



FOR IMMEDIATE RELEASE

Media Contact - Gastonia/Asheville:

Jodie Roberts-Smith
(704) 834-6427
jroberts-smith@scana.com

Media Contact – Raleigh/Durham:

Angie Townsend
(919) 836-2321
adtownsend@scana.com

Investor Contacts:

John Winn	Bryan Hatchell
(803) 217-9240	(803) 217-7458
jwinn@scana.com	bhatchell@scana.com

PSNC Energy Files for Rate Increase to Recover Operation and Expansion Costs

Columbia, SC, April 3, 2006 ... PSNC Energy, a wholly owned subsidiary of SCANA Corporation (NYSE: SCG), filed an application today with the North Carolina Utilities Commission (NCUC) requesting a general increase in its natural gas base rates – the first such request in the past eight years.

The company is asking the Commission to grant an increase of approximately \$28.4 million, or 4.9 percent, in annual revenue. While PSNC Energy is requesting this increase in its base rates, the company is also seeking a reduction of \$7.5 million in the fixed-cost portion of its cost of gas. The net effect is a requested increase of \$20.9 million, or 3.6 percent, in the company's rates and charges for natural gas utility service. If the request is approved, the average year-round residential customer would see a monthly increase of approximately \$3.75.

The rate increase request is the direct result of the company's need to recover costs related to expanding and operating its pipeline system. The last time PSNC Energy increased its base rates was 1998. Since that time, the company has added more than 2,200 miles of transmission and distribution mains, installed 126,725 new service lines, and had more than 100,000 customers come on its system.

"We've been in business for almost 70 years, yet nearly one quarter of our customers have been added since our last rate case eight years ago," said PSNC Energy President and COO Rusty Harris. "We must be able to recover costs associated with growing and maintaining our infrastructure. Doing so is essential to our ability to continue providing safe, reliable and efficient natural gas service to our customers."

PSNC Energy has spent approximately \$321 million to upgrade and expand its gas delivery system over the past eight years.

PSNC Energy's request breaks down on average by customer group as follows: 4.4 percent increase for residential customers; 1.9 percent for small commercial customers; 0 percent for large commercial/industrial – firm customers; and 4.3 percent for large commercial/industrial - interruptible customers. If approved, the new rates would go into effect on or about Nov. 1, 2006.

The requested increase of approximately \$28.4 million is based upon a 9.74 percent overall return on rate base, including a 12 percent return on common equity.

Profile

PSNC Energy, headquartered in Gastonia, N.C., is franchised to serve a 28-county service area in North Carolina. The utility distributes natural gas to approximately 428,000 customers in 96 cities and communities, including the Raleigh, Durham, and Chapel Hill areas in the north central part of the state; the Concord, Statesville, Gastonia, and Forest City areas in the Piedmont; and the Asheville, Hendersonville, Brevard, and Sylva areas in the western part of the state. More information about PSNC Energy is available through the company's web site at www.psncenergy.com.

SCANA Corporation, a Fortune 500 company headquartered in Columbia, South Carolina, 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 610,000 electric customers in South Carolina and more than one million natural gas customers in South Carolina, North Carolina and Georgia. Information about SCANA and its businesses is available on the company's website at 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 the safe harbor provided by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. 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) that the information is of a preliminary nature and may be subject to further and/or continuing review and adjustment, (2) regulatory actions or changes in the utility and nonutility regulatory environment, (3) current and future litigation, (4) changes in the economy, especially in areas served by SCANA's subsidiaries, (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 financing efforts, (8) changes in SCANA's accounting policies, (9) weather conditions, especially in areas served by SCANA's subsidiaries, (10) performance of SCANA's pension plan assets, (11) inflation, (12) changes in environmental regulations, (13) volatility in commodity natural gas markets and (14) the other risks and uncertainties described from time to time in SCANA's periodic reports filed with the United States Securities and Exchange Commission. SCANA disclaims any obligation to update any forward-looking statements.

**Public Service Company of North Carolina, Inc.
(d/b/a PSNC Energy)**

**Application for Retail Natural Gas Rate Increase
To The
North Carolina Utilities Commission**

Highlights

Timeline:

Letter of Intent Filed	March 1, 2006
Application Filed (Docket Number G-5, Sub 481)	April 3, 2006
Public Hearing	Fall 2006
Requested Effective Date	November 1, 2006

Test Period Data:

Test Period	12 Months Ended Dec. 31, 2005, As Adjusted
Retail Natural Gas Rate Base	\$594 Million
Return on Rate Base	6.86%
Return on Common Equity	6.66%

Requested in Application:

	<u>Millions of \$</u>	<u>%</u>
Total Annual Revenue Increase	\$28.4	4.9%
Reduction in Fixed Gas Cost	<u>(7.5)</u>	
Net Annual Revenue Increase	\$20.9	3.6%
Return on Rate Base	9.74%	
Return on Common Equity	12.00%	
Total Capitalization	\$589 Million	

Capital Structure and Cost of Capital:

	<u>Requested April 3, 2006</u>			<u>Authorized October 30, 1998</u>		
	<u>Utility Capital Structure</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	<u>Utility Capital Structure</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Long-Term Debt	46.18%	7.10%	3.28%	44.07%	8.30%	3.66%
Common Equity	53.82%	12.00%	6.46%	51.91%	11.40%	5.92%
Short-Term Debt	<u>0.00%</u>	0.00%	<u>0.00%</u>	<u>4.02%</u>	5.91%	<u>0.24%</u>
Total	100.00%		9.74%	100.00%		9.82%

#