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Docket Nos.: 50-280/281
50-338/339
50-404/405

MEMORANDUM FOR: D. B. Vassallo, Acting Director, Division of Project Management

FROM: A. W. Dromerick, Project Manager, Light Water Reactors, Branch No. 3, Division of Project Management

SUBJECT: SECURITIES AND EXCHANGE COMMISSION, VIRGINIA ELECTRIC AND POWER COMPANY, FILE NO. 2-65827 - YELLOW TICKET NRR-3445

Action was completed on the subject request (NRR-3445) by telephone call from the undersigned to Mr. Howard F. Morin of the Securities and Exchange Commission on October 26, 1979.

I advised Mr. Morin that our review of the Virginia Electric and Power Company discussion under "Capital Expenditures and Financial Program" at pages 5-7 indicated no inaccuracies and that we did not identify any omissions. With respect to the discussion regarding "Nuclear Units" at pages 10-12, I advised Mr. Morin that I had two comments which are as follows:

(1) With respect to the statement on page 11 that construction of North Anna, Unit 2 is complete, I indicated that although VEPCo considers the plant complete there are still several non-Three Mile Island related licensing issues which must be resolved prior to the issuance of an operating license.

(2) The statement on page 11, "NRC has approved the emergency evacuation plan previously approved by the State of Virginia" should be revised as follows: "NRC has concurred with the emergency plan submitted by the State of Virginia".

See Financial Rpts for Encl.

7911300209

cap

I had L. Engel and D. Neighbors (DOR project managers for North Anna, Unit 1 and Surry, Units 1 and 2, respectively) review the appropriate pages prior to making the telephone call.

Original signed by
A. W. Dromerick

A. W. Dromerick, Project Manager
Light Water Reactors, Branch No. 3
Division of Project Management

OFFICE	DPM:LWR #3	DPM:LWR #3				
SURNAME	AWDromerick:mec	ODParr				
DATE	11/15/79	11/15/79			7911300	209

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

(4) Varsallo 11-16-79

November 6, 1979

Mr. Edson G. Case, Deputy Director
Nuclear Reactor Regulation
Nuclear Regulatory Commission
Washington, D. C. 20545

Re: Virginia Electric and Power Company
File No. 2-65827

Dear Mr. Case:

Enclosed is a copy of a registration statement filed with this Commission by the above company on October 26, 1979.

We would appreciate any comments your staff may have on the prospectus and your furnishing us with such comments, if any, by November 16, 1979 to assist us in our examination and review of the filing. Your particular attention is directed to the discussion under the caption "Capital Expenditures and Financial Program" at pages 5-7, and to "Nuclear Units" at pages 10-12.

As you are aware, this Commission does not pass upon the merits of a security, but attempt to obtain compliance by the registrant with the statutory requirements of full and fair disclosure. Accordingly, we also would appreciate your staff advising us of any additional information which it believes would be helpful to us in processing the prospectus so as to make the disclosure more meaningful to a reasonable investor.

As you can appreciate, time is of the essence in connection with public financings due to market conditions. The Company has indicated that it desires that its registration statement be made effective not later than November 19, 1979.

Please furnish the above comments, if any, directly to my attention and should you have any questions, please call me at (202) 272-2717 or Mr. Christopher Owings at (202) 272-2721.

Sincerely,

Howard F. Morin
Branch Chief

File No. 2-65827

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM S-16

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Virginia Electric and Power Company

(Exact name of Issuer as specified in Charter)

Virginia	54-0418825
(State of Incorporation)	(I.R.S. Employer Identification No.)

One James River Plaza, Richmond, Virginia 23261
(Address of principal executive office)

Issuer's telephone number, including area code: (804) 771-3225

S. B. ROBERTSON, Corporate Secretary
D. A. HILLSMAN, JR., Assistant Corporate Secretary
VIRGINIA ELECTRIC AND POWER COMPANY
One James River Plaza, Richmond, Virginia 23261
(Names and addresses of agents for service)

Copies to:

GEORGE H. HETTRICK	ALBERT F. LILLEY
P.O. Box 1535	1 Chase Manhattan Plaza
Richmond, Virginia 23212	New York, N.Y. 10005

Approximate date of proposed public offering: as soon as practicable after effectiveness.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit(1)	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, without par value ...	6,000,000 shares	$10.625	$63,750,000	$12,750

(1) Estimated solely for the purpose of determining the registration fee, and based on the last reported sale price on October 24, 1979.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

PART I

Cross Reference Sheet

VIRGINIA ELECTRIC AND POWER COMPANY

Data in Part I of Registration Statement

Item Number and Nature of Item	Location in Prospectus
1. Identity of Issuer	The Company
2. Distribution Spread	Cover
3. Plan of Distribution	Cover; Underwriters
4. Securities to be Offered and Identity of Offeror	Cover; The Company
5. Use of Proceeds to Issuer	Use of Proceeds
6. Securities to be Registered	The Common Stock
7. Incorporation of Certain Documents by Reference	Incorporation of Certain Documents by Reference
8. Additional Information	Additional Information

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7911300209
Memo to Vassallo
Fm Dromerick

EXPLANATORY NOTE

The form of prospectus filed as a part of this registration statement has two cover pages. The first makes provisions for showing the actual offering price when determined. The second describes the formula pursuant to which the price of the shares will be determined. All preliminary prospectuses distributed will bear the second form of cover page. After the registration statement becomes effective, all prospectuses distributed will bear the first form of cover page, appropriately completed. Ten copies of the prospectus in the exact form in which it is to be used after effectiveness will be filed with the Securities and Exchange Commission pursuant to Rule 424(b) of the General Rules and Regulations under the Securities Act of 1933.

RETURN TO REACTOR DOCKET
FILES

PROSPECTUS

6,000,000 Shares

Virginia Electric and Power Company

COMMON STOCK

(Without Par Value)

The Company's Common Stock is listed on the New York Stock Exchange, and the Company has applied for the listing on such Exchange of the shares offered hereby.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PRICE $ A SHARE

	Price to Public	Underwriting Discounts and Commissions (1)	Proceeds to Company (2)
Per Share	$	$	$
Total	$	$	$

(1) The Company has agreed to indemnify the several Underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

(2) Before deducting estimated expenses of $ payable by the Company.

The shares are offered subject to prior sale, when, as and if accepted by the Underwriters, and subject to approval of certain legal matters by Milbank, Tweed, Hadley & McCloy, counsel for the Underwriters, and by Hunton & Williams, counsel for the Company. It is expected that delivery of the shares will be made on or about November 27, 1979 at the office of Morgan Stanley & Co. Incorporated, 55 Water Street, New York, N.Y., against payment therefor in New York funds.

MERRILL LYNCH WHITE WELD CAPITAL MARKETS GROUP
Merrill Lynch, Pierce, Fenner & Smith Incorporated

MORGAN STANLEY & CO.
Incorporated

WHEAT, FIRST SECURITIES, INC.

November , 1979

These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY PROSPECTUS
Issued October 26, 1979

6,000,000 Shares

Virginia Electric and Power Company

COMMON STOCK

(Without Par Value)

The Company's Common Stock is listed on the New York Stock Exchange, and the Company has applied for the listing on such Exchange of the shares offered hereby.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Price to Public—The public offering price per share of the shares will be a fixed price determined by agreement among Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Wheat, First Securities, Inc., and the Company. The public offering price will not be higher than the last reported sale (regular way) or the last reported asked price of the Common Stock of the Company on the New York Stock Exchange immediately prior to such determination, whichever is higher, plus $.50. The last reported sale price on October 24, 1979 on the New York Stock Exchange and on the composite tape was $$10\frac{5}{8}$.

Underwriting Discounts and Commissions—The underwriting discounts and commissions will be an amount per share determined by agreement among Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated and Wheat, First Securities, Inc. and the Company, not in excess of % of the public offering price. The Company has agreed to indemnify the several Underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

Proceeds to the Company—The purchase price per share to be paid by the several Underwriters to the Company will be an amount equal to the public offering price less the underwriting discounts and commissions. Expenses payable by the Company are estimated at $135,000.

The shares are offered subject to prior sale, when, as and if accepted by the Underwriters, and subject to approval of certain legal matters by Milbank, Tweed, Hadley & McCloy, counsel for the Underwriters, and by Hunton & Williams, counsel for the Company. It is expected that delivery of the shares will be made on or about November 27, 1979 at the office of Morgan Stanley & Co. Incorporated, 55 Water Street, New York, N. Y., against payment therefor in New York funds.

MERRILL LYNCH WHITE WELD CAPITAL MARKETS GROUP
Merrill Lynch, Pierce, Fenner & Smith Incorporated

MORGAN STANLEY & CO.
Incorporated

WHEAT, FIRST SECURITIES, INC.

November , 1979

No person is authorized in connection with this offering to give any information or to make any representations not contained in this Prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by the Company or any Underwriter. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The delivery of this Prospectus at any time does not imply that the information herein is correct as of any time subsequent to its date.

TABLE OF CONTENTS

IN CONNECTION WITH THE OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMPANY'S COMMON STOCK AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE OR IN THE OVER-THE-COUNTER MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

ADDITIONAL INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 and in accordance therewith files reports and other information with the Securities and Exchange Commission. Information, as of particular dates, concerning directors and officers, their remuneration, and any material interest of such persons in transactions with the Company is disclosed in proxy statements distributed to stockholders of the Company and filed with the Commission. Such reports, proxy statements and other information can be inspected at the Public Reference Room of the Commission at 1100 L Street, N.W., Washington, D.C., and copies of such material can be obtained at the principal office of the Commission at 500 North Capitol Street, N.W., Washington, D.C. 20549 at prescribed rates. Such material can also be inspected at the New York Stock Exchange.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

There are hereby incorporated in this Prospectus by reference the following documents and information heretofore filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the 1934 Act):

1. The Company's Annual Report for 1978 on Form 10-K.
2. The Company's definitive proxy statement dated March 14, 1979 in connection with its Annual Meeting of Stockholders held on April 18, 1979.
3. The Company's quarterly reports for the first two quarters of 1979 on Form 10-Q.

All documents filed by the Company pursuant to Section 13, 14 or 15(d) of the 1934 Act after the date of this Prospectus and prior to the termination of the offering of the Common Stock shall be deemed to be incorporated in this Prospectus by reference and to be a part hereof from the date of filing of such documents.

The Company hereby undertakes to provide without charge to each person to whom a copy of this Prospectus has been delivered, on the written request of any such person, a copy of any or all of the documents referred to above which have been or may be incorporated in this Prospectus by reference, other than exhibits to such documents. Written requests for such copies should be directed to S. Brooks Robertson, Corporate Secretary, Virginia Electric and Power Company, P.O. Box 26666, Richmond, Virginia 23261.

THE COMPANY

Virginia Electric and Power Company (the Company) was incorporated in Virginia in 1909 and has its principal office at One James River Plaza, Richmond, Virginia 23261, telephone 804-771-3225.

The Company is a regulated public utility engaged in the generation, purchase, transmission, distribution and sale of electric energy in a 32,000 square mile service area in Virginia, northeastern North Carolina and a small portion of West Virginia. In its service area it sells electricity to retail customers (including governmental agencies) and at wholesale to rural electric cooperatives and municipalities. The Company's service area comprises about 65% of Virginia's total land area, but accounts for over 80% of its population and includes the rapidly growing urban corridor from northern Virginia through Richmond to Norfolk. Gas service (representing about 3% of Company revenues) is furnished in a small area of eastern Virginia.

Principally as a result of (i) recent, substantial increases in costs necessitated by unanticipated nuclear unit outages (including costs incident to increased use of fossil fuel and replacement power purchased from other utilities as well as costs incurred in responding to regulatory requirements in respect of nuclear units) and (ii) delays in obtaining reimbursement of such costs as may be reimbursed through adjustments in rates, the Company has experienced deficiencies in its internal cash generation and decreases in its earnings and coverages. As a result of these events, the Company has, with the prior consent of the Virginia Commission, for the twelve months ended September 30, 1979, deferred $15.5 million ($8.4 million net of Federal income taxes) of costs associated with purchased and interchanged power not presently being recovered in rates, and similar costs incurred during the last quarter of 1979 will also be deferred, in both cases pending a determination by the Virginia Commission in 1980 as to whether such costs may be recovered from customers. See SELECTED FINANCIAL INFORMATION, CAPITAL EXPENDITURES

AND FINANCING PROGRAM and RECENT DEVELOPMENTS. Internal cash generation and earnings and coverages are expected to continue to deteriorate so long as the Company's nuclear generating units remain non-operational (see *Nuclear Units* under RECENT DEVELOPMENTS for information concerning the current status of each of the Company's nuclear units). Internal cash generation and earnings and coverages during the remainder of 1979 and during 1980 will be affected, among other things, by the availability of the Company's nuclear generating units and the cost of fossil fuel or replacement power, the level of capital expenditures, the cost of funds to the Company to finance those expenditures, the outcome of rate proceedings, the receipt of settlement proceeds from the litigation with Westinghouse Electric Corporation (Westinghouse) and possible consummation of plans to sell a portion of the Bath County Pumped Storage Project and certain nuclear and gas facilities. See CAPITAL EXPENDITURES AND FINANCING PROGRAM and RECENT DEVELOPMENTS.

COMMON STOCK DIVIDENDS AND PRICE RANGE

Purchasers of the Common Stock offered hereby will be entitled to any dividend declared by the Board of Directors on November 16, 1979, and payable on December 20, 1979 to stockholders of record as of December 4, 1979.

The Company has paid cash dividends on its Common Stock in each year since 1925. Such dividends have been paid in the following annual amounts per share for the last five years: 1974 and 1975—$1.18; 1976—$1.22½; 1977—$1.24; and 1978—$1.30. Effective with the quarterly dividend paid on June 20, 1979, the Company increased the quarterly dividend from $.33 to $.35 per share and for the 12 months ended September 30, 1979, the dividend paid was $1.36. Future dividends will depend on future earnings, the financial condition of the Company and other factors.

Dividends paid on the Company's Common Stock in 1978 were 100% taxable for Federal income tax purposes as ordinary income to the recipients thereof. A tentative determination by the Company indicates that a substantial portion, in the range of 75%, of the dividends paid on Common Stock in 1979 may not be taxable as ordinary income, but may constitute a return of capital and reduce the tax basis of the shares on which such dividends are paid. This substantial increase in non-taxable dividends is primarily attributable to increased fuel costs the impact of which is deferred for financial statement purposes, but which are deductible as incurred in determining taxable income of the Company.

At September 30, 1979, the book value of the Company's Common Stock was $19.29 per share. Construction of new facilities to meet future demands requires the sale of additional securities, including Common Stock, and sales of Common Stock below book value, including the Common Stock offered hereby, results in a dilution of existing stockholders' interest in the Company's net assets. But the Company intends to take several steps to reduce its construction expenditures for the Bath County Pumped Storage Project and North Anna Units 3 and 4 (see CAPITAL EXPENDITURES AND FINANCING PROGRAM), thereby reducing the financing demands upon the Company.

Without payment of any brokerage or service charge, stockholders of the Company who participate in the Automatic Dividend Reinvestment Plan may purchase additional shares of Common Stock through reinvestment of their cash dividends. Participants may also purchase up to an additional $5,000 of Common Stock per quarter, also without payment of brokerage or service charges. For information concerning the Automatic Dividend Reinvestment Plan, call or write the Corporate Secretary, Virginia Electric and Power Company, P. O. Box 26666, Richmond, Virginia 23261 (telephone number 804-771-3225).

The following table shows the high and low sales prices of the Common Stock of the Company, as reported on the New York Stock Exchange tape through January 23, 1976 and thereafter as reported on the composite tape as furnished by *The Commercial and Financial Chronicle:*

Year	High	Low
1974	15¾	6⅞
1975	13⅞	8¼
1976		
First Quarter	14⅞	12⅝
Second Quarter	14	12¼
Third Quarter	15½	13½
Fourth Quarter	15¾	14
1977		
First Quarter	16⅛	14
Second Quarter	15½	14⅛
Third Quarter	15¾	14¼
Fourth Quarter	15½	14
1978		
First Quarter	14⅝	13½
Second Quarter	14⅜	13½
Third Quarter	15¾	14⅛
Fourth Quarter	14¾	13⅝
1979		
First Quarter	14¾	13
Second Quarter	13½	12
Third Quarter	13¼	11⅞
Fourth Quarter through October 24	12⅛	10⅝

The reported last sale price on October 24, 1979 was $10⅝ per share on the composite tape.

USE OF PROCEEDS

The net proceeds from the sale of the Common Stock offered hereby will be used to finance capital expenditures as described below, chiefly by payment of short-term debt incurred for that purpose.

CAPITAL EXPENDITURES AND FINANCING PROGRAM

The Company has carried on a continuous construction program based on customer needs and, to a certain extent, regulatory requirements for the protection of the environment. During the period January 1, 1974 through September 30, 1979, the Company made net additions to utility plant of $2.8 billion. At September 30, 1979, gross utility plant amounted to $6.1 billion.

In early 1979, the Company adopted a forecast in peak demand for the period 1979-1989, which indicated a compound annual growth rate of 4.0% in summer peak load and 4.5% in winter peak load. This forecast reflected the then estimated effects of changes in energy prices, conservation, rate design and load management techniques. The Company's construction program and related capital expenditures budget for 1979-81, which was adopted in early 1979, were designed to provide adequate installed reserves consistent with this peak load forecast. The construction program contemplated placing North Anna Unit 2 (934 Mw) in service in 1979 (now scheduled for 1980), the Bath County Pumped Storage

Project (2,100 Mw) in service in 1982 and North Anna Units 3 and 4 (938 Mw each) in service in 1986 and 1987, respectively. The Company also announced plans to construct a new coal-fired unit for service in the late 1980's at one of three possible sites. Construction and nuclear fuel expenditures for the three-year period were estimated to total $2.7 billion ($757 million in 1979, $977 million in 1980 and $938 million in 1981). Those amounts included expenditures planned for environmental protection facilities of about $159.8 million ($38.8 million in 1979, $92.4 million in 1980 and at least $28.6 million in 1981).

In light of developments both with respect to peak demand and the Company's ability to finance capital expenditures as budgeted for 1979-81, the Company is currently reevaluating its construction program and exploring several possible alternatives for meeting its capital requirements described below.

The Company's summer peak demand for 1979 (7,929 Mw) was virtually unchanged from the previous peak (7,902 Mw in 1977) and well below the 8,250 Mw that had been projected by the forecast adopted in early 1979. The absence of any significant increase in peak demand during 1979, the current indications of decline in economic activity, the OPEC price increases in 1979 and the resulting energy program proposed by the Administration have prompted a reevaluation by the Company of its earlier forecast and this reevaluation and its impact on the Company's load growth should be completed in early 1980.

In consideration of these circumstances, together with escalating construction costs, the financing constraints upon the Company and the regulatory constraints upon nuclear power, the Company intends (a) to give consideration to the possible sale of a portion of the Bath County Pumped Storage Project ($369 million invested through September 30, 1979, with a total estimated cost of $1.03 billion) and to consider a transfer of that Project to a new generating Company in connection with a project financing of that facility, and to those ends has been conducting preliminary discussions with two other utilities, American Electric Power Company and Allegheny Power System, Incorporated; (b) to begin a study, expected to take six months to one year, to determine the technical and economic feasibility of converting North Anna Units 3 and 4 from nuclear to coal; and (c) pending the completion and analysis of the North Anna study, to continue engineering of the secondary plant, which will be needed for either a coal or nuclear facility, but suspend construction on the nuclear portion of Units 3 and 4, thereby reducing budgeted 1980 construction expenditures and nuclear fuel expenditures by approximately $107 million and $69 million, respectively. In considering the feasibility of converting the two North Anna Units, the Company will, among other things, take into account the relative amounts of additional expenditures that would be required to complete the Units as nuclear facilities or to convert them to coal-fired facilities, the Company's financing capability, the relative operating cost of the alternative generation modes, the relative regulatory constraints upon nuclear and coal, the relative availability of the two fuels, and whether reasonable assurance could be obtained that write-offs in the event of conversion could be recovered. Expenditures for North Anna Units 3 and 4, as of September 30, 1979, amounted to about $489 million. Costs incident to accomplishing such a conversion could be substantial. Suspension of construction on the nuclear portion of North Anna Units 3 and 4 will reduce the financing demands upon the Company during 1980 and to the extent that a portion of the Bath County Pumped Storage Project may be sold or the construction expenditures provided through project financing, the Company will be proportionately or entirely relieved of the financing requirements for that Project ($303 million budgeted for 1980).

In addition to the amounts necessary to finance its construction and nuclear fuel expenditures, the Company has refunding and mandatory cash sinking fund obligations on long-term debt and Preferred Stock of $75 million in 1979, $57 million in 1980 and $128 million in 1981.

To meet its total capital expenditures, the policy of the Company is to achieve and maintain over time capitalization ratios in the range of 52% long-term debt, 13% preferred and preference stock, and 35% common equity and to generate at least 35% of its capital requirements internally and to finance the remainder through sales of securities of various types. Capital expenditures in 1979 through September 30 amounted to $489 million. Such expenditures have been financed in part by application of the proceeds from the Westinghouse settlement (see *Sources of Energy Used* under RECENT DEVELOPMENTS) and proceeds of financings. To date in 1979, the Company has raised $275 million from sales of debt securities, including $135 million of First and Refunding Mortgage Bonds of 1979, Series B, 9.95%, due October 1, 2004, issued on October 2, 1979 and it anticipates receiving up to $80 million from the sale of the Common Stock offered hereby. Arrangements made in the summer of 1979 for the placement of $28 million Preferred Stock (at a dividend rate of 8.925%) and $20 million of five-year unsecured debt (at an interest rate of 10¼%) have been deferred, due primarily to the uncertainties described under THE COMPANY above, although discussions with the prospective purchasers are continuing. Internal cash generation and earnings during 1980 will be affected by a variety of factors, apart from those discussed in the preceding paragraphs, including the availability of the Company's nuclear generating units already licensed and the outcome of rate proceedings (see RECENT DEVELOPMENTS) and may continue to be below desired levels. External financing is likely to be costly and the issuance of First and Refunding Mortgage Bonds and Preferred Stock will be subject to the earnings limitations described in the following paragraph.

For the issuance of additional First and Refunding Mortgage Bonds, net earnings (as defined) after depreciation but before income taxes must be at least twice the annual interest charges on all Bonds. Under this earnings test, pro forma for the sale of $135 million of First and Refunding Mortgage Bonds of 1979, Series B, at 9.95% and assuming an interest rate of 12% for additional Bonds, the Company could have issued $337 million of additional Bonds at September 30, 1979. For the issuance of Preferred Stock, net income (as defined) plus interest deducted in arriving at such income must be at least 1½ times annual interest charges on all debt and annual dividend requirements on all Preferred Stock. Under this test no Preferred Stock (other than the $28 million of Preferred Stock referred to above) can be issued at this time.

The construction program and the financing thereof can be expected to continue to change as a result of, among other factors, higher than anticipated inflation, additional regulatory and environmental costs, further changes in the rate of growth in peak demand, licensing and construction delays, results of rate proceedings and possible consummation of plans to sell certain facilities. Also, commitments for capital expenditures must be made well in advance of planned in-service dates, so that a substantial portion of the expenditures for future construction has been committed. Any deferment of in-service dates as a result of reduced customer demand will increase costs, in large part due to inflation and Allowance for Funds used during Construction (AFC).

SELECTED FINANCIAL INFORMATION

Set forth below is a summary of certain information from the statements of income of the Company. Data for the 12 months ended September 30, 1979 are unaudited but, in the opinion of the Company, reflect all adjustments, consisting of only normal recurring accruals (reference is made to note (1) below), necessary for a fair presentation of such amounts, subject to the outcome of the matter referred to in note (1) below.

	Twelve Months Ended September 30, 1979 (Unaudited)	Years 1978	1977	1976	1975	1974
	(Dollars in Thousands, except Per Share Amounts)					
Operating revenues	$1,574,070	$1,464,905	$1,358,860	$1,104,076	$1,033,336	$764,012
Operating income	$ 317,062(1)	$ 305,275	$ 265,427	$ 240,756	$ 229,822	$165,935
Balance for Common Stock	$ 144,026(1)	$ 150,276	$ 142,074	$ 122,965	$ 118,761	$ 96,743(2)
Earnings per share of Common Stock	$1.70(1)	$1.88	$1.92	$1.80	$1.95	$1.86(2)
Dividends per share of Common Stock	$1.36	$1.30	$1.24	$1.22½	$1.18	$1.18

(1) For the 12 months ended September 30, 1979, $15.5 million ($8.4 million net of Federal income taxes) of costs incurred in 1979 associated with purchased and interchanged power not presently recoverable through fuel cost recovery procedures or in base rates from Virginia jurisdictional customers was deferred pending a determination by the Virginia Commission in 1980 as to whether those costs may be recovered from customers. The Virginia Commission granted accounting approval for this deferral, the effect of which was to increase earnings per share of Common Stock by $.10 for the 12 months ended September 30, 1979. Similar costs for customers other than Virginia jurisdictional customers, amounting to $8.0 million for the first nine months of 1979, have not been deferred.

(2) Balance for Common Stock and earnings per share for 1974 include $12,353,000 and $.24, respectively, applicable to the cumulative effect (to January 1, 1974) of the change in accounting method to record estimated unbilled revenues.

Balance for Common Stock decreased $7.4 million for the 12 months ended September 30, 1979, as compared to the 12 months ended September 30, 1978, primarily as a result of replacing power for Surry Nuclear Units 1 and 2 (see *Nuclear Units* under RECENT DEVELOPMENTS) with more expensive fossil generation and purchased and interchanged power. Most of the additional costs of fossil generation to replace the nuclear generation are subject to recovery through fuel expense recovery procedures, but see note (1) above as to purchased and interchanged power costs. In addition there were increased maintenance expenses associated with the commercial operation of North Anna Unit 1 (placed in service in June 1978), the extension of Surry Unit 1 and 2 outages and an upgrading of maintenance schedules to improve availability and a number of forced outages of major fossil units, increased depreciation rates approved by the Virginia Commission, increased depreciation and operation costs and decreased AFC associated with North Anna Unit 1, and increased interest costs and preferred dividend requirements associated with financing the construction program and short-term financing of deferred fuel costs. Permanent rate relief of $148 million on an annual basis granted by the Virginia Commission, effective April 1979, reflected the increased depreciation rates and the effects of placing North Anna Unit 1 in service and offset, in part, the other increases in expenses. Earnings per share of Common Stock for the twelve months ended September 30, 1979 decreased $0.23 from the twelve months ended September 30, 1978 due to the decrease in balance for Common Stock and an increase in average number of Common shares outstanding of more than 6 million.

Continued outages of nuclear units will require utilization of purchased power and fossil generation at costs which substantially exceed those of nuclear generation and might result in further declines in balance for Common Stock and earnings per share unless continuing, timely rate increases are obtained to recover these costs and to offset the effects of inflation, the placement in service of North Anna Unit 2 (see *Nuclear Units* under RECENT DEVELOPMENTS) and other factors.

The summary capitalization of the Company at September 30, 1979, with pro forma adjustments to reflect the issuance on October 2, 1979 of $135 million of First and Refunding Mortgage Bonds of 1979, Series B, 9.95%, due 2004 and the issuance of the Common Stock offered hereby, was as follows:

	September 30, 1979			
	Actual	% of Capitalization	Pro forma	% of Pro forma Capitalization
	(000)		(000)	
Capitalization Summary:				
Long-Term Debt (principally Mortgage Bonds)(1)	$2,548,610	52.4	$2,683,610	52.8
Preferred Stock, subject to mandatory redemption from 1979 to 2010(2)	305,260	6.3	305,260	6.0
Preferred Stock, subject to optional redemption	289,014	5.9	289,014	5.7
Preference Stock	57,360	1.2	57,360	1.1
Common Stockholders' Equity(3)	1,665,219	34.2	1,745,084(4)	34.4
Total	$4,865,463	100.0	$5,080,328	100.0

(1) Includes $70,910,000 (1.5% of total capitalization) of long-term debt due within one year.
(2) Includes $1,183,000 of Preferred Stock sinking fund requirements due within one year.
(3) 86,323,346 shares outstanding at September 30, 1979.
(4) After assumed net proceeds of $80 million from the sale of Common Stock.

RECENT DEVELOPMENTS

Rates

North Anna Unit 2 has not yet been placed in commercial operation (see *Nuclear Units)* and the Virginia Commission has continued the suspension of the Company's proposed rate increase for $64 million ($46 million attributable to the commercial operation of that Unit and $18 million to achieve the previously approved 9.6% rate of return for the test year 1978).

In the second quarterly hearing before the Virginia Commission on September 19, 1979, the Company requested a $37 million increase in the Annual Fuel Factor, effective October 1, 1979, sufficient to allow it to recover in 1979 the deficiency in recovery of fuel costs experienced through August. On September 27, 1979, the Commission granted the $37 million increase, as requested. The Commission's order recognizes that fuel costs experienced for the remainder of 1979 will be evaluated at a later date and appropriate action taken to recover in 1980 any deficiency for that period (presently estimated at about $71 million). At a hearing in December 1979 the Commission will consider that question together with the proper level of estimated fuel expenses for 1980. The Commission is required to give consideration to allegations by certain intervenors that some of the fuel costs (in unspecified amounts) were not "prudently incurred," and to disallow such costs if the allegations are found to be true.

The Company anticipates that it will seek additional rate relief from the Virginia Commission in the spring of 1980. The Commission has announced new ratemaking procedures approved by the General Assembly that will expedite rate proceedings under Virginia's annual review procedures but limit the size of any increase to the increase in the Consumer Price Index for the previous year. The Company has filed a $3.6 million request for a rate increase for its gas business with the Commission under these procedures. These rates have been suspended through the scheduled hearing date of November 14, 1979. The Company's additional revenue requirements, and whether they will be within this limitation, are not presently known. If the Company seeks more than the limit would allow, a further rate proceeding would be required.

The North Carolina Court of Appeals has granted the Company a stay of the order of the North Carolina Commission directing a $1.6 million refund and a $4.1 million annual rate reduction.

Sources of Energy Used

Source	Actual 1977 Percent	Actual 1978 Percent	Estimated 1979 Percent
Nuclear	25	35	18
Fossil:			
Coal:			
Mt. Storm (Mine-mouth)	20	17	18
Other	10	7	10
Oil	39	37	30
Combustion Turbines	2	1	1
Hydro	1	3	2
Purchased and Interchanged	3	—	21*
	100	100	100

* 19% was coal-fired generation purchased from the Company's neighboring utilities at a cost less than the Company's oil-fired generation.

The settlement of the uranium supply contract litigation with Westinghouse was finalized on June 22, 1979, and approved by the Court on that date. On July 20, 1979, the Company received $90 million in cash from Westinghouse and another $41 million is to be paid by Westinghouse to the Company on February 1, 1980. Settlement proceeds will reduce fuel expenses under procedures currently under review by regulatory authorities. The Company has requested a ruling from the Internal Revenue Service to the effect that amounts receivable under the terms of the Westinghouse settlement are not includable in current taxable income but instead are to be treated as reductions of the tax cost basis of nuclear fuel. It cannot presently be determined if or when such a ruling might be received. If the Company is unsuccessful in obtaining the desired ruling, the Company will include in its financial statements a provision estimated to be sufficient to pay additional assessments that may subsequently be imposed as a result of the treatment of the settlement amounts as taxable income by the Internal Revenue Service. The settlement of the dispute involving, among other items, repairs to the steam generators of Surry Units 1 and 2, was also finalized on June 22, 1979.

Regulation—General

From time to time, the Company may be in violation of or in default under the orders, statutes, rules or regulations relating to protection of the environment, compliance plans imposed upon or agreed to by the Company or permits issued by various local, State and Federal agencies for the construction or operation of the Company's facilities. There are presently pending several administrative proceedings involving minor violations of State or Federal environmental regulations that the Company believes are not material. The Company's aggregate liability for fines or penalties in these proceedings does not exceed $10,000. There are no material pending, and to the Company's present knowledge, no material threatened, agency enforcement actions or citizen suits against the Company, except as otherwise described in this Prospectus.

Nuclear Units

At the present time, three of the Company's nuclear units (totaling 2,571 Mw or 26% of system generating capability, including North Anna Unit 2) are out of operation. The current status of nuclear units is summarized below.

At Surry Unit 1 (775 Mw or 7.4% of system generating capability), the piping system reanalysis required by the NRC show cause order of March 13, 1979 to insure resistance to earthquake stress has been completed and NRC suspension of operations has been lifted. Minor modifications have been completed and the Unit returned to service on October 25. Additional piping and pipe support reanalysis, expected to take until March 1980, must be performed, and NRC has required that when such reanalysis indicates that additional modifications are needed, the Unit must be taken out of service and the modifications made promptly. The Company anticipates that the reanalysis will result from time to time in the need to make modifications. The Unit has approximately six months' fuel supply and is expected to be shut down in April 1980 for approximately twelve months, to install new steam generators and to refuel.

North Anna Unit 1 was taken out of service on September 25, 1979 after an incident that resulted in an automatic reactor trip and a minor release of radioactive gas. The Company is presently refueling the reactor. NRC is evaluating the incident, but the Company believes that the Unit will be permitted to resume operation after the refueling, estimated to take 12 weeks, has been completed.

Construction of North Anna Unit 2 is complete. Because of the accident at the Three Mile Island Nuclear Station, however, the NRC is unlikely to issue any operating licenses until certain issues raised by the accident have been assessed and the report of the President's Commission (see below) has been received and evaluated. The Company is unable to predict what that report might say or what effect it might have on the issuance of the operating license for North Anna Unit 2. The Company presently believes, however, that an operating license will not be issued before January 1980, which would permit placing the Unit in service not earlier than April 1980.

The Surry Unit 2 steam generator replacement is essentially complete. NRC, however, has required the same piping and pipe support reanalysis for Unit 2 that is required for Unit 1, and its present position is that all reanalyses must be complete, and required modifications made, before Unit 2 may resume operation. The Company's present estimate is that this work cannot be completed before mid-April 1980.

An anti-nuclear group, the Potomac Alliance, has indicated that it is possible that it will file suit to challenge NRC's approval of the steam generator replacements at Surry Units 1 and 2. If filed, and if successful, such a suit could delay the return to service of Surry Unit 2 and the replacements presently planned for Surry Unit 1.

NRC has ~~approved~~ concurred with the emergency ~~evacuation~~ plan ~~previously approved~~ submitted by the State of Virginia. ?

Implications of the Three Mile Island Accident

The accident at Three Mile Island will result in more stringent NRC requirements in the areas of emergency planning; training requirements for reactor operators; procedures and facilities for following the course of accidents and staffing of reactor operations. In addition, certain modifications will be required in the Company's operating units. Although it now appears that such requirements will not require significant outage time for implementation, they can be expected to result in increases in the cost of reactor operations.

The Commission appointed by the President to investigate and report upon the Three Mile Island accident may make recommendations which will have a significant impact on the nuclear industry. Implementation of Commission recommendations could impose greater cost and regulatory burden including expensive delays.

A number of bills have been introduced in the U. S. Congress that would, if enacted into law, radically alter the present system for licensing and regulating nuclear power reactors. Several of these bills would require that the NRC cease authorizing, either permanently or temporarily pending the outcome of special studies, the construction, operation or alteration of nuclear power plants. Other bills would modify the limitations on the amount of financial protection required with respect to nuclear incidents, remove the present statutory limitation on the aggregate liability for a single nuclear incident, and limit the financial obligations of the U. S. government with respect to such incidents.

The Company is exploring, together with other nuclear utilities, the possibility of establishing a captive mutual insurance company to provide insurance for replacement power costs resulting from a nuclear accident. The Company is also participating with other nuclear utilities in the recently established

Institute of Nuclear Power Operations and Nuclear Safety Analysis Center, the objectives of which are to standardize high quality nuclear plant operations for all nuclear utilities and to independently evaluate the causes leading to the events at Three Mile Island.

Air Quality

The Company has measured violations of limitations on particulate emissions at its Chesterfield Units 5 and 6 and at its Mt. Storm Power Station. The Company is installing a new electrostatic precipitator on Chesterfield Unit 5 (scheduled completion June 1980), and plans to make changes in the precipitators of the other units, in order to comply. The Company has applied to EPA for a delayed compliance order for Chesterfield Unit 5 that would protect it from enforcement action and may broaden the application to include Chesterfield Unit 6, but EPA has not yet acted. The Company is not eligible for such an Order at Mt. Storm. State and Federal law each provides for injunctive relief, civil penalties (of up to $25,000 under State and Federal law for each offense) and criminal penalties (of up to $1,000 under State law and up to $25,000 under Federal law for each offense). Each day may be deemed a separate offense. In addition, when presently proposed EPA regulations have been adopted (probably in late 1979), automatic non-compliance penalties may apply under Federal law in an amount equal to the economic benefit an owner enjoys because of its failure to comply.

THE COMMON STOCK

Listing

The outstanding shares of Common Stock are listed on the New York Stock Exchange and application has been made to list the additional shares.

Dividends

After provision for the payment of past and current dividends and mandatory sinking fund obligations on outstanding shares of Preferred Stock and Preference Stock, holders of Common Stock are entitled to dividends at such rate as may be determined by the Board of Directors. See Common Stock Dividends and Price Range.

Fully Paid

All outstanding shares of Common Stock are, and upon issuance to the Underwriters against full payment of the agreed purchase price the shares offered hereby will be, fully paid and nonassessable. The proceeds of the sale of the shares offered hereby will be credited to Common Stock Capital Account.

Voting Rights

Except as indicated below or provided by statute, the holders of Common Stock have sole voting power. Each share is entitled to one vote in the election of directors and other matters.

If dividends are in default on any of the Preferred Stock in an amount equal to full dividends for one year or more, the holders of the Preferred Stock become entitled, as a class, to elect a majority of the Board of Directors until full dividends have been provided for all past periods and for the current period. If dividends are in default on any of the Preference Stock in an amount equivalent to full dividends for one year or more, the holders of the Preference Stock become entitled, as a class, to elect two directors until full dividends have been provided for all past periods and for the current period.

The assent of two-thirds of the Preferred Stock is required to (*a*) increase the number of authorized shares of the Preferred Stock or authorize or issue any stock equal or senior thereto; (*b*) change adversely the stated characteristics of the Preferred Stock or make certain other changes; or (*c*) reduce the amount of capital represented by the outstanding Preferred Stock or, below certain limits, by the Preference Stock and the Common Stock. The assent of two-thirds of the Preference Stock is required to (*a*) create, or increase the authorized number of shares of, any class of stock ranking prior to the Preference Stock or on a parity with it; (*b*) increase the number of authorized shares of the Preference Stock; or (*c*) change adversely any of the preferences or rights of the Preference Stock or make certain other changes. These assents are required in addition to the assent of two-thirds of all outstanding shares entitled to vote including the Common Stock, all voting together share for share.

Assent of a majority of the Preferred Stock is required for the issuance of authorized shares of Preferred Stock when an earnings requirement is not met (see CAPITAL EXPENDITURES and FINANCING PROGRAM).

The voting rights of the Common Stock are non-cumulative. Thus the holders of more than 50% of the shares of Common Stock voting for the election of directors can, if they choose, elect all directors (other than those the holders of the Preferred Stock and the Preference Stock may be entitled to elect because of dividend default) and, in such event, the holders of the remaining shares of Common Stock will not be able to elect any person as director.

Other Rights

The holders of Common Stock are not entitled to any pre-emptive right. On liquidation, the holders of Common Stock are entitled to all assets that remain after satisfaction of creditors and the liquidation preferences of the Preferred Stock and the Preference Stock together with sums equal to dividends accrued or in arrears on the Preferred Stock and the Preference Stock. The involuntary liquidation preference of each of the existing series of Preferred Stock is $100 per share. The voluntary liquidation preferences of the existing series are equal to their respective redemption prices. The liquidation preference, involuntary and voluntary, of the outstanding Preference Stock is $25 per share. The liquidation preferences of any future series of the Preferred Stock or of the Preference Stock will be determined by the Board of Directors at the time of issuance of any such series.

Transfer Agents and Registrars

The Transfer Agents for the Common Stock are The Chase Manhattan Bank (N.A.), New York, New York and United Virginia Bank, Richmond, Virginia. The Registrars are Manufacturers Hanover Trust Company, New York, New York and Central Fidelity Bank, N.A., Richmond, Virginia.

UNDERWRITERS

The Underwriters named below have severally agreed, subject to the terms and conditions of the Underwriting Agreement, to purchase from the Company the following number of shares of Common Stock set forth opposite their names below:

Name of Underwriter	Number of Shares	Name of Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith Incorporated			
Morgan Stanley & Co. Incorporated			
Wheat, First Securities, Inc...........			

Total 6,000,000

If one or more Underwriters should default, the non-defaulting Underwriters will be obligated to purchase *pro rata* the defaulted shares if the number of those shares does not exceed 10% of the total offered hereby. If the number of defaulted shares exceeds 10% of the total, the Company and the Representatives of the Underwriters will have 36 hours to arrange for the purchase of some or all of the defaulted shares. Accordingly, it is possible for less than 100% of the shares to be purchased. But if satisfactory arrangements are not made, the Underwriting Agreement will terminate without liability on the part of non-defaulting Underwriters.

The Representatives of the Underwriters have advised the Company that the Underwriters propose to offer a portion of the shares of Common Stock directly to the public at the offering price set forth on the cover page of this Prospectus and part to selected dealers at a concession not in excess of $.   per share. Any Underwriter may allow, and such dealers may reallow, a concession not in excess of $.   per share to other Underwriters or certain other dealers who enter into a Dealer Agreement.

EXPERTS

The financial statements in the Company's Annual Report to the Securities and Exchange Commission for 1978 on Form 10-K, which are incorporated in this Prospectus by reference, are so included in reliance on the report of Coopers & Lybrand, independent certified public accountants, as experts in accounting and auditing.

Legal conclusions under RECENT DEVELOPMENTS and THE COMMON STOCK herein have been reviewed by Hunton & Williams, Richmond, Virginia, except that, so far as such matters covered under THE COMMON STOCK are governed by the laws of North Carolina or West Virginia, they have been reviewed by Spruill, Trotter, Lane & McCotter, Rocky Mount, North Carolina and Jackson, Kelly, Holt & O'Farrell, Charleston, West Virginia, respectively. The statements are included on their authority as experts.

Lawyers in the firm of Hunton & Williams own approximately 19,750 shares of Common Stock, 74 shares of Preferred Stock and $55,000 principal amount of bonds on which the Company is obligated.

LEGAL OPINIONS

Milbank, Tweed, Hadley & McCloy, New York, New York, counsel for the Underwriters, and Hunton & Williams, Richmond, Virginia, counsel for the Company, are to give their respective opinions to the Underwriters as to certain matters set forth in the forms of their opinions in the Underwriting Agreement relying, to the extent stated therein, on the opinions of local counsel.

Vepco

VIRGINIA ELECTRIC AND POWER COMPANY

PART II

Item 9. *Other Expenses of Issuance and Distribution.*

	Estimated
Securities and Exchange Commission fee	$ 12,750
Transfer Agent and Registrar fees	4,000
Printing expense—Registration Statement and Prospectus, Underwriting Agreement, etc.	50,000
Fee of New York Stock Exchange for Listing	15,000
Counsel fees	30,000
Accountants' fees	16,500
Telephone, telegraph, travel and miscellaneous	6,750
TOTAL	$135,000

The Company maintains Director and officer liability insurance protecting the Company and Directors and officers against claims resulting from such position; this arrangement is designed for all occurrences in the three-year period ending March 1, 1981, with a total premium of $113,966. In general, the policy covers negligence but does not cover willful misconduct. The Company believes that it is not practicable to allocate a specific dollar portion of this premium as an expense relating to the issuance of the Common Stock.

Item 10. *Relationship with Issuer of Experts Named in Registration Statement.*

Evans B. Brasfield, a member of the firm of Hunton & Williams, is General Counsel and George H. Hettrick and Michael W. Maupin, also members of the firm, are each Assistant General Counsel of the Company.

Item 11. *Treatment of Proceeds from Stock to be Registered.*

See Prospectus under THE COMMON STOCK.

Item 12. *Documents Relating to Trustees.*

Not Applicable.

Item 13. *Exhibits:*

1 —Forms of Agreement Among Underwriters, Underwriting Agreement, Dealer Agreement and Price Determination Agreement for the Common Stock (filed herewith).

2A —Specimen Common Stock Certificate (filed herewith).

2B —Articles of Incorporation of the Company, composite copy omitting inoperative and superseded provisions (filed herewith).

3 —Opinion of Hunton & Williams (filed herewith).

4 —Uranium Agreement of Settlement between Virginia Electric and Power Company and Westinghouse Electric Corporation dated June 22, 1979 (filed herewith).

UNDERTAKINGS

1. Each person whose signature appears below hereby authorizes each agent for service named in the registration statement as attorney-in-fact to sign in his behalf individually and in each capacity stated below and file all amendments and post-effective amendments to the registration statement and the Company hereby confers like authority to sign and file in its behalf.

2. Directors and officers of the undersigned registrant are in certain cases entitled, pursuant to provisions in the Articles of Incorporation, to indemnification against expenses and liabilities under judgements and reimbursements of amounts paid in settlement. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to such provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) or for reimbursement of amounts paid in settlement is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the issuer has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Richmond, and State of Virginia, on the 26th day of October, 1979.

VIRGINIA ELECTRIC AND POWER COMPANY

By T. JUSTIN MOORE, JR.

(T. Justin Moore, Jr., Chairman of Board of Directors)

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the date indicated.

Signature	Title	Date
JAMES F. BETTS **James F. Betts**	Director	October 26, 1979
CHARLES F. BURROUGHS, JR. **Charles F. Burroughs, Jr.**	Director	
MILTON L. DREWER, JR. **Milton L. Drewer, Jr.**	Director	
MRS. MARY C. FRAY **Mrs. Mary C. Fray**	Director	
ALLIX B. JAMES **Allix B. James**	Director	
JOHN M. MCGURN **John M. McGurn**	Director	
T. JUSTIN MOORE, JR. **T. Justin Moore, Jr.**	Chairman of Board of Directors (Chief Executive Officer) and Director	
 W. S. Peebles, III	Director	
SHIRLEY S. PIERCE **Shirley S. Pierce**	Director	
STANLEY RAGONE **Stanley Ragone**	President (Chief Operating Officer) and Director	
 K. A. Randall	Director	
WILLIAM T. ROOS **William T. Roos**	Director	
R. R. SMITH **R. R. Smith**	Director	
WILLIAM F. VOSBECK, JR. **William F. Vosbeck, Jr.**	Director	
O. J. PETERSON, III **O. J. Peterson, III**	Vice President and Treasurer (Chief Financial Officer)	
B. D. JOHNSON **B. D. Johnson**	Vice President and Controller (Principal Accounting Officer)	

CONSENTS OF EXPERTS

The consent of Hunton & Williams, Richmond, Virginia, is contained in their opinion filed as Exhibit 3 to this Registration Statement. Separate consents of Jackson, Kelly, Holt & O'Farrell, Charleston, West Virginia, and Spruill, Trotter, Lane & McCotter, Rocky Mount, North Carolina, are filed with this Registration Statement.

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We consent to the incorporation by reference, in this Registration Statement on Form S-16, of our report dated February 7, 1979, which is subject to the effect, if any, on the financial statements of the ultimate resolution of the matter discussed in Note E to FINANCIAL STATEMENTS, accompanying the financial statements which appear in the Annual Report to the Securities and Exchange Commission for 1978 on Form 10-K, which Registration Statement is to be used in registering, under the Securities Act of 1933, additional shares of Common Stock, no par value, of Virginia Electric and Power Company. On March 19, 1979, the Virginia State Corporation Commission issued a rate order approving the amortization over a ten-year period of project costs and cancellation costs ultimately to be incurred as a result of the Company canceling its plans to construct Surry Units 3 and 4. In view of this event, our report, if updated with respect to this event, would no longer be qualified with respect to the recovery of costs attributable to the cancellation of that nuclear facility.

We further consent to the reference to our firm under EXPERTS in the Prospectus.

COOPERS & LYBRAND

New York, New York
October 26, 1979.

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