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SCE&G®
A SCANA COMPANY

February 3, 2012

Mr. Stephen Hoffman
US Environmental Protection Agency
Two Potomac Yard
2733 South Crystal Drive
5th Floor, N-5838
Arlington, VA 22202-2733

Subject: South Carolina Electric & Gas Company
Canadys Steam Power Station
Coal Combustion Residue Impoundment
EPA Dam Assessment Report (December 2011) – Recommendation Implementation Plan

Dear Mr. Hoffman:

South Carolina Electric & Gas Company (SCE&G) hereby files electronically its implementation plans regarding the recommendations described in the U.S. Environmental Protection Agency (EPA) Final Canadys Steam Power Station Coal Combustion Residual Impoundment Round 9 – Dam Assessment Report (December 2011) and requested in its January 12, 2012 letter. Following are the EPA recommendations and SCE&G's proposed implementation plan.

1.2.1 Recommendations Regarding the Structural Stability

EPA Recommendation: *As recommended by its own engineering studies, additional data are required on the dike and foundation soils to permit a more in-depth analysis of risks from seismic events. An action plan needs to be developed and implemented to take the necessary actions to increase factors of safety, meet all applicable standards and requirements, and to address surficial sloughing. It is our understanding that the SCE&G is aware of this need and is taking appropriate action.*

SCE&G Implementation Plan: SCE&G, through contracted engineering firms, is obtaining additional data and conducting a structural stability analysis for seismic loading of the Canadys Station 95-acre ash pond embankment. Once these analyses are complete, SCE&G will be able to evaluate its options for increasing factors of safety. After the evaluation, SCE&G will develop a defined action plan as necessary and will provide a copy to the EPA. It is estimated that SCE&G will be able to provide this action plan to the EPA by mid-year 2012.

1.2.2 Recommendations Regarding Maintenance and Methods of Operation

EPA Recommendation: *The following issues need to be addressed with routine maintenance: Re-vegetate embankment where necessary.*

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SCE&G Implementation Plan: This recommendation is complete. The ash pond embankments have already been incorporated into the plant's regular vegetation control program.

1.2.3 Recommendations Regarding Continued Safe and Reliable Operation

EPA Recommendation:

- *Develop an action plan to increase the factors of safety for the ash pond embankments to meet or exceed the minimum requirement for factors of safety for seismic loading conditions.*
- *Develop an action plan to address surficial sloughing along downstream slope.*
- *Perform remediation along downstream slopes where surficial sloughing is occurring.*

SCE&G Implementation Plan: First recommendation - SCE&G, through contracted engineering firms, is conducting a structural stability analysis for seismic loading of the Canadys Station 95-acre ash pond embankment. Once these analyses are complete, SCE&G will be able to evaluate its options for increasing factors of safety. After the evaluation, SCE&G will develop a defined action plan as necessary and will provide a copy to the EPA. It is estimated that SCE&G will be able to provide this action plan to the EPA by mid-year 2012.

Second and third recommendations – Surficial sloughing along the east side of the embankment, facing Highway 15, has been repaired. The remaining areas in which surficial sloughing has occurred will be repaired by December 31, 2012.

If you have any questions about this filing, please contact Mr. William Argentieri at (803) 217-9162 or by email at bargentieri@scana.com.

Very truly yours,

James M. Landreth

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