

GAAP-Adjusted Weather-Normalized Earnings per Share

The table below calculates GAAP-Adjusted Weather-Normalized EPS
By Company for the Quarter period:

Earnings Per Share By Company:

(Unaudited)	Quarter Ended December 31,									
	2016					2015				
	SCE&G	PSNC Energy	SCANA Energy	Corporate and Others	Total	SCE&G	PSNC Energy	SCANA Energy	Corporate and Others	Total
GAAP EPS	\$0.65	\$0.19	\$0.05	\$(0.02)	\$0.87	\$0.52	\$0.17	\$0.02	\$(0.02)	\$0.69
Abnormal weather on electric margins (pre-tax)	0.12	-	-	-	0.12	0.20	-	-	-	0.20
Less tax effect	(0.04)	-	-	-	(0.04)	(0.06)	-	-	-	(0.06)
GAAP-Adjusted, Weather- Normalized EPS	\$0.73	\$0.19	\$0.05	\$(0.02)	\$0.95	\$0.66	\$0.17	\$0.02	\$(0.02)	\$0.83

Note: SCE&G's earnings are adjusted in determining the GAAP-Adjusted Weather-Normalized EPS measurement to exclude the impact of abnormal weather in its electric business. Earnings from SCE&G's gas business and PSNC are not adjusted in determining GAAP-Adjusted Weather-Normalized EPS as those businesses have regulatory mechanisms in place designed to weather normalize margins for those businesses. SCANA Energy's earnings are not adjusted in determining the GAAP-Adjusted Weather-Normalized EPS measurement as the impact of abnormal weather is generally insignificant on an annual basis.

GAAP-Adjusted Weather-Normalized Earnings per Share

The table below calculates GAAP-Adjusted Weather-Normalized EPS
By Company for the Year-to-Date period:

Earnings Per Share By Company:

(Unaudited)	Twelve Months Ended December 31,									
	2016					2015				
	SCE&G	PSNC Energy	SCANA Energy	Corporate and Others ⁽¹⁾	Total	SCE&G	PSNC Energy	SCANA Energy	Corporate and Others ⁽¹⁾	Total
GAAP EPS	\$3.68	\$0.40	\$0.21	\$(0.13)	\$4.16	\$3.35	\$0.38	\$0.19	\$1.30	\$5.22
Abnormal weather on electric margins (pre-tax)	(0.28)	-	-	-	(0.28)	(0.12)	-	-	-	(0.12)
Less tax effect	0.09	-	-	-	0.09	0.04	-	-	-	0.04
Remove gains on sales of CGT and SCI (pre-tax)	-	-	-	-	-	-	-	-	(2.39)	(2.39)
Less tax effect	-	-	-	-	-	-	-	-	0.98	0.98
GAAP-Adjusted, Weather-Normalized EPS	\$3.49	\$0.40	\$0.21	\$(0.13)	\$3.97	\$3.27	\$0.38	\$0.19	\$(0.11)	\$3.73

Note: SCE&G's earnings are adjusted in determining the GAAP-Adjusted Weather-Normalized EPS measurement to exclude the impact of abnormal weather in its electric business. Earnings from SCE&G's gas business and PSNC are not adjusted in determining GAAP-Adjusted Weather-Normalized EPS as those businesses have regulatory mechanisms in place designed to weather normalize margins for those businesses. SCANA Energy's earnings are not adjusted in determining the GAAP-Adjusted Weather-Normalized EPS measurement as the impact of abnormal weather is generally insignificant on an annual basis.

Note (1): Carolina Gas Transmission and SCANA Communications Inc. were sold during the first quarter of 2015.

2016 GAAP-Adjusted Weather-Normalized Earnings per Share

The table below calculates SCANA's GAAP-Adjusted Weather-Normalized EPS for the period:

		Year Ended December 31, 2016
GAAP EPS		\$ 4.16
SCE&G:	Electric – Weather	(0.28)
SCE&G:	Tax Effect – Weather	0.09
GAAP-Adjusted Weather-Normalized EPS		<u>\$ 3.97</u>

Long-Term Growth Rate - Reconciliation to GAAP

Based on 2016 GAAP earnings per share of \$4.16, the Company estimates its targeted average annual earnings per share growth rate range to be 2 to 4 percent over the next 3 to 5 years due to the impact of incremental electric margins attributable to abnormal weather in 2016. Due to the significance of weather to SCE&G's earnings and its unpredictability, the Company is not able to provide 2017 GAAP earnings guidance.

For 2017, the Company estimates that GAAP-Adjusted Weather-Normalized earnings per share will be \$4.15 to \$4.35, with an internal target of \$4.25 per share.

In addition to the GAAP basis long-term growth rate guidance above, the Company estimates its targeted average annual growth rate for GAAP-Adjusted Weather-Normalized earnings per share to be 4 to 6 percent over the next 3 to 5 years based on 2016 GAAP-Adjusted Weather-Normalized earnings per share of \$3.97. 2016 GAAP-Adjusted Weather-Normalized earnings per share reflect downward adjustments of 28 cents per share pre-tax and a tax effect of 9 cents per share for a net of tax 19 cents per share to normalize weather in the electric business.