



Via Electronic Mail (rule-comments@sec.gov)

March 28, 2011

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street NW
Washington, DC 20549

Re: Security Ratings, Securities Act Release No. 9186 (File No. S7-18-08)

Dear Ms. Murphy:

I am writing on behalf of SCANA Corporation ("SCANA") to offer SCANA's comments on the amendments to the eligibility requirements for the use of Form S-3 that have been proposed in Securities Act Release No. 9186 (the "Proposing Release"). SCANA is an energy-based holding company principally engaged, through subsidiaries, in electric and natural gas utility operations and other energy-related businesses.

SCANA's principal operating subsidiary is South Carolina Electric & Gas Company ("SCE&G"). Because all of SCE&G's outstanding common equity is held by SCANA, SCE&G does not meet the \$75 million public float requirement for the use of Form S-3 under General Instruction I.B.1. SCE&G currently is eligible to register unguaranteed offerings of nonconvertible investment grade securities other than common equity on Form S-3 under General Instruction I.B.2, but because SCE&G has not issued at least \$1 billion in nonconvertible securities in registered offerings within the last three years, it would no longer be eligible to register such offerings using Form S-3 if the proposed amendments are adopted. As a consequence of losing Form S-3 eligibility, SCE&G also would be ineligible to register any such offerings of securities under Rule 415 under the Securities Act. A review of SCE&G's registered offerings from 1991 to 2010 indicates that SCE&G would have been eligible to use Form S-3 for such offerings in only four years (2003, 2004, 2009 and 2010) during that 20-year period under the proposed \$1 billion threshold, even though such offerings would have satisfied the existing requirements of General Instruction I.B.2 throughout the period.

Although we recognize that Section 939A of the Dodd-Frank Wall Street Reform and Consumer Protection Act requires the Commission to remove references to security ratings from the Form S-3 eligibility requirements, we believe that the proposed \$1 billion threshold is unnecessarily stringent.

We generally agree with the comments of the Securities Industry and Financial Markets Association ("SIFMA") in its March 18, 2011 comment letter on the Proposing Release. With

respect to part II of SIFMA's comments, we wish to emphasize that we believe that the market following for securities issued in a registered offering does not evaporate on the third anniversary of their issuance, but continues for as long as the securities are outstanding. For that reason, we believe that any threshold based on an amount of issued securities should be based on the total amount of securities outstanding and not merely those issued in a particular time period. With respect to part III of SIFMA's comments, we believe that the second proposal is especially appropriate for subsidiaries whose assets and/or operations comprise a significant portion of the parent company's assets and/or operations.

One area not addressed in SIFMA's comment letter is the question of whether the Form S-3 eligibility requirements should include a provision that would allow state-regulated operating subsidiaries of utility holding companies to register offerings of nonconvertible securities on Form S-3 even if they do not satisfy the \$1 billion threshold. In our case, SCE&G is regulated by the Public Service Commission of South Carolina (the "PSC") with respect to, among other things, rates and the issuance of securities not payable within one year after issuance. The Office of Regulatory Staff (the "ORS"), a state agency that is charged by statute with representing the "public interest" before the PSC, is a party of record to regulatory filings, applications, and proceedings before the PSC. One of the ORS's statutorily mandated considerations in determining the "public interest" is the "preservation of the financial integrity of the state's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services," and this consideration is taken into account in connection with setting SCE&G's rates and authorizing its issuances of securities. We believe that regulation by a public utility regulatory regime similar to South Carolina's is a reasonable indicator of creditworthiness such that a specific Form S-3 eligibility provision for such regulated public utilities would be appropriate. We believe that this would be the case whether or not the regulated utility's parent company is eligible to use Form S-3.

We appreciate the opportunity to comment on these proposed regulations. If you have any questions regarding this letter or if we can provide any further information, please call me at (803) 217-7838 or John W. Currie of McNair Law Firm, P.A. at (803) 799-9800.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark R. Cannon", with a long horizontal line extending to the right.

Mark R. Cannon

Treasurer and Risk Management Officer