CNET NETWORKS INC
Form SC 13G
January 27, 2003

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13G
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b)(c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)

CNET Networks, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

12613R104

(CUSIP Number)

December 31, 2002

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[X] Rule 13d-1(b)

[_] Rule 13d-1(c)

[ ] Rule 13d-1(d)

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(1) The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No.12613R104 13G Page __ of___ Pages

1. NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Bear Stearns Asset Management Inc.
06-1135192

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) [_]
(b) [_]

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
	5.	SOLE VOTING POWER 8,090,000
	6.	SHARED VOTING POWER -0-
	7.	SOLE DISPOSITIVE POWER 8,090,000
	8.	SHARED DISPOSITIVE POWER -0-

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

8,090,000

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

[-]

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.82%

12. TYPE OF REPORTING PERSON*

Investment Adviser

*SEE INSTRUCTIONS BEFORE FILLING OUT!

Item 1(a). Name of Issuer:

CNET Networks, Inc.

Item 1(b). Address of Issuer's Principal Executive Offices:

8150 Chestnut Street
San Francisco, California 94111

Item 2(a). Name of Person Filing:

Bear Stearns Asset Management Inc.

Item 2(b). Address of Principal Business Office, or if None, Residence:

383 Madison Avenue
New York, N.Y. 10179

Item 2(c). Citizenship:

New York

Item 2(d). Title of Class of Securities:

Common Stock

Item 2(e). CUSIP Number:

12613R104

Item 3. If This Statement is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c), Check Whether the Person Filing is a:

(a) [_] Broker or dealer registered under Section 15 of the Exchange Act.

(b) [_] Bank as defined in Section 3(a)(6) of the Exchange Act.

(c) [_] Insurance company as defined in Section 3(a)(19) of the Exchange Act.

(d) [ ] Investment company registered under Section 8 of the Investment Company Act.

(e) [X] An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);

(f) [_] An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);

(g) [_] A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);

(h) [_] A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;

(i) [_] A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act;

(j) [_] Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

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Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned: 8,090,000

(b) Percent of class: 5.82%

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote, 8,090,000

(ii) Shared power to vote or to direct the vote, -0-

(iii) Sole power to dispose or to direct the disposition of, 8,090,000

(iv) Shared power to dispose or to direct the disposition of, -0-

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities check the following [ ].

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

The S&P Stars Portfolio has the right to receive and the power to direct the receipt of dividends from and the proceeds for the sale of greater than 5% of the common stock of CNET Networks, Inc. The S&P Stars Portfolio is a separate portfolio of The Bear Stearns Funds, an open-end management investment company registered under the Investment Company Act of 1940

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not Applicable

Item 8. Identification and Classification of Members of the Group.

Not Applicable

Item 9. Notice of Dissolution of Group.

Not Applicable

Item 10. Certifications.

(a) The following certification shall be included if the statement is filed pursuant to Rule 13d-1(b):

"By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having such purpose or effect."

(b) The following certification shall be included if the statement is filed pursuant to Rule 13d-1(c):

"By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having such purpose or effect."

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I

certify that the information set forth in this statement is true, complete and correct.

January 27, 2003

(Date)

/s/ Joyce Messaris

(Signature)

Joyce Messaris - VP

(Name/Title)

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties for whom copies are to be sent.

Attention. Intentional misstatements or omissions of fact constitute federal criminal violations (see 18 U.S.C. 1001).

E="1">

Marketable debt securities:

Corporate debt instruments

204 11 (1) 214

U.S. Treasury securities and agency debentures

166 4 170

State and municipal

114 10 124

Other

16 1 (1) 16

Cost method investments

118 118

Cash equivalents and other[2]

27 27

Total

$1,123 $249 $(2)[3] $1,370

2010

Marketable equity securities:

U.S.:

Large Cap

$469 $207 $ $676

Other

20 5 25

Marketable debt securities:

Corporate debt instruments

205 10 215

U.S. Treasury securities and agency debentures

141 2 143

State and municipal

103 1 (2) 102

Other

15 15

Cost method investments

108 108

Cash equivalents and other[2]

35 35

Total

$1,096 $225 $(2)[3] $1,319

(1) Included in AOCI and the decommissioning trust regulatory liability as discussed in Note 2.
(2) Includes pending purchases of securities of $13 million and $35 million at December 31, 2011 and 2010, respectively.
(3) The fair value of securities in an unrealized loss position was $99 million and $159 million at December 31, 2011 and 2010, respectively.

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Combined Notes to Consolidated Financial Statements, Continued

The fair value of Virginia Power s debt securities at December 31, 2011, by contractual maturity is as follows:

(millions)	Amount
Due in one year or less	**$ 16**
Due after one year through five years	**155**
Due after five years through ten years	**205**
Due after ten years	**148**
Total	**$ 524**

Presented below is selected information regarding Virginia Power s marketable equity and debt securities.

Year Ended December 31,	**2011**	2010	2009
(millions)			
Proceeds from sales	**$ 1,030**	$ 1,192[1]	$ 715
Realized gains[2]	**34**	52	104
Realized losses[2]	**34**	23	99

(1) The increase in proceeds primarily reflects the replacement of commingled funds with actively managed portfolios.
(2) Includes realized gains and losses recorded to the decommissioning trust regulatory liability as discussed in Note 2.

Virginia Power recorded other-than-temporary impairment losses on investments as follows:

Year Ended December 31,	**2011**	2010	2009
(millions)			
Total other-than-temporary impairment losses[1]	**$ 29**	$ 25	$ 94
Losses recorded to decommissioning trust regulatory liability	**(24)**	(21)	(80)
Losses recorded in other comprehensive income (before taxes)	**(1)**	(1)	
Net impairment losses recognized in earnings	**$ 4**	$ 3	$ 14

(1) Amounts include other-than-temporary impairment losses for debt securities of $4 million, $6 million and $7 million at December 31, 2011, 2010 and 2009, respectively.

Other Investments

Dominion and Virginia Power hold restricted cash and cash equivalent balances that primarily consist of money market fund investments held in trust for the purpose of funding certain qualifying construction projects. At December 31, 2011 and 2010, Dominion had $147 million and $415 million, respectively, and Virginia Power had $32 million and $169 million, respectively, of restricted cash and cash equivalents. These balances are presented in Other Current Assets and Investments in the Consolidated Balance Sheets.

NOTE 11. PROPERTY, PLANT AND EQUIPMENT

Major classes of property, plant and equipment and their respective balances for the Companies are as follows:

At December 31, (millions)	**2011**	2010
Dominion		
Utility:		
Generation	**$ 11,793**	$ 11,381
Transmission	**6,604**	5,793
Distribution	**10,401**	9,883
Storage	**2,060**	1,892
Nuclear fuel	**1,193**	1,058
Gas gathering and processing	**727**	535
General and other	**778**	730
Other-including plant under construction	**3,597**	3,933
Total utility	**37,153**	35,205
Nonutility:		
Proved E&P properties being amortized	**104**	103
Merchant generation nuclear	**1,108**	1,217
Merchant generation other[(1)]	**2,780**	1,451
Nuclear fuel	**847**	762
Other including plant under construction	**998**	1,117
Total nonutility	**5,837**	4,650
Total property, plant and equipment	**$ 42,990**	$ 39,855
Virginia Power		
Utility:		
Generation	**$ 11,793**	$ 11,381
Transmission	**3,823**	3,080
Distribution	**8,231**	7,879
Nuclear fuel	**1,193**	1,058
General and other	**631**	591
Other including plant under construction	**2,946**	3,610
Total utility	**28,617**	27,599
Nonutility other	**9**	8
Total property, plant and equipment	**$ 28,626**	$ 27,607

(1) 2011 amount includes $957 million due to consolidation of a VIE.

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Jointly-Owned Power Stations

Dominion s and Virginia Power s proportionate share of jointly-owned power stations at December 31, 2011 is as follows:

(millions, except percentages)	Bath County Pumped Storage Station[(1)]	North Anna Units 1 and 2[(1)]	Clover Power Station[(1)]	Millstone Unit 3[(2)]
Ownership interest	**60%**	**88.4%**	**50%**	**93.5%**
Plant in service	**$ 1,023**	**$ 2,332**	**$ 564**	**$ 989**
Accumulated depreciation	**(497)**	**(1,086)**	**(185)**	**(210)**
Nuclear fuel		**512**		**401**
Accumulated amortization of nuclear fuel		**(383)**		**(254)**
Plant under construction	**12**	**142**	**8**	**36**

(1) Units jointly owned by Virginia Power.
(2) Unit jointly owned by Dominion.

The co-owners are obligated to pay their share of all future construction expenditures and operating costs of the jointly-owned facilities in the same proportion as their respective ownership interest. Dominion and Virginia Power report their share of operating costs in the appropriate operating expense (electric fuel and other energy-related purchases, other operations and maintenance, depreciation, depletion and amortization and other taxes, etc.) in the Consolidated Statements of Income.

NOTE 12. GOODWILL AND INTANGIBLE ASSETS

Goodwill

In February 2010, Dominion completed the sale of Peoples to PNG Companies LLC and netted after-tax proceeds of approximately $542 million. The sale resulted in an after-tax loss of approximately $140 million, which included a $79 million write-off of goodwill.

In April 2010, Dominion completed the sale of substantially all of its Appalachian E&P operations to a newly-formed subsidiary of CONSOL for approximately $3.5 billion. The transaction resulted in an after-tax gain of approximately $1.4 billion, which included a $134 million write-off of goodwill.

The changes in Dominion s carrying amount and segment allocation of goodwill are presented below:

(millions)	Dominion Generation	Dominion Energy	DVP	Corporate and Other	Total
Balance at December 31, 2009[(1)]	$ 1,338	$ 846	$ 1,091	$ 79	$ 3,354
Business disposition adjustment		(134)		(79)	(213)

Balance at December 31, 2010[1]	$	1,338	$	712	$ 1,091	$		$ 3,141
Impairments/adjustments								
Balance at December 31, 2011[1]	**$**	**1,338**	**$**	**712**	**$ 1,091**	**$**		**$ 3,141**

(1) Goodwill amounts do not contain any accumulated impairment losses.

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Combined Notes to Consolidated Financial Statements, Continued

Other Intangible Assets

Dominion s and Virginia Power s other intangible assets are subject to amortization over their estimated useful lives. Dominion s amortization expense for intangible assets was $78 million, $107 million and $155 million for 2011, 2010 and 2009, respectively. In 2011, Dominion acquired $124 million of intangible assets, primarily representing software and licenses, with an estimated weighted-average amortization period of approximately 11 years. Amortization expense for Virginia Power s intangible assets was $22 million for 2011, and $26 million for both 2010 and 2009. In 2011, Virginia Power acquired $26 million of intangible assets, primarily representing software and licenses, with an estimated weighted-average amortization period of 11 years. The components of intangible assets are as follows:

At December 31,	**2011**		2010	
(millions)	**Gross Carrying Amount**	**Accumulated Amortization**	Gross Carrying Amount	Accumulated Amortization
Dominion				
Software, software licenses and other	**$ 888**	**$ 278**	$ 892	$ 334
Emissions allowances	**80**	**53**	134	50
Total	**$ 968**	**$ 331**	$ 1,026	$ 384
Virginia Power				
Software, software licenses and other	**$ 285**	**$ 102**	$ 307	$ 140
Emissions allowances			48	3
Total	**$ 285**	**$ 102**	$ 355	$ 143

Annual amortization expense for these intangible assets is estimated to be as follows:

(millions)	2012	2013	2014	2015	2016
Dominion	**$ 78**	**$ 71**	**$ 48**	**$ 37**	**$ 27**
Virginia Power	**$ 19**	**$ 14**	**$ 13**	**$ 7**	**$ 3**

NOTE 13. REGULATORY ASSETS AND LIABILITIES

Regulatory assets and liabilities include the following:

At December 31, (millions)	**2011**	2010
Dominion		
Regulatory assets:		
Deferred cost of fuel used in electric generation[1]	**$ 249**	$ 174
Deferred rate adjustment clause costs[2]	**113**	109
Unrecovered gas costs[3]	**48**	39
Derivatives[4]	**45**	
Virginia sales taxes[5]	**32**	35
Plant retirement[6]	**27**	

PIPP[7]		44
Other	**27**	6
Regulatory assets-current	**541**	407
Unrecognized pension and other postretirement benefit costs[8]	**887**	987
Deferred cost of fuel used in electric generation[1]	**122**	153
Income taxes recoverable through future rates[9]	**121**	90
Deferred rate adjustment clause costs[2]	**72**	69
Derivatives[4]	**49**	
Other postretirement benefit costs[10]	**26**	29
Plant retirement[6]	**25**	31
Other	**80**	87
Regulatory assets-non-current	**1,382**	1,446
Total regulatory assets	**$ 1,923**	$ 1,853
Regulatory liabilities:		
Provision for rate proceedings[11]	**$ 150**	$ 79
PIPP[7]	**58**	
Other	**35**	56
Regulatory liabilities-current	**243**	135
Provision for future cost of removal and AROs[12]	**901**	830
Decommissioning trust[13]	**399**	391
Derivatives[4]		68
Other	**24**	103
Regulatory liabilities-non-current	**1,324**	1,392
Total regulatory liabilities	**$ 1,567**	$ 1,527
Virginia Power		
Regulatory assets:		
Deferred cost of fuel used in electric generation[1]	**$ 249**	$ 174
Deferred rate adjustment clause costs[2]	**113**	109
Derivatives[4]	**45**	
Virginia sales taxes[5]	**32**	35
Plant retirement[6]	**27**	
Other	**13**	
Regulatory assets-current	**479**	318
Deferred cost of fuel used in electric generation[1]	**122**	153
Income taxes recoverable through future rates[9]	**100**	76
Deferred rate adjustment clause costs[2]	**70**	66
Derivatives[4]	**49**	
Plant retirement[6]	**25**	31
Other	**33**	44
Regulatory assets-non-current	**399**	370
Total regulatory assets	**$ 878**	$ 688
Regulatory liabilities:		
Provision for rate proceedings[11]	**$ 150**	$ 79
Other	**28**	30
Regulatory liabilities-current	**178**	109
Provision for future cost of removal[12]	**687**	622
Decommissioning trust[13]	**399**	391
Derivatives[4]		68
Other	**9**	93
Regulatory liabilities-non-current	**1,095**	1,174
Total regulatory liabilities	**$ 1,273**	$ 1,283

(1) Primarily reflects deferred fuel expenses for the Virginia jurisdiction of Virginia Power s generation operations. See Note 14 for more information.

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(2) *Reflects deferrals under the electric transmission FERC formula rate and the deferral of costs associated with certain riders. See Note 14 for more information.*
(3) *Reflects unrecovered gas costs at Dominion s regulated gas operations, which are recovered through quarterly or annual filings with the applicable regulatory authority.*
(4) *As discussed under Derivative Instruments in Note 2, for jurisdictions subject to cost-based rate regulation, changes in the fair value of derivative instruments result in the recognition of regulatory assets or regulatory liabilities as they are expected to be recovered from or refunded to customers.*
(5) *Amounts to be recovered through an annual surcharge to reimburse Virginia Power for incremental sales taxes being incurred due to the repeal of the public service company sales tax exemption in Virginia.*
(6) *Reflects costs anticipated to be recovered in base rates for certain coal units expected to be retired.*
(7) *Under PIPP, eligible customers can receive energy assistance based on their ability to pay. The difference between the customer s total bill and the PIPP plan amount is deferred and collected or returned annually under the PIPP rider according to East Ohio tariff provisions. See Note 14 for more information regarding PIPP.*
(8) *Represents unrecognized pension and other postretirement benefit costs expected to be recovered through future rates by certain of Dominion s rate-regulated subsidiaries.*
(9) *Amounts to be recovered through future rates to pay income taxes that become payable when rate revenue is provided to recover AFUDC-equity and depreciation of property, plant and equipment for which deferred income taxes were not recognized for ratemaking purposes, including amounts attributable to tax rate changes.*
(10) *Primarily reflects costs recognized in excess of amounts included in regulated rates charged by Dominion s regulated gas operations before rates were updated to reflect a change in accounting method for other postretirement benefit costs.*
(11) *Reflects a reserve associated with the settlement of Virginia Power s 2009 base rate case proceedings and associated with the Biennial Review Order. See Note 14 for more information.*
(12) *Rates charged to customers by the Companies regulated businesses include a provision for the cost of future activities to remove assets that are expected to be incurred at the time of retirement.*
(13) *Primarily reflects a regulatory liability representing amounts collected from Virginia jurisdictional customers and placed in external trusts (including income, losses and changes in fair value thereon) for the future decommissioning of Virginia Power s utility nuclear generation stations, in excess of the related ARO.*

At December 31, 2011, approximately $198 million of Dominion s and $127 million of Virginia Power s regulatory assets represented past expenditures on which they do not currently earn a return. Dominion s expenditures primarily include deferred cost of fuel used in electric generation. The above expenditures are expected to be recovered within the next two years.

NOTE 14. REGULATORY MATTERS

As a result of issues generated in the ordinary course of business, Dominion and Virginia Power are involved in various regulatory matters. Certain regulatory matters may ultimately result in a loss; however, as such matters are in an initial procedural phase, involve uncertainty as to the outcome of pending reviews or orders, or involve significant factual issues that need to be resolved, such that it is not possible for the Companies to estimate a range of possible loss. For such matters that the Companies cannot estimate, a statement to this effect is made in the description of the matter. Other matters may have progressed sufficiently through the regulatory process such that the Companies are able to estimate a range of possible loss. For regulatory matters for which the Companies are able to reasonably estimate a range of possible losses, an estimated range of possible loss is provided, in

excess of the accrued liability (if any) for such matters. This estimated range is based on currently available information and involves elements of judgment and significant uncertainties. This estimated range of possible loss does not represent the Companies maximum possible loss exposure. The circumstances of such regulatory matters will change from time to time and actual results may vary significantly from the current estimate. For current matters not specifically reported below, management does not anticipate that the outcome from such matters would have a material effect on Dominion s or Virginia Power s financial position, liquidity or results of operations. The following is a discussion of Dominion s and Virginia Power s material pending and recent regulatory matters.

Electric Regulation in Virginia

The enactment of the Regulation Act in 2007 significantly changed electric service regulation in Virginia by instituting a modified cost-of-service rate model. With respect to most classes of customers, the Regulation Act ended Virginia s planned transition to retail competition for its electric supply service.

The Regulation Act authorizes stand-alone rate adjustment clauses for recovery of costs for new generation projects, FERC-approved transmission costs, environmental compliance, conservation and energy efficiency programs and renewable energy programs. It provides for enhanced returns on capital expenditures on specific new generation projects, including but not limited to combined cycle gas generation, nuclear generation, clean coal/carbon capture compatible generation, and renewable generation projects. The Regulation Act also continues statutory provisions directing Virginia Power to file annual fuel cost recovery cases with the Virginia Commission.

If the Virginia Commission s future rate decisions, including actions relating to Virginia Power s rate adjustment clause filings, differ materially from Virginia Power s expectations, it may adversely affect its results of operations, financial condition and cash flows.

2009 Base Rate Review

Pursuant to the Regulation Act, the Virginia Commission initiated a review of Virginia Power s base rates, terms and conditions in 2009, including a review of Virginia Power s earnings for test year 2008. In March 2010, the Virginia Commission issued the Virginia Settlement Approval Order, thus concluding the 2009 case and resolving open issues relating to Virginia Power s base rates, fuel factor and Riders R, S, T, C1 and C2. Virginia Power s fourth quarter 2009 results included a charge of $782 million ($477 million after-tax) as a result of the 2009 Base Rate Review. Dominion s 2009 results include an additional charge of $12 million ($8 million after-tax) recorded in other operations and maintenance expense, reflecting the write-off of previously deferred RTO costs since recovery was no longer probable based on the 2009 Base Rate Review.

2011 Biennial Review

Pursuant to the Regulation Act and the Virginia Settlement Approval Order, in March 2011, Virginia Power submitted its base rate filing and accompanying schedules in support of the first biennial review of its base rates, terms and conditions, as well as of its earnings for the 2009 and 2010 test period. The biennial review included a determination of whether Virginia Power s

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Combined Notes to Consolidated Financial Statements, Continued

earnings for the 2009 and 2010 combined test years were within 50 basis points of the authorized ROE of 11.9% established in the Virginia Settlement Approval Order, as well as authorization of an ROE which will be applicable to base rates and Riders R, S, C1 and C2 and which will be used to measure base rate earnings during the 2013 biennial review proceeding. As a result of the Virginia Settlement Approval Order and the Regulation Act, Virginia Power s base rates are not subject to change based on the 2011 biennial review. In November 2011, the Virginia Commission issued the Biennial Review Order.

Base ROE

The Virginia Commission determined that Virginia Power s new authorized ROE is 10.9%, inclusive of a performance incentive of 50 basis points for meeting certain RPS targets. Subject to the outcome of Virginia Power s petition for rehearing or reconsideration described below, this ROE will serve as the ROE against which Virginia Power s earned return will be compared for all or part of the test periods in the 2013 biennial review proceeding. The Virginia Commission ordered that the 50 basis point RPS performance incentive will not be included in the ROE applicable to any rate adjustment clauses. The Virginia Commission declined to award a performance incentive for generating plant performance, customer service or operating efficiency in connection with this biennial review, but instead will initiate a rulemaking proceeding to develop performance incentive criteria to be applied in future biennial review proceedings.

In December 2011, Virginia Power filed a petition with the Virginia Commission seeking rehearing or reconsideration of the Biennial Review Order, to confirm the effective date of the newly authorized 10.9% base ROE. In December 2011, Virginia Power also filed a Notice of Appeal with the Virginia Commission of the Biennial Review Order to the Supreme Court of Virginia.

ROE Applicable to Riders C1, C2, R, and S

Effective December 1, 2011, the ROE applicable to Riders C1 and C2 is 10.4%. An ROE of 11.3% applied through November 30, 2011.

For Riders R and S, effective December 1, 2011, the ROE is 11.4%, inclusive of a statutory enhancement of 100 basis points. An ROE of 12.3%, inclusive of a statutory enhancement of 100 basis points, applied through November 30, 2011.

Earned Return for 2009 and 2010

The Virginia Commission determined that Virginia Power earned an ROE of approximately 13.3% during the 2009 and 2010 combined test years, which exceeded the authorized ROE earnings band of 11.4% to 12.4% established in the Virginia Settlement Approval Order. Based on the determination that Virginia Power had excess earnings, the Virginia Commission ordered Virginia Power to refund 60% of earnings above the upper end of the authorized ROE earnings band, or approximately $78 million, to its customers, which is being provided in the form of credits to customers bills amortized over a six-month period during 2012. A charge for the refund was recognized in operating revenues in the 2011 Consolidated Statement of Income. The actual aggregate refund amount is expected to total approximately $81 million, taking into account refunds to be paid to certain non-jurisdictional customers pursuant to their customer contracts.

Base Rates and Existing Riders T, C1, and C2

As a result of the Virginia Commission s determination that credits will be applied to customers bills, the Virginia Commission, as required by the Regulation Act, directed Virginia Power to combine its existing Riders T, C1, and C2 with Virginia Power s base costs, revenues and investments, and to file revised tariffs reflecting such combination pursuant to the Biennial Review Order. These Riders will thereafter be considered part of Virginia Power s base costs, revenues and investments for purposes of future biennial review proceedings. The Virginia Commission has initiated a proceeding to address further implementation of this directive. Virginia Power s base rates will otherwise remain unchanged through at least December 1, 2013.

Earnings Test Adjustments

The Virginia Commission ruled on numerous contested proposals to adjust Virginia Power s earnings for the 2009 and 2010 combined test periods. Among other adjustments, the Virginia Commission approved Virginia Power s ratemaking treatment of fuel inventories held by its wholly-owned subsidiaries. As a result of this finding, Virginia Power included in rate base approximately $177 million and $188 million in fuel inventory costs for 2009 and 2010, respectively. The Virginia Commission also adopted Virginia Power s treatment that includes, for regulatory earnings purposes, its AIP and LTIP expenses up to a 100% payout ratio. The Virginia Commission excluded from expense approximately $21 million in incentive plan costs that exceeded a payout ratio of 100%, allowing a net recovery of approximately $95 million of incentive compensation expense for the biennial review period. The Virginia Commission denied Virginia Power s ratemaking treatment that expensed the entire cost of its 2010 voluntary separation plan in 2010, ruling instead to amortize the cost through the end of 2011. This matches the costs of the plan with the period of realization of savings, which reduces 2010 operating costs (and, in turn, increases 2011 operating costs) by approximately $103 million for purposes of the earnings test. Other than influencing the amount earned above the authorized ROE earnings band, the earnings test adjustments above did not have an impact to the Consolidated Financial Statements.

In addition, the Virginia Commission required Virginia Power to recognize a gain, for purposes of the earnings test, of approximately $44 million on the settlement of certain interest rate hedging contracts in 2010, as opposed to amortizing the gains over the forecasted term of planned debt instruments that were not issued. Virginia Power determined that it was no longer probable that these derivative gains would be included in future base rates as the Virginia Commission would not allow the amortization of these amounts in future periods. As a result, Virginia Power removed approximately $50 million in December 2011 from regulatory liabilities and recognized the deferred derivative settlement gains in Interest and Other Charges in the Consolidated Statements of Income.

Virginia Fuel Expenses

In May 2011, Virginia Power submitted its annual fuel factor filing to the Virginia Commission, proposing an annual increase for the rate year beginning July 1, 2011. This revised factor included a projected $434 million balance of prior year under- recovered fuel expenses. To reduce the impact to customers, as an alternative, Virginia Power proposed to recover this projected

prior year deferred fuel balance over a two-year period beginning July 1, 2011. In June 2011, the Virginia Commission approved the two-year recovery proposal, resulting in an increase of approximately $319 million in annual fuel revenue for the rate year beginning July 1, 2011. The rate increase is designed to recover $217 million of unrecovered fuel expenses from the prior fuel year as well as a $102 million increase in anticipated fuel expenses for the 2012 fuel year.

Generation Riders R and S

In connection with the Bear Garden and Virginia City Hybrid Energy Center projects, in March 2011, the Virginia Commission approved annual updates for Riders R and S with revenue requirements of $78 million and $199 million, respectively, for the April 1, 2011 to March 31, 2012 rate year, utilizing the 12.3% placeholder ROE (inclusive of a 100 basis point statutory enhancement) pending the Virginia Commission s ROE determination in the 2011 biennial review. Virginia Power s proposed revenue requirements for Riders R and S for the April 1, 2012 to March 31, 2013 rate year were adjusted to approximately $76 million and $231 million, respectively, and are pending final Virginia Commission approval. Future annual updates for Riders R and S will provide revenue requirements reflecting any true-ups to revenue requirements approved for the previous calendar year, including the ROE determined in the Biennial Review Order. Construction of Bear Garden was completed and the facility commenced commercial operations in the second quarter of 2011.

DSM Riders C1 and C2

In connection with Virginia Power s five DSM programs approved by the Virginia Commission, in March 2011, the Virginia Commission approved the annual updates for Riders C1 and C2 with revenue requirements of approximately $6 million and $12 million, respectively, for the April 1, 2011 to March 31, 2012 rate year, utilizing an 11.3% placeholder ROE pending the Virginia Commission s ROE determination in the 2011 biennial review. By order issued in June 2011, the Virginia Commission extended the rates through April 2012.

In September 2011, Virginia Power filed with the Virginia Commission an application for approval of six new energy efficiency DSM programs, along with an annual update to Riders C1 and C2. Virginia Power s proposed revenue requirement for the May 1, 2012 through April 30, 2013 rate year is approximately $72 million, as amended in February 2012 to reflect, along with other adjustments, the determination of a 10.4% ROE applicable to Riders C1 and C2 in the Biennial Review Order. As discussed above, previously implemented Riders C1 and C2 will be considered part of Virginia Power s base costs, revenues and investments for purposes of future biennial review proceedings, and the Virginia Commission has initiated a proceeding to address further implementation of this directive.

Transmission Rider T

In May 2011, Virginia Power filed its annual update to Rider T with the Virginia Commission. The proposed $481 million annual revenue requirement, effective September 1, 2011, represented an increase of approximately $144 million over the revenue requirement associated with the Rider T customer rates previously in effect. In July 2011, the Virginia Commission issued

an order approving a revenue requirement of $466 million for the September 1, 2011 to August 31, 2012 rate year. As discussed above, previously implemented Rider T will be considered part of Virginia Power s base costs, revenues and investments for purposes of future biennial review proceedings, and the Virginia Commission has initiated a proceeding to address further implementation of this directive.

Generation Rider W

In May 2011, Virginia Power requested approval from the Virginia Commission to construct and operate Warren County, as well as approval of Rider W. In February 2012, the Virginia Commission approved Certificates of Public Convenience and Necessity for Warren County and related transmission facilities. The Virginia Commission also approved Virginia Power s proposed revised revenue requirement of $35 million for the April 1, 2012 to March 31, 2013 rate year, reflecting an ROE of 11.4%, inclusive of a statutory enhancement of 100 basis points for Rider W, consistent with the Biennial Review Order. In addition, the Virginia Commission approved an ROE enhancement of 100 basis points for Rider W for a period of 10 years following commercial operations. The facility is expected to start commercial operations in late 2014.

Generation Rider B

In June 2011, Virginia Power filed applications with the Virginia Commission seeking regulatory approval to convert three of its coal-fired power stations to biomass. The applications included a request for approval of Rider B. Virginia Power s proposed revenue requirement for Rider B is approximately $6 million for the April 1, 2012 to March 31, 2013 rate year, as adjusted to reflect the base ROE authorized in the Biennial Review Order, and inclusive of a renewable generating unit statutory enhancement of 200 basis points. To qualify for federal production tax credits associated with renewable energy generation, the power stations must commence operation as biomass generation facilities by December 31, 2013. Virginia Power has requested Virginia Commission approval of the biomass conversions on a schedule that will enable qualification for these tax credits.

Solar Distributed Generation Demonstration Program

In October 2011, Virginia Power filed with the Virginia Commission an application to conduct a solar distributed generation demonstration program, consisting of up to a combined 30 MW of Company-owned solar distributed generation facilities to be located at selected commercial, industrial and community locations throughout its Virginia service territory, as well as up to a combined 3 MW of customer-owned solar distributed generation facilities that will be subject to a tariff filed with the Virginia Commission in 2012. Virginia Power proposed to construct and operate the Company-owned facilities in two phases, with Phase I (up to 10 MW) from the date of approval through the end of 2013 and Phase II (up to 20 MW) from the beginning of 2014 to the end of 2015. Virginia Power did not seek a rate adjustment clause for Phase I facilities with this filing; Phase I costs will be recovered as part of base rates in a future biennial review. Virginia Power indicated that it may seek a rate adjustment clause at a future time for Phase II costs.

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Electric Transmission Projects

Portions of the Mt. Storm-to-Doubs line and certain associated facilities are approaching the end of their expected service lives and require replacement with new facilities to maintain reliable service. Virginia Power owns, and has been designated by PJM to rebuild, 96 miles of the line in West Virginia and Virginia, and The Potomac Edison Company owns, and has been designated by PJM to rebuild, the remaining three miles of the line in Maryland. In September 2011, the Virginia Commission approved Virginia Power s application to rebuild its portion of the Mt. Storm-to-Doubs line. The approval of the West Virginia Commission was not required. Subject to applicable state and federal regulatory approvals, Virginia Power s portion of the rebuild project is expected to be completed by June 2015.

In October 2008, the Virginia Commission authorized construction of the Meadow Brook-to-Loudoun line and Carson-to-Suffolk line. The Meadow Brook-to-Loudoun line was placed in service in April 2011 and the Carson-to-Suffolk line was placed in service in May 2011.

In June 2010, the Virginia Commission authorized the construction of the Hayes-to-Yorktown line along the proposed eight-mile route utilizing existing easements and property previously acquired for the transmission line right-of-way. In accordance with the Virginia Commission s approval, approximately 4.2 miles of the Hayes-to-Yorktown line will be constructed overhead and approximately 3.8 miles will be installed underground in order to cross under the York River. The Hayes-to-Yorktown line is expected to be completed by June 2012.

In January 2012, the Virginia Commission authorized the replacement at higher voltage of approximately 43 miles of existing transmission lines between the Dooms and Bremo substations. Subject to the receipt of other applicable state and federal regulatory approvals, Dooms-to-Bremo is expected to be completed by May 2014.

In December 2011, Viginia Power submitted an application to the Virginia Commission for approval of the Waxpool-Brambleton-BECO line. This project is required to provide requested service to a new datacenter campus in Loudoun County, Virginia. Virginia Power expects PJM to authorize Waxpool-Brambleton-BECO as part of the 2012 RTEP within the first half of 2012. Subject to the receipt of applicable state and federal regulatory approvals, Waxpool-Brambleton-BECO is expected to be completed by November 2013.

North Anna Power Station

Virginia Power is considering the construction of a third nuclear unit at a site located at North Anna, which Virginia Power owns along with ODEC. In May 2010, Virginia Power announced its decision to replace the reactor design previously selected for the potential third nuclear unit with the US-APWR technology. In June 2010, Virginia Power and ODEC amended the COL application to reflect the selection of the US-APWR technology. In January 2011, Virginia Power and the DOE terminated their cooperative agreement to share equally the cost of developing a COL. The agreement references the technology previously selected by Virginia Power. DOE funding related to COL development activities is not available under the agreement for activities related to the US-APWR technology. In February 2011, ODEC informed Virginia Power of its intent to no longer partic-

ipate in the development of a potential new unit at North Anna. In December 2011, Virginia Power acquired ODEC s interest in the project, thereby terminating ODEC s involvement in the development of a potential third unit at North Anna.

Virginia Power has not yet committed to building a new nuclear unit at North Anna. If Virginia Power decides to build the new unit, it must first receive a COL from the NRC, the approval of the Virginia Commission and certain environmental permits and other approvals. Virginia Power continues to pursue the COL from the NRC. Based on the current NRC schedule, the COL could be issued as early as late 2014.

The NRC is required to conduct a hearing in all COL proceedings. In August 2008, the ASLB of the NRC permitted BREDL to intervene in the proceeding. All of BREDL s previous contentions in this proceeding have been dismissed. In September 2011, BREDL submitted a new proposed contention seeking to litigate issues related to the August 2011 Mineral, Virginia earthquake. In October 2011, the ASLB granted a motion filed by Virginia Power, with the consent of BREDL and the NRC staff to hold any ruling on this proposed contention in abeyance until

Virginia Power completes an assessment of this earthquake. No other persons have sought to intervene in the proceeding. If a new contention is not admitted, the mandatory NRC hearing will be uncontested with respect to other issues.

On April 14, 2011, twenty-one organizations and individuals that had previously intervened opposing various reactor licensing proceedings filed a petition requesting that the NRC suspend all decisions regarding reactor licensing and design certification pending completion of an NRC task force review of the events at Fukushima, Japan, among other requested relief. The North Anna 3 COL proceeding is one of the pending proceedings identified in this petition, and BREDL served the petition in the North Anna 3 COL proceeding on April 18, 2011. In September 2011, the NRC denied the petitioners requests to suspend licensing and design certification proceedings. The only relief granted was the petitioners request that the NRC perform a safety analysis of the regulatory implications of the Fukushima event to the extent it is doing so.

Virginia Power continues to pursue various environmental permits that would be needed to support future construction and operation of a third nuclear unit at North Anna.

North Carolina Regulation

In February 2010, in preparation for the end of a five-year moratorium on Virginia Power s North Carolina base rates, Virginia Power filed an application with the North Carolina Commission to increase its base rates and adjust its fuel rates. In December 2010, the North Carolina Commission issued the North Carolina Settlement Approval Order approving a settlement agreement among all parties to the base rate and fuel case except one, which did not oppose the settlement. The North Carolina Settlement Approval Order authorized an increase in base revenues of approximately $8 million. In addition, the North Carolina Settlement Approval Order allowed the recovery through fuel rates of 85% of the net energy costs of power purchases from both PJM and other wholesale suppliers and from the non-utility generators subject to economic dispatch that do not provide actual cost data. The North Carolina Settlement Approval Order authorized an ROE of 10.7% and a capital structure composed of

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49% long-term debt and 51% common equity. The new base and fuel rates became effective on January 1, 2011.

In December 2011, the North Carolina Commission issued an order approving a settlement agreement among Virginia Power, the Public Staff of the North Carolina Commission and other interested parties in Virginia Power s fuel case for its North Carolina service territory. The settlement agreement provides for a $36 million increase in Virginia Power s fuel revenues for one year, effective January 1, 2012, including approximately $13 million in under recovery of fuel expenses for the previous fuel period.

Virginia Power intends to file an application with the North Carolina Commission by March 30, 2012, to increase base rates.

Ohio Regulation

PIR Program

In March 2011, East Ohio filed a request with the Ohio Commission to accelerate the PIR program by nearly doubling its PIR spending to more than $200 million annually. East Ohio identified 1,450 miles of pipeline that need to be replaced, in addition to the pipeline originally identified in the PIR project scope. East Ohio plans to accelerate the pace of the program by investing more resources in its infrastructure in the near term, in an effort to promote ongoing public safety and reduce operating costs over the longer term. In August 2011, the Ohio Commission approved the stipulation by East Ohio, the Staff of the Ohio Commission and other interested parties in East Ohio s accelerated PIR proceeding. The stipulation provides for an increase in annual PIR capital investment from the current level of approximately $120 million stepping up to approximately $160 million by 2013. In addition, the stipulation provides for cost recovery over a five-year period commencing upon the approval of the Ohio Commission. In accordance with the stipulation, East Ohio requested the dismissal of its appeal at the Ohio Supreme Court regarding its opposition to the Ohio Commission s order concerning East Ohio s first year PIR cost recovery charge.

In August 2011, East Ohio submitted its annual application to adjust the cost recovery charge under the previously approved PIR program. A supplement to the application was filed in September 2011. The proposed recovery charge includes actual costs and a return related to investments made through June 30, 2011. A settlement agreement approved by the Ohio Commission in October 2011 supports the revenue requirement of $37 million reflected in the application.

PIPP Plus Program

Under the Ohio PIPP Plus program, eligible customers can receive energy assistance based on their ability to pay their bill. The difference between the customer s total bill and the PIPP plan payment amount is deferred and collected under the PIPP rider in accordance with the rules of the Ohio Commission. The PIPP Plus program sets the customer s monthly payments at 6% of household income and provides for forgiveness credits to the customer s balance when required payments are received in full by the due date. Such credits may result in the elimination of the customer s arrearage balance over 24 months.

In March 2011, the Ohio Commission approved East Ohio s annual update of the PIPP Rider, which reflected the elimination of accumulated arrearages and projected deferred program costs of approximately $112 million for the 12-month period from April 2011 to March 2012.

UEX Rider

East Ohio files an annual UEX Rider with the Ohio Commission, pursuant to which it seeks recovery of the bad debt expense of most customers not participating in the PIPP Plus Program. The UEX Rider is adjusted annually to achieve dollar-for-dollar recovery of East Ohio s actual write-offs of uncollectable amounts. In 2011, East Ohio deferred approximately $62 million of bad debt expense for recovery through the UEX Rider.

House Bill 95

Ohio enacted utility reform legislation under House Bill 95, which became effective in September 2011. This law updates natural gas legislation by enabling gas companies to include more up-to-date cost levels when filing rate cases. It also allows gas companies to seek approval of capital expenditure plans under which gas companies can recognize carrying costs on associated capital investments placed in service and can defer the

carrying costs plus depreciation and property tax expenses for recovery from ratepayers in the future. In December 2011, East Ohio filed an application requesting authority to implement a capital expenditure program under the new law. If the application is approved, East Ohio would be able to defer as a regulatory asset carrying costs, depreciation and property tax associated with approximately $95 million in capital expenditures for assets placed in service but not yet reflected in rates.

Federal Regulation

FERC Electric

Under the Federal Power Act, FERC regulates wholesale sales and transmission of electricity in interstate commerce by public utilities. Virginia Power purchases and sells electricity in the PJM wholesale market and Dominion s merchant generators sell electricity in the PJM, MISO and ISO-NE wholesale markets under Dominion s market-based sales tariffs authorized by FERC. In addition, Virginia Power has FERC approval of a tariff to sell wholesale power at capped rates based on its embedded cost of generation. This cost-based sales tariff could be used to sell to loads within or outside Virginia Power s service territory. Any such sales would be voluntary.

Rates

In April 2008, FERC granted an application for Virginia Power s electric transmission operations to establish a forward-looking formula rate mechanism that updates transmission rates on an annual basis and approved an ROE of 11.4%, effective as of January 1, 2008. The formula rate is designed to recover the expected revenue requirement for each calendar year and is updated based on actual costs. The FERC-approved formula method, which is based on projected costs, allows Virginia Power to earn a current return on its growing investment in electric transmission infrastructure.

In July 2008, Virginia Power filed an application with FERC requesting a revision to its revenue requirement to reflect an additional ROE incentive adder for eleven electric transmission enhancement projects. Under the proposal, the cost of transmission service would increase to include an ROE incentive adder for each of the eleven projects, beginning the date each project enters commercial operation (but not before January 1, 2009). Virginia Power proposed an incentive of 1.5% for four of the

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projects (including the Meadow Brook-to-Loudoun and Carson-to-Suffolk lines, which were completed in 2011) and an incentive of 1.25% for the other seven projects. In August 2008, FERC approved the proposal, effective September 1, 2008. The total cost for all eleven projects is estimated at $877 million, and all projects are currently expected to be completed by 2012. Numerous parties sought rehearing of the FERC order in August 2008, and rehearing is pending. Although Virginia Power cannot predict the outcome of the rehearing, it is not expected to have a material effect on results of operations.

In March 2010, ODEC and NCEMC filed a complaint with FERC against Virginia Power claiming that approximately $223 million in transmission costs related to specific projects were unjust, unreasonable and unduly discriminatory or preferential and should be excluded from Virginia Power s transmission formula rate. ODEC and NCEMC requested that FERC establish procedures to determine the amount of costs for each applicable project that should be excluded from Virginia Power s rates. In October 2010, FERC issued an order dismissing the complaint in part and established hearings and settlement procedures on the remaining part of the complaint. In February 2012, Virginia Power submitted to FERC a settlement agreement to resolve all issues set for hearing. All transmission customer parties to the proceeding joined the settlement. The Virginia Commission, North Carolina Commission and Public Staff of the North Carolina Commission, while not parties to the settlement, have agreed to not oppose the settlement. If accepted by FERC, the settlement provides for payment by Virginia Power to the transmission customer parties of $250,000 per year for ten years and resolves all matters other than the incremental cost of certain underground transmission facilities, which will be set for briefing. While Virginia Power cannot predict the outcome of the briefing, it is not expected to have a material effect on results of operations.

PJM

For recovery of costs of investments of new PJM-planned transmission facilities that operate at or above 500 kV, FERC established a regional rate design where all customers pay a uniform rate based on the costs of such investment. For recovery of costs of investment in new PJM-planned transmission facilities that operate below 500 kV, FERC affirmed its earlier decision to allocate costs on a beneficiary pays approach. A notice of appeal of this decision was filed in February 2008 at the U.S. Court of Appeals for the Seventh Circuit. In August 2009, the court denied the petition for review concerning the rate design for existing facilities, but granted the petition concerning the rate design for new facilities that operate at or above 500 kV, and remanded the issue of existing facilities back to FERC for further proceedings. Although Dominion and Virginia Power cannot predict the outcome of the FERC proceedings on remand, the impact of any PJM rate design changes on the Companies results of operations is not expected to be material.

In May 2008, the RPM Buyers filed a complaint with FERC claiming that PJM s Reliability Pricing Model s transitional auctions have produced unjust and unreasonable capacity prices. The RPM Buyers requested that a refund effective date of June 1, 2008 be established and that FERC provide appropriate relief from unjust and unreasonable capacity charges within 15 months. In September 2008, FERC dismissed the complaint. The RPM

Buyers requested rehearing of the FERC order in October 2008 and rehearing was denied in June 2009. A notice of appeal was filed in August 2009 by the Maryland Public Service Commission and the New Jersey Board of Public Utilities at the U.S. Court of Appeals for the Fourth Circuit. In November 2009, the Court transferred the appeal to the Court of Appeals for the District of Columbia Circuit. In February 2011, the Court of Appeals denied the petition for review, concluding that FERC had adequately explained why the rates were just and reasonable.

In November 2011, PJM issued a formal notification that it would recalculate certain ancillary service revenues that had previously been paid during 2009, 2010 and 2011. Also in November 2011, PJM requested FERC permission to suspend its rebilling and repayment obligations associated with the recalculation of such revenues and petitioned FERC to establish a proceeding to determine the appropriate recalculations for the revenues during this period. In December 2011, FERC permitted the suspension of rebilling and repayment by PJM, subject to the outcome of FERC s proceedings to determine the appropriate revenue recalculation. Virginia Power has accrued a liability of $36 million as of December 31, 2011 for estimated future billing adjustments from PJM related to the ancillary service revenues.

FERC Gas

FERC regulates the transportation and sale for resale of natural gas in interstate commerce under the Natural Gas Act of 1938 and the Natural Gas Policy Act of 1978, as amended. Under the Natural Gas Act, FERC has authority over rates, terms and conditions of services performed by Dominion s interstate natural gas company subsidiaries, including DTI, Cove Point and the Dominion South Pipeline Company, LP. FERC also has jurisdiction over siting, construction and operation of natural gas import facilities and interstate natural gas pipeline facilities.

In December 2007, DTI and the IOGA entered into a settlement agreement on DTI s gathering and processing rates, which DTI and IOGA agreed in May 2010 to extend through December 31, 2014. DTI, at its option, may elect to extend the agreement for an additional year through December 31, 2015. The settlement extension maintains the gas retainage fee structure that DTI has had since 2001. The rates are 10.5% for gathering and 0.5% for processing. Under the settlement, DTI continues to retain all revenues from its liquids sales, thus maintaining cash flow from the liquids business. In October 2011, DTI requested and received FERC approval of the negotiated rates associated with the agreement extension.

In May 2011, Cove Point filed a general rate case for its FERC-jurisdictional services, with proposed rates to be effective July 1, 2011. Cove Point proposed an annual cost of service of approximately $150 million. In June 2011, FERC accepted a July 1, 2011 effective date for all proposed rates but two of which were suspended to be effective December 1, 2011. In December 2011, Cove Point, FERC trial staff and the other active parties in the rate case reached a settlement in principle on all issues set for hearing by FERC, as well as on all outstanding proposed tariff changes filed in May 2011. The parties expect to file the stipulation and agreement resolving all outstanding issues in the rate case in March 2012.

NOTE 15. ASSET RETIREMENT OBLIGATIONS

AROs represent obligations that result from laws, statutes, contracts and regulations related to the eventual retirement of certain of Dominion s and Virginia Power s long-lived assets. Dominion s and Virginia Power s AROs are primarily associated with the decommissioning of their nuclear generation facilities. In addition, Dominion s AROs include plugging and abandonment of gas and oil wells, interim retirements of natural gas gathering, transmission, distribution and storage pipeline components, and the future abatement of asbestos expected to be disturbed in the Companies generation facilities.

The Companies have also identified, but not recognized, AROs related to retirement of Dominion s LNG facility, Dominion s gas storage wells in its underground natural gas storage network, certain Virginia Power electric transmission and distribution assets located on property with easements, rights of way, franchises and lease agreements, Virginia Power s hydroelectric generation facilities and the abatement of certain asbestos not expected to be disturbed in the Companies generation facilities. The Companies currently do not have sufficient information to estimate a reasonable range of expected retirement dates for any of these assets since the economic lives of these assets can be extended indefinitely through regular repair and maintenance and they currently have no plans to retire or dispose of any of these assets. As a result, a settlement date is not determinable for these assets and AROs for these assets will not be reflected in the Consolidated Financial Statements until sufficient information becomes available to determine a reasonable estimate of the fair value of the activities to be performed. The Companies continue to monitor operational and strategic developments to identify if sufficient information exists to reasonably estimate a retirement date for these assets. The changes to AROs during 2010 and 2011 were as follows:

(millions)	Amount
Dominion	
AROs at December 31, 2009(1)	$ 1,614
Obligations incurred during the period	1
Obligations settled during the period	(9)
Revisions in estimated cash flows	5
Accretion	85
Obligations relieved due to sale of Appalachian E&P operations	(105)
AROs at December 31, 2010(1)	$ 1,591
Obligations incurred during the period	**16**
Obligations settled during the period	**(16)**
Revisions in estimated cash flows(2)	**(277)**
Accretion	**84**
AROs at December 31, 2011(1)	**$ 1,398**
Virginia Power	
AROs at December 31, 2009(3)	$ 637
Accretion	35
AROs at December 31, 2010(3)	$ 672
Obligations incurred during the period	**10**
Obligations settled during the period	**(3)**
Revisions in estimated cash flows(2)	**(90)**
Accretion	**36**
AROs at December 31, 2011(3)	**$ 625**

(1) Includes $9 million, $14 million and $15 million reported in other current liabilities at December 31, 2009, 2010, and 2011, respectively.
(2) Primarily reflects the effect of lower anticipated costs due to the expected future recovery from the DOE of certain spent fuel storage costs.
(3) Includes $1 million, $3 million and $1 million reported in other current liabilities at December 31, 2009, 2010 and 2011, respectively.

Dominion and Virginia Power have established trusts dedicated to funding the future decommissioning of their nuclear plants. At December 31, 2011 and 2010, the aggregate fair value of Dominion s trusts, consisting primarily of equity and debt securities, totaled $3.0 billion and $2.9 billion, respectively. At December 31, 2011 and 2010, the aggregate fair value of Virginia Power s trusts, consisting primarily of debt and equity securities, totaled $1.4 billion and $1.3 billion, respectively.

Note 16. Variable Interest Entities

The primary beneficiary of a VIE is required to consolidate the VIE and to disclose certain information about its significant variable interests in the VIE. The primary beneficiary of a VIE is the entity that has both 1) the power to direct the activities that most significantly impact the entity s economic performance and 2) the obligation to absorb losses or receive benefits from the entity that could potentially be significant to the VIE.

Virginia Power has long-term power and capacity contracts with four non-utility generators with an aggregate summer generation capacity of approximately 870 MW. These contracts contain certain variable pricing mechanisms in the form of partial fuel reimbursement that Virginia Power considers to be variable interests. After an evaluation of the information provided by these entities, Virginia Power was unable to determine whether they were VIEs. However, the information they provided, as well as Virginia Power s knowledge of generation facilities in Virginia, enabled Virginia Power to conclude that, if they were VIEs, it would not be the primary beneficiary. This conclusion reflects Virginia Power s determination that its variable interests do not convey the power to direct the most significant activities that impact the economic performance of the entities during the remaining terms of Virginia Power s contracts and for the years the entities are expected to operate after its contractual relationships expire. The contracts expire at various dates ranging from 2015 to 2021. Virginia Power is not subject to any risk of loss from these potential VIEs other than its remaining purchase commitments which totaled $1.3 billion as of December 31, 2011. Virginia Power paid $211 million, $213 million, and $210 million for electric capacity and $125 million, $164 million, and $117 million for electric energy to these entities for the years ended December 31, 2011, 2010 and 2009, respectively.

Virginia Power purchased shared services from DRS, an affiliated VIE, of approximately $389 million, $465 million, and $416 million for the years ended December 31, 2011, 2010 and 2009, respectively. Virginia Power determined that it is not the most closely associated entity with DRS and therefore not the primary beneficiary. DRS provides accounting, legal, finance and certain administrative and technical services to all Dominion subsidiaries, including Virginia Power. Virginia Power has no obligation to absorb more than its allocated share of DRS costs.

Dominion leases the Fairless generating facility in Pennsylvania from Juniper, the lessor, which began commercial operations in June 2004. Dominion makes annual lease payments of approximately $53 million. The lease expires in 2013 and, at that time, Dominion may renew the lease on terms mutually agreeable to Dominion and Juniper based on original project costs and current

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market conditions; purchase Fairless for approximately $923 million or sell Fairless, on behalf of Juniper, to an independent third party. If Fairless is sold and the proceeds from the sale are less than its original construction cost, Dominion would be required to make a payment to the lessor in an amount up to 70.75% of the original project costs adjusted for certain other costs as specified in the lease. The lease agreement does not contain any provisions that involve credit rating or stock price trigger events. Dominion expects to purchase Fairless when the lease expires in 2013.

Juniper was formed in 2003 as a limited partnership and was organized for the purpose of acquiring and constructing a number of assets for lease. Such assets were financed with proceeds from the issuance of bank debt, privately placed long-term debt and partnership capital received from Juniper s general and limited partners. Dominion has no voting equity interest in Juniper. Because Juniper had been subject to the business scope exception, Dominion was not required to evaluate whether Juniper was a VIE prior to October 2011.

Through September 30, 2011, Juniper held various power plant leases, including Fairless. In October 2011, the last lease other than Fairless expired and the related asset was sold by Juniper. With Fairless being its sole remaining asset, Juniper no longer qualified as a business as of October 2011, which required that Dominion determine whether Juniper is a VIE. Dominion concluded Juniper is a VIE because the entity s capitalization is insufficient to support its operations, the power to direct the most significant activities of the entity are not performed by the equity holders, and Dominion, through its residual value guarantee discussed above, guarantees a portion of the residual value of Fairless. The activities that most significantly impact Juniper s economic performance relate to the operation of Fairless. The decisions related to the operations of Fairless are made by Dominion and as such, Dominion is considered the primary beneficiary.

Accordingly, Dominion consolidated Juniper in October 2011 and recorded, at fair value, approximately $957 million of property, plant and equipment, $896 million of debt and $61 million of noncontrolling interests. The debt is non-recourse to Dominion and is secured by Juniper s assets. The annual lease payments made by Dominion to Juniper for Fairless are now eliminated in the Consolidated Statements of Income and are excluded from the lease commitments table in Note 23.

Dominion has not provided any financial or other support to Juniper in the current period that it was not previously contractually required to provide.

Note 17. Short-Term Debt and Credit Agreements

Dominion and Virginia Power use short-term debt to fund working capital requirements and as a bridge to long-term debt financings. The levels of borrowing may vary significantly during the course of the year, depending upon the timing and amount of cash requirements not satisfied by cash from operations. In addition, Dominion utilizes cash and letters of credit to fund collateral requirements. Collateral requirements are impacted by commodity prices, hedging levels, Dominion s credit ratings and the credit quality of its counterparties.

Dominion

Commercial paper and letters of credit outstanding, as well as capacity available under credit facilities, were as follows:

At December 31,	Facility Limit	Outstanding Commercial	Outstanding Letters of	Facility Capacity

(millions)		Paper	Credit	Available
2011				
Joint revolving credit facility(1)	**$ 3,000**	**$ 1,814**	**$**	**$ 1,186**
Joint revolving credit facility(2)	**500**		**36**	**464**
Total	**$ 3,500**	**$ 1,814(3)**	**$ 36**	**$ 1,650**
2010				
Joint revolving credit facility(1)	$ 3,000	$ 1,386	$ 101	$ 1,513
Joint revolving credit facility(2)	500		35	465
Total	$ 3,500	$ 1,386(3)	$ 136	$ 1,978

(1) This credit facility was entered into in September 2010 with an original maturity date of September 2013. Effective October 1, 2011, pricing was amended and the maturity date was extended to September 2016. This credit facility can be used to support bank borrowings and the issuance of commercial paper, as well as to support up to $1.5 billion of letters of credit.

(2) This credit facility was entered into in September 2010 with an original maturity date of September 2013. Effective October 1, 2011, pricing was amended and the maturity date was extended to September 2016. This credit facility can be used to support bank borrowings, commercial paper and letter of credit issuances.

(3) The weighted-average interest rates of the outstanding commercial paper supported by Dominion s credit facilities were 0.47% and 0.41% at December 31, 2011 and 2010, respectively.

VIRGINIA POWER

Virginia Power s short-term financing is supported by two joint revolving credit facilities with Dominion. These credit facilities are being used for working capital, as support for the combined commercial paper programs of Dominion and Virginia Power and for other general corporate purposes.

Virginia Power s share of commercial paper and letters of credit outstanding, as well as its capacity available under its joint credit facilities with Dominion, were as follows:

At December 31, (millions)	Facility Sub-limit	Outstanding Commercial Paper	Outstanding Letters of Credit	Facility Sub-limit Capacity Available
2011				
Joint revolving credit facility(1)	**$ 1,000**	**$ 894**	**$**	**$ 106**
Joint revolving credit facility(2)	**250**		**15**	**235**
Total	**$ 1,250**	**$ 894(3)**	**$ 15**	**$ 341**
2010				
Joint revolving credit facility(1)	$ 1,000	$ 600	$ 91	$ 309
Joint revolving credit facility(2)	250			250
Total	$ 1,250	$ 600(3)	$ 91	$ 559

(1) This credit facility was entered into in September 2010 with an original maturity date of September 2013. Effective October 1, 2011, pricing was amended and the maturity date was extended to September 2016.

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This credit facility can be used to support bank borrowings and the issuance of commercial paper, as well as to support up to $1.5 billion (or the sub-limit, whichever is less) of letters of credit. Virginia Power s current sub-limit under this credit facility can be increased or decreased multiple times per year.

(2) This credit facility was entered into in September 2010 with an original maturity date of September 2013. Effective October 1, 2011, pricing was amended and the maturity date was extended to September 2016. This credit facility can be used to support bank borrowings, commercial paper and letter of credit issuances. Virginia Power s current sub-limit under this credit facility can be increased or decreased multiple times per year.

(3) The weighted-average interest rates of the outstanding commercial paper supported by these credit facilities were 0.46% and 0.41% at December 31, 2011 and 2010, respectively.

In addition to the credit facility commitments mentioned above, Virginia Power also has a $120 million credit facility that was entered into in September 2010 with an original maturity date of September 2013. Effective October 1, 2011, pricing was amended and the maturity date was extended to September 2016. This facility supports certain tax-exempt financings of Virginia Power.

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NOTE 18. LONG-TERM DEBT

At December 31, (millions, except percentages)	2011 Weighted-average Coupon[1]	2011	2010
Virginia Electric and Power Company:			
Unsecured Senior Notes:			
4.75% to 8.625%, due 2012 to 2016	**5.17%**	**$ 1,675**	$ 1,680
3.45% to 8.875%, due 2017 to 2038	**6.17%**	**4,204**	4,214
Tax-Exempt Financings[2]:			
Variable rates, due 2016 to 2041[3]	**1.24%**	**454**	219
1.375% to 6.5%, due 2017 to 2040	**3.99%**	**533**	608
Virginia Electric and Power Company total principal		**$ 6,866**	$ 6,721
Securities due within one year	**5.17%**	**(616)**	(15)
Unamortized discount and premium, net		**(4)**	(4)
Virginia Electric and Power Company total long-term debt		**$ 6,246**	$ 6,702
Dominion Resources, Inc.:			
Unsecured Senior Notes:			
1.8% to 7.195%, due 2012 to 2016	**4.31%**	**$ 3,195**	$ 2,345
4.45% to 8.875%, due 2017 to 2041[4]	**6.07%**	**4,749**	3,749
Unsecured Convertible Senior Notes, 2.125%, due 2023[5]		**143**	202
Unsecured Junior Subordinated Notes Payable to Affiliated Trusts, 7.83% and 8.4%, due 2027 and 2031	**7.85%**	**268**	268
Enhanced Junior Subordinated Notes, 6.3% to 8.375%, due 2064 and 2066[6]	**8.11%**	**985**	1,469
Enhanced Junior Subordinated Notes, variable rate, due 2066[6]	**2.67%**	**468**	
Unsecured Debentures and Senior Notes[7]:			
5.0% to 6.85%, due 2011 to 2014	**5.06%**	**622**	1,091
6.8% and 6.875%, due 2026 and 2027	**6.81%**	**89**	89
Dominion Energy, Inc.:			
Secured Senior Notes:			
5.03% to 5.78%, due 2013[8]	**5.07%**	**842**	
7.33%, due 2020[9]		**159**	171
Tax-Exempt Financings[10]:			
2.25% and 5.75%, due 2033 to 2042	**3.52%**	**284**	124
Variable rate, due 2041	**1.15%**	**75**	
Virginia Electric and Power Company total principal (from above)		**6,866**	6,721
Dominion Resources, Inc. total principal		**$ 18,745**	$ 16,229
Fair value hedge valuation[11]		**105**	49
Securities due within one year[12]	**5.62%**	**(1,479)**	(497)
Unamortized discount and premium, net		**23**	(23)
Dominion Resources, Inc. total long-term debt		**$ 17,394**	$ 15,758

(1) Represents weighted-average coupon rates for debt outstanding as of December 31, 2011.
(2)

These financings relate to certain pollution control equipment at Virginia Power s generating facilities. Certain variable rate tax-exempt financings are supported by a $120 million credit facility that terminates in September 2016.

(3) *$160 million of tax-exempt bonds due in 2040 issued by the Industrial Development Authority of Wise County on behalf of Virginia Power were remarketed to a third party and included in the Consolidated Balance Sheets in March 2011. These bonds were originally issued in December 2010 and September 2009 but were not included in the 2010 Consolidated Balance Sheet because the bonds had been temporarily purchased and were held by Virginia Power.*

(4) *At the option of holders, $510 million of Dominion s 5.25% senior notes due 2033 and $600 million of Dominion s 8.875% senior notes due 2019 are subject to redemption at 100% of the principal amount plus accrued interest in August 2015 and January 2014, respectively.*

(5) *Convertible into a combination of cash and shares of Dominion s common stock at any time when the closing price of common stock equals 120% of the applicable conversion price or higher for at least 20 out of the last 30 consecutive trading days ending on the last trading day of the previous calendar quarter. At the option of holders on December 15, 2013 or 2018, these securities are subject to redemption at 100% of the principal amount plus accrued interest. These senior notes have been callable by Dominion since December 15, 2011.*

(6) *In September 2011, the $500 million 6.3% 2006 Series B Enhanced Junior Subordinated Notes due 2066 began bearing interest at the three-month LIBOR plus 2.3%, reset quarterly.*

(7) *Represents debt assumed by Dominion from the merger of its former CNG subsidiary.*

(8) *Juniper notes issued in 2004 and consolidated in October 2011 due to Dominion becoming the primary beneficiary of this VIE. This amount excludes $48 million of net unamortized premium in 2011. The debt is non-recourse to Dominion and is secured by Juniper s assets.*

(9) *Represents debt associated with Kincaid. The debt is non-recourse to Dominion and is secured by the facility s assets ($530 million at December 31, 2011) and revenue.*

(10) *$235 million of tax-exempt bonds due in 2041 issued by the Massachusetts Development Finance Agency on behalf of Brayton Point were remarketed to third parties in July and August 2011, and included in the Consolidated Balance Sheet. These bonds were originally issued in December 2010 but were not included in the 2010 Consolidated Balance Sheet because the bonds had been temporarily purchased and were held by Dominion.*

(11) *Represents the valuation of certain fair value hedges associated with Dominion s fixed-rate debt.*

(12) *Includes $4 million of net unamortized discount in 2011.*

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Based on stated maturity dates rather than early redemption dates that could be elected by instrument holders, the scheduled principal payments of long-term debt at December 31, 2011, were as follows:

(millions, except percentages)	2012	2013	2014	2015	2016	Thereafter	Total
Virginia Power	**$ 616**	**$ 418**	**$ 17**	**$ 219**	**$ 485**	**$ 5,111**	**$ 6,866**
Weighted-average Coupon	**5.17%**	**4.88%**	**7.73%**	**5.43%**	**5.29%**	**5.52%**	
Dominion							
Secured Senior Notes	**$ 13**	**$ 853**	**$ 15**	**$ 18**	**$ 20**	**$ 82**	**$ 1,001**
Unsecured Senior Notes	**1,470**	**690**	**1,065**	**960**	**1,351**	**9,141**	**14,677**
Tax-Exempt Financings				**8**	**27**	**1,311**	**1,346**
Unsecured Junior Subordinated Notes Payable to Affiliated Trusts						**268**	**268**
Enhanced Junior Subordinated Notes						**1,453**	**1,453**
Total	**$ 1,483**	**$ 1,543**	**$ 1,080**	**$ 986**	**$ 1,398**	**$ 12,255**	**$ 18,745**
Weighted-average Coupon	**5.62%**	**5.04%**	**3.99%**	**4.52%**	**4.29%**	**5.79%**	

Dominion s and Virginia Power s short-term credit facilities and long-term debt agreements contain customary covenants and default provisions. As of December 31, 2011, there were no events of default under these covenants.

In January 2012, Virginia Power issued $450 million of 2.95% senior notes that mature in 2022. The proceeds were used for general corporate purposes including the repayment of short-term debt.

Convertible Securities

At December 31, 2011, Dominion had $143 million of outstanding contingent convertible senior notes that are convertible by holders into a combination of cash and shares of Dominion s common stock under certain circumstances. The conversion feature requires that the principal amount of each note be repaid in cash, while amounts payable in excess of the principal amount will be paid in common stock. At issuance, the notes were valued at a conversion rate of 27.173 shares of common stock per $1,000 principal amount of senior notes, which represented a conversion price of $36.80. The conversion rate is subject to adjustment upon certain events such as subdivisions, splits, combinations of common stock or the issuance to all common stock holders of certain common stock rights, warrants or options and certain dividend increases. As of December 31, 2011, the conversion rate had been adjusted to 28.9178 shares, primarily due to individual dividend payments above the level paid at issuance.

The number of shares included in the denominator of the diluted EPS calculation is calculated as the net shares issuable for the reporting period based upon the average market price for the period. This results in an increase in the average shares outstanding used in the calculation of Dominion s diluted EPS when the conversion price is lower than the average market price of Dominion s common stock over the period, and results in no adjustment when the conversion price exceeds the average market price.

The senior notes are convertible by holders into a combination of cash and shares of Dominion s common stock under any of the following circumstances:

(1) The closing price of Dominion s common stock equals 120% of the applicable conversion price or higher for at least 20 out of the last 30 consecutive trading days ending on the last trading day of the previous calendar quarter;
(2) The senior notes are called for redemption by Dominion;
(3) The occurrence of specified corporate transactions; or
(4)

The credit rating assigned to the senior notes by Moody s is below Baa3 and by Standard & Poor s is below BBB- or the ratings are discontinued for any reason.

The senior notes were not eligible for conversion during the first quarter of 2011. However, since the closing price of Dominion s common stock was equal to 120% of the applicable conversion price or higher for at least 20 out of the last 30 consecutive trading days of each quarter, the senior notes were eligible for conversion during each of the last three quarters of 2011. During 2011, approximately $59 million of the contingent convertible senior notes were converted by holders. As of December 31, 2011, the closing price of Dominion s common stock was equal to $41.50 per share or higher for at least 20 out of the last 30 consecutive trading days; therefore, the senior notes are eligible for conversion during the first quarter of 2012. Beginning in 2007, the notes have been eligible for contingent interest if the average trading price as defined in the indenture equals or exceeds 120% of the principal amount of the senior notes. Holders have the right to require Dominion to purchase these senior notes for cash at 100% of the principal amount plus accrued interest in December 2013 or 2018, or if Dominion undergoes certain fundamental changes. The senior notes have been callable by Dominion since December 15, 2011.

Junior Subordinated Notes Payable to Affiliated Trusts

In previous years, Dominion established several subsidiary capital trusts, each as a finance subsidiary of the respective parent company, which hold 100% of the voting interests. The trusts sold trust preferred securities representing preferred beneficial interests and 97% beneficial ownership in the assets held by the trusts. In exchange for the funds realized from the sale of the trust preferred securities and common securities that represent the remaining 3% beneficial ownership interest in the assets held by the capital trusts, Dominion issued various junior subordinated notes. The junior subordinated notes constitute 100% of each capital trust s

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Combined Notes to Consolidated Financial Statements, Continued

assets. Each trust must redeem its trust preferred securities when their respective junior subordinated notes are repaid at maturity or if redeemed prior to maturity.

The following table provides summary information about the trust preferred securities and junior subordinated notes outstanding as of December 31, 2011:

Date Established	Capital Trusts	Units	Rate	Trust Preferred Securities Amount	Common Securities Amount
		(thousands)		(millions)	
December 1997	Dominion Resources Capital Trust I(1)	250	7.83%	$ 250	$ 7.7
January 2001	Dominion Resources Capital Trust III(2)	10	8.4	10	0.3

Junior subordinated notes/debentures held as assets by each capital trust were as follows:

(1) $258 million Dominion Resources, Inc. 7.83% Debentures due 12/1/2027.
(2) $10 million Dominion Resources, Inc. 8.4% Debentures due 1/15/2031.

Interest charges related to Dominion s junior subordinated notes payable to affiliated trusts were $21 million for the years ended December 31, 2011, 2010 and 2009.

Distribution payments on the trust preferred securities are considered to be fully and unconditionally guaranteed by the respective parent company that issued the debt instruments held by each trust when all of the related agreements are taken into consideration. Each guarantee agreement only provides for the guarantee of distribution payments on the relevant trust preferred securities to the extent that the trust has funds legally and immediately available to make distributions. The trust s ability to pay amounts when they are due on the trust preferred securities is dependent solely upon the payment of amounts by Dominion when they are due on the junior subordinated notes. Dominion may defer interest payments on the junior subordinated notes on one or more occasions for up to five consecutive years and the related trusts must also defer distributions. If the payment on the junior subordinated notes is deferred, Dominion may not make distributions related to its capital stock, including dividends, redemptions, repurchases, liquidation payments or guarantee payments, during the deferral period. Also, during any deferral period, Dominion may not make any payments on, redeem or repurchase any debt securities that are equal in right of payment with, or subordinated to, the junior subordinated notes.

Enhanced Junior Subordinated Notes

In June 2006 and September 2006, Dominion issued $300 million of June 2006 hybrids and $500 million of September 2006 hybrids, respectively. The June 2006 hybrids will bear interest at 7.5% per year until June 30, 2016. Thereafter, they will bear interest at the three-month LIBOR plus 2.825%, reset quarterly. Beginning September 30, 2011, the September 2006 hybrids bear interest at the three-month LIBOR plus 2.3%, reset quarterly. Previously, interest was fixed at 6.3% per year.

In June 2009, Dominion issued $685 million (including $60 million related to the underwriter s option to purchase additional notes to cover over-allotments) of 8.375% June 2009 hybrids. The June 2009 hybrids are listed on the New York Stock Exchange under the symbol DRU.

Dominion may defer interest payments on the hybrids on one or more occasions for up to 10 consecutive years. If the interest payments on the hybrids are deferred, Dominion may not make distributions related to its capital stock, including dividends, redemptions, repurchases, liquidation payments or guarantee payments during the deferral period. Also, during the deferral period, Dominion may not make any payments on or redeem or repurchase any debt securities that are equal in right of payment with, or subordinated to, the hybrids.

Dominion executed RCCs in connection with its issuance of all of the hybrids described above. Under the terms of the RCCs, Dominion covenants to and for the benefit of designated covered debtholders, as may be designated from time to time, that Dominion shall not redeem, repurchase, or defease all or any part of the hybrids, and shall not cause its majority owned subsidiaries to purchase all or any part of the hybrids, on or before their applicable RCC termination date, unless, subject to certain limitations, during the 180 days prior to such activity, Dominion has received a specified amount of proceeds as set forth in the RCCs from the sale of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than the applicable characteristics of the hybrids at that time, as more fully described in the RCCs. In September 2011, Dominion amended the RCCs of the June 2006 hybrids and September 2006 hybrids to expand the measurement period for consideration of proceeds from the sale of common stock issuances from 180 days to 365 days. The proceeds Dominion receives from the replacement offering, adjusted by a predetermined factor, must equal or exceed the redemption or repurchase price.

In both December 2011 and April 2010, Dominion purchased and cancelled $16 million of the September 2006 hybrids. These purchases were conducted in compliance with the RCC. In late February 2012, Dominion launched a tender offer to purchase up to $150 million of additional September 2006 hybrids, which amount may be increased or decreased at Dominion s sole discretion. All purchases will be conducted in compliance with the RCC.

NOTE 19. PREFERRED STOCK

Dominion is authorized to issue up to 20 million shares of preferred stock; however, none were issued and outstanding at December 31, 2011 or 2010.

Virginia Power is authorized to issue up to 10 million shares of preferred stock, $100 liquidation preference, and had 2.59 million preferred shares issued and outstanding at December 31, 2011 and 2010. Upon involuntary liquidation, dissolution or winding-up of Virginia Power, each share would be entitled to receive $100 plus accrued cumulative dividends.

Holders of Virginia Power s outstanding preferred stock are not entitled to voting rights except under certain provisions of the amended and restated articles of incorporation and related provisions of Virginia law restricting corporate action, upon default in dividends or in special statutory proceedings and as required by Virginia law (such as mergers, consolidations, sales of assets, dissolution and changes in voting rights or priorities of preferred stock).

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Presented below are the series of Virginia Power preferred stock that were outstanding as of December 31, 2011:

Dividend	Issued and Outstanding Shares (thousands)	Entitled Per Share Upon Liquidation
$5.00	**107**	**$ 112.50**
4.04	**13**	**102.27**
4.20	**15**	**102.50**
4.12	**32**	**103.73**
4.80	**73**	**101.00**
7.05	**500**	**100.71**(1)
6.98	**600**	**100.70**(2)
Flex Money Market Preferred 12/02, Series A	**1,250**	**100.00**(3)
Total	**2,590**	

(1) Through 7/31/2012; $100.36 commencing 8/1/2012; $100.00 commencing 8/1/2013.

(2) Through 8/31/2012; $100.35 commencing 9/1/2012; $100.00 commencing 9/1/2013.

(3) Dividend rate was 6.25% until 3/20/2011. Effective 3/20/11 the rate reset to 6.12% until 3/20/2014 after which the rate will be determined according to periodic auctions for periods established by Virginia Power at the time of the auction process.

Note 20. Shareholders Equity

Issuance of Common Stock

Dominion

Dominion maintains Dominion Direct® and a number of employee savings plans through which contributions may be invested in the Company s common stock. These shares may either be newly issued or purchased on the open market with proceeds contributed to these plans. During 2011, Dominion Direct® and the Dominion employee savings plans purchased Dominion common stock on the open market with the proceeds received through these programs, rather than having additional new common shares issued. In January 2012, Dominion began issuing new common shares for these direct stock purchase plans.

During 2011, Dominion issued approximately 1.2 million shares of common stock and received cash proceeds of $38 million through the exercise of employee stock options.

In January 2012, Dominion filed a new SEC shelf registration for the sale of debt and equity securities including the ability to sell common stock through an at the market program. The Company entered into four separate Sales Agency Agreements with each of BNY Mellon Capital Markets, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, and Goldman Sachs & Co., to effect sales under the program. However, with the exception of issuing approximately $320 million in equity through employee savings plans, direct stock purchase and dividend reinvestment plans, and other employee and director benefit plans, Dominion does not anticipate issuing common stock in 2012.

Virginia Power

In 2011, Virginia Power did not issue any shares of its common stock to Dominion. In 2010 and 2009, Virginia Power issued 33,013 and 31,877 shares of its common stock to Dominion for approximately $1 billion in each year, for the purpose of retiring short-term demand note borrowings from Dominion.

Shares Reserved for Issuance

At December 31, 2011, Dominion had approximately 54 million shares reserved and available for issuance for Dominion Direct®, employee stock awards, employee savings plans, director stock compensation plans and contingent convertible senior notes.

Repurchase of Common Stock

In March 2010, Dominion began repurchasing common shares in anticipation of proceeds from the sale of its Appalachian E&P operations. During 2010, Dominion repurchased 21.4 million shares of its common stock for approximately $900 million.

In 2011, Dominion announced that it intended to repurchase between $600 million and $700 million of common stock with cash tax savings resulting from the extension of the bonus depreciation allowance. During 2011, Dominion repurchased approximately 13 million shares of common stock for approximately $601 million on the open market under this program, at an average price of $46.37 per share. Dominion does not plan to repurchase additional shares under this program during 2012.

Accumulated Other Comprehensive Income (Loss)

Presented in the table below is a summary of AOCI by component:

At December 31, (millions)	**2011**	2010
Dominion		
Net unrealized gains (losses) on derivatives-hedging activities, net of tax of $48 and $(27)	**$ (54)**	$ 51
Net unrealized gains on nuclear decommissioning trust funds, net of tax of $(154) and $(142)	**243**	226
Net unrecognized pension and other postretirement benefit costs, net of tax of $568 and $446	**(799)**	(607)
Total AOCI	**$ (610)**	$ (330)
Virginia Power		
Net unrealized gains (losses) on derivatives-hedging activities, net of tax of $2 and $(2)	**$ (3)**	$ 4
Net unrealized gains on nuclear decommissioning trust funds, net of tax of $(14) and $(13)	**22**	20
Total AOCI	**$ 19**	$ 24

Stock-Based Awards

The 2005 Incentive Compensation Plan permits stock-based awards that include restricted stock, performance grants, goal-based stock, stock options, and stock appreciation rights. The Non-Employee Directors Plan permits grants of restricted stock and stock options. Under provisions of both plans, employees and non-employee directors may be granted options to purchase common stock at a price not less than its fair market value at the date of grant with a maximum term of eight years. Option terms are set at the discretion of the CGN Committee of the Board of Directors or the Board of Directors itself, as provided under each plan. At December 31, 2011, approximately 33 million shares were available for future grants under these plans.

Dominion measures and recognizes compensation expense relating to share-based payment transactions over the vesting period based on the fair value of the equity or liability instruments issued. Dominion s results for the years ended December 31, 2011, 2010 and 2009 include $39 million, $40 million, and $44 million, respectively, of compensation costs and $13 million, $15 million, and $17 million, respectively of income tax benefits related to Dominion s stock-based compensation

Combined Notes to Consolidated Financial Statements, Continued

arrangements. Stock-based compensation cost is reported in other operations and maintenance expense in Dominion s Consolidated Statements of Income. Excess tax benefits are classified as a financing cash flow. During the years ended December 31, 2011, 2010 and 2009, Dominion realized $2 million, $10 million, and $5 million, respectively, of excess tax benefits from the vesting of restricted stock awards and exercise of stock options.

Stock Options

The following table provides a summary of changes in amounts of stock options outstanding as of and for the years ended December 31, 2011, 2010 and 2009. No options were granted under any plan in 2011, 2010 or 2009.

	Shares (thousands)	Weighted - average Exercise Price	Weighted - average Remaining Contractual Life (years)	Aggregated Intrinsic Value[1] (millions)
Outstanding and exercisable at December 31, 2008	5,558	$ 30.53		30
Exercised	(1,706)	$ 28.93		$ 10
Forfeited/expired	(30)	$ 28.89		
Outstanding and exercisable at December 31, 2009	3,822	$ 31.25		$ 29
Exercised	(1,983)	$ 30.81		$ 22
Forfeited/expired	(29)	$ 29.84		
Outstanding and exercisable at December 31, 2010	1,810	$ 31.76		$ 20
Exercised	**(1,174)**	**$ 32.46**		**$ 17**
Forfeited/expired	**(8)**	**$ 31.57**		
Outstanding and exercisable at December 31, 2011	**628**	**$ 30.81**	**0.6**	**$ 14**

(1) Intrinsic value represents the difference between the exercise price of the option and the market value of Dominion s stock.

Dominion issues new shares to satisfy stock option exercises. Dominion received cash proceeds from the exercise of stock options of approximately $38 million, $63 million, and $49 million in the years ended December 31, 2011, 2010 and 2009, respectively.

Restricted Stock

Restricted stock grants are made to officers under Dominion s LTIP and may also be granted to certain key contributors from time to time. The fair value of Dominion s restricted stock awards is equal to the market price of Dominion s stock on the date of grant. New shares are issued for restricted stock awards on the date of grant and generally vest over a three-year service period. The following table provides a summary of restricted stock activity for the years ended December 31, 2011, 2010 and 2009:

	Shares (thousands)	Weighted - average Grant Date Fair Value

Nonvested at December 31, 2008	1,756	$ 38.55
Granted	533	33.84
Vested	(913)	34.81
Cancelled and forfeited	(77)	38.32
Converted from goal-based stock to restricted stock	185	44.18
Nonvested at December 31, 2009	1,484	$ 39.88
Granted	463	38.80
Vested	(618)	43.54
Cancelled and forfeited	(39)	36.92
Converted from goal-based stock to restricted stock	186	40.84
Nonvested at December 31, 2010	1,476	$ 38.20
Granted	**299**	**43.68**
Vested	**(617)**	**40.72**
Cancelled and forfeited	**(25)**	**36.29**
Converted from goal-based stock to restricted stock	**168**	**30.99**
Nonvested at December 31, 2011	**1,301**	**$ 37.37**

As of December 31, 2011, unrecognized compensation cost related to nonvested restricted stock awards totaled $18 million and is expected to be recognized over a weighted-average period of 2.1 years. The fair value of restricted stock awards that vested was $28 million, $26 million, and $29 million in 2011, 2010 and 2009, respectively. Employees may elect to have shares of restricted stock withheld upon vesting to satisfy tax withholding obligations. The number of shares withheld will vary for each employee depending on the vesting date fair market value of Dominion stock and the applicable federal, state and local tax withholding rates. Shares tendered for taxes are added to the shares remaining to be issued and become available for reissuance as incentive awards.

Goal-Based Stock

Goal-based stock awards are granted to officers who have not achieved a certain targeted level of share ownership in lieu of cash-based performance grants. In 2008 and 2009, goal-based stock awards were also made to certain key non-officer employees. Current outstanding goal-based shares include awards granted to officers in February 2010 and February 2011.

The issuance of awards is based on the achievement of multiple performance metrics during a two-year period, including ROIC, BVP and TSR relative to that of a peer group of companies for 2009, and for 2010 and 2011 the two metrics of ROIC and TSR relative to that of a peer group of companies. The actual number of shares issued will vary between zero and 200% of targeted shares depending on the level of performance metrics achieved. The fair value of goal-based stock is equal to the market price of Dominion s stock on the date of grant. Goal-based stock awards granted to key non-officer employees convert to restricted stock at the end of the two-year performance period and generally

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vest three years from the original grant date. Awards to officers vest at the end of the two-year performance period. All goal-based stock awards are settled by issuing new shares.

After the performance period for the April 2008 grants ended on December 31, 2009, the CGN Committee determined the actual performance against metrics established for those awards. For awards to key non-officer employees, 147 thousand shares of the outstanding goal-based stock awards granted in April 2008 were converted to 186 thousand shares of restricted stock for the remaining term of the vesting period ending in April 2011. For awards to officers, 12 thousand shares of the outstanding goal-based stock awards were converted to 15 thousand non-restricted shares and issued to the officers.

After the performance period for the April 2009 grants ended on December 31, 2010, the CGN Committee determined the actual performance against metrics established for those awards. For awards to key non-officer employees, 132 thousand shares of the outstanding goal-based stock awards granted in April 2009 were converted to 168 thousand shares of restricted stock for the remaining term of the vesting period ending in April 2012. For awards to officers, 20 thousand shares of the outstanding goal-based stock awards were converted to 25 thousand non-restricted shares and issued to the officers.

The following table provides a summary of goal-based stock activity for the years ended December 31, 2011, 2010 and 2009:

	Targeted Number of Shares (thousands)	Weighted - average Grant Date Fair Value
Nonvested at December 31, 2008	315	$ 42.56
Granted	165	31.43
Vested	(28)	44.38
Cancelled and forfeited	(2)	37.24
Converted from goal-based stock to restricted stock	(127)	44.18
Nonvested at December 31, 2009	323	$ 36.12
Granted	9	37.46
Vested	(16)	39.31
Cancelled and forfeited	(8)	30.99
Converted from goal-based stock to restricted stock	(147)	40.84
Nonvested at December 31, 2010	161	$ 31.79
Granted	**3**	**43.54**
Vested	**(20)**	**34.62**
Cancelled and forfeited		
Converted from goal-based stock to restricted stock	**(132)**	**30.99**
Nonvested at December 31, 2011	**12**	**$ 39.19**

At December 31, 2011, the targeted number of shares expected to be issued under the February 2010 and February 2011 awards was approximately 12 thousand. In January 2012, the CGN Committee determined the actual performance against metrics established for the February 2010 awards with a performance period that ended December 31, 2011. Based on that determination, the total number of shares to be issued under the February 2010 goal-based stock awards was approximately 15 thousand.

As of December 31, 2011, unrecognized compensation cost related to nonvested goal-based stock awards was not material.

CASH-BASED PERFORMANCE GRANTS

Cash-based performance grants are made to Dominion s officers under Dominion s LTIP. The actual payout of cash-based performance grants will vary between zero and 200% of the targeted amount based on the level of performance metrics achieved.

The targeted amount of the cash-based performance grant made to officers in April 2008 was $12 million, but the actual payout of the award in February 2010 determined by the CGN Committee was $15 million, based on the level of performance metrics achieved.

In February 2009, a cash-based performance grant was made to officers. A portion of the grant, representing the $11 million targeted amount as of December 31, 2010, was paid in December 2010, based on the achievement of three performance metrics during 2009 and 2010: ROIC, BVP and TSR relative to that of a peer group of companies. The total amount of the award under the grant was $14 million and the remaining $3 million of the grant was paid in February 2011. At December 31, 2010, a liability of $3 million had been accrued for the remaining portion of the award.

In February 2010, a cash-based performance grant was made to officers. A portion of the grant, representing the initial payout of $14 million, which included the $12 million targeted amount, was paid in December 2011, based on the achievement of two performance metrics during 2010 and 2011: ROIC and TSR relative to that of a peer group of companies. The total expected award under the grant is $20 million and the remaining portion of the grant will be paid by March 15, 2012. At December 31, 2011, a liability of $5 million had been accrued for the remaining portion of the award.

In February 2011, a cash-based performance grant was made to officers. Payout of the performance grant will occur by March 15, 2013 based on the achievement of two performance metrics during 2011 and 2012: ROIC and TSR relative to that of a peer group of companies. At December 31, 2011, the targeted amount of the grant was $12 million and a liability of $6 million had been accrued for this award.

Note 21. Dividend Restrictions

The Virginia Commission may prohibit any public service company, including Virginia Power, from declaring or paying a dividend to an affiliate if found to be detrimental to the public interest. At December 31, 2011, the Virginia Commission had not restricted the payment of dividends by Virginia Power.

Certain agreements associated with Dominion s and Virginia Power s credit facilities contain restrictions on the ratio of debt to total capitalization. These limitations did not restrict Dominion s or Virginia Power s ability to pay dividends or receive dividends from their subsidiaries at December 31, 2011.

See Note 18 for a description of potential restrictions on dividend payments by Dominion in connection with the deferral of interest payments on junior subordinated notes.

Note 22. Employee Benefit Plans

Dominion

Dominion provides certain benefits to eligible active employees, retirees and qualifying dependents. Under the terms of its benefit

plans, Dominion reserves the right to change, modify or terminate the plans. From time to time in the past, benefits have changed, and some of these changes have reduced benefits.

Dominion maintains qualified noncontributory defined benefit pension plans covering virtually all employees. Retirement benefits are based primarily on years of service, age and the employee s compensation. Dominion s funding policy is to contribute annually an amount that is in accordance with the provisions of ERISA. The pension program also provides benefits to certain retired executives under a company-sponsored nonqualified employee benefit plan. The nonqualified plan is funded through contributions to a grantor trust.

Dominion provides retiree healthcare and life insurance benefits with annual employee premiums based on several factors such as age, retirement date and years of service. In January 2011, Dominion amended its retiree healthcare and life benefits to change the eligibility age, effective January 1, 2012, for the majority of nonunion employees from 55 with 10 years of service to 58 with 10 years of service, resulting in an approximately $71 million reduction to the other postretirement benefit plan obligation. The eligibility requirements for nonunion employees hired on or after January 1, 2008, who benefit under the Retiree Medical Account design, as well as for union employees are not affected by this plan design change.

Pension and other postretirement benefit costs are affected by employee demographics (including age, compensation levels and years of service), the level of contributions made to the plans and earnings on plan assets. These costs may also be affected by changes in key assumptions, including expected long-term rates of return on plan assets, discount rates, healthcare cost trend rates and the rate of compensation increases.

Dominion uses December 31 as the measurement date for all of its employee benefit plans. Dominion uses the market-related value of pension plan assets to determine the expected return on plan assets, a component of net periodic pension cost. The market-related value recognizes changes in fair value on a straight-line basis over a four-year period, which reduces year-to-year volatility. Changes in fair value are measured as the difference between the expected and actual plan asset returns, including dividends, interest and realized and unrealized investment gains and losses. Since the market-related value recognizes changes in fair value over a four-year period, the future market-related value of pension plan assets will be impacted as previously unrecognized changes in fair value are recognized.

Dominion s pension and other postretirement benefit plans hold investments in trusts to fund employee benefit payments. Aggregate actual returns for Dominion s pension and other postretirement plan assets were $273 million in 2011 and $624 million in 2010, versus expected returns of $519 million and $479 million, respectively. Differences between actual and expected returns on plan assets are accumulated and amortized during future periods. As such, any investment-related declines in these trusts will result in future increases in the periodic cost recognized for such employee benefit plans and will be included in the determination of the amount of cash to be contributed to the employee benefit plans.

The Medicare Act introduced a federal subsidy to sponsors of retiree healthcare benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D.

Dominion determined that the prescription drug benefit offered under its other postretirement benefit plans is at least actuarially equivalent to Medicare Part D. Dominion received a federal subsidy of $5 million for each of 2011 and 2010. In December 2011, Dominion elected to change its method of receiving the subsidy under Medicare Part D for retiree prescription drug coverage from the Retiree Drug Subsidy to the EGWP. This change is expected to be effective January 1, 2013. As a result of this change, Dominion recognized a decrease in its other postretirement benefit obligations of approximately $170 million as of December 31, 2011. This change is also expected to reduce other postretirement benefit costs by approximately $20 million annually beginning in 2012.

Funded Status

The following table summarizes the changes in Dominion s pension plan and other postretirement benefit plan obligations and plan assets and includes a statement of the plans funded status:

Year Ended December 31,	Pension Benefits 2011	2010	Other Postretirement Benefits 2011	2010
(millions, except percentages)				
Changes in benefit obligation:				
Benefit obligation at beginning of year	**$ 4,490**	$ 4,126	**$ 1,707**	$ 1,555
Service cost	**108**	102	**48**	56
Interest cost	**258**	266	**94**	101
Benefits paid	**(215)**	(211)	**(83)**	(82)
Actuarial (gains) losses during the year	**340**	210	**(210)**	36
Transfer[1]		(48)		
Plan amendments		1	**(70)**	
Settlements and curtailments[2]		34	**(1)**	35
Special termination benefits[3]		10		1
Medicare Part D reimbursement			**5**	5
Early Retirement Reimbursement Program			**3**	
Benefit obligation at end of year	**$ 4,981**	$ 4,490	**$ 1,493**	$ 1,707
Changes in fair value of plan assets:				
Fair value of plan assets at beginning of year	**$ 5,106**	$ 4,226	**$ 1,031**	$ 918
Actual return on plan assets	**247**	532	**26**	92
Employer contributions	**7**	665	**19**	56
Benefits paid	**(215)**	(211)	**(34)**	(35)
Transfer[1]		(106)		
Fair value of plan assets at end of year	**$ 5,145**	$ 5,106	**$ 1,042**	$ 1,031
Funded status at end of year	**$ 164**	$ 616	**$ (451)**	$ (676)
Amounts recognized in the Consolidated Balance Sheets at December 31:				
Noncurrent pension and other postretirement benefit assets	**677**	710	**4**	2
Other current liabilities	**(3)**	(4)	**(3)**	(3)
Noncurrent pension and other postretirement benefit liabilities	**(510)**	(90)	**(452)**	(675)
Net amount recognized	**$ 164**	$ 616	**$ (451)**	$ (676)

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Year Ended December 31,	Pension Benefits 2011	2010	Other Postretirement Benefits 2011	2010
(millions, except percentages)				
Significant assumptions used to determine benefit obligations as of December 31:				
Discount rate	**5.5%**	5.9%	**5.5%**	5.9%
Weighted average rate of increase for compensation	**4.21%**	4.61%	**4.22%**	4.62%

(1) Represents transfer of pension plan assets and obligation for all active Peoples employees as of February 1, 2010. See Note 4 for more information on the sale of Peoples completed in February 2010.
(2) 2010 amounts relate to the sales of Peoples and Dominion s Appalachian E&P operations and a workforce reduction program.
(3) Represents a one-time special termination benefit for certain employees in connection with a workforce reduction program.

The ABO for all of Dominion s defined benefit pension plans was $4.5 billion and $4.1 billion at December 31, 2011 and 2010, respectively.

Under its funding policies, Dominion evaluates plan funding requirements annually, usually in the fourth quarter after receiving updated plan information from its actuary. Based on the funded status of each plan and other factors, Dominion determines the amount of contributions for the current year, if any, at that time. During 2011, Dominion made no contributions to its qualified defined benefit pension plans and no contributions are currently expected in 2012. Certain regulatory authorities have held that amounts recovered in utility customers rates for other postretirement benefits, in excess of benefits actually paid during the year, must be deposited in trust funds dedicated for the sole purpose of paying such benefits. Accordingly, certain of Dominion s subsidiaries fund other postretirement benefit costs through VEBAs. Dominion s remaining subsidiaries do not prefund other postretirement benefit costs but instead pay claims as presented. Dominion expects to contribute approximately $16 million to the Dominion VEBAs in 2012.

Dominion does not expect any pension or other postretirement plan assets to be returned to the Company during 2012.

The following table provides information on the benefit obligations and fair value of plan assets for plans with a benefit obligation in excess of plan assets:

As of December 31,	Pension Benefits 2011	2010	Other Postretirement Benefits 2011	2010
(millions)				
Benefit obligation	**$ 4,416**(1)	$ 121	**$ 1,375**	$ 1,583
Fair value of plan assets	**3,903**(1)	27	**920**	905

(1) The increase primarily reflects a decrease in the discount rate as of December 31, 2011.

The following table provides information on the ABO and fair value of plan assets for pension plans with an ABO in excess of plan assets:

As of December 31,	2011	2010
(millions)		
Accumulated benefit obligation	**$ 95**	$ 80
Fair value of plan assets		

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

	Estimated Future Benefit Payments	
	Pension Benefits	Other Postretirement Benefits
(millions)		
2012	$ **226**	$ **94**
2013	**233**	**92**
2014	**245**	**96**
2015	**280**	**99**
2016	**307**	**102**
2017-2021	**1,643**	**554**

The above benefit payments for other postretirement benefit plans for 2012 are expected to be offset by a Medicare Part D subsidy of approximately $5 million. As a result of the adoption of the EGWP as discussed above, beginning in 2013 Dominion will receive an increased level of Medicare Part D subsidies, in the form of reduced costs rather than a direct reimbursement.

Plan Assets

Dominion s overall objective for investing its pension and other postretirement plan assets is to achieve the best possible long-term rates of return commensurate with prudent levels of risk. To minimize risk, funds are broadly diversified among asset classes, investment strategies and investment advisors. The strategic target asset allocations for its pension funds are 28% U.S. equity, 18% non-U.S. equity, 33% fixed income, 3% real estate and 18% other alternative investments. U.S. equity includes investments in large-cap, mid-cap and small-cap companies located in the United States. Non-U.S. equity includes investments in large-cap companies located outside of the United States including both developed and emerging markets. Fixed income includes corporate debt instruments of companies from diversified industries and U.S. Treasuries. The U.S. equity, non-U.S. equity and fixed income investments are in individual securities as well as mutual funds. Real estate includes equity REITs and investments in partnerships. Other alternative investments include partnership investments in private equity, debt and hedge funds that follow several different strategies.

Strategic investment policies are established for Dominion s prefunded benefit plans based upon periodic asset/liability studies. Factors considered in setting the investment policy include employee demographics, liability growth rates, future discount rates, the funded status of the plans and the expected long-term rate of return on plan assets. Deviations from the plans strategic allocation are a function of Dominion s assessments regarding short-term risk and reward opportunities in the capital markets and/or short-term market movements which result in the plans actual asset allocations varying from the strategic target asset allocations. Through periodic rebalancing, actual allocations are brought back in line with the target. Future asset/liability studies will focus on strategies to further reduce pension and other postretirement plan risk, while still achieving attractive levels of returns. Financial derivatives may be used to obtain or manage market exposures and to hedge assets and liabilities.

Combined Notes to Consolidated Financial Statements, Continued

For fair value measurement policies and procedures related to pension and other postretirement benefit plan assets, see Note 7.

The fair values of Dominion s pension plan assets by asset category are as follows:

	Fair Value Measurements Pension Plans							
At December 31,	**2011**				2010			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(millions)								
Cash equivalents	**$ 1**	**$ 84**	**$**	**$ 85**	$ 1	$ 264	$	$ 265
U.S. equity:								
Large Cap	**805**	**123**		**928**	937	197		1,134
Other	**359**	**197**		**556**	436	96		532
Non-U.S. equity:								
Large Cap	**253**	**58**		**311**	231			231
Other	**190**	**81**		**271**	119	365		484
Fixed income:								
Corporate debt instruments	**36**	**834**		**870**	32	694		726
U.S. Treasury securities and agency debentures	**304**	**392**		**696**	168	216		384
State and municipal	**2**	**77**		**79**	2	42		44
Other securities	**8**	**40**		**48**		3		3
Real estate:								
REITs	**16**			**16**	51			51
Partnerships			**304**	**304**			271	271
Other alternative investments:								
Private equity			**448**	**448**			400	400
Debt			**243**	**243**			262	262
Hedge funds			**290**	**290**			345	345
Total[(1)]	**$ 1,974**	**$ 1,886**	**$ 1,285**	**$ 5,145**	$ 1,977	$ 1,877	$ 1,278	$ 5,132

(1) Includes net assets related to pending sales of securities of $26 million at December 31, 2010.

The fair values of Dominion s other postretirement plan assets by asset category are as follows:

	Fair Value Measurements Other Postretirement Plans							
At December 31,	**2011**				2010			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(millions)								
Cash equivalents	**$**	**$ 5**	**$**	**$ 5**	$	$ 13	$	$ 13
U.S. equity:								
Large Cap	**38**	**288**		**326**	43	293		336
Other	**17**	**44**		**61**	20	41		61
Non-U.S. equity:								
Large Cap	**77**	**3**		**80**	87			87

Other	**9**	**4**		**13**	5	17		22
Fixed income:								
Corporate debt instruments	**2**	**149**		**151**	1	106		107
U.S. Treasury securities and agency debentures	**14**	**246**		**260**	8	248		256
State and municipal		**6**		**6**		8		8
Other securities		**2**		**2**				
Real estate:								
REITs	**1**			**1**	2			2
Partnerships			**24**	**24**			22	22
Other alternative investments:								
Private equity			**63**	**63**			61	61
Debt			**36**	**36**			40	40
Hedge funds			**14**	**14**			17	17
Total[1]	**$ 158**	**$ 747**	**$ 137**	**$ 1,042**	$ 166	$ 726	$ 140	$ 1,032

(1) Includes net assets related to pending sales of securities of $1 million at December 31, 2010.

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The following table presents the changes in Dominion s pension and other postretirement plan assets that are measured at fair value and included in the Level 3 fair value category:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)									
	Pension Plans					Other Postretirement Plans				
	Real Estate	Private Equity	Debt	Hedge Funds	Total	Real Estate	Private Equity	Debt	Hedge Funds	Total
(millions)										
Balance at December 31, 2008	$ 438	$ 267	$ 191	$ 324	$ 1,220	$ 32	$ 47	$ 28	$ 15	$ 122
Actual return on plan assets:										
Relating to assets still held at the reporting date	(91)	128	19		56	(9)	13	3		7
Relating to assets sold during the period	(1)	1								
Purchases	18	53	35	64	170	4	6	7	4	21
Sales	(20)	(105)	(4)		(129)	(1)	(12)	(2)		(15)
Balance at December 31, 2009	$ 344	$ 344	$ 241	$ 388	$ 1,317	$ 26	$ 54	$ 36	$ 19	$ 135
Actual return on plan assets:										
Relating to assets still held at the reporting date	8	56	27	27	118		9	2	1	12
Purchases	56	90	36		182	3	9	8		20
Sales	(137)	(90)	(42)	(70)	(339)	(7)	(11)	(6)	(3)	(27)
Balance at December 31, 2010	$ 271	$ 400	$ 262	$ 345	$ 1,278	$ 22	$ 61	$ 40	$ 17	$ 140
Actual return on plan assets:										
Relating to assets still held at the reporting date	**38**	**70**	**10**	**10**	**128**	**3**	**11**	**1**		**15**
Relating to assets sold during the period	**(8)**	**(34)**	**(10)**	**(15)**	**(67)**		**(4)**	**(1)**	**(1)**	**(6)**
Purchases	**57**	**76**	**34**	**48**	**215**	**3**	**8**	**3**	**2**	**16**
Sales	**(54)**	**(64)**	**(53)**	**(98)**	**(269)**	**(4)**	**(13)**	**(7)**	**(4)**	**(28)**
Balance at December 31, 2011	**$ 304**	**$ 448**	**$ 243**	**$ 290**	**$ 1,285**	**$ 24**	**$ 63**	**$ 36**	**$ 14**	**$ 137**

Net Periodic Benefit Cost

The components of the provision for net periodic benefit (credit) cost and amounts recognized in other comprehensive income and regulatory assets and liabilities are as follows:

	Pension Benefits			Other Postretirement Benefits		
Year Ended December 31,	**2011**	2010	2009	**2011**	2010	2009
(millions, except percentages)						
Service cost	**$ 108**	$ 102	$ 106	**$ 48**	$ 56	$ 60
Interest cost	**258**	266	250	**94**	101	100
Expected return on plan assets	**(440)**	(410)	(405)	**(79)**	(69)	(57)
Amortization of prior service (credit) cost	**3**	3	4	**(13)**	(7)	(7)
Amortization of net actuarial loss	**96**	59	38	**12**	12	30
Settlements and curtailments[1]		136	3	**1**	37	
Special termination benefits[2]		10			1	
Plan amendments			1			
Net periodic benefit (credit) cost	**$ 25**	$ 166	$ (3)	**$ 63**	$ 131	$ 126
Changes in plan assets and benefit obligations recognized in other comprehensive income and regulatory assets and liabilities:						
Current year net actuarial (gain) loss	**$ 534**	$ 95	$ (174)	**$ (157)**	$ 13	$ (172)
Prior service (credit) cost		1		**(70)**		(1)
Settlements and curtailments[1]		(50)	(2)	**(1)**	(1)	
Less amounts included in net periodic benefit (credit) cost:						
Amortization of net actuarial loss	**(96)**	(59)	(38)	**(12)**	(12)	(30)
Amortization of prior service credit (cost)	**(3)**	(3)	(4)	**13**	7	7
Total recognized in other comprehensive income and regulatory assets and liabilities	**$ 435**	$ (16)	$ (218)	**$ (227)**	$ 7	$ (196)

Significant assumptions used to determine periodic cost:						
Discount rate	**5.9%**	6.6%	6.6%	**5.9%**	6.6%	6.6%
Expected long-term rate of return on plan assets	**8.5%**	8.5%	8.5%	**7.75%**	7.75%	7.75%
Weighted average rate of increase for compensation	**4.61%**	4.76%	4.79%	**4.62%**	4.79%	4.78%
Healthcare cost trend rate				**7%**	7%	8%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)				**4.6%**	4.6%	4.9%
Year that the rate reaches the ultimate trend rate				2060	2060	2060

(1) 2010 amounts relate to the sales of Peoples and Dominion s Appalachian E&P operations and a workforce reduction program.

(2) Represents a one-time special termination benefit for certain employees in connection with a workforce reduction program.

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Combined Notes to Consolidated Financial Statements, Continued

The components of AOCI and regulatory assets and liabilities that have not been recognized as components of periodic benefit (credit) cost are as follows:

	Pension Benefits		Other Postretirement Benefits	
At December 31,	**2011**	2010	**2011**	2010
(millions)				
Net actuarial loss	**$ 2,211**	$ 1,773	**$ 100**	$ 268
Prior service (credit) cost	**14**	17	**(86)**	(28)
Total[(1)]	**$ 2,225**	$ 1,790	**$ 14**	$ 240

(1) As of December 31, 2011, of the $2.2 billion related to pension benefits, $1.4 billion is included in AOCI, with the remainder included in regulatory assets and liabilities; the $14 million related to other postretirement benefits consists of $16 million included in regulatory assets and liabilities and $(2) million included in AOCI. As of December 31, 2010, of the $1.8 billion and $240 million related to pension benefits and other postretirement benefits, $978 million and $75 million, respectively, are included in AOCI, with the remainder included in regulatory assets and liabilities.

The following table provides the components of AOCI and regulatory assets and liabilities as of December 31, 2011 that are expected to be amortized as components of periodic benefit cost in 2012:

(millions)	Pension Benefits	Other Postretirement Benefits
Net actuarial loss	**$ 132**	**$ 6**
Prior service (credit) cost	**3**	**(13)**

Dominion determines the expected long-term rates of return on plan assets for its pension plans and other postretirement benefit plans by using a combination of:

- Expected inflation and risk-free interest rate assumptions;
- Historical return analysis to determine long term historic returns as well as historic risk premiums for various asset classes;
- Expected future risk premiums, asset volatilities and correlations;
- Forward-looking return expectations derived from the yield on long-term bonds and the price earnings ratios of major stock market indices; and
- Investment allocation of plan assets.

Dominion develops assumptions, which are then compared to the forecasts of other independent investment advisors to ensure reasonableness. An internal committee selects the final assumptions.

Dominion determines discount rates from analyses of AA/Aa rated bonds with cash flows matching the expected payments to be made under its plans.

Assumed healthcare cost trend rates have a significant effect on the amounts reported for Dominion s retiree healthcare plans. A one percentage point change in assumed healthcare cost trend rates would have had the following effects:

	Other Postretirement Benefits	
	One percentage point increase	One percentage point decrease
(millions)		
Effect on total of service and interest cost components for 2011	**$ 20**	**$ (18)**
Effect on other postretirement benefit obligation at December 31, 2011	**174**	**(139)**

Defined Contribution Plans

In addition, Dominion sponsors defined contribution employee savings plans. During 2011, 2010 and 2009, Dominion recognized $38 million, $39 million and $42 million, respectively, as contributions to these plans.

Virginia Power

Virginia Power participates in the Dominion Pension Plan, a defined benefit pension plan sponsored by Dominion that provides benefits to multiple Dominion subsidiaries. Retirement benefits payable under this plan are based primarily on years of service, age and the employee s compensation. As a participating employer, Virginia Power is subject to Dominion s funding policy, which is to contribute annually an amount that is in accordance with the provisions of ERISA. During 2011, Virginia Power made no contributions to the plan and no contributions are currently expected in 2012. Virginia Power s net periodic pension cost related to this pension plan was $50 million, $84 million and $48 million in 2011, 2010 and 2009, respectively. The 2010 net periodic pension cost includes the impact of a settlement and curtailment as well as a one-time special termination benefit for certain employees in connection with a workforce reduction program. Employee compensation is the basis for determining Virginia Power s share of total pension costs.

Virginia Power also participates in the Dominion Retiree Health and Welfare Plan, a plan sponsored by Dominion that provides certain retiree healthcare and life insurance benefits to multiple Dominion subsidiaries. Annual employee premiums are based on several factors such as age, retirement date and years of service. Virginia Power s net periodic benefit cost related to this plan was $23 million, $59 million and $55 million in 2011, 2010 and 2009, respectively. Employee headcount is the basis for determining Virginia Power s share of total other postretirement benefit costs.

Certain regulatory authorities have held that amounts recovered in rates for other postretirement benefits, in excess of benefits actually paid during the year, must be deposited in trust funds dedicated for the sole purpose of paying such benefits. Accordingly, Virginia Power funds other postretirement benefit costs through a VEBA. Virginia Power s contributions to the VEBA were $35 million and $34 million in 2010 and 2009, respectively. Virginia Power made no contributions to the VEBA in 2011 and does not expect to contribute to the VEBA in 2012.

Dominion holds investments in trusts to fund employee benefit payments for its pension and other postretirement benefit plans, in which Virginia Power s employees participate. Any investment-related declines in these trusts will result in future increases in the periodic cost recognized for such employee benefit plans and will be included in the determination of the amount of cash that Virginia Power will provide to Dominion for its share of employee benefit plan contributions.

Virginia Power also participates in Dominion-sponsored defined contribution employee savings plans that cover substantially all employees. Employer matching contributions of $14 million were incurred in each of 2011, 2010 and 2009.

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Note 23. Commitments and Contingencies

As a result of issues generated in the ordinary course of business, Dominion and Virginia Power are involved in legal proceedings before various courts and are periodically subject to governmental examinations (including by regulatory authorities), inquiries and investigations. Certain legal proceedings and governmental examinations involve demands for unspecified amounts of damages, are in an initial procedural phase, involve uncertainty as to the outcome of pending appeals or motions, or involve significant factual issues that need to be resolved, such that it is not possible for the Companies to estimate a range of possible loss. For such matters that the Companies cannot estimate, a statement to this effect is made in the description of the matter. Other matters may have progressed sufficiently through the litigation or investigative processes such that the Companies are able to estimate a range of possible loss. For legal proceedings and governmental examinations for which the Companies are able to reasonably estimate a range of possible losses, an estimated range of possible loss is provided, in excess of the accrued liability (if any) for such matters. Estimated ranges of loss are inclusive of legal fees and net of any anticipated insurance recoveries. This estimated range is based on currently available information and involves elements of judgment and significant uncertainties. This estimated range of possible loss does not represent the Companies maximum possible loss exposure. The circumstances of such legal proceedings and governmental examinations will change from time to time and actual results may vary significantly from the current estimate. For current proceedings not specifically reported below, management does not anticipate that the liabilities, if any, arising from such proceedings would have a material effect on Dominion s or Virginia Power s financial position, liquidity or results of operations.

Environmental Matters

Dominion and Virginia Power are subject to costs resulting from a number of federal, state and local laws and regulations designed to protect human health and the environment. These laws and regulations affect future planning and existing operations. They can result in increased capital, operating and other costs as a result of compliance, remediation, containment and monitoring obligations.

Air

On December 21, 2011, the EPA issued MATS for coal and oil-fired electric utility steam generating units. The rule establishes strict emission limits for mercury, particulate matter as a surrogate for toxic metals and hydrogen chloride as a surrogate for acid gases. The rule includes a limited use provision for oil-fired units with annual capacity factors under 8% that provides an exemption from emission limits, and allows compliance with operational work practice standards. Compliance will be required by Spring 2015, with certain limited exceptions. In December 2011, Virginia Power recorded a $228 million ($139 million after-tax) charge reflecting plant balances that are not expected to be recovered in future periods due to the anticipated retirement of certain regulated coal units, primarily as a result of the issuance of the final MATS. Dominion continues to be governed by individual state mercury emission reduction regulations in Massachusetts and Illinois that are largely unaffected by this rule.

In July 2011, the EPA issued a final replacement rule for CAIR, called CSAPR, that requires 28 states to reduce power plant emissions that cross state lines. CSAPR establishes new SO_2 and NO_x emissions cap and trade programs that are completely independent of the current ARP. Specifically, CSAPR requires reductions in SO_2 and NO_x emissions from fossil fuel-fired electric generating units of 25 MW or more through annual NO_x emissions caps, NO_x emissions caps during the ozone season (May 1 through September 30) and annual SO_2 emission caps with differing requirements for two groups of affected states.

Prior to the issuance of CSAPR, Dominion and Virginia Power held $57 million and $43 million, respectively, of SO_2 emissions allowances obtained for ARP and CAIR compliance. Due to CSAPR s establishment of a new allowance program and the elimination of CAIR, Dominion and Virginia Power have more SO_2 emissions allowances than needed for ARP compliance, which resulted in the impairment of these allowances in the third quarter of 2011. See Note 7 for further details of the impairments.

With respect to Dominion s generation fleet, the cost to comply with the rule is not expected to be material. However, following numerous petitions for review and motions for stay, in December 2011, the U.S. Court of Appeals for the D.C. Circuit issued a ruling to stay CSAPR pending judicial review. Also, in the fourth quarter of 2011, the EPA proposed technical revisions to CSAPR. Accordingly, future outcomes of litigation and/or final action to modify the rule could affect this assessment. While the stay of CSAPR is in effect, the EPA will continue to

administer CAIR.

The CAA is a comprehensive program utilizing a broad range of regulatory tools to protect and preserve the nation s air quality. At a minimum, states are required to establish regulatory programs to address all requirements of the CAA. However, states may choose to develop regulatory programs that are more restrictive. Many of Dominion s and Virginia Power s facilities are subject to the CAA s permitting and other requirements.

In February 2008, Dominion received a request for information pursuant to Section 114 of the CAA from the EPA. The request concerns historical operating changes and capital improvements undertaken at State Line and Kincaid. In April 2009, Dominion received a second request for information. Dominion provided information in response to both requests. Also in April 2009, Dominion received a Notice and Finding of Violations from the EPA claiming violations of the CAA New Source Review requirements, New Source Performance Standards, the Title V permit program and the stations respective State Implementation Plans. The Notice states that the EPA may issue an order requiring compliance with the relevant CAA provisions and may seek injunctive relief and/or civil penalties, all pursuant to the EPA s enforcement authority under the CAA.

Dominion believes that it complied with applicable laws and the EPA regulations and interpretations in effect at the time the work in question took place. The CAA authorizes maximum civil penalties of $25,000 to $37,500 per day, per violation at each generating unit, depending on the date of the alleged violation. In addition to any such penalties that may be awarded, an adverse outcome could require substantial capital expenditures or affect the timing of currently budgeted capital expenditures that cannot be determined at this time. Such expenditures could affect future

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results of operations, cash flows, and financial condition. Dominion is currently unable to make an estimate of the potential financial statement impacts related to these matters.

In June 2010, the Conservation Law Foundation and Healthlink Inc. filed a Complaint in the District Court of Massachusetts against Dominion Energy New England, Inc. alleging that Salem Harbor units 1, 2, 3, and 4 have been and are in violation of visible emissions standards and monitoring requirements of the Massachusetts State Implementation Plan and the station s state and federal operating permits. In February 2012, the court entered a consent decree among the parties, pursuant to which Dominion will retire Salem Harbor. The consent decree is not expected to have a material effect on Dominion s operations, financial statements or cash flows.

Water

The CWA is a comprehensive program requiring a broad range of regulatory tools including a permit program to authorize and regulate discharges to surface waters with strong enforcement mechanisms. Dominion and Virginia Power must comply with all aspects of the CWA programs at their operating facilities.

In October 2003, the EPA and the Massachusetts Department of Environmental Protection each issued new NPDES permits for Brayton Point. The new permits contained identical conditions that in effect require the installation of cooling towers to address concerns over the withdrawal and discharge of cooling water. Currently, Dominion is constructing the cooling towers and estimates the total cost to install these cooling towers at approximately $570 million, with remaining expenditures of approximately $65 million included in its planned capital expenditures through 2012.

In October 2007, the VSWCB issued a renewed VPDES permit for North Anna. BREDL, and other persons, appealed the VSWCB s decision to the Richmond Circuit Court, challenging several permit provisions related to North Anna s discharge of cooling water. In February 2009, the court ruled that the VSWCB was required to regulate the thermal discharge from North Anna into the waste heat treatment facility. Virginia Power filed a motion for reconsideration with the court in February 2009, which was denied. The final order was issued by the court in September 2009. The court s order allowed North Anna to continue to operate pursuant to the currently issued VPDES permit. In October 2009, Virginia Power filed a Notice of Appeal of the court s order with the Richmond Circuit Court, initiating the appeals process to the Virginia Court of Appeals. In June 2010, the Virginia Court of Appeals reversed the Richmond Circuit Court s September 2009 order. The Virginia Court of Appeals held that the lower court had applied the wrong standard of review, and that the VSWCB s determination not to regulate the station s thermal discharge into the waste heat treatment facility was lawful. In July 2010, BREDL and the other original appellants filed a petition for appeal to the Supreme Court of Virginia requesting that it review the Court of Appeals decision. In December 2010, the Supreme Court of Virginia granted BREDL s petition. In January 2012, the Supreme Court of Virginia upheld the Virginia Court of Appeals June 2010 ruling for Dominion and the VSWCB.

In September 2010, Millstone s NPDES permit was reissued under the CWA. The conditions of the permit require an evalua-

tion of control technologies that could result in additional expenditures in the future, however, Dominion cannot currently predict the outcome of this evaluation. In October 2010, the permit issuance was appealed to the state court by a private plaintiff. The permit is expected to remain in effect during the appeal. Dominion is currently unable to make an estimate of the potential financial statement impacts related to this matter.

Solid and Hazardous Waste

The CERCLA, as amended, provides for immediate response and removal actions coordinated by the EPA in the event of threatened releases of hazardous substances into the environment and authorizes the U.S. government either to clean up sites at which hazardous substances have created actual or potential environmental hazards or to order persons responsible for the situation to do so. Under the CERCLA, as amended, generators and transporters of hazardous substances, as well as past and present owners and operators of contaminated sites, can be strictly, jointly and severally liable for the cost of cleanup. These potentially responsible parties can be ordered to perform a cleanup, be sued for costs associated with an EPA-directed cleanup, voluntarily settle with the U.S. government concerning their liability for cleanup costs, or voluntarily

begin a site investigation and site remediation under state oversight.

From time to time, Dominion or Virginia Power may be identified as a potentially responsible party to a Superfund site. The EPA (or a state) can either allow such a party to conduct and pay for a remedial investigation, feasibility study and remedial action or conduct the remedial investigation and action itself and then seek reimbursement from the potentially responsible parties. Each party can be held jointly, severally and strictly liable for the cleanup costs. These parties can also bring contribution actions against each other and seek reimbursement from their insurance companies. As a result, Dominion or Virginia Power may be responsible for the costs of remedial investigation and actions under the Superfund law or other laws or regulations regarding the remediation of waste. Except as noted below, the Companies do not believe this will have a material effect on results of operations, financial condition and/or cash flows.

In September 2011, the EPA issued a UAO to Virginia Power and 22 other parties, ordering specific remedial action of certain areas at the Ward Transformer Superfund site located in Raleigh, North Carolina. Virginia Power does not believe it is a liable party under CERCLA based on its alleged connection to the site. In November 2011 Virginia Power and a number of other parties notified the EPA that they are declining to undertake the work set forth in the UAO.

The EPA may seek to enforce a UAO in court pursuant to its enforcement authority under CERCLA, and may seek recovery of its costs in undertaking removal or remedial action. If the court determines that a respondent failed to comply with the UAO without sufficient cause, the EPA may also seek civil penalties of up to $37,500 per day for the violation and punitive damages of up to three times the costs incurred by the EPA as a result of the party s failure to comply with the UAO. Virginia Power is currently unable to make an estimate of the potential financial statement impacts related to the Ward Transformer matter.

Dominion has determined that it is associated with 17 former manufactured gas plant sites. Studies conducted by other utilities

at their former manufactured gas plant sites have indicated that those sites contain coal tar and other potentially harmful materials. None of the 17 former sites with which Dominion is associated is under investigation by any state or federal environmental agency. At one of the former sites, Dominion is conducting a state-approved post closure groundwater monitoring program and an environmental land use restriction has been recorded. Another site has been accepted into a state-based voluntary remediation program and Dominion has not yet estimated the future remediation costs. Due to the uncertainty surrounding these sites, Dominion is unable to make an estimate of the potential financial statement impacts related to these sites.

Climate Change Legislation and Regulation

Massachusetts, Rhode Island and Connecticut, among other states, have joined RGGI, a multi-state effort to reduce CO_2 emissions in the Northeast implemented through state specific regulations. Under the initiative, aggregate CO_2 emissions from power plants in participating states are required to be stabilized at current levels from 2009 to 2015. Further reductions from current levels would be required to be phased in starting in 2016 such that by 2019 there would be a 10% reduction in participating state power plant CO_2 emissions. During 2012, RGGI will undergo a program review which could impact regulations and implementation of RGGI. The impact of this program review on Dominion s fossil fired generation operations in RGGI states is unknown at this time. Dominion is currently unable to make an estimate of the potential financial statement impacts related to these matters.

Three of Dominion s facilities, Brayton Point, Salem Harbor and Manchester Street, are subject to RGGI. Beginning with calendar year 2009, RGGI requires that Dominion cover each ton of CO_2 direct stack emissions from these facilities with either an allowance or an offset. The allowances can be purchased through auction or through a secondary market. Dominion has participated in RGGI allowance auctions to date and has procured allowances to meet its estimated compliance requirements under RGGI for 2009 through 2013 and partially for 2014, therefore Dominion does not expect compliance with RGGI to have a material impact on its results of operations or financial condition. However, during June 2011, a lawsuit was filed in New York seeking to retroactively rescind RGGI participation by that state. Currently, a percentage of Dominion s RGGI allowances have been acquired from New York. The allocated value of these allowances totaled approximately $38 million, of which the majority have been expensed as consumed. Dominion anticipates that it will surrender New York RGGI allowances for purposes of compliance prior to the issuance of a court decision in the lawsuit, should Dominion continue to hold New York allowances at such time that the court issues a decision that is adverse to New York, and RGGI does not exchange these allowances for other state allowances, replacement allowances would have to be purchased. Dominion cannot predict the outcome of the case and is currently unable to make an estimate of the potential financial statement impacts related to these matters.

Long-Term Purchase Agreements

At December 31, 2011, Virginia Power had the following long-term commitments that are noncancelable or are cancelable only under certain conditions, and that third parties have used to secure financing for the facilities that will provide the contracted goods or services:

	2012	2013	2014	2015	2016	Thereafter	Total
(millions)							
Purchased electric capacity[1]	**$ 347**	**$ 351**	**$ 359**	**$ 339**	**$ 275**	**$ 507**	**$ 2,178**

(1) Commitments represent estimated amounts payable for capacity under power purchase contracts with qualifying facilities and independent power producers, the last of which ends in 2021. Capacity payments under the contracts are generally based on fixed dollar amounts per month, subject to escalation using broad-based economic indices. At December 31, 2011, the present value of Virginia Power s total commitment for capacity payments is $1.7 billion. Capacity payments totaled $338 million, $344 million, and $356 million, and energy payments totaled $275 million, $303 million, and $254 million for 2011, 2010 and 2009, respectively.

Lease Commitments

Dominion and Virginia Power lease various facilities, vehicles and equipment primarily under operating leases. Payments under certain leases are escalated based on an index such as the consumer price index. Future minimum lease payments under noncancelable operating and capital leases that have initial or remaining lease terms in excess of one year as of December 31, 2011 are as follows:

(millions)	2012	2013	2014	2015	2016	Thereafter	Total
Dominion	**$ 83**	**$ 79**	**$ 68**	**$ 60**	**$ 52**	**$ 185**	**$ 527**
Virginia Power	**$ 28**	**$ 28**	**$ 22**	**$ 18**	**$ 15**	**$ 29**	**$ 140**

Rental expense for Dominion totaled $155 million, $171 million, and $172 million for 2011, 2010 and 2009, respectively. Rental expense for Virginia Power totaled $50 million, $50 million, and $49 million for 2011, 2010, and 2009, respectively. The majority of rental expense is reflected in other operations and maintenance expense.

Nuclear Operations

NUCLEAR DECOMMISSIONING MINIMUM FINANCIAL ASSURANCE

The NRC requires nuclear power plant owners to annually update minimum financial assurance amounts for the future decommissioning of their nuclear facilities. Decommissioning involves the decontamination and removal of radioactive contaminants from a nuclear power station once operations have ceased, in accordance with standards established by the NRC. The 2011 calculation for the NRC minimum financial assurance amount, aggregated for Dominion s and Virginia Power s nuclear units, was $3.2 billion and $1.8 billion, respectively, and has been satisfied by a combination of the funds being collected and deposited in the nuclear decommissioning trusts and the real annual rate of return growth of the funds allowed by the NRC. The 2011 NRC minimum financial assurance amounts shown were calculated using preliminary December 31, 2011 U.S. Bureau of Labor Statistics indices. Dominion believes that the

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amounts currently available in its decommissioning trusts and their expected earnings will be sufficient to cover expected decommissioning costs for the Millstone and Kewaunee units. Virginia Power also believes that the decommissioning funds and their expected earnings for the Surry and North Anna units will be sufficient, particularly when combined with future ratepayer collections and contributions to these decommissioning trusts, if such future collections and contributions are required. This reflects a positive long-term outlook for trust fund investment returns as the units will not be decommissioned for decades. Dominion and Virginia Power will continue to monitor these trusts to ensure they meet the minimum financial assurance requirement, which may include the use of parent company guarantees, surety bonding or other financial guarantees recognized by the NRC.

NUCLEAR INSURANCE

The Price-Anderson Amendments Act of 1988 provides the public up to $12.6 billion of liability protection per nuclear incident, via obligations required of owners of nuclear power plants, and allows for an inflationary provision adjustment every five years. Dominion and Virginia Power have purchased $375 million of coverage from commercial insurance pools for each reactor site with the remainder provided through a mandatory industry risk-sharing program. In the event of a nuclear incident at any licensed nuclear reactor in the U.S., the Companies could be assessed up to $118 million for each of their licensed reactors not to exceed $18 million per year per reactor. There is no limit to the number of incidents for which this retrospective premium can be assessed.

The current level of property insurance coverage for Dominion s and Virginia Power s nuclear units is as follows:

(billions)	Coverage
Dominion	
Millstone	**$ 2.75**
Kewaunee	**1.80**
Virginia Power[(1)]	
Surry	**$ 2.55**
North Anna	**2.55**

(1) Surry and North Anna share a blanket property limit of $1 billion.

The Companies coverage exceeds the NRC minimum requirement for nuclear power plant licensees of $1.06 billion per reactor site and includes coverage for premature decommissioning and functional total loss. The NRC requires that the proceeds from this insurance be used first, to return the reactor to and maintain it in a safe and stable condition and second, to decontaminate the reactor and station site in accordance with a plan approved by the NRC. Nuclear property insurance is provided by NEIL, a mutual insurance company, and is subject to retrospective premium assessments in any policy year in which losses exceed the funds available to the insurance company. Dominion s and Virginia Power s maximum retrospective premium assessment for the current policy period is $78 million and $40 million, respectively. Based on the severity of the incident, the Board of Directors of the nuclear insurer has the discretion to lower or eliminate the maximum retrospective premium assessment. Dominion and Virginia Power have the financial responsibility for any losses that exceed the limits or for which insurance pro-

ceeds are not available because they must first be used for stabilization and decontamination.

Dominion and Virginia Power also purchase insurance from NEIL to mitigate certain expenses, including replacement power costs, associated with the prolonged outage of a nuclear unit due to direct physical damage. Under this program, the Companies are subject to a retrospective premium assessment for any policy year in which losses exceed funds available to NEIL. Dominion s and Virginia Power s maximum retrospective premium assessment for the current policy period is $31 million and $19 million, respectively.

ODEC, a part owner of North Anna, and Massachusetts Municipal Wholesale Electric Company and Central Vermont Public Service Corporation, part owners of Millstone s Unit 3, are responsible to Dominion and Virginia Power for their share of the nuclear decommissioning obligation and insurance premiums on applicable units, including any retrospective premium assessments and any losses not covered by insurance.

Spent Nuclear Fuel

Under provisions of the Nuclear Waste Policy Act of 1982, Dominion and Virginia Power entered into contracts with the DOE for the disposal of spent nuclear fuel. The DOE failed to begin accepting the spent fuel on January 31, 1998, the date provided by the Nuclear Waste Policy Act and by the Companies contracts with the DOE. In January 2004, Dominion and Virginia Power filed lawsuits in the U.S. Court of Federal Claims against the DOE requesting damages in connection with its failure to commence accepting spent nuclear fuel. In October 2008, the court issued an opinion and order for Dominion in the amount of approximately $155 million, which includes approximately $112 million in damages incurred by Virginia Power for spent fuel-related costs at Surry and North Anna and approximately $43 million in damages incurred for spent nuclear fuel-related costs at Millstone through June 30, 2006. In December 2008, the government appealed the judgment to the U.S. Court of Appeals for the Federal Circuit. The government s initial brief in the appeal was filed in June 2010. The issues raised by the government on appeal pertained to the damages awarded to Dominion for Millstone. The government did not take issue with the damages awarded to Virginia Power for Surry or North Anna. As a result, Virginia Power recognized a receivable in the amount of $174 million, largely offset against property, plant and equipment and regulatory assets and liabilities, representing certain spent nuclear fuel-related costs incurred through June 30, 2010.

In the second quarter of 2011, the Federal Appeals Court issued a decision affirming the trial court s damages award. The government did not seek rehearing of the Federal Appeals Court decision or seek review by the U.S. Supreme Court. As a result, Dominion recognized a receivable in the amount of $64 million for certain Millstone spent nuclear fuel-related costs incurred through June 30, 2011 that were considered probable of recovery. Dominion recognized a pre-tax benefit of $24 million, with $17 million recorded in other operations and maintenance expense and $7 million recorded in depreciation, depletion and amortization expense during 2011, with the remainder largely offset against property, plant and equipment. Dominion received payment of the $155 million damages award, including $112 million of damages incurred by Virginia Power, during the third quarter of 2011.

A lawsuit was also filed for Kewaunee. In August 2010, Dominion and the federal government reached a settlement resolving Dominion s claims for damages incurred at Kewaunee through December 31, 2008. The approximately $21 million settlement payment was received in September 2010.

The Companies continue to recognize receivables for certain spent nuclear fuel-related costs that they believe are probable of recovery from the DOE. At December 31, 2011, Dominion s and Virginia Power s receivables for spent nuclear fuel-related costs totaled $102 million and $76 million, respectively. The Companies will continue to manage their spent fuel until it is accepted by the DOE.

Guarantees, Surety Bonds and Letters of Credit

DOMINION

At December 31, 2011, Dominion had issued $82 million of guarantees, primarily to support equity method investees. No significant amounts related to these guarantees have been recorded. As of December 31, 2011, Dominion s exposure under these guarantees was $49 million, primarily related to certain reserve requirements associated with non-recourse financing.

In addition to the above guarantees, Dominion and its partners, Shell and BP, may be required to make additional periodic equity contributions to NedPower and Fowler Ridge in connection with certain funding requirements associated with their respective non-recourse financings. As of December 31, 2011, Dominion s maximum remaining cumulative exposure under these equity funding agreements is $123 million through 2019 and its maximum annual future contributions could range from approximately $4 million to $19 million.

Dominion also enters into guarantee arrangements on behalf of its consolidated subsidiaries, primarily to facilitate their commercial transactions with third parties. To the extent that a liability subject to a guarantee has been incurred by one of Dominion s consolidated subsidiaries, that liability is included in Consolidated Financial Statements. Dominion is not required to recognize liabilities for guarantees issued on behalf of its subsidiaries unless it becomes probable that it will have to perform under the guarantees. Terms of the guarantees typically end once obligations have been paid. Dominion currently believes it is unlikely that it would be required to perform or otherwise incur any losses associated with guarantees of its subsidiaries obligations.

At December 31, 2011, Dominion had issued the following subsidiary guarantees:

(millions)	Stated Limit	Value(1)
Subsidiary debt(2)	**$ 363**	**$ 363**
Commodity transactions(3)	**3,238**	**330**
Nuclear obligations(4)	**231**	**60**
Other(5)	**485**	**82**
Total	**$ 4,317**	**$ 835**

(1) Represents the estimated portion of the guarantee s stated limit that is utilized as of December 31, 2011 based upon prevailing economic conditions and fact patterns specific to each guarantee arrangement. For those guarantees related to obligations that are recorded as liabilities by Dominion s subsidiaries, the value includes the recorded amount.

(2) Guarantees of debt of certain DEI subsidiaries. In the event of default by the subsidiaries, Dominion would be obligated to repay such amounts.

(3) Guarantees related to energy trading and marketing activities and other commodity commitments of certain subsidiaries, including subsidiaries of Virginia Power and DEI. These guarantees were provided to counterparties in order to facilitate physical and financial transactions in gas, oil, electricity, pipeline capacity, transportation and related commodities and services. If any of these subsidiaries fail to perform or pay under the contracts and the counterparties seek performance or payment, Dominion would be obligated to satisfy such obligation. Dominion and its subsidiaries receive similar guarantees as collateral for credit extended to others. The value provided includes certain guarantees that do not have stated limits.

(4) Guarantees related to certain DEI subsidiaries potential retrospective premiums that could be assessed if there is a nuclear incident under Dominion s nuclear insurance programs and guarantees for a DEI subsidiary s and Virginia Power s commitment to buy nuclear fuel. Excludes Dominion s agreement to provide up to $150 million and $60 million to two DEI subsidiaries to pay the operating expenses of Millstone and Kewaunee, respectively, in the event of a prolonged

outage, as part of satisfying certain NRC requirements concerned with ensuring adequate funding for the operations of nuclear power stations.

(5) *Guarantees related to other miscellaneous contractual obligations such as leases, environmental obligations and construction projects. Also includes guarantees related to certain DEI subsidiaries obligations for equity capital contributions and energy generation associated with Fowler Ridge and NedPower.*

Additionally, as of December 31, 2011 Dominion had purchased $151 million of surety bonds and authorized the issuance of letters of credit by financial institutions of $36 million to facilitate commercial transactions by its subsidiaries with third parties. Under the terms of surety bonds, Dominion is obligated to indemnify the respective surety bond company for any amounts paid.

Virginia Power

As of December 31, 2011, Virginia Power had issued $14 million of guarantees primarily to support tax-exempt debt issued through conduits. Virginia Power had also purchased $62 million of surety bonds for various purposes, including providing workers compensation coverage, and authorized the issuance of letters of credit by financial institutions of $15 million to facilitate commercial transactions by its subsidiaries with third parties. Under the terms of surety bonds, Virginia Power is obligated to indemnify the respective surety bond company for any amounts paid.

Indemnifications

As part of commercial contract negotiations in the normal course of business, Dominion and Virginia Power may sometimes agree to make payments to compensate or indemnify other parties for possible future unfavorable financial consequences resulting from specified events. The specified events may involve an adverse judgment in a lawsuit or the imposition of additional taxes due to a change in tax law or interpretation of the tax law. Dominion and Virginia Power are unable to develop an estimate of the maximum potential amount of future payments under these contracts because events that would obligate them have not yet occurred or, if any such event has occurred, they have not been notified of its occurrence. However, at December 31, 2011,

Dominion and Virginia Power believe future payments, if any, that could ultimately become payable under these contract provisions, would not have a material impact on their results of operations, cash flows or financial position.

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Workforce Reduction Program

In the first quarter of 2010, Dominion and Virginia Power announced a workforce reduction program that reduced their total workforces by approximately 9% and 11%, respectively, during 2010. The goal of the workforce reduction program was to reduce operations and maintenance expense growth and further improve the efficiency of the Companies. In the first quarter of 2010, Dominion recorded a $338 million ($206 million after-tax) charge, including $202 million ($123 million after-tax) at Virginia Power, primarily reflected in other operations and maintenance expense in their Consolidated Statements of Income due to severance pay and other benefits related to the workforce reduction program. During 2010, Dominion and Virginia Power paid $109 million and $104 million, respectively, of costs related to the program. The terms of the workforce reduction program were consistent with the Companies existing severance plan.

Merchant Generation Operations

Dominion continually reviews its portfolio of assets to determine which assets fit strategically and support its objectives to improve return on invested capital and shareholder value. If Dominion identifies assets that do not support its objectives and believes they may be of greater value to another owner, Dominion may consider such assets for divestiture. In connection with this effort, in the first quarter of 2011, Dominion decided to pursue the sale of Kewaunee. If these efforts are successful, Dominion may be required to present Kewaunee s assets and liabilities that are subject to sale as held for sale in its Consolidated Balance Sheet and Kewaunee s results of operations in discontinued operations in its Consolidated Statements of Income. Held for sale classification would require that amounts be recorded at the lower of book value or sale price less costs to sell and could result in the recording of an impairment charge. Any sale of Kewaunee would be subject to the approval of Dominion s Board of Directors, as well as applicable state and federal approvals.

During the second quarter of 2011, Dominion announced that State Line would be retired by mid-2014, and that it would retire two of the four units at Salem Harbor by the end of 2011 and plans to retire the remaining units on June 1, 2014. In the second quarter of 2011, Dominion recorded a $17 million ($11 million after-tax) charge in other operations and maintenance expense for severance costs related to the expected closings of these merchant generation facilities. In August 2011, Dominion announced that State Line would be retired in the first quarter of 2012, given a continued decline in power prices and the expected cost to comply with CSAPR. During the third quarter of 2011, Dominion recorded a $15 million ($10 million after-tax) charge in other operations and maintenance expense related to the accelerated closure of State Line.

MF Global

Prior to October 31, 2011, certain of Dominion s subsidiaries executed certain commodity transactions on exchanges using MF Global, an FCM registered with the CFTC. In order to secure its potential exposure on these commodity transactions, Dominion posted certain required margin collateral with MF Global. The parent company of MF Global, MF Global Holdings Ltd., filed for bankruptcy relief under Chapter 11 of the U.S. Bankruptcy Code on October 31, 2011. On the same date, the U.S. District Court for the Southern District of New York appointed a trustee to oversee the liquidation of MF Global pursuant to the Securities Investor Protection Act.

In accordance with court-approved procedures, Dominion transferred to other FCMs all open positions executed using MF Global. The initial margin posted for these open positions at October 31, 2011 was approximately $73 million. Dominion has received approximately $8 million of this amount through the liquidation process to date.

At this time, the MF Global trustee is determining the final amounts that will be recoverable and ultimately distributed to MF Global s customers. As part of this process, the trustee has filed claims in the insolvency proceeding of MF Global affiliates in various foreign jurisdictions, including the United Kingdom, which claims are still pending. Due to the uncertainty surrounding the ultimate recovery on the claims filed by the MF Global trustee in the United Kingdom and elsewhere and the potential dilution of such recovered funds in the liquidation process, Dominion is unable to estimate the loss, if any, associated with its remaining margin claims.

Note 24. Credit Risk

Credit risk is the risk of financial loss if counterparties fail to perform their contractual obligations. In order to minimize overall credit risk, credit policies are maintained, including the evaluation of counterparty financial condition, collateral requirements and the use of standardized agreements that facilitate the netting of cash flows associated with a single counterparty. In addition, counterparties may make available collateral, including letters of credit or cash held as margin deposits, as a result of exceeding agreed-upon credit limits, or may be required to prepay the transaction.

Dominion and Virginia Power maintain a provision for credit losses based on factors surrounding the credit risk of their customers, historical trends and other information. Management believes, based on credit policies and the December 31, 2011 provision for credit losses, that it is unlikely that a material adverse effect on financial position, results of operations or cash flows would occur as a result of counterparty nonperformance.

General

Dominion

As a diversified energy company, Dominion transacts primarily with major companies in the energy industry and with commercial and residential energy consumers. These transactions principally occur in the Northeast, mid-Atlantic and Midwest regions of the U.S. Dominion does not believe that this geographic concentration contributes significantly to its overall exposure to credit risk. In addition, as a result of its large and diverse customer base, Dominion is not exposed to a significant concentration of credit risk for receivables arising from electric and gas utility operations.

Dominion s exposure to credit risk is concentrated primarily within its energy marketing and price risk management activities, as Dominion transacts with a smaller, less diverse group of counterparties and transactions may involve large notional volumes and potentially volatile commodity prices. Energy marketing and price risk management activities include trading of energy-related commodities, marketing of merchant generation output, structured transactions and the use of financial contracts for enterprise-wide hedging purposes. Gross credit exposure for each counterparty is calculated as outstanding receivables plus any unrealized on- or off-balance sheet exposure, taking into account

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contractual netting rights. Gross credit exposure is calculated prior to the application of collateral. At December 31, 2011, Dominion s gross credit exposure totaled $534 million. After the application of collateral, credit exposure is reduced to $504 million. Of this amount, investment grade counterparties, including those internally rated, represented 80%. One counterparty exposure represents 10% of Dominion s total exposure and is a large financial institution rated investment grade.

Virginia Power

Virginia Power sells electricity and provides distribution and transmission services to customers in Virginia and northeastern North Carolina. Management believes that this geographic concentration risk is mitigated by the diversity of Virginia Power s customer base, which includes residential, commercial and industrial customers, as well as rural electric cooperatives and municipalities. Credit risk associated with trade accounts receivable from energy consumers is limited due to the large number of customers. Virginia Power s exposure to potential concentrations of credit risk results primarily from sales to wholesale customers. Virginia Power s gross credit exposure for each counterparty is calculated as outstanding receivables plus any unrealized on- or off-balance sheet exposure, taking into account contractual netting rights. Gross credit exposure is calculated prior to the application of collateral. At December 31, 2011, Virginia Power s exposure to potential concentrations of credit risk was not considered material.

Credit-Related Contingent Provisions

The majority of Dominion s derivative instruments contain credit-related contingent provisions. These provisions require Dominion to provide collateral upon the occurrence of specific events, primarily a credit downgrade. If the credit-related contingent features underlying these instruments that are in a liability position and not fully collateralized with cash were fully triggered as of December 31, 2011 and 2010, Dominion would have been required to post an additional $88 million of collateral to its counterparties. The collateral that would be required to be posted includes the impacts of any offsetting asset positions and any amounts already posted for derivatives, non-derivative contracts and derivatives elected under the normal purchases and normal sales exception, per contractual terms. Dominion had posted $110 million in collateral, including $4 million of letters of credit at December 31, 2011 and $54 million in collateral, including $19 million of letters of credit at December 31, 2010, related to derivatives with credit-related contingent provisions that are in a liability position and not fully collateralized with cash. The collateral posted includes any amounts paid related to non-derivative contracts and derivatives elected under the normal purchases and normal sales exception, per contractual terms. The aggregate fair value of all derivative instruments with credit-related contingent provisions that are in a liability position and not fully collateralized with cash as of December 31, 2011 and 2010 was $259 million and $210 million, respectively, which does not include the impact of any offsetting asset positions. Credit-related contingent provisions for Virginia Power were not material as of December 31, 2011 and 2010. See Note 8 for further information about derivative instruments.

Note 25. Related-party Transactions

Virginia Power engages in related-party transactions primarily with other Dominion subsidiaries (affiliates). Virginia Power s receivable and payable balances with affiliates are settled based on contractual terms or on a monthly basis, depending on the nature of the underlying transactions. Virginia Power is included in Dominion s consolidated federal income tax return and participates in certain Dominion benefit plans. A discussion of significant related-party transactions follows.

Transactions with Affiliates

Virginia Power transacts with affiliates for certain quantities of natural gas and other commodities in the ordinary course of business. Virginia Power also enters into certain commodity derivative contracts with affiliates. Virginia Power uses these contracts, which are principally comprised of commodity swaps and options, to manage commodity price risks associated with purchases of natural gas.

As of December 31, 2011 and 2010, Virginia Power s derivative liabilities with affiliates were not material.

DRS and other affiliates provide accounting, legal, finance and certain administrative and technical services to Virginia Power. In addition, Virginia Power provides certain services to affiliates, including charges for facilities and equipment usage. Presented below are significant transactions with DRS and other affiliates:

Year Ended December 31,	**2011**	2010	2009
(millions)			
Commodity purchases from affiliates	**$ 376**	$ 373	$ 327
Services provided by affiliates	**393**	469	420
Services provided to affiliates	**21**	19	24

In the fourth quarter of 2011, a subsidiary of Virginia Power purchased nuclear fuel-related inventory from an affiliate for $39 million for future use at its nuclear generation stations.

The following table presents Virginia Power s borrowings from Dominion under short-term arrangements:

At December 31,	**2011**	2010
(millions)		
Outstanding borrowings, net of repayments, under the Dominion money pool for Virginia Power s nonregulated subsidiaries	**$ 187**	$ 24
Short-term demand note borrowings from Dominion		79

Virginia Power s interest charges related to its borrowings from Dominion were immaterial for the years ended December 31, 2011, 2010 and 2009.

In 2010 and 2009, Virginia Power issued 33,013 and 31,877 shares of its common stock to Dominion for approximately $1 billion in each year, for the purpose of retiring short-term demand note borrowings from Dominion. There were no such issuances of common stock in 2011.

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Combined Notes to Consolidated Financial Statements, Continued

NOTE 26. OPERATING SEGMENTS

Dominion and Virginia Power are organized primarily on the basis of products and services sold in the U.S. A description of the operations included in the Companies primary operating segments is as follows:

Primary Operating Segment	Description of Operations	Dominion	Virginia Power
DVP	Regulated electric distribution	X	X
	Regulated electric transmission	X	X
	Nonregulated retail energy marketing (electric and gas)	X	
Dominion Generation	Regulated electric fleet	X	X
	Merchant electric fleet	X	
Dominion Energy	Gas transmission and storage	X	
	Gas distribution and storage	X	
	LNG import and storage	X	
	Producer services	X	

In addition to the operating segments above, the Companies also report a Corporate and Other segment.

The Corporate and Other Segment of Virginia Power primarily includes specific items attributable to its operating segments that are not included in profit measures evaluated by executive management in assessing the segments performance or allocating resources among the segments.

The Corporate and Other Segment of Dominion includes its corporate, service company and other functions (including unallocated debt) and the net impact of the operations and sale of Peoples, which is discussed in Note 4. In addition, Corporate and Other includes specific items attributable to Dominion s operating segments that are not included in profit measures evaluated by executive management in assessing the segments performance or allocating resources among the segments.

DOMINION

In 2011, Dominion reported after-tax net expense of $346 million for specific items in the Corporate and Other segment, with $375 million of these net expenses attributable to its operating segments.

The net expenses for specific items in 2011 primarily related to the impact of the following items:

A $228 million ($139 million after-tax) charge reflecting plant balances that are not expected to be recovered in future periods due to the anticipated retirement of certain utility coal-fired generating units, attributable to Dominion Generation;
A $96 million ($59 million after-tax) charge reflecting restoration costs associated with damage caused by Hurricane Irene, primarily attributable to DVP;
A $66 million ($39 million after-tax) loss from the operations of Kewaunee, attributable to Dominion Generation. Kewaunee s results of operations have been reflected in the Corporate and Other segment due to Dominion s decision in the first quarter of 2011 to pursue the sale

of Kewaunee;

A $55 million ($39 million after-tax) impairment charge related to State Line, attributable to Dominion Generation; and

A $57 million ($34 million after-tax) charge related to the impairment of SO_2 emissions allowances not expected to be consumed due to CSAPR, attributable to Dominion Generation.

In 2010, Dominion reported after-tax net benefits of $837 million for specific items in the Corporate and Other segment, with $1 billion of these net benefits attributable to its operating segments.

The net benefits for specific items in 2010 primarily related to the impact of the following items:

A $2.5 billion ($1.4 billion after-tax) benefit resulting from the gain on the sale of substantially all of Dominion s Appalachian E&P operations net of charges related to the divestiture, attributable to Dominion Energy; partially offset by

A $338 million ($206 million after-tax) charge primarily reflecting severance pay and other benefits related to a workforce reduction program, attributable to:

DVP ($67 million after-tax);

Dominion Energy ($24 million after-tax); and

Dominion Generation ($115 million after-tax);

A $134 million ($155 million after-tax) loss from the discontinued operations of Peoples primarily reflecting a net loss on the sale, attributable to the Corporate and Other segment; and

A $194 million ($127 million after-tax) impairment charge at certain merchant generation power stations, attributable to Dominion Generation.

In 2009, Dominion reported after-tax net expenses of $655 million for specific items in the Corporate and Other segment, with $688 million of these net expenses attributable to its operating segments.

The net expenses for specific items in 2009 primarily related to the impact of the following items:

A $455 million ($281 million after-tax) ceiling test impairment charge related to the carrying value of Dominion s E&P properties, attributable to Dominion Energy; and

A $712 million ($435 million after-tax) charge in connection with the settlement of Virginia Power s 2009 base rate case proceedings, attributable to:

Dominion Generation ($257 million after-tax); and

DVP ($178 million after-tax).

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The following table presents segment information pertaining to Dominion s operations:

Year Ended December 31, (millions)	DVP	Dominion Generation	Dominion Energy	Corporate and Other	Adjustments & Eliminations	Consolidated Total
2011						
Total revenue from external customers	**$ 3,663**	**$ 7,320**	**$ 2,044**	**$ 54**	**$ 1,298**	**$ 14,379**
Intersegment revenue	**173**	**350**	**1,077**	**596**	**(2,196)**	
Total operating revenue	**3,836**	**7,670**	**3,121**	**650**	**(898)**	**14,379**
Depreciation, depletion and amortization	**374**	**459**	**207**	**29**		**1,069**
Equity in earnings of equity method investees		**3**	**23**	**9**		**35**
Interest income	**22**	**54**	**27**	**70**	**(106)**	**67**
Interest and related charges	**185**	**219**	**57**	**514**	**(106)**	**869**
Income taxes	**318**	**601**	**323**	**(497)**		**745**
Net income attributable to Dominion	**501**	**1,003**	**521**	**(617)**		**1,408**
Investment in equity method investees	**8**	**415**	**104**	**26**		**553**
Capital expenditures	**1,091**	**1,593**	**907**	**61**		**3,652**
Total assets (billions)	**11.5**	**22.1**	**10.6**	**11.4**	**(10)**	**45.6**
2010						
Total revenue from external customers	$ 3,613	$ 8,005	$ 2,335	$ 19	$ 1,225	$ 15,197
Intersegment revenue	207	413	1,166	750	(2,536)	
Total operating revenue	3,820	8,418	3,501	769	(1,311)	15,197
Depreciation, depletion and amortization	353	462	210	30		1,055
Equity in earnings of equity method investees		11	21	10		42
Interest income	12	45	12	92	(90)	71
Interest and related charges	158	185	85	494	(90)	832
Income taxes	277	771	302	707		2,057
Loss from discontinued operations, net of tax				(155)		(155)
Net income attributable to Dominion	448	1,291	475	594		2,808
Investment in equity method investees	8	426	106	31		571
Capital expenditures	1,038	1,742	613	29		3,422
Total assets (billions)	10.8	20.4	9.7	10.8	(8.9)	42.8
2009						
Total revenue from external customers	$ 3,107	$ 8,390	$ 2,604	$ (472)	$ 1,169	$ 14,798
Intersegment revenue	174	361	1,206	711	(2,452)	
Total operating revenue	3,281	8,751	3,810	239	(1,283)	14,798
Depreciation, depletion and amortization	341	492	258	47		1,138
Equity in earnings of equity method investees		8	21	13		42
Interest income	13	49	16	129	(118)	89
Interest and related charges	159	201	113	534	(118)	889
Income taxes	233	694	319	(650)		596
Income from discontinued operations, net of tax				26		26
Net income (loss) attributable to Dominion	384	1,281	517	(895)		1,287
Capital expenditures	841	2,140	737	119		3,837

At December 31, 2011, 2010, and 2009, none of Dominion s long-lived assets and no significant percentage of its operating revenues were associated with international operations.

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Combined Notes to Consolidated Financial Statements, Continued

VIRGINIA POWER

The majority of Virginia Power s revenue is provided through tariff rates. Generally, such revenue is allocated for management reporting based on an unbundled rate methodology among Virginia Power s DVP and Dominion Generation segments.

In 2011, Virginia Power reported after-tax net expenses of $268 million for specific items attributable to its operating segments in the Corporate and Other segment.

The net expenses for specific items in 2011 primarily related to the impact of the following:

- A $228 million ($139 million after-tax) charge reflecting plant balances that are not expected to be recovered in future periods due to the anticipated retirement of certain coal-fired generating units, attributable to Dominion Generation;
- A $96 million ($59 million after-tax) charge reflecting restoration costs associated with damage caused by Hurricane Irene, primarily attributable to DVP;
- A $43 million ($26 million after-tax) charge related to the impairment of SO_2 emissions allowances not expected to be consumed due to CSAPR, attributable to Dominion Generation.

In 2010, Virginia Power reported after-tax net expenses of $153 million for specific items attributable to its operating segments in the Corporate and Other segment.

The net expenses for specific items in 2010 primarily related to the impact of the following:

- A $202 million ($123 million after-tax) charge primarily reflecting severance pay and other benefits related to a workforce reduction program, attributable to:
  - DVP ($63 million after-tax); and
  - Dominion Generation ($60 million after-tax).

In 2009, Virginia Power reported after-tax net expenses of $430 million for specific items attributable to its operating segments in the Corporate and Other segment. The net expenses primarily related to a $700 million ($427 million after-tax) charge in connection with the settlement of the 2009 base rate case proceedings, attributable to Dominion Generation ($257 million after-tax) and DVP ($170 million after-tax).

The following table presents segment information pertaining to Virginia Power s operations:

Year Ended December 31, (millions)	DVP	Dominion Generation	Corporate and Other	Adjustments & Eliminations	Consolidated Total
2011					
Operating revenue	**$ 1,793**	**$ 5,546**	**$ (93)**	**$**	**$ 7,246**
Depreciation and amortization	**368**	**350**			**718**
Interest income	**10**	**8**			**18**
Interest and related charges	**182**	**199**	**(50)**		**331**
Income taxes	**265**	**447**	**(172)**		**540**
Net income (loss)	**426**	**664**	**(268)**		**822**
Capital expenditures	**1,081**	**1,009**			**2,090**
Total assets (billions)	**10.7**	**14.3**		**(1.5)**	**23.5**

2010					
Operating revenue	$ 1,680	$ 5,546	$ (7)	$	$ 7,219
Depreciation and amortization	344	327			671
Interest income	11	4			15
Interest and related charges	158	189			347
Income taxes	228	385	(71)		542
Net income (loss)	377	630	(155)		852
Capital expenditures	1,035	1,199			2,234
Total assets (billions)	9.9	13.8		(1.4)	22.3
2009					
Operating revenue	$ 1,465	$ 5,560	$ (441)	$	$ 6,584
Depreciation and amortization	320	320	1		641
Interest income	11	6			17
Interest and related charges	158	191			349
Income taxes	183	241	(277)		147
Net income (loss)	313	475	(432)		356
Capital expenditures	839	1,649			2,488

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NOTE 27. QUARTERLY FINANCIAL AND COMMON STOCK DATA (UNAUDITED)

A summary of Dominion s and Virginia Power s quarterly results of operations for the years ended December 31, 2011 and 2010 follows. Amounts reflect all adjustments necessary in the opinion of management for a fair statement of the results for the interim periods. Results for interim periods may fluctuate as a result of weather conditions, changes in rates and other factors.

DOMINION

(millions, except per share amounts)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
2011					
Operating revenue	**$ 4,057**	**$ 3,341**	**$ 3,803**	**$ 3,178**	**$ 14,379**
Income from operations	**963**	**725**	**833**	**340**	**2,861**
Income from continuing operations[1]	**479**	**336**	**392**	**201**	**1,408**
Net income including noncontrolling interests	**483**	**340**	**396**	**207**	**1,426**
Net income attributable to Dominion	**479**	**336**	**392**	**201**	**1,408**
Basic EPS:					
Income from continuing operations[1]	**0.83**	**0.59**	**0.69**	**0.35**	**2.46**
Net income attributable to Dominion	**0.83**	**0.59**	**0.69**	**0.35**	**2.46**
Diluted EPS:					
Income from continuing operations[1]	**0.82**	**0.58**	**0.69**	**0.35**	**2.45**
Net income attributable to Dominion	**0.82**	**0.58**	**0.69**	**0.35**	**2.45**
Dividends paid per share	**0.4925**	**0.4925**	**0.4925**	**0.4925**	**1.97**
Common stock prices (intraday high-low)	**$ 46.56 - 42.06**	**$ 48.55 - 43.27**	**$ 51.44 - 44.50**	**$ 53.59 - 48.21**	**$ 53.59 - 42.06**
2010					
Operating revenue	$ 4,168	$ 3,333	$ 3,950	$ 3,746	$ 15,197
Income from operations	734	3,110	1,119	737	5,700
Income from continuing operations[1]	323	1,759	575	306	2,963
Income (loss) from discontinued operations[1]	(149)	2		(8)	(155)
Net income including noncontrolling interests	178	1,765	579	303	2,825
Net income attributable to Dominion	174	1,761	575	298	2,808

(millions, except per share amounts)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Basic EPS:					
Income from continuing operations[1]	0.54	2.98	0.98	0.53	5.03
Income (loss) from discontinued operations[1]	(0.25)			(0.01)	(0.26)
Net income attributable to Dominion	0.29	2.98	0.98	0.52	4.77
Diluted EPS:					
Income from continuing operations[1]	0.54	2.98	0.98	0.52	5.02
Income (loss) from discontinued operations[1]	(0.25)			(0.01)	(0.26)
Net income attributable to Dominion	0.29	2.98	0.98	0.51	4.76
Dividends paid per share	0.4575	0.4575	0.4575	0.4575	1.83
Common stock prices (intraday high-low)	$ 41.61 - 36.12	$ 42.56 - 38.05	$ 44.94 - 38.59	$ 45.12 - 41.13	$ 45.12 - 36.12

(1) Amounts attributable to Dominion s common shareholders.

Dominion s 2011 results include the impact of the following significant item:

- Fourth quarter results include a $139 million after-tax charge reflecting plant balances that are not expected to be recovered in future periods due to the anticipated retirement of certain utility coal-fired generating units.

Dominion s 2010 results include the impact of the following significant items:

- First quarter results include a $206 million after-tax charge primarily reflecting severance pay and other benefits related to a workforce reduction program and a $149 million after-tax loss from the discontinued operations of Peoples primarily reflecting a net loss on the sale.
- Second quarter results include a $1.4 billion after-tax benefit resulting from the gain on the sale of substantially all of Dominion s Appalachian E&P operations net of charges related to the divestiture and a $95 million after-tax impairment charge at State Line to reflect the estimated fair value of the power station.

Combined Notes to Consolidated Financial Statements, Continued

VIRGINIA POWER

Virginia Power s quarterly results of operations were as follows:

(millions)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year
2011					
Operating revenue	**$ 1,757**	**$ 1,757**	**$ 2,177**	**$ 1,555**	**$ 7,246**
Income from operations	**511**	**471**	**568**	**55**	**1,605**
Net income	**278**	**241**	**297**	**6**	**822**
Balance available for common stock	**274**	**237**	**293**	**1**	**805**
2010					
Operating revenue	$ 1,739	$ 1,711	$ 2,111	$ 1,658	$ 7,219
Income (loss) from operations	254	479	673	235	1,641
Net income (loss)	95	267	380	110	852
Balance available for common stock	91	263	376	105	835

Virginia Power s 2011 results include the impact of the following significant item:

Fourth quarter results include a $139 million after-tax charge reflecting plant balances that are not expected to be recovered in future periods due to the anticipated retirement of certain coal-fired power stations.

Virginia Power s 2010 results include the impact of the following significant item:

First quarter results include a $123 million after-tax charge primarily reflecting severance pay and other benefits related to a workforce reduction program.

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Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

DOMINION

Senior management, including Dominion s CEO and CFO, evaluated the effectiveness of Dominion s disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation process, Dominion s CEO and CFO have concluded that Dominion s disclosure controls and procedures are effective. There were no changes in Dominion s internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, Dominion s internal control over financial reporting.

MANAGEMENT S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Dominion Resources, Inc. (Dominion) understands and accepts responsibility for Dominion s financial statements and related disclosures and the effectiveness of internal control over financial reporting (internal control). Dominion continuously strives to identify opportunities to enhance the effectiveness and efficiency of internal control, just as Dominion does throughout all aspects of its business.

Dominion maintains a system of internal control designed to provide reasonable assurance, at a reasonable cost, that its assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed and recorded in accordance with established procedures. This system includes written policies, an organizational structure designed to ensure appropriate segregation of responsibilities, careful selection and training of qualified personnel and internal audits.

The Audit Committee of the Board of Directors of Dominion, composed entirely of independent directors, meets periodically with the independent registered public accounting firm, the internal auditors and management to discuss auditing, internal control, and financial reporting matters of Dominion and to ensure that each is properly discharging its responsibilities. Both the independent registered public accounting firm and the internal auditors periodically meet alone with the Audit Committee and have free access to the Committee at any time.

SEC rules implementing Section 404 of the Sarbanes-Oxley Act of 2002 require Dominion s 2011 Annual Report to contain a management s report and a report of the independent registered public accounting firm regarding the effectiveness of internal control. As a basis for the report, Dominion tested and evaluated the design and operating effectiveness of internal controls. Based on its assessment as of December 31, 2011, Dominion makes the following assertion:

Management is responsible for establishing and maintaining effective internal control over financial reporting of Dominion.

There are inherent limitations in the effectiveness of any internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal controls can provide only reasonable assurance with respect to financial statement preparation. Further, because of changes in conditions, the effectiveness of internal control may vary over time.

Management evaluated Dominion s internal control over financial reporting as of December 31, 2011. This assessment was based on criteria for effective internal control over financial reporting described in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, Management believes that Dominion maintained effective internal

control over financial reporting as of December 31, 2011.

Dominion s independent registered public accounting firm is engaged to express an opinion on Dominion s internal control over financial reporting, as stated in their report which is included herein.

February 27, 2012

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of

Dominion Resources, Inc.

Richmond, Virginia

We have audited the internal control over financial reporting of Dominion Resources, Inc. and subsidiaries (Dominion) as of December 31, 2011, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Dominion s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on Dominion s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed by, or under the supervision of, the company s principal executive and principal financial officers, or persons performing similar functions, and effected by the company s Board of Directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes

in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Dominion maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2011 of Dominion and our report dated February 27, 2012, expressed an unqualified opinion on those financial statements.

/s/ Deloitte & Touche LLP

Richmond, Virginia

February 27, 2012

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VIRGINIA POWER

Senior management, including Virginia Power s CEO and CFO, evaluated the effectiveness of Virginia Power s disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation process, Virginia Power s CEO and CFO have concluded that Virginia Power s disclosure controls and procedures are effective. There were no changes in Virginia Power s internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, Virginia Power s internal control over financial reporting.

MANAGEMENT S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Virginia Electric and Power Company (Virginia Power) understands and accepts responsibility for Virginia Power s financial statements and related disclosures and the effectiveness of internal control over financial reporting (internal control). Virginia Power continuously strives to identify opportunities to enhance the effectiveness and efficiency of internal control, just as it does throughout all aspects of its business.

Virginia Power maintains a system of internal control designed to provide reasonable assurance, at a reasonable cost, that its assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed and recorded in accordance with established procedures. This system includes written policies, an organizational structure designed to ensure appropriate segregation of responsibilities, careful selection and training of qualified personnel and internal audits.

The Board of Directors also serves as Virginia Power s Audit Committee and meets periodically with the independent registered public accounting firm, the internal auditors and management to discuss Virginia Power s auditing, internal accounting control and financial reporting matters and to ensure that each is properly discharging its responsibilities.

SEC rules implementing Section 404 of the Sarbanes-Oxley Act require Virginia Power s 2011 Annual Report to contain a management s report regarding the effectiveness of internal control. As a basis for the report, Virginia Power tested and evaluated the design and operating effectiveness of internal controls. Based on the assessment as of December 31, 2011, Virginia Power makes the following assertion:

Management is responsible for establishing and maintaining effective internal control over financial reporting of Virginia Power.

There are inherent limitations in the effectiveness of any internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal controls can provide only reasonable assurance with respect to financial statement preparation. Further, because of changes in conditions, the effectiveness of internal control may vary over time.

Management evaluated Virginia Power s internal control over financial reporting as of December 31, 2011. This assessment was based on criteria for effective internal control over financial reporting described in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, Management believes that Virginia Power maintained effective internal control over financial reporting as of December 31, 2011.

This annual report does not include an attestation report of Virginia Power s registered public accounting firm regarding internal control over financial reporting. Management s report is not subject to attestation by Virginia Power s independent registered public accounting firm pursuant to a permanent exemption under the Dodd-Frank Act.

February 27, 2012

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Item 9B. Other Information

None.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

DOMINION

The following information for Dominion is incorporated by reference from the Dominion 2012 Proxy Statement, which will be filed on or around March 23, 2012:

Information regarding the directors required by this item is found under the heading *Election of Directors*.
Information regarding compliance with Section 16 of the Securities Exchange Act of 1934, as amended, required by this item is found under the heading *Section 16(a) Beneficial Ownership Reporting Compliance*.
Information regarding the Dominion Audit Committee Financial expert(s) required by this item is found under the headings *Director Independence* and *Committees and Meeting Attendance*.
Information regarding the Dominion Audit Committee required by this item is found under the headings *The Audit Committee Report* and *Committees and Meeting Attendance*.
Information regarding Dominion s Code of Ethics required by this item is found under the heading *Corporate Governance and Board Matters*.

The information concerning the executive officers of Dominion required by this item is included in Part I of this Form 10-K under the caption *Executive Officers of Dominion*. Each executive officer of Dominion is elected annually.

VIRGINIA POWER

Information concerning directors of Virginia Power, each of whom is elected annually, is as follows:

Name and Age	Principal Occupation and Directorships in Public Corporations for Last Five Years[1]	Year First Elected as Director
Thomas F. Farrell II (57)	Chairman of the Board of Directors and CEO of Virginia Power from February 2006 to date; Chairman of the Board of Directors of Dominion from April 2007 to date; President and CEO of Dominion from January 2006 to date; Chairman of the Board of Directors, President and CEO of CNG from January 2006 to June 2007; Director of Dominion from March 2005 to April 2007. Mr. Farrell has served as a director of Altria Group, Inc. since 2008. Mr. Farrell s qualifications to serve as a director include his 16 years of industry experience as well as his legal expertise, having served as General Counsel for Dominion and Virginia Power and as a practicing attorney with a private firm. He is chairman of the Edison Electric Institute and vice chairman of the Institute of Nuclear Power Operations through which he actively represents the interests of Dominion, Virginia Power and the energy sector. Mr. Farrell also has extensive community and public interest involvement and serves or has served on many non-profit and university foundations.	1999
Mark F. McGettrick (54)	Executive Vice President and CFO of Virginia Power and Dominion from June 2009 to date; President and COO-Generation of Virginia Power from February 2006 to May 2009; Executive Vice President of Dominion from April 2006 to May 2009.	2009

	Mr. McGettrick s qualifications to serve as a director include his 32 years of power generation management and industry experience. He currently serves on the George Mason University board of visitors and business council and is on the Board of Directors of the Dominion Foundation. Mr. McGettrick also has community and public interest involvement and serves or has served on many non-profit foundations and boards.	
Steven A. Rogers (50)	Senior Vice President and Chief Administrative Officer of Dominion and President and Chief Administrative Officer of DRS from October 2007 to date; Senior Vice President and CAO of Virginia Power and Dominion from January 2007 to September 2007 and of CNG from January 2007 to June 2007. Mr. Roger s qualifications to serve as a director include his 16 years of industry experience, prior work with Deloitte & Touche, LLP and his former membership in the FASB s Financial Accounting Standards Advisory Committee. Mr. Rogers also has community and public interest involvement and serves or has served on many non-profit foundations and boards.	2007

(1) Any service listed for Dominion, DRS and CNG reflects service at a parent, subsidiary or affiliate. Virginia Power is a wholly-owned subsidiary of Dominion. DRS is an affiliate of Virginia Power and is also a subsidiary of Dominion. CNG is a former subsidiary of Dominion that merged with and into Dominion.

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Executive Officers of Virginia Power

Information concerning the executive officers of Virginia Power, each of whom is elected annually, is as follows:

Name and Age	Business Experience Past Five Years[1]
Thomas F. Farrell II (57)	Chairman of the Board of Directors and CEO of Virginia Power from February 2006 to date; Chairman of the Board of Directors of Dominion from April 2007 to date; President and CEO of Dominion from January 2006 to date; Chairman of the Board of Directors, President and CEO of CNG from January 2006 to June 2007; Director of Dominion from March 2005 to April 2007.
Mark F. McGettrick (54)	Executive Vice President and CFO of Virginia Power and Dominion from June 2009 to date; President and COO-Generation of Virginia Power from February 2006 to June 2009; Executive Vice President of Dominion from April 2006 to May 2009.
Paul D. Koonce (52)	President and COO of Virginia Power from June 2009 to date; Executive Vice President of Dominion from April 2006 to date; President and COO-Energy of Virginia Power from February 2006 to September 2007.
David A. Christian (57)	President and COO of Virginia Power from June 2009 to date; Executive Vice President of Dominion from May 2011 to date; President and CNO of Virginia Power from October 2007 to May 2009; Senior Vice President-Nuclear Operations and CNO of Virginia Power from April 2000 to September 2007.
David A. Heacock (54)	President and CNO of Virginia Power from June 2009 to date; President and COO-DVP of Virginia Power and Senior Vice President of Dominion from June 2008 to May 2009; Senior Vice President-DVP of Virginia Power from October 2007 to May 2008; Senior Vice President-Fossil & Hydro of Virginia Power from April 2005 to September 2007.
Robert M. Blue (44)	Senior Vice President-Law, Public Policy and Environment of Virginia Power, Dominion and DRS from January 2011 to date; Senior Vice President-Public Policy and Environment of Dominion and DRS from February 2010 to December 2010; Senior Vice President-Public Policy and Corporate Communications of Dominion and DRS from May 2008 to January 2010; Vice President-State and Federal Affairs of DRS from September 2006 to May 2008.
Ashwini Sawhney (62)	Vice President-Accounting of Virginia Power from April 2006 to date; Vice President-Accounting and Controller (CAO) of Dominion from May 2010 to date; Vice President and Controller (CAO) of Dominion from July 2009 to May 2010; Vice President and Controller of Dominion from April 2007 to June 2009; Vice President-Accounting and Controller of Dominion from January 2007 to April 2007 and of CNG from January 2007 to June 2007.

(1) Any service listed for Dominion, DRS and CNG reflects services at a parent, subsidiary or affiliate.

Section 16(a) Beneficial Ownership Reporting Compliance

To Virginia Power s knowledge, for the fiscal year ended December 31, 2011, all Section 16(a) filing requirements applicable to its executive officers and directors were satisfied.

Audit Committee Financial Experts

Virginia Power is a wholly-owned subsidiary of Dominion. As permitted by SEC rules, its Board of Directors serves as Virginia Power s Audit Committee and is comprised entirely of executive officers of Virginia Power or Dominion. Virginia Power s Board of Directors has determined that Thomas F. Farrell II, Mark F. McGettrick and Steven A. Rogers are audit committee financial experts as defined by the SEC. As executive officers of Virginia Power and/or Dominion, Thomas F. Farrell II, Mark F. McGettrick and Steven A. Rogers are not deemed independent.

Code of Ethics

Virginia Power has adopted a Code of Ethics that applies to its principal executive, financial and accounting officers, as well as its employees. This Code of Ethics is the same as Dominion adopted and is available on the corporate governance section of Dominion s website (*www.dom.com*). You may also request a copy of the Code of Ethics, free of charge, by writing or telephoning to: Corporate Secretary, 120 Tredegar Street, Richmond, Virginia 23219, Telephone (804) 819-2000. Any waivers or changes to Virginia Power s Code of Ethics will be posted on the Dominion website.

Item 11. Executive Compensation

DOMINION

The following information about Dominion is contained in the 2012 Proxy Statement and is incorporated by reference: the information regarding executive compensation contained under the headings *Compensation Discussion and Analysis* and *Executive Compensation;* the information regarding Compensation Committee interlocks contained under the heading *Compensation Committee Interlocks* and *Insider Participation;* the *Compensation, Governance and Nominating Committee Report*; and the information regarding director compensation contained under the heading *Non-Employee Director Compensation.*

VIRGINIA POWER

COMPENSATION COMMITTEE REPORT

In preparation for the filing of Virginia Power s Annual Report on Form 10-K, Dominion s CGN Committee reviewed and discussed the following CD&A with management and has recommended to the Board of Directors of Virginia Power that the CD&A be included in Virginia Power s Annual Report on Form 10-K for the year ended December 31, 2011.

Frank S. Royal, *Chairman*

John W. Harris

Robert S. Jepson, Jr.

Mark J. Kington

David A. Wollard

February 21, 2012

INTRODUCTION

Virginia Power is a wholly-owned subsidiary of Dominion. Virginia Power s Board is comprised of Messrs. Farrell, McGettrick and Rogers. As executive officers of Virginia Power, Messrs. Farrell and McGettrick are not independent. Mr. Rogers is not considered to be independent because he is an officer of Dominion. Because Virginia Power s Board is not independent, there is not a separate compensation committee at the Virginia Power level. Instead, Virginia Power s Board depends on the advice and recommendations of Dominion s CGN Committee which is comprised of independent directors. Virginia Power s Board approves all compensation paid to Virginia Power s executive officers based on Dominion s CGN Committee recommendations.

None of Virginia Power s directors receive any compensation for services they provide as directors. No executive officer of Dominion or Virginia Power serves as a member of another compensation committee or on the Board of Directors of any company of which a member of Dominion s CGN Committee, Dominion s Board of Directors or Virginia Power s Board of Directors serves as an executive officer.

Because the CGN Committee effectively administers one compensation program for all of Dominion, the following discussion and analysis is based on Dominion s overall compensation program.

COMPENSATION DISCUSSION AND ANALYSIS

This CD&A provides a detailed explanation of the objectives and principles that underlie Dominion s executive compensation program, its elements and the way performance is measured, evaluated and rewarded. It also describes Dominion s compensation decision-making process. Dominion s executive compensation program is designed to pay for performance and played an important role in the company s success in 2011 by linking a significant amount of compensation to the achievement of performance goals.

The program and processes generally apply to all officers, but this discussion and analysis focuses primarily on compensation for the NEOs of Virginia Power. During 2011, Virginia Power s NEOs were:

Thomas F. Farrell II, Chairman, President and CEO
Mark F. McGettrick, Executive Vice President and CFO
Paul D. Koonce, Executive Vice President and COO DVP
David A. Christian, Executive Vice President and COO Generation
David A. Heacock, President and CNO

The CGN Committee determines the compensation payable to officers of Dominion and its wholly-owned subsidiaries on an aggregate basis, taking into account all services performed by the officers, whether for Dominion or one or more of its subsidiaries. All of Virginia Power s NEOs, except for Mr. Heacock, are NEOs of Dominion. For the NEOs included in Dominion s annual proxy statement, these aggregate amounts are reported in the Summary Compensation Table and related executive compensation tables. For purposes of reporting each NEO s compensation from Virginia Power in the Summary Compensation Table (and

related tables that follow) in this Item 11, the aggregate compensation for each NEO is pro-rated based on the ratio of services performed by the NEO for Virginia Power to the NEO s total services performed for all of Dominion. For officers who are NEOs of both Virginia Power and Dominion, the amounts reported in the tables below are part of, and not in addition to the aggregate compensation amounts that are reported for these NEOs in Dominion s 2012 Proxy Statement. The CD&A below discusses the CGN Committee s decisions with respect to each NEO s aggregate compensation for all services performed for all of Dominion, not just the pro-rated portion attributable to the NEO s services for Virginia Power.

OBJECTIVES OF DOMINION S EXECUTIVE COMPENSATION PROGRAM AND THE COMPENSATION DECISION-MAKING PROCESS

Objectives

Dominion s executive compensation philosophy is to provide a competitive total compensation program tied to performance and aligned with the interests of Dominion shareholders, employees and customers.

The major objectives of Dominion s compensation program are to:

- Attract, develop and retain an experienced and highly qualified management team;
- Motivate and reward superior performance that supports Dominion s business and strategic plans and contributes to the long-term success of the company;
- Align the interests of management with those of Dominion s shareholders by placing a substantial portion of pay at risk through performance goals that, if achieved, are expected to increase TSR;
- Promote internal pay equity; and
- Reinforce Dominion s four core values of safety, ethics, excellence and One Dominion Dominion s term for teamwork.

These objectives provide the framework for the compensation decisions. To determine if Dominion is meeting the objectives of its compensation program, the CGN Committee reviews and compares Dominion s actual performance to its short-term and long-term goals, strategies, and peer companies performance.

Dominion s 2011 performance indicates that the design of Dominion s compensation program is meeting these objectives. The NEOs have service with Dominion ranging from 13 to 35 years. Dominion has attracted, motivated and maintained a superior leadership team with skills, industry knowledge and institutional experience that strengthen their ability to act as sound stewards of Dominion s shareholder dollars. Dominion is performing well relative to internal goals and as compared to its peers.

In 2011, Dominion shareholders voted on the executive compensation program (also known as Say on Pay) for the first time and approved it by 94%. The CGN Committee considered the very strong shareholder endorsement of the CGN Committee s decisions and policies and Dominion s overall executive compensation program in continuing the pay-for-performance program that is currently in place without any specific changes for 2012 based on the vote.

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The Process for Setting Compensation

The CGN Committee is responsible for reviewing and approving NEO compensation and the overall executive compensation program. Each year, the CGN Committee reviews and considers a comprehensive assessment and analysis of the executive compensation program, including the elements of each NEO s compensation, with input from management and the independent compensation consultant. As part of its assessment, the CGN Committee reviews the performance of the CEO and other executive officers, meets at least annually with the CEO to discuss succession planning for his position and the positions of senior officers, reviews the share ownership guidelines and executive officer compliance with the guidelines, and establishes compensation programs designed to achieve Dominion s objectives.

The Role of the Independent Compensation Consultant

The CGN Committee s practice has been to retain an independent compensation consultant, PM&P, to advise the committee on executive and director compensation matters. PM&P does not provide any services to Dominion other than its consulting services to the CGN Committee related to executive and director compensation. The PM&P consultant participates in meetings with the CGN Committee, either in person or by teleconference, and communicates directly with the chairman of the committee outside of the committee meetings as requested by the chairman of the committee. PM&P also reviewed meeting materials for the CGN Committee and provided the following services related to the 2011 executive compensation program:

- Provided independent advice to the CGN Committee regarding the appropriateness of Dominion s peer group;
- Participated in CGN Committee executive sessions without management present to discuss CEO compensation and any other relevant matters, including the appropriate relationship between pay and performance and emerging trends, to answer technical questions, and to review and comment on management proposals and analyses of peer group compensation data; and
- Generally reviewed and offered advice as requested by or on behalf of the CGN Committee regarding other aspects of the executive compensation program, including best practices and other matters.

Management s Role in Dominion s Process

Although the CGN Committee has the responsibility to approve and monitor all compensation for the NEOs, management plays an important role in determining executive compensation. Under the direction of the Corporate Secretary, internal compensation specialists provide the CGN Committee with data, analysis and counsel regarding the executive compensation program, including an ongoing assessment of the effectiveness of the program, peer practices, and executive compensation trends and best practices. The CEO, CFO and Corporate Secretary, along with the internal compensation and financial specialists, assist in the design of the incentive compensation plans, including performance target recommendations consistent with strategic goals, and recommendations for establishing the peer group.

Management also works with the Chairman of the CGN Committee to establish the agenda and prepare meeting information for each CGN Committee meeting.

On an annual basis, the CEO is responsible for reviewing Dominion s succession plans for his own position and for Dominion s senior officers with the CGN Committee. He is also responsible for reviewing the performance of his senior officers, including the other NEOs, with the CGN Committee at least annually. He makes recommendations on the compensation and benefits for the NEOs (other than himself) to the CGN Committee and provides other information and counsel as appropriate or as requested by the CGN Committee, but all decisions are ultimately made by the CGN Committee.

The Peer Group and Peer Group Comparisons

Each year, the CGN Committee approves a peer group of companies. In selecting the peer group, Dominion uses a methodology recommended by PM&P to identify companies in the industry that compete for customers, executive talent and investment capital. Dominion screens this group based on size and usually eliminates companies that are much smaller or larger than Dominion s size in revenues, assets and market capitalization. Dominion also considers the geographic locations and the regulatory environment in which potential peer companies operate.

Dominion s peer group is generally consistent from year to year, with merger and acquisition activity being the primary reason for any changes. With the announced mergers of Duke Energy Corporation with Progress Energy, Inc. and Exelon Corporation with Constellation Energy Group, Inc. two companies were added to Dominion s 2011 peer group: CMS Energy Corporation and Xcel Energy Inc. The members of Dominion s

peer group are as follows:

Ameren Corporation	FirstEnergy Corp.
American Electric Power Company, Inc.	NextEra Energy, Inc. (formerly FPL
CMS Energy Corporation	Group, Inc.)
Constellation Energy Group, Inc.	NiSource, Inc.
DTE Energy Company	PPL Corporation
Duke Energy Corporation	Progress Energy, Inc.
Entergy Corporation	Public Service Enterprise Group Inc.
Exelon Corporation	Southern Company
	Xcel Energy Inc.

The CGN Committee, PM&P and management use peer company data to: (i) compare Dominion s stock and financial performance against its peers using a number of different metrics and time periods to evaluate how Dominion is performing as compared to its peers; (ii) analyze compensation practices within the industry; (iii) evaluate peer company practices and determine peer median and 75th percentile ranges for base pay, annual incentive pay, long-term incentive pay and total direct compensation, both generally and for specific positions; and (iv) compare Employment Continuity Agreements and other benefits. In setting the levels for base pay, annual incentive pay, long-term incentive pay and total direct compensation, the CGN Committee also takes into consideration Dominion s larger size compared with the median of the peer group.

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Survey Data

Dominion did not benchmark or otherwise use broad-based market data as the basis for compensation decisions for the NEOs and other senior officers. Survey compensation data is used only to provide a general understanding of compensation practices and trends. The CGN Committee takes into account individual and company specific factors, including internal pay equity, along with peer company data in establishing compensation opportunities. The CGN Committee believes that this emphasis better reflects Dominion s specific needs in its distinct competitive market and with respect to its size and complexity versus its peers.

Compensation Design and Risk

Dominion s management, including Dominion s chief risk officer and other executives, annually reviews the overall structure of Dominion s executive compensation program and policies to ensure they are consistent with effective management of enterprise key risks and that they do not encourage executives to take unnecessary or excessive risks that could threaten the value of the enterprise. With respect to the programs and policies that apply to the NEOs, this review includes:

- Analysis of how different elements of the compensation programs may increase or mitigate risk-taking;
- Analysis of performance metrics used for short-term and long-term incentive programs and the relation of such incentives to the objectives of Dominion;
- Analysis of whether the performance measurement periods for short-term and long-term incentive compensation are appropriate; and
- Analysis of the overall structure of compensation programs as related to business risks.

Among the factors considered in management s assessment are: the balance of the overall program design, including the mix of cash and equity compensation; the mix of fixed and variable compensation; the balance of short-term and long-term objectives of incentive compensation; the performance metrics, performance

targets, threshold performance requirements and capped payouts related to incentive compensation; the clawback provision on incentive compensation; Dominion s share ownership guidelines, including share ownership levels and retention practices; prohibitions on hedging, pledging, and other derivative transactions related to Dominion stock; and internal controls and oversight structures in place at Dominion.

Management reviewed and provided the results of this assessment to the CGN Committee. Based on this review, the CGN Committee believes that Dominion s well-balanced mix of salary and short-term and long-term incentives, as well as the performance metrics that are included in the incentive programs, are appropriate and consistent with Dominion s risk management practices and overall strategies.

Other Tools

The CGN Committee uses a number of tools in its annual review of the compensation of Dominion s NEOs, including charts illustrating the total range of payouts for each performance-based compensation element under a number of different scenarios; spreadsheets showing the cumulative dollar impact on total direct compensation that could result from implementing proposals on any single element of compensation; graphs showing the relationship between the CEO s pay and that of the next highest-paid officer and Dominion s NEOs as a group; and other information the CGN Committee may request in its discretion. Management s internal compensation specialists provide the CGN Committee with detailed comparisons of the design and features of Dominion s long-term incentive and other executive benefit programs with available information regarding similar programs at the peer companies. These tools are used as part of the overall process to ensure that the program results in appropriate pay relationships as compared to Dominion s peer companies and internally among Dominion s NEOs, and that an appropriate balance of at-risk, performance-based compensation is maintained to support the program s core objectives. No material adjustments were made to Dominion s NEO s compensation as a result of using these tools.

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ELEMENTS OF DOMINION S COMPENSATION PROGRAM

The executive compensation program consists of four basic elements:

Pay Element	Primary Objectives	Key Features & Behavioral Focus
Base Salary	Provide competitive level of fixed cash compensation for performing day-to-day responsibilities Attract and retain talent	Generally targeted at or slightly above peer median, with individual and company-wide considerations Rewards individual performance and level of experience
Annual Incentive Plan	Provide competitive level of at-risk cash compensation for achievement of short-term financial and operational goals Align short-term compensation with annual budget, earnings goals, business plans and core values	Cash payments based on achievement of annual financial and individual operating and stewardship goals Rewards achievement of annual financial goals for Dominion as well as business unit and individual goals selected to support longer-term strategies
Long-Term Incentive Program	Provide competitive level of at-risk compensation for achievement of long-term performance goals Create long-term shareholder value Retain talent and support the succession planning process	A combination of performance-based cash and restricted stock awards (for 2011, a 50/50 mix) Encourages and rewards officers for making decisions and investments that create long-term shareholder value as reflected in superior relative TSR, as well as achieving desired returns on invested capital
Employee and Executive Benefits	Provide competitive retirement and other benefit programs that attract and retain highly qualified individuals Provide competitive terms to encourage officers to remain with Dominion during any potential change in control to ensure an orderly transition of management	Includes company-wide benefit programs, executive retirement plans, limited perquisites, and change in control and other agreements, supplemented with non-compete provisions in the non-qualified retirement plans Encourages officers to remain with Dominion long-term and to act in the best interests of shareholders, even during any potential change in control

Factors in Setting Compensation

As part of the process of setting compensation targets, approving payouts and designing future programs, the CGN Committee evaluates Dominion s overall performance versus its business plans and strategies, its short-term and long-term goals and the performance of its peer companies. In addition to considering Dominion s overall performance for the year, the CGN Committee takes into consideration several individual factors that are not given any specific weighting in setting each element of compensation for each NEO, including:

- An officer s experience and job performance;
- The scope, complexity and significance of responsibility for a position, including any differences from peer company positions;
- Internal pay equity considerations, such as the relative importance of a particular position or individual officer to Dominion s strategy and success, and comparability to other officer positions at Dominion;
- Retention and market competitive concerns; and
- The officer s role in any succession plan for other key positions.

The CGN Committee generally evaluates each NEO s base salary, total cash and total direct compensation opportunities against peer group data, both at peer group median and the 75th percentile, to ensure the compensation levels are appropriately competitive, but with the exception of base salary, does not target these compensation levels at a particular percentile or range of the peer group data. Base salary is generally targeted at or slightly above the peer group 50th percentile (median). For Mr. Heacock, the same evaluation process is performed using the Towers Watson Energy Services data instead of peer group data. See Exhibit 99 of this Form 10-K for a listing of the companies included in the survey. Compensation decisions are based on what the

CGN Committee deems appropriate, taking into consideration a number of factors, including those discussed above. However, actual compensation targets may range from below peer median to at or above the 75th percentile based on a number of factors, including experience, tenure and internal pay equity considerations. As part of this analysis, the CGN Committee also takes into account Dominion s larger size and complexity compared to its peer companies.

In setting compensation for 2011, due to continued economic uncertainty, Dominion provided a modest increase in base salary for all officers, generally, and made adjustments to performance-based compensation target levels for certain officers. Based on the review of peer company compensation data, each NEO s job performance, recent promotions and internal pay equity considerations such as scope and complexity of the position relative to other positions at Dominion, the CGN Committee determined it was appropriate to increase the target levels under the LTIP for Messrs. McGettrick, Christian and Heacock as described below in *Long-Term Incentive Program*.

CEO Compensation Relative to Other NEOs

Mr. Farrell participates in the same compensation programs and receives compensation based on the same philosophy and factors as other NEOs. Application of the same philosophy and factors to Mr. Farrell s position results in overall CEO compensation that is significantly higher than the compensation of the other NEOs. His compensation is commensurate with his greater responsibilities and decision-making authority, broader scope of duties encompassing the entirety of Dominion (as compared to the other NEOs who are responsible for significant but distinct areas within the company) and his overall responsibility for corporate strategy. His compensation also reflects his role as the principal corporate representative to investors, customers, regulators, analysts, legislators, industry and the media.

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Dominion considers CEO compensation trends as compared to the next highest-paid officer, as well as to other executive officers as a group, over a multi-year period to monitor the ratio of Mr. Farrell s pay relative to the pay of other executive officers based on (i) salary only and (ii) total direct compensation. Dominion also compares its ratios to that of its peers to confirm that its ratios are consistent with practices at the peer companies. There is no particular targeted ratio or goal, but instead the CGN Committee considers year-to-year trends and comparisons with peer companies. The CGN Committee did not make any adjustments to the compensation of any NEOs based on this review in 2011.

Allocation of Total Direct Compensation in 2011

Consistent with Dominion s objective to reward strong performance based on the achievement of short-term and long-term goals, a significant portion of total cash and total direct compensation is at risk. Approximately 88% of Mr. Farrell s targeted 2011 total direct compensation is performance-based, tied to pre-approved performance metrics, including relative TSR and ROIC, or tied to the performance of Dominion s stock. For the other NEOs, performance-based and stock-based compensation ranges from 65% to 80% of targeted 2011 total direct compensation. This compares to an average of approximately 54% of targeted compensation at risk for most officers at the vice president level and an average of approximately 12% of total pay at risk for non-officer employees.

The charts below illustrate the elements of total direct compensation opportunities in 2011 for Mr. Farrell and the other NEOs as a group and the allocation of such compensation among base salary, targeted 2011 AIP award and targeted 2011 long-term incentive compensation.

Base Salary

Base salary compensates officers, along with the rest of the workforce, for committing significant time to working on Dominion s behalf. Annual salary reviews achieve two primary purposes: (i) an annual adjustment, as appropriate, to keep salaries in line and competitive with the peer group and to reflect changes in responsibility, including promotions; and (ii) a motivational tool to acknowledge and reward excellent individual performance, special skills, experience, the strategic impact of a position relative to other Dominion executives and other relevant considerations.

The primary goal is to compensate its officers at a level that best achieves its objectives and reflects the considerations discussed above. Dominion believes that an overall goal of targeting base salary at or slightly above the peer group median is a conservative but appropriate target for base pay. However, an individual s compensation may be below or above Dominion s target range based on a number of factors such as performance, tenure, and other factors explained above in *Factors in Setting Compensation*. In addition to being ranked above the peer group median in 2011 in terms of revenues, assets and market capitalization, the scope of Dominion s business operations is complex and unique in its industry. Successfully managing such a broad and complex business requires a skilled and experienced management team. Dominion believes it would not be able to successfully recruit and retain such a team if the base pay for officers was generally below the peer group median. Although individual and company performance would have supported merit increases, most officers, including all NEOs, have received modest or no increases in their base salaries since 2009 due to the uncertain market conditions and economic climate. For 2011, the CGN Committee approved a 2% base salary increase for all NEOs, except for Mr. Heacock. Mr. Heacock s base salary was increased by 10% due to his continued transition to the President and CNO position which he assumed in June 2009. The 2011 merit increase was Mr. Farrell s first increase in base salary since 2008.

Annual Incentive Plan

Overview

The AIP plays an important role in meeting Dominion s overall objective of rewarding strong performance. The AIP is a cash-based program focused on short-term goal accomplishments and is designed to:

- Tie interests of shareholders, customers and employees closely together;
- Focus the workforce on company, operating group, team and individual goals that ultimately influence operational and financial results;
- Reward corporate and operating unit earnings performance;
- Reward safety and other operating and stewardship goal success;
- Emphasize teamwork by focusing on common goals;
- Appropriately balance risk and reward; and
- Provide a competitive total compensation opportunity.

Target Awards

An NEO s compensation opportunity under the AIP is based on a target award. Target awards are determined as a percentage of a participant s base salary (for example, 85% of base salary). The

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target award is the amount of cash that will be paid if a participant achieves a score of 100% for the goals established at the beginning of the year and the plan is funded at the full funding target set for the year. Participants who retire during the plan year are eligible to receive a prorated payment of their AIP award after the end of the plan year based on final funding and goal achievement. Participants who voluntarily terminate employment during the plan year and who are not eligible to retire (before attainment of age 55) forfeit their AIP award.

AIP target award levels are established based on a number of factors, including historical practice, individual and company performance and internal pay equity considerations, and are compared against peer group data to ensure the appropriate competitiveness of an NEO s total cash compensation opportunity. However, as discussed above, AIP target award levels were not targeted at a specific percentile or range of the peer group data, nor was survey data used in setting AIP target award levels for 2011. Annual incentive target award levels are also consistent with Dominion s intent to have a significant portion of NEO compensation at risk. The 2011 AIP targets for all NEOs were the same as the 2010 AIP targets and are shown below.

Name	2011 AIP Target Award*
Thomas F. Farrell II	**125%**
Mark F. McGettrick	**100%**
Paul D. Koonce	**90%**
David A. Christian	**85%**
David A. Heacock	**70%**

** As a % of base salary*

FUNDING OF THE 2011 AIP

Funding of the 2011 AIP was based solely on consolidated operating earnings per share, with potential funding ranging from 0% to 200% of the target funding. Consolidated operating earnings are Dominion s reported earnings determined in accordance with GAAP, adjusted for certain items. Dominion believes that by placing a focus on pre-established consolidated operating earnings per share targets, it increases employee awareness of the company s financial objectives and encourages behavior and performance that will help achieve these objectives.

The 2011 AIP had a full funding target of $3.05 consolidated operating earnings per share, which was at the lower end of the 2011 earnings guidance announced in January 2011 and the revised earnings guidance that was announced in October 2011. Funding is based on a formula where funding begins for all eligible employees, including all of the NEOs, when Dominion is able to report $3.05 consolidated operating earnings per share, exclusive of AIP funding expense. Additional earnings are then used to fund the AIP up to a 100% funding level. Once operating earnings support $3.05 consolidated operating earnings per share with all employees AIP funded at 100%, then any additional consolidated operating earnings above the full funding target of $3.05 operating earnings per share are shared equally between AIP participants and shareholders, up to the maximum AIP funding level of 200% at $3.16 operating earnings per share.

Full funding means that the AIP is 100% funded and participants can receive their full targeted AIP payout if they achieve a

score of 100% for their particular goal package, as described below in *How AIP Payouts are Determined*. At the maximum plan funding level of 200%, participants can earn up to two times their targeted AIP payout, subject to achievement of their individual goal packages.

Dominion s consolidated operating earnings for the year ended December 31, 2011 were $1.75 billion, or $3.05 per share, as compared to its consolidated reported earnings in accordance with GAAP of $1.41 billion or $2.45 per share.* This resulted in 75% funding for the 2011 AIP.

***Reconciliation of 2011 Consolidated Operating Earnings to Reported Earnings.** The following items, which are after-tax, are included in Dominion s 2011 reported earnings, but are excluded from consolidated operating earnings: $178 million impairment charge related to certain utility and merchant coal-fired power stations; $59 million of restoration costs associated with Hurricane Irene; $39 million net loss from operations at Kewaunee, which is being marketed for sale; $34 million impairment of excess emission allowances resulting from a new EPA air pollution rule; $21 million of severance costs and other charges resulting from expected closings of Salem Harbor and State Line; $19 million*

net charge in connection with the Virginia Commission s final ruling associated with its biennial review of Virginia Power s base rates for 2009-2010 test years; $13 million of earthquake related costs, largely related to inspections following the safe shutdown of reactors at North Anna; $14 million benefit related to litigation with the DOE for spent nuclear fuel-related costs at Millstone and $3 million net benefit related to other items.

How AIP Payouts Are Determined

For most officers other than Dominion s NEOs, payout of their funded AIP awards for 2011 was subject to the accomplishment of business unit financial and operating and stewardship goals, including a safety goal. The percentage allocated to each category of goals represents the percentage of the funded award subject to the performance of that goal. Officer goals are weighted according to their responsibilities. The overall score cannot exceed 100%.

Business unit financial goals provide a line-of-sight performance target for officers within a business unit and, on a combined basis, support the consolidated operating earnings target for Dominion. Operating and stewardship goals provide line-of-sight performance targets that may not be financial and that can be customized for each individual or by segments of each business unit. Operating and stewardship goals promote Dominion s core values of safety, ethics, excellence and teamwork, which in turn contribute to Dominion s financial success.

The AIP is designed so that AIP payouts earned by Dominion s NEOs will qualify as tax deductible performance-based compensation under Section 162(m) of the IRC. To preserve the tax deduction for payouts made to the NEOs whose compensation is subject to IRC Section 162(m), their payout, if any, is contingent solely on the achievement of the consolidated financial goal (weighted 100%). If the consolidated financial goal is met, the CGN Committee has the authority to exercise negative discretion to lower payouts if additional discretionary goals are adopted and these discretionary goals are not achieved.

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For the 2011 AIP, all of the NEOs adopted a discretionary safety goal. Messrs. Koonce, Christian and Heacock also adopted discretionary business unit financial goals and Mr. Heacock also adopted discretionary operating and stewardship goals. These goals are described under *2011 AIP Payouts*. The following table shows the goal weightings applied to the NEOs discretionary goals.

Name	Consolidated Financial Goal	Business Unit Financial Goals	Operating/ Stewardship*
Thomas F. Farrell II	**95%**	**0%**	**5%**
Mark F. McGettrick	**95%**	**0%**	**5%**
Paul D. Koonce	**65%**	**30%**	**5%**
David A. Christian	**65%**	**30%**	**5%**
David A. Heacock	**40%**	**30%**	**30%**

** 5% goal weighting is for safety goal. Mr. Heacock had other non-safety operating and stewardship goals as described below.*

2011 AIP Payouts

The formula for calculating an award is:
The 2011 discretionary business unit financial goals and accomplishment levels for Mr. Koonce (DVP) and Messrs. Christian and Heacock (Dominion Generation) were as follows:

Business Unit (Million/$)	Goal Threshold (Net Income)	Goal 100% Payout (Net Income)	Actual 2011 Net Income	Actual 2011 Net Income Excluding AIP Expense	2011 Approved Accomplishment
DVP	**$409**	**$ 511**	**$ 501**	**$512**	**100%**
Dominion Generation	**802**	**1,003**	**1,003**	**1,034**	**100%**

For 2011, amounts for the AIP expense were not included in all business units budgets and are not reflected in the goal threshold and goal for 100% payout amounts shown above. The CGN Committee considered each business unit s net income amount, including and excluding the expense for the AIP, and determined it was appropriate to approve 100% accomplishment of the business unit financial goals.

Both Messrs. Farrell and McGettrick met their target safety goal of four or less OSHA recordable incidents with an incident rate of 0.15 or less for the DRS business unit. For Mr. Koonce, DVP s OSHA incident rate and lost time/restricted duty rate exceeded the target rates of 1.24 and 0.75, respectively, which resulted in a 52% accomplishment of his safety goal. Mr. Christian met his target safety goal of an OSHA incident rate ranging from 0.23 to 2.0 for certain operating units and recordable incident of 1 or less for another operating unit in the Dominion Generation business unit. Mr. Heacock met his target safety goal of total OSHA recordable injuries of ten or less (weighted 6%) and total station clock resets of six or less for the Dominion Nuclear fleet (weighted 8%).

In addition to his safety goal, Mr. Heacock had discretionary operating and stewardship goals in three other categories: environmental compliance (weighted 5%); radiation exposure (weighted 4%); and fleet capacity factor (weighted 7%). Mr. Heacock met his environmental compliance and radiation exposure goals, but missed his fleet capacity factor goal. Mr. Heacock earned five extra credit points for safety by exceeding his overall safety goal and was able to apply the extra credit to his missed fleet capacity factor goal in accordance with the AIP guidelines. As a result, Mr. Heacock s total payout score was 100%.

Amounts earned under the 2011 AIP by NEOs are shown below and are reflected in the *Non-Equity Incentive Plan Compensation* column of the *Summary Compensation Table*.

Name	Base Salary		Target Award		Funding %		Total Payout Score %		2011 AIP Payout
Thomas F. Farrell II	**394,373**	**X**	**125%**	**X**	**75%**	**X**	**100%**	**=**	**369,725**
Mark F. McGettrick	**322,000**	**X**	**100%**	**X**	**75%**	**X**	**100%**	**=**	**241,500**
Paul D. Koonce	**425,230**	**X**	**90%**	**X**	**75%**	**X**	**97.6%**	**=**	**280,141**
David A. Christian	**310,343**	**X**	**85%**	**X**	**75%**	**X**	**100%**	**=**	**197,844**
David A. Heacock	**218,709**	**X**	**70%**	**X**	**75%**	**X**	**100%**	**=**	**114,822**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power for the year presented.

Mr. Koonce s payout score was calculated as follows:

Consolidated Financial Goal Accomplishment		Goal Weighting		Business Unit Financial Goal Accomplishment		Goal Weighting		Operating/ Stewardship Goal Accomplishment		Goal Weighting		Total Payout Score
100%	X	65%	+	100%	X	30%	+	52%	X	5%	=	97.6%

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Long-Term Incentive Program

Overview

Dominion s LTIP focuses on Dominion s longer-term strategic goals and retention of its executives. Since 2006, 50% of Dominion s long-term incentives have been full value equity awards in the form of restricted stock with time-based vesting and the other 50% have been performance-based awards. Dominion believes restricted stock serves as a strong retention tool and also creates a focus on Dominion s stock price to further align the interests of officers with the interests of its shareholders and customers. For those officers who have made substantial progress toward their share ownership guidelines, 50% of their long-term award is in the form of a cash performance grant. Officers who have not achieved 50% of their targeted share ownership guideline receive goal-based stock performance grants instead of a cash performance grant. Dividend equivalents are not paid on any performance-based grants. Because officers are expected to retain ownership of shares upon vesting of restricted stock awards, as explained in *Share Ownership Guidelines,* the long-term cash performance grant balances the program and allows a portion of the long-term incentive award to be accessible to the NEOs during the course of their employment.

The CGN Committee approves long-term incentive awards in January each year with a grant date established in early February. This process ensures incentive-based awards are made at the beginning of the performance period and shortly after the public disclosure of Dominion s earnings for the prior year. Like the AIP target award levels discussed above, long-term incentive target award levels are established based on a number of factors, including historical practice, individual and company performance, and internal pay equity considerations, and are compared against peer group data to ensure the appropriate competitiveness of an NEO s total direct compensation opportunity. However, as discussed above, long-term incentive target award levels are not targeted at a specific percentile or range of the peer group data, nor was market survey data a factor in setting long-term incentive target award levels for 2011.

For 2011, the CGN Committee approved increases to Messrs. McGettrick, Christian and Heacock s target long-term incentive awards as discussed below.

McGettrick. Among the factors considered by the CGN Committee in determining the amount of Mr. McGettrick s award were Mr. McGettrick s long tenure with Dominion, his performance as CFO and his increased responsibilities as a result of his promotion from CEO of the Dominion Generation business unit to CFO of Dominion in 2009. The CGN Committee determined it was appropriate to approve an 11% increase in Mr. McGettrick s target long-term incentive award, which resulted in a 7% increase in target total direct compensation.

Christian. For Mr. Christian, the CGN Committee considered, among other factors, Mr. Christian s long tenure with Dominion, his performance as CEO of the Dominion Generation business unit and Mr. Christian s increased responsibility as a result of his promotion from President and CNO of the Dominion Nuclear unit in 2009 to his current position. The CGN Committee also considered the size of the Dominion Generation business unit, which is the largest of Dominion s three business units, relative to Dominion s other business units in

determining his long-term incentive target award and the continued transition of Mr. Christian s compensation to a business unit CEO level. The CGN Committee determined it was appropriate to approve a 32% increase in Mr. Christian s target long-term incentive award, which resulted in a 16% increase in target total direct compensation.

Heacock. Among the factors considered by the CGN Committee in determining the amount of Mr. Heacock s award were his long tenure with Dominion, his performance as President and CNO of the Dominion Nuclear unit and his increased responsibilities related to that position and the complexity of the nuclear industry. The CGN Committee determined it was appropriate to approve an 11% increase in Mr. Heacock s long-term incentive award, which resulted in a 10.5% increase in target total direct compensation.

Information regarding the fair value of the 2011 restricted stock grants and target cash performance grants for the NEOs is provided in the *Grants of Plan-Based Awards* table.

2011 Restricted Stock Grants

All officers received a restricted stock grant on February 1, 2011 based on a stated dollar value. The number of shares awarded was determined by dividing the stated dollar value by the closing price of Dominion s common stock on January 31, 2011. The grants have a three-year vesting

term, with cliff vesting at the end of the restricted period on February 1, 2014. Dividends are paid to officers during the restricted period. The grant date fair value and vesting terms of the 2011 restricted stock grant awards made to the NEOs are disclosed in the *Grants of Plan-Based Awards* table and related footnotes.

2011 Performance Grants

Most officers, including the NEOs, received cash performance grants on February 1, 2011. The performance period commenced on January 1, 2011 and will end on December 31, 2012. The 2011 grants are denominated as a target award, with potential payouts ranging from 0-200% of the target based on Dominion s TSR relative to the peer group of companies selected by the CGN Committee and ROIC, weighted equally. The CGN Committee regularly reviews the design of the LTIP. As part of its annual review of the compensation peer group, the CGN Committee also considers the relevance of the compensation peer group for measuring relative TSR under performance-based awards.

The TSR metric was selected to focus officers on long-term shareholder value when developing and implementing their strategic plans and in turn, reward management based on the achievement of TSR levels as measured relative to Dominion s peer companies. The ROIC metric was selected to reward officers for the achievement of expected levels of return on Dominion s investments. Dominion believes an ROIC measure encourages management to choose the right investments, and with those investments, to achieve the highest returns possible through prudent decisions, management and control of costs. The target award and vesting terms of 2011 performance grants made to the NEOs are disclosed in the *Grants of Plan-Based Awards* table and related footnotes.

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PAYOUT UNDER 2010 PERFORMANCE GRANTS

In February 2012, final payouts were made to officers who received 2010 performance grants, including the NEOs. The 2010 performance grants were based on two goals: TSR for the two-year period ended December 31, 2011 relative to Dominion s peer group of companies (weighted 50%) and ROIC for the same two-year period (weighted 50%).

Relative TSR (50% weighting). TSR is the difference between the value of a share of common stock at the beginning and end of the two-year performance period, plus dividends paid as if reinvested in stock. For this metric, Dominion s TSR is compared to TSR levels at its peer companies for the same two-year period. The peer group for the TSR metric for the 2010 performance grant is the same group of companies described above in *The Peer Group and Peer Group Comparisons*, excluding CMS Energy Corporation and Xcel Energy Inc. The relative TSR targets and corresponding payout scores are as follows:

Relative TSR Performance	Percentage Payout of TSR Percentage*
Top Quartile 75% to 100%	**150% 200%**
2nd Quartile 50% to 74.9%	**100% 149.9%**
3rd Quartile 25% to 49.9%	**50% 99.9%**
4th Quartile below 25%	**0%**

* *TSR weighting is interpolated between the top and bottom of the percentages within a quartile. A minimum payment of 25% of the TSR percentage will be made if the TSR performance is at least 10% on a compounded annual basis for the performance period, regardless of relative performance.*

Actual relative TSR performance for the 2010-2011 period was in the top quartile.

ROIC (50% weighting). ROIC reflects Dominion s total return divided by average invested capital for the performance period. The ROIC goal at target is consistent with the strategic plan/annual business plan as approved by Dominion s Board. For this purpose, total return is Dominion s consolidated operating earnings plus its after-tax interest and related charges, plus preferred dividends. Dominion designed its 2010 ROIC goals to provide 100% payout if it achieved an average ROIC of 8.00% over the two-year performance period. The ROIC performance targets and corresponding payout scores are as follows:

ROIC Performance	Percentage Payout of ROIC Percentage*
8.20% and above	**200%**
8.10% 8.19%	**150% 199.9%**
8.00% 8.09%	**100% 149.9%**
7.90% 7.99%	**50% 99.9%**
Below 7.90%	**0%**

* *ROIC percentage payout is interpolated between the top and bottom of the percentages for any range.*

Actual ROIC performance for the 2010-2011 period was 8.18%.

Based on the achievement of the performance criteria, the CGN Committee approved a 175.7% payout for the 2010 performance grants. The following table summarizes the achievement of the 2010 performance criteria:

Measure	Goal Weight%		Goal Achievement%		Payout%
Relative TSR	**50%**	**X**	**157.0%**	**=**	**78.5%**
ROIC	**50%**	**X**	**194.4%**	**=**	**97.2%**
Combined Overall Performance Score					**175.7%**

The resulting payout amounts for the NEOs for the 2010 performance grants are shown below and are also reflected in the *Non-Equity Incentive Plan Compensation* column of the *Summary Compensation Table*.

Name	2010 Performance Grant Award		Overall Performance Score		Calculated Performance Grant Payout
Thomas F. Farrell II	**$ 1,127,700**	**X**	**175.7%**	**=**	**$ 1,981,369**
Mark F. McGettrick	**436,500**	**X**	**175.7%**	**=**	**766,931**
Paul D. Koonce	**470,981**	**X**	**175.7%**	**=**	**827,514**
David A. Christian	**233,495**	**X**	**175.7%**	**=**	**410,251**
David A. Heacock	**115,920**	**X**	**175.7%**	**=**	**203,671**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power for the year presented.

Employee and Executive Benefits

Benefit plans and limited perquisites compose the fourth element of the compensation program. These benefits serve as a retention tool and reward long-term employment.

RETIREMENT PLANS

Dominion sponsors two types of tax-qualified retirement plans for eligible non-union employees, including the NEOs: a defined benefit pension plan and a defined contribution 401(k) savings plan. The NEOs, as employees hired before 2008, are eligible for a pension benefit upon attainment of retirement age based on a formula that takes into account final compensation and years of service. They also receive a cash retirement benefit under which Dominion contributes 2% of each participant s compensation to a special retirement account, which may be paid in a lump sum or added to the annuity benefit upon retirement. Dominion began funding the special retirement account for eligible employees in January 2001. The formula for the DPP is explained in the narrative following the *Pension Benefits* table. The change in DPP value for 2011 for the NEOs is included in the *Summary Compensation Table*.

Officers whose matching contributions under the 401(k) Plan are limited by the IRC receive a cash payment to make them whole for the company match lost as a result of these limits. These cash payments are currently taxable. The company matching contributions to the 401(k) Plan and the cash payments of company matching contributions above IRC limits for the NEOs are included in the *All Other Compensation* column of the *Summary Compensation Table* and detailed in the footnote for that column.

Dominion also maintains two nonqualified retirement plans for its executives, the BRP and the ESRP. Unlike the DPP and 401(k) Plan, these plans are unfunded, unsecured obligations of Dominion. These plans keep Dominion competitive in attracting and retaining officers. Due to IRC limits on pension plan benefits and because a more substantial portion of total compensation for officers is paid as incentive compensation than for other employees, the DPP and 401(k) Plan alone will produce a lower percentage of replacement income in retirement for officers than these plans will for other employees. The BRP restores benefits that will not be paid under the DPP due to the IRC limits. The ESRP provides a benefit that covers a portion (25%) of final base salary and target annual incentive compensation to partially make up for this gap in retirement income. The BRP and ESRP do not include long-term incentive compensation in benefit calculations and, therefore, a significant portion of the potential compensation for the officers is excluded from calculation in any retirement plan benefit. As consideration for the benefits earned under the BRP and ESRP, all officers agree to comply with confidentiality and one-year non-competition requirements set forth in the plan documents following their retirement or other termination of employment. The present value of accumulated benefits under these retirement plans is disclosed in the *Pension Benefits* table and the terms of the plans are fully explained in the narrative following that table.

In individual situations and primarily for mid-career changes or retention purposes, the CGN Committee has granted certain officers additional years of credited age and service for purposes of calculating benefits under the BRP. Age and service credits granted to the NEOs are described in *Dominion Retirement Benefit Restoration Plan* under *Pension Benefits.* Additional age and service may also be earned under the terms of an officer s Employee Continuity Agreement in the event of a change in control, as described in *Change in Control* under *Potential Payments Upon Termination or Change in Control.* No additional years of credit were granted to the NEOs during 2011.

Other Benefit Programs

Dominion s officers participate in all of the benefit programs available to other Dominion employees. The core benefit programs generally include medical, dental and vision benefit plans, a health savings account, health and dependent care flexible spending accounts, group-term life insurance, travel accident coverage, long-term disability coverage and a paid time off program.

Dominion also maintains an executive life insurance program for officers to replace a former company-wide retiree life insurance program that was discontinued in 2003. The plan is fully insured by individual policies that provide death benefits at a fixed amount depending on an officer s salary tier. This life insurance coverage is in addition to the group-term insurance that is provided to all employees. The officer is the owner of the policy and Dominion makes premium payments until the later of 10 years from enrollment date or the date the officer attains age 64. Officers are taxed on the premiums paid by Dominion. The premiums for these policies are included in the *All Other Compensation* column of the *Summary Compensation Table*.

Perquisites

Dominion provides a limited number of perquisites for officers to enable them to perform their duties and responsibilities as efficiently as possible and to minimize distractions. The CGN Committee annually reviews the perquisites to ensure they are an effective and efficient use of corporate resources. Dominion believes the benefits it receives from offering these perquisites outweigh the costs of providing them. In addition to incidental perquisites associated with maintaining an office, Dominion offers the following perquisites to all officers:

- An allowance of up to $9,500 a year to be used for health club memberships and wellness programs, comprehensive executive physical exams and financial and estate planning. Dominion wants officers to be proactive with preventive healthcare and also wants executives to use professional, independent financial and estate planning consultants to ensure proper tax reporting of company-provided compensation and to help officers optimize their use of Dominion s retirement and other employee benefit programs.
- A vehicle leased by Dominion, up to an established lease-payment limit (if the lease payment exceeds the allowance, the officer pays for the excess amount on the vehicle). The costs of insurance, fuel and maintenance for company-leased vehicles are paid by Dominion.
- In limited circumstances, use of company aircraft for personal travel by executive officers. For security and other reasons, the Board has directed Mr. Farrell to use the aircraft for all travel, including personal travel, whenever it is feasible to do so. His family and guests may accompany Mr. Farrell on any personal trips. The use of company aircraft for personal travel by other executive officers is limited and usually related to (i) travel with the CEO or (ii) personal travel to accommodate business demands on an executive s schedule. With the exception of Mr. Farrell, personal use of aircraft is not available when there is a company need for the aircraft. Use of company aircraft saves substantial time and allows Dominion to have better access to the executives for business purposes. During 2011, 97% of the use of

Dominion s aircraft was for business purposes. Other than Mr. Farrell, none of the NEOs or other executive officers used company aircraft for personal travel in 2011.

Other than costs associated with comprehensive executive physical exams (which are exempt from taxation under the IRC), these perquisites are fully taxable to officers. There is no tax gross-up for imputed income on any perquisites.

Employment Continuity Agreements

Dominion has entered into Employment Continuity Agreements with all officers to ensure continuity in the event of a change in control at Dominion. While Dominion has determined these agreements are consistent with the practices of its peer companies, the most important reason for these agreements is to protect the company in the event of an anticipated or actual change in control of Dominion. In a time of transition, it is critical to protect shareholder value by retaining and continuing to motivate the company s core management team. In a change in control situation, workloads typically increase dramatically, outside competitors are more likely to attempt to recruit top performers away

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from the company, and officers and other key employees may consider other opportunities when faced with uncertainties at their own company. Therefore, the Employment Continuity Agreements provide security and protection to officers in such circumstances for the long-term benefit of Dominion and its shareholders.

In determining the appropriate multiples of compensation and benefits payable upon a change in control, Dominion evaluated peer group and general practices and considered the levels of protection necessary to retain officers in such situations. The Employment Continuity Agreements are double-trigger agreements that require both a change in control and a qualifying termination of employment to trigger a benefit. The specific terms of the Employment Continuity Agreements are discussed in *Potential Payments Upon Termination or Change in Control*.

Other Agreements

Dominion does not have comprehensive employment agreements or severance agreements for its NEOs. Although the CGN Committee believes the compensation and benefit programs described in this CD&A are appropriate, Dominion, as one of the nation s largest producers and transporters of energy, is part of a constantly changing and increasingly competitive environment. In recognition of their valuable knowledge and experience and to secure and retain their services, Dominion has entered into letter agreements with certain of its NEOs to provide certain benefit enhancements or other protections, as described in *Dominion Executive Supplemental Retirement Plan* and *Potential Payments Upon Termination or Change in Control*.

Other Relevant Compensation Practices

Share Ownership Guidelines

Dominion requires officers to own and retain significant amounts of Dominion stock during their careers to align their interests with those of Dominion s shareholders by promoting a long-term focus through long-term share ownership. The guidelines ensure that management maintains a personal stake in the company through significant equity investment in Dominion. Targeted ownership levels are the lesser of the following value or number of shares:

Position	Value/# of Shares
Chairman, President & Chief Executive Officer	**8 x salary/145,000**
Executive Vice President Dominion	**5 x salary/35,000**
Senior Vice President Dominion & Subsidiaries/President Dominion Subsidiaries	**4 x salary/20,000**
Vice President Dominion & Subsidiaries	**3 x salary/10,000**

The levels of ownership reflect the increasing level of responsibility for that officer s position. Shares owned by an officer and his or her immediate family members as well as shares held under company benefit plans contribute to the ownership targets. Restricted stock, goal-based stock and shares underlying stock options do not contribute to the ownership targets until the shares vest or the options are exercised. Dominion prohibits certain types of transactions related to Dominion stock, including owning derivative securities, hedging transactions, using margin accounts and pledging shares as collateral.

With limited exceptions, officers are expected to retain ownership of their Dominion stock, including restricted stock and goal-based shares that have vested, as long as they remain employed by the company. Dominion refers to shares held by an officer that are more than 15% above his or her ownership target as Qualifying Excess Shares. Officers may sell up to 50% of their Qualifying Excess Shares at any time, subject to insider trading rules and other policy provisions, and may sell all Qualifying Excess Shares during the one-year period preceding retirement. Qualifying Excess Shares may also be gifted to a charitable organization or put into a trust outside of the officer s control for estate planning purposes at any time.

At least annually, the CGN Committee reviews the share ownership guidelines and monitors compliance by executive officers, both individually and by the officer group as a whole. The NEOs ownership is shown in Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters. Each NEO exceeds his ownership target.

Recovery of Incentive Compensation

Consistent with standards established by the Sarbanes-Oxley Act of 2002, Dominion s Corporate Governance Guidelines authorize the Board to seek recovery of performance-based compensation paid to officers who are found to be personally responsible for fraud or intentional misconduct that causes a restatement of financial results filed with the SEC. Beginning in 2009, the CGN Committee approved a broader clawback provision for inclusion in Dominion s AIP and long-term incentive performance grant documents. This clawback provision authorizes the CGN Committee, in its discretion and based on facts and circumstances, to recoup AIP and performance grant payouts from any employee whose fraudulent or intentional misconduct (i) directly causes or partially causes the need for a restatement of a financial statement or (ii) relates to or materially affects Dominion s operations or the employee s duties at the company. Dominion reserves the right to recover a payout by seeking repayment from the employee, by reducing the amount that would otherwise be payable to the employee under another company benefit plan or compensation program to the extent permitted by applicable law, by withholding future incentive compensation, or any combination of these actions. The clawback provision is in addition to, and not in lieu of, other actions Dominion may take to remedy or discipline misconduct, including termination of employment or a legal action for breach of fiduciary duty, and any actions imposed by law enforcement agencies.

Tax Deductibility of Compensation

IRC Section 162(m) generally disallows a deduction by publicly held corporations for compensation in excess of $1 million paid to the CEO and next three most highly compensated officers other than the CFO. If certain requirements are met, performance-based compensation qualifies for an exemption from the IRC Section 162(m) deduction limit. Dominion intends to provide competitive executive compensation while maximizing Dominion s tax deduction. While the CGN Committee considers IRC Section 162(m) tax implications when designing annual and long-term compensation programs and approving payouts under such programs, it reserves the right to approve, and in some cases has approved, non-deductible compensation when corporate

objectives justify the cost of being unable to deduct such compensation. Dominion s tax department has advised the CGN Committee that the cost of any such lost tax deductions is not material to the company.

Accounting for Stock-Based Compensation

Dominion measures and recognizes compensation expense in accordance with the FASB guidance for share-based payments, which requires that compensation expense relating to share-based payment transactions be recognized in the financial statements based on the fair value of the equity or liability instruments issued. The CGN Committee considers the accounting treatment of equity and performance-based compensation when approving awards.

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Executive Compensation

SUMMARY COMPENSATION TABLE   AN OVERVIEW

The Summary Compensation Table provides information in accordance with SEC requirements regarding compensation earned by the NEOs, stock awards made to the NEOs, as well as amounts accrued or accumulated during years reported with respect to retirement plans and other items. The NEOs include the CEO, the CFO, and the three most highly compensated executive officers of Virginia Power other than the CEO and CFO.

The amounts reported in the Summary Compensation Table and the other tables below represent the prorated compensation amounts attributable to each NEO s services performed for Virginia Power. The percentage of each NEO s overall Dominion services performed for Virginia Power during 2011 was as follows: Mr. Farrell, 32%; Mr. McGettrick, 49%; Mr. Koonce, 84%; Mr. Christian, 55%; and Mr. Heacock, 52%.

The following highlights some of the disclosures contained in this table for the NEOs. Detailed explanations regarding certain types of compensation paid to an NEO are included in the footnotes to the table.

Salary. The amounts in this column are the base salaries earned by the NEOs for the years indicated. For 2010, this amount also includes a 2% merit lump sum payment to all NEOs.

Stock Awards. The amounts in this column reflect the full grant date fair value of the stock awards for accounting purposes for the respective year. Stock awards are reported in the year in which the awards are granted regardless of when or if the awards vest or are exercised.

Non-Equity Incentive Plan Compensation. This column includes amounts earned under two performance-based programs: the AIP and cash-based performance grant awards under Dominion s LTIP. These performance programs are based on performance criteria established by the CGN Committee at the beginning of the performance period, with actual performance scored against the pre-set criteria by the CGN Committee at the end of the performance period.

Change in Pension Value and Nonqualified Deferred Compensation Earnings. This column shows any year-over-year increases in the annual accrual of pension and supplemental retirement benefits for the NEOs. These are accruals for future benefits that may be earned under the terms of the retirement plans, and are not actual payments made during the year to the NEOs. The amounts disclosed reflect the annual change in the

actuarial present value of benefits under defined benefit plans sponsored by Dominion, which include Dominion s tax-qualified pension plan and the nonqualified plans described in the narrative following the *Pension Benefits* table. The annual change equals the difference in the accumulated amount for the current fiscal year and the accumulated amount for the prior fiscal year, generally using the same actuarial assumptions used for Dominion s audited financial statements for the applicable fiscal year. Accrued benefit calculations are based on assumptions that the NEOs would retire at the earliest age at which they are projected to become eligible for full, unreduced pension benefits (including the effect of future service for eligibility purposes), instead of their unreduced retirement age based on current years of service. The application of these assumptions results in a greater increase in the accumulated amount of pension benefits for certain NEOs than would result without the application of these assumptions. This method of calculation does not increase actual benefits payable at retirement but only how much of that benefit is allocated to the increase during the years presented in the Summary Compensation Table. Please refer to the footnotes to the *Pension Benefits* table and the narrative following that table for additional information related to actuarial assumptions used to calculate pension benefits.

All Other Compensation. The amounts in this column disclose compensation that is not classified as compensation reportable in another column, including perquisites and benefits with an aggregate value of at least $10,000, the value of company-paid life insurance premiums, company matching contributions to an NEO s 401(k) Plan account, and company matching contributions paid directly to the NEO that would be credited to the 401(k) Plan if IRC contribution limits did not apply. For 2010 and 2011, dividends paid on outstanding restricted stock are not included in All Other Compensation in accordance with SEC rules as the value of the dividends is factored into the grant date fair value of the restricted stock.

Total. The number in this column provides a single figure that represents the total compensation either earned by each NEO for the years indicated or accrued benefits payable in later years and required to be disclosed by SEC rules in this table. It does not reflect actual compensation paid to the NEO during the year, but is the sum of the dollar values of each type of compensation quantified in the other columns in accordance with SEC rules.

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SUMMARY COMPENSATION TABLE

The following table presents information concerning compensation paid or earned by the NEOs for the years ended December 31, 2011, 2010 and 2009, as well as the grant date fair value of stock awards and changes in pension value.

Name and Principal Position	Year	Salary(1)	Stock Awards(2)	Non-Equity Incentive Plan Compensation(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(4)	All Other Compensation(5)	Total
Thomas F. Farrell II	**2011**	**$ 393,084**	**$ 1,127,702**	**$ 2,351,094**	**$ 584,944**	**$ 51,827**	**$ 4,508,651**
	2010	342,720	2,164,671	1,634,640	551,838	44,950	4,738,819
Chairman, President and							
Chief Executive Officer	2009	348,000	870,001	1,604,280	461,615	188,429	3,472,325
Mark F. McGettrick	**2011**	**320,948**	**485,013**	**1,008,431**	**802,520**	**33,962**	**2,650,874**
	2010	305,402	413,970	841,435	1,590,831	33,281	3,184,919
Executive Vice President and							
Chief Financial Officer	2009	298,195	345,010	766,034	861,244	83,450	2,353,933
Paul D. Koonce	**2011**	**423,840**	**471,012**	**1,107,655**	**695,145**	**49,323**	**2,746,975**
	2010	431,679	478,139	998,467	642,025	40,721	2,591,031
Executive Vice President							
(COO DVP)	2009	242,983	220,508	533,418	188,154	58,545	1,243,608
David A. Christian	**2011**	**309,329**	**309,058**	**608,095**	**682,795**	**52,785**	**1,962,062**
	2010	299,384	225,247	554,103	661,527	49,013	1,789,274
Executive Vice President							
(COO Generation)	2009	259,229	152,752	434,621	588,777	67,838	1,503,217
David A. Heacock	**2011**	**215,395**	**128,803**	**318,493**	**388,820**	**20,921**	**1,072,432**
	2010	195,288	114,750	292,961	346,705	19,595	969,299
President and CNO	2009	198,586	108,530	295,165	330,717	42,987	975,985

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power in the year presented.

(1) *All NEOs received a 2% base salary increase effective on March 1, 2011, except for Mr. Heacock who received a 10% base salary increase due to continued transition to his position as President and CNO. For 2010, this amount also includes a 2% merit lump sum payment to all NEOs.*

(2) *The amounts in this column reflect the full grant date fair value of stock awards for the respective year of grant in accordance with FASB guidance for share-based payments. Dominion did not grant any stock options in 2011. See also Note 20 to the Consolidated Financial Statements for more information on the valuation of stock-based awards, the Grants of Plan-Based Awards table for stock awards granted in 2011, and the Outstanding Equity Awards at Fiscal Year-End table for a listing of all outstanding equity awards as of December 31, 2011.*

(3)

The 2011 amounts in this column include the payout under Dominion s 2011 AIP and 2010 Performance Grant Awards. All of the named executive officers received 75% funding of their 2011 AIP target awards and 100% payout for accomplishment of their goals except Mr. Koonce who achieved a 97.6% payout. The 2011 AIP payout amounts were as follows: Mr. Farrell: $369,725; Mr. McGettrick: $241,500; Mr. Koonce: $280,141; Mr. Christian: $197,844; and Mr. Heacock: $114,822. See the CD&A for additional information on the 2011 AIP and the Grants of Plan Based Awards table for the range of each NEO s potential award under the 2011 AIP. The 2010 Performance Grant Award was issued on February 1, 2010 and the payout amount was determined based on achievement of performance goals for the performance period ended December 31, 2011. Payouts can range from 0% to 200%. The actual payout was 175.7% of the target amount. The payout amounts were as follows: Mr. Farrell: $1,981,369; Mr. McGettrick: $766,931; Mr. Koonce: $827,514; Mr. Christian: $410,251 and Mr. Heacock: $203,671. The 2010 amounts in this column reflect both the 2010 AIP and the 2009 Performance Grant payouts, and the 2009 amounts reflect both the 2009 AIP and 2008 Performance Grant payouts.

(4) *All amounts in this column are for the aggregate change in the actuarial present value of the NEO s accumulated benefit under the qualified DPP and nonqualified executive retirement plans. There are no above-market earnings on nonqualified deferred compensation plans. These accruals are not directly in relation to final payout potential, and can vary significantly year over year based on (i) promotions and corresponding changes in salary; (ii) other one-time adjustments to salary or incentive target for market or other reasons; (iii) actual age versus predicted age at retirement; and (iv) other relevant factors.*

(5) *All Other Compensation amounts for 2011 are as follows:*

Name	Executive Perquisites[a]	Life Insurance Premiums	Employee 401(k) Plan Match[b]	Company Match Above IRS Limits[c]	Total All Other Compensation
Thomas F. Farrell II	**$ 27,405**	**$ 9,488**	**$ 2,368**	**$ 12,566**	**$ 51,827**
Mark F. McGettrick	**14,363**	**6,761**	**4,753**	**8,085**	**33,962**
Paul D. Koonce	**25,884**	**10,724**	**6,154**	**6,561**	**49,323**
David A. Christian	**18,383**	**22,029**	**5,384**	**6,989**	**52,785**
David A. Heacock	**8,672**	**3,633**	**5,049**	**3,567**	**20,921**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power in the year presented.

(a) *Unless noted, the amounts in this column for all NEOs are comprised of the following: personal use of company vehicle and financial planning and health and wellness allowance. For Mr. Farrell, the amounts in this column also include personal use of the corporate aircraft. The value of Mr. Farrell s personal use of the aircraft during 2011 was $19,216. For personal flights, all direct operating costs are included in calculating aggregate incremental cost. Direct operating costs include the following: fuel, airport fees, catering, ground transportation and crew expenses (any food, lodging and other costs). The fixed costs of owning the aircraft and employing the crew are not taken into consideration, as more than 97% of the use of the corporate aircraft is for business purposes. The CGN Committee has directed Mr. Farrell to use corporate aircraft for all personal travel whenever it is feasible to do so.*

(b) *Employees initially hired before 2008 who contribute to the 401(k) Plan receive a matching contribution of 50 cents for each dollar contributed up to 6% of compensation (subject to IRS limits) for employees who have less than 20 years of service, and 67 cents for each dollar contributed up to 6% of compensation (subject to IRS limits) for employees who have 20 or more years of service.*

(c) *Represents each payment of lost 401(k) Plan matching contribution due to IRS limits.*

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GRANTS OF PLAN-BASED AWARDS

The following table provides information about stock awards and non-equity incentive awards granted to the NEOs during the year ended December 31, 2011.

Name	Grant Date[1]	Grant Approval Date[1]	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Threshold	Target	Maximum	All Other Stock Awards: Number of Shares of Stock or Units	Grant Date Fair Value of Stock and Options Award[1][4]
Thomas F. Farrell II							
2011 Annual Incentive Plan[2]			**$ 0**	**$ 492,966**	**$ 985,932**		
2011 Cash Performance Grant[3]			**0**	**1,127,700**	**2,255,400**		
2011 Restricted Stock Grant[4]	**2/1/2011**	**1/20/2011**				**25,900**	**$ 1,127,702**
Mark F. McGettrick							
2011 Annual Incentive Plan[2]			**$ 0**	**322,000**	**644,000**		
2011 Cash Performance Grant[3]			**0**	**485,000**	**970,000**		
2011 Restricted Stock Grant[4]	**2/1/2011**	**1/20/2011**				**11,139**	**485,013**
Paul D. Koonce							
2011 Annual Incentive Plan[2]			**$ 0**	**382,706**	**765,413**		
2011 Cash Performance Grant[3]			**0**	**470,981**	**941,963**		
2011 Restricted Stock Grant[4]	**2/1/2011**	**1/20/2011**				**10,818**	**471,012**
David A. Christian							
2011 Annual Incentive Plan[2]			**$ 0**	**263,792**	**527,583**		
2011 Cash Performance Grant[3]			**0**	**309,038**	**618,075**		
2011 Restricted Stock Grant[4]	**2/1/2011**	**1/20/2011**				**7,098**	**309,058**
David A. Heacock							
2011 Annual Incentive Plan[2]			**$ 0**	**153,096**	**306,192**		
2011 Cash Performance Grant[3]			**0**	**128,800**	**257,600**		
2011 Restricted Stock Grant[4]	**2/1/2011**	**1/20/2011**				**2,958**	**128,803**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power in the year presented.

(1) *On January 20, 2011, the CGN Committee approved the 2011 long-term incentive compensation awards for Dominion officers, which consisted of a restricted stock grant and a cash performance grant. The 2011 restricted stock award was granted on February 1, 2011. Under the 2005 Incentive Compensation Plan, fair market value is defined as the closing price of Dominion common stock as of the last day on which the stock is traded preceding the date of grant. The grant date fair market value for the February 1, 2011 restricted stock grant was $43.54 per share, which was Dominion s closing stock price on January 31, 2011.*

(2) *Amounts represent the range of potential payouts under the 2011 AIP. Actual amounts paid under the 2011 AIP are found in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table. Under Dominion s AIP, officers are eligible for an annual performance-based award. The CGN Committee establishes target awards for each NEO based on his salary level and expressed as a percentage of the individual NEO s base salary. The target award is the amount of cash that will be paid if the plan is fully funded and payout goals are achieved. For the 2011 AIP, funding was based on the achievement of consolidated operating earnings goals with the maximum funding capped at 200%, as explained under the Annual Incentive Plan section of the CD&A.*

(3) *Amounts represent the range of potential payouts under the 2011 performance grant of the LTIP. Payouts can range from 0% to 200% of the target award. Awards will be paid by March 15, 2013 depending on the achievement of performance goals for the two-year period ending December 31, 2012. The amount earned will depend on the level of achievement of two performance metrics: TSR 50% and ROIC 50%. TSR measures Dominion s share performance for the two-year period ended December 31, 2012 relative to the TSR of a group of industry peers selected by the CGN Committee. ROIC goal achievement will be scored against 2011 and 2012 budget goals.*

The performance grant is forfeited in its entirety if an officer voluntarily terminates employment or is terminated with cause before the vesting date. The grants have pro-rated vesting for retirement, termination without cause, death or disability. In the case of retirement, pro-rated vesting will not occur if the CEO (or, for the CEO, the CGN Committee) determines the officer s retirement is detrimental to Dominion. Payout for an officer who retires or whose employment is terminated without cause, is made following the end of the performance period so that the officer is rewarded only to the extent the performance goals are achieved. In the case of death or disability, payout is made as soon as possible to facilitate the administration of the officer s estate or financial planning. The payout amount will be the greater of the officer s target award or an amount based on the predicted performance used for compensation cost disclosure purposes in Dominion s financial statements.

In the event of a change in control, the performance grant is vested in its entirety and payout of the performance grant will occur as soon as administratively feasible following the change in control date at an amount that is the greater of an officer s target award or an amount based on the predicted performance used for compensation cost disclosure purposes in Dominion s financial statements.

(4) *The 2011 restricted stock grant fully vests at the end of three years. The restricted stock grant is forfeited in its entirety if an officer voluntarily terminates employment or is terminated with cause before the vesting date. The restricted stock grant provides for pro-rated vesting if an officer retires, dies, becomes disabled, is terminated without cause, or if there is a change in control. In the case of retirement, pro-rated vesting will not occur if the CEO (or for the CEO, the CGN Committee) determines the officer s retirement is detrimental to Dominion. In the event of a change in control, pro-rated vesting is provided as of the change in control date, and full vesting if an officer s employment is terminated, or constructively terminated by the successor entity following the change in control date but before the scheduled vesting date. Dividends on the restricted shares are paid during the restricted period at the same rate declared by Dominion for all shareholders.*

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Outstanding Equity Awards at Fiscal Year-end

The following table summarizes equity awards made to NEOs that were outstanding as of December 31, 2011. There were no unexercised or unexercisable option awards outstanding for any NEOs as of December 31, 2011.

Name	Number of Shares or Units of Stock that Have Not Vested	Stock Awards Market Value of Shares or Units of Stock That Have Not Vested[1]
Thomas F. Farrell II	**27,475**[2]	**$ 1,458,373**
	30,104[3]	**1,597,920**
	25,900[4]	**1,374,772**
	33,569[5]	**1,781,843**
Mark F. McGettrick	**10,339**[2]	**548,794**
	11,652[3]	**618,488**
	11,139[4]	**591,258**
Paul D. Koonce	**10,710**[2]	**568,487**
	12,573[3]	**667,375**
	10,817[4]	**574,166**
David A. Christian	**5,075**[2]	**269,381**
	6,233[3]	**330,848**
	7,098[4]	**376,762**
David A. Heacock	**2,563**[2]	**136,044**
	3,094[3]	**164,230**
	2,958[4]	**157,011**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Amounts for the NEOs listed in the table reflect only the applicable portion related to their service for Virginia Power.

(1) *The market value is based on closing stock price of $53.08 on December 30, 2011, which was the last day of Dominion s fiscal year on which Dominion stock was traded.*

(2) *Shares scheduled to vest on February 1, 2012.*

(3) *Shares scheduled to vest on February 1, 2013.*

(4) *Shares scheduled to vest on February 1, 2014.*

(5) *Shares scheduled to vest on December 17, 2015. Amount includes dividends reinvested into additional shares that are restricted and subject to the same terms and conditions of the underlying restricted stock grant.*

Option Exercises and Stock Vested

The following table provides information about the value realized by NEOs during the year ended December 31, 2011 on vested restricted stock awards. There were no option exercises by NEOs in 2011.

Name	Number of Shares Acquired on Vesting	Stock Awards Value Realized on Vesting
Thomas F. Farrell II	**23,668**	**$ 1,057,967**
Mark F. McGettrick	**8,907**	**398,144**
Paul D. Koonce	**9,226**	**412,412**

David A. Christian	**4,372**	**195,434**
David A. Heacock	**2,208**	**98,704**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power in the year presented.

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PENSION BENEFITS

The following table shows the actuarial present value of accumulated benefits payable to NEOs, together with the number of years of benefit service credited to each NEO, under the plans listed in the table. Values are computed as of December 31, 2011, using the same interest rate and mortality assumptions used in determining the aggregate pension obligations disclosed in Dominion s financial statements. The years of credited service and the present value of accumulated benefits were determined by the plan actuaries, using the appropriate accrued service, pay and other assumptions similar to those used for accounting and disclosure purposes. Please refer to *Actuarial Assumptions Used to Calculate Pension Benefits* for detailed information regarding these assumptions.

Name	Plan Name	Number of Years of Credited Service[1]	Present Value of Accumulated Benefit[2]
Thomas F. Farrell II	Pension Plan	**16.00**	**$ 253,590**
	Benefit Restoration Plan	**27.00**	**2,701,963**
	Supplemental Retirement Plan	**27.00**	**3,887,697**
Mark F. McGettrick	Pension Plan	**27.50**	**551,425**
	Benefit Restoration Plan	**30.00**	**2,709,316**
	Supplemental Retirement Plan	**30.00**	**2,745,239**
Paul D. Koonce	Pension Plan	**13.00**	**415,178**
	Benefit Restoration Plan	**13.00**	**564,548**
	Supplemental Retirement Plan	**13.00**	**2,564,210**
David A. Christian	Pension Plan	**27.50**	**779,457**
	Benefit Restoration Plan	**27.50**	**1,549,168**
	Supplemental Retirement Plan	**27.50**	**2,024,547**
David A. Heacock	Pension Plan	**24.50**	**588,339**
	Benefit Restoration Plan	**24.50**	**342,034**
	Supplemental Retirement Plan	**24.50**	**586,629**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Amounts for the NEOs listed in the table reflect only the applicable portion related to their service for Virginia Power.

[1] *Years of credited service shown in this column for the DPP are actual years accrued by an NEO from his date of participation to December 31, 2011. Service for the BRP and the ESRP is the NEO s actual credited service as of December 31, 2011 plus any potential total credited service to the plan maximum, including any extra years of credited service granted to Messrs. Farrell and McGettrick by the CGN Committee for the purpose of calculating benefits under these plans. Please refer to the narrative below and under Dominion Executive Supplemental Retirement Plan and Potential Payments Upon Termination or Change In Control for information about the requirements for receiving extra years of credited service and the amount credited, if any, for each NEO.*

[2] *The amounts in this column are based on actuarial assumptions that all of the NEOs would retire at the earliest age they become eligible for unreduced benefits, which is (i) age 60 for Messrs. Farrell, Koonce, Christian and Heacock, and (ii) age 55 for Mr. McGettrick (when he would be treated as age 60 based on his five additional years of credited age). In addition, for purposes of calculating the BRP benefits for Messrs. Farrell and McGettrick, the amounts reflect additional credited years of service granted to them pursuant to their agreements with Dominion (see Dominion Executive Supplemental Retirement Plan). If the amounts in this column did not include the additional years of credited service, the present value of the BRP benefit would be $1,299,525 lower for Mr. Farrell, and $1,403,744 lower for Mr. McGettrick. DPP and ESRP benefits amounts are not augmented by the additional service credit assumptions.*

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Dominion Pension Plan

The DPP is a tax-qualified defined benefit pension plan. All of the NEOs participate in the DPP. The DPP provides unreduced retirement benefits at termination of employment at or after age 65 or, with three years of service, at age 60. A participant who has attained age 55 with three years of service may elect early retirement benefits at a reduced amount. If a participant retires between ages 55 and 60, the benefit is reduced 0.25% per month for each month after age 58 and before age 60, and reduced 0.50% per month for each month between ages 55 and 58. All of the NEOs have more than three years of service.

The DPP basic benefit is calculated using a formula based on (1) age at retirement; (2) final average earnings; (3) estimated Social Security benefits; and (4) credited service. Final average earnings are the average of the participant s 60 highest consecutive months of base pay during the last 120 months worked. Final average earnings do not include compensation payable under the AIP, the value of equity awards, gains from the exercise of stock options, long-term cash incentive awards, perquisites or any other form of compensation other than base pay.

Credited service is measured in months, up to a maximum of 30 years of credited service. The estimated Social Security benefit taken into account is the assumed Social Security benefit payable starting at age 65 or actual retirement date, if later, assuming that the participant has no further employment after leaving Dominion. These factors are then applied in a formula.

The formula has different percentages for credited service through December 31, 2000 and on and after January 1, 2001. The benefit is the sum of the amounts from the following two formulas.

	For credited service through December 31, 2000:	
2.03% **times** Final Average Earnings **times** Credited Service before 2001	**Minus**	2.00% **times** estimated Social Security benefit **times** Credited Service before 2001
	For credited service on or after January 1, 2001:	
1.80% **times** Final Average Earnings **times** Credited Service after 2000	**Minus**	1.50% **times** estimated Social Security benefit **times** Credited Service after 2000

Credited service is limited to a total of 30 years for all parts of the formula and credited service after 2000 is limited to 30 years minus credited service before 2001.

Benefit payment options are (1) a single life annuity or (2) a choice of a 50%, 75% or 100% joint and survivor annuity. A Social Security leveling option is available with any of the benefit forms. The normal form of benefit is a single life annuity for unmarried participants and a 50% joint and survivor annuity for married participants. All of the payment options are actuarially equivalent in value to the single life annuity. The Social Security leveling option pays a larger benefit equal to the estimated Social Security benefit until the participant is age 62 and then reduced payments after age 62.

The DPP also includes a special retirement account, which is in addition to the pension benefit. The special retirement account is credited with 2% of base pay each month as well as interest based on the 30-year Treasury bond rate set annually (3.77% in 2011). The special retirement account can be paid in a lump sum or paid in the form of an annuity benefit.

A participant becomes vested in his or her benefit after completing three years of service. A vested participant who terminates employment before age 55 can start receiving benefit payments calculated using terminated vested reduction factors at any time after attaining age 55. If payments begin before age 65, then the following reduction factors for the portion of the benefits earned after 2000 apply: age 64 9%; age 63 16%; age 62 23%; age 61 30%; age 60 35%; age 59 40%; age 58 44%; age 57 48%; age 56 52%; and age 55 55%.

The IRC limits the amount of compensation that may be included in determining pension benefits under qualified pension plans. For 2011, the compensation limit was $245,000. The IRC also limits the total annual benefit that may be provided to a participant under a qualified defined benefit plan. For 2011, this limitation was the lesser of (i) $195,000 or (ii) the average of the participant s compensation during the three consecutive years in which the participant had the highest aggregate compensation.

Dominion Retirement Benefit Restoration Plan

The BRP is a nonqualified defined benefit pension plan designed to make up for benefit reductions under the DPP due to the limits imposed by the IRC.

A Dominion employee is eligible to participate in the BRP if (1) he or she is a member of management or a highly compensated employee, (2) his or her DPP benefit is or has been limited by the IRC compensation or benefit limits, and (3) he or she has been designated as a participant by the CGN Committee. A participant remains a participant until he or she ceases to be eligible for any reason other than retirement or until his or her status as a participant is revoked by the CGN Committee.

Upon retirement, a participant s BRP benefit is calculated using the same formula (except that the IRC salary limit is not applied) used to determine the participant s default annuity form of benefit under the DPP (single life annuity for unmarried participants and 50% joint and survivor annuity for married participants), and then subtracting the benefit the participant is entitled to receive under the DPP. To accommodate the enactment of IRC Section 409A, the portion of a participant s BRP benefit that had accrued as of December 31, 2004 is frozen, but the calculation of the overall restoration benefit is not changed.

The restoration benefit is generally paid in the form of a single lump sum cash payment. However, a participant may elect to receive a single life or 50% or 100% joint and survivor annuity for the portion of his or her benefit that accrued prior to 2005. For the portion of his or her benefit that accrued in 2005 or later, a participant may also elect to receive a 75% joint and survivor annuity. The lump sum calculation includes an amount approximately equivalent to the amount of taxes the participant will owe on the lump sum payment so that the participant will have

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sufficient funds, on an after-tax basis, to purchase an annuity contract.

A participant who terminates employment before he or she is eligible for benefits under the DPP generally is not entitled to a restoration benefit. Messrs. Farrell and McGettrick have been granted age and service credits for purposes of calculating their DPP and BRP benefits. Per Mr. Farrell s letter agreement, he was granted 25 years of service when he reached age 55 and will continue to accrue service as long as he remains employed. At age 60, benefits will be calculated based on 30 years of service, if he remains employed. Mr. McGettrick, having attained age 50, has earned benefits calculated based on five additional years of age and service. For each of these NEOs, the additional years of service count for determining both the amount of benefits and the eligibility to receive them. For additional information regarding service credits, see *Dominion Executive Supplemental Retirement Plan*.

If a vested participant dies when he or she is retirement eligible (on or after age 55), the participant s beneficiary will receive the restoration benefit in a single lump sum payment. If a participant dies while employed but before he or she has attained age 55 and the participant is married at the time of death, the participant s spouse will receive a restoration benefit calculated in the same way as the 50% qualified pre-retirement survivor annuity payable under the DPP and paid in a lump sum payment.

Dominion Executive Supplemental Retirement Plan

The ESRP is a nonqualified defined benefit plan that provides for an annual retirement benefit equal to 25% of a participant s final cash compensation (base salary plus target annual incentive award) payable for a period of 10 years or, for certain participants designated by the CGN Committee, for the participant s lifetime. To accommodate the enactment of IRC Section 409A, the portion of a participant s ESRP benefit that had accrued as of December 31, 2004 is frozen, but the calculation of the overall benefit is not changed.

A Dominion employee is eligible to participate in the ESRP if (1) he or she is a member of management or a highly compensated employee, and (2) he or she has been designated as a participant by the CGN Committee. A participant remains a participant until he or she ceases to be eligible for any reason other than retirement or until his or her status as a participant is revoked by the CGN Committee.

A participant is entitled to the full ESRP benefit if he or she separates from service with Dominion after reaching age 55 and achieving 60 months of service. A participant who separates from service with Dominion with at least 60 months of service but who has not yet reached age 55 is entitled to a reduced, pro-rated retirement benefit. A participant who separates from service with Dominion with fewer than 60 months of service is generally not entitled to an ESRP benefit unless the participant separated from service on account of disability or death. Effective December 1, 2006, officers who are participants must achieve 60 months of service as an officer to be eligible for the ESRP benefit.

The ESRP benefit is generally paid in the form of a single lump sum cash payment. However, a participant may elect to receive the portion of his or her benefit that had accrued as of December 31, 2004 in monthly installments. For any new

participants, the ESRP benefit must be paid in the form of a single lump sum cash payment. The lump sum calculation includes an amount approximately equivalent to the amount of taxes the participant will owe on the lump sum payment so that the participant will have sufficient funds, on an after-tax basis, to purchase a 10-year or lifetime annuity contract.

All of the NEOs except Mr. Koonce and Mr. Heacock are currently entitled to a full ESRP retirement benefit. If Mr. Koonce and Mr. Heacock terminate employment before attaining age 55, they will receive a pro-rated ESRP benefit. Based on the terms of their individual letter agreements, Messrs. Farrell and Koonce will receive an ESRP benefit calculated as a lifetime benefit. Under the terms of his letter agreement, Mr. McGettrick will earn a lifetime benefit under the ESRP if he remains employed until he attains age 55. Mr. McGettrick has earned five years of additional age and service credit for purposes of computing his retirement benefits and eligibility for benefits under the ESRP, long-term incentive grants, and retiree medical and life insurance plans as he has met the requirement of remaining employed until he attained age 50. If Mr. McGettrick terminates employment before he attains age 55, he will be deemed to have retired for purposes of determining his vesting credit under the terms of his restricted stock and performance grant awards. Mr. Christian will receive ESRP benefits calculated as a lifetime benefit provided he remains employed with Dominion until attainment of age 60. As consideration for this benefit, Mr. Christian has agreed not to compete with Dominion for a two-year period following retirement. This agreement ensures that his knowledge and services will not be available to competitors for two years following his retirement date.

Actuarial Assumptions Used to Calculate Pension Benefits

Actuarial assumptions used to calculate DPP benefits are prescribed by the terms of the DPP based on IRC and PBGC requirements. The present value of the accumulated benefit is calculated using actuarial and other factors as determined by the plan actuaries and approved by Dominion. Actuarial assumptions used for the December 31, 2011 benefit calculations shown in the *Pension Benefits* table include a discount rate of 5.50% to determine the present value of the future benefit obligations for the DPP, BRP and ESRP and a lump sum interest rate of 4.75% to estimate the lump sum values of BRP and ESRP benefits. Each NEO is assumed to retire at the earliest age at which he is projected to become eligible for full, unreduced pension benefits. Beginning with the 2009 calculations, for purposes of estimating future eligibility for unreduced DPP and ESRP benefits, the effect of future service is considered. Each NEO is assumed to commence DPP payments at the same age as BRP payments. The longevity assumption used to determine the present value of benefits is the same assumption used for financial reporting of the DPP liabilities, with no assumed mortality before retirement age. Assumed mortality after retirement is based on tables from the Society of Actuaries RP-2000 study, projected from 2000 to a point five years beyond the calculation date (this year, to 2016) with 100% of the Scale AA factors, and further adjusted for Dominion experience by using an age set-forward factor. For BRP and ESRP benefits, other actuarial assumptions include an assumed tax rate of 42%.

BRP and ESRP benefits are assumed to be paid as lump sums; pension plan benefits are assumed to be paid as annuities.

The discount rate for calculating lump sum BRP and ESRP payments at the time an officer terminates employment is selected by Dominion s Administrative Benefits Committee and adjusted periodically. For year 2011, a 5.46% discount rate was used to determine the lump sum payout amounts. The discount rate for each year will be based on a rolling average of the blended rate published by the PBGC in October of the previous five years.

NONQUALIFIED DEFERRED COMPENSATION

Name	Aggregate Earnings in Last FY (as of 12/31/2011)*	Aggregate Withdrawals / Distributions (as of 12/31/2011)	Aggregate Balance at Last FYE (as of 12/31/2011)
Thomas F. Farrell II	**$ 133**	**$ 4,620**	**$**
Mark F. McGettrick	**5,768**	**379,093**	
Paul D. Koonce	**168,260**		**1,140,800**
David A. Christian	**415**		**15,919**
David A. Heacock			

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Compensation for the NEOs listed in the table reflects only the applicable portion related to their service for Virginia Power in the year presented.

**No preferential earnings are paid and therefore no earnings from these plans are included in the Summary Compensation Table.*

At this time, Dominion does not offer any nonqualified elective deferred compensation plans to its officers or other employees. The *Nonqualified Deferred Compensation* table reflects, in aggregate, the plan balances for two former plans offered to Dominion officers and other highly compensated employees: the Frozen Deferred Compensation Plan and the Frozen DSOP, which were frozen as of December 31, 2004. Although the Frozen DSOP was an option plan rather than a deferred compensation plan, Dominion is including information regarding the plan and any balances in this table to make full disclosure about possible future payments to officers under Dominion s employee benefit plans.

Frozen Deferred Compensation Plan

The Frozen Deferred Compensation Plan includes amounts previously deferred from one of the following categories of compensation: (i) salary; (ii) bonus; (iii) vesting restricted stock; and (iv) gains from stock option exercises. The plan also provided for company contributions of lost company 401(k) Plan match contributions and transfers from several CNG deferred compensation plans. The Frozen Deferred Compensation Plan offers 27 investment funds for the plan balances, including a Dominion Stock Fund. Participants may change investment elections on any business day. Any vested restricted stock and gains from stock option exercises that were deferred were automatically allocated to the Dominion Stock Fund and this allocation cannot be changed. Earnings are calculated based on the performance of the underlying investment fund.

The following funds had rates of returns for 2011 as follows: Dominion Resources Stock Fund, 29.37%; and Dominion Fixed Income Fund, 3.35%.

The Dominion Fixed Income Fund is an investment option that provides a fixed rate of return each year based on a formula that is tied to the adjusted federal long-term rate published by the IRS in November prior to the beginning of the year. Dominion s Asset Management Committee determines the rate based on its estimate of the rate of return on Dominion assets in the trust for the Frozen Deferred Compensation Plan.

The default Benefit Commencement Date is February 28 after the year in which the participant retires, but the participant may select a different Benefit Commencement Date in accordance with the plan. Participants may change their Benefit Commencement Date election; however, a new election must be made at least six months before an existing Benefit Commencement Date. Withdrawals less than six months prior to an existing Benefit Commencement Date are subject to a 10% early withdrawal penalty. Account balances must be fully paid out no later than the February 28 that is 10 calendar years after a participant retires or becomes disabled. If a participant retires from Dominion, he or she may

continue to defer an account balance provided that the total balance is distributed by this deadline. In the event of termination of employment for reasons other than death, disability or retirement before an elected Benefit Commencement Date, benefit payments will be distributed in a lump sum as soon as administratively practicable. Hardship distributions, prior to an elected Benefit Commencement Date, are available under certain limited circumstances.

Participants may elect to have their benefit paid in a lump sum payment or equal annual installments over a period of whole years from one to 10 years. Participants have the ability to change their distribution schedule for benefits under the plan by giving six months notice to the plan administrator. Once a participant begins receiving annual installment payments, the participant can make a one-time election to either (1) receive the remaining account balance in the form of a lump sum distribution or (2) change the remaining installment payment period. Any election must be approved by the company before it is effective. All distributions are made in cash with the exception of the Deferred Restricted Stock Account and the Deferred Stock Option Account, which are distributed in the form of Dominion common stock.

Frozen DSOP

The Frozen DSOP enabled employees to defer all or a portion of their salary and bonus and receive options on various mutual funds. Participants also received lost company matching contributions to the 401(k) Plan in the form of options under this plan. DSOP options can be exercised at any time before their expiration date. On exercise, the participant receives the excess of the value, if any, of the underlying mutual funds over the strike price. The participant can currently choose among options on 26 mutual funds, and there is not a Dominion stock alternative or a fixed income fund. Participants may change options among the mutual funds on any business day. Benefits grow/decline based on the total return of the mutual funds selected. Any options that expire do not have any value. Options expire under the following terms:

Options expire on the last day of the 120th month after retirement or disability;
Options expire on the last day of the 24th month after the participant s death (while employed);

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- Options expire on the last day of the 12th month after the participant s severance;
- Options expire on the 90th day after termination with cause; and
- Options expire on the last day of the 120th month after severance following a change in control.

The NEO participating in the Frozen DSOP held options on the publicly available mutual fund, Vanguard Short-Term Bond Index, which had a rate of return for 2011 of 2.96%.

Potential Payments Upon Termination or Change in Control

Under certain circumstances, Dominion provides benefits to eligible employees upon termination of employment, including a termination of employment involving a change in control of Dominion, that are in addition to termination benefits for other employees in the same situation.

Change in Control

As discussed in the *Employee and Executive Benefits* section of the CD&A, Dominion has entered into an Employment Continuity Agreement with each of its officers, including the NEOs. Each agreement has a three-year term and is automatically extended annually for an additional year, unless cancelled by Dominion.

The Employment Continuity Agreements require two triggers for the payment of most benefits:

- There must be a change in control; and
- The executive must either be terminated without cause, or terminate his or her employment with the surviving company after a constructive termination. Constructive termination means the executive s salary, incentive compensation or job responsibility is reduced after a change in control or the executive s work location is relocated more than 50 miles without his or her consent.

For purposes of the Employment Continuity Agreements, a change in control will occur if (i) any person or group becomes a beneficial owner of 20% or more of the combined voting power of Dominion voting stock or (ii) as a direct or indirect result of, or in connection with, a cash tender or exchange offer, merger or other business combination, sale of assets, or contested election, the directors constituting the Dominion Board before any such transaction cease to represent a majority of Dominion s or its successor s Board within two years after the last of such transactions.

If an executive s employment following a change in control is terminated without cause or due to a constructive termination, the executive will become entitled to the following termination benefits:

- Lump sum severance payment equal to three times base salary plus AIP award (determined as the greater of (i) the target annual award for the current year or (ii) the highest actual AIP payout for any one of the three years preceding the year in which the change in control occurs).
- Full vesting of benefits under ESRP and BRP with five years of additional credited age and five years of additional credited service from the change in control date.
- Group-term life insurance. If the officer elects to convert group-term insurance to an individual policy, the company pays the premiums for 12 months.
- Executive life insurance. Premium payments will continue to be paid by Dominion until the earlier of: (1) the fifth anniversary of the termination date, or (2) the later of the 10th anniversary of the policy or the date the officer attains age 64.
- Retiree medical coverage will be determined under the relevant plan with additional age and service credited as provided under an officer s letter of agreement (if any) and including five additional years credited to age and five additional years credited to service.
- Outplacement services for one year (up to $25,000).
- If any payments are classified as excess parachute payments for purposes of IRC Section 280G and the executive incurs the excise tax, Dominion will pay the executive an amount equal to the 280G excise tax plus a gross-up multiple.

The terms of awards made under the LTIP, rather than the terms of Employment Continuity Agreements, will determine the vesting of each award in the event of a change in control. These provisions are described in the *Long-Term Incentive Program* section of the CD&A and footnotes to the *Grants of Plan-Based Awards* table.

Other Post Employment Benefit for Mr. Farrell.

Mr. Farrell will become entitled to a payment of one times salary upon his retirement as consideration for his agreement not to compete with Dominion for a two-year period following retirement. This agreement ensures that his knowledge and services will not be available to competitors for two years following his retirement date.

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The following table provides the incremental payments that would be earned by each NEO if his employment had been terminated, or constructively terminated, as of December 31, 2011. These benefits are in addition to retirement benefits that would be payable on any termination of employment. Please refer to the *Pension Benefits* table for information related to the present value of accumulated retirement benefits payable to the NEOs.

Incremental Payments Upon Termination or Change in Control

Name	Non-Qualified Plan Payment	Restricted Stock(1)	Performance Grant(1)	Non-Compete Payments(2)	Severance Payments	Retiree Medical and Executive Life Insurance(3)	Outplacement Services	Excise Tax & Tax Gross-Up	Total
Thomas F. Farrell II(4)									
Retirement	**$**	**$ 2,858,867**	**$ 539,335**	**$ 394,373**	**$**	**$**	**$**	**$**	**$ 3,792,575**
Death / Disability		**3,215,229**	**539,335**						**3,754,564**
Change in Control(5)	**996,447**	**1,928,645**	**588,365**		**3,459,461**		**8,055**		**6,980,973**
Mark F. McGettrick(4)									
Retirement		**1,109,377**	**231,957**						**1,341,334**
Change in Control(5)	**136,916**	**649,259**	**253,043**		**2,344,036**		**12,125**		**3,395,379**
Paul D. Koonce									
Termination Without Cause		**1,154,519**	**225,252**						**1,379,771**
Voluntary Termination									
Termination With Cause									
Death / Disability		**1,154,519**	**225,252**						**1,379,771**
Change in Control(5)	**2,185,234**	**655,636**	**245,729**		**2,999,945**	**10,849**	**20,933**		**6,118,326**
David A. Christian(4)									
Retirement		**588,405**	**147,801**						**736,206**
Change in Control(5)	**648,500**	**388,673**	**161,237**		**1,970,677**		**13,735**	**1,102,373**	**4,285,195**
David A. Heacock									
Termination Without Cause		**285,145**	**61,600**						**346,745**
Voluntary Termination									
Termination With Cause									
Death / Disability		**285,145**	**61,600**						**346,745**
Change in Control(5)	**1,110,859**	**172,203**	**67,200**		**1,122,620**	**78,344**	**12,880**	**1,003,542**	**3,567,648**

Note: The NEOs included in this table perform services for more than one subsidiary of Dominion. Amounts for the NEOs listed in the table reflect only the applicable portion related to their service for Virginia Power.

(1) *Grants made in 2009, 2010 and 2011 under the LTIP vest prorated upon termination without cause, death or disability. These grants vest prorated upon retirement provided the CEO of Dominion (or in the case of the CEO, the CGN Committee) determines the NEO s retirement is not detrimental to Dominion; amounts shown assume this determination was made. However, the December 2010 restricted stock award issued to Mr. Farrell does not vest prorated if Mr. Farrell is terminated or leaves for any reason other than following change of control, death or disability. The amounts shown in the restricted stock column are based on Dominion s closing stock price of $53.08 on December 30, 2011.*

(2) *Pursuant to a letter agreement dated February 28, 2003, Mr. Farrell will be entitled to a special payment of one times salary upon retirement in exchange for a two-year non-compete agreement. Mr. Farrell would not be entitled to this non-compete payment in the event of his death.*

(3) *Amounts in this column represent the value of the incremental benefit the NEOs would receive for executive life insurance and retiree medical coverage. Mr. McGettrick is eligible for retiree medical and executive life insurance upon any termination due to his letter agreement. Messrs. Farrell and Christian are entitled to executive life insurance coverage and retiree medical benefit upon any termination since they are retirement eligible and have completed 10 years of service. Messrs. Koonce and Heacock are eligible for executive life insurance upon a change in control. Mr. Heacock is eligible for retiree medical upon a change in control. Mr. Koonce would not be eligible for retiree medical upon a change in control because with an additional 5 years of age credit he would not reach the required retiree medical age of 58. Retiree health benefits have been quantified using assumptions used for financial accounting purposes.*

(4) *For the NEOs who are eligible for retirement, this table above assumes they would retire in connection with any termination event. Pursuant to a letter agreement dated May 2010, Mr. McGettrick would be considered as retired under any termination event.*

(5) *The amounts indicated upon a change in control are the incremental amounts attributable to five years of additional age and service credited pursuant to the Employment Continuity Agreements that each NEO would receive over the amounts payable upon a retirement (Messrs. Farrell, McGettrick, and Christian) or*

termination without cause (Messrs. Koonce and Heacock).

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Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

DOMINION

The information concerning stock ownership by directors, executive officers and five percent beneficial owners contained under the headings *Share Ownership-Director and Officer Share Ownership* and *Significant Shareholders* in the 2012 Proxy Statement is incorporated by reference.

The information regarding equity securities of Dominion that are authorized for issuance under its equity compensation plans contained under the heading *Executive Compensation-Equity Compensation Plans* in the 2012 Proxy Statement is incorporated by reference.

VIRGINIA POWER

The table below sets forth as of February 15, 2012, the number of shares of Dominion common stock owned by directors and by the executive officers of Virginia Power named on the Summary Compensation Table. Dominion owns all of the outstanding common stock of Virginia Power. None of the executive officers or directors own any of the outstanding preferred stock of Virginia Power.

Name of Beneficial Owner	Shares	Restricted Shares	Total(1)
Thomas F. Farrell II	**573,018**	**347,424**	**920,442**
Mark F. McGettrick	**159,919**	**68,067**	**227,986**
Steven A. Rogers	**48,653**	**12,163**	**60,816**
David A. Christian	**78,569**	**37,406**	**115,975**
David A. Heacock	**52,978**	**16,708**	**69,686**
Paul D. Koonce	**106,323**	**40,581**	**146,904**
All directors and executive officers as a group (8 persons)(2)	**1,059,849**	**547,191**	**1,607,040**

(1) Includes shares as to which voting and/or investment power is shared with or controlled by another person as follows: Mr. Rogers, 643 (shares held in joint tenancy); all directors and executive officers as a group, 16,112.

(2) Neither any individual director or executive officer, nor all of the directors and executive officers as a group, own more than one percent of Dominion common shares outstanding as of February 15, 2012.

Item 13. Certain Relationships and Related Transactions, and Director Independence

DOMINION

The information regarding related party transactions required by this item found under the heading *Related Party Transactions,* and information regarding director independence found under the heading *Director Independence,* in the 2012 Proxy Statement is incorporated by reference.

VIRGINIA POWER

Related Party Transactions

Virginia Power s Board of Directors has adopted the Related Party Guidelines also approved by Dominion s Board of Direc-

tors. These guidelines were adopted for the purpose of identifying potential conflicts of interest arising out of financial transactions, arrangements and relations between Virginia Power and any related persons. Under the guidelines, a related person is a director, executive officer, director nominee, a beneficial owner of more than 5% of Dominion s common stock, or any immediate family member of one of the

foregoing persons. A related party transaction is any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships in excess of $120,000 in which Virginia Power (and/or any of its consolidated subsidiaries) is a party and in which the related person has or will have a direct or indirect material interest.

In determining whether a direct or indirect interest is material, the significance of the information to investors in light of all circumstances is considered. The importance of the interest to the person having the interest, the relationship of the parties to the transaction with each other and the amount involved are also among the factors considered in determining the significance of the information to the investors.

Dominion s CGN Committee has reviewed certain categories of transactions and determined that transactions between Dominion and a related person that fall within such categories will not result in the related person receiving a direct or indirect material interest. Under the guidelines, such transactions are not deemed related party transactions and therefore not subject to review by the CGN Committee. The categories of excluded transactions include, among other items, compensation and expense reimbursement paid to directors and executive officers in the ordinary course of performing their duties; transactions with other companies where the related party s only relationship is as an employee, if the aggregate amount involved does not exceed the greater of $1 million or 2% of that company s gross revenues; and charitable contributions which are less than the greater of $1 million or 2% of the charity s annual receipts. The full text of the guidelines can be found on Dominion s website at www.dom.com/investors/corporate-governance/pdf/related_party_guidelines.pdf.

Virginia Power collects information about potential related party transactions in its annual questionnaires completed by directors and executive officers. Management reviews the potential related party transactions and assesses whether any of the identified transactions constitute a related party transaction. Any identified related party transactions are then reported to Dominion s CGN Committee. Dominion s CGN Committee reviews and considers relevant facts and circumstances and determines whether to ratify or approve the related party transactions identified. Dominion s CGN Committee may only approve or ratify related party transactions that are in, or are not inconsistent with, the best interests of Dominion and its shareholders and are in compliance with Virginia Power s Code of Ethics.

Since January 1, 2011 there have been no related party transactions involving Virginia Power that were required either to be approved under Virginia Power s policies or reported under the SEC related party transactions rules.

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Director Independence

Under NYSE listing standards, Messrs. Farrell, McGettrick and Rogers are not independent as they are executive officers of Virginia Power or of its parent company, Dominion. All of Virginia Power s outstanding common stock is owned by Dominion and therefore, Virginia Power is a controlled company under the rules of the NYSE. Because Virginia Power meets the definition of a controlled company and has only preferred stock listed on the NYSE, it is exempt under Section 303A of the NYSE Rules from the provisions relating to board committees and the requirement to have a majority of its board be independent.

Item 14. Principal Accountant Fees and Services

DOMINION

The information concerning principal accountant fees and services contained under the heading *Auditors-Fees and Pre-Approval Policy* in the 2012 Proxy Statement is incorporated by reference.

VIRGINIA POWER

The following table presents fees paid to Deloitte & Touche LLP for the fiscal years ended December 31, 2011 and 2010.

Type of Fees (millions)	**2011**	2010
Audit fees	**$ 1.32**	$ 1.36
Audit-related fees		
Tax fees		
All other fees		
	$ 1.32	$ 1.36

Audit Fees represent fees of Deloitte & Touche LLP for the audit of Virginia Power s annual consolidated financial statements, the review of financial statements included in Virginia Power s quarterly Form 10-Q reports, and the services that an independent auditor would customarily provide in connection with subsidiary audits, statutory requirements, regulatory filings, and similar engagements for the fiscal year, such as comfort letters, attest services, consents, and assistance with review of documents filed with the SEC.

Audit-Related Fees consist of assurance and related services that are reasonably related to the performance of the audit or review of Virginia Power s consolidated financial statements or internal control over financial reporting. This category may include fees related to the performance of audits and attest services not required by statute or regulations, due diligence related to mergers, acquisitions, and investments, and accounting consultations about the application of GAAP to proposed transactions.

Virginia Power s Board of Directors has adopted the Dominion Audit Committee pre-approval policy for its independent auditor s services and fees and has delegated the execution of this policy to the Dominion Audit Committee. In accordance with this delegation, each year the Dominion Audit Committee pre-approves a schedule that details the services to be provided for the following year and an estimated charge for such services. At its December 2011 and January 2012 meetings, the Dominion Audit Committee approved Virginia Power s schedule of services and fees for 2012. In accordance with the pre-approval policy, any changes to the pre-approved schedule may be pre-approved by the Dominion Audit Committee or a member of the Dominion Audit Committee.

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Part IV

Item 15. Exhibits and Financial Statement Schedules

(a) Certain documents are filed as part of this Form 10-K and are incorporated by reference and found on the pages noted.

1. Financial Statements

See Index on page 53.

2. All schedules are omitted because they are not applicable, or the required information is either not material or is shown in the financial statements or the related notes.

3. Exhibits (incorporated by reference unless otherwise noted)

Exhibit Number	Description	Dominion	Virginia Power
2	Purchase and Sale Agreement between Dominion Resources, Inc., Dominion Energy, Inc., Dominion Transmission, Inc. and CONSOL Energy Holdings LLC VI (Exhibit 99.1, Form 8-K filed March 15, 2010, File No. 1-8489).	X	
3.1.a	Dominion Resources, Inc. Articles of Incorporation as amended and restated effective May 20, 2010 (Exhibit 3.1, Form 8-K filed May 20, 2010, File No. 1-8489).	X	
3.1.b	Virginia Electric and Power Company Amended and Restated Articles of Incorporation, as in effect on March 3, 2011 (Exhibit 3.1b, Form 10-Q for the quarter ended March 30, 2011 filed April 29, 2011, File No. 1-2255).		X
3.2.a	Dominion Resources, Inc. Amended and Restated Bylaws, effective December 15, 2011 (Exhibit 3.1, Form 8-K filed December 14, 2011, File No. 1-8489).	X	
3.2.b	Virginia Electric and Power Company Amended and Restated Bylaws, effective June 1, 2009 (Exhibit 3.1, Form 8-K filed June 3, 2009, File No. 1-2255).		X
4	Dominion Resources, Inc. and Virginia Electric and Power Company agree to furnish to the Securities and Exchange Commission upon request any other instrument with respect to long-term debt as to which the total amount of securities authorized does not exceed 10% of either of their total consolidated assets.	X	X
4.1.a	See Exhibit 3.1.a above.	X	
4.1.b	See Exhibit 3.1.b above.		X
4.2	Indenture of Mortgage of Virginia Electric and Power Company, dated November 1, 1935, as supplemented and modified by Fifty-Eighth Supplemental Indentures (Exhibit 4(ii), Form 10-K for the fiscal year ended December 31, 1985, File No. 1-2255).	X	X
4.3	Form of Senior Indenture, dated June 1, 1998, between Virginia Electric and Power Company and The Bank of New York Mellon (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank)), as Trustee (Exhibit 4(iii), Form S-3 Registration Statement filed February 27, 1998, File No. 333-47119); Form of First Supplemental Indenture, dated June 1, 1998 (Exhibit 4.2, Form 8-K filed June 12, 1998, File No. 1-2255); Form of Second Supplemental Indenture, dated	X	X

June 1, 1999 (Exhibit 4.2, Form 8-K filed June 4, 1999, File No. 1-2255); Form of Third Supplemental Indenture, dated November 1, 1999 (Exhibit 4.2, Form 8-K filed October 27, 1999, File No. 1-2255); Forms of Fourth and Fifth Supplemental Indentures, dated March 1, 2001 (Exhibits 4.2 and 4.3, Form 8-K filed March 26, 2001, File No. 1-2255); Form of Sixth Supplemental Indenture, dated January 1, 2002 (Exhibit 4.2, Form 8-K filed January 29, 2002, File No. 1-2255); Seventh Supplemental Indenture, dated September 1, 2002 (Exhibit 4.4, Form 8-K filed September 11, 2002, File No. 1-2255); Form of Eighth Supplemental Indenture, dated February 1, 2003 (Exhibit 4.2, Form 8-K filed February 27, 2003, File No. 1-2255); Forms of Ninth and Tenth Supplemental Indentures, dated December 1, 2003 (Exhibits 4.2 and 4.3, Form 8-K filed December 4, 2003, File No. 1-2255); Form of Eleventh Supplemental Indenture, dated December 1, 2003 (Exhibit 4.2, Form 8-K filed December 11, 2003, File No. 1-2255); Forms of Twelfth and Thirteenth Supplemental Indentures, dated January 1, 2006 (Exhibits 4.2 and 4.3, Form 8-K filed January 12, 2006, File No. 1-2255); Form of Fourteenth Supplemental Indenture, dated May 1, 2007 (Exhibit 4.2, Form 8-K filed May 16, 2007, File No. 1-2255); Form of Fifteenth Supplemental Indenture, dated September 1, 2007 (Exhibit 4.2, Form 8-K filed September 10, 2007, File No. 1-2255); Forms of Sixteenth and Seventeenth Supplemental Indentures, dated November 1, 2007 (Exhibits 4.2 and 4.3, Form 8-K filed November 30, 2007, File No. 1-2255); Form of Eighteenth Supplemental Indenture, dated April 1, 2008

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Exhibit Number	Description	Dominion	Virginia Power
	(Exhibit 4.2, Form 8-K filed April 15, 2008, File No. 1-2255); Form of Nineteenth Supplemental and Amending Indenture, dated November 1, 2008 (Exhibit 4.2, Form 8-K filed November 5, 2008, File No. 1-2255); Form of Twentieth Supplemental Indenture, dated June 1, 2009 (Exhibit 4.3, Form 8-K filed June 24, 2009, File No. 1-2255); Form of Twenty-First Supplemental Indenture, dated August 1, 2010 (Exhibit 4.3, Form 8-K filed September 1, 2010, File No. 1-2255); Twenty-Second Supplemental Indenture, dated as of January 1, 2012 (Exhibit 4.3, Form 8-K filed January 12, 2012, File No. 1-2255).		
4.4	Indenture, Junior Subordinated Debentures, dated December 1, 1997, between Dominion Resources, Inc. and The Bank of New York Mellon (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank)) as supplemented by a First Supplemental Indenture, dated December 1, 1997 (Exhibit 4.1 and Exhibit 4.2 to Form S-4 Registration Statement filed April 22, 1998, File No. 333-50653); Forms of Second and Third Supplemental Indentures, dated January 1, 2001 (Exhibits 4.6 and 4.13, Form 8-K filed January 12, 2001, File No. 1-8489).	X	
4.5	Indenture, dated May 1, 1971, between Consolidated Natural Gas Company and The Bank of New York (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank and Manufacturers Hanover Trust Company)) (Exhibit (5) to Certificate of Notification at Commission File No. 70-5012); Fifteenth Supplemental Indenture, dated October 1, 1989 (Exhibit (5) to Certificate of Notification at Commission File No. 70-7651); Seventeenth Supplemental Indenture, dated August 1, 1993 (Exhibit (4) to Certificate of Notification at Commission File No. 70-8167); Eighteenth Supplemental Indenture, dated December 1, 1993 (Exhibit (4) to Certificate of Notification at Commission File No. 70-8167); Nineteenth Supplemental Indenture, dated January 28, 2000 (Exhibit (4A)(iii), Form 10-K for the fiscal year ended December 31, 1999 filed March 7, 2000, File No. 1-3196); Twentieth Supplemental Indenture, dated March 19, 2001 (Exhibit 4.1, Form 10-Q for the quarter ended September 30, 2003 filed November 7, 2003, File No. 1-3196); Twenty-First Supplemental Indenture, dated June 27, 2007 (Exhibit 4.2, Form 8-K filed July 3, 2007, File No. 1-8489).	X	
4.6	Indenture, dated April 1, 1995, between Consolidated Natural Gas Company and The Bank of New York Mellon (as successor trustee to United States Trust Company of New York) (Exhibit (4), Certificate of Notification No. 1 filed April 19, 1995, File No. 70-8107); First Supplemental Indenture dated January 28, 2000 (Exhibit (4A)(ii), Form 10-K for the fiscal year ended December 31, 1999 filed March 7, 2000, File No. 1-3196); Securities Resolution No. 1 effective as of April 12, 1995 (Exhibit 2, Form 8-A filed April 21, 1995, File No. 1-3196 and relating to the 7 3/8% Debentures Due April 1, 2005); Securities Resolution No. 2 effective as of October 16, 1996 (Exhibit 2, Form 8-A filed October 18, 1996, File No. 1-3196 and relating to the 6 7/8% Debentures Due October 15, 2006); Securities Resolution No. 3 effective as of December 10, 1996 (Exhibit 2, Form 8-A filed December 12, 1996, File No. 1-3196 and relating to the 6 5/8% Debentures Due December 1, 2008); Securities Resolution No. 4 effective as of December 9, 1997 (Exhibit 2, Form 8-A filed December 12, 1997, File No. 1-3196 and relating to the 6.80% Debentures Due December 15, 2027); Securities Resolution No. 5 effective as of October 20, 1998 (Exhibit 2, Form 8-A filed October 22, 1998, File No. 1-3196 and relating to the 6% Debentures Due October 15, 2010); Securities Resolution No. 6 effective as of September 21, 1999 (Exhibit 4A(iv), Form 10-K for the fiscal year ended December 31, 1999 filed March 7, 2000, File No. 1-3196, and relating to the 7 1/4% Notes Due October 1, 2004); Second Supplemental Indenture dated as of June 27, 2007 (Exhibit 4.4, Form 8-K filed July 3, 2007, File No. 1-8489).	X	
4.7	Form of Senior Indenture, dated June 1, 2000, between Dominion Resources, Inc. and The Bank of New York Mellon (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank)), as Trustee (Exhibit 4(iii), Form S-3 Registration Statement filed December 21, 1999, File No. 333-93187); Form of First Supplemental Indenture, dated June 1, 2000 (Exhibit 4.2, Form 8-K filed June 22, 2000, File No. 1-8489); Forms of Second and Third Supplemental Indentures, dated	X	

July 1, 2000 (Exhibits 4.2 and 4.3, Form 8-K filed July 11, 2000, File No. 1-8489); Fourth Supplemental Indenture, dated September 1, 2000 (Exhibit 4.2, Form 8-K filed September 8, 2000, File No. 1-8489); Sixth Supplemental Indenture, dated September 1, 2000 (Exhibit 4.3, Form 8-K filed September 11, 2000, File No. 1-8489); Form of Seventh Supplemental Indenture, dated October 1, 2000 (Exhibit 4.2, Form 8-K filed October 12, 2000, File No. 1-8489); Form of Eighth Supplemental Indenture, dated January 1, 2001 (Exhibit 4.2, Form 8-K filed January 24, 2001, File No. 1-8489); Form of Ninth Supplemental Indenture, dated May 1, 2001 (Exhibit 4.4, Form 8-K filed May 25, 2001, File No. 1-8489); Form of Tenth Supplemental Indenture, dated March 1, 2002 (Exhibit 4.2, Form 8-K filed March 18, 2002, File No. 1-8489); Form of Eleventh Supplemental Indenture, dated June 1, 2002 (Exhibit 4.2, Form 8-K

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Exhibit Number	Description	Dominion	Virginia Power
	filed June 25, 2002, File No. 1- 8489); Form of Twelfth Supplemental Indenture, dated September 1, 2002 (Exhibit 4.2, Form 8-K filed September 11, 2002, File No. 1-8489); Thirteenth Supplemental Indenture, dated September 16, 2002 (Exhibit 4.1, Form 8-K filed September 17, 2002, File No. 1-8489); Fourteenth Supplemental Indenture, dated August 1, 2003 (Exhibit 4.4, Form 8-K filed August 20, 2003, File No. 1-8489); Forms of Fifteenth and Sixteenth Supplemental Indentures, dated December 1, 2002 (Exhibits 4.2 and 4.3, Form 8-K filed December 13, 2002, File No. 1-8489); Forms of Seventeenth and Eighteenth Supplemental Indentures, dated February 1, 2003 (Exhibits 4.2 and 4.3, Form 8-K filed February 11, 2003, File No. 1-8489); Forms of Twentieth and Twenty-First Supplemental Indentures, dated March 1, 2003 (Exhibits 4.2 and 4.3, Form 8-K filed March 4, 2003, File No. 1-8489); Form of Twenty-Second Supplemental Indenture, dated July 1, 2003 (Exhibit 4.2, Form 8-K filed July 22, 2003, File No. 1-8489); Form of Twenty-Third Supplemental Indenture, dated December 1, 2003 (Exhibit 4.2, Form 8-K filed December 10, 2003, File No. 1-8489); Forms of Twenty-Fifth and Twenty-Sixth Supplemental Indentures, dated January 1, 2004 (Exhibits 4.2 and 4.3, Form 8-K filed January 14, 2004, File No. 1-8489); Form of Twenty-Seventh Supplemental Indenture, dated December 1, 2004 (Exhibit 4.2, Form S-4 Registration Statement filed November 10, 2004, File No. 333-120339); Forms of Twenty-Eighth and Twenty-Ninth Supplemental Indentures, dated June 1, 2005 (Exhibits 4.2 and 4.3, Form 8-K filed June 17, 2005, File No. 1-8489); Form of Thirtieth Supplemental Indenture, dated July 1, 2005 (Exhibit 4.2, Form 8-K filed July 12, 2005, File No. 1-8489); Form of Thirty-First Supplemental Indenture, dated September 1, 2005 (Exhibit 4.2, Form 8-K filed September 26, 2005, File No. 1-8489); Forms of Thirty-Second and Thirty-Third Supplemental Indentures, dated November 1, 2006 (Exhibits 4.2 and 4.3, Form 8-K filed November 13, 2006, File No. 1-8489); Form of Thirty-Fourth Supplemental Indenture, dated November 1, 2007 (Exhibit 4.2, Form 8-K filed November 29, 2007, File No. 1-8489); Forms of Thirty-Fifth, Thirty-Sixth and Thirty-Seventh Supplemental Indentures, dated June 1, 2008 (Exhibits 4.2, 4.3 and 4.4, Form 8-K filed June 16, 2008, File No. 1-8489); Form of Thirty-Eighth Supplemental and Amending Indenture, dated November 1, 2008 (Exhibit 4.2, Form 8-K filed November 26, 2008, File No. 1-8489); Thirty-Ninth Supplemental Indenture Amending the Twenty-Seventh Supplemental Indenture, dated December 1, 2008 and effective as of December 16, 2008 (Exhibit 4.1, Form 8-K filed December 5, 2008, File No. 1-8489); Form of Thirty-Ninth Supplemental Indenture, dated August 1, 2009 (Exhibit 4.3, Form 8-K filed August 12, 2009, File No. 1-8489); Fortieth Supplemental Indenture, dated August 1, 2010 (Exhibit 4.3, Form 8-K filed September 2, 2010, File No. 1-8489); Forty-First Supplemental Indenture, dated March 1, 2011 (Exhibit 4.3, Form 8-K filed March 7, 2011, File No. 1-8489); Forty-Second Supplemental Indenture, dated March 1, 2011 (Exhibit 4.4, Form 8-K filed March 7, 2011, File No. 1-8489); Forty-Third Supplemental Indenture, dated August 1, 2011 (Exhibit 4.3, Form 8-K filed August 5, 2011, File No. 1-8489); Forty-Fourth Supplemental Indenture, dated August 1, 2011 (Exhibit 4.3, Form 8-K filed August 15, 2011, File No. 1-8489).		
4.8	Indenture, dated April 1, 2001, between Consolidated Natural Gas Company and The Bank of New York Mellon (as successor trustee to Bank One Trust Company, National Association) (Exhibit 4.1, Form S-3 Registration Statement filed December 22, 2000, File No. 333-52602); Form of First Supplemental Indenture, dated April 1, 2001 (Exhibit 4.2, Form 8-K filed April 12, 2001, File No. 1-3196); Forms of Second and Third Supplemental Indentures, dated October 25, 2001 (Exhibits 4.2 and 4.3, Form 8-K filed October 23, 2001, File No. 1-3196); Fourth Supplemental Indenture, dated May 1, 2002 (Exhibit 4.4, Form 8-K filed May 22, 2002, File No. 1-3196); Form of Fifth Supplemental Indenture, dated December 1, 2003 (Exhibit 4.2, Form 8-K filed November 25, 2003, File No. 1-3196); Form of Sixth Supplemental Indenture, dated November 1, 2004 (Exhibit 4.2, Form 8-K filed November 16, 2004, File No. 1-3196); Seventh Supplemental Indenture, dated June 27, 2007 (Exhibit 4.6, Form 8-K filed July 3, 2007, File No. 1-8489).	X	
4.9		X	

Junior Subordinated Indenture II, dated June 1, 2006, between Dominion Resources, Inc. and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), as Trustee (Exhibit 4.1, Form 10-Q for the quarter ended June 30, 2006 filed August 3, 2006, File No. 1-8489); First Supplemental Indenture dated as of June 1, 2006 (Exhibit 4.2, Form 10-Q for the quarter ended June 30, 2006 filed August 3, 2006, File No. 1-8489); Second Supplemental Indenture, dated as of September 1, 2006 (Exhibit 4.2, Form 10-Q for the quarter ended September 30, 2006 filed November 1, 2006, File No. 1-8489); Form of Third Supplemental and Amending Indenture, dated June 1, 2009 (Exhibit 4.2, Form 8-K filed June 15, 2009, File No. 1-8489).

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Exhibit Number	Description	Dominion	Virginia Power
4.10	Replacement Capital Covenant entered into by Dominion Resources, Inc. dated June 17, 2009 (Exhibit 4.3, Form 8-K filed June 15, 2009, File No. 1-8489).	X	
4.11	Replacement Capital Covenant entered into by Dominion Resources, Inc. dated June 23, 2006 (Exhibit 4.3, Form 10-Q for the quarter ended June 30, 2006 filed August 3, 2006, File No. 1-8489), as amended by Amendment No. 1 to Replacement Capital Covenant dated September 26, 2011 (Exhibit 4.2, Form 10-Q for the quarter ended September 30, 2011 filed October 28, 2011, File No. 1-8489 and File No. 1-2255).	X	
4.12	Replacement Capital Covenant entered into by Dominion Resources, Inc. dated September 29, 2006 (Exhibit 4.3, Form 10-Q for the quarter ended September 30, 2006 filed November 1, 2006, File No. 1-8489), as amended by Amendment No. 1 to Replacement Capital Covenant dated September 26, 2011 (Exhibit 4.3, Form 10-Q for the quarter ended September 30, 2011 filed October 28, 2011, File No. 1-8489 and File No. 1-2255).	X	
10.1	DRS Services Agreement, dated January 1, 2003, between Dominion Resources, Inc. and Dominion Resources Services, Inc. (filed herewith).	X	
10.2	DRS Services Agreement, dated January 1, 2012, between Dominion Resources Services, Inc. and Virginia Electric and Power Company (filed herewith).	X	X
10.3	Agreement between PJM Interconnection, L.L.C. and Virginia Electric and Power Company (Exhibit 10.1, Form 8-K filed April 26, 2005, File No. 1-2255 and File No. 1-8489).	X	X
10.4	$3.0 billion Three-Year Revolving Credit Agreement dated September 24, 2010 among Dominion Resources, Inc., Virginia Electric and Power Company, JP Morgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., Barclays Capital, The Royal Bank of Scotland plc, and Wells Fargo Bank, N.A., as Syndication Agents, and other lenders named therein. (Exhibit 10.1, Form 8-K filed September 28, 2010, File Nos. 1-8489 and 1-2255), as amended October 1, 2011 (Exhibit 10.1, Form 8-K filed October 3, 2011, File Nos. 1-8489 and 1-2255).	X	X
10.5	$500 million Three-Year Revolving Credit Agreement dated September 24, 2010 among Dominion Resources, Inc., Virginia Electric and Power Company, Keybank National Association, as Administrative Agent, Bayerische Landesbank, New York Branch, and U.S. Bank National Association, as Syndication Agents, and other lenders named therein. (Exhibit 10.2, Form 8-K filed September 28, 2010, File Nos. 1-8489 and 1-2255), as amended October 1, 2011 (Exhibit 10.2, Form 8-K filed October 3, 2011, File Nos. 1-8489 and 1-2255).	X	X
10.6	Form of Settlement Agreement in the form of a proposed Consent Decree among the United States of America, on behalf of the United States Environmental Protection Agency, the State of New York, the State of New Jersey, the State of Connecticut, the Commonwealth of Virginia and the State of West Virginia and Virginia Electric and Power Company (Exhibit 10, Form 10-Q for the quarter ended March 31, 2003, File No. 1-8489).	X	X
10.7	Dominion Resources, Inc. Executive Supplemental Retirement Plan, as amended and restated effective December 17, 2004 (Exhibit 10.5, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.8	Dominion Resources, Inc. Incentive Compensation Plan, effective April 22, 1997, as amended and restated effective July 20, 2001 (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 2001 filed August 3, 2001, File No. 1-8489), as amended June 20, 2007 (Exhibit 10.9, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-8489 and Exhibit 10.5, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-2255).	X	X
10.9	Form of Employment Continuity Agreement for certain officers of Dominion Resources, Inc. and Virginia Electric and Power Company, amended and restated July 15, 2003 (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 2003 filed August 11, 2003, File No. 1-8489 and File No. 2255), as	X	X

	amended March 31, 2006 (Form 8-K filed April 4, 2006, File No. 1-8489).		
10.10	Dominion Resources, Inc. Retirement Benefit Restoration Plan, as amended and restated effective December 17, 2004 (Exhibit 10.6, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.11*	Dominion Resources, Inc. Executives Deferred Compensation Plan, amended and restated effective December 17, 2004 (Exhibit 10.7, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X

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Exhibit Number	Description	Dominion	Virginia Power
10.12*	Dominion Resources, Inc. New Executive Supplemental Retirement Plan, effective January 1, 2005 (Exhibit 10.8, Form 8-K filed December 23, 2004, File No. 1-8489), amended January 19, 2006 (Exhibit 10.17, Form 10-K for the fiscal year ended December 31, 2005 filed March 2, 2006, File No. 1-8489), as amended December 1, 2006 and further amended January 1, 2007 (Exhibit 10.17, Form 10-K for the fiscal year ended December 31, 2006, filed February 28, 2007, File No. 1-8489), as amended and restated effective January 1, 2009 (Exhibit 10.3, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-8489).	X	X
10.13*	Dominion Resources, Inc. New Retirement Benefit Restoration Plan, effective January 1, 2005 (Exhibit 10.9, Form 8-K filed December 23, 2004, File No. 1-8489), as amended January 1, 2007 (Exhibit 10.18, Form 10-K for the fiscal year ended December 31, 2006 filed February 28, 2007, File No. 1-8489), as amended and restated effective January 1, 2009 (Exhibit 10.4, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-8489 and Exhibit 10.2, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-2255), as amended and restated effective January 1, 2009 (Exhibit 10.17, Form 10-K for the fiscal year ended December 31, 2008 filed February 26, 2009, File No. 1-8489 and Exhibit 10.20, Form 10-K for the fiscal year ended December 31, 2008 filed February 26, 2009, File No. 1-2255).	X	X
10.14*	Dominion Resources, Inc. Stock Accumulation Plan for Outside Directors, amended as of February 27, 2004 (Exhibit 10.15, Form 10-K for the fiscal year ended December 31, 2003 filed March 1, 2004, File No. 1-8489) as amended effective December 31, 2004 (Exhibit 10.1, Form 8-K filed December 23, 2004, File No. 1-8489).	X	
10.15*	Dominion Resources, Inc. Directors Stock Compensation Plan, as amended February 27, 2004 (Exhibit 10.16, Form 10-K for the fiscal year ended December 31, 2003 filed March 1, 2004, File No. 1-8489) as amended effective December 31, 2004 (Exhibit 10.2, Form 8-K filed December 23, 2004, File No. 1-8489).	X	
10.16*	Dominion Resources, Inc. Directors Deferred Cash Compensation Plan, as amended and in effect September 20, 2002 (Exhibit 10.4, Form 10-Q for the quarter ended September 30, 2002 filed November 8, 2002, File No. 1-8489) as amended effective December 31, 2004 (Exhibit 10.3, Form 8-K filed December 23, 2004, File No. 1-8489).	X	
10.17*	Dominion Resources, Inc. Non-Employee Directors Compensation Plan, effective January 1, 2005, as amended and restated effective January 1, 2008 (Exhibit 10.21, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-8489), as amended and restated effective January 1, 2009 (Exhibit 10.21, Form 10-K for the fiscal year ended December 31, 2008 filed February 26, 2009, File No. 1-8489), as amended and restated effective December 17, 2009 (Exhibit 10.18, Form 10-K filed for the fiscal year ended December 31, 2009 filed February 26, 2010, File No. 1-8489).	X	
10.18*	Dominion Resources, Inc. Leadership Stock Option Plan, effective July 1, 2000, as amended and restated effective July 20, 2001 (Exhibit 10.2, Form 10-Q for the quarter ended June 30, 2001 filed August 3, 2001, File No. 1-8489 and File No. 1-2255).	X	X
10.19*	Dominion Resources, Inc. Executive Stock Purchase Tool Kit, effective September 1, 2001, amended and restated February 18, 2011 (Exhibit 10.2, Form 10-K for the fiscal year ended December 31, 2010 filed February 28, 2011, File No. 1-8489).	X	
10.20*	Dominion Resources, Inc. Security Option Plan, effective January 1, 2003, amended December 31, 2004 and restated effective January 1, 2005 (Exhibit 10.13, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.21*	Letter agreement between Dominion Resources, Inc. and Thomas F. Farrell II, dated February 27, 2003 (Exhibit 10.24, Form 10-K for the fiscal year ended December 31, 2002 filed March 20, 2003, File	X	

	No. 1-8489), as amended December 16, 2005 (Exhibit 10.1, Form 8-K filed December 16, 2005, File No. 1-8489).	
10.22*	Employment agreement dated February 13, 2007 between Dominion Resources Services, Inc. and Mark F. McGettrick (Exhibit 10.34, Form 10-K for the fiscal year ended December 31, 2006 filed February 28, 2007, File No. 1-8489).	X

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Exhibit Number	Description	Dominion	Virginia Power
10.23*	Supplemental retirement agreement dated October 22, 2003 between Dominion Resources, Inc. and Paul D. Koonce (Exhibit 10.18, Form 10-K for the fiscal year ended December 31, 2003 filed March 1, 2004, File No. 1-2255).	X	
10.24*	Supplemental Retirement Agreement dated December 12, 2000, between Dominion Resources, Inc. and David A. Christian (Exhibit 10.25, Form 10-K for the fiscal year ended December 31, 2001 filed March 11, 2002, File No. 1-2255).	X	
10.25*	Letter Agreement between Consolidated Natural Gas Company and George A. Davidson, Jr. dated December 22, 1998, related letter dated January 8, 1999 and Amendment to Letter Agreement dated February 26, 2008 (Exhibit 10.37, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-8489).	X	
10.26*	Form of Restricted Stock Grant under 2007 Long-Term Compensation Program approved March 30, 2007 (Exhibit 10.1, Form 8-K filed April 5, 2007, File No. 1-8489).	X	X
10.27*	Form of Restricted Stock Award Agreement under 2008 Long-Term Compensation Program approved March 27, 2008 (Exhibit 10.1, Form 8-K filed April 2, 2008, File No. 1-8489).	X	X
10.28*	2008 Performance Grant Plan under 2008 Long-Term Compensation Program approved March 27, 2008 (Exhibit 10.2, Form 8-K filed April 2, 2008, File No. 1-8489).	X	X
10.29*	Form of Advancement of Expenses for certain directors and officers of Dominion Resources, Inc., approved by the Dominion Resources, Inc. Board of Directors on October 24, 2008 (Exhibit 10.2, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-8489 and Exhibit 10.3, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-2255).	X	X
10.30*	2009 Performance Grant Plan under 2009 Long-Term Compensation Program approved January 26, 2009 (Exhibit 10.1, Form 8-K filed January 29, 2009, File No. 1-8489).	X	X
10.31*	Form of Restricted Stock Award Agreement under 2009 Long-Term Compensation Program approved January 26, 2009 (Exhibit 10.2, Form 8-K filed January 29, 2009, File No. 1-8489).	X	X
10.32*	Dominion Resources, Inc. 2005 Incentive Compensation Plan, originally effective May 1, 2005, as amended and restated effective December 20, 2011 (filed herewith).	X	X
10.33*	2010 Performance Grant Plan under 2010 Long-Term Compensation Program approved January 21, 2010 (Exhibit 10.1, Form 8-K filed January 22, 2010, File No. 1-8489).	X	X
10.34*	Form of Restricted Stock Award Agreement under 2010 Long-Term Compensation Program approved January 21, 2010 (Exhibit 10.2, Form 8-K filed January 22, 2010, File No. 1-8489).	X	X
10.35*	Supplemental Retirement Agreement with Mark F. McGettrick effective May 19, 2010 (Exhibit 10.1, Form 8-K filed May 20, 2010, File No. 1-8489).	X	X
10.36*	2011 Performance Grant Plan under 2011 Long-Term Compensation Program approved January 20, 2011 (Exhibit 10.1, Form 8-K filed January 21, 2011, File No. 1-8489).	X	X
10.37*	Form of Restricted Stock Award Agreement under 2011 Long-Term Compensation Program approved January 20, 2011 (Exhibit 10.2, Form 8-K filed January 21, 2011, File No. 1-8489).	X	X
10.38*	Restricted Stock Award Agreement for Thomas F. Farrell II, dated December 17, 2010 (Exhibit 10.1, Form 8-K filed December 17, 2010, File No. 1-8489).	X	X

10.39*	Base salaries for named executive officers of Dominion Resources, Inc. (filed herewith).	X	
10.40*	Non-employee directors annual compensation for Dominion Resources, Inc. (filed herewith).	X	
10.41*	Restricted Stock Award Agreement for Gary L. Sypolt approved September 24, 2010 (Exhibit 10.46, Form 10-K for the fiscal year ended December 31, 2010 filed February 28, 2011, File No. 1-8489).	X	
10.42*	2012 Performance Grant Plan under the 2012 Long-term Incentive Program approved January 19, 2012 (Exhibit 10.1, Form 8-K filed January 20, 2012, File No. 1-8489).	X	X
10.43*	Form Restricted Stock Award Agreement under the 2012 Long-term Incentive Program approved January 19, 2012 (Exhibit 10.2, Form 8-K filed January 20, 2012. File No. 1-8489).	X	X

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Exhibit Number	Description	Dominion	Virginia Power
12.a	Ratio of earnings to fixed charges for Dominion Resources, Inc. (filed herewith).	X	
12.b	Ratio of earnings to fixed charges for Virginia Electric and Power Company (filed herewith).		X
12.c	Ratio of earnings to fixed charges and dividends for Virginia Electric and Power Company (filed herewith).		X
21	Subsidiaries of Dominion Resources, Inc. and Virginia Electric and Power Company (filed herewith).	X	X
23	Consent of Deloitte & Touche LLP (filed herewith).	X	X
31.a	Certification by Chief Executive Officer of Dominion Resources, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).	X	
31.b	Certification by Chief Financial Officer of Dominion Resources, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).	X	
31.c	Certification by Chief Executive Officer of Virginia Electric and Power Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).		X
31.d	Certification by Chief Financial Officer of Virginia Electric and Power Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).		X
32.a	Certification to the Securities and Exchange Commission by Chief Executive Officer and Chief Financial Officer of Dominion Resources, Inc. as required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).	X	
32.b	Certification to the Securities and Exchange Commission by Chief Executive Officer and Chief Financial Officer of Virginia Electric and Power Company as required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).		X
99	Towers Watson Energy Services Survey participants (filed herewith).		X
101^	The following financial statements from Dominion Resources, Inc. and Virginia Electric and Power Company Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 28, 2012, formatted in XBRL: (i) Consolidated Statements of Income, (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Common Shareholders Equity (iv) Consolidated Statements of Comprehensive Income (v) Consolidated Statements of Cash Flows, and (vi) the Notes to Consolidated Financial Statements.	X	X

* *Indicates management contract or compensatory plan or arrangement*

^ *This exhibit will not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such exhibit will not be deemed to be incorporated by reference into any filing under the Securities Act or Securities Exchange Act, except to the extent that one of the Companies specifically incorporates it by reference.*

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Signatures

DOMINION

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DOMINION RESOURCES, INC.

By: /s/ THOMAS F. FARRELL II
(Thomas F. Farrell II, Chairman, President and Chief Executive Officer)

Date: February 28, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on the 28th day of February, 2012.

Signature	Title
/s/ THOMAS F. FARRELL II **Thomas F. Farrell II**	Chairman of the Board of Directors, President and Chief Executive Officer
/s/ WILLIAM P. BARR **William P. Barr**	Director
/s/ PETER W. BROWN **Peter W. Brown**	Director
/s/ GEORGE A. DAVIDSON, JR. **George A. Davidson, Jr.**	Director
/s/ HELEN E. DRAGAS **Helen E. Dragas**	Director
/s/ JOHN W. HARRIS **John W. Harris**	Director
/s/ ROBERT S. JEPSON, JR. **Robert S. Jepson, Jr.**	Director

/s/ Mark J. Kington	Director
Mark J. Kington	
/s/ Margaret A. McKenna	Director
Margaret A. McKenna	
/s/ Frank S. Royal	Director
Frank S. Royal	
/s/ Robert H. Spilman, Jr.	Director
Robert H. Spilman, Jr.	
/s/ David A. Wollard	Director
David A. Wollard	
/s/ Mark F. McGettrick	Executive Vice President and Chief Financial Officer
Mark F. McGettrick	
/s/ Ashwini Sawhney	Vice President Accounting and Controller (Chief Accounting Officer)
Ashwini Sawhney	

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VIRGINIA POWER

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VIRGINIA ELECTRIC AND POWER COMPANY

By: /s/ THOMAS F. FARRELL II

(Thomas F. Farrell II, Chairman of the Board of Directors and Chief Executive Officer)

Date: February 28, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on the 28th day of February, 2012.

Signature	Title
/s/ THOMAS F. FARRELL II **Thomas F. Farrell II**	Chairman of the Board of Directors and Chief Executive Officer
/s/ MARK F. MCGETTRICK **Mark F. McGettrick**	Director, Executive Vice President and Chief Financial Officer
/s/ ASHWINI SAWHNEY **Ashwini Sawhney**	Vice President Accounting (Chief Accounting Officer)
/s/ STEVEN A. ROGERS **Steven A. Rogers**	Director

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Exhibit Index

Exhibit Number	Description	Dominion	Virginia Power
2	Purchase and Sale Agreement between Dominion Resources, Inc., Dominion Energy, Inc., Dominion Transmission, Inc. and CONSOL Energy Holdings LLC VI (Exhibit 99.1, Form 8-K filed March 15, 2010, File No. 1-8489).	X	
3.1.a	Dominion Resources, Inc. Articles of Incorporation as amended and restated effective May 20, 2010 (Exhibit 3.1, Form 8-K filed May 20, 2010, File No. 1-8489).	X	
3.1.b	Virginia Electric and Power Company Amended and Restated Articles of Incorporation, as in effect on March 3, 2011 (Exhibit 3.1b, Form 10-Q for the quarter ended March 30, 2011 filed April 29, 2011, File No. 1-2255).		X
3.2.a	Dominion Resources, Inc. Amended and Restated Bylaws, effective December 15, 2011 (Exhibit 3.1, Form 8-K filed December 14, 2011, File No. 1-8489).	X	
3.2.b	Virginia Electric and Power Company Amended and Restated Bylaws, effective June 1, 2009 (Exhibit 3.1, Form 8-K filed June 3, 2009, File No. 1-2255).		X
4	Dominion Resources, Inc. and Virginia Electric and Power Company agree to furnish to the Securities and Exchange Commission upon request any other instrument with respect to long-term debt as to which the total amount of securities authorized does not exceed 10% of either of their total consolidated assets.	X	X
4.1.a	See Exhibit 3.1.a above.	X	
4.1.b	See Exhibit 3.1.b above.		X
4.2	Indenture of Mortgage of Virginia Electric and Power Company, dated November 1, 1935, as supplemented and modified by Fifty-Eighth Supplemental Indentures (Exhibit 4(ii), Form 10-K for the fiscal year ended December 31, 1985, File No. 1-2255).	X	X
4.3	Form of Senior Indenture, dated June 1, 1998, between Virginia Electric and Power Company and The Bank of New York Mellon (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank)), as Trustee (Exhibit 4(iii), Form S-3 Registration Statement filed February 27, 1998, File No. 333-47119); Form of First Supplemental Indenture, dated June 1, 1998 (Exhibit 4.2, Form 8-K filed June 12, 1998, File No. 1-2255); Form of Second Supplemental Indenture, dated June 1, 1999 (Exhibit 4.2, Form 8-K filed June 4, 1999, File No. 1-2255); Form of Third Supplemental Indenture, dated November 1, 1999 (Exhibit 4.2, Form 8-K filed October 27, 1999, File No. 1-2255); Forms of Fourth and Fifth Supplemental Indentures, dated March 1, 2001 (Exhibits 4.2 and 4.3, Form 8-K filed March 26, 2001, File No. 1-2255); Form of Sixth Supplemental Indenture, dated January 1, 2002 (Exhibit 4.2, Form 8-K filed January 29, 2002, File No. 1-2255); Seventh Supplemental Indenture, dated September 1, 2002 (Exhibit 4.4, Form 8-K filed September 11, 2002, File No. 1-2255); Form of Eighth Supplemental Indenture, dated February 1, 2003 (Exhibit 4.2, Form 8-K filed February 27, 2003, File No. 1-2255); Forms of Ninth and Tenth Supplemental Indentures, dated December 1, 2003 (Exhibits 4.2 and 4.3, Form 8-K filed December 4, 2003, File No. 1-2255); Form of Eleventh Supplemental Indenture, dated December 1, 2003 (Exhibit 4.2, Form 8-K filed December 11, 2003, File No. 1-2255); Forms of Twelfth and Thirteenth Supplemental Indentures, dated January 1, 2006 (Exhibits 4.2 and 4.3, Form 8-K filed January 12, 2006, File No. 1-2255); Form	X	X

of Fourteenth Supplemental Indenture, dated May 1, 2007 (Exhibit 4.2, Form 8-K filed May 16, 2007, File No. 1-2255); Form of Fifteenth Supplemental Indenture, dated September 1, 2007 (Exhibit 4.2, Form 8-K filed September 10, 2007, File No. 1-2255); Forms of Sixteenth and Seventeenth Supplemental Indentures, dated November 1, 2007 (Exhibits 4.2 and 4.3, Form 8-K filed November 30, 2007, File No. 1-2255); Form of Eighteenth Supplemental Indenture, dated April 1, 2008 (Exhibit 4.2, Form 8-K filed April 15, 2008, File No. 1-2255); Form of Nineteenth Supplemental and Amending Indenture, dated November 1, 2008 (Exhibit 4.2, Form 8-K filed November 5, 2008, File No. 1-2255); Form of Twentieth Supplemental Indenture, dated June 1, 2009 (Exhibit 4.3, Form 8-K filed June 24, 2009, File No. 1-2255); Form of Twenty-First Supplemental Indenture, dated August 1, 2010 (Exhibit 4.3, Form 8-K filed September 1, 2010, File No. 1-2255); Twenty-Second Supplemental Indenture, dated as of January 1, 2012 (Exhibit 4.3, Form 8-K filed January 12, 2012, File No. 1-2255).

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Exhibit Number	Description	Dominion	Virginia Power
4.4	Indenture, Junior Subordinated Debentures, dated December 1, 1997, between Dominion Resources, Inc. and The Bank of New York Mellon (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank)) as supplemented by a First Supplemental Indenture, dated December 1, 1997 (Exhibit 4.1 and Exhibit 4.2 to Form S-4 Registration Statement filed April 22, 1998, File No. 333-50653); Forms of Second and Third Supplemental Indentures, dated January 1, 2001 (Exhibits 4.6 and 4.13, Form 8-K filed January 12, 2001, File No. 1-8489).	X	
4.5	Indenture, dated May 1, 1971, between Consolidated Natural Gas Company and The Bank of New York (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank and Manufacturers Hanover Trust Company)) (Exhibit (5) to Certificate of Notification at Commission File No. 70-5012); Fifteenth Supplemental Indenture, dated October 1, 1989 (Exhibit (5) to Certificate of Notification at Commission File No. 70-7651); Seventeenth Supplemental Indenture, dated August 1, 1993 (Exhibit (4) to Certificate of Notification at Commission File No. 70-8167); Eighteenth Supplemental Indenture, dated December 1, 1993 (Exhibit (4) to Certificate of Notification at Commission File No. 70-8167); Nineteenth Supplemental Indenture, dated January 28, 2000 (Exhibit (4A)(iii), Form 10-K for the fiscal year ended December 31, 1999 filed March 7, 2000, File No. 1-3196); Twentieth Supplemental Indenture, dated March 19, 2001 (Exhibit 4.1, Form 10-Q for the quarter ended September 30, 2003 filed November 7, 2003, File No. 1-3196); Twenty-First Supplemental Indenture, dated June 27, 2007 (Exhibit 4.2, Form 8-K filed July 3, 2007, File No. 1-8489).	X	
4.6	Indenture, dated April 1, 1995, between Consolidated Natural Gas Company and The Bank of New York Mellon (as successor trustee to United States Trust Company of New York) (Exhibit (4), Certificate of Notification No. 1 filed April 19, 1995, File No. 70-8107); First Supplemental Indenture dated January 28, 2000 (Exhibit (4A)(ii), Form 10-K for the fiscal year ended December 31, 1999 filed March 7, 2000, File No. 1-3196); Securities Resolution No. 1 effective as of April 12, 1995 (Exhibit 2, Form 8-A filed April 21, 1995, File No. 1-3196 and relating to the 7 3/8% Debentures Due April 1, 2005); Securities Resolution No. 2 effective as of October 16, 1996 (Exhibit 2, Form 8-A filed October 18, 1996, File No. 1-3196 and relating to the 6 7/8% Debentures Due October 15, 2006); Securities Resolution No. 3 effective as of December 10, 1996 (Exhibit 2, Form 8-A filed December 12, 1996, File No. 1-3196 and relating to the 6 5/8% Debentures Due December 1, 2008); Securities Resolution No. 4 effective as of December 9, 1997 (Exhibit 2, Form 8-A filed December 12, 1997, File No. 1-3196 and relating to the 6.80% Debentures Due December 15, 2027); Securities Resolution No. 5 effective as of October 20, 1998 (Exhibit 2, Form 8-A filed October 22, 1998, File No. 1-3196 and relating to the 6% Debentures Due October 15, 2010); Securities Resolution No. 6 effective as of September 21, 1999 (Exhibit 4A(iv), Form 10-K for the fiscal year ended December 31, 1999 filed March 7, 2000, File No. 1-3196, and relating to the 7 1/4% Notes Due October 1, 2004); Second Supplemental Indenture dated as of June 27, 2007 (Exhibit 4.4, Form 8-K filed July 3, 2007, File No. 1-8489).	X	
4.7	Form of Senior Indenture, dated June 1, 2000, between Dominion Resources, Inc. and The Bank of New York Mellon (as successor trustee to JP Morgan Chase Bank (formerly The Chase Manhattan Bank)), as Trustee (Exhibit 4(iii), Form S-3 Registration Statement filed December 21, 1999, File No. 333-93187); Form of First Supplemental Indenture, dated June 1, 2000 (Exhibit 4.2, Form 8-K filed June 22, 2000, File No. 1-8489); Forms of Second and Third Supplemental Indentures, dated July 1, 2000 (Exhibits 4.2 and 4.3, Form 8-K filed July 11, 2000, File No. 1-8489); Fourth Supplemental Indenture, dated September 1, 2000 (Exhibit 4.2, Form 8-K filed September 8, 2000, File No. 1-8489); Sixth Supplemental Indenture, dated September 1, 2000 (Exhibit 4.3, Form 8-K filed September 11, 2000, File No. 1-8489); Form of Seventh Supplemental Indenture, dated October 1, 2000 (Exhibit 4.2, Form 8-K filed October 12, 2000, File No. 1-8489); Form of Eighth Supplemental Indenture, dated January 1, 2001 (Exhibit 4.2, Form 8-K filed January 24, 2001, File No. 1-8489); Form of Ninth Supplemental Indenture, dated May 1, 2001 (Exhibit 4.4, Form 8-K	X	

filed May 25, 2001, File No. 1-8489); Form of Tenth Supplemental Indenture, dated March 1, 2002 (Exhibit 4.2, Form 8-K filed March 18, 2002, File No. 1-8489); Form of Eleventh Supplemental Indenture, dated June 1, 2002 (Exhibit 4.2, Form 8-K filed June 25, 2002, File No. 1- 8489); Form of Twelfth Supplemental Indenture, dated September 1, 2002 (Exhibit 4.2, Form 8-K filed September 11, 2002, File No. 1-8489); Thirteenth Supplemental Indenture, dated September 16, 2002 (Exhibit 4.1, Form 8-K filed September 17, 2002, File No. 1-8489); Fourteenth Supplemental Indenture, dated August 1, 2003 (Exhibit 4.4, Form 8-K filed August 20, 2003, File No. 1-8489); Forms of Fifteenth and Sixteenth Supplemental Indentures, dated December 1, 2002 (Exhibits 4.2 and 4.3, Form 8-K filed December 13, 2002, File No. 1-8489); Forms of Seventeenth and Eighteenth Supplemental Indentures, dated February 1, 2003 (Exhibits 4.2 and 4.3, Form 8-K filed

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Exhibit Number	Description	Dominion	Virginia Power
	February 11, 2003, File No. 1-8489); Forms of Twentieth and Twenty-First Supplemental Indentures, dated March 1, 2003 (Exhibits 4.2 and 4.3, Form 8-K filed March 4, 2003, File No. 1-8489); Form of Twenty-Second Supplemental Indenture, dated July 1, 2003 (Exhibit 4.2, Form 8-K filed July 22, 2003, File No. 1-8489); Form of Twenty-Third Supplemental Indenture, dated December 1, 2003 (Exhibit 4.2, Form 8-K filed December 10, 2003, File No. 1-8489); Forms of Twenty-Fifth and Twenty-Sixth Supplemental Indentures, dated January 1, 2004 (Exhibits 4.2 and 4.3, Form 8-K filed January 14, 2004, File No. 1-8489); Form of Twenty-Seventh Supplemental Indenture, dated December 1, 2004 (Exhibit 4.2, Form S-4 Registration Statement filed November 10, 2004, File No. 333-120339); Forms of Twenty-Eighth and Twenty-Ninth Supplemental Indentures, dated June 1, 2005 (Exhibits 4.2 and 4.3, Form 8-K filed June 17, 2005, File No. 1-8489); Form of Thirtieth Supplemental Indenture, dated July 1, 2005 (Exhibit 4.2, Form 8-K filed July 12, 2005, File No. 1-8489); Form of Thirty-First Supplemental Indenture, dated September 1, 2005 (Exhibit 4.2, Form 8-K filed September 26, 2005, File No. 1-8489); Forms of Thirty-Second and Thirty-Third Supplemental Indentures, dated November 1, 2006 (Exhibits 4.2 and 4.3, Form 8-K filed November 13, 2006, File No. 1-8489); Form of Thirty-Fourth Supplemental Indenture, dated November 1, 2007 (Exhibit 4.2, Form 8-K filed November 29, 2007, File No. 1-8489); Forms of Thirty-Fifth, Thirty-Sixth and Thirty-Seventh Supplemental Indentures, dated June 1, 2008 (Exhibits 4.2, 4.3 and 4.4, Form 8-K filed June 16, 2008, File No. 1-8489); Form of Thirty-Eighth Supplemental and Amending Indenture, dated November 1, 2008 (Exhibit 4.2, Form 8-K filed November 26, 2008, File No. 1-8489); Thirty-Ninth Supplemental Indenture Amending the Twenty-Seventh Supplemental Indenture, dated December 1, 2008 and effective as of December 16, 2008 (Exhibit 4.1, Form 8-K filed December 5, 2008, File No. 1-8489); Form of Thirty-Ninth Supplemental Indenture, dated August 1, 2009 (Exhibit 4.3, Form 8-K filed August 12, 2009, File No. 1-8489); Fortieth Supplemental Indenture, dated August 1, 2010 (Exhibit 4.3, Form 8-K filed September 2, 2010, File No. 1-8489); Forty-First Supplemental Indenture, dated March 1, 2011 (Exhibit 4.3, Form 8-K filed March 7, 2011, File No. 1-8489); Forty-Second Supplemental Indenture, dated March 1, 2011 (Exhibit 4.4, Form 8-K filed March 7, 2011, File No. 1-8489); Forty-Third Supplemental Indenture, dated August 1, 2011 (Exhibit 4.3, Form 8-K filed August 5, 2011, File No. 1-8489); Forty-Fourth Supplemental Indenture, dated August 1, 2011 (Exhibit 4.3, Form 8-K filed August 15, 2011, File No. 1-8489).		
4.8	Indenture, dated April 1, 2001, between Consolidated Natural Gas Company and The Bank of New York Mellon (as successor trustee to Bank One Trust Company, National Association) (Exhibit 4.1, Form S-3 Registration Statement filed December 22, 2000, File No. 333-52602); Form of First Supplemental Indenture, dated April 1, 2001 (Exhibit 4.2, Form 8-K filed April 12, 2001, File No. 1-3196); Forms of Second and Third Supplemental Indentures, dated October 25, 2001 (Exhibits 4.2 and 4.3, Form 8-K filed October 23, 2001, File No. 1-3196); Fourth Supplemental Indenture, dated May 1, 2002 (Exhibit 4.4, Form 8-K filed May 22, 2002, File No. 1-3196); Form of Fifth Supplemental Indenture, dated December 1, 2003 (Exhibit 4.2, Form 8-K filed November 25, 2003, File No. 1-3196); Form of Sixth Supplemental Indenture, dated November 1, 2004 (Exhibit 4.2, Form 8-K filed November 16, 2004, File No. 1-3196); Seventh Supplemental Indenture, dated June 27, 2007 (Exhibit 4.6, Form 8-K filed July 3, 2007, File No. 1-8489).	X	
4.9	Junior Subordinated Indenture II, dated June 1, 2006, between Dominion Resources, Inc. and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), as Trustee (Exhibit 4.1, Form 10-Q for the quarter ended June 30, 2006 filed August 3, 2006, File No. 1-8489); First Supplemental Indenture dated as of June 1, 2006 (Exhibit 4.2, Form 10-Q for the quarter ended June 30, 2006 filed August 3, 2006, File No. 1-8489); Second Supplemental Indenture, dated as of September 1, 2006 (Exhibit 4.2, Form 10-Q for the quarter ended September 30, 2006 filed November 1, 2006, File No. 1-8489); Form of Third Supplemental and Amending Indenture, dated June 1, 2009 (Exhibit 4.2, Form 8-K filed June 15, 2009, File No. 1-8489).	X	

4.10	Replacement Capital Covenant entered into by Dominion Resources, Inc. dated June 17, 2009 (Exhibit 4.3, Form 8-K filed June 15, 2009, File No. 1-8489).	X
4.11	Replacement Capital Covenant entered into by Dominion Resources, Inc. dated June 23, 2006 (Exhibit 4.3, Form 10-Q for the quarter ended June 30, 2006 filed August 3, 2006, File No. 1-8489), as amended by Amendment No. 1 to Replacement Capital Covenant dated September 26, 2011 (Exhibit 4.2, Form 10-Q for the quarter ended September 30, 2011 filed October 28, 2011, File No. 1-8489 and File No. 1-2255).	X
4.12	Replacement Capital Covenant entered into by Dominion Resources, Inc. dated September 29, 2006 (Exhibit 4.3, Form 10-Q for the quarter ended September 30, 2006 filed November 1, 2006, File No. 1-8489), as amended by Amendment No. 1 to Replacement Capital Covenant dated September 26, 2011 (Exhibit 4.3, Form 10-Q for the quarter ended September 30, 2011 filed October 28, 2011, File No. 1-8489 and File No. 1-2255).	X

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Exhibit Number	Description	Dominion	Virginia Power
10.1	DRS Services Agreement, dated January 1, 2003, between Dominion Resources, Inc. and Dominion Resources Services, Inc. (filed herewith).	X	
10.2	DRS Services Agreement, dated January 1, 2012, between Dominion Resources Services, Inc. and Virginia Electric and Power Company (filed herewith).	X	X
10.3	Agreement between PJM Interconnection, L.L.C. and Virginia Electric and Power Company (Exhibit 10.1, Form 8-K filed April 26, 2005, File No. 1-2255 and File No. 1-8489).	X	X
10.4	$3.0 billion Three-Year Revolving Credit Agreement dated September 24, 2010 among Dominion Resources, Inc., Virginia Electric and Power Company, JP Morgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., Barclays Capital, The Royal Bank of Scotland plc, and Wells Fargo Bank, N.A., as Syndication Agents, and other lenders named therein. (Exhibit 10.1, Form 8-K filed September 28, 2010, File Nos. 1-8489 and 1-2255), as amended October 1, 2011 (Exhibit 10.1, Form 8-K filed October 3, 2011, File Nos. 1-8489 and 1-2255).	X	X
10.5	$500 million Three-Year Revolving Credit Agreement dated September 24, 2010 among Dominion Resources, Inc., Virginia Electric and Power Company, Keybank National Association, as Administrative Agent, Bayerische Landesbank, New York Branch, and U.S. Bank National Association, as Syndication Agents, and other lenders named therein. (Exhibit 10.2, Form 8-K filed September 28, 2010, File Nos. 1-8489 and 1-2255), as amended October 1, 2011 (Exhibit 10.2, Form 8-K filed October 3, 2011, File Nos. 1-8489 and 1-2255).	X	X
10.6	Form of Settlement Agreement in the form of a proposed Consent Decree among the United States of America, on behalf of the United States Environmental Protection Agency, the State of New York, the State of New Jersey, the State of Connecticut, the Commonwealth of Virginia and the State of West Virginia and Virginia Electric and Power Company (Exhibit 10, Form 10-Q for the quarter ended March 31, 2003, File No. 1-8489).	X	X
10.7	Dominion Resources, Inc. Executive Supplemental Retirement Plan, as amended and restated effective December 17, 2004 (Exhibit 10.5, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.8	Dominion Resources, Inc. Incentive Compensation Plan, effective April 22, 1997, as amended and restated effective July 20, 2001 (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 2001 filed August 3, 2001, File No. 1-8489), as amended June 20, 2007 (Exhibit 10.9, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-8489 and Exhibit 10.5, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-2255).	X	X
10.9	Form of Employment Continuity Agreement for certain officers of Dominion Resources, Inc. and Virginia Electric and Power Company, amended and restated July 15, 2003 (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 2003 filed August 11, 2003, File No. 1-8489 and File No. 2255), as amended March 31, 2006 (Form 8-K filed April 4, 2006, File No. 1-8489).	X	X
10.10	Dominion Resources, Inc. Retirement Benefit Restoration Plan, as amended and restated effective December 17, 2004 (Exhibit 10.6, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.11*	Dominion Resources, Inc. Executives Deferred Compensation Plan, amended and restated effective December 17, 2004 (Exhibit 10.7, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.12*	Dominion Resources, Inc. New Executive Supplemental Retirement Plan, effective January 1, 2005 (Exhibit 10.8, Form 8-K filed December 23, 2004, File No. 1-8489), amended January 19, 2006 (Exhibit 10.17, Form 10-K for the fiscal year ended December 31, 2005 filed March 2, 2006, File No. 1-8489), as amended December 1, 2006 and further amended January 1, 2007 (Exhibit 10.17, Form 10-K for the fiscal year ended December 31, 2006, filed February 28, 2007, File No. 1-8489), as amended and restated effective January 1, 2009 (Exhibit 10.3, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-8489).	X	X

10.13*	Dominion Resources, Inc. New Retirement Benefit Restoration Plan, effective January 1, 2005 (Exhibit 10.9, Form 8-K filed December 23, 2004, File No. 1-8489), as amended January 1, 2007 (Exhibit 10.18, Form 10-K for the fiscal year ended December 31, 2006 filed February 28, 2007, File No. 1-8489), as amended and restated effective January 1, 2009 (Exhibit 10.4, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-8489 and Exhibit 10.2, Form 10-Q for the	X	X

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Exhibit Number	Description	Dominion	Virginia Power
	quarter ended September 30, 2008 filed October 30, 2008, File No. 1-2255), as amended and restated effective January 1, 2009 (Exhibit 10.17, Form 10-K for the fiscal year ended December 31, 2008 filed February 26, 2009, File No. 1-8489 and Exhibit 10.20, Form 10-K for the fiscal year ended December 31, 2008 filed February 26, 2009, File No. 1-2255).		
10.14*	Dominion Resources, Inc. Stock Accumulation Plan for Outside Directors, amended as of February 27, 2004 (Exhibit 10.15, Form 10-K for the fiscal year ended December 31, 2003 filed March 1, 2004, File No. 1-8489) as amended effective December 31, 2004 (Exhibit 10.1, Form 8-K filed December 23, 2004, File No. 1-8489).	X	
10.15*	Dominion Resources, Inc. Directors Stock Compensation Plan, as amended February 27, 2004 (Exhibit 10.16, Form 10-K for the fiscal year ended December 31, 2003 filed March 1, 2004, File No. 1-8489) as amended effective December 31, 2004 (Exhibit 10.2, Form 8-K filed December 23, 2004, File No. 1-8489).	X	
10.16*	Dominion Resources, Inc. Directors Deferred Cash Compensation Plan, as amended and in effect September 20, 2002 (Exhibit 10.4, Form 10-Q for the quarter ended September 30, 2002 filed November 8, 2002, File No. 1-8489) as amended effective December 31, 2004 (Exhibit 10.3, Form 8-K filed December 23, 2004, File No. 1-8489).	X	
10.17*	Dominion Resources, Inc. Non-Employee Directors Compensation Plan, effective January 1, 2005, as amended and restated effective January 1, 2008 (Exhibit 10.21, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-8489), as amended and restated effective January 1, 2009 (Exhibit 10.21, Form 10-K for the fiscal year ended December 31, 2008 filed February 26, 2009, File No. 1-8489), as amended and restated effective December 17, 2009 (Exhibit 10.18, Form 10-K filed for the fiscal year ended December 31, 2009 filed February 26, 2010, File No. 1-8489).	X	
10.18*	Dominion Resources, Inc. Leadership Stock Option Plan, effective July 1, 2000, as amended and restated effective July 20, 2001 (Exhibit 10.2, Form 10-Q for the quarter ended June 30, 2001 filed August 3, 2001, File No. 1-8489 and File No. 1-2255).	X	X
10.19*	Dominion Resources, Inc. Executive Stock Purchase Tool Kit, effective September 1, 2001, amended and restated February 18, 2011 (Exhibit 10.2, Form 10-K for the fiscal year ended December 31, 2010 filed February 28, 2011, File No. 1-8489).	X	
10.20*	Dominion Resources, Inc. Security Option Plan, effective January 1, 2003, amended December 31, 2004 and restated effective January 1, 2005 (Exhibit 10.13, Form 8-K filed December 23, 2004, File No. 1-8489).	X	X
10.21*	Letter agreement between Dominion Resources, Inc. and Thomas F. Farrell II, dated February 27, 2003 (Exhibit 10.24, Form 10-K for the fiscal year ended December 31, 2002 filed March 20, 2003, File No. 1-8489), as amended December 16, 2005 (Exhibit 10.1, Form 8-K filed December 16, 2005, File No. 1-8489).	X	
10.22*	Employment agreement dated February 13, 2007 between Dominion Resources Services, Inc. and Mark F. McGettrick (Exhibit 10.34, Form 10-K for the fiscal year ended December 31, 2006 filed February 28, 2007, File No. 1-8489).	X	
10.23*	Supplemental retirement agreement dated October 22, 2003 between Dominion Resources, Inc. and Paul D. Koonce (Exhibit 10.18, Form 10-K for the fiscal year ended December 31, 2003 filed March 1, 2004, File No. 1-2255).	X	
10.24*	Supplemental Retirement Agreement dated December 12, 2000, between Dominion Resources, Inc. and David A. Christian (Exhibit 10.25, Form 10-K for the fiscal year ended December 31, 2001 filed March 11, 2002, File No. 1-2255).	X	

10.25*	Letter Agreement between Consolidated Natural Gas Company and George A. Davidson, Jr. dated December 22, 1998, related letter dated January 8, 1999 and Amendment to Letter Agreement dated February 26, 2008 (Exhibit 10.37, Form 10-K for the fiscal year ended December 31, 2007 filed February 28, 2008, File No. 1-8489).	X	
10.26*	Form of Restricted Stock Grant under 2007 Long-Term Compensation Program approved March 30, 2007 (Exhibit 10.1, Form 8-K filed April 5, 2007, File No. 1-8489).	X	X

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Exhibit Number	Description	Dominion	Virginia Power
10.27*	Form of Restricted Stock Award Agreement under 2008 Long-Term Compensation Program approved March 27, 2008 (Exhibit 10.1, Form 8-K filed April 2, 2008, File No. 1-8489).	X	X
10.28*	2008 Performance Grant Plan under 2008 Long-Term Compensation Program approved March 27, 2008 (Exhibit 10.2, Form 8-K filed April 2, 2008, File No. 1-8489).	X	X
10.29*	Form of Advancement of Expenses for certain directors and officers of Dominion Resources, Inc., approved by the Dominion Resources, Inc. Board of Directors on October 24, 2008 (Exhibit 10.2, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-8489 and Exhibit 10.3, Form 10-Q for the quarter ended September 30, 2008 filed October 30, 2008, File No. 1-2255).	X	X
10.30*	2009 Performance Grant Plan under 2009 Long-Term Compensation Program approved January 26, 2009 (Exhibit 10.1, Form 8-K filed January 29, 2009, File No. 1-8489).	X	X
10.31*	Form of Restricted Stock Award Agreement under 2009 Long-Term Compensation Program approved January 26, 2009 (Exhibit 10.2, Form 8-K filed January 29, 2009, File No. 1-8489).	X	X
10.32*	Dominion Resources, Inc. 2005 Incentive Compensation Plan, originally effective May 1, 2005, as amended and restated effective December 20, 2011 (filed herewith).	X	X
10.33*	2010 Performance Grant Plan under 2010 Long-Term Compensation Program approved January 21, 2010 (Exhibit 10.1, Form 8-K filed January 22, 2010, File No. 1-8489).	X	X
10.34*	Form of Restricted Stock Award Agreement under 2010 Long-Term Compensation Program approved January 21, 2010 (Exhibit 10.2, Form 8-K filed January 22, 2010, File No. 1-8489).	X	X
10.35*	Supplemental Retirement Agreement with Mark F. McGettrick effective May 19, 2010 (Exhibit 10.1, Form 8-K filed May 20, 2010, File No. 1-8489).	X	X
10.36*	2011 Performance Grant Plan under 2011 Long-Term Compensation Program approved January 20, 2011 (Exhibit 10.1, Form 8-K filed January 21, 2011, File No. 1-8489).	X	X
10.37*	Form of Restricted Stock Award Agreement under 2011 Long-Term Compensation Program approved January 20, 2011 (Exhibit 10.2, Form 8-K filed January 21, 2011, File No. 1-8489).	X	X
10.38*	Restricted Stock Award Agreement for Thomas F. Farrell II, dated December 17, 2010 (Exhibit 10.1, Form 8-K filed December 17, 2010, File No. 1-8489).	X	X
10.39*	Base salaries for named executive officers of Dominion Resources, Inc. (filed herewith).	X	
10.40*	Non-employee directors annual compensation for Dominion Resources, Inc. (filed herewith).	X	
10.41*	Restricted Stock Award Agreement for Gary L. Sypolt approved September 24, 2010 (Exhibit 10.46, Form 10-K for the fiscal year ended December 31, 2010 filed February 28, 2011, File No. 1-8489).	X	
10.42*	2012 Performance Grant Plan under the 2012 Long-term Incentive Program approved January 19, 2012 (Exhibit 10.1, Form 8-K filed January 20, 2012, File No. 1-8489).	X	X
10.43*	Form Restricted Stock Award Agreement under the 2012 Long-term Incentive Program approved January 19, 2012 (Exhibit 10.2, Form 8-K filed January 20, 2012. File No. 1-8489).	X	X
12.a	Ratio of earnings to fixed charges for Dominion Resources, Inc. (filed herewith).	X	
12.b	Ratio of earnings to fixed charges for Virginia Electric and Power Company (filed herewith).		X

12.c	Ratio of earnings to fixed charges and dividends for Virginia Electric and Power Company (filed herewith).		X
21	Subsidiaries of Dominion Resources, Inc. and Virginia Electric and Power Company (filed herewith).	X	X
23	Consent of Deloitte & Touche LLP (filed herewith).	X	X
31.a	Certification by Chief Executive Officer of Dominion Resources, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).	X	
31.b	Certification by Chief Financial Officer of Dominion Resources, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).	X	

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Exhibit Number	Description	Dominion	Virginia Power
31.c	Certification by Chief Executive Officer of Virginia Electric and Power Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).		X
31.d	Certification by Chief Financial Officer of Virginia Electric and Power Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).		X
32.a	Certification to the Securities and Exchange Commission by Chief Executive Officer and Chief Financial Officer of Dominion Resources, Inc. as required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).	X	
32.b	Certification to the Securities and Exchange Commission by Chief Executive Officer and Chief Financial Officer of Virginia Electric and Power Company as required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).		X
99	Towers Watson Energy Services Survey participants (filed herewith).		X
101^	The following financial statements from Dominion Resources, Inc. and Virginia Electric and Power Company Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 28, 2012, formatted in XBRL: (i) Consolidated Statements of Income, (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Common Shareholders Equity (iv) Consolidated Statements of Comprehensive Income (v) Consolidated Statements of Cash Flows, and (vi) the Notes to Consolidated Financial Statements.	X	X

* *Indicates management contract or compensatory plan or arrangement*

^ *This exhibit will not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such exhibit will not be deemed to be incorporated by reference into any filing under the Securities Act or Securities Exchange Act, except to the extent that one of the Companies specifically incorporates it by reference.*

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