

SCE&G OATT

Rules, Standards and Practices

Order of Rules, Standards and Practices

SECTION I: General Matters

SECTION II: Point-to-Point Transmission Service (“PTP”)

SECTION III: Network Integration Transmission Service (“NITS”)

ATTACHMENTS

CHANGE LOG

SECTION I: General Matters

1. Nature of Rules, Standards and Practices

This document sets forth certain rules, standards and practices (“Rules, Standards and Practices”) relating to SCE&G’s provision of service under its Open Access Transmission Tariff (“OATT” or “Tariff”) approved by the Federal Energy Regulatory Commission (“FERC” or “Commission”). Under FERC policy, a Transmission Provider’s OATT includes those terms and conditions that are central to the Transmission Provider’s Tariff services. However, not all terms and conditions relating to OATT services need be included in the Tariff itself; Commission policy recognizes that it would be administratively burdensome to do so. The Commission therefore has deemed it appropriate for Transmission Providers to maintain, and to post publicly on internet and OASIS sites, additional rules, standards and practices relating to OATT services. SCE&G provides these Rules, Standards and Practices consistent with that policy.

SCE&G expects all Transmission Customers and prospective Transmission Customers to adhere to the terms, conditions, and restrictions contained in the Tariff. These Rules, Standards and Practices are intended to clarify and complement certain Tariff terms, conditions, and restrictions, but none of the Rules, Standards and Practices supplants any provision of the Tariff itself. If there were any conflict between a particular section of the Rules, Standards and Practices and a provision of the OATT, the OATT would govern in all instances.

2. Process for Amendment of Rules, Standards and Practices

From time to time, as deemed appropriate by SCE&G, these Rules, Standards and Practices may be amended. SCE&G therefore encourages Transmission Customers and prospective Transmission

Customers to review the Rules, Standards and Practices regularly. SCE&G will post a message under the OASIS “News and Announcements” heading notifying customers of any changes or proposed changes to its Rules, Standards and Practices. SCE&G will attempt to post any new provision of the Rules, Standards and Practices (or amendment to an existing provision of the Rules, Standards and Practices) for at least ten business days prior to the effective date, whenever it is practicable to do so. During such time, comments on the amendment may be submitted. Where circumstances warrant, as determined by SCE&G, there may be instances where SCE&G posts an amendment to the Rules, Standards and Practices that is effective immediately. When the Rules, Standards and Practices are amended, a notice of such amendment will be posted on SCE&G’s internet and OASIS sites for at least ten business days. From time to time, as deemed appropriate by SCE&G, a customer meeting may be convened by SCE&G for the purpose of discussing an amendment to or the interpretation of the Rules, Standards and Practices.

3. *Contacts*

- a. General questions about the Rules, Standards and Practices
Scott Parker (803) 217-2038
sparker@scana.com
- b. Questions about transmission billing, credit or Point-To-Point
Transmission Service
Scott Parker (803) 217-2038
sparker@scana.com
- c. Questions about Network Integration Transmission Service
Shay Stoney (843) 576-8042 or (803) 217-2081
sstoney@scana.com
- d. Questions about information posted on OASIS
Scott Parker (803) 217-2038

sparker@scana.com

- e. Questions about technical concerns or access to OASIS

James Kepler (803) 217-2070

jkepler@scana.com

4. *Becoming an Eligible Customer*

To take Transmission Service from SCE&G the prospective Transmission Customer must apply for a Service Agreement.

- a. To initiate Point-To-Point (“PTP”) Transmission Service, SCE&G requires prospective Transmission Customers to submit an Application for Transmission Service in accordance with the OATT’s Section 13.4 (Firm Service) and Section 14.4 (Non-firm Service), and to execute the appropriate Service Agreement contained in the OATT’s Attachment A (Firm Service) or Attachment B (Non-firm Service). Prospective Transmission Customers may initiate PTP Service by contacting Scott Parker at 803-217-2038 or sparker@scana.com SCE&G will accept an umbrella service agreement for Short-term PTP service, but for any request for Long-term PTP service (one year or longer), SCE&G requires the execution of a service agreement that is specific to each such transmission transaction.
- b. To initiate Network Integration Transmission Service, SCE&G requires prospective Transmission Customers to submit an Application under Section 29.2 of the OATT, to meet the technical arrangements required under Sections 29.3 and 29.4 of the OATT, and to execute Service Agreements pursuant to the OATT’s Attachment F (Network Integration Transmission Service Agreement, or “NITSA”) and Attachment G (Network Operating Agreement, or “NOA”). Customers may initiate Network Integration Transmission Service by contacting Shay Stoney at 803-217-2081 or 843-576-8042 or sstoney@scana.com

5. *Deposit Requirements*

Sections 17.3 and 29.2 of the OATT require that a deposit approximating the charge for one month of service be submitted along with the Application for Service under the OATT. Customers should see SCE&G's creditworthiness procedures contained in Attachment L of its OATT for a more detailed discussion of how SCE&G applies creditworthiness standards to determine the acceptability of a customer's overall financial condition. SCE&G will waive the deposit requirement for those customers who meet one of the defined criteria listed in Attachment L (B). SCE&G may excuse the deposit requirement based on creditworthiness considerations not expressly defined in Attachment L. If SCE&G waives an express provision of Attachment L in favor of its affiliate(s), such action will be recorded and posted in the waiver log. A customer that does not satisfy the creditworthiness requirements based on SCE&G's creditworthiness standards, or whose obligations are greater than Customer's established credit limit, may be required to provide collateral to SCE&G consistent with the terms provided in Attachment L.

6. Billing Process

SCE&G will send an invoice to each Transmission Customer, ordinarily by the tenth day of each month. The Transmission Customer shall pay the invoiced amount in immediately available funds or by wire transfer to a bank named by SCE&G, within 20 days of invoice receipt. See OATT Section 7.1. SCE&G will charge interest on unpaid amounts, accruing from the date that the invoice payment was due, in accordance with FERC regulations. See 18 C.F.R. § 35.19a(a)(2) (2006). Where circumstances warrant, as determined by SCE&G, the obligation to pay interest on a late payment may be excused

7. OASIS Transactions Status Descriptions

- a. **Queued**- This is the initial status assigned by OASIS when a transmission request is submitted by the Transmission Customer.
- b. **Invalid**- This status is assigned by SCE&G indicating an invalid field in the transmission request, such as improper Point of Receipt (“POR”), Point of Delivery (“POD”), source, sink, or other field. Where practicable, SCE&G will use the comment field on the OASIS to communicate the specific reason or reasons for the transmission request being deemed Invalid. Invalid is a final state.
- c. **Received** – This status is assigned by SCE&G to acknowledge that a transmission request has been Queued and to indicate that the transmission request is being evaluated.
- d. **Study**- This status is assigned by SCE&G to indicate that some level of study is required or is being performed to evaluate the transmission request.
- e. **Refused**- This status is assigned by SCE&G to indicate that a transmission service request is being denied due to lack of Available Transfer Capability (“ATC”). Where practicable, SCE&G will use the comment field on the OASIS to communicate the

- f. **Counteroffer**- This status is assigned by SCE&G to indicate that a new offer price is being proposed.
- g. **Rebid**- This status is assigned by the Transmission Customer to indicate that a new bid price is being proposed.
- h. **Superseded**- This status is assigned by SCE&G when a transmission request, which has not yet been Confirmed, is preempted by another transmission service request. Superseded is a final state.
- i. **Accepted**- This status is assigned by SCE&G to indicate that the transmission request, at the indicated offer price and for the indicated type and length of service, has been approved. Where a transmission request was submitted *Pre-Confirmed*, OASIS will immediately set its status to Confirmed if it meets the necessary criteria for approval.
- j. **Declined**- This status is assigned by SCE&G to indicate that the Bid Price is unacceptable and that negotiations are terminated. Where practicable, SCE&G will use the comment field on the OASIS to communicate the specific reason or reasons for the transmission request being deemed Declined. Declined is a final state.
- k. **Confirmed**- Where a transmission request already has been deemed Accepted by SCE&G, the Confirmed status may be assigned by the Transmission Customer to confirm its agreement to purchase that previously Accepted transmission service. Once the request has been Confirmed, the Transmission Customer has a transmission service reservation. Confirmed is a final state unless the reservation is Displaced or Annulled.
- l. **Withdrawn**- This status may be assigned by the Transmission Customer at any point in the transmission request evaluation

period. Assignment of the Withdrawn status prevents any further action on the request. Withdrawn is a final state.

- m. **Displaced**- This status is assigned by SCE&G when a Confirmed transmission service reservation is displaced by a longer-term reservation and the Transmission Customer has exercised its right of first refusal. Displaced is a final state.
- n. **Annulled**- This status is assigned by SCE&G when, by mutual agreement with the Transmission Customer, a transmission service reservation (*i.e.*, a transmission service request that already had been Confirmed) is to be deemed null and void. Where practicable, SCE&G will use the comment field on the OASIS to communicate the specific reason or reasons for the transmission request being deemed Annulled. Annulled is a final state. See Section 11 under General Matters for a more detailed description of SCE&G's Annulment Policy.
- o. **Retracted**- This status is assigned by SCE&G when the Transmission Customer fails to Confirm or Withdraw the transmission request within the required time period. Where practicable, SCE&G will use the comment field on the OASIS to communicate the specific reason or reasons for the transmission request being deemed Retracted. Retracted is a final state.

8. OASIS Reservation Timing Guidelines

Set forth below are the timing guidelines applicable to SCE&G's OASIS, as detailed in Table 4-2 of FERC Order No. 638.

Class	Service Increment	Time QUEUED Prior To Start	Provider Evaluation Time Limit ¹	Customer Confirmation Time Limit after ACCEPTED or COUNTEROFFER ²	Provider Counter Time Limit after REBID ³
Non-Firm	Hourly	< 1 hour	Best effort	5 minutes	5 minutes
Non-Firm	Hourly	> 1 hour	30 minutes	5 minutes	5 minutes
Non-Firm	Daily	N/A	30 minutes	2 hours	10 minutes
Non-Firm	Weekly	N/A	4 hours	24 hours	4 hours
Non-Firm	Monthly	N/A	2 days	24 hours	4 hours
Firm	Daily	< 24 hours	Best effort	2 hours	30 minutes
Firm	Daily	N/A	30 days ⁴	24 hours	4 hours
Firm	Weekly	N/A	30 days ⁴	48 hours	4 hours
Firm	Monthly	N/A	30 days ⁴	4 days	4 hours
Firm	Yearly	N/A	30 days	15 days	4 hours

Notes:

- Consistent with regulations and filed tariffs, measurements starts at the time the request is QUEUED.
- Measurement starts at the time the request is the first moved to either ACCEPTED or COUNTEROFFER. The time limit does not reset on subsequent changes of state.
- Measurement starts at the time the Transmission Customer changes the state to REBID. The measurement resets each time the request is changed to REBID.
- Subject to expedited time requirements of Section 17.1 of the pro forma tariff. Transmission Providers should make best efforts to respond within 72 hours, or prior to the scheduling deadline, whichever is earlier, to a request for Daily Firm Service received during period 2-30 days ahead of the service start time.
- A competing request must exceed the total term of service in order to trigger the right of first refusal.
- Price serves as a tie-breaker among competing service requests of equal duration only when the transmission provider has offered a discount or a "below ceiling rate" on transmission service.

9. Transmission Reservation Durations

The time frames detailed below apply to transmission reservations under the SCE&G OATT. SCE&G offers Sliding Service for Yearly, Monthly, Weekly, and Daily PTP reservations. Pursuant to the Order on Oasis Related Issues, 83 FERC ¶ 61,360 (1998), SCE&G allows customers to profile requests for transmission. Customers should consult the Standards and Communications Protocols for Open Access Same-Time Information System (OASIS) Version 1.5 - WEQ-002 section 002-4.3.6.1 for more information.

- a. YEARLY - Begins at 00:00 hour on the first day of the calendar year and ends at 24:00 hour on the last day of the calendar year. Sliding Service starts at 00:00 hour on a given day and ends at 24:00 hour 365 days later.
- b. MONTHLY - Begins at 00:00 hour on the first day of the calendar month and ends at 24:00 hour on the last day of the calendar month. Sliding Service starts at 00:00 hour on any given day and ends at 24:00 hour on the prior days date of the following month.
- c. WEEKLY - Begins at 00:00 hour on Monday and ends at 24:00 hour on the following Sunday. Sliding Service starts at 00:00 hour on any given day and ends at 24:00 hour seven days later.
- d. DAILY - Begins at 00:00 hour on any given day and ends at 24:00 hour on the same day. Sliding Service starts at 01:00 on any given day and ends at 01:00 hour on the subsequent day.
- e. HOURLY - Begins at the top of the hour and ends 60 minutes later.

10. Purchasing-Selling Entity (“PSE”) Adjustments

Unless required by applicable Transmission Loading Relief (“TLR”) procedures, SCE&G allows schedules to be adjusted no more than once per full clock hour. (By way of example, SCE&G notes that 13:00 to 14:00

is one full clock hour, whereas 13:15 to 14:15 is not.) The adjustment may be made at the time of the Transmission Customer's choosing.

- a. Example 1: A schedule beginning at 13:00 may be adjusted, at the Transmission Customer's choice of time, only once between 13:00 and 14:00.
- b. Example 2: A schedule beginning at 12:15 and ending at 14:00 may be adjusted once between 13:00 and 14:00.
- c. Example 3: A schedule beginning at 13:15 and ending at 14:45 may not be adjusted because it never encompasses one full clock hour.

11. Transmission Provider's Annulment Policy

Transmission Customers may request that SCE&G assign the status of "Annulled" to a Confirmed transmission reservation. SCE&G will consider such a request on a case-by-case basis.

Requests for Annulment that SCE&G may consider include:

1. Customer makes a clerical error on its confirmed request.
2. Transmission Customer wishes to change its DNRs and there is a substantial change in the nature of the power flow for this service (i.e. change in Point of Receipt, Source, Path, etc.) on the initial, Confirmed OASIS Reservation.

Under both examples above, the Transmission Customer must submit a new, preconfirmed request that is identical in terms to original request (same class, quantity, term, etc.) but has been corrected for the changes that are requested by the Transmission Customer.

No Annulment request will be granted unless the Transmission Customer or its Designated Agent takes the following steps:

- a. Submit to SCE&G, via a telephone call or an email, a request to change the status to "Annulled."
- b. Explain the requested change in detail on the telephone call or email.

- c. Submit a Pre-Confirmed OASIS request that is identical to the original request except for (i) the correction of the information deemed necessary to be changed from the original request, and (ii) a comment indicating the purpose of the Annulment request.

If SCE&G agrees to grant the request, SCE&G will assign to the new request the status of Accepted and will assign to the original request the status of Annulled.

Examples of grounds for Annulment:

- On July 4, 2007, Transmission Customer reserves hourly service for July 4, 2008. Transmission Customer states that a typo has occurred and that the correct year for the hourly service is 2007, not 2008.
- Transmission Customer has been making numerous consecutive hourly Non-firm PTP reservations from DUK to CPLE. Transmission Customer then submits a request that is identical to those previous requests for hourly service, except for the service duration form, which now is indicated as monthly. Transmission Customer states that an error has occurred and that the correct duration of service is hourly, not monthly.

12. Capacity Reassignment

Point-To-Point customers may reassign capacity pursuant to the Commission's policy as stated in Order No. 890 and section 23 of the OATT. Transmission Customers may post offerings to re-sell or assign their Transmission Capacity on OASIS and eligible Transmission Customers may reserve on OASIS transmission against the posted offering. Pursuant to Order No. 890 there is no price cap on a resale offering.

Purchasers or “Assignees” of transmission capacity shall execute or have previously executed a service agreement and must be a registered OASIS user prior to the date on which the reassigned service commences. See section 4 of the SCE&G RSPs for additional details. All of the non-rate terms and conditions that otherwise would apply to SCE&G’s sale of transmission capacity continue to apply in the case of a reassignment.

SCE&G will invoice the Assignee based on the final Bid price of the re-purchased transmission service and any required ancillary services. The Reseller will be billed for its Transmission service pursuant to its service agreement with SCE&G, but SCE&G will credit the Reseller the reassigned rate. If the Assignee defaults and fails to pay for the reassigned capacity, SCE&G will reverse the credit to the Reseller to reflect the lack of payment. Customers in need of assistance related to the reassignment of capacity should notify SCE&G via the contact information listed above.

13. Requesting Critical Energy Infrastructure Information (CEII) and other non-public information.

SCE&G is working to make CEII and other non-public information available via OASIS. OASIS Users will need to execute SCE&G’s standard non-disclosure agreement (NDA) in order to access this secured portion of OASIS. SCE&G will update this business practice to inform customers how to access this information via OASIS once the functionality exists.

In the interim, OASIS Users and/or customers requesting CEII or non-public information should fax their request to Shay Stoney at 843-746-0101.

Requesters must complete the request form provided (Attachment 3) and SCE&G's standard NDA (Attachment 4) before SCE&G will begin processing the request. SCE&G will attempt to process all requests in a reasonable time and either provide the information requested or inform the requester why it is denying the request.

SECTION II: Point-to-Point Transmission Service

1. Loss Accounting

Capacity and energy losses occur when SCE&G delivers electricity across its transmission facilities for a Transmission Customer. Transmission Service pricing does not include losses, and SCE&G does not provide for the losses. Transmission Customers are required to make their own arrangements for providing for losses.

- a. All NERC tags utilizing SCE&G's PTP Service must indicate how the transmission losses will be supplied in the loss accounting section of the tag.
- b. For each PTP transaction, the losses for that transaction must be provided at the POR. This applies to all PTP transactions, regardless of whether or not the losses are supplied from internal sources. If loss accounting is not supplied, the tag will not be implemented.
- c. The loss factor on the SCE&G system is 1.02. The energy received at the SCE&G POR must be equal to the energy scheduled for delivery to the POD multiplied by the loss factor of 1.02, and rounded up to the next whole MW.
- d. SCE&G does not accept financial losses.
- e. Curtailments will not be denied due to inaccurately specified losses. A comment noting the problem will be included in the tag approval and the checkout process will reconcile the losses appropriately.

2. Pricing

SCE&G's offer price as posted for PTP Service in OASIS represents the price for Basic Transmission Service. Unless special provisions are contained in a Transmission Customer's Service Agreement, the Transmission Customer automatically will be billed for Ancillary Services

under Schedules 1 and 2 when making a reservation on the SCE&G OASIS.

3. *Intra-day Firm PTP*

SCE&G allows Transmission Customers to buy Daily Firm PTP Service on a "same-day" basis. The acceptance of an Intra-Day Firm transmission service request is solely at the discretion of SCE&G System Control. Intra-Day Firm reservations will be charged at the same rate as Daily Firm Reservations, regardless of the number of hours or capacity utilized.

4. *Redirect Policy for Firm Transmission Reservation on a Firm Basis*

SCE&G will accept REDIRECTS of Yearly, Monthly, Weekly, and Daily Firm Point-To-Point reservations on a Firm basis for periods less than or equal to the remainder of the original reservation if ATC exists on the requested Redirect path. The requirements for Redirecting Firm Point-To-Point transmission service are as follows:

- a. Any Redirect on an hourly basis will have the priority of Hourly Secondary Point-To-Point service. Note: For the purposes of curtailment and other capacity reductions, confirmed Redirects on a Non-Firm basis shall be treated comparably to all other types of Non-Firm Secondary PTP Service. See FERC Order No. 676.
- b. Requests to Redirect a Firm reservation will be treated as new requests and should be submitted on OASIS with a Request Type of "REDIRECT".
- c. A Redirect request must indicate the Assign Ref of the prior confirmed reservation in the RELATED_REF field. Redirect requests for service periods of one week or less must be Pre-Confirmed.
- d. A request to Redirect can be for all or part of the capacity of the parent reservation.

- e. A Redirect request must match an existing type of PTP service with a duration equal to or shorter than the parent reservation. The start and stop times must fall within the boundaries of the parent reservation. For example, a Yearly Firm PTP reservation may be Redirected with a Monthly Firm, Weekly Firm, Daily Firm, or Hourly Secondary PTP reservation of type "REDIRECT".
- f. Once a Redirect request is accepted, capacity on the prior path during the overlapping period will be available to other Transmission Customers for the period of the Redirect reservation.
- g. To reduce situations where Redirect reservations could be preempted by a higher priority service after the original path has been resold, and to allow Redirect capacity to be offered to other Transmission Customers with sufficient advance notice on OASIS, the following submittal rules apply:

Original Request Type	Duration of Redirect	Latest Submittal Prior to start time
Yearly Firm	Yearly	60 Days
	Monthly	30 Days
	Weekly	7 Days
	Daily	10: 00 am Prior Day
Monthly Firm	Monthly	30 Days
	Weekly	7 Days
	Daily	10:00 a.m. Prior Day
Weekly Firm	Weekly	7 Days
	Daily	10:00 a.m. Prior Day
Daily	Daily	10:00 a.m. Prior Day

- h. A Firm reservation may be Redirected in its entirety prior to the start of its service period. To do so, a new ORIGINAL Firm request should be submitted with the Assign Ref of the existing reservation noted in the Customer Comment field.
- i. A Redirect of a Non-firm OASIS reservation will have the priority of Hourly Secondary Point-to-Point reservation.

5. Rollover Rights on Firm Redirects

A request for a Redirect, on a Firm basis, of a Firm transmission reservation must be submitted as a new request. Unless mutually agreed upon by SCE&G and the Transmission Customer or its Designated Agent, if the duration of the requested Firm Redirect is less than the time remaining on the parent reservation, a Redirect of a long-term Firm transmission reservation does not impact the Transmission Customer's rollover rights on the parent reservation. If the duration of the requested Firm Redirect is equal to the remaining time on the parent reservation, and that time is greater than two months, the Redirect request will be treated as a new request, and if accepted, SCE&G will provide limitations to rollover rights for the new reservation. If the Customer confirms the Redirected service, the Transmission Customer will lose all rights to the original receipt and delivery points, including rollover rights associated with the original path. While a Transmission Customer's request for Redirect is pending, the Transmission Customer retains priority for service and all rights entailed in that priority on the original reservation.

6. Selling unscheduled Firm as Non-firm

Consistent with NERC's Available Transfer Capability Definition and Determination document, Firm transmission service that is not scheduled is included in Non-firm ATC in the operating horizon and is available to Transmission Customers on a Non-firm basis. Any such Non-firm service

is subject to interruption if a Transmission Customer or Designated Agent that is holding a Firm but unscheduled PTP reservation submits a schedule at least 20 minutes prior to the commencement of service. SCE&G will interrupt Non-Firm reservations, on a non-discriminatory basis and consistent with good utility practice, as follows:

- a. Non-Firm Point-To-Point Transmission Service over Secondary Point(s) of Receipt/Delivery (NS-1)
- b. Non-Firm Point-To-Point Transmission Service (NH-2 thru NM-5)
- c. Secondary Network Service (NN-6)

If multiple transactions of the same priority must be interrupted, interruptions will be made to transactions of the shortest duration (*e.g.*, Hourly Non-Firm transactions will be interrupted before Daily Non-Firm transactions). If multiple transactions of the same priority and same duration must be interrupted, interruptions will be made based on price (*i.e.*, lower-price transactions will be interrupted before higher-price transactions). If multiple transactions of the same priority, same duration, and same price must be interrupted, interruptions will be made based on queue position, (*i.e.*, transactions based on later submitted reservation requests will be interrupted before transactions based on earlier submitted reservation requests).

7. *Process for extension of commencement of service*

Where a Transmission Customer has a long-term Firm PTP reservation but service has not yet commenced, the Transmission Customer may postpone commencement under Section 17.7 of the SCE&G OATT. To postpone transmission service, the Transmission Customer must complete the following steps:

- a. Notify SCE&G by email or fax of its postponement intent, no less than 60 calendar days before the commencement of

service. The following request must be submitted to SCE&G in writing:

“[Transmission Customer] intends to postpone the commencement of OASIS transmission service reservation number(s) [OASIS number(s)] slated to commence on [begin date(s)]. [Transmission Customer] intends to postpone commencement of transmission service for [duration of postponement up to 1 year]. [Transmission Customer] herewith includes the fee for postponement equal to one month’s transmission service charge (*i.e.*, 1/12 of the annual charge, not to include ancillary service charges) as specified in Schedule 7 of the SCE&G OATT. [Transmission Customer] understands that the fee for postponement is nonrefundable, and that further transmission service and all fees for postponement are subject to the provisions of Section 17.7 of the SCE&G OATT.”

- b. Submit a new Pre-Confirmed OASIS request (substantially identical to the original request, except for the commencement date) of type “DEFERRAL.”
- c. Once the replacement Pre-Confirmed OASIS request is received, the Transmission Customer must submit payment, as specified in the postponement request, in immediately available funds payable to SCE&G by check or wire transfer.

Upon receipt of payment, SCE&G will accept the new Pre-Confirmed Application of type “DEFERRAL,” which will postpone commencement of transmission service for the duration of the requested postponement.

8. Conditional Firm Service

If SCE&G determines that a completed application for Long-term Firm Point-To-Point Transmission Service cannot be accommodated because of insufficient capability on the SCE&G transmission system, SCE&G will use due diligence to provide Conditional Firm Service (CFS). CFS is Firm Transmission Service with the condition that SCE&G may curtail CFS prior to the curtailment of native load service and other Firm Transmission Service for a specified number of hours per year or during certain and specified System Condition(s). If the Transmission Customer accepts CFS, SCE&G will use due diligence to provide the service until (1) Network Upgrades are completed for the Transmission Customer, (2) the Transmission Provider determines through a biennial reassessment that it can no longer reliably provide such service, or (3) the Transmission Customer terminates the service because the reassessment increased the number of hours per year of conditional curtailment or changed the System Conditions.

If during the TSR System Impact Study, (1) SCE&G determines that the SCE&G Planning Criteria or NERC Reliability Standards can not be met while providing the requested transmission service and therefore the transmission system must be expanded and (2) if requested by the Transmission Customer, SCE&G will study additional and varying system conditions to determine if the requested service can be provided during those varying conditions and how many hours per year the identified system conditions are expected to occur. The TSR System Impact Study report will include for CFS (1) the specific system condition(s) when conditional curtailment may apply and (2) the annual number of hours when conditional curtailment may apply. SCE&G will add a risk factor to our calculation of annual curtailment hours to account for forecasting risks. The customer must select either conditions or hours for incorporation into its CFS service agreement. If the customer selects the annual hourly cap option, SCE&G has the flexibility to conditionally curtail the customer for

any reliability reason during those hours, including but not limited to, the system condition(s) identified in the system impact study.

9. *Planning Redispatch*

If SCE&G determines that a completed application for Long-term Firm Point-To-Point Transmission Service cannot be accommodated because of insufficient capability on the SCE&G transmission system, SCE&G will use due diligence to provide Planning Redispatch Service from SCE&G generation resources and to identify generation resources on other systems that, if redispatched, could increase the capabilities of the SCE&G transmission system and accommodate the requested service. Should SCE&G determine that redispatch options exist from SCE&G generation resources, this Planning Redispatch Service will be provided until (1) Network Upgrades are completed for the Transmission Customer, (2) SCE&G determines through a biennial reassessment that we can no longer reliably provide the Planning Redispatch Service, or (3) the Transmission Customer terminates the service because of redispatch changes resulting from the reassessment.

If during the TSR System Impact Study, (1) SCE&G determines that the SCE&G Planning Criteria or NERC Reliability Standards can not be met while providing the requested transmission service and therefore the transmission system must be expanded and (2) if requested by the Transmission Customer, SCE&G will study alternative dispatches that could accommodate the requested service. An alternative dispatch will consider the redispatch of all SCE&G owned generators, other generators connected to the SCE&G transmission system and generators connected to neighboring transmission systems. An acceptable alternate dispatch must relieve the constrained transmission facilities and allow the system to reliably accommodate the requested transmission service. Should such an alternative dispatch be found, for the SCE&G owned generators involved in the redispatch, production modeling will be used to calculate

(1) the cost of the Planning Redispatch, that accommodates the requested service, and (2) the cost of the most economical dispatch without the requested service. The estimated cost of Planning Redispatch will be the difference between these two production costs. For non-SCE&G generators involved in the redispatch, SCE&G will provide the names of those generators to the Transmission Customer.

SECTION III: Network Integration Transmission Service (“NITS”)

Introduction

As discussed in Section 28.3 of the OATT, SCE&G will provide Network Service to a Network Customer, from the Customer’s qualifying designated Network Resources, to serve Network Loads on a basis comparable to SCE&G’s service of its Native Load Customers. The Transmission Customer may utilize Network Secondary Service to deliver energy, on an as-available basis at no additional charge, to its Network Loads from resources that have not been designated as Network Resources.

1. Process for commencement of service

To commence Network Integration Transmission Service (“NITS” or “Network Service”), the prospective Transmission Customer or its Designated Agent must submit an OASIS request and must submit within 24 hours of the OASIS request a written application (SCE&G Application for Firm Network Integration Service). This application provides for the inclusion of all information required by Section 29.2 of the SCE&G OATT. This form can be requested from and must be submitted to the Manager of Transmission Services Support by email (ssoney@scana.com) or fax (843-746-0101). The OASIS request will establish the prospective Transmission Customer’s position in the queue as long as the completed application is received within 24 hours. If the time-stamped receipt of the application is later than 24 hours after the OASIS request was submitted, the time-stamped application will establish the queue position. This will be followed by studies, if required, and the development and execution of detailed documents included in the OATT’s Attachment F (NITSA) and Attachment G (NOA).

If SCE&G determines that a System Impact Study is necessary to accommodate the requested service, the Manager of Transmission Services Support will inform the prospective Transmission Customer and coordinate the required studies (as specified in Section 32 of the SCE&G OATT). The manager of Transmission Services Support will also coordinate the process of developing the technical requirements and contractual documents necessary for Network Service.

2. *Initial Designation of Network Resources, Network Loads, CBM Values and Annual Updates*

Section 30.1 of the SCE&G OATT requires that for a Customer to receive Network Service and serve Network Loads, the Customer must designate its Network Resources (current and 10-year projection). The submittal of the SCE&G Application for Network Integration Service by the Customer or its Designated Agent will be the means through which initial designation of a Customer's Network Resources is established. On the SCE&G system, Network Resources are designated on a Point of Interconnection basis, as reflected on the SCE&G Application for Network Integration Service.

Section 31.1 of the SCE&G OATT requires the Network Customer to designate Network Loads (current and 10-year projection). The submittal of the SCE&G Application for Network Integration Service by the Customer or its Designated Agent will be the means of initially designating Network Loads.

Section 31.6 of the SCE&G OATT requires the Network Customer to provide annual updates of Network Resources and Network Load forecasts consistent with those included in its application for Network Service. All Network Customers shall submit the updates by October 31st of each year for the following ten-year period. This information shall be

submitted to the Manager of Transmission Services Support by email (ssoney@scana.com) or fax (843-746-0101).

SCE&G's Resource Planning will designate resources and loads on behalf of its Retail Native Load Customers in the same manner as described above. However, this does not obligate Retail Native Load Customers to take service pursuant to the terms and conditions of the SCE&G OATT.

Each Transmission Customer having load that is located on the SCE&G transmission system, or such Transmission Customer's Designated Agent, shall re-evaluate the need and magnitude of Capacity Benefit Margin ("CBM") at least once per year and shall provide this information contemporaneously to SCE&G. After receiving the requested CBM values, SCE&G will annually re-affirm that the allocation methodology is consistent with recent transfer patterns and post the CBM determination results for each interface.

All information discussed above shall be submitted to the Manager of Transmission Services Support by email (ssoney@scana.com) or fax (843-746-0101).

3. Information Required on an OASIS Request for NITS

OASIS request for Network Service must contain the following attributes:

- The request must list the service as one of the following:
 - Network Yearly Firm (This service will be evaluated to determine any limitations of rollover rights)
 - Network Monthly Firm
 - Network Weekly Firm
 - Network Daily Firm
- The Bid Price must be \$0.00. Since billing for Network Customers is described in Attachment H of the OATT, the

Unit Price on the OASIS request will read “See Pt III of OATT”.

- The Source must be the name of the Generator or System the Network Customer identifies as the Network Resource.
- The POD and Sink must be any of the locations described in the Table below or additional PODs as requested by the Transmission Customer.
- The Sink must be the name of the Network Customer’s Load.
- The POR must be the interface at which the Network Customer intends to deliver the resource into the SCE&G Transmission Area.

<i>POD</i>	<i>POD Description and SINK</i>
SCEG	SCE&G Retail Load, Bundled Wholesale Loads and Unbundled Wholesale Loads served by SCE&G. Sink=SCEGSYSLoad
DUK	Load for the City of Greenwood. Sink=GREENWOOD
SCEG	Load at delivery points of New Horizons Electric Cooperative. Sink=NHEC
SCEG	Load of Preference Customers of Southeastern Power Administration. Sink=SETH.SCEG

- The Reserved Capacity must be the magnitude (Peak) of the MWs to be delivered to the POR/Sink.
- The service class must be listed as “Firm”.

4. Designation of a new Network Resource

b. Purpose

- i. Under SCE&G's OATT, Network Customers may designate new Network Resources that generally fall within one of two categories: (1) generating facilities that the Transmission Customer directly owns or leases; or (2) executed power purchase contracts that commit the Transmission Customer to pay for non-interruptible power. Both types of Network Resources must be deliverable on a Firm basis (*i.e.*, there must be sufficient Firm ATC to grant the service request), and each type of Network Resource must also meet the specific requirements in the OATT for that type of Network Resource.
- ii. Existing Network Customers must: (1) request and confirm an OASIS reservation for Network Service on SCE&G's OASIS; and (2) provide a completed **Form for Designation of a new Network Resource** from Attachment 1.

Note: A completed form is necessary only when an existing Network Customer seeks to change its Designated Network Resources associated with a current OASIS reservation and there is no substantial change in location or direction of the power flows imposed on the SCE&G Transmission System. However, where a Network Customer desires to change its DNRs such that there is a substantial change in the location and direction of the power flows on the SCE&G Transmission System (*i.e.* receipt points), the Network Customer must submit a new OASIS request as well as a new DNR form (Attachment 1) for the new service. SCE&G will consider

other requests for service that may be in the queue when evaluating the Network Customer's ability to change service.

- iii. Network Customers wishing to designate new Network Resources should also terminate an existing DNR (Attachment 2). Network Customers that want to terminate an existing DNR and designate a new DNR will need to submit both forms to SCE&G.
 - iv. The process for designation of a new Network Resource will be administered by SCE&G, and the information required herein must be provided directly to SCE&G.
- c. Submitting Requests Over OASIS

The OASIS request corresponding to a new Network Resource must contain the following attributes:

- i. The request must list the service as one of the following:
 1. Network Yearly Firm (This service will be evaluated to determine any limitations of rollover rights)
 2. Network Monthly Firm
 3. Network Weekly Firm
 4. Network Daily Firm
- ii. The Bid Price must be \$0.00. Since billing for Network Customers is described in Attachment H of the OATT, the Unit Price on the OASIS request will read "See Pt III of OATT".
- iii. The Source must be the name of the Generator or System the Network Customer identifies as the Network Resource.
- iv. The Sink must be the name of the Network Customer's Load.

- v. The POR must be the interface at which the Network Customer intends to deliver the resource into the SCE&G Transmission Area.

- vi. The POD and Sink must be any of the locations described in the Table below or additional delivery points as requested by the Transmission Customer.

POD	POD Description and SINK
SCEG	SCE&G Retail Load, Bundled Wholesale Loads and Unbundled Wholesale Loads served by SCE&G Power Marketing. Sink=SCEGSYSLoad
DUK	Load for the City of Greenwood. Sink=GREENWOOD
SCEG	Load at delivery points of New Horizons Electric Cooperative. Sink=NHEC
SCEG	Load of Preference Customers of Southeastern Power Administration. Sink=SETH.SCEG

- vii. The Reserved Capacity must be the magnitude (Peak) of the MWs to be delivered to the POR/Sink.
- viii. The service class must be listed as "Firm".

The comments required above demonstrate that the Transmission Customer owns or has committed to purchase Firm generation capacity pursuant to an executed contract in order to designate a generating resource as a Network Resource per Section 30.7 of SCE&G's OATT.

Confirming Requests Over OASIS

- ix. In order to gain priority, Network Customers have the option of submitting the OASIS request for new Network Resource as "Pre-confirmed," provided that the information necessary to confirm the Network Resource

requirements is available at the time the request is submitted. To qualify as "Pre-Confirmed," the Customer must attest in the OASIS comment field the following statement: "The Transmission Customer attests that: (1) the Transmission Customer owns or has committed to purchase the designated network resource, and (2) the designated network resource comports with the requirements for designated network resources." If the Customer cannot make such an attestation consistent with accuracy, the Customer nonetheless may submit an OASIS request to designate the Network Resource, but may not submit it as "Pre-Confirmed." An OASIS request for short-term Network Resource designations that is submitted "Pre-Confirmed" will be moved automatically to a final status of "Confirmed" when all of the following have occurred: the request meets all necessary criteria; the form in Attachment 1 is submitted to SCE&G; and the request is accepted.

- x. For OASIS requests that are not "Pre-Confirmed," SCE&G will notify the Customer that transmission service is available by changing the request status on OASIS to "Accepted." Once a request has been "Accepted," the Customer must manually "Confirm" the request by the deadlines specified in Table 4-2 in FERC Order 638; otherwise, the request will be "Retracted." For requests of less than one year, the information necessary to confirm that the Network Resource requirements have been met must be available at the time the request is "Confirmed."

- xi. For OASIS requests of a year or longer that are not “Pre-Confirmed,” the Customer must provide the information described herein no later than 30 days after the following:
 - 1. OASIS request to designate the Network Resource is "Accepted" by the Transmission Provider and,
 - 2. OASIS request to designate the Network Resource is “Confirmed” by the Customer provided that the Customer has entered into a letter of intent to purchase a new resource at the time of the request.
- d. Information for designation of system Network Resources
 - i. Pursuant to Section 29.2 of SCE&G’s OATT, all requests by existing Customers to designate new Network Resources must be made by faxing to SCE&G the **Form for Designation of a new Network Resource** (Attachment 1).
 - ii. The **Form for Designation of a Network Resource** should be submitted as soon as practicable to ensure that SCE&G can evaluate the requests in time to allow commencement of service.
 - iii. Additional Notes
 - 1. An option contract may be designated as a Network Resource once the option is exercised to convert the transaction to a capacity purchase and the remaining Network Resource designation requirements are met.
 - 2. A firm liquidated damages ("LD") contract may be designated as a Network Resource as long as it may not be interrupted for economic reasons and

the remaining Network Resource designation requirements are met.

e. Timing of Submitting Required Information

- i. The **Form for Designation of a new Network Resource** must be submitted immediately following the submittal of the "Pre-Confirmed" OASIS request. The OASIS request will not be accepted until the forms have been received by SCE&G. All requests that are submitted as "Pre-Confirmed" and are not immediately followed by a **Form for Designation of a new Network Resource** will be "Declined". If the information required herein is not available at the time the OASIS request is submitted (e.g., where execution of the contract is contingent on the availability of transmission service), the Customer nonetheless may submit an OASIS request to designate the Network Resource, but should not submit the request as "Pre-Confirmed."
- ii. If the required information is not available by the deadline for Confirmation, the Customer should not Confirm the request and must allow the request to reach a final status of "Retracted." All requests that are "Confirmed" but have not been accompanied with a completed **Form for Designation of a new Network Resource** will be "Annulled."
- iii. The **Form for Designation of a new Network Resource** and any other required information should be faxed to 803-217-2049.

5. Termination of a Designated Network Resource

A request to terminate a previously designated Network Resource that is submitted concurrently with a request to redesignate those Network

Resources at a specific point in time shall be considered temporary terminations. Conversely, a request to terminate a previously designated Network Resource submitted without any concurrent request to redesignate this resource shall be considered a request for indefinite termination of that Network Resource. Requests to redesignate Network Resources that have been indefinitely terminated will be treated as completely new requests and must follow the entire application procedure required by Section 29.2 of the SCE&G OATT.

Per Section 30.3 of the OATT, the Network Customer may terminate the designation of all or part of a generating resource as a Network Resource by providing notice to the SCE&G as soon as reasonably practicable. Until NAESB issues specific guidelines governing practices for termination of Network Resources, and corresponding OASIS capabilities are developed, SCE&G will receive Transmission Customers' notices of termination by fax and will process such faxed notices as provided herein. Transmission Customers wishing to terminate the designation of a Network Resource must submit to SCE&G by fax a completed **Form for Termination of a Network Resource** (Attachment 2) to (803) 217-2049.

6. *Use of Secondary Network Service*

Secondary service does not require the filing of an NITS Application; however, all other requirements of Part II of the Tariff (except for transmission rates) do apply. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff. To utilize this service, the Transmission Customer or its Designated Agent must create a new OASIS request listing the type as "Network Secondary." No comment is necessary. If the resource is intended for a specific Customer, the sink on the OASIS request must be indicated as that Customer. If the resource

is for all of SCE&G's Customers, then the sink on the OASIS request must be indicated as SCEGSYSLOAD.

7. Pricing for Network Service

SCE&G's pricing for Network Transmission Service is described in Section 34 of the OATT. Unless special provisions are contained in the Service Agreement for Network Service, the Transmission Customer automatically will be billed for Ancillary Services under Schedules 1-6. Ancillary Services under Schedules 3 through 6 must either be self-provided, obtained from a third party or purchased from SCE&G. Self-provision arrangements of Ancillary Services 3 through 6 must be pre-approved by SCE&G and described in the Network Service Agreement.

Attachments

Attachment 1: Form for Designation of a new Network Resource

A Network Customer may designate a Network Resource by providing SCE&G with as much advance notice as practicable. The designation of a Network Resource must be made by completing and faxing this form to SCE&G at (803) 217-2049. This form was developed pursuant to Sections 29.2(v) and 30.2 of SCE&G's Open Access Transmission Tariff.

Name of Network Customer: _____

SCE&G OASIS Reservation #: _____

Date(s) of Transfer: _____

Point-of-Receipt (POR): _____

To be able to designate a resource as a new Network Resource the Transmission Customer must take all of the following steps:

- Check either a, b, or c under Section 1.
- Check Sections 2 and 3.
- Check either a or b under Section 4.
- Complete Sections 5 through 7 where applicable.

If the Transmission Customer is not able to take these steps consistent with accuracy, then the resource may not be designated a Network Resource.

Check all boxes that apply:

1. The Network Resource satisfies one of the following:
 - a. The Network Customer owns the resource or,
 - b. The purchase is under an executed contract, or
 - c. The purchase is under an unexecuted contract, but execution is contingent ONLY upon the availability of transmission service.
2. The Network Resource is not committed for sale to a non-designated third-party load.

- 3. The Network Resource is able to meet the Network Customer's Network Load on a non-interruptible basis.
- 4. Complete applicable fields:
 - a. Designation of system as a Designated Network Resource.
 - i. Name of system to be designated: _____
 - ii. Portion of system to be designated _____ MW.
 - b. Individual unit(s) designated as a Network Resource.
 - i. Unit size and amount of capacity from that unit to be designated as Network Resource: _____
 - ii. VAR capability (both leading and lagging) of all generators:

 - c. Operating restrictions, if any:
 - i. List any periods of restricted operations throughout the year:

 - ii. Maintenance schedules

 - iii. Minimum loading level of unit: _____
 - iv. Normal operating level of unit: _____
 - v. List any must-run unit designations required for system reliability or contract reasons:

- 5. Approximate variable generating cost (\$/MWH) of the Network Resource for redispatch computations: _____

6. Arrangements governing sale and delivery of power to third parties from generating facilities located in the Transmission Provider Area, where only a portion of unit output is designated at Network Resource:

7. The Resource is ON / OFF (circle one) of the SCE&G Transmission System.

By signing below, the authorized officer from or the agent of the Transmission Customer attests that: (1) the Transmission Customer owns the resource, or has committed to purchase the designated network resource pursuant to an executed contract or where execution of a contract is contingent upon the availability of transmission service under Part III of the OATT; and (2) the designated network resource does not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Transmission Customer's Network Load on a non-interruptible basis.

Signed by:	
Printed Name:	
Title:	
Company:	
Date:	

Attachment 2: Form for Termination of a Network Resource

As stated in Section 30.3 of SCE&G's Open Access Transmission Tariff ("OATT"), The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource by providing notification to the Transmission Provider.

To terminate a previously designated Network Resource, please fax this form to SCE&G System Control at 803-217-2049.

Name of Network Customer: _____

Check all that apply

1. Customer wishes to:

a. Temporarily terminate the designation of a Network Resource.

Enter begin date and time of termination: _____

Enter end date and time of termination: _____

b. Indefinitely terminate the designation of a Network Resource.

Enter begin date and time of termination: _____

Network Customers indefinitely terminating the designation of a Network Resource must complete an application under Section 29.2 of the SCE&G OATT to redesignate the Network Resource

2. Customer wishes to terminate designation of a unit or a portion of a unit designated as a Network Resource located in SCE&G's Balancing Authority area.

Name of Facility

Portion to be Terminated in MW

3. By signing below, the authorized officer from or the agent of the Transmission Customer attests that: (1) the Transmission Customer owns the resource, or has committed to purchase the designated network resource pursuant to an executed contract or where execution of a contract is contingent upon the availability of transmission service under Part III of the OATT; and (2) the designated network resource does not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Transmission Customer’s Network Load on a non-interruptible basis.

Signed by:	
Printed Name:	
Title:	
Company:	
Date:	

Attachment 3: Form for Requesting CEII and Other Non-Public Information

Name of Requesting Party	
Organization	
Address: City/State Zip Code	
Business Phone #	
Supervisor	
Supervisor's Address (if different than above)	
Supervisor's Business Phone #	
Intended use of information requested	
Reference's Name	
Reference's Organization	
Reference's Business #	

_____ (Check) I have previously completed the SCE&G standard NDA.

Date executed and returned to SCE&G _____

Or;

_____ (Check) Attached is my completed SCE&G standard NDA.

I certify to the best of my ability the above information is accurate and correct
subject to penalty of perjury.

Requester's Signature

**ATTACHMENT 4: GENERAL NON-DISCLOSURE/CONFIDENTIALITY
AGREEMENT**

(INCLUDING CEII AND CII PROVISIONS)

THIS NON-DISCLOSURE/CONFIDENTIALITY AGREEMENT (this “Agreement”) entered into and effective as of _____ is by _____ (“Requester”) located in _____.

WHEREAS, the Requester has requested certain confidential information from SCE&G, which may include Critical Energy Infrastructure Information (as defined below), the confidentiality of which the Parties desire to maintain in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of information which maybe subsequently provided, the mutual promises and covenants made herein, and intending to be legally bound hereby, the Requester agrees as follows:

1. Confidential Information. The term “Confidential Information” means discussions, any and all written, electronic, printed or other materials disclosed (whether before or after the date hereof) by SCE&G or any of its directors, officers, employees, affiliates, representatives (including, without limitation, financial advisors, attorneys and accountants) or agents (collectively, “SCE&G”) to Requester and the substance and content thereof, and all information ascertained through the discussions between SCE&G and the Requester. Confidential Information shall include, but is not limited to, all marketing, operational, economic or financial knowledge, information or data of any nature whatsoever that has been or may hereafter be provided or disclosed by SCE&G in connection with the Requester’s request and all analyses, compilations, forecasts, studies or other documents prepared by SCE&G which contain or reflect any such information.

2. Critical Energy Infrastructure Information. The term “Critical Energy Infrastructure Information” or “CEII” is used in this Agreement as defined in 18 C.F.R. § 388.113(c)(1). For purposes of this Agreement, CEII shall also include any information that may be described as specific engineering, vulnerability, or detailed design information including, but not be limited to, the following: diagrams of valve and piping details at compressor stations, pipeline

interconnections, flow diagrams and other drawings, maps of projects and drawings showing technical details of a project. All CEII is also Confidential Information. Given the sensitive nature of the information, Requester has a higher duty of care to maintain the confidentiality of this information.

3. Critical Infrastructure Information. The term “Critical Infrastructure Information or “CII” is used in this Agreement as defined in 6 U.S.C. § 131 (3). All CII is also Confidential Information. Given the sensitive nature of the information, Requester has a higher duty of care to maintain the confidentiality of this information.

4. Disclosure and Use of Confidential Information. The Requester agrees to keep confidential all Confidential Information and shall not, without SCE&G’s prior written consent, disclose to any third party, firm, corporation or entity, or affiliate of the Requester such Confidential Information. Requester shall use the Confidential Information solely for the purpose for which it was requested or provided, and shall not make any other use, in whole or in part, of any such Confidential Information without the prior written consent of SCE&G. Requester agrees that, in complying with its confidentiality obligations under this Agreement, it shall use the same means it uses to protect its own confidential proprietary information, but in any event not less than reasonable means, to prevent the disclosure and to protect the confidentiality of the Confidential Information. In the event Requester receives permission to share information, the Requester agrees to be responsible for any breach of this Agreement by any third party with whom it shares this information.

Except as may be required by law, without the prior consent of SCE&G, Requester shall not: (a) confirm or deny any statement made by a third party regarding Confidential Information and/or CEII/CII, (b) disclose to any person the fact that Confidential Information and/or CEII/CII have been made available to it, (c) confirm that any investigations, discussions or negotiations are taking place or (d) disclose any of the terms or conditions with respect to same.

5. Additional Provisions Relating to Disclosure and Use of CEII and CII. Requester shall keep confidential and properly maintain all CEII/CII disclosed to it by SCE&G in a secure manner and place and shall not, without the prior written consent of SCE&G, disclose such CEII/CII to any third party, firm, corporation or entity, or affiliates of Requester that have agreed to be bound by the provisions of this Agreement prior to the disclosure of the information (“Permitted Affiliates”).

If Requester receives permission from SCE&G to share this information with a third party or its affiliate, then Requester shall be responsible for

ensuring that those of its Permitted Affiliates to which CEII/CII has been disclosed maintain CEII/CII in a secure manner and place. Requester may make copies of CEII/CII, but such copies become CEII/CII and subject to these same terms and conditions.

Except as allowed under paragraph 6, Required Disclosure, below, Requester shall not submit any CEII/CII obtained from SCE&G to any government agency for any reason without first obtaining written permission from SCE&G, and then fully complying with the requirements of 18 C.F.R. §§ 388.112, 113 for requesting special treatment of the CEII and/or 6 U.S.C. § 133 for requesting special treatment of the CII.

Requester shall not release any CEII/CII it receives from SCE&G to anyone, including but not limited to its employees and officers, who have been convicted of any felony. Requester shall not use CEII/CII, in whole or in part, for any purpose other than that for which the CEII/CII was specifically provided without the prior written consent of SCE&G. Requester agrees that, in complying with its obligations under this Agreement, it shall employ an enhanced standard of care in order to prevent the disclosure and to protect the confidentiality of the CEII/CII. Requester will not knowingly use CEII/CII for an illegal or non-legitimate purpose.

Requester shall not disclose or otherwise make available CEII/CII or non-public transmission information to an SCE&G affiliate without prior written consent from the SCANA legal department. Requester agrees to indemnify and hold SCE&G harmless from any investigation, audit, claim, state or federal agency action or actions for damages, including legal fees which may be brought against SCE&G due to the disclosure of CEII/CII or disclosure of non-public transmission information to an SCE&G affiliate by Requester. Requester shall be responsible for any breach of this Agreement by their respective Permitted Affiliates, employees, officers, and agents.

6. Required Disclosure. In the event that the Requester is requested or required by depositions, interrogatories, requests for information or documents, subpoena, civil investigation, demand or similar process (1) to disclose any Confidential Information received pursuant to this Agreement or (2) to disclose the existence of discussions pertaining thereto or to any Transaction, such Party shall provide to the other Party notice of such request(s) and shall use reasonable efforts to resist disclosure, until an appropriate protective order may be sought and/or a waiver of compliance with the provisions of this Agreement granted. If, in the absence of a protective order or the receipt of a waiver hereunder, such Party is nonetheless, in the written opinion of its counsel, legally required to disclose Confidential Information received pursuant to this Agreement, then, in such event such Party may disclose such information without liability hereunder, provided that the other Party, has been given a reasonable opportunity to review the text of such disclosure before it is made.

7. Return of Documents and Destruction of Electronically Stored Information. Either Requester of SCE&G may elect at any time to terminate further use of or access to the Confidential Information. In such case, the Requester and its Permitted Affiliates shall return any and all Confidential Information upon written request, including all hardcopy originals, copies, translations, notes, computer generated reports, schematics, flowcharts, tape recordings, or any other form of said material, without retaining any copy or duplicate supplement thereof and shall promptly destroy any and all electronically stored information, and any and all written, printed or other material or information derived from the Confidential Information, and shall promptly provide attested certification from an authorized representative confirming such destruction.

8. Duration of Obligations. The obligations and commitments established by this Agreement shall remain in full force and effect (a) with respect to Confidential Information not constituting CEII/CII for a period of three (3) years from the date of disclosure, and (b) with respect to CEII/CII, until CEII/CII has been returned to SCE&G and/or destroyed pursuant to paragraph 7, Return of Documents and Destruction of Electronically Stored Information. However, notwithstanding the return or destruction of documents, the parties are obligated not to recreate, or share information that constitutes CEII which it has learned through the sharing or disclosure of such information.

9. Nature of Information; Injunctive Relief. The Requester hereby accepts that the Confidential Information disclosed pursuant to this Agreement is of a special, unique, extraordinary, and intellectual character and that money damages would not be a sufficient remedy for any breach of this Agreement by it or its Permitted Affiliates and that specific performance and injunctive or other equitable remedies for any such breach shall be available to it. If there is a breach, then SCE&G shall be entitled, in addition to all other rights and remedies which it may have at law or in equity, to seek to have a decree of specific performance or an injunction issued by any competent court, requiring the breach

to be cured or enjoining all persons involved from continuing the breach. Requester also acknowledges that the interests of SCE&G in such CEII/CII may be irreparably injured by disclosure. The remedy stated above may be pursued in addition to any other remedies applicable at law or equity for breach of this Agreement. The existence of any claim or cause of action which either party may have against the other shall not constitute a defense or bar to the enforcement of any of the provisions of this Agreement.

10. Governing Law. The validity and interpretation of this Agreement and the legal relations of the Parties to it shall be governed by the laws of the State of South Carolina, without giving effect to principles of conflict of laws. Any action arising out of the performance of this Agreement must be filed and resolved exclusively in a court or tribunal sitting in the State of South Carolina.

11. No Other Agreement. The Requester expressly understands that this Agreement is not and shall not be construed as any form of a letter of intent or agreement to enter into any type of transaction. This agreement is to evidence the Requester's agreement to maintain the confidentiality of the Confidential Information, and shall not constitute any commitment or obligation on the part of either Party to enter into any specific contractual arrangement of any nature whatsoever.

12. No License. Neither this Agreement, nor the disclosure of Confidential Information hereunder, shall be construed in any way as granting any license or rights to any information or data now or hereafter owned or controlled by SCE&G to the Requester and all such Confidential Information shall remain the property of SCE&G.

13. Right to Execute. The Requester represents and warrants that this Agreement has been duly authorized, and when executed and delivered by the person signing below, will constitute its legal, valid and binding obligation, enforceable in accordance with its terms.

14. Assignment. This Agreement may not be assigned.

15. No Waiver. No failure or delay by either Party in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

16. Survival. This letter agreement shall survive indefinitely and shall not be affected by the performance, termination or expiration of any other obligations or agreements between the Parties.

17. Entire Agreement. This Agreement contains the entire agreement between the Parties concerning the subject matter hereof, and supersedes all prior discussions and agreements with respect to the subject matter hereof, and

no modifications of this Agreement or waiver of the terms and conditions hereof will be binding, unless approved in writing by each of the Parties. E-mail is expressly excluded as a form of amendment.

I hereby certify my understanding that access to Critical Energy Infrastructure Information (CEII) is provided to me pursuant to the terms and restrictions of the above provisions, that I have been given a copy of and read the provisions, and I agree to be bound by them.

Requester

By: _____

Signature

Name: _____

Title: _____

Requester Name and Address:

Name: _____

Address: _____

Telephone: _____

Fax: _____

Change Log

Date of Change	Description of Change
4/5/07	Posted draft practices for Order 890
7/10/07	Revised draft practices to comply with requirements of Order 890
9/26/07	Revised section 4.c. to modify Pre-Confirmed requirements for Redirected service.
12/14/07	Revised to add CEII information and addition to losses on curtailed transactions in losses section
3/7/08	Posted draft practices for Order 890 and 890-A
4/14/08	Posted administrative edits and revised deposit section.
6/10/08	Added a couple of line items to Attachment 1.
7/14/08	Revised section I.9 to include reference to profiled requests.
8/22/08	Added sections for Conditional Firm and Planning Redispatch. Replaced Marcus Harris in contact list.
8/26/08	Changed contact for CEII requests.
9/10/08	Removed option allowing a system network resource termination in Attachment 2, section 2.

10/20/08	Revised section I.9 to include Daily Sliding Service and reference to latest OASIS S&CP document
05/16/09	Revised section I.5 concerning waiver language. Also modified section I.11 to remove references to discretion postings. Posted administrative edits and instructions for how a Customer should change DNRs.