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July 2, 2008

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: *Virginia Electric and Power Company,*  
Docket No. ER08-1207-000  
Errata to July 1, 2008 Request for Transmission  
Investment Incentive**

Dear Secretary Bose:

Virginia Electric and Power Company, doing business as Dominion Virginia Power ("Dominion"), hereby submits this errata filing to its July 1, 2008 Request for Transmission Investment Incentive ("Incentive Filing") to correct: 1) the pagination of tariff sheets in Appendices A and B; and 2) inputs on pages 13 - 15 of Exhibit No. DVP-19.

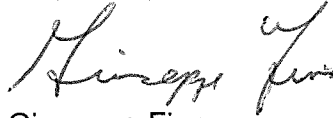
To correct the pagination of the tariff sheets, Dominion hereby withdraws First Revised Sheet No. 314F.22 and Original Sheet Nos. 314F.22a - 22g that were filed in Appendices A and B to the Incentive Filing and replaces them with correctly paginated tariff sheets First Revised Sheet No. 314F.22 and Original Sheet Nos. 314F.22a - 22f. The clean version of these pages is attached hereto as Appendix A and the redlined version is attached as Appendix B. There are no other changes to these tariff sheets. To correct the inputs, Dominion hereby withdraws pages 13 - 15 of DVP-19 and replaces them with pages 13 - 15 of Exhibit No. DVP-19 containing the correct inputs. The replacement Exhibit No. DVP-19 pages are attached hereto as Appendix C.

Consistent with the Incentive Filing, Dominion requests that the Commission accept the attached tariff sheets effective September 1, 2008.<sup>1</sup>

In accordance with the Commission's regulations, Dominion has served all parties included on the official service list in this proceeding. In addition, Dominion will make copies of this filing available for inspection at its corporate headquarters in Richmond, Virginia. Also, on behalf of Dominion, PJM will serve a copy of this filing on all PJM Members (which include all affected transmission customers) and on all state utility regulatory commissions in the PJM Region by posting this filing on its website (www.PJM.com) and providing a link to such posting via e-mail. Dominion requests waiver of the requirement to serve this filing by mailing paper copies. Waiver of paper service is consistent with the Commission's establishment of electronic service as the default method of service to lists that are maintained by the Commission Secretary.<sup>2</sup>

We thank the Commission for its consideration of this filing. Please direct any questions or comments to the undersigned counsel.

Very truly yours,



Giuseppe Fina  
Counsel for Dominion Virginia Power

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<sup>1</sup> See Incentive Filing, at p.2.

<sup>2</sup> *Electronic Notification of Commission Issuances*, Order No. 653, 70 Fed. Reg. 8,720 (Feb. 23, 2005), FERC Stats. & Regs. ¶ 31,176 (2005); *order on reh'g*, Order No. 653-A, 70 Fed. Reg. 21,330 (April 26, 2005), FERC Stats. & Regs. ¶ 31,178 (2005).

**APPENDIX A**  
**CLEAN TARIFF SHEETS**

Virginia Electric and Power Company  
 ATTACHMENT H-16A  
 Attachment 7 - Transmission Enhancement Annual Revenue Requirement Worksheet  
 (dollars)

Project F				Project G				Project H			
Yes	B0341	Install a breaker at Northern Neck		Yes	B0403	2nd Dooms 500/230 kV transformer addition		Yes	b0328.1	Meadowbrook-Loudon 500kV circuit (65 of 81 miles)	
51		115 kV		51				51			
#DIV/0!				#DIV/0!				#DIV/0!			
0				0				1.5			
#DIV/0!				#DIV/0!				#DIV/0!			
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-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
-	-	-		-	-	-		-	-	-	
-	-	-		-	-	-		-	-	-	
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Issued by: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued on: July 2, 2008

Effective: September 1, 2008





Virginia Electric and Power Company  
 ATTACHMENT H-16A  
 Attachment 7 - Transmission Enhancement Annual Revenue Requirement Worksheet  
 (dollars)

Project O				Project P				Project Q			
No 51	Lexington Bank # 1 transformer replacement			No 51	Dooms Bank # 1 transformer replacement			No 51	Valley Bank # 1 transformer replacement		
#DIV/0!				#DIV/0!				#DIV/0!			
1.5				1.5				1.5			
#DIV/0!				#DIV/0!				#DIV/0!			
-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req









**APPENDIX B**  
**REDLINED TARIFF SHEETS**









Virginia Electric and Power Company  
ATTACHMENT H-16A  
Attachment 7 - Transmission Enhancement Annual Revenue Requirement Worksheet  
(dollars)

Project R				Project S				Project T			
No 51 #DIV/0! 1.25 #DIV/0!	Garrisonville 230 kV UG line			No 51 #DIV/0! 1.25 #DIV/0!	Pleasant View Hamilton 230kV transmission line			Yes 51 #DIV/0! 1.25 #DIV/0!	Glen Carlyn Line 251 GIB substation project		
-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req





**APPENDIX C**

**REVISED PAGES 13-15 OF DVP-19**

1

Table 2 Summary of Estimated Incentive Revenues  
to be Received from Dominion Zone

Year	Baseline Projects	Non-Baseline Projects*	Total
2009	\$64,445	\$262,199	\$326,644
2010	\$232,962	\$2,525,597	\$2,759,559
2011	\$802,805	\$3,149,051	\$3,951,856
2012	\$1,275,978	\$3,141,020	\$4,416,997
2013	\$1,363,958	\$3,076,471	\$4,440,429

2 \* Non-Baseline Projects include all Supplemental Projects and the  
3 Transformer Replacement Project, which is neither a Baseline Project nor  
4 a Supplemental Project.

5 As can be seen from the Table 1, the estimated annual Incentive Revenues are  
6 expected to increase to a maximum of approximately \$9.2 million in 2012.

7 Table 2 is a summary of the estimated incentive revenues that would be  
8 collected from loads and reservations terminating in the Dominion Zone, using  
9 the currently-effective allocation percentages in the PJM Tariff Schedule 12 for  
10 Dominion's Baseline Projects. The allocation percentages in Schedule 12 for  
11 those projects range from 13.22% to 100% for the Dominion Zone. If no  
12 allocation percentage was identified I conservatively assumed that 100% of the  
13 cost would be allocated to the Dominion Zone. It shows that the Dominion Zone  
14 will pay approximately \$4.4 million in 2012 as a result of the Incentive ROE  
15 Adders. Please note that these figures are provided for illustrative purposes  
16 since the underlying fixed charge rates used to calculate the revenue  
17 requirements and incentive revenues will change as Dominion updates its

1 formula with new cost of service data each year. Also, PJM's proposal to modify  
2 the zonal allocations in Schedule 12 is currently pending before the Commission.

3 **Q. Please explain how the Company has estimated the increase in its rate for**  
4 **NITS resulting from the Incentive ROE Adders.**

5 **A.** In Table 3, I calculated the increases in the unit charge for NITS by dividing the  
6 Incentive Revenues in Table 2 by the 19,688 MW 1-CP that was used to develop  
7 the 2008 NITS rate for the Dominion Zone. While this puts the increases in the  
8 unit charge for NITS on a consistent basis with the 2008 NITS rate, it is likely to  
9 overstate the unit charge because the 1-CP is likely to increase over time.

10 Next, I calculated the percentage increase in the unit charge for NITS by  
11 comparing the increases in unit charges for each year, as shown in Table 3, to  
12 the \$10,623.79 /MW/Yr 2008 rate for NITS based on Dominion's compliance  
13 filing in Docket No. ER08-92-000. The results are shown in Table 4 and Exhibit  
14 No. DVP-20, p. 32.

Table 3 Increases in Unit Charges Based on 19,688 MW 1-CP for  
Dominion Zone

Year	Baseline Projects \$/MW/Yr	Non-Baseline Projects* \$/MW/Yr	Total \$/MW/Yr
2009	\$3	\$13	\$17
2010	\$12	\$128	\$140
2011	\$41	\$160	\$201
2012	\$65	\$160	\$224
2013	\$69	\$156	\$226

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Table 4 % Increases in Unit Charges based on Currently-  
Effective Dominion Zone Rate of \$10,623.79 /MW/Yr

Year	Baseline Projects	Non-Baseline Projects*	Total
2009	0.03%	0.13%	0.16%
2010	0.11%	1.21%	1.32%
2011	0.38%	1.51%	1.89%
2012	0.61%	1.50%	2.11%
2013	0.65%	1.47%	2.12%

2  
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\* Non-Baseline Projects include all Supplemental Projects and the  
Transformer Replacement Project, which is neither a Baseline Project nor  
a Supplemental Project.

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**Q. Does this conclude your direct testimony?**

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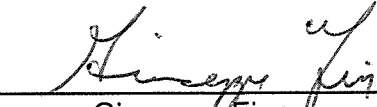
**A.** Yes.

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## CERTIFICATE OF SERVICE

I hereby certify that I have served this day copies of the foregoing on the official service list compiled by the Office of the Secretary in accordance with Rule 2010 of the Commission Rules of Practice and Procedure.

Dated at Washington, D.C. this 2<sup>nd</sup> day of July 2008.



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