

# BRUDER, GENTILE & MARCOUX, L.L.P.

ATTORNEYS AT LAW

CARMEN L. GENTILE  
J. MICHEL MARCOUX  
DAVID E. GOROFF  
JAMES H. MCGREW  
THOMAS L. BLACKBURN  
ANTONIA A. FROST

PETER K. MATT  
COUNSEL

1701 PENNSYLVANIA AVENUE, N.W.  
SUITE 900  
WASHINGTON, D.C. 20006-5807

202-296-1500

FACSIMILE 202-296-0627

[www.brudergentile.com](http://www.brudergentile.com)

[lskizuka@brudergentile.com](mailto:lskizuka@brudergentile.com)

GIUSEPPE FINA  
NICOLE S. ALLEN  
LINDA S. KIZUKA\*  
JESSE Y. HALPERN\*

\*NOT ADMITTED IN D.C.

GEORGE F. BRUDER  
RETIRED 1997

January 5, 2010

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. ER10-\_\_\_\_-000  
Revisions to Formula Rate and Removal of Attachment H-16C**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act ("FPA")<sup>1</sup> and Part 35 of the Commission's Regulations,<sup>2</sup> Virginia Electric and Power Company ("Dominion"), submits for filing revised tariff sheets in Attachment H-16 ("Revised Sheets") to PJM Interconnection, L.L.C.'s ("PJM") open-access transmission tariff ("OATT" or "Tariff") revising specific components of Dominion's transmission cost-of-service formula rate. The subject revisions clarify certain aspects of Dominion's formula and result in a reduction in rates. Dominion also submits the removal from the OATT of Attachment H-16C, which has terminated by its own terms. Dominion respectfully requests that the Commission waive its notice of filing requirements to permit the Revised Sheets to become effective on less than 60-days notice, as explained in more detail below.

---

<sup>1</sup> 16 U.S.C. § 824d (2006).

<sup>2</sup> 18 C.F.R. § 35.1, *et seq.* (2009).

## I. DESCRIPTION OF DOMINION, BACKGROUND AND BASIS FOR FILING

Dominion Resources, Inc. (“DRI”) is a public utility holding company under the Public Utility Holding Company Act of 2005. Dominion is a wholly owned, indirect subsidiary of DRI. Dominion has a generation portfolio of more than 18,000 megawatts, which is transmitted over approximately 6,000 miles of electric transmission lines and approximately 65,000 miles of electric distribution facilities in Virginia and North Carolina. Dominion integrated its facilities into PJM on May 1, 2005.<sup>3</sup>

As a transmission-owning member of PJM, Dominion’s rate for Network Integration Transmission Service (“NITS”) is set out in Attachment H-16 to the PJM Tariff. Dominion’s NITS rate is a formula rate that has been in effect since January 1, 2008.<sup>4</sup> Dominion is a Commission-regulated public utility under the FPA and as such, has the right to file changes to its applicable rates and charges unilaterally pursuant to the “just and reasonable” standard of FPA Section 205. Section 7.1.1 of the PJM Transmission Owners Agreement<sup>5</sup> provides for the individual Section 205 filing rights of each PJM transmission owner with respect to its transmission revenue requirements:

Each Party shall have the exclusive right to file unilaterally at any time pursuant to Section 205 of the Federal Power Act to establish or change the transmission revenue requirement for services provided under the PJM Tariff with respect to its Transmission Facilities (regardless of whether such revenue requirement is used to support rates and charges for delivery within its Zone or outside its Zone). This right includes, but is not limited to, the right to file a transmission revenue requirement, or a revenue requirement that is based on incentive or performance-based factors.

## II. INSTANT FILING

Based upon a review of its formula rate, and in response to inquiries and comments from Dominion’s customers pursuant to the Formula Rate Implementation Protocols (“Implementation Protocols”) contained in Attachment H-16B to the PJM Tariff, Dominion hereby files modifications to its formula rate in Attachment H-16 to the PJM Tariff. Specifically, Dominion proposes one modification to its formula rate that results in a reduction in rates and other modifications to its formula rate that have no

---

<sup>3</sup> *PJM Interconnection, L.L.C.*, 109 FERC ¶ 61,012 (2004), *order on reh’g*, 110 FERC ¶ 61,234 (2005); *PJM Interconnection, L.L.C.*, 111 FERC ¶ 61,257 (2005).

<sup>4</sup> *Virginia Electric and Power Company*, 123 FERC ¶ 61,098 (2008).

<sup>5</sup> Consolidated Transmission Owners Agreement, PJM Rate Schedule FERC No. 42, Section 7.1.1, Original Sheet No. 15.

impact on rates. Dominion also hereby files for the removal of Attachment H-16C, which has terminated by its own terms.

**A. MODIFICATION TO THE FORMULA RATE PORTION OF ATTACHMENT H-16 RESULTING IN A REDUCTION IN RATES**

Dominion proposes to modify line 104 (Sheet No. 314F.03) and Attachment 5 of its formula rate to remove the cost of short-term interest from the calculation of the cost of long-term interest. The formula rate that Dominion proposed and that the Commission accepted for filing in Docket No. ER08-92-000 provides in line 104 for the inclusion of all amounts shown on Dominion's FERC Form No. 1, page 117, column c, lines 62 through 67. Line 67 references Uniform System of Accounts account 430, Interest on Debt to Associated Companies, which includes both long-term and short-term debt. The Implementation Protocols allow for the submittal of a Preliminary Challenge. Certain of Dominion's customers submitted a challenge on December 11, 2009.<sup>6</sup> In response to their challenge, Dominion proposes to modify the formula rate to eliminate from the formula the interest on short-term debt that is included in account 430.

Dominion's proposed modification will result in a decrease in the charges for service under Attachment H-16 because it results in a reduction in Dominion's weighted cost of debt and its total return. Attachment 3 to this letter is a comparison of Dominion's actual revenue requirement for 2008 using the currently-effective rate formula to its actual revenue requirement for 2008 with the rate formula modified to exclude short-term interest from the calculation of long-term interest. It shows that Dominion's actual revenue requirement for 2008 will be reduced from \$212,459,000 to \$211,680,000, a reduction of \$779,000.

Dominion respectfully requests that the Commission permit the proposed revisions to line 104 (Sheet No. 314F.03) and Attachment 5 (Sheet No. 314F.17) to become effective as of January 1, 2008, the date on which the formula rate took effect. Good cause exists for the waiver because Dominion's proposed revision will reduce the charges to its customers.

Dominion plans to pass through to its customers the change in the Annual Transmission Revenue Requirement ("ATRR") for NITS in 2008 when it makes its True-up Adjustment for 2008, which will occur in 2010 pursuant to the Implementation Protocols. Dominion plans to pass through to its customers the change in the ATRR for NITS in 2009 when it makes its True-up Adjustment for 2009, which will occur in 2011

---

<sup>6</sup> The Preliminary Challenge submitted by Old Dominion Electric Cooperative ("ODEC") and North Carolina Electric Membership Corporation ("NCEMC") is available at <http://www.pjm.com/markets-and-operations/~media/markets-ops/trans-service/20091214-%20preliminary-challenge-virginia-electric.ashx>.

pursuant to the Implementation Protocols. Dominion will include interest on any amounts owed to customers as a result of the modification and the other True-up Adjustments, pursuant to Attachment 6 to Attachment H-16. Dominion plans to include the effect of the change in the charges for NITS in 2010 in the projected costs for 2010, and will reflect that change in the informational filing that it will make on January 15, 2010 pursuant to the Implementation Protocols.

## **B. MODIFICATIONS TO ATTACHMENT H-16 THAT HAVE NO RATE IMPACT**

Dominion proposes to make modifications to other aspects of its formula rate that have no rate impact. Specifically, Dominion proposes to: (1) revise Attachment 9 to the formula rate to increase the granularity in reconciling the depreciation rates for transmission and general plant to Dominion's FERC Form No. 1; (2) revise Attachment 7 to the formula rate to show the revenue requirement including the true-up adjustment for each transmission project; and (3) correct several typographical, grammatical and line reference errors.

### **1. INCREASED DETAIL FOR DEPRECIATION RATES**

In the currently-effective version of Attachment 9 to the formula rate, which is found at Sheet No. 314F.24, Dominion's FERC Form No. 1 depreciation rates for transmission and general plant are aggregated into groups, and the weighted average depreciation rate for each group is shown on the Attachment. Dominion's proposed revisions modify Attachment 9 to separately identify the depreciation rates by FERC Form No. 1 Account, which are the same rates shown in composite form on the currently-effective version of Attachment 9. This modification has no rate impact because the formula already derives the depreciation expense directly from Dominion's FERC Form No. 1, and the composite depreciation rates reported on Attachment 9 are not used in the calculation of Dominion's rate for NITS. The separately-identified depreciation rates shown on the proposed Attachment 9 are from the depreciation study filed by Dominion on February 29, 2008 in Docket No. ER08-92-003 as "Appendix 3 to Responses to Question No. 1" at pp. III-4, III-5, which is included as Attachment 4 to this filing.

Dominion proposes to make this change effective on January 1, 2008 because it clarifies the basis on which depreciation expenses are calculated. Good cause for waiver of the Commission's notice requirements exists because the change adds clarity to the formula and will have no impact on rates.

### **2. ADDITION OF TRUE-UP INFORMATION**

Dominion proposes to modify Attachment 7, consisting of Sheet Nos. 314F.20 through 314F.22f, to add a box to the bottom of each sheet showing the revenue requirement including the annual true-up adjustment, with and without any applicable

incentives, for each transmission project. This revision provides a convenient location for Dominion to display true-up data in its Attachment H-16, and has no rate impact. Dominion proposes to make this change effective on January 1, 2010. Good cause for waiver of the Commission's notice requirements exists because the modification adds clarity to the formula and has no impact on the calculation of the charges under the formula rate.

### **3. CLARIFYING CHANGES AND CORRECTION OF MINOR ERRORS**

Dominion proposes several modifications reflected in the Revised Sheets to clarify the operation of the formula rate and to correct typographical, grammatical and line reference errors. Good cause for waiver of the Commission's notice requirements exists for all of these changes because they add clarity to the formula and have no impact on the charges under the formula rate. Dominion proposes to revise Attachment H-16 as follows:

- (a) On Sheet No. 314F.04, change the phrase "per 100 Basis Point increase" to "with 100 Basis Point increase" between lines 155 and 156 and on lines 158, 160 and 161, to correct the spelling of "Transmission" on line 171, and remove the second "Rate" from the end of the description on line 171. Dominion proposes that this change take effect on January 1, 2008
- (b) On Sheet No. 314F.05, correct the spelling of "indicates" and "balance" in Note H and correct the spelling of "initial" in Note T. Dominion proposes that this change take effect on January 1, 2010.
- (c) On Sheet No. 314F.16, change "To line 49" to "To line 47" in the block for line 47 and change "To line 50" to "To line 48" in the block for line 48. Dominion proposes that this change take effect on January 1, 2008.
- (d) On Sheet No. 314F.20, change the phrase "per 100 Basis Point increase" to "with 100 Basis Point increase" on line 4 and change the word "next" to the word "previous" on line E. Because two versions of Sheet No. 314F.20 have become effective in the period since January 1, 2008, Dominion is submitting two revised versions of that sheet, as follows:
  - (1) 1st Rev Original Sheet No. 314F.20, showing the proposed revisions to the sheet as it was in effect on January 1, 2008; and
  - (2) Sub First Revised Sheet No. 314F.20, showing the proposed revisions to the sheet as it was in effect on September 1, 2008.
- (e) Also, Dominion is filing Second Revised Sheet No. 314F.20 with a proposed effective date of January 1, 2010. This sheet includes the

changes to Sheet No. 314F.20 that are discussed in sections B.2 and B.3(d) above and also includes two additional changes. Dominion has added a statement in paragraph 2 clarifying that Attachment 7 will not be used to calculate a revenue requirement for RTEP projects that do not qualify for an incentive and for which 100% of the cost is allocated to the Dominion zone; and it has changed the phrase "Lines continues as new rate years as added" to "Lines continue as new rate years are added" on the line following line 33.

### **C. DELETION OF ATTACHMENT H-16C**

Dominion is deleting Attachment H-16C, which is contained on Sheet No. 314G. Attachment H-16C provides for each Retail Load Serving Entity serving retail load in the Dominion Zone to receive a monthly credit amount to offset the administrative fees they pay to PJM on behalf of retail customers taking delivery of electricity from Dominion's lines under the jurisdiction of the Virginia State Corporation Commission ("VSCC"). Attachment H-16C terminated according to its terms on December 31, 2008, the end of the rate cap period applicable to Dominion's retail customers who are under the VSCC's retail jurisdiction. Also, on Sheet No. 314F, Dominion is deleting paragraph 5, which discusses Attachment H-16C. Dominion proposes to make these changes effective as of January 1, 2009, the date as of which Attachment H-16 terminated by its own terms.

### **III. CONTENTS OF FILING**

The following documents are included in this filing:

- (1) A clean copy of the Revised Sheets, which have been designated consistent with *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000) ("Attachment 1");
- (2) A redlined copy of the Revised Sheets ("Attachment 2");
- (3) A spreadsheet providing a quantification of the rate decrease ("Attachment 3"); and
- (4) Pages III-4 and III-5 of the depreciation study filed by Dominion on February 29, 2008 in Docket No. ER08-92-003 as "Appendix 3 to Responses to Question No. 1" providing the disaggregated depreciation rates shown on the proposed revised Attachment 9 ("Attachment 4").

### **IV. MISCELLANEOUS**

To the extent necessary, Dominion requests waiver of the cost support requirements of 18 C.F.R. § 35.13. The only proposed revision that will have a rate

impact is the removal of the costs of short-term interest in the calculation of long-term interest. Dominion has provided in Attachment 3 a comparison of its ATRR with and without the proposed elimination of short-term interest from long-term interest for 2008, providing support for the reduction in ATRR. Because Dominion's proposal does not modify the billing determinants, the reduction in ATRR will result in a reduced NITS rate and revenue.

No agreement is required by contract for the filing of the Revised Sheets. No costs or expenses supporting the charges set forth in the Revised Sheets have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory practices. This filing does not involve specifically assignable facilities.

ODEC and NCEMC, who proffered the Preliminary Challenge, have reviewed this filing and indicated that they have no objections to it.

## **V. SERVICE**

Dominion will make copies of this filing available for inspection at Dominion's offices. In addition, 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](http://www.PJM.com)) and providing a link to such posting via e-mail. Electronic service is permitted as of November 3, 2008, under the Commission's regulations<sup>7</sup> pursuant to Order No. 714 and the Commission's Notice of Effectiveness of Regulations.

## **VI. COMMUNICATIONS**

Please direct all communications concerning this filing to the following persons and include their names on the Commission's official service list in this proceeding:

Harold W. Payne, Jr.  
Manager, Regulation  
Virginia Electric and Power Company  
OJRP 5th Floor  
701 E. Cary Street  
P. O. Box 26666  
Richmond, VA 23261-6666  
Telephone: (804) 771-4452  
Fax: (804) 771- 4804  
E-Mail: [harold.payne@dom.com](mailto:harold.payne@dom.com)

---

<sup>7</sup> See 18 C.F.R. § 35.2 (2008).

and

Thomas L. Blackburn  
Linda S. Kizuka  
Bruder, Gentile & Marcoux, L.L.P.  
1701 Pennsylvania Avenue, N.W.  
Suite 900  
Washington, D.C. 20006  
Telephone: (202) 296-1500  
Facsimile: (202) 296-0627  
E-Mail: [tblackburn@brudergentile.com](mailto:tblackburn@brudergentile.com)  
[lskizuka@brudergentile.com](mailto:lskizuka@brudergentile.com)

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

Very truly yours,



Thomas L. Blackburn  
Linda S. Kizuka  
Counsel for Virginia Electric and Power  
Company

**ATTACHMENT 1**

**CLEAN COPY OF REVISED SHEETS**

**ATTACHMENT H-16**  
**Annual Transmission Rates -- Virginia Electric and Power Company**  
**for Network Integration Transmission Service**

1. The Annual Transmission Revenue Requirement (“ATRR”) and Rate for Network Integration Transmission Service are derived pursuant to the Formula Rate shown in Attachment H-16A, which is posted on the www.pjm.com website, and which reflects the cost of providing transmission service over 69 kV and higher transmission facilities of Virginia Electric and Power Company (“VEPCO”). The ATRR and Rate for Network Integration Transmission Service determined pursuant to Attachment H-16A shall be implemented pursuant to the Formula Rate Implementation Protocols set forth in Attachment H-16B. For Network Customer deliveries at voltages below 69 kV, additional charges for the lower voltage facilities shall be applied at rates as stated in the service agreements with such Network Customers.
2. On a monthly basis, the Transmission Provider shall calculate revenue credits based on the sum of VEPCO’s share of revenues collected by it during the month from (i) the Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service under Schedule 7; and (ii) the Network Integration Transmission Service to Non-Zone Network Load under Attachment H-A. Such credits shall be allocated to network and firm point-to-point customers serving load in the Dominion Zone based on demand charge ratios and will appear as reductions to these customers’ bills for service in each month.
3. Within the Dominion Zone, a Network Customer’s peak load and energy deliveries shall be adjusted to include transmission losses equal to 2.3387% of energy received for transmission. Additionally, for Network Customer deliveries at voltages below 69 kV, the Network Customer’s peak load and energy deliveries shall also be adjusted to include distribution losses at rates as stated in the service agreements with such Network Customer. Notwithstanding section 15.7 of the Tariff, the transmission loss factor of 2.3387% also shall apply to point-to-point transmission service with a point of delivery in the Dominion Zone.
4. In addition to the rate set forth in section 1 above, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, “Btu,” carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.

Issued By: Craig Glazer,  
Vice President, Federal Government Policy  
Issued On: January 5, 2010

Effective: January 1, 2009

Depreciation & Amortization Expense				
<b>Depreciation Expense</b>				
86	Transmission Depreciation Expense	(Notes A and S)	p336.7b&c/Attachment 5	\$ -
87	Less: GSU Depreciation		Attachment 5	0
88	Less Interconnect Facilities Depreciation		Attachment 5	0
89	Extraordinary Property Loss		Attachment 5	#DIV/0!
90	<b>Total Transmission Depreciation</b>		(Line 86 - 87 - 88 + 89)	#DIV/0!
91	General Depreciation	(Note A)	p336.10b&c&d/Attachment 5	0
92	Intangible Amortization	(Note A)	p336.1d&e/Attachment 5	0
93	Total		(Line 91 + 92)	0
94	Wage & Salary Allocation Factor		(Line 7)	#DIV/0!
95	<b>General and Intangible Depreciation Allocated to Transmission</b>		(Line 93 * 94)	#DIV/0!
96	Common Depreciation - Electric Only	(Note A)	p336.11.b	0
97	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0
98	Total		(Line 96 + 97)	0
99	Wage & Salary Allocation Factor		(Line 7)	#DIV/0!
100	<b>Common Depreciation - Electric Only Allocated to Transmission</b>		(Line 98 * 99)	#DIV/0!
<b>101 Total Transmission Depreciation &amp; Amortization (Line 90 + 95 + 100) #DIV/0!</b>				
<b>Taxes Other than Income</b>				
102	Taxes Other than Income		Attachment 2	#DIV/0!
<b>103 Total Taxes Other than Income (Line 102) #DIV/0!</b>				
<b>Return / Capitalization Calculations</b>				
<b>Long Term Interest</b>				
104	Long Term Interest	(Note T)	p117.62c through 67c/Attachment 5	
105	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
106	<b>Long Term Interest</b>		(Line 104 - 105)	\$ -
107	<b>Preferred Dividends</b>	(Note T), enter positive	p118.29c	
<b>Common Stock</b>				
108	Proprietary Capital		p112.16c,d/2	
109	Less Preferred Stock	(Note T), enter negative	(Line 117)	
110	Less Account 219 - Accumulated Other Comprehensive Income	(Note T), enter negative	p112.15c,d/2	
111	<b>Common Stock</b>		(Sum Lines 108 to 110)	\$ -
<b>Capitalization</b>				
112	Long Term Debt		p112.24c,d/2	
113	Less Loss on Reacquired Debt	(Note T), enter negative	p111.81c,d/2	
114	Plus Gain on Reacquired Debt	(Note T), enter positive	p113.61c,d/2	
115	Less LTD on Securitization Bonds	(Note P)	(Note T), enter negative Attachment 8	0
116	<b>Total Long Term Debt</b>		(Sum Lines 112 to 115)	0
117	Preferred Stock	(Note T), enter positive	p112.3c,d/2	
118	Common Stock		(Line 111)	0
119	<b>Total Capitalization</b>		(Sum Lines 116 to 118)	\$ -
120	Debt %	Total Long Term Debt	(Line 116 / 119)	0.0%
121	Preferred %	Preferred Stock	(Line 117 / 119)	0.0%
122	Common %	Common Stock	(Line 118 / 119)	0.0%
123	Debt Cost	Total Long Term Debt	(Line 106 / 116)	0.0000
124	Preferred Cost	Preferred Stock	(Line 107 / 117)	0.0000
125	Common Cost	Common Stock	(Note J) Fixed	0.1140
126	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 120 * 123)	0.0000
127	Weighted Cost of Preferred	Preferred Stock	(Line 121 * 124)	0.0000
128	Weighted Cost of Common	Common Stock	(Line 122 * 125)	0.0000
129	<b>Total Return (R)</b>		(Sum Lines 126 to 128)	<b>0.0000</b>
<b>130 Investment Return = Rate Base * Rate of Return (Line 62 * 129) #DIV/0!</b>				

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: January 5, 2010

Effective: January 1, 2008

Composite Income Taxes				
<b>Income Tax Rates</b>				
131	FIT=Federal Income Tax Rate		Attachment 5	
132	SIT=State Income Tax Rate or Composite	(Note I)	Attachment 5	0.00%
133	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
134	T	$T=1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =$		0.00%
135	T / (1-T)			0.00%
<b>ITC Adjustment</b>				
136	Amortized Investment Tax Credit	(Note I) enter negative	Attachment 1	\$ -
137	T/(1-T)		(Line 135)	0.00%
138	<b>ITC Adjustment Allocated to Transmission</b>		(Line 136 * (1 + 137))	\$ -
139	<b>Income Tax Component =</b>	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 135 * 130 * (1-(126 / 129))]	<b>#DIV/0!</b>
<b>140</b>	<b>Total Income Taxes</b>		<b>(Line 138 + 139)</b>	<b>#DIV/0!</b>
<b>REVENUE REQUIREMENT</b>				
<b>Summary</b>				
141	Net Property, Plant & Equipment		(Line 44)	#DIV/0!
142	Adjustment to Rate Base		(Line 61)	#DIV/0!
143	<b>Rate Base</b>		(Line 62)	<b>#DIV/0!</b>
144	O&M		(Line 85)	#DIV/0!
145	Depreciation & Amortization		(Line 101)	#DIV/0!
146	Taxes Other than Income		(Line 103)	#DIV/0!
147	Investment Return		(Line 130)	#DIV/0!
148	Income Taxes		(Line 140)	#DIV/0!
149				
<b>150</b>	<b>Revenue Requirement</b>		<b>(Sum Lines 144 to 149)</b>	<b>#DIV/0!</b>
<b>Net Plant Carrying Charge</b>				
151	Revenue Requirement		(Line 150)	#DIV/0!
152	Net Transmission Plant		(Line 24 - 35)	#DIV/0!
153	Net Plant Carrying Charge		(Line 151 / 152)	#DIV/0!
154	Net Plant Carrying Charge without Depreciation		(Line 151 - 86) / 152	#DIV/0!
155	Net Plant Carrying Charge without Depreciation, Return or Income Taxes		(Line 151 - 86 - 130 - 140) / 152	#DIV/0!
<b>Net Plant Carrying Charge Calculation with 100 Basis Point increase in ROE</b>				
156	Gross Revenue Requirement Less Return and Taxes		(Line 150 - 147 - 148)	#DIV/0!
157	Increased Return and Taxes		Attachment 4	#DIV/0!
158	Net Revenue Requirement with 100 Basis Point increase in ROE		(Line 156 + 157)	#DIV/0!
159	Net Transmission Plant		(Line 152)	#DIV/0!
160	Net Plant Carrying Charge with 100 Basis Point increase in ROE		(Line 158 / 159)	#DIV/0!
161	Net Plant Carrying Charge with 100 Basis Point increase in ROE without Depreciation		(Line 158 - 86) / 159	#DIV/0!
162	<b>Revenue Requirement</b>		(Line 150)	#DIV/0!
163	True-Up Adjustment		Attachment 6	-
164	Plus any increased ROE calculated on Attachment 7 other than PJM Schedule 12 projects.		Attachment 7	-
165	Facility Credits under Section 30.9 of the PJM OATT.		Attachment 5	-
166	Revenue Credits		Attachment 3	-
167	Interest on Network Credits		PJM data	
168	<b>Annual Transmission Revenue Requirement (ATRR)</b>		(Line 162 + 163 + 164 + 165 + 166 + 167)	<b>#DIV/0!</b>
<b>Rate for Network Integration Transmission Service</b>				
169	1 CP Peak	(Note L)	PJM Data	
170	Rate (\$/MW-Year)		(Line 168 / 169)	<b>#DIV/0!</b>
<b>171</b>	<b>Rate for Network Integration Transmission Service (\$/MW/Year)</b>		<b>(Line 170)</b>	<b>#DIV/0!</b>

**Notes**

- A Electric portion only - VEPCO does not have Common Plant.
- B Excludes amounts for Generator Step-ups and Interconnection Facilities, when appropriate.
- C Includes Transmission portion only.
- D Excludes all EPRI Annual Membership Dues.
- E Includes all regulatory commission expenses.
- F Includes all safety related advertising included in Account 930.1.
- G Includes all regulatory commission expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H The Form 1 reference indicates only the end-of-year balance used to derive the amount beside the reference. Each plant balance with a Form 1 reference will include the Form 1 balance in an average of the 13 month balances for the year. Each non-plant balance included in rate base with a Form 1 reference will include Form 1 balances in the calculation of the average of the beginning and end of year balances for the year. See notes Q and R below.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p =$  the percentage of federal income tax deductible for state income taxes. If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by  $(1/1-T)$ . A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J Per FERC order in Docket No. ER08-92, the ROE is 11.4%, which includes a 50 basis point RTO membership adder as authorized by FERC to become effective January 1, 2008. Per FERC order in Docket No. \_\_\_\_\_, the ROE for each specific project identified in that order will also include either an 150 or 125 basis point transmission incentive adder as authorized by the Commission.
- K Education and outreach expenses relating to transmission, for example siting or billing.
- L As provided for in Section 34.1 of the PJM OATT.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) toward the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement on Line 167.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included on Line 66.
- P Securitization bonds may be included in the capital structure.
- Q Calculated using 13 month average balance. Only beginning and end of year balances are from Form 1.
- R Calculated using average of beginning and end of year balances. Beginning and end of year balances are from Form 1.
- S The depreciation rates are included in Attachment 9.
- T For the initial formula rate calculation, the projected capital structure shall reflect the capital structure from the 2006 FERC Form No. 1 data. For all other formula rate calculations, the projected capital structure and actual capital structure shall reflect the capital structure from the most recent FERC Form No. 1 data available.

Issued By: Craig Glazer,  
Vice President, Federal Government Policy  
Issued On: January 5, 2010

Effective: January 1, 2010

PJM Interconnection, L.L.C.  
 FERC Electric Tariff  
 Sixth Revised Volume No. 1

First Revised Sheet No. 314F.16  
 Superseding Original Sheet No. 314F.16

Regulatory Expense Related to Transmission Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Form 1 Amount	Transmission Related	Non-transmission Related	Details
71	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928 Directly Assigned A&G	(Note E)	p323.189b/Attachment 5			0	See FERC Form 1 pages 350-351.
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b/Attachment 5			0	Transmission related - Includes three year amortization of cost of current case.

Safety Related Advertising Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	Attachment 5				

MultiState Workpaper

Line #s	Descriptions	Notes	Page #'s & Instructions	State 1	State 2	State 3	State 4	State 5	Details
132	Income Tax Rates SIT-State Income Tax Rate or Composite	(Note I)		Va	NC	Wva			Enter Calculation 0.00%

Education and Out Reach Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b				

Excluded Plant Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	0	Description of the Facilities
	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			0	General Description of the Facilities
Instructions: 1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process 2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used. Example A Total Investment in substation 1,000,000 B Identifiable Investment in Transmission (provide workpapers) 500,000 C Identifiable Investment in Distribution (provide workpapers) 400,000 D Amount to be excluded (A x (C / (B + C))) 444,444					None

Transmission Related Account 242 Reserves

Line #s	Descriptions	Notes	Page #'s & Instructions	Beginning Year Balance	End of Year Balance	Average Balance	Allocation	Transmission Related Amount	Details
47	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)			Enter \$	Enter \$				
	Directly Assignable to Transmission				\$ -		100%	-	
	Labor Related, General plant related or Common Plant related				\$ -		#DIV/0!	#DIV/0!	
	Plant Related				\$ -		#DIV/0!	#DIV/0!	
	Other				\$ -		0.00%	-	
	Total Transmission Related Reserves				\$ -		#DIV/0!	#DIV/0!	To line 47

Prepayments

Line #s	Descriptions	Notes	Page #'s & Instructions	Beginning Year Balance	End of Year Balance	Average Balance	To Line 48	Description of the Prepayments
48	Prepayments							
	Wages & Salary Allocator				\$ -		#DIV/0!	#DIV/0!
	Pension Liabilities, if any, in Account 242				\$ -		#DIV/0!	#DIV/0!
	Prepayments				\$ -		#DIV/0!	#DIV/0!
	Prepaid Pensions if not included in Prepayments				\$ -		#DIV/0!	#DIV/0!

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: January 5, 2010

Effective: January 1, 2008

PJM Interconnection, L.L.C.  
 FERC Electric Tariff  
 Sixth Revised Volume No. 1

First Revised Sheet No. 314F.17  
 Superseding Original Sheet No. 314F.17

Outstanding Network Credits Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Beginning Year Balance	End of Year Balance	Average Balance	Description of the Credits
58	Outstanding Network Credits	(Note N)	From PJM			\$ -	General Description of the Credits
59	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM			\$ -	None

Add more lines if necessary

Extraordinary Property Loss

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount	# of Years	Amortization	W/ Interest	Amount	Number of years	Amortization
69										#DIV/0!

Interest on Outstanding Network Credits Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount	Description of the Interest on the Credits
				0	General Description of the Credits
				0	None

Add more lines if necessary

Facility Credits under Section 30.9 of the PJM OATT.

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount	Description & PJM Documentation
165	Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT				

PJM Load Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	1 CP Peak	Description & PJM Documentation
169	Network Total Service Rate 1 CP Peak	(Note L)	PJM Data	Enter	

A&G Expenses - Other Post Employment Benefits

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount
	Total A&G Expenses		p323, 197b	
	Less OPEB Current Year			
	Plus: Scaled OPEB (2008 actual)	Filed (2008 actual)		
69	Current Year Total A&G Expenses			

Interest on Long-Term Debt

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount
	Interest on Long-Term Debt		p117.62c through 67c	
	Less Interest on Short-Term Debt Included in Account 430			
104	Total Interest on Long-Term Debt			

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: January 5, 2010

Effective: January 1, 2008

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

- 1 New Plant Carrying Charge
- 2 Fixed Charge Rate (FCR) if not a CIAC
- Formula Line
- 3 A 154 Net Plant Carrying Charge without Depreciation #DIV/0!
- 4 B 161 Net Plant Carrying Charge with 100 Basis Point increase in ROE without Depreciation #DIV/0!
- 5 C Line B less Line A #DIV/0!
- 6 FCR if a CIAC
- 7 D 155 Net Plant Carrying Charge without Depreciation, Return, or Income Taxes #DIV/0!
- 8 The FCR resulting from Formula is for the rate period only.
- 9 Therefore actual revenues collected or the lack of revenues collected in other years are not applicable.

Details		Project A				Project B				
11	Schedule 12 (Yes or No)	b0217				b0222				
12	Life	Upgrade Mt.Storm - Doubs 500 kV				Install 150 MVAR capacitor				
13	FCR W/O incentive Line 3									
14	Incentive Factor (Basis Points /100)									
15	FCR W incentive L.13 +(L.14*L.5)	#DIV/0!				#DIV/0!				
16	Investment									
17	Annual Depreciation Exp	#DIV/0!				-				
18	In Service Month (1-12)									
19		Invest Yr	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
20	W / O incentive	2006	-	#DIV/0!	#DIV/0!	-	-	-	-	-
21	W incentive	2006	-	#DIV/0!	#DIV/0!	-	-	-	-	-
22	W / O incentive	2007	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	-	-
23	W incentive	2007	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	-	-
24	W / O incentive	2008	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	-
25	W incentive	2008	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	#DIV/0!

Lines continues as new rate years as added.

In the formulas used in the Columns for lines 19+ are as follows:

- "In Service Month" is the first month during the first year that the project is placed in service or recovery is request for the project.
- "Beginning" is the investment on line 16 for the first year and is the "Ending" for the prior year after the first year.
- "Depreciation" is the annual depreciation in line 17 divided by twelve times the difference of 12.5 minus line 18 in the first year and line 17 thereafter.
- "Ending" is "Beginning" less "Depreciation"
- Revenue Requirement used for crediting is ("Beginning" plus "Ending") divided by two times line 13 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 13 plus "Depreciation" thereafter.
- Revenue Requirement used for charging is ("Beginning" plus "Ending") divided by two times line 15 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 15 plus "Depreciation" thereafter.
- Formula Logic to be copied on new lines added each year after line 25. Using 2009 as an example, the logic will be included in lines 26 and 27.
- Beginning with the annual revenue requirements determined in 2009 for 2010, the annual revenue requirements based on projected costs will include a True-Up Adjustment for the previous calendar year in accordance with Attachment 6 A and as calculated in Lines A through I below
- Projected Revenue Requirements are calculated using the logic described for lines 19 + but with projected data for the indicated year.
- Actual Revenue Requirements are calculated using the logic described for lines 19 + but with actual data for the indicated year.

Calendar Year Do for Each Calendar Year beginning in 2009 for True-Up Adjustments applicable to 2010 annual revenue requirements.

A	Projected Revenue Requirement without Incentive for Previous Calendar Year*		
B	Projected Revenue Requirement with Incentive for Previous Calendar Year*		
C	Actual Revenue Requirement without Incentive for Previous Calendar Year *		
D	Actual Revenue Requirement with Incentive for Previous Calendar Year *		
E	True-Up Adjustment Before Interest without Incentive for Previous Calendar Year (C-A)	-	-
F	True-Up Adjustment Before Interest with Incentive for Previous Calendar Year (B-D)	-	-
G	Future Value Factor (1+i) <sup>24</sup> months from Attachment 6	-	-
H	True-Up Adjustment without Incentive (E*G)	-	-
I	True-Up Adjustment with Incentive (F*G)	-	-

\* These amounts do not include any True-Up Adjustments.

Additional columns to be inserted after the last project as new projects are added to formula.

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

Per FERC order in Docket No. ER08-92, the ROE is 11.4%, which includes a 50 basis point RTO membership adder as authorized by FERC to become effective January 1, 2008. Per FERC order in Docket No. \_\_\_\_\_, the ROE for each specific project identified in that order will also include either a 150 or 125 basis point transmission incentive adder as authorized by the Commission.

- 1 New Plant Carrying Charge
- 2 **Fixed Charge Rate (FCR) if not a CIAC**  
 Formula Line
- |   |   |     |   |         |
|---|---|-----|---|---------|
| 3 | A | 154 | Net Plant Carrying Charge without Depreciation                                      | #DIV/0! |
| 4 | B | 161 | Net Plant Carrying Charge with 100 Basis Point increase in ROE without Depreciation | #DIV/0! |
| 5 | C |     | Line B less Line A  | #DIV/0! |
- 6 **FCR if a CIAC**
- |   |   |     |   |         |
|---|---|-----|---|---------|
| 7 | D | 155 | Net Plant Carrying Charge without Depreciation, Return, or Income Taxes | #DIV/0! |
|---|---|-----|---|---------|
- 8 The FCR resulting from Formula is for the rate period only.  
 9 Therefore actual revenues collected or the lack of revenues collected in other years are not applicable.

10 Details		Project A				Project B			
11 Schedule 12	(Yes or No)	Yes	b0217		Yes	b0222			
12 Life		51	Upgrade Mt.Storm - Doubs 500 kv		51	Install 150 MVAR capacitor			
13 FCR W/O incentive	Line 3	#DIV/0!			#DIV/0!				
14 Incentive Factor (Basis Points /100)		0			0				
15 FCR W incentive L.13 +(L.14*L.5)		#DIV/0!			#DIV/0!				
16 Investment									
17 Annual Depreciation Exp		-			-				
18 In Service Month (1-12)									
19	Invest Yr	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
20	W / O incentive 2006	-	-	-	-	-	-	-	-
21	W incentive 2006	-	-	-	-	-	-	-	-
22	W / O incentive 2007	-	-	-	-	-	-	-	-
23	W incentive 2007	-	-	-	-	-	-	-	-
24	W / O incentive 2008	-	-	-	#DIV/0!	-	-	-	#DIV/0!
25	W incentive 2008	-	-	-	#DIV/0!	-	-	-	#DIV/0!
26	W / O incentive 2009	-	-	-	-	-	-	-	-
27	W incentive 2009	-	-	-	-	-	-	-	-
28	W / O incentive 2010	-	-	-	-	-	-	-	-
29	W incentive 2010	-	-	-	-	-	-	-	-
30	W / O incentive 2011	-	-	-	-	-	-	-	-
31	W incentive 2011	-	-	-	-	-	-	-	-
32	W / O incentive 2012	-	-	-	-	-	-	-	-
33	W incentive 2012	-	-	-	-	-	-	-	-

Lines continues as new rate years as added.

In the formulas used in the Columns for lines 19+ are as follows:  
 "In Service Month" is the first month during the first year that the project is placed in service or recovery is request for the project.  
 "Beginning" is the investment on line 16 for the first year and is the "Ending" for the prior year after the first year.  
 "Depreciation" is the annual depreciation in line 17 divided by twelve times the difference of 12.5 minus line 18 in the first year and line 17 thereafter.  
 "Ending" is "Beginning" less "Depreciation"  
 Revenue Requirement used for crediting is ("Beginning" plus "Ending") divided by two times line 13 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 13 plus "Depreciation" thereafter.  
 Revenue Requirement used for charging is ("Beginning" plus "Ending") divided by two times line 15 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 15 plus "Depreciation" thereafter.  
 Formula Logic to be copied on new lines added each year after line 25. Using 2009 as an example, the logic will be included in lines 26 and 27.  
 Beginning with the annual revenue requirements determined in 2009 for 2010, the annual revenue requirements based on projected costs will include a True-Up Adjustment for the previous calendar year in accordance with Attachment 6 A and as calculated in Lines A through I below  
 Projected Revenue Requirements are calculated using the logic described for lines 19 + but with projected data for the indicated year.  
 Actual Revenue Requirements are calculated using the logic described for lines 19 + but with actual data for the indicated year.

Calendar Year Do for Each Calendar Year beginning in 2009 for True-Up Adjustments applicable to 2010 annual revenue requirements.

A	Projected Revenue Requirement without Incentive for Previous Calendar Year*		
B	Projected Revenue Requirement with Incentive for Previous Calendar Year*		
C	Actual Revenue Requirement without Incentive for Previous Calendar Year *		
D	Actual Revenue Requirement with Incentive for Previous Calendar Year *		
E	True-Up Adjustment Before Interest without Incentive for Previous Calendar Year (C-A)	-	-
F	True-Up Adjustment Before Interest with Incentive for Previous Calendar Year (B-D)	-	-
G	Future Value Factor (1+i) <sup>24</sup> months from Attachment 6	-	-
H	True-Up Adjustment without Incentive (E*G)	-	-
I	True-Up Adjustment with Incentive (F*G)	-	-

\* These amounts do not include any True-Up Adjustments.

Additional columns to be inserted after the last project as new projects are added to formula.

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

Per FERC order in Docket No. ER08-92, the ROE is 11.4%, which includes a 50 basis point RTO membership adder as authorized by FERC to become effective January 1, 2008. Per FERC order in Docket No. \_\_\_\_\_, the ROE for each specific project identified in that order will also include either an 150 or 125 basis point transmission incentive adder as authorized by the Commission.

An Annual Revenue Requirement will not be determined in this Attachment 7 for RTEP projects that have not been identified as qualifying for an incentive and for which 100% of the cost is allocated to the Dominion zone. To the extent the cost allocation of such RTEP projects changes to be other than 100% allocated to the Dominion zone, the Annual Revenue Requirements will be determined in this Attachment 7 for such RTEP projects.

1 New Plant Carrying Charge

2 Fixed Charge Rate (FCR) if not a CIAC

	Formula Line		
3	A	154	Net Plant Carrying Charge without Depreciation #DIV/0!
4	B	161	Net Plant Carrying Charge with 100 Basis Point increase in ROE without Depreciation #DIV/0!
5	C		Line B less Line A #DIV/0!

6 FCR if a CIAC

7	D	155	Net Plant Carrying Charge without Depreciation, Return, or Income Taxes #DIV/0!
---	---	-----	---

8 The FCR resulting from Formula is for the rate period only.

9 Therefore actual revenues collected or the lack of revenues collected in other years are not applicable.

Details		Project A				Project B			
10	Schedule 12 (Yes or No)	Yes	b0217			Yes	b0222		
11	Life	51	Upgrade Mt.Storm - Doubs 500 kV			51	Install 150 MVAR capacitor		
12	FCR W/O incentive Line 3	#DIV/0!				#DIV/0!			
13	Incentive Factor (Basis Points /100)	0				0			
14	FCR W incentive L.13 +(L.14*L.5)	#DIV/0!				#DIV/0!			
15	Investment								
16	Annual Depreciation Exp	-				-			
17	In Service Month (1-12)								
18									
19	Invest Yr	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
20	W / O incentive 2006	-	-	-	-	-	-	-	-
21	W incentive 2006	-	-	-	-	-	-	-	-
22	W / O incentive 2007	-	-	-	-	-	-	-	-
23	W incentive 2007	-	-	-	-	-	-	-	-
24	W / O incentive 2008	-	-	-	#DIV/0!	-	-	-	#DIV/0!
25	W incentive 2008	-	-	-	#DIV/0!	-	-	-	#DIV/0!
26	W / O incentive 2009	-	-	-	-	-	-	-	-
27	W incentive 2009	-	-	-	-	-	-	-	-
28	W / O incentive 2010	-	-	-	-	-	-	-	-
29	W incentive 2010	-	-	-	-	-	-	-	-
30	W / O incentive 2011	-	-	-	-	-	-	-	-
31	W incentive 2011	-	-	-	-	-	-	-	-
32	W / O incentive 2012	-	-	-	-	-	-	-	-
33	W incentive 2012	-	-	-	-	-	-	-	-

Lines continue as new rate years are added.

In the formulas used in the Columns for lines 19+ are as follows:

"In Service Month" is the first month during the first year that the project is placed in service or recovery is request for the project.

"Beginning" is the investment on line 16 for the first year and is the "Ending" for the prior year after the first year.

"Depreciation" is the annual depreciation in line 17 divided by twelve times the difference of 12.5 minus line 18 in the first year and line 17 thereafter.

"Ending" is "Beginning" less "Depreciation"

Revenue Requirement used for crediting is ("Beginning" plus "Ending") divided by two times line 13 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 13 plus "Depreciation" thereafter.

Revenue Requirement used for charging is ("Beginning" plus "Ending") divided by two times line 15 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 15 plus "Depreciation" thereafter.

Formula Logic to be copied on new lines added each year after line 25. Using 2009 as an example, the logic will be included in lines 26 and 27.

Beginning with the annual revenue requirements determined in 2009 for 2010, the annual revenue requirements based on projected costs will include a

True-Up Adjustment for the previous calendar year in accordance with Attachment 6 A and as calculated in Lines A through I below

Projected Revenue Requirements are calculated using the logic described for lines 19 + but with projected data for the indicated year.

Actual Revenue Requirements are calculated using the logic described for lines 19 + but with actual data for the indicated year.

Calendar Year Do for Each Calendar Year beginning in 2009 for True-Up Adjustments applicable to 2010 annual revenue requirements.

A	Projected Revenue Requirement without Incentive for Previous Calendar Year*		
B	Projected Revenue Requirement with Incentive for Previous Calendar Year*		
C	Actual Revenue Requirement without Incentive for Previous Calendar Year *		
D	Actual Revenue Requirement with Incentive for Previous Calendar Year *		
E	True-Up Adjustment Before Interest without Incentive for Previous Calendar Year (C-A)	-	-
F	True-Up Adjustment Before Interest with Incentive for Previous Calendar Year (B-D)	-	-
G	Future Value Factor (1+I)*24 months from Attachment 6	-	-
H	True-Up Adjustment without Incentive (E*G)	-	-
I	True-Up Adjustment with Incentive (F*G)	-	-

\* These amounts do not include any True-Up Adjustments.

Additional columns to be inserted after the last project as new projects are added to formula.

Projected Revenue Requirement including True-up Adjustment, if applicable		
W / O incentive	-	-
W incentive	-	-

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: January 5, 2010

Effective: January 1, 2010

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

Project C				Project D				Project E			
Yes	b0223 and b0224			Yes	B0225			Yes	B0226		
51	Install 150 MVAR capacitors			51	Install 33 MVAR capacitor at			51	Install 500/230 kV transformer at		
#DIV/0!				#DIV/0!	Possum Pt. 115 kV			#DIV/0!	Clifton and Clifton 500 KV 150 MVAR		
0				0				0	capacitor		
#DIV/0!				#DIV/0!				#DIV/0!			
-				-				-			
-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!



-  
-  
-



-  
-  
-



-  
-  
-

---

:	:	:

---

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!			
-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!



-  
-  
-



-  
-  
-




---

:	:	:
---	---	---

---

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: January 5, 2010

Effective: January 1, 2010



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

Project L				Project M				Project N			
No 51	Ox Banks # 1&2 transformer replacement			No 51	Yadkin Bank # 1 transformer replacement			No 51	Carson 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




---

-	-	-
---	---	---

---

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




---

-	-	-
---	---	---

---

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: January 5, 2010

Effective: January 1, 2010

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

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




---

-	-	-
---	---	---

---





Virginia Electric and Power Company

ATTACHMENT H-16A

Attachment 9 – Depreciation Rates<sup>1</sup>

<u>Plant Type</u>	<u>Applied Depreciation Rate</u>
Transmission Plant	
Land	
Land Rights	1.36%
Structures and Improvements	1.41%
Station Equipment	2.02%
Towers and Fixtures	2.36%
Poles and Fixtures	1.89%
Overhead conductors and Devices	1.90%
Underground Conduit	1.74%
Underground Conductors and Devices	2.50%
Roads and Trails	1.17%
General Plant	
Land Rights	1.70%
Structures and Improvements – Major	1.82%
Structures and Improvements – Other	2.26%
Communication Equipment	3.20%
Communication Equipment – Clearing	6.22%
Communication Equipment – Massed	6.22%
Communication Equipment – 25 Years	3.72%
Office Furniture and Equipment – EDP Hardware	27.38%
Office Furniture and Equipment – EDP Fixed Location	12.21%
Office Furniture and Equipment	1.64%
Laboratory Equipment	4.23%
Miscellaneous Equipment	2.53%
Stores Equipment	5.08%
Power Operated Equipment	8.16%
Tools, Shop and Garage Equipment	4.76%
Electric Vehicle Recharging Equipment	13.23%

<sup>1</sup> Depreciation rates may be changed only pursuant to a Section 205 or Section 206 proceeding.

**ATTACHMENT H-16C**  
**[RESERVED FOR FUTURE USE]**

Issued By: Craig Glazer,  
Vice President, Federal Government Policy  
Issued On: January 5, 2010

Effective: January 1, 2009

**ATTACHMENT 2**

**REDLINED COPY OF REVISED SHEETS**

**ATTACHMENT H-16**  
**Annual Transmission Rates -- Virginia Electric and Power Company**  
**for Network Integration Transmission Service**

1. The Annual Transmission Revenue Requirement (“ATRR”) and Rate for Network Integration Transmission Service are derived pursuant to the Formula Rate shown in Attachment H-16A, which is posted on the www.pjm.com website, and which reflects the cost of providing transmission service over 69 kV and higher transmission facilities of Virginia Electric and Power Company (“VEPCO”). The ATRR and Rate for Network Integration Transmission Service determined pursuant to Attachment H-16A shall be implemented pursuant to the Formula Rate Implementation Protocols set forth in Attachment H-16B. For Network Customer deliveries at voltages below 69 kV, additional charges for the lower voltage facilities shall be applied at rates as stated in the service agreements with such Network Customers.
2. On a monthly basis, the Transmission Provider shall calculate revenue credits based on the sum of VEPCO’s share of revenues collected by it during the month from (i) the Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service under Schedule 7; and (ii) the Network Integration Transmission Service to Non-Zone Network Load under Attachment H-A. Such credits shall be allocated to network and firm point-to-point customers serving load in the Dominion Zone based on demand charge ratios and will appear as reductions to these customers’ bills for service in each month.
3. Within the Dominion Zone, a Network Customer’s peak load and energy deliveries shall be adjusted to include transmission losses equal to 2.3387% of energy received for transmission. Additionally, for Network Customer deliveries at voltages below 69 kV, the Network Customer’s peak load and energy deliveries shall also be adjusted to include distribution losses at rates as stated in the service agreements with such Network Customer. Notwithstanding section 15.7 of the Tariff, the transmission loss factor of 2.3387% also shall apply to point-to-point transmission service with a point of delivery in the Dominion Zone.
4. In addition to the rate set forth in section 1 above, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, “Btu,” carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.
- ~~5. Service under this Attachment H-16 shall also be subject to the terms of Attachment H-16C, Virginia Retail Administrative Fee Credit for Virginia Retail Load Serving Entities in the Dominion Zone.~~

Issued By: Craig Glazer,  
Vice President, Federal Government Policy

Issued On: ~~October 25, 2007~~ January 5, 2010

Effective: January 1, 2009~~8~~

Depreciation & Amortization Expense				
<b>Depreciation Expense</b>				
86	Transmission Depreciation Expense	(Notes A and S)	p336.7b&c/Attachment 5	\$ -
87	Less: GSU Depreciation		Attachment 5	0
88	Less Interconnect Facilities Depreciation		Attachment 5	0
89	Extraordinary Property Loss		Attachment 5	#DIV/0!
90	<b>Total Transmission Depreciation</b>		(Line 86 - 87 - 88 + 89)	#DIV/0!
91	General Depreciation	(Note A)	p336.10b&c&d/Attachment 5	0
92	Intangible Amortization	(Note A)	p336.1d&e/Attachment 5	0
93	Total		(Line 91 + 92)	0
94	Wage & Salary Allocation Factor		(Line 7)	#DIV/0!
95	<b>General and Intangible Depreciation Allocated to Transmission</b>		(Line 93 * 94)	#DIV/0!
96	Common Depreciation - Electric Only	(Note A)	p336.11.b	0
97	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0
98	Total		(Line 96 + 97)	0
99	Wage & Salary Allocation Factor		(Line 7)	#DIV/0!
100	<b>Common Depreciation - Electric Only Allocated to Transmission</b>		(Line 98 * 99)	#DIV/0!
<b>101 Total Transmission Depreciation &amp; Amortization</b>			<b>(Line 90 + 95 + 100)</b>	<b>#DIV/0!</b>
<b>Taxes Other than Income</b>				
102	Taxes Other than Income		Attachment 2	#DIV/0!
<b>103 Total Taxes Other than Income</b>			<b>(Line 102)</b>	<b>#DIV/0!</b>
<b>Return / Capitalization Calculations</b>				
<b>Long Term Interest</b>				
104	Long Term Interest	(Note T)	p117.62c through 67c/Attachment 5	
105	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
106	<b>Long Term Interest</b>		(Line 104 - 105)	\$ -
107	<b>Preferred Dividends</b>	(Note T), enter positive	p118.29c	
<b>Common Stock</b>				
108	Proprietary Capital		p112.16c,d/2	
109	Less Preferred Stock	(Note T), enter negative	(Line 117)	
110	Less Account 219 - Accumulated Other Comprehensive Income	(Note T), enter negative	p112.15c,d/2	
111	<b>Common Stock</b>		(Sum Lines 108 to 110)	\$ -
<b>Capitalization</b>				
112	Long Term Debt		p112.24c,d/2	
113	Less Loss on Reacquired Debt	(Note T), enter negative	p111.81c,d/2	
114	Plus Gain on Reacquired Debt	(Note T), enter positive	p113.61c,d/2	
115	Less LTD on Securitization Bonds	(Note P)	(Note T), enter negative Attachment 8	0
116	<b>Total Long Term Debt</b>		(Sum Lines 112 to 115)	0
117	Preferred Stock	(Note T), enter positive	p112.3c,d/2	
118	Common Stock		(Line 111)	0
119	<b>Total Capitalization</b>		(Sum Lines 116 to 118)	\$ -
120	Debt %	Total Long Term Debt	(Line 116 / 119)	0.0%
121	Preferred %	Preferred Stock	(Line 117 / 119)	0.0%
122	Common %	Common Stock	(Line 118 / 119)	0.0%
123	Debt Cost	Total Long Term Debt	(Line 106 / 116)	0.0000
124	Preferred Cost	Preferred Stock	(Line 107 / 117)	0.0000
125	Common Cost	Common Stock	(Note J) Fixed	0.1140
126	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 120 * 123)	0.0000
127	Weighted Cost of Preferred	Preferred Stock	(Line 121 * 124)	0.0000
128	Weighted Cost of Common	Common Stock	(Line 122 * 125)	0.0000
129	<b>Total Return (R)</b>		(Sum Lines 126 to 128)	<b>0.0000</b>
<b>130 Investment Return = Rate Base * Rate of Return</b>			<b>(Line 62 * 129)</b>	<b>#DIV/0!</b>

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy

Effective: January 1, 2008

Issued On: ~~June 2, 2008~~ January 5, 2010

Filed to comply with order of the Federal Energy regulatory Commission, Docket Nos. ER08-92-000, et al., issued April 29, 2008, 123 FERC ¶ 61,098 (2008).

Composite Income Taxes			
<b>Income Tax Rates</b>			
131	FIT=Federal Income Tax Rate	Attachment 5	
132	SIT=State Income Tax Rate or Composite	Attachment 5	0.00%
133	p	(percent of federal income tax deductible for state purposes)	0.00%
134	T	T=1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =	0.00%
135	T / (1-T)		0.00%
<b>ITC Adjustment</b>			
136	Amortized Investment Tax Credit	(Note I) enter negative	
137	T/(1-T)	Attachment 1	\$ -
138	<b>ITC Adjustment Allocated to Transmission</b>	(Line 135)	0.00%
		(Line 136 * (1 + 137))	\$ -
139	<b>Income Tax Component =</b>	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	[Line 135 * 130 * (1-(126 / 129))] <b>#DIV/0!</b>
<b>140</b>	<b>Total Income Taxes</b>	<b>(Line 138 + 139)</b>	<b>#DIV/0!</b>
<b>REVENUE REQUIREMENT</b>			
<b>Summary</b>			
141	Net Property, Plant & Equipment	(Line 44)	#DIV/0!
142	Adjustment to Rate Base	(Line 61)	#DIV/0!
143	<b>Rate Base</b>	(Line 62)	<b>#DIV/0!</b>
144	O&M	(Line 85)	#DIV/0!
145	Depreciation & Amortization	(Line 101)	#DIV/0!
146	Taxes Other than Income	(Line 103)	#DIV/0!
147	Investment Return	(Line 130)	#DIV/0!
148	Income Taxes	(Line 140)	#DIV/0!
149			
<b>150</b>	<b>Revenue Requirement</b>	<b>(Sum Lines 144 to 149)</b>	<b>#DIV/0!</b>
<b>Net Plant Carrying Charge</b>			
151	Revenue Requirement	(Line 150)	#DIV/0!
152	Net Transmission Plant	(Line 24 - 35)	#DIV/0!
153	Net Plant Carrying Charge	(Line 151 / 152)	#DIV/0!
154	Net Plant Carrying Charge without Depreciation	(Line 151 - 86) / 152	#DIV/0!
155	Net Plant Carrying Charge without Depreciation, Return or Income Taxes	(Line 151 - 86 - 130 - 140) / 152	#DIV/0!
<b>Net Plant Carrying Charge Calculation per-with 100 Basis Point increase in ROE</b>			
156	Gross Revenue Requirement Less Return and Taxes	(Line 150 - 147 - 148)	#DIV/0!
157	Increased Return and Taxes	Attachment 4	#DIV/0!
158	Net Revenue Requirement per-with 100 Basis Point increase in ROE	(Line 156 + 157)	#DIV/0!
159	Net Transmission Plant	(Line 152)	#DIV/0!
160	Net Plant Carrying Charge per-with 100 Basis Point increase in ROE	(Line 158 / 159)	#DIV/0!
161	Net Plant Carrying Charge per-with 100 Basis Point increase in ROE without Depreciation	(Line 158 - 86) / 159	#DIV/0!
<b>Revenue Requirement</b>			
162	True-Up Adjustment	(Line 150)	#DIV/0!
163	Plus any increased ROE calculated on Attachment 7 other than PJM Schedule 12 projects.	Attachment 6	-
164	Facility Credits under Section 30.9 of the PJM OATT.	Attachment 7	-
165	Revenue Credits	Attachment 5	-
166	Interest on Network Credits	Attachment 3	-
167	PJM data	PJM data	
168	<b>Annual Transmission Revenue Requirement (ATRR)</b>	(Line 162 + 163 + 164 + 165 + 166 + 167)	<b>#DIV/0!</b>
<b>Rate for Network Integration Transmission Service</b>			
169	1 CP Peak	(Note L) PJM Data	
170	Rate (\$/MW-Year)	(Line 168 / 169)	<b>#DIV/0!</b>
<b>171</b>	<b>Rate for Network Integration Transmission Service Rate (\$/MW/Year)</b>	<b>(Line 170)</b>	<b>#DIV/0!</b>

Notes

- A Electric portion only - VEPCO does not have Common Plant.
- B Excludes amounts for Generator Step-ups and Interconnection Facilities, when appropriate.
- C Includes Transmission portion only.
- D Excludes all EPRI Annual Membership Dues.
- E Includes all regulatory commission expenses.
- F Includes all safety related advertising included in Account 930.1.
- G Includes all regulatory commission expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H The Form 1 reference indicates only the end-of-year ~~balance~~ balance used to derive the amount beside the reference. Each plant balance with a Form 1 reference will include the Form 1 balance in an average of the 13 month balances for the year. Each non-plant balance included in rate base with a Form 1 reference will include Form 1 balances in the calculation of the average of the beginning and end of year balances for the year. See notes Q and R below.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T). A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J Per FERC order in Docket No. ER08-92, the ROE is 11.4%, which includes a 50 basis point RTO membership adder as authorized by FERC to become effective January 1, 2008. Per FERC order in Docket No. \_\_\_\_\_, the ROE for each specific project identified in that order will also include either an 150 or 125 basis point transmission incentive adder as authorized by the Commission.
- K Education and outreach expenses relating to transmission, for example siting or billing.
- L As provided for in Section 34.1 of the PJM OATT.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) toward the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement on Line 167.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included on Line 66.
- P Securitization bonds may be included in the capital structure.
- Q Calculated using 13 month average balance. Only beginning and end of year balances are from Form 1.
- R Calculated using average of beginning and end of year balances. Beginning and end of year balances are from Form 1.
- S The depreciation rates are included in Attachment 9.
- T For the initial formula rate calculation, the projected capital structure shall reflect the capital structure from the 2006 FERC Form No. 1 data. For all other formula rate calculations, the projected capital structure and actual capital structure shall reflect the capital structure from the most recent FERC Form No. 1 data available.

Issued By: Craig Glazer,  
Vice President, Federal Government Policy

Effective: ~~September 1, 2008~~ January 1, 2010

Issued On: ~~July 1, 2008~~ January 5, 2010

PJM Interconnection, L.L.C.  
 FERC Electric Tariff  
 Sixth Revised Volume No. 1

~~Original~~ ~~First Revised~~ Sheet No. 314F.16  
 Superseding Original Sheet No. 314F.16

Regulatory Expense Related to Transmission Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Form 1 Amount	Transmission Related	Non-transmission Related	Details
71	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928 Directly Assigned A&G	(Note E)	p323.189b/Attachment 5			0	See FERC Form 1 pages 350-351.
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b/Attachment 5			0	Transmission related - Includes three year amortization of cost of current case.

Safety Related Advertising Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	Attachment 5				

MultiState Workpaper

Line #s	Descriptions	Notes	Page #'s & Instructions	State 1	State 2	State 3	State 4	State 5	Details
132	Income Tax Rates SIT-State Income Tax Rate or Composite	(Note I)		Va	NC	Wva			Enter Calculation 0.00%

Education and Out Reach Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b				

Excluded Plant Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	0	Description of the Facilities
	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			0	General Description of the Facilities
Instructions: 1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process 2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used. Example A Total Investment in substation 1,000,000 B Identifiable Investment in Transmission (provide workpapers) 500,000 C Identifiable Investment in Distribution (provide workpapers) 400,000 D Amount to be excluded (A x (C / (B + C))) 444,444					None

Transmission Related Account 242 Reserves

Line #s	Descriptions	Notes	Page #'s & Instructions	Beginning Year Balance	End of Year Balance	Average Balance	Allocation	Transmission Related Amount	Details
47	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)			Enter \$	Enter \$				
	Directly Assignable to Transmission			\$	-	100%		-	
	Labor Related, General plant related or Common Plant related			\$	-	#DIV/0!		#DIV/0!	
	Plant Related			\$	-	#DIV/0!		#DIV/0!	
	Other			\$	-	0.00%		-	
	Total Transmission Related Reserves			\$	-			#DIV/0!	To line 4941

Prepayments

Line #s	Descriptions	Notes	Page #'s & Instructions	Beginning Year Balance	End of Year Balance	Average Balance	To Line 6048	Description of the Prepayments
48	Prepayments							
	Wages & Salary Allocator			\$	-	#DIV/0!		#DIV/0!
	Pension Liabilities, if any, in Account 242			\$	-	#DIV/0!		#DIV/0!
	Prepayments			\$	-	#DIV/0!		#DIV/0!
	Prepaid Pensions if not included in Prepayments			\$	-	#DIV/0!		#DIV/0!

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: ~~October 25, 2007~~ January 5, 2010

Effective: January 1, 2008

PJM Interconnection, L.L.C.  
 FERC Electric Tariff  
 Sixth Revised Volume No. 1

~~Original~~ First Revised Sheet No. 314F.17  
 Superseding Original Sheet No. 314F.17

Outstanding Network Credits Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Beginning Year Balance	End of Year Balance	Average Balance	Description of the Credits
58	Outstanding Network Credits	(Note N)	From PJM			\$ -	General Description of the Credits
59	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM			\$ -	None

Add more lines if necessary

Extraordinary Property Loss

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount	# of Years	Amortization	W/ Interest	Amount	Number of years	Amortization
69										#DIV/0!

Interest on Outstanding Network Credits Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount	Description of the Interest on the Credits
				0	General Description of the Credits
				0	None

Add more lines if necessary

Facility Credits under Section 30.9 of the PJM OATT.

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount	Description & PJM Documentation
165	Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT			-	

PJM Load Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	1 CP Peak	Description & PJM Documentation
169	Network Total Service Rate 1 CP Peak	(Note L)	PJM Data	Enter	

A&G Expenses - Other Post Employment Benefits

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount
	Total A&G Expenses		p323.197b	
	Less OPEB Current Year			
	Plus: Scaled OPEB (2008 actual)	Filed (2008 actual)		
69	Current Year Total A&G Expenses			

Interest on Long-Term Debt

Line #s	Descriptions	Notes	Page #'s & Instructions	Amount
	Interest on Long-Term Debt		p117.62c through 67c	
	Less Interest on Short-Term Debt Included in Account 430			
104	Total Interest on Long-Term Debt			

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: ~~October 25, 2007~~ January 5, 2010

Effective: January 1, 2008

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

- 1 New Plant Carrying Charge
- 2 Fixed Charge Rate (FCR) if not a CIAC
- Formula Line
- 3 A 154 Net Plant Carrying Charge without Depreciation #DIV/0!
- 4 B 161 Net Plant Carrying Charge ~~with~~per 100 Basis Point Increase in ROE without Depreciation #DIV/0!
- 5 C Line B less Line A #DIV/0!
- 6 FCR if a CIAC
- 7 D 155 Net Plant Carrying Charge without Depreciation, Return, or Income Taxes #DIV/0!
- 8 The FCR resulting from Formula is for the rate period only.
- 9 Therefore actual revenues collected or the lack of revenues collected in other years are not applicable.

Details		Project A				Project B				
11	Schedule 12 (Yes or No)	b0217				b0222				
12	Life	Upgrade Mt.Storm - Doubs 500 kV				Install 150 MVAR capacitor				
13	FCR W/O incentive Line 3									
14	Incentive Factor (Basis Points /100)									
15	FCR W incentive L.13 +(L.14*L.5)	#DIV/0!				#DIV/0!				
16	Investment									
17	Annual Depreciation Exp	#DIV/0!								
18	In Service Month (1-12)									
19		Invest Yr	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
20	W / O incentive	2006	-	#DIV/0!	#DIV/0!	-	-	-	-	-
21	W incentive	2006	-	#DIV/0!	#DIV/0!	-	-	-	-	-
22	W / O incentive	2007	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	-	-
23	W incentive	2007	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	-	-
24	W / O incentive	2008	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	-
25	W incentive	2008	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-	-	-	#DIV/0!

Lines continues as new rate years are added.

In the formulas used in the Columns for lines 19+ are as follows:

- "In Service Month" is the first month during the first year that the project is placed in service or recovery is request for the project.
- "Beginning" is the investment on line 16 for the first year and is the "Ending" for the prior year after the first year.
- "Depreciation" is the annual depreciation in line 17 divided by twelve times the difference of 12.5 minus line 18 in the first year and line 17 thereafter.
- "Ending" is "Beginning" less "Depreciation"
- Revenue Requirement used for crediting is ("Beginning" plus "Ending") divided by two times line 13 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 13 plus "Depreciation" thereafter.
- Revenue Requirement used for charging is ("Beginning" plus "Ending") divided by two times line 15 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 15 plus "Depreciation" thereafter.
- Formula Logic to be copied on new lines added each year after line 25. Using 2009 as an example, the logic will be included in lines 26 and 27.
- Beginning with the annual revenue requirements determined in 2009 for 2010, the annual revenue requirements based on projected costs will include a True-Up Adjustment for the previous calendar year in accordance with Attachment 6 A and as calculated in Lines A through I below
- Projected Revenue Requirements are calculated using the logic described for lines 19 + but with projected data for the indicated year.
- Actual Revenue Requirements are calculated using the logic described for lines 19 + but with actual data for the indicated year.

Calendar Year Do for Each Calendar Year beginning in 2009 for True-Up Adjustments applicable to 2010 annual revenue requirements.

A	Projected Revenue Requirement without Incentive for Previous Calendar Year*		
B	Projected Revenue Requirement with Incentive for Previous Calendar Year*		
C	Actual Revenue Requirement without Incentive for Previous Calendar Year *		
D	Actual Revenue Requirement with Incentive for Previous Calendar Year *		
E	True-Up Adjustment Before Interest without Incentive for <del>Previous</del> Next Calendar Year (C-A)	-	-
F	True-Up Adjustment Before Interest with Incentive for Previous Calendar Year (B-D)	-	-
G	Future Value Factor (1+i) <sup>24</sup> months from Attachment 6	-	-
H	True-Up Adjustment without Incentive (E*G)	-	-
I	True-Up Adjustment with Incentive (F*G)	-	-

\* These amounts do not include any True-Up Adjustments.

Additional columns to be inserted after the last project as new projects are added to formula.

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy

Issued On: ~~October 25, 2007~~ January 5, 2010

Effective: January 1, 2008

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

Per FERC order in Docket No. ER08-92, the ROE is 11.4%, which includes a 50 basis point RTO membership adder as authorized by FERC to become effective January 1, 2008. Per FERC order in Docket No. \_\_\_\_\_, the ROE for each specific project identified in that order will also include either a 150 or 125 basis point transmission incentive adder as authorized by the Commission.

- 1 New Plant Carrying Charge
- 2 Fixed Charge Rate (FCR) if not a CIAC
- |   |   |     |  |         |
|---|---|-----|--|---------|
| 3 | A | 154 | Net Plant Carrying Charge without Depreciation   | #DIV/0! |
| 4 | B | 161 | Net Plant Carrying Charge <del>with</del> per 100 Basis Point increase in ROE without Depreciation | #DIV/0! |
| 5 | C |     | Line B less Line A   | #DIV/0! |
- 6 FCR if a CIAC
- |   |   |     |   |         |
|---|---|-----|---|---------|
| 7 | D | 155 | Net Plant Carrying Charge without Depreciation, Return, or Income Taxes | #DIV/0! |
|---|---|-----|---|---------|
- 8 The FCR resulting from Formula is for the rate period only.  
 9 Therefore actual revenues collected or the lack of revenues collected in other years are not applicable.

10	Details		Project A				Project B			
11	Schedule 12	(Yes or No)	Yes	b0217	Yes	b0222				
12	Life		51	Upgrade Mt.Storm - Doubs 500 kV	51	Install 150 MVAR capacitor				
13	FCR W/O incentive	Line 3	#DIV/0!		#DIV/0!					
14	Incentive Factor (Basis Points /100)		0		0					
15	FCR W incentive L.13 +(L.14*L.5)		#DIV/0!		#DIV/0!					
16	Investment									
17	Annual Depreciation Exp									
18	In Service Month (1-12)									
19		Invest Yr	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
20	W / O incentive	2006	-	-	-	-	-	-	-	-
21	W incentive	2006	-	-	-	-	-	-	-	-
22	W / O incentive	2007	-	-	-	-	-	-	-	-
23	W incentive	2007	-	-	-	-	-	-	-	-
24	W / O incentive	2008	-	-	-	#DIV/0!	-	-	-	#DIV/0!
25	W incentive	2008	-	-	-	#DIV/0!	-	-	-	#DIV/0!
26	W / O incentive	2009								
27	W incentive	2009								
28	W / O incentive	2010								
29	W incentive	2010								
30	W / O incentive	2011								
31	W incentive	2011								
32	W / O incentive	2012								
33	W incentive	2012								

Lines continues as new rate years as added.

In the formulas used in the Columns for lines 19+ are as follows:  
 "In Service Month" is the first month during the first year that the project is placed in service or recovery is request for the project.  
 "Beginning" is the investment on line 16 for the first year and is the "Ending" for the prior year after the first year.  
 "Depreciation" is the annual depreciation in line 17 divided by twelve times the difference of 12.5 minus line 18 in the first year and line 17 thereafter.  
 "Ending" is "Beginning" less "Depreciation"  
 Revenue Requirement used for crediting is ("Beginning" plus "Ending") divided by two times line 13 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 13 plus "Depreciation" thereafter.  
 Revenue Requirement used for charging is ("Beginning" plus "Ending") divided by two times line 15 times the quotient of 12.5 minus line 18 divided by 12 plus "Depreciation" for the first year and ("Beginning" plus "Ending") divided by two times line 15 plus "Depreciation" thereafter.  
 Formula Logic to be copied on new lines added each year after line 25. Using 2009 as an example, the logic will be included in lines 26 and 27.  
 Beginning with the annual revenue requirements determined in 2009 for 2010, the annual revenue requirements based on projected costs will include a True-Up Adjustment for the previous calendar year in accordance with Attachment 6 A and as calculated in Lines A through I below  
 Projected Revenue Requirements are calculated using the logic described for lines 19 + but with projected data for the indicated year.  
 Actual Revenue Requirements are calculated using the logic described for lines 19 + but with actual data for the indicated year.

Calendar Year Do for Each Calendar Year beginning in 2009 for True-Up Adjustments applicable to 2010 annual revenue requirements.

A	Projected Revenue Requirement without Incentive for Previous Calendar Year*		
B	Projected Revenue Requirement with Incentive for Previous Calendar Year*		
C	Actual Revenue Requirement without Incentive for Previous Calendar Year *		
D	Actual Revenue Requirement with Incentive for Previous Calendar Year *		
E	True-Up Adjustment Before Interest without Incentive for <del>Next</del> Previous Calendar Year (C-A)	-	-
F	True-Up Adjustment Before Interest with Incentive for Previous Calendar Year (B-D)	-	-
G	Future Value Factor (1+i) <sup>24</sup> months from Attachment 6	-	-
H	True-Up Adjustment without Incentive (E*G)	-	-
I	True-Up Adjustment with Incentive (F*G)	-	-

\* These amounts do not include any True-Up Adjustments.

Additional columns to be inserted after the last project as new projects are added to formula.



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

Project C				Project D				Project E			
Yes	b0223 and b0224			Yes	B0225			Yes	B0226		
51	Install 150 MVAR capacitors			51	Install 33 MVAR capacitor at			51	Install 500/230 kV transformer at		
#DIV/0!				#DIV/0!	Possum Pt. 115 kV			#DIV/0!	Clifton and Clifton 500 KV 150 MVAR		
0				0				0	capacitor		
#DIV/0!				#DIV/0!				#DIV/0!			
-				-				-			
-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!

-	-	-
-	-	-
-	-	-

---

-	-	-
---	---	---

---

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!			
-				-				-			
Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req	Beginning	Depreciation	Ending	Rev Req
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!



·  
·  
·



·  
·  
·




---

:	:	:
---	---	---

---

ATTACHMENT H-16A  
 Attachment 7 - Transmission Enhancement Annual Revenue Requirement Worksheet  
 (dollars)

Project I				Project J				Project K			
Yes	b0329			Yes	b0521			No			
51	Carson-Suffolk 500 kV line +			51	MAPP Project -- Dominion Portion			51	Loudoun Bank # 1 & 2 transformer		
#DIV/0!	Suffolk 500/230 # 2 transformer +			#DIV/0!				#DIV/0!	replacement		
1.5	Suffolk - Thrasher 230kV line			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




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

Project L				Project M				Project N			
No 51	Ox Banks # 1&2 transformer replacement			No 51	Yadkin Bank # 1 transformer replacement			No 51	Carson 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




---



---

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




---



---



---

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

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




---



---



---





Virginia Electric and Power Company  
 ATTACHMENT H-16A  
 Attachment 9 – Depreciation Rates<sup>1</sup>

<u>Plant Type</u>	<u>Applied Depreciation Rate</u>
<u>Transmission</u>	<u>1.97%</u>
<u>General</u>	
<u>— Structures and Improvements</u>	<u>1.86%</u>
<u>— Communication Equipment</u>	<u>3.67%</u>
<u>— Computer Equipment</u>	<u>16.51%</u>
<u>— Furniture, Equipment and Office Machines</u>	<u>1.64%</u>
<u>— Laboratory and Miscellaneous Equipment</u>	<u>4.10%</u>
<u>— Stores and Power Operated Equipment</u>	<u>6.31%</u>
<u>— Tools, Shop, Garage, and Other Tangible Equipment</u>	<u>4.93%</u>
<u>Transmission Plant</u>	
<u>Land</u>	
<u>Land Rights</u>	<u>1.36%</u>
<u>Structures and Improvements</u>	<u>1.41%</u>
<u>Station Equipment</u>	<u>2.02%</u>
<u>Towers and Fixtures</u>	<u>2.36%</u>
<u>Poles and Fixtures</u>	<u>1.89%</u>
<u>Overhead conductors and Devices</u>	<u>1.90%</u>
<u>Underground Conduit</u>	<u>1.74%</u>
<u>Underground Conductors and Devices</u>	<u>2.50%</u>
<u>Roads and Trails</u>	<u>1.17%</u>
<u>General Plant</u>	
<u>Land Rights</u>	<u>1.70%</u>
<u>Structures and Improvements – Major</u>	<u>1.82%</u>
<u>Structures and Improvements – Other</u>	<u>2.26%</u>
<u>Communication Equipment</u>	<u>3.20%</u>
<u>Communication Equipment – Clearing</u>	<u>6.22%</u>
<u>Communication Equipment – Massed</u>	<u>6.22%</u>
<u>Communication Equipment – 25 Years</u>	<u>3.72%</u>
<u>Office Furniture and Equipment – EDP Hardware</u>	<u>27.38%</u>
<u>Office Furniture and Equipment – EDP Fixed Location</u>	<u>12.21%</u>
<u>Office Furniture and Equipment</u>	<u>1.64%</u>
<u>Laboratory Equipment</u>	<u>4.23%</u>
<u>Miscellaneous Equipment</u>	<u>2.53%</u>
<u>Stores Equipment</u>	<u>5.08%</u>
<u>Power Operated Equipment</u>	<u>8.16%</u>
<u>Tools, Shop and Garage Equipment</u>	<u>4.76%</u>
<u>Electric Vehicle Recharging Equipment</u>	<u>13.23%</u>

<sup>1</sup> Depreciation rates may be changed only pursuant to a Section 205 or Section 206 proceeding.

Issued By: Craig Glazer,  
 Vice President, Federal Government Policy  
 Issued On: ~~October 25, 2007~~ January 5, 2010

Effective: January 1, 2008

**ATTACHMENT H-16C**

**Virginia Retail Administrative Fee Credit  
for Virginia Retail Load Serving Entities in the Dominion Zone**

~~Each Retail Load Serving Entity serving retail load in the Dominion Zone, other than Virginia Electric and Power Company (“Dominion”), shall be referred to hereafter as a “Dominion RLSE.” A retail customer taking delivery of electricity from the electric lines of Dominion under the jurisdiction of the Virginia State Corporation Commission shall be referred to hereafter as a “VJRD Customer.”~~

~~Each Dominion RLSE shall receive a monthly credit amount to offset the administrative fees they pay to PJM on behalf of the VJRD Customers they serve. The total of all such monthly credit amounts shall be paid by Dominion to PJM. Such credit, hereafter referred to as the “Monthly Virginia Jurisdictional Retail Administrative Fee Credit,” shall be determined as follows:~~

$$\text{MAFC} = (\text{CRL} + \text{CRG}) \text{ times DVRL}$$

~~Where:~~

~~MAFC is the Monthly Virginia Jurisdictional Retail Administrative Fee Credit.~~

~~CRL, monthly load credit rate, is the total monthly charges for PJM Interconnection, L.L.C. Administrative Services charged to the load serving entity (“LSE”) account of Virginia Electric and Power Company, divided by the monthly megawatt hours of the loads served by Virginia Electric and Power Company in its capacity as LSE.~~

~~CRG, monthly generation credit rate, is the total monthly charges for PJM Interconnection, L.L.C. Administrative Services charged to the generation account of Virginia Electric and Power Company, divided by the monthly megawatt hours of energy input into the PJM transmission system associated with such account.~~

~~DVRL is the monthly megawatt hours of VJRD Customer loads served by each Dominion RLSE.~~

~~For the purpose of determining the CRL and CRG, the total monthly charges for PJM Interconnection, L.L.C. Administrative Services shall include the sum of the charges under all applicable subsidiary schedules of Schedule 9 except for any monthly charges paid by Dominion to PJM as a result of this schedule.~~

~~Upon request of PJM, to facilitate PJM’s billing of credits and charges hereunder, Dominion will provide calculations of MAFC and its components to PJM.~~

~~This Attachment H-16C shall terminate at the end of the rate cap period applicable to retail customers of Dominion who are under the retail jurisdiction of the Virginia State Corporation Commission.~~

**[RESERVED FOR FUTURE USE]**

**ATTACHMENT 3**

**SPREADSHEET PROVIDING QUANTIFICATION OF RATE DECREASE**

**Dominion**

**Summary of the Network Integration Transmission Service Annual Transmission Revenue Requirement Impact  
Due to Removal of Short-Term Interest from Long-Term Interest**

Line	Item	Units	Formula Appendix A Line No.	Before Removal of Short-Term Interest *	After Removal of Short-Term Interest	(Reduction)
<b>Actual 2008 Annual Transmission Revenue Requirement ("ATRR")</b>						
A	Long-Term Interest	\$1,000's	104	314,238	304,814	(9,424)
B	Debt Cost	decimal	123	0.0536	0.0520	
C	Weighted Cost of Debt	decimal	126	0.0262	0.0254	
D	Total Return	decimal	129	0.0835	0.0827	
E	Investment Return = Rate Base * Rate of Return	\$1,000's	130	82,825	82,046	(779)
F	ATRR	\$1,000's	168	212,459	211,680	(779)

\* From <http://www.pjm.com/markets-and-operations/transmission-service/~media/markets-ops/trans-service/20090915-vepco-revised-true-up-adjustment-for-2008-rate-year-wo-interest.ashx>

**ATTACHMENT 4**

**DEPRECIATION STUDY EXCERPT**

DOMINION VIRGINIA POWER

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2005

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL		COMPOSITE REMAINING LIFE (9)=(6)/(8)
						RATE (7)=(8)/(4)	AMOUNT (8)	
303.00	MISCELLANEOUS INTANGIBLE PLANT							
	25 YEAR PROPERTY	25-SQ	39,392,493.00	12,225,698	27,166,795	3.53	1,390,356	19.5
	5 YEAR PROPERTY	5-SQ	107,519,858.28	63,403,079	44,116,779	13.37	14,375,639	3.1
	10 YEAR PROPERTY	10-SQ	34,703,814.00	23,508,064	11,195,750	7.17	2,487,944	4.5
	15 YEAR PROPERTY	15-SQ	92,128,947.00	44,450,674	47,678,273	5.56	5,121,968	9.3
	TOTAL MISCELLANEOUS INTANGIBLE PLANT		273,745,112.28	143,587,515	130,157,597	8.54	23,375,907	5.8
	TRANSMISSION PLANT							
	LAND	NONDEPRECIABLE	8,508,681.44					
350.10	LAND RIGHTS	70-R3	143,979,511.40	44,879,005	99,100,506	1.36	1,882,495	50.5
352.00	STRUCTURES AND IMPROVEMENTS	55-R4	18,482,437.48	8,278,733	11,127,823	1.41	261,191	42.6
353.00	STATION EQUIPMENT	40-R1	707,919,137.08	318,815,756	459,895,295	2.02	14,332,734	32.1
354.00	TOWERS AND FIXTURES	70-R4	216,726,597.85	97,898,889	227,191,022	2.36	5,113,958	44.4
355.00	POLES AND FIXTURES	55-S2.5	281,382,985.42	161,128,639	204,671,214	1.89	5,326,889	38.4
356.00	OVERHEAD CONDUCTORS AND DEVICES	55-R3	232,183,703.21	120,224,366	158,399,075	1.90	4,422,213	35.8
357.00	UNDERGROUND CONDUIT	50-S3	10,001,830.88	4,183,004	5,838,827	1.74	179,831	33.6
358.00	UNDERGROUND CONDUCTORS AND DEVICES	35-S3	45,124,209.24	22,052,143	25,328,276	2.50	1,127,591	22.5
359.00	ROADS AND TRAILS	70-R3	2,261,049.00	928,681	1,331,368	1.17	28,443	50.3
	TOTAL TRANSMISSION PLANT		1,866,568,122.78	778,368,218	1,192,880,408		32,747,345	
	DISTRIBUTION PLANT							
	LAND	NONDEPRECIABLE	11,833,444.89					
360.10	LAND RIGHTS	70-S4	32,403,168.11	10,984,483	21,418,705	1.26	408,402	52.4
360.20	STRUCTURES AND IMPROVEMENTS	40-S2.5	23,581,383.97	12,174,812	12,585,642	2.08	489,561	25.7
361.00	STATION EQUIPMENT	44-R1	588,633,477.57	253,158,815	370,140,013	1.87	10,600,283	34.9
362.00	POLES, TOWERS AND FIXTURES	35-R0.5	547,877,658.96	312,889,370	454,039,353	2.97	16,283,779	27.9
364.00	OVERHEAD CONDUCTORS AND DEVICES	42-R2	716,484,771.04	272,682,439	622,823,630	3.05	21,842,354	28.5
365.00	UNDERGROUND CONDUIT, MANHOLES AND VAULTS	60-S2	204,687,008.34	62,839,715	141,847,293	1.83	3,736,742	38.0
366.00	UNDERGROUND CONDUCTORS AND DEVICES	32-R1	1,583,854,890.58	857,192,889	1,255,433,184	3.13	49,914,055	25.2
367.00	LINE TRANSFORMERS	35-R4	1,023,908,052.21	368,493,441	759,805,422	3.82	39,123,376	19.4
368.00	SERVICES	35-S2.5	924,180,801.35	420,165,837	827,478,247	4.05	37,457,963	22.1
369.00	METERS	24-L1	373,987,554.31	18,372,612	355,594,942	5.10	19,080,974	18.7
370.00	INSTALLATIONS ON CUSTOMER PREMISES	25-S2.5	777,636.00	360,763	386,773	2.67	20,739	18.6
371.00	STREET LIGHTING & SIGNAL SYSTEMS	31-S2.5	243,654,211.10	63,931,804	208,453,250	4.27	10,400,341	20.0
373.00	TOTAL DISTRIBUTION PLANT		6,263,843,958.43	2,471,374,760	5,030,106,354		209,338,539	

DOMINION VIRGINIA POWER

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2005

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL		COMPOSITE REMAINING LIFE (9)=(6)/(8)
						RATE (7)=(5)/(4)	AMOUNT (8)	
<b>GENERAL PLANT</b>								
389.00	LAND	NONDEPRECIABLE	23,822,743.00					
389.10	LAND RIGHTS	65-R4	72,322.00	15,633	56,689	1.70	1,231	46.1
390.00	STRUCTURES AND IMPROVEMENTS							
	MAJOR	90-S1.5	175,262,170.04	79,472,974	104,552,299	1.82	3,185,507	32.8
	OTHER	40-R2	19,069,888.10	7,050,828	12,972,860	2.26	431,292	30.1
<b>TOTAL ACCOUNT 390</b>			<b>194,332,158.14</b>	<b>86,523,802</b>	<b>117,524,959</b>	<b>1.86</b>	<b>3,616,799</b>	<b>32.5</b>
391.00	OFFICE FURNITURE AND EQUIPMENT	15-SQ	17,733,505.45	13,903,728	3,829,778	1.84	291,300	13.1
391.20	OFFICE FURNITURE AND EQUIPMENT - EDP HARDWARE	5-SQ	13,191,843.60	5,777,858	7,413,788	27.38	3,611,223	2.1
391.30	OFFICE FURNITURE AND EQUIPMENT - EDP FIXED LOCATION	5-SQ	33,334,602.36	24,801,859	8,533,044	12.21	4,071,398	2.1
392.00	TRANSPORTATION EQUIPMENT	8.5-L0.5	22,223,883.32	2,728,441	17,273,058	18.92	4,204,004	4.1
393.00	STORES EQUIPMENT	25-SQ	12,928,150.37	7,249,788	5,678,381	5.08	657,180	8.6
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	24,565,396.66	12,272,946	12,292,451	4.76	1,169,949	10.5
394.10	TOOLS, SHOP AND GARAGE EQUIPMENT - ELEC. VEHICLES	10-SQ	491,288.87	377,863	113,408	13.23	65,004	1.7
395.00	LABORATORY EQUIPMENT	25-SQ	43,478,224.41	21,887,785	21,590,439	4.23	1,837,973	11.7
395.00	POWER OPERATED EQUIPMENT	10-L1.5	8,601,159.20	2,989,014	4,752,029	8.16	701,994	6.8
397.00	COMMUNICATION EQUIPMENT	25-SQ	100,807,238.40	51,211,544	49,695,697	3.20	3,225,474	15.4
397.10	COMMUNICATION EQUIPMENT - CLEARING	15-SQ	248,325.00	207,097	38,228	6.22	15,265	2.6
397.20	COMMUNICATION EQUIPMENT - MASSED	15-SQ	18,259,495.89	9,493,105	8,766,391	6.22	1,135,974	7.7
397.30	COMMUNICATION EQUIPMENT - 25 YEARS	25-SQ	8,714,777.85	4,044,576	4,670,203	3.72	324,022	14.4
398.00	MISCELLANEOUS EQUIPMENT	15-SQ	3,575,412.16	2,407,389	1,168,041	2.53	90,488	12.9
<b>TOTAL GENERAL PLANT</b>			<b>526,575,306.78</b>	<b>245,892,106</b>	<b>263,394,562</b>		<b>25,019,278</b>	
<b>TOTAL ELECTRIC PLANT</b>			<b>8,730,732,500.27</b>	<b>3,639,222,599</b>	<b>6,616,638,921</b>		<b>290,481,089</b>	

\* LIFE SPAN PROCEDURE USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.