Rate Base (orig claim)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)
2820089	Adit St Nnd 174 Rate Base (orig claim)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)
2820101	Adit Fed Nnd Basis Diff (pilot)										
2820102	Adit St Nnd Basis Diff (pilot)										
2830163	2830163 Adit Fed Nnd Reg Asset Basis Diff										
2830164	2830164 Adit St Nnd Reg Asset Basis Diff										
<b>TOTALS</b>											
	FEDERAL	-	-	-	-	-	-	-	-	-	-
	STATE	-	-	-	-	-	-	-	-	-	-
	FEDERAL	(44,206,600)	(45,850,900)	(45,850,900)	(45,850,900)	(46,864,200)	(46,864,200)	(46,864,200)	(49,422,600)	(49,422,600)	(49,422,600)
	STATE	(6,647,600)	(6,894,900)	(6,894,900)	(6,894,900)	(7,047,300)	(7,047,300)	(7,047,300)	(7,432,000)	(7,432,000)	(7,432,000)
	FEDERAL	186,996,600	187,280,900	193,932,600	200,638,900	207,407,100	214,200,800	221,061,300	227,978,800	234,949,000	241,973,800



Account Number	Account Description	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
1900408	Adit Fed Toshiba Settlement									
1900409	Adit St Toshiba Settlement									
1900410	Adit Fed Impairment Charge									
1900411	Adit St Impairment Charge									
1900412	Adit Fed Nuc Fuel Impairment									
1900413	Adit St Nuc Fuel Impairment									
2820017	Adit Fed Pilot Fasb 109	(52,146,200)	(52,146,200)	(52,146,200)	(55,046,200)	(55,046,200)	(55,046,200)	(58,337,100)	(58,337,100)	(58,337,100)
2820020	Adit St Pilot Fasb 109	(7,841,500)	(7,841,500)	(7,841,500)	(8,277,600)	(8,277,600)	(8,277,600)	(8,772,500)	(8,772,500)	(8,772,500)
2820030	Adit Fed New Nucl Basis Difference	205,718,500	207,295,800	213,389,600	220,526,200	226,394,800	232,255,100	238,396,500	241,753,300	247,614,200
2820034	Adit St New Nucl Basis Difference	30,934,800	31,172,000	32,088,300	33,161,500	34,044,000	34,925,300	35,848,700	36,353,500	37,234,800
2820084	Adit Fed Nnd Basis Diff (orig claim)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)
2820085	Adit St Nnd Basis Diff (orig claim)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)
2820086	Adit Fed Nnd Rate Base (orig claim)	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300
2820087	Adit St Nnd Rate Base (orig Claim)	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700
2820088	Adit Fed Nnd 174 Rate Base (orig claim)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)
2820089	Adit St Nnd 174 Rate Base (orig claim)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)
2820101	Adit Fed Nnd Basis Diff (pilot)	(270,570,200)	(287,671,100)	(304,772,000)	(354,845,200)	(378,778,200)	(402,711,400)	(384,766,300)	(406,481,000)	(427,015,900)
2820102	Adit St Nnd Basis Diff (pilot)	(40,685,000)	(43,256,400)	(45,827,900)	(53,357,200)	(56,956,000)	(60,554,700)	(57,856,300)	(61,121,500)	(64,209,300)
2830163	2830163 Adit Fed Nnd Reg Asset Basis Diff									
2830164	2830164 Adit St Nnd Reg Asset Basis Diff									
<b>TOTALS</b>										
	FEDERAL	-	-	-	-	-	-	-	-	-
	STATE	-	-	-	-	-	-	-	-	-
	FEDERAL	(52,146,200)	(52,146,200)	(52,146,200)	(55,046,200)	(55,046,200)	(55,046,200)	(58,337,100)	(58,337,100)	(58,337,100)
	STATE	(7,841,500)	(7,841,500)	(7,841,500)	(8,277,600)	(8,277,600)	(8,277,600)	(8,772,500)	(8,772,500)	(8,772,500)
	FEDERAL	242,889,800	244,467,100	250,560,900	257,697,500	263,566,100	269,426,400	275,567,800	278,924,600	284,785,500



Account Number	Account Description	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
1900408	Adit Fed Toshiba Settlement				364,164,100	364,164,100	364,164,100	218,498,500	
1900409	Adit St Toshiba Settlement				54,761,500	54,761,500	54,761,500	54,761,500	
1900410	Adit Fed Impairment Charge				68,185,800	68,185,800	68,185,800		
1900411	Adit St Impairment Charge				10,253,500	10,253,500	10,253,500		
1900412	Adit Fed Nuc Fuel Impairment							17,322,800	
1900413	Adit St Nuc Fuel Impairment							4,341,500	
2820017	Adit Fed Pilot Fasb 109	(61,245,800)	(61,245,800)	(61,245,800)	(59,789,600)	(59,789,600)	(59,789,600)		
2820020	Adit St Pilot Fasb 109	(9,209,900)	(9,209,900)	(9,209,900)	(8,990,900)	(8,990,900)	(8,990,900)		
2820030	Adit Fed New Nucl Basis Difference	253,613,200	260,230,000	267,489,200	266,511,500	269,759,600	276,980,800	1,164,100	
2820034	Adit St New Nucl Basis Difference	38,137,300	39,132,200	40,224,000	40,073,900	40,565,300	41,650,800	291,800	
2820084	Adit Fed Nnd Basis Diff (orig claim)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)	(84,878,900)		
2820085	Adit St Nnd Basis Diff (orig claim)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)	(12,763,700)		
2820086	Adit Fed Nnd Rate Base (orig claim)	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300	37,171,300		
2820087	Adit St Nnd Rate Base (orig Claim)	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700	5,589,700		
2820088	Adit Fed Nnd 174 Rate Base (orig claim)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)	(6,312,400)		
2820089	Adit St Nnd 174 Rate Base (orig claim)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)	(949,400)		
2820101	Adit Fed Nnd Basis Diff (pilot)	(454,367,900)	(471,773,100)	(470,309,400)	(470,309,000)	(470,307,900)	(470,307,900)		
2820102	Adit St Nnd Basis Diff (pilot)	(68,322,100)	(70,939,300)	(70,719,100)	(70,720,200)	(70,723,100)	(70,723,100)		
2830163	2830163 Adit Fed Nnd Reg Asset Basis Diff							(786,614,300)	
2830164	2830164 Adit St Nnd Reg Asset Basis Diff							(197,146,500)	
<b>TOTALS</b>									
	FEDERAL	-	-	-	432,349,900	432,349,900	432,349,900	235,821,300	
	STATE	-	-	-	65,015,000	65,015,000	65,015,000	59,103,000	
	FEDERAL	(61,245,800)	(61,245,800)	(61,245,800)	(59,789,600)	(59,789,600)	(59,789,600)		
	STATE	(9,209,900)	(9,209,900)	(9,209,900)	(8,990,900)	(8,990,900)	(8,990,900)		
	FEDERAL	290,784,500	297,401,300	304,660,500	303,682,800	306,930,900	314,152,100	1,164,100	





**ORS Request 4-65  
NND Abandonment Period Cost Summary  
August 2017**

	<b>100% Project Costs</b>		<b>SCE&amp;G %</b>	
Cost Included in WO 17/Reg Asset (See PowerPlant Report)		\$ 27,927,311 #		\$ 18,140,481 #
EPC Invoices/Accruals/Reversals	\$	(845,588)	\$	(465,073)
Interest Charges	\$	5,435,577	\$	5,435,577
Fluor Work	\$	1,161,872	\$	639,029
Add't Flour Accrual	\$	10,578	\$	5,818
Additional Work to stabilize site	\$	777,004	\$	427,352
Amounts due for work prior to July 31	\$	11,835,308	\$	6,662,346
NND Labor (Extension, WARN, & PBTs)	\$	7,012,530	\$	3,864,248
On-going Facilities Maintenance	\$	94,946	\$	52,386
On-going Computer/Phone Fees	\$	380,037	\$	209,020
RIGHT Mgmt	\$	88,200	\$	48,510
Outside Legal Counsel	\$	702,300	\$	386,265
SCANA Services & Unit 1 Support - Labor	\$	728,975	\$	480,799
SCANA Services & Unit 1 Support - NonLabor	\$	545,572	\$	394,203
Total Work Order Charges		<u>\$ 27,927,311</u>		<u>\$ 18,140,481</u>

# Amount Ties to PowerPlant Report

**South Carolina Electric & Gas Company**  
**Office of Regulatory Staff's Continuing**  
**Audit Information Request**  
**Docket No. 2017-207-E (5th Continuing AIR)**  
**Docket No. 2017-305-E (4th Continuing AIR)**  
**Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-71

**Revised Rates History**  
**(Thousands of \$)**

PSC Order #	Docket Year									Totals
	2008 2009-104(A)	2009 2009-696	2010 2010-625	2011 2011-738	2012 2012-761	2013 2013-680	2014 2014-785	2015 2015-712	2016 2016-758	
<b>Incremental Spend</b>	\$ 64,186	\$ 200,602	\$ 379,200	\$ 415,962	\$ 428,103	\$ 544,846	\$ 532,422	\$ 526,866	\$ 682,783	\$ 3,774,970
<b>AFUDC</b>	\$ 1,775	\$ 6,412	\$ 13,573	\$ 18,527	\$ 11,982	\$ 20,842	\$ 29,043	\$ 24,246	\$ 26,684	\$ 153,084
<b>Carryover</b>	\$ -	\$ -	\$ 8,650	\$ 2,277	\$ 41	\$ 3,897	\$ 229	\$ 632	\$ 4,520	\$ 20,246
<b>Incremental CWIP</b>	\$ 65,961	\$ 207,014	\$ 401,423	\$ 436,766	\$ 440,126	\$ 569,585	\$ 561,694	\$ 551,744	\$ 713,987	\$ 3,948,300
<b>Adjustments per ORS Schedule</b>	\$ -	\$ (8,650)	\$ (2,277)	\$ (41)	\$ (3,897)	\$ (229)	\$ (632)	\$ (4,520)	\$ (139,837)	
<b>Net Incremental CWIP</b>	\$ 65,961	\$ 198,364	\$ 399,146	\$ 436,725	\$ 436,229	\$ 569,356	\$ 561,062	\$ 547,224	\$ 574,150	\$ 3,788,217
<b>WACC</b>	<u>12.54%</u>	<u>11.87%</u>	<u>12.32%</u>	<u>12.62%</u>	<u>12.49%</u>	<u>12.27%</u>	<u>12.22%</u>	<u>12.19%</u>	<u>11.62%</u>	
<b>Incremental Revenue Requirement</b>	\$ 8,272	\$ 23,546	\$ 49,175	\$ 55,115	\$ 54,485	\$ 69,860	\$ 68,562	\$ 66,707	\$ 66,716	
<b>Retail Allocation %</b>	<u>94.33%</u>	<u>95.70%</u>	<u>96.19%</u>	<u>95.77%</u>	<u>95.82%</u>	<u>96.25%</u>	<u>96.61%</u>	<u>96.73%</u>	<u>96.57%</u>	
<b>Retail Rate Adjustment</b>	\$ 7,803	\$ 22,533	\$ 47,301	\$ 52,783	\$ 52,149	\$ 67,240	\$ 66,238	\$ 64,525	\$ 64,428	\$ 445,000
<b>Cumulative Retail Adjustment</b>	\$ 7,803	\$ 30,336	\$ 77,637	\$ 130,420	\$ 182,569	\$ 249,810	\$ 316,047	\$ 380,572	\$ 445,000	

Information above is consistent with the ORS Annual Report on Revised Rates

**South Carolina Electric & Gas Company  
Office of Regulatory Staff's Continuing  
Audit Information Request  
Docket No. 2017-207-E (5th Continuing AIR)  
Docket No. 2017-305-E (4th Continuing AIR)  
Docket No. 2017-370-E (4th Continuing AIR)**

Response No. 4-76

**Revised Rates History - Debt vs. Equity  
Retail Electric**

<u>Year</u>	<u>CWIP</u>	<u>Debt</u>	<u>Equity (net of tax)</u>	<u>Tax</u>	<u>Calculated Total</u>	<u>Actual Total</u>	<u>Variance</u>
<b>2008</b>	\$ 65,960,797	\$ 1,709,578	\$ 3,745,131	\$ 2,347,782	\$ 7,802,491	\$ 7,802,491	\$ -
<b>2009</b>	\$ 198,364,000	\$ 5,264,218	\$ 10,614,775	\$ 6,654,007	\$ 22,533,000	\$ 22,533,000	\$ -
<b>2010</b>	\$ 399,146,000	\$ 10,529,653	\$ 22,602,244	\$ 14,169,103	\$ 47,301,000	\$ 47,301,000	\$ -
<b>2011</b>	\$ 436,725,000	\$ 11,880,599	\$ 25,141,689	\$ 15,761,054	\$ 52,783,342	\$ 52,783,342	\$ -
<b>2012</b>	\$ 436,229,000	\$ 11,604,855	\$ 24,921,216	\$ 15,622,842	\$ 52,148,913	\$ 52,148,913	\$ -
<b>2013</b>	\$ 569,356,000	\$ 14,465,940	\$ 32,438,774	\$ 20,335,518	\$ 67,240,232	\$ 67,240,232	\$ -
<b>2014</b>	\$ 561,062,000	\$ 14,307,226	\$ 31,920,289	\$ 20,010,485	\$ 66,238,000	\$ 66,238,000	\$ -
<b>2015</b>	\$ 547,224,000	\$ 14,662,968	\$ 30,649,310	\$ 19,213,722	\$ 64,526,000	\$ 64,526,000	\$ -
<b>2016</b>	\$ 574,150,000	\$ 15,802,048	\$ 29,885,277	\$ 18,740,675	\$ 64,428,000	\$ 64,428,000	\$ -
<b>Total</b>	<b>\$ 3,788,216,797</b>	<b>\$ 100,227,084</b>	<b>\$ 211,918,705</b>	<b>\$ 132,855,188</b>	<b>\$ 445,000,978</b>	<b>\$ 445,000,978</b>	<b>\$ -</b>

Annual Approved Revised Rates Retail amounts approved have been allocated to Debt, Equity and Tax Components based on the Capital Structure in effect at the time each of Revised Rates period.