



## ***For Immediate Release***

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## **SCANA Reports Financial Results for Second Quarter 2009**

**Columbia, SC, July 30, 2009...**SCANA Corporation (NYSE: SCG) today reported consolidated earnings for the second quarter of 2009 of \$55 million, or \$.45 per share, compared to \$57 million, or \$.48 per share, for the second quarter of 2008.

“Earnings for the second quarter of 2009 reflect the impact of share dilution and lower electric margins compared to last year, which more than offset reduced operating and maintenance expenses and continued customer growth in the Carolinas,” said Jimmy Addison, senior vice president and chief financial officer.

For the first six months of 2009, SCANA reported earnings of \$169 million, or \$1.39 per share, compared to \$166 million, or \$1.42 per share, for the same period in 2008.

“Electric margins continued the trend of the last few quarters reflecting the impact of the economic slowdown with lower demand in our residential, commercial and industrial segments which more than offset the effects of favorable weather for the quarter,” said Addison. “We anticipate this year over year trend to moderate in the remainder of the year as comparable periods for 2008 will include more of the economic reductions and, hopefully, the economy will begin to recover as well.”

### **FINANCIAL RESULTS BY MAJOR LINES OF BUSINESS**

#### **South Carolina Electric & Gas Company**

South Carolina Electric & Gas Company (SCE&G), SCANA's principal subsidiary, reported earnings in the second quarter of 2009 of \$59 million, or \$.49 per share, compared to \$61 million, or \$.52 per share, in the second quarter of 2008. The decrease is primarily due to lower electric margins and share dilution. At June 30, 2009, SCE&G was serving approximately 654,000 electric customers and 307,000 natural gas customers, up 1.2 percent and 1.3 percent, respectively, over the past year.

#### **PSNC Energy**

PSNC Energy, SCANA's retail natural gas subsidiary headquartered in Gastonia, North Carolina, reported breakeven results in the second quarter of 2009, compared to a loss of \$1 million, or \$.01 per share, in the second quarter of 2008. This improvement is attributable to the impact of a rate increase in late 2008 and continued customer growth. At June 30, 2009, PSNC Energy was serving approximately 461,000 customers, an increase of 1.6 percent over the last twelve months.

## Carolina Gas Transmission

Carolina Gas Transmission Corporation reported earnings in the second quarter of 2009 of \$2 million, or \$.02 per share, unchanged compared to the second quarter of 2008.

## SCANA Energy

SCANA Energy, the Company's retail natural gas marketing business in Georgia, reported a seasonal loss of \$3 million, or \$.03 per share, in the second quarter of 2009, compared to a seasonal loss of \$1 million, or \$.01 per share, in the second quarter of 2008. This decline is primarily attributable to share dilution and lower volumes. At June 30, 2009, SCANA Energy was serving approximately 447,000 customers, maintaining its position as the state's second largest natural gas marketer.

## Corporate and Other Non-Regulated

SCANA's corporate and other businesses, which include SCANA Communications, ServiceCare, SCANA Energy Marketing and the holding company, reported a loss in the second quarter of 2009 of \$3 million, or \$.03 per share, compared to a loss of \$4 million, or \$.04 per share, in the same quarter last year.

## 2009 EARNINGS OUTLOOK

The Company affirms its previous guidance that 2009 earnings will be in the range of \$2.65 to \$2.95 per share. This estimate assumes normal weather in the Company's electric and natural gas service areas for the balance of the year and excludes any potential impacts from changes in accounting principles and certain gains or losses from investing activities, litigation, and sales of assets. Other factors and risks that could impact future earnings are discussed in the Company's filings with the Securities and Exchange Commission and below under the Safe Harbor Statement. The Company expects an average annual earnings growth rate of 4 to 6 percent over the next 3 to 5 years.

## CONFERENCE CALL NOTICE

SCANA will host its quarterly conference call for security analysts at 2 p.m. Eastern Daylight Time on Thursday, July 30, 2009. The call-in numbers for the conference call are 1-866-383-7989 (US/Canada) and 1-617-597-5328 (International). The passcode is 10357674. Participants should call in 5 to 10 minutes prior to the scheduled start time. A replay of the conference call will be available approximately 2 hours after conclusion of the call through August 13, 2009. The telephone replay numbers are 1-888-286-8010 (US/Canada) and 1-617-801-6888 (International). The passcode for the telephone replay is 97095125.

All interested persons, including investors, media and the general public, may listen to a live web cast of the conference call at the Company's web site at [www.scana.com](http://www.scana.com). Participants should go to the web site at least 5 to 10 minutes prior to the call start time and follow the instructions. A replay of the web cast and a transcript of the call will be available on the Company's web site approximately 2 hours after conclusion of the call through August 13, 2009.

## PROFILE

SCANA Corporation, a Fortune 500 company headquartered in Columbia, SC, is an energy-based holding company principally engaged, through subsidiaries, in electric and natural gas utility operations and other energy-related businesses. The Company serves approximately 654,000

electric customers in South Carolina and more than 1.2 million natural gas customers in South Carolina, North Carolina and Georgia. Information about SCANA and its businesses is available on the Company's web site at [www.scana.com](http://www.scana.com).

## SAFE HARBOR STATEMENT

Statements included in this press release which are not statements of historical fact are intended to be, and are hereby identified as, "forward-looking statements" for purposes of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements concerning key earnings drivers, customer growth, environmental regulations and expenditures, leverage ratio, projections for pension fund contributions, financing activities, access to sources of capital, impacts of the adoption of new accounting rules, estimated construction and other expenditures. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" or "continue" or the negative of these terms or other similar terminology. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, and that actual results could differ materially from those indicated by such forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, but are not limited to, the following: (1) the information is of a preliminary nature and may be subject to further and/or continuing review and adjustment; (2) regulatory actions, particularly changes in rate regulation and environmental regulations; (3) current and future litigation; (4) changes in the economy, especially in areas served by subsidiaries of SCANA Corporation (SCANA); (5) the impact of competition from other energy suppliers, including competition from alternate fuels in industrial interruptible markets; (6) growth opportunities for SCANA's regulated and diversified subsidiaries; (7) the results of short- and long-term financing efforts, including future prospects for obtaining access to capital markets and other sources of liquidity; (8) changes in SCANA's or its subsidiaries' accounting rules and accounting policies; (9) the effects of weather, including drought, especially in areas where the Company's generation and transmission facilities are located and in areas served by SCANA's subsidiaries; (10) payment by counterparties as and when due; (11) the results of efforts to license, site, construct and finance facilities for baseload electric generation; (12) the availability of fuels such as coal, natural gas and enriched uranium used to produce electricity; the availability of purchased power and natural gas for distribution; the level and volatility of future market prices for such fuels and purchased power; and the ability to recover the costs for such fuels and purchased power; (13) performance of SCANA's pension plan assets; (14) inflation; (15) compliance with regulations; and (16) the other risks and uncertainties described from time to time in the periodic reports filed by SCANA or South Carolina Electric & Gas Company (SCE&G) with the United States Securities and Exchange Commission (SEC). The Company disclaims any obligation to update any forward-looking statements.

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## FINANCIAL AND OPERATING INFORMATION

### Condensed Consolidated Statements of Income

(Millions, except per share amounts) (Unaudited)

	Quarter Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Operating Revenues:				
Electric	\$521	\$576	\$1,018	\$1,064
Gas-Regulated	136	210	558	692
Gas-Nonregulated	<u>221</u>	<u>432</u>	<u>645</u>	<u>996</u>
Total Operating Revenues	<u>878</u>	<u>1,218</u>	<u>2,221</u>	<u>2,752</u>
Operating Expenses:				
Fuel Used in Electric Generation	190	227	375	404
Purchased Power	3	16	8	21
Gas Purchased for Resale-Regulated	66	144	341	481
Gas Purchased for Resale - Nonregulated	203	411	572	912
Other Operation and Maintenance	163	167	322	344
Depreciation and Amortization	83	79	165	159
Other Taxes	<u>45</u>	<u>43</u>	<u>90</u>	<u>87</u>
Total Operating Expenses	<u>753</u>	<u>1,087</u>	<u>1,873</u>	<u>2,408</u>
Operating Income	<u>125</u>	<u>131</u>	<u>348</u>	<u>344</u>
Other Income, Net	7	9	18	21
Interest charges, Net	(55)	(54)	(113)	(107)
Income Tax Expense	(21)	(29)	(82)	(91)
Earnings from Equity Method Investments	1	2	2	3
Preferred Stock Cash Dividends of SCE&G	(2)	(2)	(4)	(4)
Income Available For Common Shareholders	<u>\$55</u>	<u>\$57</u>	<u>\$169</u>	<u>\$166</u>
Common Stock Data:				
Wgt. Avg. Common Shares Outstanding	121.8	116.7	121.4	116.7
Basic & Diluted Earnings Per Share	\$.45	\$.48	\$1.39	\$1.42

## Condensed Consolidated Balance Sheets

(Millions) (Unaudited)

	June 30, 2009	December 31, 2008
<b>ASSETS:</b>		
Utility Plant, Net	\$8,641	\$8,305
Nonutility Property and Investments, Net	376	316
Total Current Assets	1,546	1,836
Total Regulatory Assets and Deferred Debits	<u>1,157</u>	<u>1,045</u>
Total	<u>\$11,720</u>	<u>\$11,502</u>
<b>CAPITALIZATION AND LIABILITIES:</b>		
Capitalization:		
Common Equity	\$3,270	\$3,045
Preferred Stock	113	113
Long-Term Debt, Net	<u>4,546</u>	<u>4,361</u>
Total Capitalization	<u>7,929</u>	<u>7,519</u>
Current Liabilities:		
Short-Term Borrowings	136	80
Current Portion of Long-Term Debt	30	144
Other	<u>725</u>	<u>931</u>
Total Current Liabilities	<u>891</u>	<u>1,155</u>
Total Regulatory Liabilities and Deferred Credits	<u>2,900</u>	<u>2,828</u>
Total	<u>\$11,720</u>	<u>\$11,502</u>

## Earnings per Share by Company:

(Unaudited)

	Quarter Ended June 30,		Six Months Ended June 30,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
SC Electric & Gas	\$.49	\$.52	\$1.00	\$1.03
PSNC Energy	.00	(.01)	.25	.23
Carolina Gas Transmission	.02	.02	.04	.04
SCANA Energy-Georgia	(.03)	(.01)	.15	.18
Corporate and Other	<u>(.03)</u>	<u>(.04)</u>	<u>(.05)</u>	<u>(.06)</u>
Basic and Diluted Reported (GAAP) Earnings per Share	<u>\$.45</u>	<u>\$.48</u>	<u>\$1.39</u>	<u>\$1.42</u>

## Variances in Earnings per Share:

(Unaudited)

	Quarter Ended <u>June 30,</u>	Six Months Ended <u>June 30,</u>
2008 Basic and Diluted Earnings Per Share	\$.48	\$1.42
Variances:		
Electric Margin	(.02)	(.02)
Natural Gas Margin	.00	(.02)
Operation & Maintenance Expense	.02	.12
Interest Expense (Net of AFUDC)	(.01)	(.03)
Property Taxes	(.01)	(.02)
Dilution	(.02)	(.06)
Other, Net	<u>.01</u>	<u>.00</u>
Variances in Earnings per Share	<u>(.03)</u>	<u>(.03)</u>
2009 Basic and Diluted Earnings Per Share	<u>\$.45</u>	<u>\$1.39</u>

## Consolidated Operating Statistics

	Quarter Ended June 30,			Six Months Ended June 30,		
	2009	2008	% Change	2009	2008	% Change
<b>Electric Operations:</b>						
Sales (Million KWH):						
Residential	1,864	1,868	(0.2)	3,803	3,685	3.2
Commercial	1,878	1,903	(1.3)	3,563	3,611	(1.3)
Industrial	1,301	1,587	(18.0)	2,567	3,140	(18.3)
Other	139	144	(3.5)	271	272	(0.4)
Total Retail Sales	5,182	5,502	(5.8)	10,204	10,708	(4.7)
Wholesale	541	478	13.2	1,001	1,112	(10.0)
Total Sales	<u>5,723</u>	<u>5,980</u>	(4.3)	<u>11,205</u>	<u>11,820</u>	(5.2)
Customers (Period-End, Thousands)				654	646	1.2

## Natural Gas Operations:

Sales (Thousand Dekatherms):						
Residential	6,666	7,141	(6.7)	39,922	39,396	1.3
Commercial	6,615	6,872	(3.7)	21,622	21,461	0.8
Industrial	<u>40,219</u>	<u>38,041</u>	5.7	<u>78,221</u>	<u>78,865</u>	(0.8)
Total Retail Sales	53,500	52,054	2.8	139,765	139,722	0.0
Sales for Resale	2,069	1,789	15.7	5,634	4,875	15.6
Transportation						
Volumes	<u>29,186</u>	<u>31,486</u>	(7.3)	<u>67,909</u>	<u>72,796</u>	(6.7)
Total Sales	<u>84,755</u>	<u>85,329</u>	(0.7)	<u>213,308</u>	<u>217,393</u>	(1.9)
Customers (Period-End, Thousands)				1,215	1,222	(0.6)

## Security Credit Ratings (as of 07/30/09):

	<u>Moody's</u>	<u>Standard &amp; Poor's</u>	<u>Fitch</u>
SCANA Corporation:			
Senior Unsecured Outlook	Baa2 Negative	BBB Stable	BBB+ Stable
South Carolina Electric & Gas Company:			
Senior Secured	A3	A-	A
Senior Unsecured	Baa1	BBB+	A-
Commercial Paper Outlook	P-2 Negative	A-2 Stable	F-2 Stable
PSNC Energy:			
Senior Unsecured	A3	BBB+	BBB+
Commercial Paper Outlook	P-2 Negative	A-2 Stable	F-2 Stable
South Carolina Fuel Company:			
Commercial Paper	P-2	A-2	F-2