

**Preliminary Challenge
to the 2008 True-Up Adjustment of
Virginia Electric and Power Company**

Pursuant to Section 3.a of Virginia Electric and Power Company's ("VEPCO") Formula Rate Implementation Protocols, any Interested Party may notify VEPCO "in writing of any specific challenges to any component of the most recently-posted True-Up Adjustment and any Material Accounting Change identified pursuant to Section 1.a(iii), above that affects the True-Up Adjustment ("Preliminary Challenge")" no later than December 2 of each year.

At 5:05 PM on December 11, 2009, VEPCO received via e-mail, a Preliminary Challenge to its 2008 True-Up Adjustment on behalf of Old Dominion Electric Cooperative ("ODEC") and North Carolina Electric Membership Corporation ("NCEMC"). The e-mail included the following statement of the challenge to VEPCO's 2008 True-Up Adjustment:

"Specifically, NCEMC and ODEC challenge Dominion's inclusion of the costs of short-term interest in the calculation of the cost of long-term interest."

In accordance with VEPCO's obligation in Section 3.a of its Formula Rate Implementation Protocols, VEPCO hereby causes the Preliminary Challenge to be posted on www.pjm.com.