



March 29, 2005

United States Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, D. C. 20555-0001

Serial No. 05-121
NL&OS/SWT R0
Docket Nos. 50-280, 281
50-338, 339
50-245, 336, 423
License Nos. DPR-32, 37
NPF-4, 7
DPR-21, 65
NPF-49

VIRGINIA ELECTRIC AND POWER COMPANY
DOMINION NUCLEAR CONNECTICUT, INC.
SURRY POWER STATION UNITS 1 AND 2
NORTH ANNA POWER STATION UNITS 1 AND 2
MILLSTONE POWER STATION UNITS 1, 2 AND 3
DECOMMISSIONING FUNDING STATUS REPORT
NOTIFICATION OF INTENT TO REMOVE PARENT GUARANTEE

Pursuant to 10 CFR 50.75(f)(1), Virginia Electric and Power Company (Dominion) and Dominion Nuclear Connecticut, Inc., (DNC) are providing this report on the status of decommissioning funding for each of the seven nuclear power reactors as referenced above. In addition, Dominion is planning to modify its current method of providing financial assurance from the method previously reported to the NRC. Specifically, Dominion notified the NRC by letter dated March 31, 2003 (Serial No. 03-178) and by letter dated June 25, 2003 (Serial No. 03-178A) that a parent company guarantee coupled with the sinking fund method would be the means of providing financial assurance for North Anna Units 1 and 2 and Surry Units 1 and 2. A parent company guarantee coupled with prepayment would be the means of providing financial assurance for Millstone Units 1 and 2. Millstone Unit 3 was, and continues to be, fully funded. As of this report and as noted in Attachments 1 and 2, a parent company guarantee is no longer required as a means of financial assurance for any of the Dominion and DNC units. Consequently, Dominion Resources plans to cancel the parent guarantee by separate correspondence.

To effect the cancellation of the parent guarantee in accordance with 10 CFR 30, Appendix A, Section III (A), Dominion Resources will provide by certified mail a formal notice of cancellation, which will become effective 120 days after receipt. Because the guarantee will remain in effect until expiration of the notice period, the financial test for the current guarantee is provided in Attachment 3. Dominion will continue to comply with Millstone Unit 1 License Condition 5 by providing an annual report in accordance

with 10 CFR 50.75(f)(1), adjusting cost estimates and funding levels over the storage period in accordance with 10 CFR 50.82(a)(8)(iv), and if required, reestablishing a parent guarantee in connection with such updates.

Attachment 1 provides the following information for the North Anna and Surry plants:

- Table I - 2005 NRC Minimum Financial Assurance Amount
- Table II - Funds Held in External Trusts at December 31, 2004
- Table III - 2005 NRC Minimum Financial Assurance Amount Minus Funds Held in External Trusts
- Table IV - Current Annual Funding Levels
- Table V - Annual Funding Levels Necessary to Meet 2005 NRC Minimum Financial Assurance Amounts

Attachment 2 provides the following information for the Millstone plants:

- Table I - 2005 NRC Minimum Financial Assurance Amount
- Table II - Funds Held in External Trusts at December 31, 2004
- Table III - 2005 NRC Minimum Financial Assurance Amount Minus Funds Held in External Trusts
- Table IV - Current Annual Funding Levels
- Table V - Annual Funding Levels Necessary to Meet 2005 NRC Minimum Financial Assurance Amounts
- Table VI - Decommissioning Funding Worksheet for Millstone Unit 1

Since the March 31, 2003 submittal, there have been no material changes to trust agreements established for nuclear decommissioning of the Surry, North Anna, or Millstone units. However, in December 2003 the qualified and non-qualified decommissioning trusts for the Surry and North Anna units were amended to comply with the NRC's final rule on decommissioning trust provisions that became effective on December 24, 2003.

Please contact us if you have any questions or require additional information.

Very truly yours,



David A. Christian
Senior Vice President and Chief Nuclear Officer
Virginia Electric and Power Company
Dominion Nuclear Connecticut, Inc.

Attachments:

Attachment 1 - North Anna and Surry Decommissioning Financial Assurance
Attachment 2 - Millstone Units 1, 2 and 3 Decommissioning Financial Assurance
Attachment 3 - Financial Test Contained in 10 CFR Part 30 Appendix A

Commitments made in this letter: None

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Attachment 1

Serial No. 05-121

VIRGINIA ELECTRIC AND POWER COMPANY (DOMINION)
SURRY POWER STATION UNITS 1 AND 2
NORTH ANNA POWER STATION UNITS 1 AND 2
DECOMMISSIONING FINANCIAL ASSURANCE

2005 Nuclear Decommissioning Financial Assurance

VIRGINIA ELECTRIC AND POWER COMPANY
2005 Nuclear Decommissioning Financial Assurance

Table I:

2005 NRC Minimum Financial Assurance Amount

(Millions of Dollars)

Customer Classification	Surry Unit 1 DPR-32	Surry Unit 2 DPR-37	(see note 1)	(see note 1)	Total All Units
			North Anna Unit 1 NPF-4	North Anna Unit 2 NPF-7	
Virginia State Corporation Commission (VSCC)	\$ 267.0	\$ 267.0	\$ 251.0	\$ 251.0	\$ 1,036.1
Company Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
North Carolina Utilities Commission	\$ 16.0	\$ 16.0	\$ 15.0	\$ 15.0	\$ 62.0
Federal Energy Regulatory Commission	\$ 23.7	\$ 23.7	\$ 10.1	\$ 10.1	\$ 67.6
Virginia Retail (not under VSCC Jurisdiction)	\$ 49.9	\$ 49.9	\$ 47.1	\$ 47.1	\$ 194.0
Unallocated	\$ (13.4)	\$ (13.4)	\$ (7.1)	\$ (7.1)	\$ (40.8)
Total	\$ 343.4	\$ 343.4	\$ 316.1	\$ 316.1	\$ 1,318.9

Table II:

Funds Held in External Trusts at December 31, 2004 (see note 2)

(Millions of Dollars)

Customer Classification	Surry Unit 1 DPR-32	Surry Unit 2 DPR-37	(see note 1)	(see note 1)	Total All Units
			North Anna Unit 1 NPF-4	North Anna Unit 2 NPF-7	
Virginia State Corporation Commission (VSCC)	\$ 199.9	\$ 191.6	\$ 169.8	\$ 158.0	\$ 719.3
Company Contribution	\$ 0.1	\$ 0.2	\$ 0.1	\$ 0.0	\$ 0.4
North Carolina Utilities Commission	\$ 11.8	\$ 12.9	\$ 12.3	\$ 11.5	\$ 48.4
Federal Energy Regulatory Commission	\$ 9.4	\$ 10.1	\$ 3.5	\$ 3.3	\$ 26.2
Virginia Retail (not under VSCC Jurisdiction)	\$ 25.0	\$ 26.3	\$ 23.7	\$ 21.8	\$ 96.7
Unallocated	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 246.2	\$ 241.0	\$ 209.3	\$ 194.6	\$ 891.1

VIRGINIA ELECTRIC AND POWER COMPANY
2005 Nuclear Decommissioning Financial Assurance

Table III:

2005 NRC Minimum Financial Assurance Amount
(Minus Funds Held in External Trusts)

(Millions of Dollars)

Customer Classification	Surry Unit 1 DPR-32	Surry Unit 2 DPR-37	<small>(see note 1)</small> North Anna Unit 1 NPF-4	<small>(see note 1)</small> North Anna Unit 2 NPF-7	Total All Units	Method For Providing Financial Assurance
Virginia State Corporation Commission (VSCC)	\$ 67.1	\$ 75.4	\$ 81.2	\$ 93.0	\$ 316.8	External Sinking Fund
Company Contribution	\$ (0.1)	\$ (0.2)	\$ (0.1)	\$ (0.0)	\$ (0.4)	External Sinking Fund
North Carolina Utilities Commission	\$ 4.3	\$ 3.1	\$ 2.7	\$ 3.5	\$ 13.6	External Sinking Fund
Federal Energy Regulatory Commission	\$ 14.4	\$ 13.6	\$ 6.6	\$ 6.8	\$ 41.4	External Sinking Fund <small>(see note 4)</small>
Virginia Retail (not under VSCC Jurisdiction)	\$ 24.9	\$ 23.7	\$ 23.4	\$ 25.3	\$ 97.3	External Sinking Fund
Unallocated	\$ (13.4)	\$ (13.4)	\$ (7.1)	\$ (7.1)	\$ (40.8)	
Total	\$ 97.2	\$ 102.3	\$ 106.8	\$ 121.5	\$ 427.8	

Table IV:

Current Annual Funding Levels (see note 4)

(Millions of Dollars)

Customer Classification	Surry Unit 1 DPR-32	Surry Unit 2 DPR-37	<small>(see note 1)</small> North Anna Unit 1 NPF-4	<small>(see note 1)</small> North Anna Unit 2 NPF-7	Total All Units
Virginia State Corporation Commission (VSCC)	n/a	n/a	n/a	n/a	n/a
Company Contribution	n/a	n/a	n/a	n/a	n/a
North Carolina Utilities Commission	n/a	n/a	n/a	n/a	n/a
Federal Energy Regulatory Commission	n/a	n/a	n/a	n/a	n/a
Virginia Retail (not under VSCC Jurisdiction)	n/a	n/a	n/a	n/a	n/a
Unallocated	n/a	n/a	n/a	n/a	n/a
Total	\$ -	\$ -	\$ -	\$ -	\$ -

**VIRGINIA ELECTRIC AND POWER COMPANY
2005 Nuclear Decommissioning Financial Assurance**

Table V:

**Annual Funding Levels Necessary to
2005 NRC Minimum Financial Assurance**

(Millions of Dollars - except percentages and years)

Customer Classification	Surry Unit 1 DPR-32	Surry Unit 2 DPR-37	(see note 1) North Anna Unit 1 NPF-4	(see note 1) North Anna Unit 2 NPF-7	Total All Units
2005 NRC Minimum Financial Assurance Amounts (from Table 1)	\$ 343.4	\$ 343.4	\$ 316.1	\$ 316.1	\$ 1,318.9
Projected Annual Escalation Factors	4.15%	4.15%	4.18%	4.18%	
Year That Operating License Expires	2032	2033	2038	2040	
2005 NRC Minimum Financial Assurance Amounts (in Future dollars)	\$ 1,029.1	\$ 1,071.7	\$ 1,221.7	\$ 1,326.0	\$ 4,648.6
Expected After-Tax and Fees Annual Earnings Rate	6.24%	6.24%	6.38%	6.38%	
Annual Funding Levels Necessary to Meet 2005 NRC Minimum Financial Assurance Amounts <small>(see notes 3 and 4)</small>	\$ (1.62)	\$ (1.54)	\$ (1.96)	\$ (1.44)	\$ (6.57)

Notes:

- (1) The North Anna Power Station is jointly owned by Virginia Electric and Power Company (88.4%) and Old Dominion Electric Cooperative (11.6%). However, Virginia Electric and Power Company is responsible for (89.26%) of the Decommissioning obligation. The amounts stated in the above tables reflect only that portion of the Decommissioning obligation attributable to Virginia Electric and Power Company.
- (2) Excludes amounts designated for the future Decommissioning of the ISFSIs.
- (3) Represents annual funding levels to the License Renewal Date - end of Unit life. Negative amounts indicate full funding.
- (4) Parent Company Guarantees were in place for Surry Units 1&2 and for North Anna Units 1&2 for the Decommissioning obligation allocated to our FERC Jurisdictional customers. The trusts for these units are estimated to be fully funded and the Parent Company Guarantees are no longer needed.

Attachment 2

Serial No. 05-121

DOMINION NUCLEAR CONNECTICUT, INC. (DNC)
MILLSTONE POWER STATION UNITS 1, 2 AND 3
DECOMMISSIONING FINANCIAL ASSURANCE

2005 Nuclear Decommissioning Financial Assurance

**DOMINION NUCLEAR CONNECTICUT
2005 Nuclear Decommissioning Financial Assurance**

Table I:

2005 NRC Minimum Financial Assurance Amount
(Millions of Dollars)

Ownership	(See Note 3)	MPS Unit 2 #50-336	(See Note 1)	Total U2 & U3	U3 Ownership %
	MPS Unit 1 #50-245		MPS Unit 3 #50-423		
Dominion Nuclear Connecticut	n/a	\$354.9	\$351.8	\$706.6	93.47%
Central Vermont PSC	n/a	n/a	\$6.5	\$6.5	1.73%
Massachusetts Municipal WEC	n/a	n/a	\$18.1	\$18.1	4.80%
Total	n/a	\$354.9	\$376.4	\$731.2	100.00%

Table II:

Funds Held in External Trusts at December 31, 2004 (See Note 5)
(Millions of Dollars)

Ownership	(See Note 3)	MPS Unit 2 #50-336	(See Note 1)	Total U2 & U3	U3 Ownership %
	MPS Unit 1 #50-245		MPS Unit 3 #50-423		
Dominion Nuclear Connecticut	n/a	\$314.0	\$302.2	\$616.2	93.47%
Central Vermont PSC	n/a	n/a	\$4.6	\$4.6	1.73%
Massachusetts Municipal WEC	n/a	n/a	\$14.3	\$14.3	4.80%
Total	n/a	\$314.0	\$321.1	\$635.1	100.00%

**DOMINION NUCLEAR CONNECTICUT
2005 Nuclear Decommissioning Financial Assurance**

Table III:					
2005 NRC Minimum Financial Assurance Amount Minus Funds Held in External Trusts (Millions of Dollars)					
	(See Note 3) MPS Unit 1 #50-245	MPS Unit 2 #50-336	(See Note 1) MPS Unit 3 #50-423	Total U2 & U3	Method For Providing Financial Assurance
Ownership					
Dominion Nuclear Connecticut	n/a	\$40.8	\$49.6	\$90.4	Units 1,2 & 3 Prepayment
Central Vermont PSC	n/a	n/a	\$1.9	\$1.9	(See Note 2)
Massachusetts Municipal WEC	n/a	n/a	\$3.8	\$3.8	
Total	n/a	\$40.8	\$55.3	\$96.1	

Table IV:					
Current Annual Funding Levels (Millions of Dollars)					
	(See Note 3) MPS Unit 1 #50-245	MPS Unit 2 #50-336	(See Notes 1 & 4) MPS Unit 3 #50-423	Total U2 & U3	U3 Ownership %
Ownership					
Dominion Nuclear Connecticut	n/a	n/a	n/a	n/a	93.47%
Central Vermont PSC	n/a	n/a	n/a	n/a	1.73%
Massachusetts Municipal WEC	n/a	n/a	n/a	n/a	4.80%
Total	n/a	n/a	n/a	n/a	100.00%

**DOMINION NUCLEAR CONNECTICUT
2005 Nuclear Decommissioning Financial Assurance**

Table V:

**Annual Funding Levels Necessary to Meet 2005 NRC
Minimum Financial Assurance Amounts**

(Millions of Dollars - except percentage and years)

	(See Note 3) MPS Unit 1 #50-245	MPS Unit 2 #50-336	(See Note 1) MPS Unit 3 #50-423	Total U2 & U3	U3 Ownership %
Ownership					
2005 NRC Minimum Financial Assurance Amounts (From Table I)					
Dominion Nuclear Connecticut	n/a	\$354.9	\$351.8	\$706.6	93.47%
Central Vermont PSC	n/a	n/a	\$6.5	\$6.5	1.73%
Massachusetts Municipal WEC	n/a	n/a	\$18.1	\$18.1	4.80%
Total	n/a	\$354.9	\$376.4	\$731.2	100.00%
Projected Annual Escalation Factors	n/a	4.24%	4.24%		
Year That Operating License Expires	Retired 1998	2015	2025		
2005 NRC Minimum Financial Assurance Amounts (Stated in Future Dollars)	n/a	\$550.9	\$897.6	\$1,448.5	
Expected After-Tax and Fees Annual Earnings Rate	n/a	6.24%	6.24%		
Annual Funding Levels Necessary to Meet 2005 NRC Minimum Financial Assurance	n/a	(\$1.6)	(\$4.4)		

(negative amounts indicate full funding-See Note 2)

Notes:

- (1) Millstone Unit 3 is jointly owned by Dominion Nuclear Connecticut (93.4707%), Central Vermont PSC (1.7303%) and Massachusetts Municipal WEC (4.7990%).
- (2) A Parent Company Guarantee was in place for Unit 1 in the amount of \$15,428,109 and Unit 2 in the amount of \$13,563,281. The trusts for Unit 1 and Unit 2 are now estimated to be fully funded and the Parent Company Guarantees are no longer needed for these units. Negative amounts indicate full funding.
- (3) MPS Unit 1 Decommissioning cost estimate is based on an updated site-specific estimate referenced in Table VI
- (4) Massachusetts Municipal WEC contributed \$475,144 until mid-year 2002 at which time further contributions were suspended. No further contributions are anticipated to be required.
- (5) Excludes amounts designated for the future Decommissioning of the ISFSI.

**DOMINION NUCLEAR CONNECTICUT
2005 Nuclear Decommissioning Financial Assurance**

Table VI:

Decommissioning Funding Worksheet for Millstone Unit 1

\$	484,031,242	Prior Decommissioning cost estimate (as revised in 2003, in 1999 Dollars)
\$	603,190,991	Prior Decommissioning cost estimate (in 2004 Dollars)

Unit 1 Qualified Fund Balance as of 12/31/2004	\$	279,884,455
Unit 1 Non-Qualified Fund Balance as of 12/31/2004	\$	-
Unit 1 Guarantee Amount	\$	-
Total Fund Balances as of 12/31/2004	\$	279,884,455

Millstone Unit 1 Decommissioning Expenditures

\$	568,497,558	Estimated remaining Decommissioning costs (in 2004 Dollars)
\$	2,506,840	Annual monitoring cost during SAFSTOR (in 2004 Dollars)
\$	1,493,160	Annual Decommissioning activities (2005 - 2010) (in 2004 Dollars)

4.50% Inflation Rate
6.50% After Tax Earnings (Long Term)

**DOMINION NUCLEAR CONNECTICUT
2005 Nuclear Decommissioning Financial Assurance**

Table VI: (cont'd)

Decommissioning Funding Worksheet for Millstone Unit 1

Year	Beginning of Year Balance	Earnings	Unit 1 Expenditures	End of Year Balance
2005	\$ 279,884,455	\$ 17,947,536	\$ 7,537,028	\$ 290,294,963
2006	\$ 290,294,963	\$ 18,727,209	\$ 4,368,100	\$ 304,654,072
2007	\$ 304,654,072	\$ 19,654,163	\$ 4,564,665	\$ 319,743,571
2008	\$ 319,743,571	\$ 20,628,305	\$ 4,770,074	\$ 335,601,801
2009	\$ 335,601,801	\$ 21,652,113	\$ 4,984,728	\$ 352,269,187
2010	\$ 352,269,187	\$ 22,728,203	\$ 5,209,040	\$ 369,788,349
2011	\$ 369,788,349	\$ 23,925,370	\$ 3,411,463	\$ 390,302,257
2012	\$ 390,302,257	\$ 25,253,467	\$ 3,574,746	\$ 411,980,978
2013	\$ 411,980,978	\$ 26,657,688	\$ 3,725,403	\$ 434,913,263
2014	\$ 434,913,263	\$ 28,142,838	\$ 3,893,046	\$ 459,163,056
2015	\$ 459,163,056	\$ 29,713,381	\$ 4,068,233	\$ 484,808,204
2016	\$ 484,808,204	\$ 31,373,987	\$ 4,262,951	\$ 511,919,240
2017	\$ 511,919,240	\$ 33,130,366	\$ 4,442,612	\$ 540,606,994
2018	\$ 540,606,994	\$ 34,988,572	\$ 4,642,530	\$ 570,953,036
2019	\$ 570,953,036	\$ 36,954,275	\$ 4,851,444	\$ 603,055,868
2020	\$ 603,055,868	\$ 39,033,413	\$ 5,083,648	\$ 637,005,633
2021	\$ 637,005,633	\$ 41,233,184	\$ 5,297,898	\$ 672,940,920
2022	\$ 672,940,920	\$ 43,561,230	\$ 5,536,303	\$ 710,965,847
2023	\$ 710,965,847	\$ 46,024,753	\$ 5,785,437	\$ 751,205,163
2024	\$ 751,205,163	\$ 48,631,309	\$ 6,062,345	\$ 793,774,128
2025	\$ 793,774,128	\$ 51,389,988	\$ 6,317,841	\$ 838,846,275
2026	\$ 838,846,275	\$ 54,310,438	\$ 6,602,144	\$ 886,554,569
2027	\$ 886,554,569	\$ 57,401,822	\$ 6,899,241	\$ 937,057,149
2028	\$ 937,057,149	\$ 60,673,757	\$ 7,229,459	\$ 990,501,447
2029	\$ 990,501,447	\$ 64,137,734	\$ 7,534,143	\$ 1,047,105,038
2030	\$ 1,047,105,038	\$ 67,805,949	\$ 7,873,180	\$ 1,107,037,808
2031	\$ 1,107,037,808	\$ 71,690,065	\$ 8,227,473	\$ 1,170,500,399
2032	\$ 1,170,500,399	\$ 75,802,335	\$ 8,621,265	\$ 1,237,681,470
2033	\$ 1,237,681,470	\$ 80,157,296	\$ 8,984,606	\$ 1,308,854,159
2034	\$ 1,308,854,159	\$ 84,770,381	\$ 9,388,913	\$ 1,384,235,626
2035	\$ 1,384,235,626	\$ 89,656,445	\$ 9,811,415	\$ 1,464,080,656
2036	\$ 1,464,080,656	\$ 94,831,110	\$ 10,281,018	\$ 1,548,630,748
2037	\$ 1,548,630,748	\$ 100,312,784	\$ 10,714,310	\$ 1,638,229,221
2038	\$ 1,638,229,221	\$ 106,121,015	\$ 11,196,454	\$ 1,733,153,782
2039	\$ 1,733,153,782	\$ 112,274,736	\$ 11,700,294	\$ 1,833,728,224
2040	\$ 1,833,728,224	\$ 118,793,875	\$ 12,260,306	\$ 1,940,261,792
2041	\$ 1,940,261,792	\$ 125,701,764	\$ 12,777,014	\$ 2,053,186,542
2042	\$ 2,053,186,542	\$ 133,023,186	\$ 13,351,980	\$ 2,172,857,748
2043	\$ 2,172,857,748	\$ 140,782,287	\$ 13,952,819	\$ 2,299,687,217
2044	\$ 2,299,687,217	\$ 149,004,498	\$ 14,620,643	\$ 2,434,071,072
2045	\$ 2,434,071,072	\$ 157,719,423	\$ 15,236,827	\$ 2,576,553,668
2046	\$ 2,576,553,668	\$ 166,958,508	\$ 15,922,484	\$ 2,727,589,692
2047	\$ 2,727,589,692	\$ 176,752,563	\$ 16,638,996	\$ 2,887,703,258
2048	\$ 2,887,703,258	\$ 183,976,614	\$ 17,457,638	\$ 2,957,092,234
2049	\$ 2,957,092,234	\$ 179,965,337	\$ 376,789,488	\$ 2,760,268,082
2050	\$ 2,760,268,082	\$ 153,321,147	\$ 802,962,415	\$ 2,110,626,814
2051	\$ 2,110,626,814	\$ 105,738,050	\$ 967,775,173	\$ 1,248,589,691
2052	\$ 1,248,589,691	\$ 59,913,055	\$ 653,700,760	\$ 654,801,986
2053	\$ 654,801,986	\$ 35,714,442	\$ 210,698,051	\$ 479,818,377
2054	\$ 479,818,377	\$ 24,390,055	\$ 209,173,515	\$ 295,034,918
2055	\$ 295,034,918	\$ 15,492,848	\$ 113,366,817	\$ 197,160,949
2056	\$ 197,160,949	\$ 8,611,163	\$ 129,363,024	\$ 76,409,089
2057	\$ 76,409,089			
Estimated Remaining Funds at the end of Decommissioning (in 2004 Dollars)				\$ 2,890,450

Attachment 3

Serial No. 05-121

DOMINION AND DNC
SURRY POWER STATION UNITS 1 AND 2
NORTH ANNA POWER STATION UNITS 1 AND 2
MILLSTONE POWER STATION UNITS 1, 2 AND 3
DECOMMISSIONING FINANCIAL ASSURANCE

Financial Test Contained in 10 CFR Part 30 Appendix A

FINANCIAL TEST CONTAINED IN 10 CFR PART 30 APPENDIX A

Dominion Resources, Inc. (DRI), located at 120 Tredegar Street, Richmond, Virginia 23219, as parent company of Virginia Electric and Power Company (Dominion) and Dominion Nuclear Connecticut, Inc. (DNC) satisfies the financial test contained in Appendix A to 10 CFR Part 30 for use of a parent guarantee in the total amount of \$110 million.

DRI guarantees, through a parent company guarantee, \$110 million for the purpose of decommissioning the nuclear facilities owned by Dominion Resources, Inc. (DRI):

<u>Facility Name</u>	<u>Location</u>	<u>License No.</u>
Surry Unit 1	Surry, VA	DPR-32
Surry Unit 2	Surry, VA	DPR-37
North Anna Unit 1 ¹	Louisa, VA	NPF-4
North Anna Unit 2 ¹	Louisa, VA	NPF-7
Millstone Unit 1	Waterford, CT	DPR-21
Millstone Unit 2	Waterford, CT	DPR-65
Millstone Unit 3	Waterford, CT	NPF-49

DRI is required to file a Form 10K with the U.S. Securities and Exchange Commission. The figures for line items B and C as shown below were derived from DRI's independently audited, year-end financial statements and footnotes for the 12-month period ended December 31, 2004, and underlying accounting records.

¹ The North Anna Nuclear Power Station is jointly owned by Virginia Electric and Power Company (88.4%) and Old Dominion Electric Cooperative (11.6%). However, Virginia Electric and Power Company is contractually responsible for 89.26% of the decommissioning obligation and Dominion Resources, Inc. is providing a guaranty for that portion only.

A. DRI's current implied bond ratings are BBB+ and Baa1 for Standard and Poor's and Moody's, respectively.


B. Computation of tangible net worth (millions of dollars):

Net Worth	\$11,426
LESS: Intangible Assets	413
Goodwill	<u>4,298</u>
Tangible Net Worth	6,715
LESS: Net Book Value of Nuclear Plants	<u>3,317</u>
Tangible Net Worth less book value of plants	<u><u>3,398</u></u>

C. Total Assets	=	\$45,446
Less: Foreign	=	<u>\$ 1,476</u>
<u>Total US Assets</u>	=	<u><u>\$43,970</u></u>

FINANCIAL TESTS	YES	NO
1. Is line B at least \$10 Million?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Is line B at least 6 times the guarantee amount of \$110 million?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. a. Are at least 90 percent of the firm's assets located in the U.S.? or	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Is line C at least 6 times the guarantee amount of \$110 million?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. a. Are bond ratings BBB or above as issued by Standard and Poor's? or	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Are bond ratings Baa or above as issued by Moody's?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

I hereby certify that the content of this financial test is true and correct to the best of my knowledge.



 G. Scott Hetzer
 Senior Vice President and Treasurer
 Dominion Resources, Inc.

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Dominion Resources, Inc.
Richmond, Virginia

We have performed the procedures included in 10 CFR 30, Appendix A, which were agreed to by the United States Nuclear Regulatory Commission and Dominion Resources, Inc. (the Company), solely to assist the specified parties in evaluating the Company's compliance with the parent company guarantee financial test as of December 31, 2004, included in the accompanying letter dated March 29, 2005, from David A. Christian of Virginia Electric and Power Company and Dominion Nuclear Connecticut, Inc., and with respect to Attachment 3, from G. Scott Hetzer of Dominion Resources, Inc. Management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and related findings are as follows:

We have recomputed from, or reconciled to, the audited financial statements of the Company as of and for the year ended December 31, 2004, on which we have issued our reports dated February 28, 2005, (which report on the consolidated financial statements expressed an unqualified opinion and included an explanatory paragraph as to changes in accounting principles in 2003 for: asset retirement obligations, contracts involved in energy trading, derivative contracts not held for trading purposes, derivative contracts with a price adjustment feature, the consolidation of variable interest entities, and guarantees) the Company's (a) Tangible Net Worth less book value of plants and (b) Total US Assets included in *Attachment 3, Dominion and DNC; Surry Power Station Units 1 and 2 and North Anna Power Station Units 1 and 2; Millstone Power Station Units 1, 2 and 3; Decommissioning Financial Assurance* in the letter referred to above and noted such amounts were in agreement.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying letter dated March 29, 2005. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors, the management of the Company and the United States Nuclear Regulatory Commission, and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

March 29, 2005