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State Corporation Commission
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Division of
Utility Accounting & Finance
Richmond, VA

November 1, 2013

VIA HAND DELIVERY

Ms. Susan D. Larsen
Director, Division of Public Utility Accounting

Mr. William F. Stephens
Director, Division of Energy Regulation

State Corporation Commission
1300 E. Main Street
Richmond, Virginia 23219

*Dominion Virginia Power's
Annual Report to the State Corporation Commission on Renewable Energy,
in accordance with § 56-585.2H of the Code of Virginia*

Dear Ms. Larsen and Mr. Stephens:

In accordance with § 56-585.2 H of the Code of Virginia, Virginia Electric and Power Company d/b/a Dominion Virginia Power ("Dominion" or "the Company") submits its 2013 Annual Report to the State Corporation Commission ("Commission") on Renewable Energy.

In 2012, Dominion Virginia Power generated enough renewable energy from its own resources to meet 68% of its 2012 RPS Goal. This includes output from the Company's hydroelectric facilities as well as one of the largest biomass facilities in the eastern United States. It also includes renewable output from non-utility generators under long-term contract with the Company. When it made economic sense for our customers, the Company continued to optimize some of the renewable energy certificates ("RECs") from its generation by selling them in other states, and then replacing them with less costly RECs produced by non-Company units. Net proceeds from the optimization are credited to customers, directly benefiting our customers here in Virginia.

Legislation passed by the 2012 Virginia General Assembly provides that utilities participating in a RPS program to meet up to 20 percent of their annual RPS Goals using RECs issued by the Commission for qualified investments in renewable and alternative energy research and development activities. Pursuant to this provision, the Company is currently partnering with 11 institutions of higher education on Virginia renewable and alternative energy research and development projects, an overview of which is provided in the Annual Report. The Company intends to file its first annual report by March 31, 2014, analyzing the prior year's PJM REC prices and quantifying its qualified investments made in 2013 to facilitate the Commission

validation and issuance of RECs for Virginia renewable and alternative energy research and development projects.

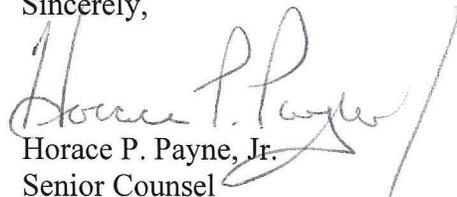
As noted in its 2013 Integrated Resource Plan filed August 30, 2013, the Company has a strong commitment to a cost-effective renewable energy program. The Company is actively developing both onshore and offshore wind projects in Virginia, including two offshore wind generation projects adjacent to one another about 26 miles east of Virginia Beach. The Company continues to evaluate additional renewable development opportunities, including up to 60 MW of renewable energy from its Virginia City Hybrid Energy Center ("VCHEC") using biomass co-fired with coal starting in 2013. The Company is assessing the potential for an additional 60 MW from biomass at VCHEC (for a total of 120 MW of biomass at VCHEC). The Company also is developing 153 MW of renewable energy as it converts its Altavista, Hopewell, and Southampton power stations and the converted Altavista Power Station entered commercial operation earlier this year.

The Company has also implemented a two-component solar distributed generation program. First, the Solar Partnership Program is a demonstration program to study the impact and assess the benefits of distributed solar photovoltaic generation on its distribution system through the construction and operation of Company-owned distributed solar generation installations. Second, the Solar Purchase Program is a demonstration program consisting of a new special tariff under which the Company will purchase no more than 3 MW of energy output from customer-owned solar distributed solar generation installations as an alternative to net energy metering. The customer response to both of these solar programs has been positive.

Beyond development of specific projects, the Company encourages its customers to support renewable energy generation resources through voluntary participation in several renewable energy options, including its Rider G Renewable Energy Program, which offers customers a companion rate for purchase and retirement of RECs equal to all or a portion of a customer's monthly consumption. The Company was awarded a 2013 EPA Green Power Supplier of the Year award for this program. The Company also has a pending application for approval to establish a renewable generation pilot program designed to provide large, non-residential customers the option to purchase a greater percentage of their energy needs from renewable energy.

Thank you for the opportunity to provide this information. If you or your staff members have any questions, please contact me.

Sincerely,



Horace P. Payne, Jr.
Senior Counsel



Virginia Electric and Power Company

d/b/a

Dominion Virginia Power

Annual Report to the State Corporation Commission

on Renewable Energy, in accordance with

§ 56-585.2.H of the Code of Virginia

November 1, 2013

I. INTRODUCTION

Pursuant to § 56-585.2 H of the Code of Virginia (“Va. Code”), Virginia Electric and Power Company (“Dominion Virginia Power” or the “Company”) submits this Annual Report on Renewable Energy (“Report”) to the Virginia State Corporation Commission (“Commission”). Va. Code § 56-585.2 H requires each investor-owned incumbent electric utility to report to the Commission annually on (i) its efforts to meet renewable portfolio standard (“RPS”) goals (“RPS Goals”); (ii) its generation of renewable energy; and (iii) advances in renewable generation technology that affect the utility’s activities. Exhibit 1 to this Annual Report shows the Company’s RPS compliance position for meeting its RPS Goals, including 2012 actual compliance and 2013-2025 forecasted compliance. This Annual Report also describes generally the Company’s efforts to support renewable energy development as well as advances in renewable generation technology.

2012 RPS Compliance

The Company met and exceeded its 2012 Virginia RPS Plan renewable target of 1,732,746 MWh through implementation of its RPS Plan approved by the Commission as illustrated in Exhibit 2 of this Annual Report (as verified by Chiman H. Muchhala). Renewable generation from the Company’s own resources (including Non-Utility Generators (“NUGs”)) provided 68 percent of Dominion Virginia Power’s 2012 RPS Goal, some of which was banked and/or optimized as permitted by Va. Code § 56-585.2.

II. EFFORTS TO MEET RENEWABLE PORTFOLIO STANDARD GOALS

A. **Statutory Guidance**

For the purposes of complying with Virginia’s RPS Goals as set forth in Va. Code § 56-585.2 *et seq.*, “renewable energy” is defined (by reference to Va. Code § 56-576) as:

energy derived from sunlight, wind, falling water, biomass, sustainable or otherwise, (the definitions of which shall be liberally construed), energy from waste, land fill gas, municipal solid waste, wave motion, tides, and geothermal power, and does not include energy derived from coal, oil, natural gas, or nuclear power. Renewable energy shall also include the proportion of the thermal or electric energy from a facility that results from the co-firing of biomass.

Va. Code § 56-585.2 further defines how such renewable energy can qualify for compliance with the Virginia RPS Goals. Such renewable energy must be:

- generated in the Commonwealth or in the interconnection region of the regional transmission entity of which the participating utility is a member, as it may change from time to time, and purchased by a participating utility under a power purchase agreement; provided, however, that if such agreement was executed on or after July 1, 2013, the agreement shall expressly transfer ownership of renewable attributes, in addition to ownership of the energy, to the participating utility;
- generated by a public utility providing electric service in the Commonwealth from a facility in which the public utility owns at least a 49 percent interest and that is located in the Commonwealth, in the interconnection region of the regional transmission entity of which the participating utility is a member, or in a control area adjacent to such interconnection region; or
- represented by renewable energy certificates (“RECs”).¹
- “Renewable energy” shall not include electricity generated from pumped storage, but shall include run-of-river generation from a combined pumped-storage and run-of-river facility.

Va. Code § 56-585.2 B provides that “[a]ny investor-owned incumbent electric utility may apply to the Commission for approval to participate in a renewable energy portfolio standard program” and that the “Commission shall approve such application if the applicant demonstrates that it has a reasonable expectation of achieving 12 percent of its base year electric

¹ “Renewable energy certificate” means either (i) a certificate issued by an affiliate of the regional transmission entity of which the participating utility is a member, as it may change from time to time, or any successor to such affiliate, and held or acquired by such utility, that validates the generation of renewable energy by eligible sources in the interconnection region of the regional transmission entity or (ii) a certificate issued by the Commission pursuant to subsection J and held or acquired by a participating utility, that validates a qualified investment made by the participating utility. Va. Code § 56-576

energy sales from renewable energy sources during calendar year 2022, and 15 percent of its base year electric energy sales from renewable energy sources during calendar year 2025”

Va. Code § 56-585.2 D sets forth the RPS Goals:

- RPS Goal I: In calendar year 2010, 4 percent of total electric energy sold in the base year.
- RPS Goal II: For calendar years 2011 through 2015, inclusive, an average of 4 percent of total electric energy sold in the base year, and in calendar year 2016, 7 percent of total electric energy sold in the base year.
- RPS Goal III: For calendar years 2017 through 2021, inclusive, an average of 7 percent of total electric energy sold in the base year, and in calendar year 2022, 12 percent of total electric energy sold in the base year.
- RPS Goal IV: For calendar years 2023 and 2024, inclusive, an average of 12 percent of total electric energy sold in the base year, and in calendar year 2025, 15 percent of total electric energy sold in the base year.

B. Dominion Virginia Power’s RPS Plan

On July 28, 2009, the Company submitted its Application for Approval to Participate in a Renewable Energy Portfolio Standard Program Pursuant to Va. Code § 56-585.2 (the “Application”), in Case No. PUE-2009-00082. The Application represented the Company’s initial filing for approval of its RPS Plan. On May 18, 2010, the Commission issued its Final Order (the “Final Order”), finding that the Company has demonstrated that it has a reasonable expectation of achieving 12 percent of its base year electric energy sales from renewable energy sources during calendar year 2022, and 15 percent of its base year electric energy sales from renewable energy sources during calendar year 2025, and granting Dominion Virginia Power’s Application seeking approval to participate in a RPS program.

Any references to MWh goals, renewable generation and REC transactions set forth in this Annual Report are shown at the Virginia Jurisdictional percentage level and not at the Total

System level. The 2012 Virginia Jurisdictional percentage is 80.7372 percent of the Total System level and is shown rounded for the purposes of this report to 80.74 percent. This percentage is based on the Company's most recent cost of service study for the 12 months ending December 31, 2012. This allocation factor is used as the basis for apportioning existing generation MWh for inclusion in its Virginia RPS Plan.

As set forth in the Company's approved RPS Plan, the Company plans to use existing renewable energy sources (including that renewable energy provided by contract with NUGs),² to develop new renewable energy generation facilities where feasible, and to purchase RECs to achieve the RPS Goals. Specifically, the renewable energy from existing renewable energy sources and new renewable energy sources identified in the 2013 Integrated Resource Plan, are estimated to be approximately 1.3 million megawatt hours ("MWh") in 2022 and 2025.³ The Company also plans to develop additional new renewable generation facilities where feasible or purchase approximately 3.8 million RECs in 2022 and 2025 to comply with the 2022 and 2025 targets of 5.2 million MWh and 6.5 million MWh, respectively.

The Company met RPS Goal I in 2010.⁴ The Company's RPS Plan will also meet the interim RPS Goals II through IV as described in the RPS application. Exhibit 1 to this Annual Report shows the Company's RPS compliance position for meeting its RPS Goals, including 2012 actual compliance and 2013-2025 forecasted compliance.

² The Commission approved the Company's use of renewable energy from NUGs where the contract on renewable attributes was silent in its Order on Petition, *Petition of Virginia Electric and Power Company for a declaratory judgment*, Case No. PUE-2010-00132 (June 17, 2011). Legislation passed in 2013 requires "if such agreement was executed on or after July 1, 2013, the agreement shall expressly transfer ownership of renewable attributes, in addition to ownership of the energy, to the participating utility" Virginia Acts of Assembly, 2013 Session, Chapters 308 and 403.

³ At this time, most of the NUG contracts have expiration dates prior to 2025.

⁴ *Application of Virginia Electric and Power Company for a 2011 biennial review of the rates, terms, and conditions for the provision of generation, distribution, and transmission services pursuant to Sec. 56-585.1 A of the Code of Virginia*, Case. No. PUE-2011-00027, Final Order at 22 (Nov. 30, 2011).

1. Total Electric Energy Sold in the Base Year

Pursuant to Va. Code § 56-585.2 A, “[t]otal electric energy sold in the base year” is “total electric energy sold to Virginia jurisdictional retail customers by a participating utility in calendar year 2007, excluding an amount equivalent to the average of the annual percentages of the electric energy that was supplied to such customers from nuclear generating plants for the calendar years 2004 through 2006.” The Company has calculated its total electric energy sold in the base year as follows:

Electric Energy Sold to Retail Customers in 2007 (Virginia Jurisdiction)	64,621,534 MWh
Three-year Average (2004-2006) Nuclear Generation (Virginia Jurisdiction)	<u>21,302,885 MWh</u>
Total Electric Energy Sold in the Base Year (Target Baseline)	<u>43,318,649 MWh</u>

2. RPS Goals for the Years 2011 Through 2025

The Company’s RPS Goals were established and approved in Case No. PUE-2009-00082 by multiplying the total electric energy sold in the base year (described above) by the RPS Goals for the years 2011 through 2025.

Pursuant to Va. Code § 56-585.2 D, the RPS Goals II-IV are based on multiyear averages. The Company’s RPS Goals for each individual year as represented in MWh (or average MWh for a group of years) are as follows:

Year	2011- 2015	2016	2017-2021	2022	2023-24	2025
Percent	4% Average	7%	7% Average	12%	12% Average	15%
Goal	1,732,746	3,032,305	3,032,305	5,198,238	5,198,238	6,497,797

3. Resources to Fulfill the RPS Goals

a. Existing DVP Renewable Energy Generation Facilities Included in Approved

RPS Plan:⁵

Existing Renewable Energy Facilities Owned by Dominion Virginia Power			
Facility	State	Capacity	Fuel
Gaston	NC	220 MW	Hydroelectric
Roanoke Rapids	NC	95 MW	Hydroelectric
Cushaw	VA	2 MW	Hydroelectric
North Anna	VA	1 MW	Hydroelectric
Pittsylvania	VA	83 MW	Biomass
Subtotal		318 MW	Hydroelectric
Subtotal		83 MW	Biomass
Total		401 MW	

Pursuant to Va. Code § 56-585.2 F, utilities participating in a RPS program are permitted to use a combined 1.5 million green tons of certain tree-based material, as defined in the statute.⁶

In its Final Order approving the Company's RPS Plan, the Commission determined that DVP's

⁵ Based on the Company's most recent cost of service study for the 12 months ending December 31, 2012, the Virginia Jurisdiction is responsible for approximately 80.74 percent of the Company's electricity demand, and the Company used this allocation factor as the basis for apportioning approximately 80.74 percent of the existing generation MWh for inclusion in its Virginia RPS Plan.

⁶ The relevant portion of Va. Code § 56-585.2 F states:

Utilities participating in such program shall collectively, either through the installation of new generating facilities, through retrofit of existing facilities or through purchases of electricity from new facilities located in Virginia, use or cause to be used no more than a total of 1.5 million tons per year of green wood chips, bark, sawdust, a tree or any portion of a tree which is used or can be used for lumber and pulp manufacturing by facilities located in Virginia, towards meeting RPS goals, excluding such fuel used at electric generating facilities using wood as fuel prior to January 1, 2007. A utility with an approved application shall be allocated a portion of the 1.5 million tons per year in proportion to its share of the total electric energy sold in the base year, as defined in subsection A, for all utilities participating in the RPS program. A utility may use in meeting RPS goals, without limitation, the following sustainable biomass and biomass based waste to energy resources: mill residue, except wood chips, sawdust and bark; pre-commercial soft wood thinning; slash; logging and construction debris; brush; yard waste; shipping crates; dunnage; non-merchantable waste paper; landscape or right-of-way tree trimmings; agricultural and vineyard materials; grain; legumes; sugar; and gas produced from the anaerobic decomposition of animal waste.

pro rata share of the 1.5 million ton restriction for certain green tree-based materials is 73.929 percent or 1,108,940 tons. Since the Company's Pittsylvania biomass facility is grandfathered as an existing facility under the statute, the Company has not burned any incremental tree-based material subject to the 1.5 million ton limitation in 2012.

b. NUG Renewable Energy Resources

In addition to Company-owned resources, Dominion Virginia Power has existing renewable energy resources in the form of long-term contracts with various renewable energy NUGs. In its RPS Application, the Company took the position that the NUG contracts for renewable energy include all aspects of that energy, including the renewable attributes. In 2010, the Company filed a Petition for Declaratory Judgment with the Commission in Case No. PUE-2010-00132 to determine if the Company could use the renewable energy generated by a qualifying NUG where the contract was silent on ownership of such renewable attributes. By its Order on Petition dated June 17, 2011, the Commission decided that the Company should apply the NUG renewable energy as part of its RPS Plan. As a result, the Company has banked the renewable energy generation of 1.4 million MWh produced by qualifying NUGs in 2010 and 2011, as well as an additional 0.7 million MWh from 2012 to apply to future targets. Because the Commission did not make a specific determination regarding the ownership of the NUG RECs (which may no longer have any value if the Company has the right to use the renewable attributes through application of the renewable energy through its RPS plan), it is unlikely that the Company will be able to optimize the NUG renewable energy where the Company did not also have rights to the RECs.⁷

⁷ See *infra* n.2.

c. New Renewable Energy Sources

The Company is actively developing both onshore and offshore wind projects in Virginia. With respect to onshore wind, the Company's 2013 Integrated Resource Plan, filed August 30, 2013, recommends the continued reasonable development of three onshore wind projects that will bring a total of 247 MW of renewable energy to the Company's resource portfolio.

In addition, Dominion Virginia Power is involved in two offshore wind generation projects adjacent to one another about 26 miles east of Virginia Beach. One project focuses on research and development of offshore wind generation technology, the Virginia Offshore Wind Technology Advancement Project (VOWTAP). The second project is intended to develop a commercial offshore wind generation facility. Dominion Virginia Power is currently involved in an offshore wind research and development demonstration project. It was one of seven projects selected to receive \$4 million each in federal matching funds to undertake initial engineering, design and permitting for the demonstration facility of two six-megawatt turbines with a goal of finding innovative ways to lower costs of offshore wind.

In addition to the demonstration project, in October, 2013, the Company executed a \$1.6 million lease for 112,800 acres of federal land to develop a commercial-scale offshore wind turbine facility capable of generating up to 2,000 megawatts of electricity, enough to power approximately 500,000 homes. The Company is actively developing this commercial generation project; the development schedule will comply with the lease obligations established by the U.S. Bureau of Ocean Energy Management.

d. Research and Development Initiatives

A 2012 revision to Va. Code § 56-585.2 resulting from Chapters 274 and 717 (HB 1102 and SB 413) of the 2012 Acts of the General Assembly allows utilities that are participating in

Virginia's RPS program to meet up to 20 percent of their annual RPS Goals using RECs issued by the Commission for qualified investments in renewable and alternative energy research and development activities.⁸ Pursuant to Va. Code § 56-585.2, the Company is currently partnering with 11 institutions of higher education on Virginia renewable and alternative energy research and development projects. The following provides a snapshot of each project and its associated funding.

Appalachian School of Law, Grundy, Va., \$95,000

Removing Barriers to the Development of Onshore Wind Energy in Virginia

Analyze the obstacles and opportunities for onshore wind development in Virginia.

Christopher Newport University, Newport News, Va., \$50,000

Overview of Offshore Wind Energy in the United States and the European Union

A study of market considerations that affect the supply and demand for offshore wind energy.

George Mason University, Fairfax, Va., \$25,000

Decision Guidance Approach to Power Optimization and Management

Apply optimization tools and techniques to the operation of energy storage devices within a power distribution system.

George Washington University Virginia Science and Technology Campus, Ashburn, Va., \$150,000 over 2 years

High-Efficiency Intermediate-Band Solar Cells with Quantum Dots

Study the unique properties of extremely small semiconductors as a means to raise the efficiency of converting sunlight into electricity.

Longwood University, Farmville, Va., \$50,000

Biomass Optimization Prototype

Study the most efficient and sustainable methods to process biomass to increase the energy output of biofuels.

⁸ "Qualified investment" means an expense incurred in the Commonwealth by a participating utility in conducting, either by itself or in partnership with institutions of higher education in the Commonwealth or with industrial or commercial customers that have established renewable energy research and development programs in the Commonwealth, research and development activities related to renewable or alternative energy sources, which expense (i) is designed to enhance the participating utility's understanding of emerging energy technologies and their potential impact on and value to the utility's system and customers within the Commonwealth; (ii) promotes economic development within the Commonwealth; (iii) supplements customer-driven alternative energy or energy efficiency initiatives; (iv) supplements alternative energy and energy efficiency initiatives at state or local governmental facilities in the Commonwealth; or (v) is designed to mitigate the environmental impacts of renewable energy projects. Va. Code § 56-585.2

Old Dominion University, Norfolk, Va., \$500,000 over 3 years

Development of a Test Facility for Photovoltaic Systems

Establish a test facility to study issues related to economics, operations, maintenance, and performance of large-scale solar installations.

University of Virginia, Charlottesville, Va., \$150,000 over 2 years

Ultralight Technologies for Offshore Wind Cost-of-Energy Savings

Engineering design and cost-of-energy study investigating new lightweight turbine technologies and their impact on lowering off-shore wind energy costs.

Virginia Commonwealth University, Richmond, Va., \$100,000

Developing piezoelectric materials for passive energy harvesting

Investigate advanced materials to harvest unused, vibration energy from heavy industrial equipment.

Virginia State University, Ettrick, Va., \$150,000 over 2 years

Green Roof Initiative

Combine green roof and alternative energy technologies in novel ways to improve both the energy efficiency of buildings and the sustainable use of water.

Virginia Tech, Blacksburg, Va., \$300,000 over 3 years

Center for Natural Resources Assessment and Decision Support

Establish a center to ensure that the forests of Virginia are used and managed in a sustainable manner.

Virginia Union University, Richmond, Va., \$150,000 over 2 years

Sustainable Design Strategies

Collect energy usage data at campus facilities to be used in the design of energy efficient buildings.

The Company intends to file its first annual report by March 31, 2014, analyzing the prior year's PJM REC prices and quantifying its qualified investments made in 2013 to facilitate the Commission's validation and issuance of RECs for Virginia renewable and alternative energy research and development projects.

e. Purchase of RECs

After counting the MWh from the existing renewable energy sources, the RPS Plan calls for the Company to fulfill any deficit by purchasing lower cost RECs that fit within the definition of Va. Code § 56-585.2. Though Virginia law makes no distinction regarding types of RECs based on the source of renewable energy, most jurisdictions and markets do make distinctions,

and currently these distinctions affect the valuation of the RECs. The market price of individual RECs is based on a variety of factors, including energy source. The Company expects that it will be able to fully satisfy the RPS Goals II through IV through the Company's existing renewable generation portfolio, new renewable generation facilities and the purchase of lower cost RECs. In addition, based on an amendment to Va. Code § 56-585.2 by the 2010 General Assembly, utilities are permitted to sell more expensive RECs generated at its facilities (or acquired through a purchase power agreement) and replace them with lower cost RECs from the market and credit the difference to customers (REC optimization).⁹ The Company utilized REC optimization in 2010, 2011 and 2012 and intends to carry-out REC optimization transactions in the future where economically feasible for the benefit of ratepayers. In addition, the 2012 General Assembly amended the RPS Statute so as to permit the use of certain thermal energy and equivalent RECs for RPS compliance.¹⁰

f. Banking of Excess Renewable Energy and/or RECs

Under the RPS Plan, the Company will bank any excess amounts of renewable energy and/or RECs for application in future years in which there is a deficit pursuant to Va. Code § 56-585.2 D. Section 56-585.2 D allows a utility to apply renewable energy sales or RECs acquired during the periods covered by any RPS goal that are in excess of the sales requirement for that goal to the sales requirements for a future RPS goal.

C. Application of the Renewable Resources to meeting the Company's RPS Plan

The Company's RPS Plan will permit the Company to meet its RPS Goals.

⁹ Virginia Acts of the Assembly, 2010 Reconvened Session, Chapter 850.

¹⁰ See Virginia Acts of the Assembly, 2012 Session, Chapters 46 and 200.

1. 2012 Renewable Energy Generated & REC Transactions

The Company met and exceeded its 2012 Virginia RPS Plan renewable target of 1,732,746 MWh through implementation of its RPS Plan approved by the Commission as illustrated in Exhibit 2 of this report. The Company achieved compliance by applying 271,227 RECs or Renewable Energy created by Company-owned facilities, as well as 1,464,519 purchased RECs. An additional 40,369 RECs purchased in 2012 will be banked for future use. This bank also includes 1,892,522 MWh of renewable attributes generated in 2010, 2011 and 2012 from NUGs. Additionally, the Company optimized 280,806 Company-generated RECs. Company-generated renewable generation (including NUGs) provided 68 percent of Dominion Virginia Power's 2012 RPS Goal, of which some of this was banked and/or optimized.

Pursuant to Va. Code § 56-585.2 H the breakdown of the Company's efforts to meet its RPS goals for 2012 is as follows:

- § 56-585.2 H 1.a.--A list of all states where the purchased or owned renewable energy was generated, specifying the number of megawatt hours or renewable energy certificates originating from each state.

State	PA	MD	NC ¹¹	VA ¹²	Total
Totals	204,888	1,300,000	269,004	907,915	2,681,807
Applied	204,888	1,259,631	269,004	2,223	1,735,746
Banked	0	40,369	0	624,886	665,255
Optimized	0	0	0	280,806	280,806

¹¹ All of the RECs from NC are from Company-owned renewable energy resources.

¹² All of the RECs from VA are from either Company-owned renewable energy resources or renewable energy NUGs.

- § 56-585.2 H 1.b.--A list of the decades in which the purchased or owned renewable energy generating units were placed in service, specifying the number of megawatt hours or renewable energy certificates originating from those units.

Decade	1910s	1920s	1930s	1950s	1960s	1980s	1990s	Total
Totals	133,992	1,366,008	6,793	128,554	140,450	142,370	763,640	2,681,807
Applied	133,992	1,325,639	0	128,554	140,450	7,111	0	1,735,746
Banked	0	40,369	0	0	0	135,259	486,627	665,255
Optimized	0	0	6,793	0	0	0	274,013	280,806

- § 56-585.2 H 1.c. A list of fuel types used to generate the purchased or owned renewable energy, specifying the number of megawatt hours or renewable energy certificates originating from each fuel type.

Fuel Type	Hydro	MSW	Biomass (Wood Waste)	Landfill Gas	Total
Totals	1,801,509	601,185	274,013	5,100	2,681,807
Applied	1,735,746	0	0	0	1,735,746
Banked	58,970	601,185	0	5,100	665,255
Optimized	6,793	0	274,013	0	280,806

2. 2013 Renewable Energy Generated & REC Transactions

The Company will meet or exceed its 2013 Virginia RPS Plan renewable target of 1,732,746 MWh through implementation of its RPS Plan approved by the Commission which is illustrated in Exhibit 3.

a. Company-Owned Facilities

Total renewable energy production for 2013, through September 30, 2013, from renewable energy facilities owned by the Company and included in the RPS Plan was 654,795

MWh. The Company estimates the total renewable energy production from these resources for calendar year 2013 will be 868,700 MWh (some of which will be optimized).

b. NUGs

The Company has determined the renewable energy production from contracted NUGs year-to-date through September 30, 2013 is 465,328 MWh. The Company estimates the total qualified renewable energy production from existing contracted NUGs for calendar year 2013 will be 562,712 MWh. Any renewable energy not needed to meet the 2013 Goal will be banked for future use as permitted by statute.

c. 2013 REC Transactions (Purchase for Virginia RPS Compliance/Sales for Optimization)

The Company's REC transactions for 2013, through September 30, 2013 are summarized as follows:

- 232,773 Company-generated higher value RECs optimized
- 300,000 lower cost RECs purchased, including replacement RECs
- The Company will continue to replace the higher value RECs sold with lower cost RECs from the market, with the difference to be credited to customers.

d. RECs from R&D

As discussed in Section II.B.3.d. above, the Company intends to file its first annual report by March 31, 2014, analyzing the prior year's PJM REC prices and quantifying its qualified investments made in 2013 to facilitate the Commission's validation and issuance of RECs for Virginia renewable and alternative energy research and development projects.

The Company will apply any R&D RECs issued by the Commission towards its 2013 RPS Compliance.

Although the Company is allowed to meet up to 20 percent (346,549) of its RPS Goal with R&D RECs, Exhibit 3 includes the Company's conservative estimate of 260,000 R&D RECs for 2013.

e. Banking of Excess Renewable Energy and/or RECs

The Company began 2013 with banked renewable energy and RECs of 1,932,891 MWh and expects to bank approximately 2,461,704 MWh of renewable energy and RECs toward future RPS targets by year-end 2013.

3. 2012 Through 2025 Renewable Plan

Exhibit 1 to this Annual Report outlines the Company's Virginia RPS Plan from 2012 through 2025, including actuals for 2012 and forecasts for the remaining years. This exhibit has been updated to reflect the assumptions used for the 2013 Integrated Resource Plan. For planning purposes, for years 2014 through 2025, no REC optimization is assumed. Based on current information, the Company forecasts that it will continue be able to fully satisfy the RPS Goals I through IV through the Company's existing renewable generation portfolio, through the purchase of RECs (including optimization) and new renewable generation where economically feasible.

D. Rider Filings

Pursuant to §§ 56-585.1 A 5(d), 56-585.1 A 6 and 56-585.2 E, utilities are permitted to recover certain costs for participating in an RPS program or for the construction of renewable generation facilities. The Company anticipates that it will file a § 56-585.1 A 5(d) rate adjustment clause rider in 2014. This filing will either be for recovery of costs of purchasing

RECs as well as other costs associated with RPS compliance that are in excess of the Company's REC optimization efforts (as previously mentioned in Section II.B.3.e.), or to provide customers with a credit, should the results of the Company's REC optimization efforts exceed the costs of participating in the RPS program.

III. OVERALL DEVELOPMENT OF RENEWABLE ENERGY

As discussed in Section II.B.3.a. above, the Company has over 400 MW of renewable energy capacity that it generates at hydroelectric and biomass facilities. The Company also intends to develop a number of new renewable energy facilities through the 2025 timeframe as discussed in Section II.B.3.c. In addition, potential future renewable energy resources are discussed in Section IV below.

The Company is actively developing certain additional new renewable generation facilities not included in its approved RPS Plan. Decisions to build new renewable generation are primarily determined based on need and as part of the Company's Integrated Resource Planning process, and subject to Commission issuance of a certificate of public convenience and necessity.

Specifically, the Company continues to evaluate renewable development opportunities, including up to 60 MW of renewable energy from its Virginia City Hybrid Energy Center ("VCHEC") using biomass co-fired with coal starting in 2014. It should be noted that the Company is assessing the potential for an additional 60 MW from biomass at VCHEC (for a total of 120 MW of biomass at VCHEC).¹³ In addition, the Company is developing 153 MW of renewable energy as a result of the approval of the Company's Application in Case No. PUE-

¹³ VCHEC is designed to produce up to 120 MW of renewable energy, but the actual amount of renewable energy produced at the facility may vary from year to year, particularly as plant operations begin and develop over the first 8-10 years. In 2013, one percent of the fuel utilized at VCHEC was biomass. VCHEC is expected to begin normal co-firing operation in 2014. It is anticipated that it will provide approximately three percent of renewable energy in 2014 and step up each year thereafter until it reaches ten percent renewable energy starting in 2020.

2011-00073 for the conversion of the Altavista, Hopewell and Southampton Power stations from burning coal to biomass (primarily waste wood) (“Biomass Conversions”). The converted Altavista Power Station entered commercial operation on July 12, 2013 and Hopewell and Southampton Power stations are expected to begin operations by the end of 2013. Because the Biomass Conversions are expected to use primarily waste wood, the Company does not expect to exceed its pro-rata share of the state’s restriction on certain tree-based materials mentioned previously in Section II.B.3.a. The Company does not currently plan to include the Biomass Conversions in the Company’s RPS Plan, but rather the Company will treat revenues from the RECs generated by the facilities as credits to customers to offset costs, which will flow through the rate adjustment clause approved under Va. Code § 56-585.1 A 6. The Biomass Conversions are expected to provide very economic renewable energy to the Company’s customers.

Though not part of the Company’s RPS Plan, the Company is also encouraging customers to support renewable energy generation resources in the region through voluntary participation in several renewable energy options. Dominion Virginia Power’s Rider G Renewable Energy Program, commonly referred to as the “Green Tariff” and marketed as “Dominion Green Power®” became effective on January 1, 2009, and offers customers a companion rate for the purchase and retirement of RECs equal to all or a portion of a customer’s monthly consumption. The Company’s contractor, 3Degrees Group, Inc., performs REC procurement services (including certification and tracking), customer education and program promotion services, and has ensured that the Company’s Green Tariff program has received Green-e® Energy certification from the Center for Resource Solutions, a national non-profit organization. On September 23, 2013, Dominion Virginia Power was awarded with an EPA Green Power Supplier of the Year Award for the Dominion Green Power® program. This award

recognizes excellence in providing voluntary renewable energy options to customers. Launched in 2009, the Dominion Green Power program currently has over 19,000 participants, with 55 percent of the participants choosing to match 100 percent of their monthly energy usage with purchases of RECs. The RECs purchased on behalf of customers participating in this voluntary program are not counted toward the Virginia RPS compliance goals. Rather, this program offers Dominion Virginia Power customers a way to support renewable energy above and beyond Dominion's renewable energy initiatives.

In addition, on October 31, 2011, pursuant to Chapter 771 of the 2011 Virginia Acts of Assembly, the Company proposed a solar distributed generation program consisting of two separate components. The Company submitted its application for the first component, the Solar Partnership Program (formerly the "Community Solar" Program), a demonstration program to study the impact and assess the benefits of distributed solar photovoltaic generation on its distribution system through the construction and operation of Company-owned distributed solar generation installations. The Commission approved the Solar Partnership Program on November 28, 2012. The Company will use the proceeds it receives from selling the RECs obtained from the Solar Partnership Program to offset the costs of the Program.

On May 17, 2012, the Company filed a petition with the Commission for approval of the second component, the Solar Purchase Program, a demonstration program consisting of a new special tariff under which the Company will purchase no more than 3 MW of energy output from customer-owned distributed solar generation installations as an alternative to net energy metering. The Solar Purchase Program was approved on March 22, 2013. The renewable energy certificates obtained from the Solar Purchase Program will be incorporated into the REC

portfolio as Virginia-based solar RECs and retired on behalf of the customers voluntarily participating in the Green Power Program.

The customer response to both of these solar programs has been very positive, with the numbers of customer applications for both the Solar Partnership Program and the Solar Purchase Program exceeding Company expectations.

On December 20, 2012, the Company also filed an application for approval to establish a renewable generation pilot program including a new experimental and voluntary tariff, Rate Schedule RG – Renewable Energy Supply Service ("Rate Schedule RG"). The proposed Rate Schedule RG is designed to provide large, non-residential customers served under Schedule GS-3 and GS-4 with the option to purchase a greater percentage of their energy needs from renewable energy resources than they currently receive from the company's existing generation mix. Rate Schedule RG is currently pending approval by the Commission and the Company anticipates a decision in the coming months.

IV. ADVANCES IN RENEWABLE GENERATION TECHNOLOGY

The Company strives to remain up to date on the development of emerging renewable and alternative energy technologies. Dominion formed its Alternative Energy Solutions Group in April 2009 to conduct research, track federal and state policies, and identify potential opportunities in the alternative and renewable energy sector. Some of the renewable resources and technologies that Dominion is currently considering include:

A. Solar

In 2011 solar photovoltaic ("PV") as a percent of total generation in the U.S. remained small, comprising only 0.4 percent.¹⁴ Despite its small percentage of total generation, solar PV technology continues to be one of the most rapidly growing renewable energy sectors with a

¹⁴ <http://www.nrel.gov/docs/fy13osti/54909.pdf>

compounded annual growth rate from 2000-2011 in the U.S. of 63.4 percent.¹⁵ With 3,300 MW of grid-connected PV capacity added in 2012, the U.S. was the world's fourth largest PV market in 2012.¹⁶ From 1998 through 2012, installed solar PV prices have continued to decline by approximately \$0.5/W (6-7 percent) per year, on average, depending on the system size. Price reductions, however, have not occurred at a consistent rate over that period. In particular, installed prices declined rapidly until 2005, but then stabilized through 2009, while the PV supply chain worked to keep pace with increasing worldwide demand. Since 2009, installed prices have dropped steeply as upstream cost reductions – primarily PV module cost reductions – filtered through to end consumers, and as state and utility PV incentive programs continued to reduce their incentives.¹⁷ Federal tax credits for solar remain available until December 31, 2016, contributing to the cost competitiveness of this resource. Even after the expiration of federal tax credits, the growth in rooftop solar is expected to continue as installed costs continue to drop, leading to the prospect of grid parity in key markets over the coming years. Additionally, technology advancements and cost reductions in energy storage could lead to increased pairing of solar PV with energy storage thereby enhancing the cost-effectiveness of solar PV generation even more.

B. Offshore Wind

Offshore wind has the potential to provide the largest, scalable renewable resource for Virginia with near-term resource availability of approximately 2,000 MW. Virginia has a unique offshore wind opportunity due to its shallow continental shelf extending nearly 30 miles off the coast, strong wind resource, proximity to load centers, availability of local supply chain infrastructure, and world class port facilities. Currently, offshore wind is a more costly

¹⁵ *Id.*

¹⁶ <http://emp.lbl.gov/sites/all/files/lbnl-6350e.pdf>

¹⁷ *Id.*

renewable generation resource. The Company continues to pursue cost reduction efforts and to evaluate the development of offshore wind as a potential source for future generation.

There is increasing political momentum in Virginia and throughout the Mid-Atlantic surrounding offshore wind development, driven by its potential for significant economic development and job creation and renewable attributes. In House Joint Resolution 605, the 2011 Virginia General Assembly established a goal to develop 3,000 MW of offshore wind by 2025. In 2010, the Virginia General Assembly passed legislation creating the Virginia Offshore Wind Development Authority (“VOWDA”). The Company is represented at the VOWDA by an appointee of the Governor. As required by this legislation, the Company completed an offshore wind transmission study to determine possible offshore wind interconnection points to the transmission grid. The Company released the results of the study in December 2010, which found that it would be possible to interconnect large scale wind generation facilities with the existing grid in Virginia Beach, Virginia. The study can be viewed at the following link:

<http://www.dmme.virginia.gov/DE/VOWDA/DominionOffShoreWindStudyReport.pdf>

In February 2012, the Company completed a second study to evaluate the build options for high voltage underground transmission from Virginia Beach into the Atlantic Ocean to support potentially multiple offshore wind projects. The study found that for every 500-700 MW (nameplate) of offshore wind capacity constructed, one service platform is appropriate with two lines to shore. This transmission solution limits the potential for stranded offshore transmission investment and emphasizes the potential cost savings that may be achieved through a phased build-out approach.

In December 2012, a private/public collaborative led by Dominion Virginia Power was one of seven projects selected by the U.S. Department of Energy to receive a \$4 million award to

engineer, design and permit an offshore wind turbine demonstration facility off the coast of Virginia. Three finalists will be selected by DOE in May, 2014, for follow-on funding over a four-year period to design, install and gather operational data from their offshore wind facilities. In its DOE application, the project team proposed designing, developing and demonstrating a grid-connected, 12-megawatt offshore wind facility. The Company is committed to undertaking initial engineering, design and permitting for the demonstration facility of two six-megawatt turbines with a goal of finding innovative ways to lower costs of offshore wind. Any construction for the project would be contingent upon obtaining applicable regulatory approval(s).

As noted previously, Dominion Virginia Power won the lease for 112,800 acres of federal land off the coast of Virginia to develop an offshore wind turbine facility capable of generating up to 2,000 megawatts of electricity, enough to power approximately 500,000 homes. The Department of Interior's Bureau of Ocean Energy Management ("BOEM") is the lead federal agency in charge of leasing areas for offshore wind development on the outer continental shelf. Dominion will proceed with the BOEM timetable for development of the commercial wind energy area while advancing its research project and looking for ways to lower the cost of bringing offshore wind generation to customers.

Dominion has been actively working with the federal government, Virginia's state government, the City of Virginia Beach, and other partners to develop offshore wind for several years, and the auction was another important step forward.

C. Other Renewable Technologies

The Company is also continuing to evaluate other emerging alternative energy technologies including waste-to-energy, geothermal, and tidal and wave power.

- Waste-to-energy (“WtE”) technologies involve converting waste sources such as municipal solid waste, landfill gas, and agricultural waste into electricity. WtE is a dispatchable and a potentially cost competitive form of renewable energy.
- Geothermal power is power extracted from heat stored deep within the earth’s surface. The U.S. has more geothermal capacity than any other country. Eighty percent of this capacity is in California, where more than 40 geothermal plants provide nearly 5 percent of the state’s electricity. Very limited geothermal energy resources are available in Virginia.
- Tidal and wave power relies on ocean water fluctuations to collect and release energy. In September 2011, backed by \$10 million of U.S. Department of Energy funding, Ocean Renewable Power installed a tidal-power turbine with 180 kW of capacity off the northeastern Maine Coast supplying the grid under a power purchase agreement. While significant research and isolated projects such as the above-referenced project in Maine continue to occur, neither tidal nor wave facilities have proven to be commercially viable on a wide scale. The Company will continue to monitor developments surrounding these technologies.

V. CONCLUSION

As noted in its 2013 Integrated Resource Plan, the Company has a strong commitment to a cost-effective renewable energy program. The Company received Commission approval of its proposed RPS Plan in Case No. PUE-2009-00082, demonstrating that it has a reasonable expectation of achieving 12 percent of its base year electric energy sales from renewable energy sources during calendar year 2022, and 15 percent of its base year electric energy sales from renewable energy sources during

calendar year 2025. In the past year, the Company views its efforts toward its RPS Plan in Virginia, as well as its overall approach to the development of renewable resources, as successful and highlights the following:

- The Company met its RPS Goal II for calendar year 2012 (1,732,746 MWh) by applying renewable energy generated at its own facilities, applying renewable energy and/or RECs purchased in the market, and established a bank of 1,932,891 MWh of renewable energy and RECs at year-end to apply towards future Company RPS goals. For 2012 RPS Goal II compliance, the Company optimized 280,806 higher value RECs and replaced them with lower cost RECs from the market, which difference will be credited to customers. The Company's 2012 RPS compliance is supported by Exhibit 2.
- The Company will meet its RPS Goal II for calendar year 2013 (1,732,746 MWh) by applying renewable energy generated at its own facilities, R&D RECs issued by the Commission and renewable energy and/or RECs purchased in the market while expecting to bank 2,461,704 MWh of renewable energy and/or RECs to apply towards future Company RPS goals.
- The Company has optimized 232,773 higher value RECs as of September 30, 2013 for 2013 RPS Goal II compliance, and will replace them with lower cost RECs from the market, which difference will be credited to customers.
- The Company is actively pursuing development of onshore and offshore wind technologies, including one project focusing on research and development of offshore wind generation technology, the Virginia Offshore Wind Technology Advancement Project, and a second project intended to develop a commercial offshore wind generation facility. The Company recently executed a \$1.6 million lease for 112,800 acres of federal land to develop a commercial-scale offshore wind turbine facility capable of generating up to 2,000 megawatts of electricity, enough to power approximately 500,000 homes.
- Dominion Virginia Power is also involved in other offshore wind development efforts. It was one of seven projects selected to receive \$4 million each in federal matching funds to undertake initial engineering, design and permitting for the demonstration facility of two six-megawatt turbines with a goal of finding innovative ways to lower costs of offshore wind.
- The Company is developing 153 MW of renewable energy for the conversion of the Altavista, Hopewell and Southampton Power stations from burning coal to biomass (primarily waste wood). The Biomass Conversions provide economic renewable energy to the Company's customers.
- The Company's "Dominion Green Power®" Program, which offers customers a companion rate for the purchase and retirement of RECs equal to all or a portion

of a customer's monthly consumption, won a 2013 EPA Green Power Supplier of the Year Award.

- Consistent with a 2012 revision to § 56-585.2 of the Code of Virginia, the Company is currently partnering with 11 institutions of higher education on Virginia renewable and alternative energy research and development projects.

EXHIBIT 1
ANNUAL REPORT TO THE SCC ON RENEWABLE ENERGY
DOMINION VIRGINIA POWER
RENEWABLE ENERGY PORTFOLIO STANDARD PROGRAM
VIRGINIA GOALS

TOTAL ELECTRIC ENERGY SOLD IN THE BASE YEAR

Total Electric Energy Sold to Virginia Jurisdictional Retail Customers in 2007	64,621,534 MWh
Less Three-year Average (2004-2006) Nuclear Generation	<u>21,302,885</u> MWh
Total Electric Energy Sold in the Base Year	<u>43,318,649</u> MWh

RENEWABLE ENERGY PORTFOLIO STANDARD GOALS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Percent	4%	4%	4%	4%	7%	7%	7%	7%	7%	7%	12%	12%	12%	15%
Goal (MWh)	1,732,746	1,732,746	1,732,746	1,732,746	3,032,305	3,032,305	3,032,305	3,032,305	3,032,305	3,032,305	5,198,238	5,198,238	5,198,238	6,497,797

RENEWABLE ENERGY PORTFOLIO STANDARD PROGRAM¹

	2012 ²	2013 ²	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Generation Resources (MWh)</u>														
Small Hydro	9,016	14,080	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598
Large Hydro	269,004	537,127	467,883	467,883	467,883	467,883	467,883	467,883	467,883	467,883	467,883	467,883	467,883	467,883
Pittsylvania	274,013	317,491	245,596	241,091	374,146	454,993	469,208	477,738	495,238	496,820	509,968	519,812	522,675	524,418
Solar NUG ³	0	0	0	164,423	163,674	162,121	160,970	159,819	159,059	157,517	156,366	155,215	154,444	152,913
NUGS	624,886	562,712	328,219	338,653	210,666	210,409	210,409	210,315	210,666	209,653	210,367	210,223	210,666	210,409
Total	1,176,919	1,431,410	1,055,295	1,225,648	1,229,967	1,309,003	1,322,067	1,329,352	1,346,444	1,345,471	1,358,181	1,366,731	1,369,265	1,369,220
Total Renewable Resources (MWh)	1,393,113 ⁴	2,261,558 ⁴	1,055,295	1,225,648	1,229,967	1,309,003	1,322,067	1,329,352	1,346,444	1,345,471	1,358,181	1,366,731	1,369,265	1,369,220
VA Bank, Balance Beginning of Year	2,272,524	1,932,891	2,461,704	1,784,253	1,277,155	0	0	0	0	0	0	0	0	0
Target (MWh)	1,732,746	1,732,746	1,732,746	1,732,746	3,032,305	3,032,305	3,032,305	3,032,305	3,032,305	3,032,305	5,198,238	5,198,238	5,198,238	6,497,797
Net Position (MWh)	1,932,891	2,461,704	1,784,253	1,277,155	(525,183)	(1,723,302)	(1,710,238)	(1,702,953)	(1,685,861)	(1,686,834)	(3,840,057)	(3,831,507)	(3,828,973)	(5,128,577)

NOTES: 1 - Based on Strategist forecast used for the 2013 VA IRP and 12/31/2012 Virginia Jurisdictional allocation of DOM load of 80.74%

2 - 2012 is actual and 2013 includes actuals through 9/30/2013 and projections through year-end

3 - Solar generation reflects double credit of generation as allowed by statute; however, if the solar energy is optimized in the future, it will only count as one credit

4 - Total Renewable Resources includes Company and allowable NUG generated renewable energy, REC purchases, R&D RECs and REC Optimization

EXHIBIT 2
DOMINION VIRGINIA POWER
RENEWABLE ENERGY PORTFOLIO STANDARD PROGRAM
2012 SUMMARY

TOTAL ELECTRIC ENERGY SOLD IN THE BASE YEAR (MWh)

Total Electric Energy Sold to Virginia Jurisdictional Retail Customers in 2007	64,621,534
Less Three-year Average Percentages (2004-2006) Nuclear Generation	21,302,885
Total Electric Energy Sold in the Base Year	43,318,649

RENEWABLE ENERGY PORTFOLIO STANDARD GOALS

	2012
Percent	4%
Goal (MWh)	1,732,746

Company RPS Generation Resources (MWh)

	Total Energy Generated during 2012	VA Jurisdictional Energy Generated during 2012 ⁽¹⁾
Company Owned		
Hydro		
Cushaw	8,414	6,793
North Anna	2,754	2,223
Gaston	173,960	140,450
Roanoke Rapids	159,226	128,554
Subtotal Hydro	344,354	278,020
Biomass		
Pittsylvania	339,390	274,013
Subtotal Biomass	339,390	274,013
Total Company Owned	683,744	552,033
NUGS⁽²⁾	801,749	624,886
TOTAL Renewable Energy Generated During 2012	1,485,493	1,176,919
Total Company Generated Renewable Energy as a % of goal		68%

Less Company Generated Renewable Energy Credits Optimized	(280,806)
Total Renewable Energy Available for 2012 Compliance	896,113
REC Purchases	1,504,888
NUG Renewable Energy and RECs Previously Banked	1,267,636
Total Renewable Energy and RECs Available for 2012 Compliance	3,668,637
Less Renewable Energy and RECs Banked for Future RPS Application	(1,932,891)
Renewable Energy and RECs Applied for Compliance³	1,735,746

Notes: (1) Based on VA jurisdictional allocation of 80.7372%. (2) NUG RECs are banked for future use.

(3) The Company retired a total 1,735,746 for RPS Compliance in 2011 and 2012. Because Goal II is a multi-year average, the Company may apply this overage of 6,000 RECs in future years.

EXHIBIT 3
DOMINION VIRGINIA POWER
RENEWABLE ENERGY PORTFOLIO STANDARD PROGRAM
2013 SUMMARY

TOTAL ELECTRIC ENERGY SOLD IN THE BASE YEAR (MWh)

Total Electric Energy Sold to Virginia Jurisdictional Retail Customers in 2007	64,621,534
Less Three-year Average Percentages (2004-2006) Nuclear Generation	<u>21,302,885</u>
Total Electric Energy Sold in the Base Year	<u>43,318,649</u>

RENEWABLE ENERGY PORTFOLIO STANDARD GOALS

	2013
Percent	<u>4%</u>
Goal (MWh)	<u>1,732,746</u>

Company RPS Generation Resources (MWh)

	Actual through September 30, 2013	Projected through Balance of Year	Estimated Total 2013 ⁽¹⁾
Company Owned			
Hydro			
Cushaw	10,376	1,985	12,362
North Anna	1,237	482	1,719
Gaston	209,607	58,258	267,865
Roanoke Rapids	211,178	58,085	269,263
Subtotal Hydro	432,398	118,810	551,208
Biomass			
Pittsylvania	222,397	95,095	317,492
Subtotal Biomass	222,397	95,095	317,492
Total Company Owned	654,795	213,905	868,700
NUG Renewable Energy	465,328	97,384	562,712
TOTAL	1,120,123	311,289	1,431,412

Company-Owned Renewables	654,795	213,905	868,700
less REC-Optimized Resources	(232,773)	(97,080)	(329,853)
Net Company-Owned	422,022	116,825	538,847
REC Purchases	300,000	600,000	900,000
R&D RECs²			260,000
NUG Renewable Energy	465,328	97,384	562,712
TOTAL 2013 Renewable Resources	1,187,350	814,209	2,261,559
2012 Bank Carried Forward			1,932,891
Renewable Resources to be Retired (per Target)			1,732,746
Company's Estimated Net Renewable Position for 2013 Year-End			2,461,704

Notes: (1) Based on projected VA jurisdictional allocation of 80.74%.

(2) Based on projected Qualified Investments and preliminary PJM REC price analysis.