

In the opinion of McNair Law Firm, P.A., Bond Counsel, assuming the accuracy of certain representations and compliance with covenants as described herein, under existing statutes, rulings and court decisions, and under applicable regulations and proposed regulations, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes, except for interest on any Bonds for any period during which the Bonds are held by a person who is a "substantial user" of the facilities financed or refinanced by the Bonds or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code. Interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations, but such interest will be includable in adjusted current earnings in computing the federal alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from present State of South Carolina income taxation as described herein. See "TAX EXEMPTION" herein.

\$54,215,000

**South Carolina Jobs-Economic Development Authority
Industrial Revenue Bonds
(South Carolina Electric & Gas Company Project)
Series 2013**

Dated: Date of Delivery

Due: as shown below

The South Carolina Jobs-Economic Development Authority Industrial Revenue Bonds (South Carolina Electric & Gas Company Project), Series 2013 (the "Bonds") are limited obligations of the South Carolina Jobs-Economic Development Authority ("JEDA"), payable solely from revenues and receipts derived by JEDA under a Loan Agreement, dated as of January 1, 2013 (the "Loan Agreement"), between



a South Carolina corporation ("SCE&G") and JEDA. Under the terms of a Bond Trust Indenture, dated as of January 1, 2013 (the "Bond Indenture"), JEDA will assign and pledge to U.S. Bank National Association, as trustee (the "Bond Trustee"), as security for the payment of the Bonds, the "Trust Estate" described herein, including, without limitation, (i) all right, title and interest of JEDA in the Loan Agreement (with certain exceptions), (ii) SCE&G's Deposited Bonds (as described herein), and (iii) amounts on deposit from time to time in certain funds created under the Bond Indenture. See "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS" herein.

Interest on the Bonds is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2013. The Bonds are being issued as fully registered Bonds registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which is acting as securities depository for the Bonds. The Bonds will be issued in the denomination of \$5,000 and any integral multiple of \$5,000 in excess thereof. Payments of principal and interest on the Bonds will be made to purchasers by DTC through its participants.

<u>Maturity (February 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
2028	\$39,480,000	4.000%	3.200%	83703RAH9
2033	14,735,000	3.625%	3.750%	83703RAG1

The Bonds are subject to optional redemption at the times and in the manner described herein. See "THE BONDS – Redemption."

Under the terms of the Loan Agreement, JEDA has agreed to loan the proceeds of the sale of the Bonds to SCE&G for the purpose of refunding the \$56,910,000 outstanding principal amount of its Industrial Revenue Bonds (South Carolina Electric & Gas Company Project), Series 2002A.

See "SCE&G" herein for information with respect to the business and operations of SCE&G, and see "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS" and "INVESTMENT CONSIDERATIONS" herein for information with respect to the security for and sources of payment of the Bonds and certain risks with respect thereto.

The Bonds are limited obligations of JEDA and do not constitute an indebtedness of the State of South Carolina or JEDA within the meaning of any State constitutional provision or statutory limitation (other than Article X, Section 13(9) of the South Carolina Constitution permitting indebtedness payable from a source other than a tax or license). The Bonds do not constitute nor give rise to a pecuniary liability of the State of South Carolina or JEDA or a charge against the general credit of JEDA or the State of South Carolina or taxing powers of the State of South Carolina. JEDA has no taxing powers. No owner of any Bond shall have the right to demand payment of the principal or interest on any Bond from any funds raised from taxation.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds are offered when, as and if issued by JEDA and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice, the approval of legality by McNair Law Firm, P.A., Bond Counsel, and certain future events and other conditions. Certain legal matters with respect to JEDA and the Bonds are subject to the approval of its counsel, Haynsworth Sinkler Boyd, P.A.; for SCE&G by its Senior Vice President and General Counsel and by McNair Law Firm, P.A.; and for the Underwriter by its counsel, King & Spalding LLP. The Bonds are expected to be delivered to DTC on or about January 15, 2013.

TD Securities

Dated January 8, 2013.

This Official Statement does not constitute an offer to sell the Bonds or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state or other jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale in such state or jurisdiction. No dealer, broker, salesperson or any other person has been authorized to give any information or to make any representation other than those contained herein in connection with the offering of the Bonds, and, if given or made, such information or representation must not be relied upon.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

U.S. Bank National Association, as Bond Trustee, has not reviewed, provided or undertaken to determine the accuracy of any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to any matters contained in this Official Statement, including, but not limited to, (i) the accuracy or completeness of such information, (ii) the validity of the Bonds, or (iii) the tax-exempt status of the Bonds.

The information relating to DTC and the book-entry system set forth herein under the captions "THE BONDS - Book-Entry System" has been furnished by DTC. Such information is believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter, JEDA or SCE&G. All other information set forth herein has been obtained from JEDA and SCE&G and other sources (other than JEDA and SCE&G) that are believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a representation by JEDA, SCE&G or the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds made hereunder shall create under any circumstances any indication that there has been no change in the affairs of JEDA, SCE&G, or DTC since the date hereof.

In connection with the offering of the Bonds, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Bonds at levels above that which otherwise might prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

**CAUTIONARY STATEMENTS REGARDING
FORWARD-LOOKING STATEMENTS IN
THIS OFFICIAL STATEMENT**

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." 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 and estimated construction and other expenditures. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expects," "forecasts," "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.

Neither JEDA nor SCE&G plans to issue any updates or revisions to those forward-looking statements if or when changes to its expectations or events, conditions or circumstances on which such statements are based occur.

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OFFICIAL STATEMENT

relating to

\$54,215,000

**South Carolina Jobs-Economic Development Authority
Industrial Revenue Bonds
(South Carolina Electric & Gas Company Project)
Series 2013**

INTRODUCTION

The purpose of this Official Statement (including the cover page and the appendices hereto) is to furnish information with respect to \$54,215,000 in aggregate principal amount of Industrial Revenue Bonds (South Carolina Electric & Gas Company Project), Series 2013 (the "Bonds"), issued by the South Carolina Jobs-Economic Development Authority ("JEDA"). The Bonds are being issued pursuant to a Bond Trust Indenture, dated as of January 1, 2013 (the "Bond Indenture"), between JEDA and U.S. Bank National Association, as trustee (the "Bond Trustee"). The Bonds are limited obligations of JEDA payable solely from the trust estate pledged under the Bond Indenture to the payment of the Bonds, including revenues and receipts derived by JEDA from the Loan Agreement, dated as of January 1, 2013 (the "Loan Agreement"), between South Carolina Electric & Gas Company ("SCE&G") and JEDA.

As security for the Bonds, JEDA has agreed to assign and pledge to the Bond Trustee the "Trust Estate," which includes (i) all right, title and interest of JEDA under and pursuant to the Loan Agreement (with certain exceptions), (ii) SCE&G's Deposited Bonds (as described herein under "SECURITY AND FOR AND SOURCES OF PAYMENT OF THE BONDS - Deposited Bonds"), including the right to receive payments thereon and (iii) amounts on deposit from time to time in certain funds created under the Bond Indenture. See "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS" herein.

Under the terms of the Loan Agreement, JEDA has agreed to loan the proceeds of the sale of the Bonds to SCE&G for the purpose of refunding the \$56,910,000 outstanding principal amount of its Industrial Revenue Bonds (South Carolina Electric & Gas Company Project), Series 2002A (the "Series 2002A Bonds").

For information with respect to the business and operations of SCE&G, see "SCE&G" herein. For information with respect to the security for and sources of payment of the Bonds and certain risks with respect thereto, see "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS" and "INVESTMENT CONSIDERATIONS" herein. Certain documents filed by SCE&G with the Securities and Exchange Commission are incorporated herein by reference (see "SCE&G - Incorporation of Certain Documents by Reference" below). SCE&G will provide without charge to each person to whom this Official Statement is delivered, upon written or oral request of such person, a copy of any or all of the documents so requested relating to it incorporated herein by reference (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into such documents). Requests for such documents should be directed to SCE&G in the manner set forth below under "SCE&G - Incorporation of Certain Documents by Reference."

JEDA

JEDA is a public body corporate and politic and an agency of the State of South Carolina, duly authorized under and pursuant to the provisions of Title 41, Chapter 43, Code of Laws of South Carolina 1976, as amended (the "Act"), to issue revenue bonds and to enter into agreements securing such bonds to provide funds for any program authorized under the Act and to loan the proceeds to eligible business enterprises to be used to acquire, by construction or purchase, land, buildings or other improvements thereon, machinery, equipment, office furnishings or other depreciable assets, or for research and design costs, legal and accounting fees, or other expenses in connection with the acquisition, construction and financing thereof, or to refund bonds previously used for such purpose.

PURPOSE OF ISSUE

Plan of Refunding

The proceeds of the Bonds will be applied to the current refunding of the Series 2002A Bonds, which were issued in the original aggregate principal amount of \$56,910,000 for the purpose of refinancing (a) \$56,820,000 in aggregate principal amount Fairfield County, South Carolina, Pollution Control Revenue Bonds (South Carolina Electric & Gas Company Project), Series 1984, and (b) \$1,090,000 in aggregate principal amount Fairfield County, South Carolina Pollution Control Revenue Bonds (South Carolina Electric & Gas Company Project), Series 1986 (together, the "Refunded Bonds"). The Series 2002A Bonds will be redeemed on or about February 19, 2013, at a redemption price of par plus accrued interest to the redemption date. The proceeds of the Refunded Bonds were used to finance the cost of SCE&G's undivided interest in certain air and water pollution control facilities and sewage or solid waste disposal facilities at the V.C. Summer Nuclear Station, Unit No. 1, located in Fairfield County, South Carolina.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:

Par Amount of the Bonds	\$54,215,000
Net Original Issue Premium	2,435,958
SCE&G Moneys	<u>828,009</u>
Total Sources	<u>\$57,478,967</u>

Uses:

Deposit with Trustee for Series 2002A Bonds	\$56,910,000
Costs of Issuance ¹	<u>568,967</u>
Total Uses	<u>\$57,478,967</u>

¹ Includes legal fees, trustee fees, fees and expenses of the Underwriter and other costs incurred in connection with the issuance and marketing of the Bonds.

THE BONDS

The following is a summary of certain provisions of the Bonds. Reference is made to the Bonds for the complete text thereof and to the Bond Indenture for a more detailed description of such provisions. The discussion herein is qualified by such reference.

General

The Bonds will mature on the dates and bear interest at the respective interest rates per annum shown on the cover page of this Official Statement. The Bonds will be dated the date of authentication, and will bear interest from the February 1 or August 1 next preceding the date of authentication to which interest has been paid unless such Bond is dated after a record date and prior to the next succeeding interest payment date, in which case from such interest payment date, or unless no interest has been paid thereon, then from the date of issuance. The record date for each interest payment date on the Bonds is the 15th day of the calendar month next preceding such interest payment date (the "Record Date").

Payments of interest on the Bonds will be made (except as provided below) by first class mail on the date on which due to the registered owner of the Bonds as shown on the registration books maintained by the Bond Trustee as of the record date for such interest payment date; provided, however, that interest payments to any owner of \$1,000,000 or more in aggregate principal amount of Bonds shall be made by wire transfer to such owner at a wire transfer address in the continental United States upon written request to the Bond Trustee not less than 15 days

prior to such Record Date. Payments of principal of on the Bonds will be made (except as provided below) only upon presentation and surrender of such Bond to the Bond Trustee at its principal corporate trust office when due.

Registration of Transfers and Exchanges; Persons Treated as Owners

The Bond Trustee shall treat the registered owner of the Bonds as shown in the registration books of the Bond Trustee as the owner of the Bonds for all purposes under the Bond Indenture, including payment of principal and interest, notwithstanding any actual or constructive knowledge to the contrary. While the Bonds are in the book-entry only system, the registered owner of the Bonds will be Cede & Co., the nominee of The Depository Trust Company (“DTC”). See “--Book Entry System.”

The Bonds will be delivered as fully registered Bonds and upon initial issuance will be registered in the name of Cede & Co., as nominee for DTC, and held in the custody of DTC. The purchasers of the Bonds will not receive physical delivery of certificates except as provided in the Bond Indenture. Beneficial Owners (as hereinafter defined) of the Bonds are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For as long as DTC continues to serve as the securities depository for the Bonds, all registrations of transfer of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificates except as provided in the Bond Indenture. See “--Book-Entry System.”

Redemption

Optional Redemption. The Bonds of each maturity are subject to optional redemption by JEDA, upon written direction of SCE&G, on or after February 1, 2023, in whole or in part at any time, at a redemption price of par plus accrued interest to the date of redemption.

Partial Redemption. In the event that less than all the outstanding Bonds or portions thereof are to be redeemed, the maturities thereof to be redeemed shall be designated by SCE&G, or if not so designated, in inverse order of maturity. If less than all Bonds of a maturity are to be redeemed, they shall be selected by lot in such manner as the Bond Trustee shall determine.

Notice of Redemption. The Bond Trustee shall cause notice of redemption to be mailed to the registered owners of Bonds designated for redemption not more than 60 nor less than 20 days prior to such redemption date. Each notice of redemption will specify the date fixed for redemption, the principal amount of Bonds or portions thereof to be redeemed, the redemption price, the place or places of payment, that payment will be made upon presentation and surrender of the Bonds to be redeemed, that interest accrued to the date fixed for redemption will be paid as specified in the notice, that on and after such date, interest thereon will cease to accrue and the conditions to the redemption of any such Bonds.

Miscellaneous. On the redemption date, the principal amount of each Bond to be redeemed, together with the accrued interest thereon to such date, will become due and payable; and from and after such date, notice having been given and the moneys sufficient to pay such redemption price having been deposited with the Bond Trustee in accordance with the terms of the Bond Indenture, then, no further interest shall accrue on such Bonds regardless of when such Bonds are presented for payment. From and after such date of redemption, such Bonds to be redeemed will not be deemed to be outstanding under the Bond Indenture and JEDA will be under no further liability in respect thereof.

Book-Entry System

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds in the aggregate original principal amount and will be deposited with DTC. The following discussion will not apply to Bonds if issued in physical form due to the discontinuance of the Book-Entry System.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934 (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's (as hereinafter defined) rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument ("MMI") Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the JEDA as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified by a listing attached to the Omnibus Proxy).

JEDA and the Bond Trustee will recognize DTC or its nominee, Cede & Co., as the registered owner of the Bonds for all purposes. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from JEDA or the Bond Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant

and not of DTC, nor its nominee, JEDA or the Bond Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of JEDA acting through the Bond Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to JEDA or the Bond Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

At the direction of SCE&G, JEDA may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that JEDA and SCE&G believe to be reliable, but JEDA and SCE&G take no responsibility for the accuracy thereof.

SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

The Bonds are limited obligations of JEDA and do not constitute an indebtedness of the State of South Carolina or JEDA within the meaning of any State constitutional provision or statutory limitation (other than Article X, Section 13(9) of the South Carolina Constitution permitting indebtedness payable from a source other than a tax or license). The Bonds do not constitute nor give rise to a pecuniary liability of the State of South Carolina or JEDA or a charge against the general credit of JEDA or the State of South Carolina or taxing powers of the State of South Carolina. JEDA has no taxing powers. No owner of any Bond shall have the right to demand payment of the principal of or interest on any Bond from any funds raised from taxation.

Trust Estate

The Bonds are being issued by JEDA under the Bond Indenture. The Bonds are limited obligations of JEDA payable solely from the Trust Estate. JEDA has agreed to assign and pledge to the Bond Trustee the Trust Estate, which includes (i) all right, title and interest of JEDA under and pursuant to the Loan Agreement (with certain exceptions), (ii) the Deposited Bonds (as defined below), including the right to receive payments thereon, and (iii) amounts on deposit from time to time in certain funds created under the Indenture.

Loan Agreement

Pursuant to the Loan Agreement, SCE&G is obligated to pay to the Bond Trustee, as the assignee of JEDA, moneys equal in amount to the principal and interest payments due on the Bonds, at the time such payments are due, in addition to other amounts payable under the Loan Agreement (other than indemnity and JEDA's expenses and charges). SCE&G's obligation to make payments under the Loan Agreement is absolute and unconditional and SCE&G will not be entitled to any abatement or setoff, waiver or modification of such obligations for any reason regardless of rights SCE&G may have against the Bond Trustee or JEDA.

Deposited Bonds

Contemporaneously with the issuance and delivery of the Bonds, SCE&G will cause to be delivered to the Bond Trustee its First Mortgage Bonds, 2013 Deposited Series (the "Deposited Bonds"), which Deposited Bonds will bear interest at the same rates and will mature on the same dates and in the same years and principal amounts as the Bonds. The Deposited Bonds will be issued under the Indenture, dated as of April 1, 1993, between SCE&G and The Bank of New York Mellon Trust Company, N.A., successor to NationsBank of Georgia, National Association, as trustee (the "1993 Trustee"), as supplemented, including as supplemented by the Second Supplemental Indenture dated as of June 15, 1993 (as so supplemented, the "1993 Indenture"), between SCE&G

and the 1993 Trustee. For more complete information with respect to the 1993 Indenture and the Deposited Bonds, see “SUMMARY OF CERTAIN DOCUMENTS RELATING TO THE BONDS -- 1993 Indenture” herein.

SCE&G

General

SCE&G is a South Carolina corporation organized in 1924 and is a wholly-owned subsidiary of SCANA Corporation (“SCANA”). SCE&G is a regulated public utility engaged in the generation, transmission, distribution and sale of electricity to approximately 669,000 customers and in the purchase, sale, and transportation of natural gas to approximately 317,000 customers (each as of September 30, 2012). SCE&G’s electric service area covers nearly 17,000 square miles and extends into 24 counties in central, southern and southwestern portions of South Carolina. The service area for natural gas encompasses all or part of 35 counties of the 46 counties in South Carolina and covers more than 22,600 square miles. The total population of SCE&G’s combined electric and gas service area is approximately 3.2 million.

Statement of Available Information

SCE&G is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the “Commission”). SCE&G’s file number with the Commission is 001-03375. SCE&G’s filings with the Commission are available to the public over the Internet at the Commission’s website at <http://www.sec.gov>. Reports, proxy statements and other information filed by SCE&G can also be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 100 F. Street, N.E., Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the operation of the public reference rooms. Such reports, proxy statements and other information can also be inspected and copied at the offices of The New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

Incorporation of Certain Documents by Reference

The following documents and/or portions thereof have been previously filed by SCE&G with the Commission and are hereby incorporated by reference in this Official Statement and made a part hereof.:

- (a) Annual Report on Form 10-K for the year ended December 31, 2011;
- (b) Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012; and
- (c) Current Reports on Form 8-K, dated January 24, 2012, July 11, 2012, and October 30, 2012.

In addition, all documents filed by SCE&G pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Official Statement shall be deemed to be incorporated by reference into this Official Statement and to be a part hereof from the date of the filing of such documents.

Any statement contained in any document incorporated or deemed to be incorporated by reference into this Official Statement shall be deemed to be modified or superceded for purposes thereof to the extent that a statement contained therein or in any subsequently filed document that is also incorporated or deemed to be incorporated by reference modifies or supercedes such statement. Any statement so modified or superceded shall not be deemed to constitute a part of this Official Statement.

SCE&G will provide without charge to each person to whom this Official Statement is delivered, on written or oral request of such person, a copy of any or all documents so requested relating to it incorporated by reference in this Official Statement (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into such documents). Copies of such documents are available at no cost by writing or

telephoning SCE&G at the following address or phone: Iris Griffin, Investor Relations Manager, SCANA Corporation, 220 Operation Way, Cayce, South Carolina 29033, (803) 217-6642.

INVESTMENT CONSIDERATIONS

For a discussion of certain risk factors with respect to SCE&G, see Item 1A “Risk Factors” in the Form 10-K incorporated herein by reference as described above in “SCE&G - Incorporation of Certain Documents by Reference.” Such discussion is hereby incorporated by reference and made a part of this Official Statement. Such discussion is not meant to be an exhaustive list of all risks associated with the purchase of any Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider these risk factors along with all other information described elsewhere or incorporated by reference in this Official Statement in evaluating a prospective investment in the Bonds.

SUMMARY OF CERTAIN DOCUMENTS RELATING TO THE BONDS

The following summary of the Bond Indenture, the Loan Agreement and the 1993 Indenture is qualified in its entirety by reference to more complete and detailed information contained in the Bond Indenture, the Loan Agreement and the 1993 Indenture, copies of each of which are available for examination and may be obtained by contacting SCE&G at 220 Operation Way, Cayce, South Carolina, 29033, Attention: Treasurer.

Bond Indenture

Events of Default. Any of the following events constitute an event of default under the Bond Indenture:

- (i) Default in the payment of the principal of or premium, if any, on any Bond when the same shall become due and payable, whether at the stated maturity thereof, or upon proceedings for redemption or as required by the provisions of the Bond Indenture or otherwise.
- (ii) Default in the payment of any installment of interest on any Bond when the same becomes due and payable.
- (iii) The Bond Trustee receives written notice from the 1993 Trustee that the principal of the Deposited Bonds has been declared immediately due and payable.
- (iv) JEDA’s failure to perform any covenant, agreement or condition contained in the Bond Indenture which remains uncured for 60 days after JEDA and SCE&G receive written notice thereof from the Bond Trustee or the holders of at least a majority in principal amount of the Bonds outstanding (not including SCE&G’s failure to perform its obligations under the Loan Agreement or failures by JEDA which are incurable within 60 days but which JEDA has commenced action to remedy such failure and thereafter proceeds with due diligence to effect such remedy).
- (v) Any event of default under the Loan Agreement.

Remedies. Upon the occurrence of an event of default under the Bond Indenture, the Bond Trustee has the following rights and remedies:

- (i) The Bond Trustee may, and either (a) upon the request of the holders of at least a majority in aggregate principal amount of Bonds then outstanding, or (b) in the event the payment of principal of the Deposited Bonds has been declared immediately due and payable, will, declare the principal amount of all Bonds then outstanding and the interest accrued thereon to be immediately due and payable. In such event, the Bond Trustee will provide notice to the Bondholders stating the date upon which such Bonds shall be payable and to the extent the principal of the Deposited Bonds has not been declared to be immediately due and payable, the Bond Trustee shall take such action as may be necessary to effect the redemption of the Deposited Bonds or request the 1993 Trustee to declare the principal of the Deposited Bonds to be immediately due and payable. If the payment of principal of the Deposited Bonds has been declared immediately due and payable, such acceleration may be annulled in accordance

with the terms of the 1993 Indenture. Also, in the event of acceleration of the Bonds, the holders of at least a majority in aggregate principal amount of Bonds then outstanding have the right to annul such acceleration, in which case the Bond Trustee will rescind its request to accelerate the Deposited Bonds.

(ii) The Bond Trustee may, at law or in equity, enforce the rights of the Bondholders and require JEDA and/or SCE&G to carry out the agreements and perform their duties under the Loan Agreement and the Bond Indenture.

(iii) The Bond Trustee may, by action or suit in equity, require JEDA to account but any such judgment against JEDA shall be enforceable only against the separate funds and accounts in the hands of the Bond Trustee pursuant to the Bond Indenture.

(iv) The Bond Trustee may, by action or suit in equity, enjoin any acts or things that may be unlawful or in violation of the rights of Bondowners.

(v) The Bond Trustee may appoint a receiver for the Trust Estate with such powers as the court making such appointment shall confer.

Acts of Majority of Bondholders Control. Holders of at least a majority in aggregate principal amount of the Bonds then outstanding have the right, at any time, to direct the method, time and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Bond Indenture, or for the appointment of a receiver and any other proceedings under the Bond Indenture.

No Bondholder has the right to institute any suit or action for the enforcement of the Bond Indenture or for the application of any remedy under the Bond Indenture unless (i) an event of default has occurred of which the Bond Trustee has been notified or is aware, (ii) the owners of not less than a majority in aggregate principal amount of the Bonds outstanding shall have made written request to the Bond Trustee and offered reasonable opportunity either to proceed to exercise the powers granted to the Bond Trustee or institute such action; (iii) they shall have offered the Bond Trustee indemnity as provided in the Bond Indenture; and the Bond Trustee shall thereafter fail or refuse to exercise such powers or institute such action, suit or procedures in its own name (each as in accordance with the terms of the Bond Indenture).

Application of Moneys. All moneys received by the Bond Trustee pursuant to the exercise of rights upon an event of default will, after payment of costs and expenses, be deposited into the Bond Sinking Fund and all such moneys will be applied as follows:

(i) Unless the principal of all the Bonds has become or been declared due and payable, then all moneys are to be applied:

(a) First, to the payment to the persons entitled thereto of all installments of interest due on the Bonds, in the order of the maturity of the installments, with interest paid at the highest rate of interest borne by any outstanding Bond (with pro rata payment to such holders in the event of insufficient funds); and

(b) Second, to the payment to the persons entitled thereto of the unpaid principal on any Bonds that have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Bond Indenture) in the order of their due dates, with interest paid at the highest rate of interest borne by any outstanding Bond (with pro rata payment to such holders in the event of insufficient funds).

(ii) If the principal of all the Bonds has become due or has been declared due and payable, all moneys will be applied to the payment of the principal and interest then due and unpaid upon all of the Bonds, together with interest at the highest rate of interest borne by any outstanding Bond on overdue installments of principal and interest, ratably according to the amounts due respectively for principal and interest to the persons entitled thereto.

(iii) If the principal of all the Bonds has been declared due and payable and if such declaration thereafter has been rescinded, in the event that the principal of all the Bonds later becomes due or is declared due and payable, the moneys will be applied as in clause (i) above.

Waivers of Events of Default. The Bond Trustee has the discretion to waive any event of default and rescind any declaration of maturity of the Bonds, and will do so upon the written request of the owners of (i) a majority in aggregate principal amount of Bonds then outstanding in respect of which a default in the payment of principal and/or interest exists, or (ii) a majority in aggregate principal amount of Bonds then outstanding in the case of any other default. However, no default may be waived in the event of (a) a default in the payment when due of the principal of any Bonds at the date of maturity specified therein, or (b) any default in the payment when due of the interest on any Bond.

Defeasance. All Outstanding Bonds will, prior to the maturity or redemption date thereof, be deemed to have been paid if (i) in case such Bonds are to be redeemed on any date prior to their maturity, SCE&G shall have given to the Bond Trustee notice of redemption of such Bonds on such redemption date, (ii) there shall have been deposited with the Bond Trustee either moneys in an amount that shall be sufficient, or Federal Securities (as defined in the Bond Indenture) that shall not contain provisions permitting the redemption thereof at the option of any person other than the holder thereof, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys that, together with the moneys, if any, deposited with or held by the Bond Trustee at the same time, shall be verified in a report or opinion of a firm of independent certified public accountants to be sufficient to pay when due the principal of and interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) in the event such Bonds do not mature or are not by their terms subject to redemption within the next 60 days, SCE&G shall have given the Bond Trustee irrevocable instructions to give a notice to the owners of such Bonds that the deposit required by (ii) above has been made with the Bond Trustee and that such Bonds are deemed to have been paid and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of and premium, if any, and interest on such Bonds, (iv) an Opinion of Bond Counsel (as defined in the Bond Indenture) to the effect that the deposit of moneys or Federal Securities to defease the Bonds will not cause interest on any of the Bonds to become includable in gross income for federal income tax purposes, and (v) provision satisfactory to the Bond Trustee shall be made for the payment of the fees and expenses of the Bond Trustee up to and including the actual payment of the Bonds.

Supplemental Indentures. Generally, the consent of a majority in aggregate principal amount of Bonds then outstanding is required to effect the execution of a supplemental indenture, except that the consent of the owners of all the Bonds at the time outstanding is required to effect the execution of a supplemental indenture relating to (i) an extension of the maturity of, or a reduction in the principal amount of, or a reduction of the rate of or extension of the time of payment of interest on, or a reduction of a premium payable upon any redemption of, any Bond, (ii) the deprivation of any Bond owner of the lien or rights created by the Bond Indenture, (iii) a privilege of priority of any Bond over any other Bond, and (iv) a reduction in the aggregate principal amount of the Bonds required to consent to any supplemental indenture.

Deposited Bonds. Deposited Bonds issued and delivered to the Bond Trustee shall be registered in the name of the Bond Trustee or its nominee and shall be owned and held by the Bond Trustee, subject to the provisions of the Bond Indenture, for the benefit of the holders of the Bonds from time to time outstanding, and SCE&G shall have no interest therein. Whether or not there has been an event of default under either the Loan Agreement or the Bond Indenture, the Bond Trustee shall be entitled to exercise all rights of holders of the Deposited Bonds under the 1993 Indenture in its discretion except as otherwise provided in the Bond Indenture.

Unless an event of default under the Bond Indenture shall have occurred and be continuing:

(i) Any payment by SCE&G of principal of Deposited Bonds shall be applied by the Bond Trustee to the payment of any principal of or interest on the Bonds, as applicable, which is then due, and, to the extent of such application, the obligation of SCE&G to make such payment in respect of the Bonds shall be deemed to have been satisfied and discharged. Upon the payment of the principal of the Bonds, or any portion thereof, or upon such

Bonds being deemed paid pursuant to the Bond Indenture, a corresponding principal amount of Deposited Bonds of the applicable maturity shall be delivered to SCE&G for cancellation; and

(ii) If, at the time of any such payment or interest on Deposited Bonds, the interest then due in respect of the Bonds shall be less than such payment, the excess of such payment shall be remitted to SCE&G.

Full payment by SCE&G, when due, of principal of or interest on the Bonds, or upon such Bonds being deemed paid pursuant to the Bond Indenture, shall be deemed to satisfy and discharge the obligation of SCE&G, if any, to make a payment of principal or interest, as the case may be, in respect of Deposited Bonds held by the Bond Trustee which is then due.

In the event that any request, direction or consent is requested or permitted by the Bond Indenture of the holders of the Deposited Bonds, the holders of the Bonds then Outstanding (as defined in the Bond Indenture) shall be deemed to be holders of the Deposited Bonds for the purpose of any such request, direction or consent in the proportion that the aggregate principal amount of Bonds then Outstanding held by each such holder of Bonds bears to the aggregate principal amount of all Bonds then Outstanding.

Loan Agreement

General. In consideration of the issuance of the Bonds by JEDA and the loan of the proceeds to SCE&G, and in order to secure the payment of the principal of and interest on the Bonds, SCE&G and JEDA entered into the Loan Agreement. JEDA has assigned its rights (with certain exceptions) under the Loan Agreement to the Bond Trustee pursuant to the Bond Indenture and has agreed that the Bond Trustee may enforce the rights, remedies and privileges granted to JEDA under the Loan Agreement. Under the Loan Agreement, SCE&G will make repayment to the Bond Trustee of the loan made by JEDA, and other amounts payable under the Loan Agreement (other than indemnity and JEDA's expenses and charges). Under the Loan Agreement, SCE&G covenants to duly and punctually pay the principal of interest on the Bonds at the dates and the places specified in the Bonds and in the manner referenced in the Bond Indenture and the Loan Agreement.

Unconditional Obligation. Under the Loan Agreement, SCE&G bears all risk of completion of and damage or destruction to the facilities financed or refinanced with the proceeds of the Bonds. SCE&G's obligation to make payments under the Loan Agreement are absolute and unconditional and SCE&G will not be entitled to any abatement or setoff, waiver or modification of such obligations for any reason regardless of rights SCE&G may have against the Bond Trustee or JEDA.

Prepayments. SCE&G may prepay its obligations under the Loan Agreement, in which case, all amounts will be credited to the loan repayments in the order of their due dates or, at SCE&G's election, will be used for the redemption or purchase of outstanding Bonds in accordance with the Bond Indenture.

Events of Default. The occurrence of any of the following events constitutes an event of default under the Loan Agreement:

(i) SCE&G's failure to make any payment to the Bond Trustee in a timely fashion in accordance with the terms of the Loan Agreement; or

(ii) SCE&G's failure to perform any covenant, agreement or condition contained in the Loan Agreement which remains uncured for 60 days after SCE&G receives notice (not including SCE&G's failure to perform its obligations under the Loan Agreement which are incurable within 60 days but which SCE&G has commenced action to remedy such failure and diligently pursues such action until the default is cured); or

(iii) if the principal of the Deposited Bonds has been declared immediately due and payable under the 1993 Indenture.

Upon the occurrence of an event of default as described above, the Bond Trustee may declare all principal of on all then outstanding Bonds, and interest accrued thereon, immediately due and payable. Additionally, the

Bond Trustee may in its discretion proceed to protect and enforce its rights by a suit or suits in equity or at law, whether for damages or for the specific performance of any covenant or agreement contained in the Loan Agreement, or in aid of the execution of any power granted in the Loan Agreement, provided, however, that all costs incurred by the Bond Trustee in connection with protecting and enforcing these rights shall be paid to the Bond Trustee by SCE&G on demand.

Indemnification. Under the Loan Agreement, SCE&G agrees to indemnify and hold harmless JEDA and the Bond Trustee from any liability or loss resulting from JEDA's and the Bond Trustee's participation in the financing represented by the issuance of the Bonds (except in the event of negligence, willful misconduct or bad faith on the part of JEDA or the Bond Trustee). This indemnification will extend to, among other things, (i) any injury to or death of any person or damage to any property in or upon the facilities financed or refinanced with the proceeds of the Bonds, or resulting from or connected with the use, non-use, condition or occupancy of the facilities financed or refinanced with the proceeds of the Bonds, (ii) a violation of the Loan Agreement (except for violations by JEDA or the Bond Trustee due to the negligence, willful misconduct or bad faith on the part of JEDA or the Bond Trustee), (iii) violation of any contract, agreement or restriction by SCE&G relating to the facilities financed or refinanced with the proceeds of the Bonds, (iv) violation of any law or regulation arising out of the ownership, occupancy or use of the facilities financed or refinanced with the proceeds of the Bonds, and (v) any material misstatement contained in this Official Statement.

Amendment to Loan Agreement. Generally, the consent of a majority in aggregate principal amount of Bonds then outstanding is required to amend any provision of the Loan Agreement.

1993 Indenture

General. In connection with the issuance of the Bonds, SCE&G will issue to the Bond Trustee the Deposited Bonds. The Deposited Bonds will be issued under the 1993 Indenture.

Payment of Bonds; Transfers; Exchanges. Interest, if any, on each Deposited Bond payable on each date on which interest on the Deposited Bonds is payable will be paid to the Bond Trustee as of the close of business on the record date relating to such interest payment date.

Principal of, and premium, if any, and interest on, the Deposited Bonds will be payable at the office or agency of SCE&G in Atlanta, Georgia (currently, the 1993 Trustee). SCE&G may change the place at which the Deposited Bonds will be payable, may appoint one or more additional paying agents (including SCE&G) and may remove any paying agent, all at its discretion.

Transfer of the Deposited Bonds may be registered, and Deposited Bonds may be exchanged for other Deposited Bonds of the same series, of authorized denominations (which will be \$1,000 and any integral multiple thereof) and of like tenor and aggregate principal amount, at the office or agency of SCE&G in Atlanta, Georgia (currently, the 1993 Trustee). SCE&G may change the place for registration of transfer of the Deposited Bonds, may appoint one or more additional security registrars (including SCE&G) and may remove any security registrar, all at its discretion.

Redemption.

The Deposited Bonds provide that they are subject to redemption, in whole at any time, or in part from time to time, prior to maturity, at a redemption price equal to the principal amount thereof, upon receipt by the 1993 Trustee of a written notice from the Bond Trustee (i) delivered to the 1993 Trustee and SCE&G, (ii) stating that an event of default has occurred under the Bond Indenture and is continuing and that, as a result, there then is due and payable a specified amount with respect to the Deposited Bonds, for the payment of which the Bond Trustee has not received funds and (iii) specifying the principal amount of the Deposited Bonds to be redeemed. The Bond Indenture provides that upon the payment or defeasance of a portion of the principal of the Bonds, a corresponding principal amount of Deposited Bonds will be delivered to SCE&G for cancellation.

Security.

General. The Deposited Bonds, equally and ratably with all other bonds issued under the 1993 Indenture, will be secured by the lien of the 1993 Indenture on the Mortgaged Property (as defined below).

Following a merger or consolidation of another corporation into SCE&G, SCE&G may, provided certain conditions set forth in the 1993 Indenture are satisfied, designate an existing mortgage or deed of trust or similar indenture of such other corporation as a "Class A Mortgage". In such event, the Deposited Bonds could be secured by bonds and other obligations issued under such Class A Mortgage (which would constitute "Class A Bonds") and by the lien of the 1993 Indenture on the properties of such other corporation, which lien would be junior to the lien of such Class A Mortgage. Presently, SCE&G has no Class A Bonds outstanding.

The 1993 Trustee may not transfer any Class A Bonds which have been designated as the basis for the authentication and delivery of bonds issued under the 1993 Indenture, except to a successor trustee under the 1993 Indenture. At the time any bonds issued under the 1993 Indenture which have been authenticated and delivered upon the basis of Class A Bonds cease to be outstanding, SCE&G may request the 1993 Trustee to surrender for cancellation an equal principal amount of such Class A Bonds.

Lien of the 1993 Indenture. The properties subject to the lien of the 1993 Indenture (the "Mortgaged Property") are substantially all of the properties of SCE&G used in the generation, purchase, transmission, distribution and sale of electricity and any other property which SCE&G may hereafter elect to subject to such lien.

The lien of the 1993 Indenture is also subject to liens on after-acquired property existing at the time of acquisition and to permitted liens under the 1993 Indenture, which include tax liens, mechanics', materialmen's and similar liens and certain employees' liens, in each case, which are not delinquent and which are being contested, certain judgment liens, easements, reservations and rights of others (including governmental entities) in, and defects of title to, the Mortgaged Property which do not materially impair its use by SCE&G, certain leases and certain other liens and encumbrances.

Excepted from the lien of the 1993 Indenture are, among other things, cash and securities not held under the 1993 Indenture; contracts, leases and other agreements, bills, notes and other instruments, receivables, claims, certain intellectual property rights and other general intangibles; automotive and similar vehicles, movable equipment, and railroad, marine and flight equipment; all goods, stock in trade, wares and merchandise held for sale in the ordinary course of business; fuel (including nuclear fuel assemblies), materials, supplies and other personal property consumable in the operation of SCE&G's business; portable equipment; furniture and furnishings; computers, machinery and equipment used exclusively for corporate administrative or clerical purposes; electric energy, gas, steam, water and other products generated, produced or purchased; substances mined, extracted or otherwise separated from the land and all rights thereto, leasehold interests; and, with certain exceptions, all property which is located outside of the State of South Carolina or Columbia County, Georgia.

The 1993 Indenture contains provisions subjecting (with certain exceptions and limitations and subject to the prior lien of the applicable Class A Mortgage, if any, and the provisions of the U.S. Bankruptcy Code) after-acquired electric utility property to the lien thereof. Notwithstanding the foregoing, it may be necessary to comply with applicable recording requirements to perfect such lien on after-acquired electric utility property.

The 1993 Indenture provides that the 1993 Trustee will have a lien, prior to the lien on behalf of the holders of bonds issued thereunder, upon the Mortgaged Property, for the payment of its compensation and expenses.

Issuance of Bonds under the 1993 Indenture. The maximum principal amount of bonds which may be issued under the 1993 Indenture is unlimited. Bonds of any series may be issued from time to time on the basis of, and in an aggregate principal amount not exceeding: (i) the aggregate principal amount of Class A Bonds issued and delivered to the 1993 Trustee and designated by SCE&G as the basis for such issuance; (ii) 70% of the amount of unfunded net property additions (generally, property additions (net of retirements) which have not been made or deemed to have been made the basis of the authentication and delivery of bonds issued under the 1993 Indenture or used for other purposes under the 1993 Indenture); (iii) the aggregate principal amount of retired bonds issued under the 1993 Indenture; and (iv) cash deposited with the 1993 Trustee.

Property additions, generally, include any Mortgaged Property which SCE&G may elect to designate as such, except (with certain exceptions) goodwill, going concern value rights, intangible property or any property the cost of acquisition or construction of which is property chargeable to an operating expense account of SCE&G.

SCE&G will issue the Deposited Bonds on the basis of property additions certified to the 1993 Trustee and designated by SCE&G as the basis for such issuance.

With certain exceptions in the case of bonds issued under the 1993 Indenture which are issued pursuant to the provisions of the 1993 Indenture described in (i) and (iii) of the third preceding paragraph, SCE&G can issue bonds thereunder only if its adjusted net earnings for 12 consecutive months within the preceding 18 months is at least twice the annual interest requirements on all bonds issued under the 1993 Indenture at the time outstanding, the bonds issued under the 1993 Indenture then applied for and all outstanding Class A Bonds other than Class A Bonds held by the 1993 Trustee under the 1993 Indenture.

Release of Property. Property may be released from the lien of the 1993 Indenture either upon the basis of unfunded net property additions or upon the basis of the deposit of cash or a credit for retired securities and certain other obligations. Property may also be released upon the basis of its release under a Class A Mortgage, if any.

Withdrawal of Cash. Cash deposited as the basis for the issuance of bonds issued under the 1993 Indenture and cash representing payments in respect of Class A Bonds designated as the basis for the issuance of bonds issued under the 1993 Indenture may be withdrawn upon the basis of (i) unfunded net property additions in an amount equal to ten-sevenths of such cash, (ii) an equal amount of retired securities or (iii) an equal amount of Class A Bonds not then designated as the basis for the issuance of bonds issued under the 1993 Indenture or the withdrawal of cash. Any other cash (with certain exceptions) may (i) be withdrawn upon the basis of (a) unfunded net property additions, or (b) ten-sevenths of the amount of retired securities, or (ii) be applied to (a) the purchase of bonds issued under the 1993 Indenture (at prices not exceeding ten-sevenths of the principal amount thereof) or (b) the redemption or payment at stated maturity of bonds issued under the 1993 Indenture.

Modification of 1993 Indenture. Except for modifications to the 1993 Indenture which will not have a material adverse effect upon the interests of the holders of the bonds issued under the 1993 Indenture or which are required as the result of amendments to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), the consent of the holders of not less than a majority in aggregate principal amount of the outstanding bonds issued under the 1993 Indenture (or if only certain series of bonds would be affected, the consent of the holders of not less than a majority in aggregate principal amount of the outstanding bonds of such series issued under the 1993 Indenture) is required for the purpose of amending the 1993 Indenture; provided, however, that no such amendment may, without the consent of the holder of each outstanding bond issued under the 1993 Indenture directly affected thereby, (i) change the stated maturity of the principal of, or any installment of principal of or interest on such bond issued under the 1993 Indenture, or reduce the principal amount, the rate of interest thereon or any amount payable in respect of or any premium payable on the redemption thereof, or impair any right to enforce payment thereon, or (ii) permit the creation of a lien prior to the lien of the 1993 Indenture on all or substantially all of the Mortgaged Property or otherwise deprive such holders of the security of the lien of the 1993 Indenture, or (iii) reduce the percentage in principal of bonds issued under the 1993 Indenture, the consent of whose holders is required for any supplemental indenture or any waiver, or reduce certain quorum or voting requirements of the 1993 Indenture.

Events of Default. Each of the following events constitutes an event of default under the 1993 Indenture:

- (i) failure to make payments of principal or premium within three days, or interest within 60 days, after the same shall become due and payable;
- (ii) failure to perform or breach of any other covenant or warranty for a period of 90 days after notice, unless an extension of such period is agreed to in writing, or deemed to have been agreed to, in accordance with the provisions of the 1993 Indenture;

(iii) SCE&G files for bankruptcy or certain other events involving insolvency, receivership or bankruptcy occur; and

(iv) the occurrence of a matured event of default under any Class A Mortgage.

If an event of default outlined above should occur and be continuing, either the 1993 Trustee or the holders of not less than 25% in principal amount of the bonds then outstanding under the 1993 Indenture may declare the principal amount of all of the outstanding bonds issued under the 1993 Indenture to be immediately due and payable. At any time after such declaration of acceleration has been made, but before the sale of any of the Mortgaged Property and before a judgment or decree for payment of money has been obtained by the 1993 Trustee, the event of default giving rise to such declaration of acceleration will be deemed to have been waived, and such declaration and its consequences will be deemed to have been rescinded and annulled, if SCE&G has paid all amounts then due and payable with respect to the outstanding bonds issued under the 1993 Indenture (other than principal due and payable solely because of the acceleration of their maturity) and any other event of default (other than the payment of principal which shall have become due solely by such declaration of acceleration) has been cured or waived.

The holders of a majority in principal amount of the outstanding bonds issued under the 1993 Indenture may direct the time, method and place of conducting any proceeding for the enforcement of the 1993 Indenture available to the 1993 Trustee or exercise any trust or power conferred on the 1993 Trustee; provided that (i) such direction shall not be in conflict with any rule of law or with the 1993 Indenture and could not involve the 1993 Trustee in personal liability in circumstances where indemnity would not be adequate, and (ii) the 1993 Trustee may take any other action deemed proper by the 1993 Trustee which is not inconsistent with such direction. No holder of any bond issued under the 1993 Indenture has any right to institute any proceeding with respect to the 1993 Indenture, or for the appointment of a receiver or for any other remedy thereunder, unless (i) such holder has previously given to the 1993 Trustee written notice of a continuing event of default, (ii) the holders of not less than a majority in principal amount of outstanding bonds have tendered to the 1993 Trustee reasonable indemnity against costs and liabilities and requested that the 1993 Trustee take action, (iii) the 1993 Trustee has declined to take action for 60 days and (iv) no inconsistent direction has been given by the holders of a majority in principal amount of outstanding bonds during such 60-day period; provided, however, that each holder of a bond issued under the 1993 Indenture has the right to enforce payment of such bond when due.

In addition to the rights and remedies provided in the 1993 Indenture, the 1993 Trustee may exercise any right or remedy available to the 1993 Trustee in its capacity as the owner and holder of Class A Bonds which arises as a result of a default under a Class A Mortgage.

Restrictions on Payment of Dividends

The 1993 Indenture prohibits SCE&G from declaring and paying dividends on any shares of its common stock except from either (1) the excess (the "Surplus") of its net assets over its Capital (as defined herein) or (2) if there is no Surplus, its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year; provided, that no dividends may be declared if and while its Capital is significantly impaired as described in the 1993 Indenture. "Capital" is defined in the 1993 Indenture to mean the part of the consideration the Company received for any shares of SCE&G's capital stock as determined by its board of directors to be capital or, if its board has not made such a determination, the aggregate par amount of shares having a par value plus the amount of consideration for such shares without par value. All of the outstanding shares of SCE&G's common stock are held of record by SCANA.

Evidence of Compliance

The Trust Indenture Act requires that SCE&G give the 1993 Trustee, not less often than annually, a brief statement as to SCE&G's compliance with the conditions and covenants under the 1993 Indenture.

The 1993 Trustee is under no obligation to exercise any of the rights or powers vested in it by the 1993 Indenture at the request or direction of any holder of bonds issued thereunder pursuant to the 1993 Indenture, unless such holder has offered to the 1993 Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

Relationship with the 1993 Trustee

The 1993 Trustee and/or one or more of its affiliates, may be lenders under SCE&G's, or its subsidiaries' or affiliates', credit agreements and may provide other commercial banking, investment banking and other services to SCE&G and/or its subsidiaries or affiliates. The 1993 Trustee will be permitted to engage in other transactions with SCE&G and/or its subsidiaries or affiliates; however, if the 1993 Trustee acquires any conflicting interest, as defined in the Trust Indenture Act, it must eliminate the conflict or resign.

UNDERWRITING

TD Securities (USA) LLC, as underwriter of the Bonds, has agreed to purchase the Bonds from JEDA pursuant to a Bond Purchase Agreement, among JEDA, SCE&G and the Underwriter (the "Purchase Agreement") at a purchase price of \$56,650,958 (which represents the par amount of the Bonds, plus net original issue premium of \$2,435,958). SCE&G has agreed to pay the Underwriter a fee of \$248,967 in connection with the Underwriter's purchase of the Bonds. The Purchase Agreement provides that the Underwriter will be obligated to purchase all of the Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions to be satisfied by JEDA and SCE&G. The Purchase Agreement contains the agreement of SCE&G to indemnify the Underwriter and JEDA against certain liabilities to the extent permitted by law. The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the cover page. The offering prices may be changed from time to time by the Underwriter.

TD Securities (USA) LLC has entered into a negotiated dealer agreement (the "TD Dealer Agreement") with TD Ameritrade for the retail distribution of certain securities offerings, including the Bonds, at the original issue prices. Pursuant to the TD Dealer Agreement, TD Ameritrade will purchase Bonds from TD Securities (USA) LLC at the original issue prices less a negotiated portion of the selling concession applicable to any Bonds that TD Ameritrade sells.

LITIGATION

To the knowledge of JEDA, no litigation in the State of South Carolina or federal court is pending against JEDA or is, to the best knowledge of JEDA, threatened, questioning the corporate existence of JEDA, or which would restrain or enjoin the issuance or delivery of the Bonds, or which concerns the proceedings of JEDA taken in connection with the Bonds, the pledge of the Trust Estate for their payment, or which contests the powers of JEDA with respect to the foregoing.

TAX EXEMPTION

Opinion of Bond Counsel

In the opinion of McNair Law Firm, P.A., Bond Counsel, under existing statutes, rulings and court decisions and under applicable regulations, interest on the Bonds is not includable in gross income for federal income tax purposes, except for interest on any Bonds for any period during which such Bonds are held by a person who is a "substantial user" of the facilities financed or refinanced by the Bonds or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended (the "1954 Code"). Interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed

on individuals and corporations; however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on such corporations.

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the Bonds. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise.

Federal Income Taxation

Internal Revenue Code

The Internal Revenue Code of 1986, as amended, and the applicable provisions of the 1954 Code (collectively, the “Code”) include provisions that relate to tax-exempt obligations, such as the Bonds, including, among other things, permitted uses and investment of the proceeds of the Bonds, the rebate of certain arbitrage earnings from the investment of such proceeds to the United States Treasury and the use of property financed or refinanced with the proceeds of the Bonds. JEDA and SCE&G have covenanted to comply with these requirements to the extent required to maintain the exclusion of interest on the Bonds from gross income for federal tax purposes. Failure of JEDA and SCE&G to comply with these covenants could cause the interest on the Bonds to be taxable retroactively to the date of issuance thereof.

Prospective purchasers of the Bonds should consult their tax advisors with respect to collateral tax consequences of ownership of the Bonds, such as the calculation of the foreign branch profits tax liability, the tax on passive income of S corporations, the application of backup withholding, the inclusion of Social Security or other retirement payments in taxable income or the portion of interest expense of a financial institution which is allocable to tax-exempt interest.

Bond Counsel has not undertaken to determine (or to inform any person) whether any action taken (or not taken) or event occurring (or not occurring) after the issue date of the Bonds may affect the tax status of interest on the Bonds. In rendering its opinions, Bond Counsel will rely upon representations and certifications of JEDA and SCE&G with respect to certain material facts solely within JEDA’s and SCE&G’s knowledge relating to the application of the proceeds of the Bonds.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represent Bond Counsel’s judgment as to the proper treatment of the Bonds for federal income tax purposes. They are not binding on the Internal Revenue Service (“IRS”) or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of JEDA or SCE&G or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS.

Premium Bonds

Certain of the Bonds may be sold at initial public offering prices, or may be subsequently purchased at prices, which are greater than the amount payable at maturity (“Premium Bonds”). An amount equal to the excess of the purchase price of the Premium Bonds over the stated redemption prices at maturity constitutes premium on such Premium Bonds. A purchaser of a Premium Bond must amortize any premium over such Premium Bond’s term using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the purchaser’s basis in such Premium Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser’s basis is reduced, no federal income tax deduction is allowed. Purchasers of any Premium Bond, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Premium Bonds.

Original Issue Discount

Certain of the Bonds may be sold at initial public offering prices which are less than the principal amounts payable at maturity (the "Discount Bonds"). The difference between the initial public offering prices to the public (excluding bond houses and brokers) at which price a substantial amount of each maturity of the Discount Bonds is sold and the amount payable at maturity constitutes original issue discount, which will be excludable from gross income to the same extent as interest on the Bonds for federal income tax purposes. The Code provides that the amount excludable accrues using a single rate of compound interest based on the compounding of interest at the end of each six-month period (or shorter period from the date of original issue) ending February 1 and August 1 (with straight-line interpolation between compounded dates).

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing in each period with respect to Discount Bonds purchased upon the initial offering of such Discount Bonds, will be added to the holder's tax basis for the Discount Bonds. Such adjusted basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity).

Bondholders who may acquire Discount Bonds should consult their tax advisors with respect to the determination for federal income tax purposes of the amount of original issue discount or interest properly accruable with respect to such Bonds, other tax consequences of owning Discount Bonds and other state and local tax consequences of owning Discount Bonds.

Change in Law

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. As one example, the Obama Administration announced in early 2012 a legislative proposal which, for tax years beginning on or after January 1, 2013, generally would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such future legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

IRS Audit

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend JEDA or SCE&G regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than JEDA or SCE&G and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of Bonds is difficult, obtaining an independent review of IRS positions with which JEDA or SCE&G legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause SCE&G or the Beneficial Owners to incur significant expense.

South Carolina Income Taxation

In the opinion of Bond Counsel, the Bonds and the interest thereon are exempt from taxation by the State or any political subdivision thereof, except estate or other transfer taxes and certain franchise taxes. Section 12-11-

20 of the Code of Laws of South Carolina 1976, as amended, imposes upon every bank engaged in business in the State a fee or franchise tax computed at the rate of 4½% of the entire net income of such bank. Regulations of the South Carolina Department of Revenue require that the term “entire net income” includes income derived from any source whatsoever including interest on obligations of any state and any political subdivision thereof. Interest on the Bonds will be included in such computation.

APPROVAL OF LEGAL PROCEEDINGS

The authorization and issuance of the Bonds are subject to the approving opinion of McNair Law Firm, P.A., Bond Counsel, which opinion will be substantially in the form set forth in Appendix A.

Certain legal matters will be passed upon for SCE&G by its Senior Vice President and General Counsel and by McNair Law Firm, P.A. Certain legal matters with regard to JEDA will be passed upon by its counsel, Haynsworth Sinkler Boyd, P.A. Certain legal matters will be passed on for the Underwriter by its counsel, King & Spalding LLP.

CONTINUING DISCLOSURE

Pursuant to the Continuing Disclosure Agreement, dated January 8, 2013 (the “Continuing Disclosure Agreement”), SCE&G has agreed to provide certain quarterly and annual financial information and notification of material events to the holders of the Bonds in order to assist the Underwriter in complying with under Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Rule”). The form of the Continuing Disclosure Agreement containing the covenants made by SCE&G thereunder for the benefit of the Owners of the Bonds is attached in APPENDIX B — “FORM OF CONTINUING DISCLOSURE AGREEMENT.”

Failure by SCE&G to comply with the Continuing Disclosure Agreement will not constitute an event of default under the Bond Indenture or the Loan Agreement. Remedies of the holders of the Bonds relating to continuing disclosure failures are limited to those described in the Continuing Disclosure Agreement. Failure by SCE&G to comply with the Continuing Disclosure Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, any such failure may adversely affect the transferability and liquidity of the Bonds and their market price.

RATING

Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. (“Standard & Poor’s”), has provided a rating for the Bonds of A.

The rating reflects only the views of Standard & Poor’s, and any explanation of the significance of such rating should be obtained from Standard & Poor’s at the following address: Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., Public Finance Department, 55 Water Street, New York, NY 10041. In order to obtain such rating, SCE&G furnished to Standard & Poor’s certain information and materials, some of which has not been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and their own investigation, studies and assumptions. There is no assurance that the rating will be maintained for any given period of time or that it will not be revised downward or withdrawn entirely by Standard & Poor’s, if, in its judgment, circumstances so warrant. SCE&G undertakes no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of the rating obtained may have an adverse effect on the market price of the Bonds.

SCE&G expects to furnish to Standard & Poor’s such information and materials as it may request. SCE&G, however, assumes no obligation to furnish requested information and materials, and may issue debt for which a rating is not requested. The failure to furnish requested information and materials, or the issuance of debt for which a rating is not requested, may result in the suspension or withdrawal of a rating on the Bonds.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. Information in this Official Statement concerning SCE&G has been selected and prepared by or on behalf of SCE&G for inclusion herein. JEDA does not assume any responsibility as to the accuracy or completeness of any such information relating to SCE&G contained herein and JEDA's responsibility has been limited to providing the information under the sections entitled "JEDA" and "LITIGATION" in so far as it relates to JEDA.

The execution of this Official Statement has been duly authorized by JEDA.

SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY

By: /s/ Harry A. Huntley
Executive Director

APPENDIX A

FORM OF OPINION OF BOND COUNSEL

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January 15, 2013

T (803) 799-9800
F (803) 753-3277

South Carolina Jobs-Economic Development Authority
Columbia, South Carolina

Re: \$54,215,000 South Carolina Jobs-Economic Development Authority
Industrial Revenue Bonds (South Carolina Electric & Gas Company
Project), Series 2013

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the South Carolina Jobs-Economic Development Authority (the "Issuer") of its above-referenced bonds (the "Bonds"). The Bonds have been issued pursuant to a Bond Resolution adopted by the Board of Directors of the Issuer on November 13, 2012 (the "Resolution"), and a Bond Trust Indenture dated as of January 1, 2013 (the "Bond Indenture"), between the Issuer and U.S. Bank National Association, as bond trustee (the "Bond Trustee"). Capitalized terms used herein, not otherwise defined herein, shall have the meanings specified in the Bond Indenture.

The Issuer has entered into a Loan Agreement dated as of January 1, 2013 (the "Loan Agreement"), with South Carolina Electric & Gas Company, a South Carolina corporation (the "Corporation"), pursuant to which the proceeds of the Bonds will be loaned by the Issuer to the Corporation. Under the Loan Agreement, the Corporation has agreed to make payments to be used to pay when due the principal of and premium (if any) and interest on the Bonds, and such payments and other revenues under the Loan Agreement (collectively, the "Revenues") and the rights of the Issuer under the Loan Agreement (except certain rights to indemnification, reimbursements and administrative fees) are pledged and assigned by the Issuer as security for the Bonds. As additional security for the Bonds, the Corporation has deposited with the Bond Trustee its First Mortgage Bonds, 2013 Deposited Series, in an aggregate principal amount equal to, and bearing interest at the same rates and maturing on the same dates and in the same years as, the Bonds (the "Deposited Bonds"), issued pursuant to an Indenture dated as of April 1, 1993, as supplemented, including as supplemented by the Second Supplemental Indenture dated as of June 15, 1993 (the "1993 Indenture"), between the Corporation and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"). The Bonds are payable solely from the Trust Estate under the Bond Indenture.

McNair Law Firm, P. A.
1221 Main Street
Suite 1800
Columbia, SC 29201

Mailing Address
Post Office Box 11390
Columbia, SC 29211

mcnair.net

The Bonds recite that they are issued pursuant to the Constitution and laws of the State of South Carolina, particularly Title 41, Chapter 43, Code of Laws of South Carolina 1976, as amended (the "Act"). The proceeds of the Bonds are being applied to refinance certain indebtedness previously issued for the benefit of the Corporation.

As to questions of fact material to our opinion, we have relied upon representations of and compliance with covenants by the Corporation and the Issuer contained in the Loan Agreement, the Bond Indenture, the Tax Agreement of even date herewith between the Corporation and the Issuer, certificates of public officials furnished to us and certificates of representatives of the Corporation, the Issuer and other parties, including, without limitation, representations, covenants and certifications as to the use of the proceeds of the Bonds, compliance with applicable arbitrage reporting and rebate requirements, the average reasonably expected economic life of the property refinanced with the proceeds of the Bonds and other factual matters which are relevant to the opinion expressed in paragraph 4, in each case without undertaking any independent verification. We have assumed that all signatures on documents, certificates and instruments examined by us are genuine, all documents, certificates and instruments submitted to us as originals are authentic and all documents, certificates and instruments submitted to us as copies conform to the originals. In addition, we have assumed that all documents, certificates and instruments relating to the issuance of the Bonds have been duly authorized, executed and delivered by all parties thereto other than the Issuer and that the Bonds have been duly authenticated by the Bond Trustee, and we have further assumed the due organization, existence and powers of such parties other than the Issuer.

As bond counsel, we have been retained solely for the purpose of examining the validity and legality of the Bonds and of rendering the specific opinion herein stated and for no other purpose. We have not verified the accuracy, completeness or fairness of any representation or information concerning the business or financial condition of the Issuer or the Corporation in connection with the sale of the Bonds. Accordingly, we express no opinion on the completeness, fairness or adequacy of any such representation or information.

We refer you to the Bonds, the Bond Indenture and the Loan Agreement for a further description of the Bonds, the purposes for which the Bonds are issued, the uses of the proceeds from the sale of the Bonds and the security therefor. With respect to the organization of the Corporation, the power of the Corporation to enter into and perform its obligations under the Loan Agreement and the other documents to which it is a party, the due authorization, execution and delivery by the Corporation of the Loan Agreement and the other documents to which the Corporation is a party and the validity and enforceability thereof against the Corporation, we refer you to the opinions of Ronald T. Lindsay, Esquire, General Counsel of the Corporation, and this Firm, as counsel to the Corporation, of even date herewith.

Based on our examination, we are of the opinion on the date of initial delivery of the Bonds as follows:

1. The Issuer is validly existing as a public body corporate and politic and an agency of the State of South Carolina (the "State"), with the power to enter into and perform the Bond Indenture and the Loan Agreement and issue the Bonds.

2. Each of the Loan Agreement and the Bond Indenture has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer enforceable against the Issuer in accordance with its terms. All of the Issuer's rights under the Loan Agreement (except certain rights to indemnification, reimbursement and administrative fees and certain other unassigned rights) have been assigned to the Bond Trustee, and such assignment constitutes a valid and binding assignment of the Issuer, enforceable against the Issuer in accordance with its terms.

3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding limited obligations of the Issuer, payable solely from the Trust Estate.

4. Under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, except for interest on any Bond for any period during which such Bond is held by a "substantial user" of the facilities financed by the Bonds or a "related person" thereof within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended (the "1954 Code"). It should be noted that interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer and the Corporation comply with all requirements of the 1954 Code and the Internal Revenue Code of 1986, as applicable, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer and the Corporation have covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under present law, the Bonds and the interest thereon are exempt from taxation of every kind by the State, the municipalities and other political subdivisions in the State, except for estate or other transfer taxes. It should be noted, however, that Section 12-11-20, Code of Laws of South Carolina 1976, as amended, imposes upon every bank engaged in business in the State a fee or franchise tax computed on the entire net income of such bank which includes interest paid on the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Bond Indenture and the Loan Agreement may be subject to bankruptcy, insolvency,

South Carolina Jobs-Economic Development Authority

January 15, 2013

Page 4

reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Sincerely,

McNAIR LAW FIRM, P.A.

APPENDIX B

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the “Disclosure Agreement”) dated January 8, 2013 is made by South Carolina Electric & Gas Company, a South Carolina corporation (the “Company”), for the benefit of the holders and beneficial owners from time to time of the \$54,215,000 aggregate principal amount of Industrial Revenue Bonds (South Carolina Electric & Gas Company Project), Series 2013 (the “Bonds”), issued by the South Carolina Jobs - Economic Development Authority (the “Authority”).

NOW, THEREFORE, in consideration of the purchase of the bonds from the Authority by the Underwriter, and the contemplated sale of the Bonds to, and transfer of Bonds between, holders and beneficial owners from time to time, the Company hereby agrees, for the benefit of the holders and beneficial owners from time to time of the Bonds, as follows:

1. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section or unless the context or use clearly indicates otherwise, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Company pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*EMMA*” shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule and any other system designated by the MSRB or Securities and Exchange Commission for purposes of the Rule.

“*Exchange Act*” shall mean the Securities Exchange Act of 1934, as amended.

“*Fiscal Year*” shall mean any period of 12 consecutive months adopted by the Company as its fiscal year for financial reporting purposes, presently, the period beginning on January 1 of each year and ending on December 31 of the same calendar year.

“*Holder*” shall mean any registered owner of Bonds and, if registered in the name of Cede & Co., through The Depository Trust Company, New York, New York (“DTC”), any Beneficial Owner (as such term is used by DTC to define a holder other than a nominee) of the Bonds, unless Rule 15c2-12, or an authoritative interpretation thereof by the Securities and Exchange Commission or its staff, does not require this Disclosure Agreement to be for the benefit of such Beneficial Owners.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto. Currently, the MSRB’s address is:

MSRB
1900 Duke Street, Suite 600
Alexandria, Virginia 22314
Attention: Disclosure

“Official Statement” shall mean the Official Statement, dated January 8, 2013, prepared in connection with the issuance and sale of the Bonds.

“Participating Underwriter” shall mean TD Securities (USA) LLC.

“Rule” shall mean SEC Rule 15c2-12 under the Securities Exchange Act of 1934, 17 CFR § 240.15c2-12, as the same may be amended from time to time.

“State” shall mean the State of South Carolina.

2. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Company for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-12 under the Securities Exchange Act of 1934, 17 CFR § 240.15c2-12.

3. Provision of Annual Reports.

a. Not later than 180 days after the end of the Fiscal Year (presently December 31), commencing with the report for the 2013 Fiscal Year, the Company shall provide to EMMA an Annual Report which is consistent, in the sole determination of the Company, with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Company may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

b. If an Annual Report has not been provided to EMMA by the date required in subsection (a) of this Section, the Company shall promptly send a notice to EMMA and the Trustee in substantially the form attached as Exhibit A.

c. Within 10 days after the Company submits the Annual Report to EMMA, the Company shall file a report with the Trustee certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

d. The Company shall promptly file a notice of any change in the Fiscal Year of the Company with EMMA.

e. If the audit report specified in Section 4 hereof is not submitted as part of the Annual Report to EMMA pursuant to Section 3(a) hereof, the Company shall promptly provide

to EMMA such audit report, together with the audited financial statements to which such audit report related, when they are available to the Company.

4. Content of Annual Reports. Each Annual Report shall consist of the Company's report on Form 10-K (and all materials physically included therewith) filed by the Company with the SEC or an incorporation by reference of such report on Form 10-K (and materials physically included therewith). If the Company should cease to be a reporting company under the Exchange Act, then the Company shall provide with the other information required in each Annual Report its audited financial statements and operating data of the type that would be provided to the SEC if the Company were a reporting company, any of which materials may be incorporated by reference from materials on file with the SEC or with the MSRB. The Company's audited financial statements shall be prepared (i) so long as the Company is a reporting company under the Exchange Act, in accordance with the rules of the SEC for preparing audited financial statements to be filed as part of a Form 10-K and (ii) if the Company shall cease to be a reporting company, in accordance with generally accepted accounting principles.

Any materials to be provided by the Company pursuant to this Section 4 may be incorporated by reference from materials on file with the SEC or MSRB.

5. Reporting of Significant Events.

The Company shall give, or cause to be given, notice to EMMA of the occurrence of any of the following events with respect to the Bonds within ten business days of the occurrence of the event:

- a) Principal and interest payment delinquencies;
- b) Nonpayment related defaults, if material;
- c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- e) Substitution of credit or liquidity providers, or their failure to perform;
- f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5071-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- g) Modifications to rights of the holders of the Bonds, if material;
- h) Bond calls, if material, and tender offers;

- i) Defeasances;
- j) Release, substitution or sale of property securing repayment of the Bonds, if material;
- k) Rating changes;
- l) Bankruptcy, insolvency, receivership or similar event of the Company, including any of the following: the appointment of a receiver, fiscal agent or similar officer for the Company in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Company, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Company;
- m) The consummation of a merger, consolidation, or acquisition involving the Company or the sale of all or substantially all of the assets of any member of the Company, other than in the ordinary course of business, or the entry into a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- n) Appointment of a successor or additional Trustee or the change of name of a Trustee, if material.

6. Termination of Reporting Obligation. The obligations of the Company under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds within the meaning of the Indenture; provided, that if the Rule (or successor provision) shall be amended, modified or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder; and provided further, that if and to the extent the Rule (or successor provision), or any provision thereof, shall be declared by a court of competent and final jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of the Rule so declared, shall no longer be required to be provided hereunder.

7. Amendment. Notwithstanding any other provision of this Disclosure Agreement, the Company may amend this Disclosure Agreement, if, in the opinion of independent counsel with expertise in federal securities laws, such amendment is required by, or is permitted by or not in conflict with, the Rule.

8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Company from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or

including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Company chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Company shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

9. Default. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Company to comply with this Disclosure Agreement shall be an action to compel performance.

10. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the Company: South Carolina Electric & Gas Company
200 Operation Way
Cayce, South Carolina 29033
Attention: Treasurer

To the Trustee: U.S. Bank National Association
Attention: Global Corporate Trust Services
1441 Main Street, Suite 775
Columbia, South Carolina 29201

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Company, the Trustee, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

12. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of South Carolina.

13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated: January 8, 2013, 2013.

SOUTH CAROLINA ELECTRIC & GAS
COMPANY

By: _____
Name:
Title:

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: South Carolina Jobs-Economic Development Authority

Name of Bond Issue: \$54,215,000 South Carolina Jobs-Economic Development Authority Industrial Revenue Bonds (South Carolina Electric & Gas Project) Series 2013 (the "Bonds")

Date of Issuance: January 15, 2013

NOTICE IS HEREBY GIVEN that South Carolina Electric & Gas Company (the "Company") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement, dated January 8, 2013, executed and delivered by the Company related to the Bonds. [The Company anticipates that the Annual Report will be filed by _____.]

Dated: _____

SOUTH CAROLINA ELECTRIC & GAS COMPANY

By: _____
Authorized Officer

