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Case Number : 09-458-GA-UNC

File Date : 10/20/2009

Section : 1 of 2

Number of Pages : 200

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PUCO EXHIBIT FILING

Date of Hearing: October 16 and 19, 2009

Case No. 09-458-GA-UNC

PUCO Case Caption: East Ohio Gas Company

List of exhibits being filed:

OCC Exs. 4 and 5

DEO Exs. 12, 14, 15 and 16

Reporter's Signature: Maria DiPaolo Jones

Date Submitted: 10/19/09

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Technician _____ Date Processed _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio to Adjust Its Pipeline Infrastructure Replacement Program Cost Recovery Charge and Related Matters.	:	Case No. 09-0458-GA-UNC

- - -

PROCEEDINGS

before Ms. Christine M. Pirik and Ms. Katie Stenman, Attorney Examiners, at the Public Utilities Commission of Ohio, 180 East Broad Street, Room 11-F, Columbus, Ohio, called at 10 a.m. on Monday, October 19, 2009.

- - -

VOLUME II

- - -

10-20-09 Transcript Docketed Electronically

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- - -

GCL Ex. 4

Title 18--Conservation of Power and Water Resources

CHAPTER I--FEDERAL ENERGY REGULATORY COMMISSION, DEPARTMENT OF ENERGY

PART 201--UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR NATURAL GAS COMPANIES SUBJECT TO THE PROVISIONS OF THE NATURAL GAS ACT

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SUBCHAPTER F—ACCOUNTS, NATURAL GAS ACT

PART 201—UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR NATURAL GAS COMPANIES SUBJECT TO THE PROVISIONS OF THE NATURAL GAS ACT

AUTHORITY: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7352, 7651–7651o.

SOURCE: Order 219, 25 FR 5616, June 21, 1960, unless otherwise noted.

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting part 201, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and on GPO Access.

EFFECTIVE DATE NOTE: At 58 FR 18006, April 7, 1993, part 201 was amended by redesignating definitions 31 through 39 as 32 through 40 and adding a new definition 31; Accounts 182.3 and 254 were added under Balance Sheet Accounts; and Accounts 407.3 and 407.4 were added under Income Accounts. The added text contains information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

NOTE: Order 141, 12 FR 8504, Dec. 19, 1947, provides in part as follows:

Prescribing a system of accounts for natural gas companies under the Natural Gas Act. The Federal Power Commission acting pursuant to authority granted by the Natural Gas Act (52 Stat. 821, as amended; 15 U.S.C. and Sup. 717 et seq.), particularly sections 8(a), 10(a) and 16 thereof, and finding such action necessary and appropriate for carrying out the provisions of said Act, ordered that:

(a) The accompanying system of accounts, entitled "Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act," and the rules and regulations contained therein, be adopted;

(b) Said system of accounts and said rules and regulations contained therein be and the same are hereby prescribed and promulgated as the system of accounts and rules and regulations of the Commission to be kept and observed by natural gas companies subject to the jurisdiction of the Commission, to the extent and in the manner set forth therein;

(c) Said system of accounts and rules and regulations therein contained as to all natural gas companies now subject to the jurisdiction of the Commission, became effective on January 1, 1940, and as to any natural gas company which may hereafter become subject to the jurisdiction of the Commission, they shall become effective as of the date when such natural gas company becomes subject to the jurisdiction of the Commission.

Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act

Definitions

When used in this system of accounts:

1. *Accounts* means the accounts prescribed in this system of accounts.

2. *Actually issued*, as applied to securities issued or assumed by the utility, means those which have been sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking funds.

3. *Actually outstanding*, as applied to securities issued or assumed by the utility, means those which have been actually issued and are neither retired nor held by or for the utility; provided, however, that securities held by trustees shall be considered as actually outstanding.

4. *Amortization* means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

5. A. *Associated (affiliated) companies* means companies or persons that directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with the accounting company.

B. *Control* (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority

the settlement date and actual amount paid to settle the obligation. For purposes of analyses a utility shall maintain supporting documentation so as to be able to furnish accurately and expeditiously with respect to each asset retirement obligation the full details of the identity and nature of the legal obligation, the year incurred, the identity of the plant giving rise to the obligation, the full particulars relating to each component and supporting computations related to the measurement of the asset retirement obligation.

Gas Plant Instructions

1. *Classification of gas plant at the effective date of the system of accounts.*

A. The gas plant accounts provided herein are generally the same as those contained in the prior system of accounts except for some changes in classification in the general equipment accounts. Except for these changes, the balances in the various plant accounts, as determined under the prior system of accounts, should be carried forward. Any remaining balance of plant which has not yet been classified pursuant to the requirements of the prior system, shall be classified in accordance with the following instructions.

B. The cost to the utility of its unclassified plant shall be ascertained by analysis of the utility's records. Adjustments shall not be made to record in utility plant accounts amounts previously charged to operating expenses or to income deductions in accordance with the uniform system of accounts in effect at the time or in accordance with the discretion of management as exercised under a uniform system of accounts, or under accounting practices previously followed.

C. The detailed gas plant accounts (301 to 399, inclusive) shall be stated on the basis of cost to the utility of plant constructed by it and the original cost, estimated if not known, of plant acquired as an operating unit or system. The difference between the original cost as above, and the cost to the utility of gas plant after giving effect to any accumulated provision for depreciation, depletion, or amortization shall be recorded in account 114, Gas Plant Acquisition Adjustments. The original cost of gas plant shall be determined by analysis of the utility's records or those of the predecessor or vendor companies with respect to gas plant previously acquired as operating units or systems and the differences between the original cost so determined, less accumulated provisions for depreciation, depletion and amortization, and the cost to the utility, with necessary adjustments for retirements from the date of acquisition, shall be entered in account 114, Gas Plant Acquisition Adjustments. Any difference between the cost of gas plant and its book cost, when not properly includable in other accounts, shall be recorded in account 116, Other Gas Plant Adjustments.

D. Plant acquired by lease which qualifies as capital lease property under General Instruction 19, *Criteria for Classifying Leases*, shall be recorded in Account 101.1, Property under Capital Leases.

2. *Gas plant to be recorded at cost.* A. All amounts included in the accounts for gas plant acquired as an operating unit or system, except as otherwise provided in the texts of the intangible plant accounts, shall be stated at the cost incurred by the person who first devoted the property to utility service. All other gas plant shall be included in the accounts at the cost incurred by the utility, except for property acquired by lease which qualifies as capital lease property under General Instruction 19, *Criteria for Classifying Leases*, and is recorded in Account 101.1, Property under Capital Leases. Where the term "cost" is used in the detailed plant accounts, it shall have the meaning stated in this paragraph.

B. When the consideration given for property is other than cash, the value of such consideration shall be determined on a cash basis. (See, however, definition 8.) In the entry recording such transaction, the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish the Commission the particulars of its determination of the cash value of the consideration if other than cash.

C. When property is purchased under a plan involving deferred payments, no charge shall be made to the gas plant accounts for interest, insurance, or

other expenditures occasioned solely by such form of payment.

D. The gas plant accounts shall not include the cost or other value of gas plant contributed to the company. Contributions in the form of money or its equivalent toward the construction of gas plant shall be credited to the accounts charged with the cost of such construction. Plant constructed from contributions of cash or its equivalent shall be shown as a reduction to gross plant constructed when assembling cost data in work orders for posting to plant ledger of accounts. The accumulated gross costs of plant accumulated in the work order shall be recorded as a debit in the plant ledger of accounts along with the related amount of contributions concurrently being recorded as a credit.

3. *Components of construction cost.* A. The cost of construction properly includable in the gas plant accounts shall include, where applicable, the direct and overhead costs as listed and defined hereunder:

(1) "Contract work" includes amounts paid for work performed under contract by other companies, firms, or individuals, costs incident to the award of such contracts, and the inspection of such work.

(2) "Labor" includes the pay and expenses of employees of the utility engaged on construction work, and related workmen's compensation insurance, payroll taxes and similar items of expense. It does not include the pay and expenses of employees which are distributed to construction through clearing accounts nor the pay and expenses included in other items hereunder.

(3) "Materials and supplies" includes the purchase price at the point of free delivery plus customs duties, excise taxes, the cost of inspection, loading and transportation, the related stores expenses, and the cost of fabricated materials from the utility's shop. In determining the cost of materials and supplies used for construction, proper allowance shall be made for unused materials and supplies, for materials recovered from temporary structures used in performing the work involved, and for discounts allowed and realized in the purchase of materials and supplies.

NOTE: The cost of individual items of equipment of small value (for example, $500 or less) or of short life, including small portable tools and implements, shall not be charged to utility plant accounts unless the correctness of the accounting therefor is verified by current inventories. The cost shall be charged to the appropriate operating expense or clearing accounts, according to the use of such items, or, if such items are consumed directly in construction work, the cost shall be included as part of the cost of the construction.

(4) "Transportation" includes the cost of transporting employees, materials and supplies, tools, purchased equipment, and other work equipment (when not under own power) to and from points of construction. It includes amounts paid to others as well as the cost of operating the utility's own transportation equipment. (See item 5 following.)

(5) "Special machine service" includes the cost of labor (optional), materials and supplies, depreciation, and other expenses incurred in the maintenance, operation and use of special machines, such as steam shovels, pile drivers, derricks, ditchers, scrapers, material unloaders, and other labor saving machines; also expenditures for rental maintenance and operation of machines of others. It does not include the cost of small tools and other individual items of small value or short life which are included in the cost of materials and supplies. (See item 3, above.) When a particular construction job requires the use for an extended period of time of special machines, transportation or other equipment, the net book cost thereof, less the appraised or salvage value at time of release from the job, shall be included in the cost of construction.

(6) "Shop service" includes the proportion of the expense of the utility's shop department assignable to construction work except that the cost of fabricated materials from the utility's shop shall be included in "materials and supplies."

(7) "Protection" includes the cost of protecting the utility's property from fire or other casualties and the cost of preventing damages to others, or to the property of others, including payments

for discovery or extinguishment of fires, cost of apprehending and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipalities and others for fire protection, and other analogous items of expenditures in connection with construction work.

(8) "Injuries and damages" includes expenditures or losses in connection with the construction work on account of injuries to persons and damages to the property of others; also the cost of investigation of and defense against actions for such injuries and damages. Insurance recovered or recoverable on account of compensation paid for injuries to persons incident to construction shall be credited to the account or accounts to which such compensation is charged. Insurance recovered or recoverable on account of property damages incident to construction shall be credited to the account or accounts charged with the cost of the damages.

(9) "Privileges and permits" includes payments for and expenses incurred in securing temporary privileges, permits or rights in connection with construction work, such as for the use of private or public property, streets, or highways, but it does not include rents, or amounts chargeable as franchises and consents for which see account 302, Franchises and Consents.

(10) "Rents" includes amounts paid for the use of construction quarters and office space occupied by construction forces and amounts properly includible in construction costs for such facilities jointly used.

(11) "Engineering and supervision" includes the portion of the pay and expenses of engineers, surveyors, draftsmen, inspectors, superintendents and their assistants applicable to construction work.

(12) "General administration capitalized" includes the portion of the pay and expenses of the general officers and administrative and general expenses applicable to construction work.

(13) "Engineering services" includes amounts paid to other companies, firms, or individuals engaged by the utility to plan, design, prepare estimates, supervise, inspect, or give general advice and assistance in connection with construction work.

(14) "Insurance" includes premiums paid or amounts provided or reserved as self-insurance for the protection against loss and damages in connection with construction, by fire or other casualty, injury to or death of persons other than employees, damages to property of others, defalcation of employees and agents, and the nonperformance of contractual obligations of others. It does not include workmen's compensation or similar insurance on employees included as "labor" in item 2, above.

(15) "Law expenditures" includes the general law expenditures incurred in connection with construction and the court and legal costs directly related thereto, other than law expenses included in protection, item 7, and in injuries and damages, item 8.

(16) "Taxes" includes taxes on physical property (including land) during the period of construction and other taxes properly includible in construction costs before the facilities become available for service.

(17) "Allowance for funds used during construction" includes the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate on other funds when so used, not to exceed without prior approval of the Commission allowances computed in accordance with the formula prescribed in paragraph (a) below, except when such other funds are used for exploration and development or leases acquired after October 7, 1969, no allowance on such other funds shall be included in these accounts. No allowance for funds used during construction charges shall be included in these accounts upon expenditures for construction projects which have been abandoned.

(a) The formula and elements for the computation of the allowance for funds used during construction shall be:

$$A_1 = s\left(\frac{S}{W}\right) + d\left(\frac{D}{D+P+C}\right)\left(1-\frac{S}{W}\right)$$

$$A_2 = \left[1-\frac{S}{W}\right]\left[p\left(\frac{P}{D+P+C}\right) + c\left(\frac{C}{D+P+C}\right)\right]$$

A_1=Gross allowance for borrowed funds used during construction rate.

A_2=Allowance for other funds used during construction rate.

S=Average short-term debt.
s=Short-term debt interest rate.
D=Long-term debt.
d=Long-term debt interest rate.
P=Preferred stock.
p=Preferred stock cost rate.
C=Common equity.
c=Common equity cost rate.
W=Average balance in construction work in progress less asset retirement costs (See General Instruction 24) related to plant under construction.

(b) The rates shall be determined annually. The balances for long-term debt, preferred stock and common equity shall be the actual book balances as of the end of the prior year. The cost rates for long-term debt and preferred stock shall be the weighted average cost determined in the manner indicated in subpart D of part 154 of the Commission's Regulations Under the Natural Gas Act. The cost rate for common equity shall be the rate granted common equity in the last rate proceeding before the ratemaking body having primary rate jurisdiction. If such cost rate is not available, the average rate actually earned during the preceding three years shall be used. The short-term debt balances and related cost and the average balance for construction work in progress shall be estimated for the current year with appropriate adjustments as actual data becomes available.

NOTE: When a part only of a plant or project is placed in operation or is completed and ready for service but the construction work as a whole is incomplete, that part of the cost of the property placed in operation, or ready for service, shall be treated as "Gas Utility Plant" and allowance for funds used during construction thereon as a charge to construction shall cease. Allowance for funds used during construction on that part of the cost of the plant which is incomplete may be continued as a charge to construction until such time as it is placed in operation or is ready for service, except as limited in item 17, above.

(18) "Earnings and expenses during construction" includes (a) all revenues derived during the construction period from property which is included in the cost of a project under construction and (b) all expenses which are attributable to the revenues received.

(19) "Training costs". When it is necessary that employees be trained to operate or maintain plant facilities that are being constructed and such facilities are not conventional in nature or are new to the company's operations, these costs may be capitalized as a component of construction cost. Once plant is placed in service, the capitalization of training costs shall cease, and subsequent training costs shall be expensed. (See Operating Expense Instruction 4.)

(20) "Line pack gas." Line pack includes the first cost of that quantity of gas introduced into the utility's system necessary to bring the system up to its designed operating capacity or increases therein and which must be maintained in the system in order to sustain such design operating capacity.

(21) LNG "heel" is the first cost of that minimum quantity of liquefied natural gas necessary to be retained in holding tanks and other facilities for purposes of temperature and/or pressure maintenance.

(22) "Studies" includes the costs of studies such as operational, safety or environmental studies relative to plant under construction. Studies mandated by regulatory bodies relative to facilities in service, shall be charged to Account 183.2, Other Preliminary Survey and Investigation Charges.

(23) "Asset retirement costs." The costs recognized as a result of asset retirement obligations incurred during the construction and testing of utility plant shall constitute a component of construction costs.

4. *Overhead construction costs.* A. All overhead construction costs, such as engineering, supervision, general office salaries and expenses, construction engineering and supervision by others than the accounting utility, law expenses, insurance, injuries and damages, relief and pensions, taxes and interest, shall be charged to particular jobs or units on the basis of the amounts of such overheads reasonably applicable thereto, to the end that each job or unit shall bear its equitable proportion of such costs and that the entire cost of the unit, both direct and overhead, shall be deducted from the plant accounts at the time the property is retired.

B. As far as practicable, the determination of pay roll charges includible in construction overheads shall be

based on time card distributions thereof. Where this procedure is impractical, special studies shall be made periodically of the time of supervisory employees devoted to construction activities to the end that only such overhead costs as have a definite relation to construction shall be capitalized. The addition to direct construction costs of arbitrary percentages or amounts to cover assumed overhead costs is not permitted.

C. The record supporting the entries for overhead construction costs shall be so kept as to show the total amount of each overhead for each year, the nature and amount of each overhead expenditure charged to each construction work order and to each utility plant account, and the bases of distribution of such costs.

5. *Gas plant purchased or sold.* A. When gas plant constituting an operating unit or system is acquired by purchase, merger, consolidation, liquidation, or otherwise, after the effective date of this system of accounts, the costs of acquisition, including expenses incidental thereto properly includible in gas plant, shall be charged to account 102, Gas Plant Purchased or Sold.

B. The accounting for the acquisition shall then be completed as follows:

(1) The original cost of plant, estimated if not known, shall be credited to account 102, Gas Plant Purchased or Sold, and concurrently charged to the appropriate gas plant in service accounts and to account 104, Gas Plant Leased to Others, account 105, Gas Plant Held for Future Use, 105.1, Production Properties Held for Future Use, and account 107, Construction Work in Progress—Gas, as appropriate.

(2) The depreciation, depletion, and amortization applicable to the original cost of the properties purchased, shall be charged to account 102, Gas Plant Purchased or Sold, and concurrently credited to the appropriate account for accumulated provision for depreciation, depletion or amortization.

(3) The cost to the utility of any property includible in account 121, Nonutility Property, shall be transferred thereto.

(4) The amount remaining in account 102, Gas Plant Purchased or Sold, shall then be closed to account 114, Gas Plant Acquisition Adjustments.

C. If property acquired in the purchase of an operating unit or system is in such physical condition when acquired that it is necessary substantially to rehabilitate it in order to bring the property up to the standards of the utility, the cost of such work, except replacements, shall be accounted for as a part of the purchase price of the property.

D. When any property acquired as an operating unit or system includes duplicate or other plant which will be retired by the accounting utility in the reconstruction of the acquired property or its consolidation with previously owned property, the proposed accounting for such property shall be presented to the Commission.

E. In connection with the acquisition of gas plant constituting an operating unit or system, the utility shall procure, if possible, all existing records relating to the property acquired, or certified copies thereof, and shall preserve such records in conformity with regulations or practices governing the preservation of records of its own construction.

F. When gas plant constituting an operating unit or system is sold, conveyed, or transferred to another by sale, merger, consolidation, or otherwise, the book cost of the property sold or transferred to another shall be credited to the appropriate utility plant accounts, including amounts carried in account 114, Gas Plant Acquisition Adjustments. The amounts (estimated if not known) carried with respect thereto in the accounts for accumulated provision for depreciation, depletion, and amortization and in account 252, Customer Advances for Construction, shall be charged to such accounts and the contra entries made to account 102, Gas Plant Purchased or Sold. Unless otherwise ordered by the Commission, the difference, if any, between (a) the net amount of debits and credits and (b) the consideration received for the property (less commissions and other expenses of making the sale) shall be included in account 421.1, Gain on Disposition of Property, or account 421.2, Loss on Disposition of Property. (See

shall be charged to the accumulated provision for depreciation applicable to such property. The cost of removal and the salvage shall be charged or credited, as appropriate, to such depreciation account.

C. The addition and retirement of minor items of property shall be accounted for as follows:

(1) When a minor item of property which did not previously exist is added to plant, the cost thereof shall be accounted for in the same manner as for the addition of a retirement unit, as set forth in paragraph B(1), above, if a substantial addition results, otherwise the charge shall be to the appropriate maintenance expense account.

(2) When a minor item of property is retired and not replaced, the book cost thereof shall be credited to the gas plant account in which it is included; and, in the event the minor item is a part of depreciable plant, the account for accumulated provision for depreciation shall be charged with the book cost and cost of removal and credited with the salvage. If, however, the book cost of the minor item retired and not replaced has been or will be accounted for by its inclusion in the retirement unit of which it is a part when such unit is retired, no separate credit to the property account is required when such minor item is retired.

(3) When a minor item of depreciable property is replaced independently of the retirement unit of which it is a part, the cost of replacement shall be charged to the maintenance account appropriate for the item, except that if the replacement effects a substantial betterment (the primary aim of which is to make the property affected more useful, more efficient, or of greater durability, or of greater capacity), the excess cost of the replacement over the estimated cost at current prices of replacing without betterment shall be charged to the appropriate gas plant account.

D. The book cost of gas plant retired shall be the amount at which such property is included in the gas plant accounts, including all components of construction costs. The book cost shall be determined from the utility's records and if this cannot be done it shall be estimated. Utilities must furnish the particulars of such estimates to the Commission, if requested. When it is impracticable to determine the book cost of each unit, due to the relatively large number or small cost thereof, an appropriate average book cost of the units, with due allowance for any differences in size and character, shall be used as the book cost of the units retired.

E. The book cost of land retired shall be credited to the appropriate land account. If the land is sold, the difference between the book cost (less any accumulated provision for depreciation, depletion or amortization therefor which has been authorized and provided) and the sale price of the land (less commissions and other expenses of making the sale) shall be recorded in account 411.6, Gains from Disposition of Utility Plant or 411.7, Losses from Disposition of Utility Plant when the property has been recorded in account 105, Gas Plant Held for Future Use account 105.1, Production Properties Held for Future Use, otherwise to accounts 421.1, Gain on Disposition of Property or 421.2, Loss on Disposition of Property, as appropriate. If the land is not used in utility service but is retained by the utility, the book cost shall be charged to account 105, Gas Plant Held for Future Use, or account 121, Nonutility Property as appropriate.

F. The book cost less net salvage of depreciable gas plant retired shall be charged in its entirety to account 108, Accumulated Provision for Depreciation of Gas Plant in Service. Any amounts which, by approval or order of the Commission, are charged to account 182, Extraordinary Property Losses, shall be credited to account 108.

G. The accounting for the retirement of amounts included in account 302, Franchises and Consents, and account 303, Miscellaneous Intangible Plant, and the item of limited-term interest in land included in the accounts for land and land rights, shall be as provided for in the text of account 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant, account 404.3, Amortization of Other Limited-Term Gas Plant, and account 405, Amortization of Other Gas Plant.

11. *Work order and property record system required.* A. Each utility shall

record all construction and retirements of gas plant by means of work orders or job orders. Separate work orders may be opened for additions to and retirements of gas plant or the retirements may be included with the construction work order, provided, however, that all items relating to the retirements shall be kept separate from those relating to construction and provided, further, that any maintenance costs involved in the work shall likewise be segregated.

H. Each utility shall keep its work order system so as to show the nature of each addition to or retirement of gas plant, the total cost thereof, the source or sources of costs, and the gas plant account or accounts to which charged or credited. Work orders covering jobs of short duration may be cleared monthly.

G. Each utility shall maintain records in which, for each plant account, the amounts of the annual additions and retirements are classified so as to show the number and cost of the various record units or retirement units.

12. *Transfers of property.* When property is transferred from one gas plant account to another, from one utility department to another (such as from gas to electric), from one operating division or area to another, to or from account 101, Gas Plant in Service, 104, Gas Plant Leased to Others, 105, Gas Plant Held for Future Use, 106.1, Production Properties held for Future Use, and 121, Nonutility Property, the transfer shall be recorded by transferring the original cost thereof from the one account, department, or location to the other. Any related amounts carried in the accounts for accumulated provisions for depreciation, depletion, or amortization shall be transferred in accordance with the segregation of such accounts.

NOTE: Amounts included in account 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant, shall not be related to a particular natural gas lease, and therefore, shall not be transferred under the provisions of this instruction.

13. *Common utility plant.* A. If the utility is engaged in more than one utility service such as gas, electric, and water, and any of its utility plant is used in common for several utility services or for other purposes to such an extent and in such manner that it is impracticable to segregate it by utility services currently in the accounts, such property, with the approval of the Commission, may be designated and classified as "common utility plant."

B. The book amount of utility plant designated as common plant shall be included in account 118, Other Utility Plant, and if applicable in part to gas department, shall be segregated and accounted for in subaccounts as gas plant is accounted for in accounts 101 to 107, inclusive, and gas plant adjustments in account 116; any amounts classifiable as common plant acquisition adjustments or common plant adjustments shall be subject to disposition as provided in paragraph C and B of accounts 114 and 115, respectively, for amounts classified in those accounts. The original cost of common utility plant in service shall be classified according to detailed utility plant accounts appropriate for the property.

C. The utility shall be prepared to show at any time and to report to the Commission annually, or more frequently, if required, and by utility plant accounts (301 to 399) the following: (1) The book cost of common utility plant, (2) the allocation of such cost to the respective departments using the common utility plant, and (3) the basis of the allocation.

D. The accumulated provision for depreciation and amortization of the utility shall be segregated so as to show the amount applicable to the property classified as common utility plant.

E. The expenses of operation maintenance, rents, depreciation and amortization of common utility plant shall be recorded in the accounts prescribed herein, but designated as common expenses, and the allocation of such expenses to the departments using the common utility plant shall be supported in such manner as to reflect readily the basis of allocation used.

14. *Employee villages and living quarters.* Where employee villages or living quarters are provided for operators and attendants of a functional installation such as a compressor station or gasoline plant, the structures and improvements shall be classified in the related

REQUESTS FOR PRODUCTION OF DOCUMENTS

REQUEST FOR PRODUCTION NO. 23: Referring to OCC Interrogatory No. 23, please provide the actual dollar amounts of these services to be recovered through the proposed PIRP rider and the associated in-service dates?

RESPONSE: Objection. This Request for Production is improper in that it seeks information (*i.e.*, "dollar amounts") rather than documents or tangible things. Subject to and without waiving that objection, please the documents bates-labeled DEO 1911 through DEO 1912.

DOMINION EAST OHIO
2008-2009 PIR Recovery
New Curb to Meter Information
OCC Request for Production of Documents #23

Construction Complete Date	# of Curb to Meters	Cost
10/14/2008	22	$27,717.00
10/22/2008	1	$405.47
10/27/2008	1	$850.00
11/11/2008	*	$425.25
11/26/2008	1	$1,571.28
12/1/2008	*	$783.00
12/2/2008	*	$340.00
12/29/2008	13	$15,418.45
12/30/2008	*	$642.50
1/20/2009	1	$171.69
1/21/2009	11	$12,667.05
1/29/2009	15	$12,652.65
1/30/2009	1	$893.64
2/2/2009	1	$2,640.44
2/5/2009	3	$2,151.05
2/9/2009	10	$8,488.11
2/10/2009	16	$9,863.00
2/12/2009	1	$911.25
2/13/2009	2	$1,240.00
2/23/2009	5	$2,680.25
2/24/2009	2	$1,455.00
2/25/2009	14	$9,322.88
3/10/2009	12	$8,198.70
3/16/2009	1	$260.82
3/19/2009	1	$931.64
3/30/2009	2	$508.17
4/1/2009	3	$2,687.00
4/6/2009	9	$5,103.72
4/14/2009	9	$9,249.50
4/17/2009	2	$6,698.00
4/20/2009	1	$340.00
4/21/2009	6	$5,189.77
4/22/2009	10	$15,825.59
4/23/2009	1	$715.25
4/28/2009	9	$13,166.24
4/30/2009	1	$2,387.41
5/1/2009	1	$888.19
5/4/2009	28	$10,675.35
5/5/2009	29	$17,605.53
5/8/2009	3	$1,989.74
5/11/2009	4	$3,609.02
5/14/2009	2	$2,686.54
5/15/2009	7	$10,756.08
5/18/2009	3	$2,490.32
5/19/2009	1	$2,054.19
5/20/2009	13	$11,639.07

DOMINION EAST OHIO
2008-2009 PIR Recovery
New Curb to Meter Information
OCC Request for Production of Documents #23

Construction Complete Date	# of Curb to Meters	Cost
5/21/2009	1	$630.05
5/23/2009	2	$1,203.59
5/26/2009	3	$2,162.23
5/27/2009	2	$1,237.00
5/29/2009	1	$1,062.46
5/30/2009	1	$643.55
6/1/2009	4	$4,009.40
6/2/2009	1	$2,253.21
6/3/2009	1	$991.41
6/4/2009	3	$1,742.22
6/5/2009	1	$516.41
6/8/2009	1	$823.55
6/9/2009	10	$12,156.40
6/10/2009	4	$2,291.72
6/11/2009	3	$1,194.22
6/12/2009	3	$3,282.30
6/16/2009	4	$2,702.63
6/17/2009	6	$8,792.20
6/18/2009	7	$4,379.50
6/19/2009	9	$13,710.23
6/22/2009	4	$3,416.19
6/23/2009	5	$10,440.27
6/24/2009	2	$1,915.69
6/25/2009	1	$954.51
6/26/2009	2	$3,618.38
6/29/2009	2	$1,449.40
6/30/2009	4	$9,007.78
7/1/2009	11	$19,609.16
7/2/2009	1	$53.02
7/13/2009	1	$223.18
7/14/2009	3	$206.28
7/28/2009	1	$411.04
7/29/2009	1	$2,666.68
8/4/2009	1	$156.48
8/17/2009	*	$74.21
*	*	$21,753.94
Total	**384**	**$390,686.29**

* Information is not yet available.

NATURAL GAS COMPANIES

ANNUAL REPORT

OF

Dominion East Ohio Gas Company
(Exact legal name of respondent)

If name was changed during year, show also the previous name and date of change.

1201 East 55th Street, Cleveland, OH 44103

(Address of principal business office at end of year)

TO THE

PUBLIC UTILITIES COMMISSION OF OHIO

FOR THE

YEAR ENDED DECEMBER 31, 2008

Name, title, address and telephone number (including area code) of the person to be contacted concerning this report.

Elwood L. Tanner Controller, Accounting - Energy 804-819-2465

120 Tredegar Street, Fourth Floor Richmond, VA 23219

TABLE OF CONTENTS

History

Dominion East Ohio Gas Company **Period Ending:** 12/31/2008

1. Date of Organization. 02/24/1910

2. Date when operations began. 02/24/1910

3. Under the laws of what Government, State of Territory organized? If more than one, name all.

Ohio

4. If a consolidated or merged company, name all constituent and all merged companies.

Dominion Resources, Inc First Tier Companies - CNG Coal Company, CNG International Corporation, CNG Main Pass Gathering Corporation, CNG Oil Gathering Corporation, Dominion Alliance Holding,Inc, Dominion CNG Capital Trust, Dominion Capital,Inc, Dominion Cove Point,Inc, Dominion Energy Holdings,Inc, Dominion Energy Technologies,Inc, Dominion Energy,Inc, Dominion Exploration & Production,Inc, Dominion Field Services,Inc, Dominion Greenbrier,Inc, Dominion Iroquois,Inc, Dominion Keystone Pipeline Holdings,Inc, Dominion Natural Gas Storage,Inc, Dominion Ohio ES,Inc, Dominion Oklahoma Texas Exploration & Production,Inc, Dominion Products and Services,Inc, Dominion Resources Capital Trust(s), Dominion Resources Services,Inc, Dominion Resources,Inc, Dominion Retail,Inc, Dominion South Holdings I,Inc, Dominion Technical Solutions,Inc, Dominion Transmission,Inc, Dominion VPP Holdings,Inc, Hope Gas,Inc, The Peoples Natural Gas Company,Virginia Electric and Power Company, Virginia Power Energy Marketing,Inc.

5. Date and authority for each consolidation and each merger.

On June 30,2007, the wholly-owned subsidiary, Consolidated Natural gas Company (CNG), was merged into the holding company, Dominion Reources,Inc. As a result of this merger, all of CNG's subsidiaries became direct subsidiaries of Dominion Resources,Inc.

6. State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual.

Corporation

7. If a reorganized company, given name of original corporation, refer to laws under which it was organized, and state the occasion for the reorganization.

Not Applicable

8. Where are the books and records of the company kept?

D.L. Clark Building, Suite 500, 501 Martindale Street, Pittsburgh, PA 15212

9. General description of territory served by respondent.

Northeast Ohio, Western Ohio, Southeast Ohio

10. Number of locations within Ohio.

422 communities servrd

Facts Pertaining To Control Of Respondents

Dominion East Ohio Gas Company
12/31/2008

1. Did any individual, association, corporation or corporations, control the respondent at close of year?

Yes

(a) The form of control, whether sole or joint:

Sole

(b) The name of the controlling corporation or corporations:

Dominion Resources, Inc

(c) The manner in which control was established

The Consolidated Natural Gas Company (CNG), formerly the parent company of The East Ohio Gas Company, was acquired by Dominion Resources,Inc effective January 28, 2000. On June 30, 2007, CNG was merged into Dominion Resources,Inc. As a result of this merger, all of CNG's subsidiaries became direct subsidieries of Dominion Resources,Inc.

(d) The extent of control.

100%

(e) Whether control was direct or indirect:

Direct

(f) The name of the intermediary through which control, if indirect, was established

Not Applicable

2. Did any individual, association, or corporation hold control, as trustee over the respondent at the close of the year?

No

(a) The name of the trustee:

(b) The name of the beneficiary or beneficiaries for whom the trust was maintained:

Important Changes During the Year

Dominion East Ohio Gas Company

12/31/2008

1. Purchase or sale of entire property, or of a part of property when service territory is included: Give brief description of each transaction, name of party, date, consideration, and Commission authorization.

Not Applicable

2. Lease of property (to or from another) of the kind covered by the preceding inquiry: To the extent applicable give details corresponding to those required by the preceding inquiry.

Not Applicable

3. Capital stock and debt issued during the year: Identify the securities, give purpose of issuance, date, consideration received and Commission authorization.

Not Applicable

4. Changes in articles of incorporation: Give brief particulars of each change and date.

Not Applicable

5. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.

Important Changes During the Year

Rate Case

In October 2008, the Ohio Commission issued its Opinion and Order for the Company's application in Case No. 07-829-GA-AIR, et al., to increase base rates. In its ruling, the Commission modified the allowed return on rate base from the 8.49% agreed upon in the Settlement Agreement to 8.29%. The resulting annual revenue increase approved by the Ohio Commission was approximately $37.5 million, which was reflected in base rates implemented October 16, 2008. The Ohio Commission also approved the modified rate design supported by Ohio Commission staff and Dominion East Ohio for certain rate schedules as a transition to a Straight Fixed Variable (SFV) rate design. Under the SFV rate design, the Company will recover a larger portion of its fixed operating costs through a flat monthly charge accompanied by reduced volumetric base delivery rates. Accordingly, the company's revenues will be less impacted by weather-related fluctuations in natural gas consumption than under the traditional rate design.

Also approved by the Commission were other terms of the Settlement Agreement, including a cost recovery mechanism for the implementation of automated meter reading equipment and a cost recovery mechanism for an initial five-year period of the pipeline replacement program. In addition, the Settlement Agreement requires Dominion East Ohio to increase its annual spending for energy conservation programs to a total of $9.5 million and to make one-time grants totaling $1.2 million to several organizations to provide payment assistance and energy efficiency education to low-income customers. The Commission also ordered Dominion East Ohio to work in consultation with Commission staff and other parties to the case to develop a low-income pilot program under which a total of 5,000 eligible low-income, low-usage customers would receive a $4.00 reduction in their monthly service charge.

On December 19, 2008, the Commission granted Dominion East Ohio's application for rehearing and approved the 8.49% rate of return on rate base that had been agreed upon previously by all parties to the case. Revised rates were put into effect on December 22, 2008, reflecting the approved total revenue increase of $40.5 million.

Gas Deregulation - Expansion of the Energy Choice Program

In June 2008, the Commission approved a settlement on the Company's application for approval of Phase 2 of its plan to restructure its commodity service. Under the settlement, the existing Standard Service Offer (SSO) program was continued through March 31, 2009, with an update of the "NYMEX adder" and new SSO suppliers to be determined through a wholesale auction held in July 2008. That auction resulted in a change in the adder from $1.44 per Mcf approved in 2006 to $2.33 per Mcf.

Also approved in the settlement were provisions of the Phase 2 transition plan that enable the Company to assign eligible customers to a retail supplier under the new Standard Choice Offer (SCO) Commodity Service effective in April 2009. East Ohio will continue to be the supplier of last resort in the event of default by a supplier.

Wages and Salaries

The East Ohio labor union contract provided for a 3.6% wage increase effective June 16,2008 for approximately 1,128 employees. The West Ohio physical and clerical labor union contracts provided for a 3.5% increase effective January 19,2008 for 66 employees. The Company's 274 non-union employees received a 4.0% merit increase effective March 1,2008 subject to the employees 2007 Performance Rating and salary range limitations.

Voting Powers and Elections

Dominion East Ohio Gas Company

12/31/2008

Name And Address Of Stockholders	Number of Shares Held	Number of Voting	Other Vote Empowered Securities
Dominion Resources, Inc. 120 Tredegar Street, Richmond, VA 23219	7,966	7,966	
Total Listed Above:	**7,966**	**7,966**	

Board of Directors

Dominion East Ohio Gas Company

12/31/2008

Name Of Director	Address Of Director	Served Continuously From	Term Expired or Current Term Will Expire	No.of Meetings Attended During Year
Paul D. Koonce	120 Tredegar Street, Richmond, VA 23219	October 01, 2007	April 29, 2009	0

Name Of Chairman:	Not Applicable
Name Of Secretary:	Carter M. Reid
Number Of Board Meetings:	0
Name Of Director by Charter:	0
Number Of Directors Required:	0

PRINCIPAL GENERAL OFFICERS

Dominion East Ohio Gas Comp

12/31/2008

Title of General Officer	Department Over Which Jurisdiction is	Name Of Person Holding The Office at End of Year	Office Address (City and State)
Chief Executive Officer		Paul D. Koonce	120 Tredegar Street,Richmond,VA 23219
President		Bruce C. Klink	1201 E.55th Street,Cleveland,OH 44103
Senior Vice President and Treasurer		G. Scott Hetzer	100 Tredegar Street,Richmond,VA 23219
Senior Vice President	Regulation	E. Paul Hilton	100 Tredegar Street,Richmond,VA 23219
Senior Vice President	Customer Service	David W. Green	120 Tredegar Street,Richmond,VA 23219
Vice President	Chief Environmental Officer	Pamela F. Faggert	5000 Dominion Blvd,Glen Allen,VA 23060
Vice President	Financial Management	Scott C. Miller	120 Tredegar Street,Richmond,VA 23219
Vice President and Secretary		Carter M. Reid	120 Tredegar Street,Richmond,VA 23219
Vice President and Assistant Treasurer		James P. Carney	100 Tredegar Street,Richmond,VA 23219
Controller		Elwood L. Tanner	120 Tredegar Street,Richmond,VA 23219
Assistant Secretary		Lessie M. Jones	1201 E.55th Street,Cleveland,OH 44103
Assistant Secretary		E.J. Marks, III	100 Tredegar Street,Richmond,VA 23219
Assistant Treasurer		Jerry G. Overman	100 Tredegar Street,Richmond,VA 23219

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
TOTAL ASSETS AND OTHER DEBITS				
UTILITY PLANT				
101	Gas Plant in Service	$1,984,273,057	$2,100,580,135	$116,307,078
101.1	Property Under Capital Leases	$1,857,879	$1,743,196	($114,683)
102	Gas Plant Purchased or Sold	$0	$0	$0
103	Experimental Gas Plant Unclassified (Major)	$0	$0	$0
103.1	Gas Plant in Process of Reclassification (nonmajor)	$0	$0	$0
104	Gas Plant Leased to Others	$0	$0	$0
105	Gas Plant Held for Future Use	$310,039	$310,039	$0
105.1	Production Prop. Held for Future Use (Major)	$0	$0	$0
106	Completed Constr. Not Classified-Gas (Major)	$0	$0	$0
107	Construction Work in Progress-Gas	$23,722,722	$44,336,488	$20,613,766
108	Accum. Prov. For Deprec. Of Gas Util. Plant	($785,939,110)	($828,884,164)	($42,945,054)
110	Accum. Prov. For Deprec., Depletion & Amort. Of G	$0	$0	$0
111	Accum. Prov. For Amort. & Depletion of Gas Util. P	($32,442,709)	($21,180,523)	$11,262,186
114	Gas Plant Acquisition Adjustments	$0	$0	$0
115	Accum. Prov. For Amort. Of Gas Plant Acquisition A	$0	$0	$0
116	Other Gas Plant Adjustments	$0	$0	$0
117	Gas Stored Underground-Noncurrent (major)	$22,278,145	$22,278,145	$0
118	Other Utility Plant	$0	$0	$0
119	Accum. Prov. For Deprec. & Amort. Of Other Util. P	$0	$0	$0
TOTAL NET UTILITY PLANT (101-119)		**$1,214,060,023**	**$1,319,183,316**	**$105,123,293**
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	$2,566,366	$2,568,077	$1,711
122	Accumulated Prov. For Depren. & Amort. Of Nonuti	$0	$0	$0
123	Investment in Assoc. Companies (major)	$0	$0	$0
123.1	Investment in Subsidiary Companies (major)	$0	$0	$0
124	Other Investments	$757,169	$757,169	$0
125	Sinking Funds (major)	$0	$0	$0
126	Depreciation Funds (major)	$0	$0	$0
128	Other Special Funds (major)	$0	$0	$0
129	Special Funds (nonmajor)	$0	$0	$0
TOTAL OTHER PROPERTY AND INVESTMENTS (121-129)		**$3,323,535**	**$3,325,246**	**$1,711**

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
CURRENT AND ACCRUED ASSETS				
130	Cash & Working Funds (nonmajor only)	$0	$0	$0
131	Cash (major)	$9,187,160	$13,022,789	$3,835,629
132	Interest Special Deposits (major)	$0	$0	$0
133	Dividend Special Deposits	$0	$0	$0
134	Other Special Deposits	$21,644	$24,026	$2,382
135	Working Funds	$0	$0	$0
136	Temporary Cash Investments	$0	$0	$0
141	Notes Receivable	$0	$0	$0
142	Customer Accounts Receivable	$452,787,665	$563,205,081	$110,417,416
143	Other Accounts Receivable	$6,297,123	$5,674,826	($622,297)
144	Accum Prov for Uncollectible Accounts (Cr)	($2,107,427)	($1,384,199)	$723,228
145	Notes Receivable from Associated Cos.	$0	$0	$0
146	Accts Receivable from Associated Cos.	$166,998	$591,720	$424,722
151	Fuel Stock	$0	$0	$0
152	Fuel Stock Expense Undistributed (major only)	$0	$0	$0
153	Residuals and Extracted Products	$0	$0	$0
154	Plant Materials and Supplies	$2,391,103	$9,134,102	$6,742,999
155	Merchandise	$123	$123	$0
156	Other Materials and Supplies	$0	$0	$0
157	Nuclear Materials and Supplies	$0	$0	$0
158	Allowances	$0	$0	$0
163	Store Expense	$0	$0	$0
164.1	Gas Stored Underground-Current	$8,180,353	$8,402,480	$222,127
164.2	Liquified Natural Gas Stored	$0	$0	$0
164.3	Liquified Natural Gas Held for Process	$0	$0	$0
164.4	Gas Stored Underground-Current	$0	$0	$0
165	Prepayments	$45,433,897	$4,248,423	($41,185,474)
166	Other Advances for Gas	$0	$0	$0
167	Other Advances for Gas (major only)	$0	$0	$0
171	Interest and Dividends Receivable	$0	$0	$0
172	Rents Receivable	$0	$0	$0
173	Accrued Utility Revenues	$35,134,135	$34,122,859	($1,011,276)
174	Misc. Current and Accrued Assets	$1,206,402	$2,529,118	$1,322,716
TOTAL CURRENT ACCRUED ASSETS (130-174)		$558,659,176	$639,571,348	$80,872,172

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
DEFERRED DEBITS				
181	Unamortized Debt Discount and Expense	$0	$0	$0
182.1	Extraordinary Property Losses	$0	$0	$0
182.2	Unrecovered Plant & Regulatory Study Cost	$0	$0	$0
182.3	Other Regulatory Assets	$65,547,706	$292,987,626	$227,439,920
183.1	Prelim Nat Gas Survey and Invest Charges	$0	$0	$0
183.2	Other Prelim Survey and Invest Charges	$0	$0	$0
184	Clearing Accounts	$0	$0	$0
185	Temporary Facilities	$0	$0	$0
186	Miscellaneous Deferred Debits	$887,829,271	$597,869,062	($289,960,209)
187	Deferred Losses from Disp of Util Plant	$0	$0	$0
188	Research, Devel and Demon Expenditures	$0	$0	$0
189	Unamor Loss on Reacquired Debt	$0	$0	$0
190	Accumulated Deferred Income Taxes	($21,203,825)	($34,847,140)	($13,643,315)
191	Unrecovered Purchased Gas Costs	$62,109,053	$101,040,257	$38,931,204
192.1	Unrecovered Incremental Gas Costs	$0	$0	$0
192.2	Unrecovered Incremental Surcharges	$0	$0	$0
TOTAL DEFERRED DEBITS (181-192.2)		$994,282,205	$957,049,805	($37,232,400)
TOTAL ASSETS AND OTHER DEBITS		**$2,770,364,939**	**$2,919,129,715**	**$148,764,776**

TOTAL LIABILITIES, CAPITAL AND OTHER CREDITS

PROPRIETORY CAPITAL				
201	Common Stock Issued	($584,967,650)	($584,967,650)	$0
202	Common Stock Subscribed	$0	$0	$0
203	Common Stock Liability for Conversion	$0	$0	$0
204	Preferred Stock Issued	$0	$0	$0
205	Preferred Stock Subscribed	$0	$0	$0
206	Preferred Stock Liability for Conversion	$0	$0	$0
207	Premium on Capital Stock	($435,371)	($435,371)	$0
208	Donations Received from Stockholders	$0	$0	$0
209	Reduction in Par or Stated Value of Stock	$0	$0	$0
210	Gain on Resale/Cancellation of Reacq. Stock	$0	$0	$0
211	Miscellaneous Paid-In Capital	($26,041,294)	($26,256,601)	($215,307)
212	Installments Received on Capital Stock	$0	$0	$0
213	Discount on Capital Stock	$0	$0	$0
214	Capital Stock Expense	$0	$0	$0
215	Appropriated Retained Earnings	$0	$0	$0
216	Unappropriated Retained Earnings	($268,834,501)	($302,979,640)	($34,145,139)
216.1	Unappropriated Undistributed Subsid Earnings	$0	$0	$0
217	Reacquired Capital Stock	$0	$0	$0
218	Non-Corporate Proprietorship	$0	$0	$0
219	Accumulated Other Comprehensive Income	($50,260,588)	($459,416)	$49,771,172
TOTAL PROPRIETORY CAPITAL (201-219)		($930,539,404)	($915,128,678)	$15,410,726

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
LONG-TERM DEBT				
221	Bonds	$0	$0	$0
222	Reacquired Bonds	$0	$0	$0
223	Advances from Associated Companies	($668,446,000)	($664,881,000)	$3,565,000
224	Other Long Term Debt	$0	$0	$0
225	Unamort Premium on Long Term Debt	$0	$0	$0
226	Unamort Discount on Long Term Debt-Dr	$0	$0	$0
TOTAL LONG TERM DEBT (221-226)		**($668,446,000)**	**($664,881,000)**	**$3,565,000**
OTHER NONCURRENT LIABILITIES				
227	Oblig Under Capital Leases-Noncurrent	($1,108,123)	($791,456)	$316,667
228.1	Accum Provision for Property Insurance	$0	$0	$0
228.2	Accum Provision for Injuries and Damages	($150,000)	($150,000)	$0
228.3	Accum Provision for Pensions and Benefits	($11,470,443)	($30,674,467)	($19,204,024)
228.4	Accum Miscellaneous Operating Provisions	$0	$0	$0
229	Accum Provision for Rate Refunds	$0	$0	$0
230	Asset Retirement Costs	($64,809,992)	($65,214,406)	($404,414)
TOTAL OTHER NONCURRENT LIABILITIES (227-229)		**($77,538,558)**	**($96,830,329)**	**($19,291,771)**
CURRENT ACCRUED LIABILITIES				
231	Notes Payable	$0	$0	$0
232	Accounts Payable	($264,509,313)	($373,307,877)	($108,798,564)
233	Notes Payable to Associated Companies	($80,913,900)	($136,542,000)	($55,628,100)
234	Accounts Payable to Associated Companies	($93,312,608)	($124,125,818)	($30,813,210)
235	Customer Deposits	($22,910,676)	($21,917,460)	$993,216
236	Taxes Accrued	($77,449,677)	($71,512,244)	$5,937,433
237	Interest Accrued	($193,099)	($425,753)	($232,654)
238	Dividends Declared	$0	$0	$0
239	Matured Long Term Debt	$0	$0	$0
240	Matured Interest	$0	$0	$0
241	Tax Collections Payable	($135,198)	($168,409)	($33,219)
242	Miscellaneous Current and Accrued Liabilities	($6,049,548)	($5,582,502)	$467,046
243	Obligations Under Capital Leases-Current	($802,849)	($1,001,081)	($198,232)
TOTAL CURRENT ACCRUED LIABILITIES (231-245)		**($546,276,868)**	**($734,583,144)**	**($188,306,284)**
DEFERRED CREDITS				
252	Customer Advances for Construction	$0	$0	$0
253	Other Deferred Credits	($19,988,090)	($29,474,779)	($9,486,720)
254	Other Regulatory Liabilities	($39,471,006)	($10,476,401)	$28,994,605
255	Accumulated Deferred Investment Tax Credits	($2,141,825)	($1,596,140)	$545,685
256	Deferred Gains from Disposal of Utility Plant	$0	$0	$0
257	Unamortized Gain on Reacquisition of Debt	$0	$0	$0
281	Accum. Deferred Income Taxes-Accel Amort	$0	$0	$0
282	Accum. Deferred Income Taxes-Utir Depr	($193,447,845)	($256,883,235)	($63,435,490)
283	Accum. Deferred Income Taxes-Other	($292,515,382)	($209,275,909)	$83,239,473
TOTAL DEFERRED CREDITS (253-283)		**($547,564,117)**	**($507,706,564)**	**$39,857,553**

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
	TOTAL LIABILITIES PLUS PROPRIETORY CAPITAL AND OTHER CREDITS	($2,770,364,939)	($2,919,129,715)	($148,764,776)

Notes to Balance Sheet

Acct No	Notes To Balance Sheet
	Dominion East Ohio Gas Company **12/31/2008**
101	ARO activity in 2008 for accounts 339 Production Equipment Held Under ARO, 358 Undeground Storage Equipment Held Under ARO and 388 Distribution Equipment Held Under ARO are reported in account 399.1 Asset Retirement Costs - General.
108	The ending balance of account 399 Other Tangible Property includes the following: Cost of Removal - $92,393,270; Salvage - ($5,044,861); Intangible Reclass to Depreciation - ($45,661,133); Depreciation Study - ($103,654,523). Asset Retirement Obligations are reported separately in account 399.1 Asset Retirement Costs - General.

Income Statement Report

Acct No.	Account Title	Revenue Amount	Expense Amount
UTILITY OPERATING INCOME			
400	Operating Revenues	$1,331,662,876	
TOTAL OPERATING REVENUE (400)		**$1,331,662,876**	
OPERATING EXPENSES			
401	Operating Expense		$982,687,392
402	Maintenance Expense		$37,133,264
403	Depreciation Expense		$47,989,035
403.1	Depreciation & Depletion Expense		$3,208
404	Amortization of Limited Term Utility Plant		$10,642,880
404.1	Amort. and Depl. of Prod. Nat. Gas Land and Land Rights (major)		$0
404.2	Amort. Of Undergr. Storage Land and Land Rights (major)		$113,570
404.3	Amort. Of Other Limited-Term Gas Plant (major)		$0
405	Amortization of Other Utility Plant		$0
406	Amortization of Utility Plant - Acq Adj		$0
407.1	Amort. Of Extraordinary Prop. Losses, Unrecov. Plant and Reg. Study		$0
407.2	Amort. Of Conversion Exp.		$0
407.3	Regulatory debits		$0
407.4	Regulatory credits		($1,207,384)
408.1	Taxes Other Than Income - Util Op Income		$106,506,428
409.1	Income Taxes - Utility Operating Income		$16,197,167
410.1	Provision for Def Income Tax - Util Op Inc		$101,136,984
411.1	Income Taxes Deferred in Prior Years - Cr.		($79,744,843)
411.10	Accretion Expense to Operating Expenses		$23,092
411.4	ITC Adjustments - Util Operations		($545,685)
TOTAL OPERATING EXPENSES (401-411.4)			**$1,220,935,108**
NET OPERATING INCOME (400) Less (401-411.4)			**$110,727,768**
OTHER OPERATING INCOME			
411.6	Gains from Disposition of Utility Property	$0	
413	Income from Utility Plant Leased to Others	$0	
414	Gains/(Losses) from Disposition of Utility Plant	$0	
TOTAL OTHER OPERATING INCOME (411.6-414)		**$0**	
OTHER OPERATING DEDUCTIONS			
411.7	Losses from Disposition Of Utility Plant		$0
411.8	(Less) Gains from Disposition of Allowances		$0
411.9	Losses from Disposition of Allowances		$0
TOTAL OTHER OPERATING DEDUCTIONS (411.6-414)			**$0**

Income Statement Report

Acct No.	Account Title	Revenue Amount	Expense Amount
OTHER INCOME			
415	Revenues from Merchandising, Jobbing, Other	$510,357	
417	Income from Nonutility Operations	$0	
418	Nonoperating Rental Income	$0	
418.1	Eq. In Earnings of Sub Co. (major)	$0	
419	Interest and Dividend Income	$8,730,971	
421	Miscellaneous Nonoperating Income	$715,000	
421.1	Gains from Disposition of Property	$0	
TOTAL OTHER INCOME		$9,956,328	
OTHER DEDUCTIONS			
416	Costs of Merchandising, Jobbing, Other		$39,421
417.1	Expenses Of Nonutility Operations		$0
419.1	Allowance for Funds Used During Construction		($458,419)
421.2	Loss on Disp. Of Prop.		$91
425	Miscellaneous Amortization		$0
426.1	Donations		$2,137,564
426.2	Life Insurance		$0
426.3	Penalties		($70,757)
426.4	Expend. For Certain Civic, Political and Related Activities		$152,153
426.5	Other Ded., Total Other Inc. Deduc., Total Other Income and Deduc.		$0
TOTAL OTHER DEDUCTIONS			$1,800,053
TAXES ON OTHER INCOME AND DEDUCTIONS			
408.2	Taxes Other Than Income - Oth Inc and Ded		$0
409.2	Income Taxes - Oth Inc and Ded		$0
410.2	Provision for Def Income Tax - Oth Inc		$0
411.2	Income Taxes Deferred in Prior Years - Cr.		$0
411.5	Investment Tax Credits Adjustments, Nonutility Operations		$0
420	Investment Tax Credits		$0
TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS (408.2-420)			$0
NET OTHER INCOME AND DEDUCTIONS			**$8,156,275**
INTEREST CHARGES			
427	Interest on Long-Term Debt		$0
428	Amortization of Debt Discount and Expense		$0
428.1	Amortization of Loss on Reacq. Debt		$0
429	Amortization of Premium on Debt - Cr.		$0
429.1	Amortization of Gain on Reacq. Debt - Cr.		$0
430	Interest on Debt to Associated Companies		$51,618,716
431	Other Interest Expense		$385,320
432	AFUDC - Cr.		($1,022,947)
NET INTEREST CHARGES (427-432)			$51,181,089
INCOME BEFORE EXTRAORDINARY ITEMS			**$67,702,954**

Income Statement Report

Acct No.	Account Title	Revenue Amount	Expense Amount
EXTRAORDINARY ITEMS			
409.3	Income Taxes - Extraordinary Items	$0	$0
434	Extraordinary Income	$0	$0
435	Extraordinary Deductions	$0	$0
TOTAL EXTRAORDINARY ITEMS (433-409.3)		$0	$0

NET INCOME $67,702,954

Notes to Income Statement

Acct No	Notes To Income Statement
	Dominion East Ohio Gas Company **12/31/2009**
407.4	Costs eligible for deferral as a regulatory asset relate to the implementation of the automated meter reading equipment and pipeline infrastructure replacement programs included in the terms of the Settlement Agreement approved by the Commission.

Statement of Retained Earnings - Account 216

Dominion East Ohio Gas Company
12/31/2008

Sub Account	SubAccountTitle	Amount
216	Unappropriated Retained Earnings at the Beginning of the period	$268,834,501
433	Balance Transferred from Income	$67,702,954
434	Extraordinary Income	$0
435	Extraordinary Deductions	$0
436	Appropriations of Retained Earnings	$0
437	Dividends Declared - Preferred Stock	$0
438	Dividends Declared - Common Stock	$33,557,815
439	Adjustments to Retained Earnings	$0
		$302,979,640

Partnership Capital Statement - Account 218

Dominion East Ohio Gas Company

12/31/2008

Account No. 218

Description	Amount
Miscellaneous Credits	$0
Miscellaneous Debits	$0
Net Income (Loss for Year)	$0
Partners' Capital Contributions	$0
Partners' Drawings	$0
Partnership Capital (Beginning of Year)	$0
Total Partnership Capital (End Of Year):	**$0**

Utility Plant In Service - Account 101

Account No 101

Sub Account No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
Dominion East Ohio Gas Company						
12/31/2008						
301	Organization	$0	$0	$0	$0	$0
302	Franchise and Consents	$0	$0	$0	$0	$0
303	Miscellaneous Intangible Plant	$41,563,213	$4,279,582	$11,907,087	$0	$33,935,708
304	Land and Land Rights	$0	$0	$0	$0	$0
305	Structures and Improvements	$0	$0	$0	$0	$0
306	Boiler Plant Equipment	$0	$0	$0	$0	$0
307	Other Power Equipment	$0	$0	$0	$0	$0
308	Coke Ovens	$0	$0	$0	$0	$0
309	Producer Gas Equipment	$0	$0	$0	$0	$0
310	Water Gas Generating Equipment	$0	$0	$0	$0	$0
311	Liquefied Petroleum Gas Equipment	$0	$0	$0	$0	$0
312	Oil Gas Generating Equipment	$0	$0	$0	$0	$0
313	Generating Equipment--Other Processes	$0	$0	$0	$0	$0
314	Coal, Coke, And Ash Handling Equipment	$0	$0	$0	$0	$0
315	Catalytic Cracking Equipment	$0	$0	$0	$0	$0
316	Other Reforming Equipment	$0	$0	$0	$0	$0
317	Purification Equipment	$0	$0	$0	$0	$0
318	Residual Refining Equipment	$0	$0	$0	$0	$0
319	Gas Mixing Equipment	$0	$0	$0	$0	$0
320	Other Equipment	$0	$0	$0	$0	$0
325.1	Producing Lands	$0	$0	$0	$0	$0
325.2	Producing Leaseholds	$0	$0	$0	$0	$0
325.3	Gas Rights	$0	$0	$0	$0	$0
325.4	Rights-of-Way	$2,650,375	$48,484	$0	$0	$2,698,859

Utility Plant In Service - Account 101

Account No 101

Sub Account No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
325.5	Other Land and Land Rights	$408,522	$160,372	$0	$0	$568,894
326	Gas Well Structures	$0	$0	$0	$0	$0
327	Field Compressor Station Structures	$1,411,573	$790,796	$2,709	$0	$2,199,660
328	Field Meas. & Reg. Station Structures	$396,430	$77,741	$0	$0	$474,171
329	Other Structures	$280,088	$0	$0	$0	$280,088
330	Producting Gas Wells-Well Construction	$0	$999,169	$0	$0	$999,169
331	Producing Gas Wells-Well Equipment	$0	$197,315	$0	$0	$197,315
332	Field Lines	$61,747,342	$1,916,481	$38,864	$0	$63,624,969
333	Field Compressor Station Equipment	$13,855,086	$6,153,636	$75,397	$0	$19,933,225
334	Field Meas. & Reg. Station Equipment	$10,901,351	$2,658,166	$147,441	$0	$13,412,076
335	Drilling and Cleaning Equipment	$478,919	$0	$0	$0	$478,919
336	Purification Equipment	$0	$0	$0	$0	$0
337	Other Equipment	$0	$0	$0	$0	$0
338	Unsuccessful Exploration & Development Costs	$0	$0	$0	$0	$0
339	Asset Retirement Costs - Production and Gathering	$0	$0	$0	$0	$0
340	Land and Land Rights	$0	$0	$0	$0	$0
341	Structures and Improvements	$0	$0	$0	$0	$0
342	Extraction and Refining Equipment	$0	$0	$0	$0	$0
343	Pipe Lines	$0	$0	$0	$0	$0
344	Extracted Products Storage Equipment	$0	$0	$0	$0	$0
345	Compressor Equipment	$0	$0	$0	$0	$0
346	Gas Meas. & Reg. Equipment	$0	$0	$0	$0	$0
347	Other Equipment	$0	$0	$0	$0	$0
348	Asset Retirement Costs - Extraction	$0	$0	$0	$0	$0
350.1	Land	$315,719	$0	$0	$0	$315,719
350.2	Rights-of-Way	$190,983	$0	$0	$(1,954)	$189,029
351	Structures and Improvements	$5,441,983	$240,723	$15,213	$0	$5,667,493

Utility Plant In Service - Account 101

Account No 101

Sub Account No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
352	Wells	$46,893,970	$164,754	$103,486	$0	$46,955,238
352.1	Storage Leaseholds and Rights	$6,796,601	$8,000	$0	$0	$6,804,601
352.2	Reservoirs	$0	$0	$0	$0	$0
352.3	Non-recoverable Natural Gas	$5,251,190	$0	$0	$0	$5,251,190
353	Lines	$20,505,864	$885,288	$24,694	$0	$21,366,458
354	Compressor Station Equipment	$25,345,273	$212,469	$23,650	$0	$25,534,092
355	Measuring and Regulating Equipment	$7,595,266	$648,033	$29,649	$0	$8,211,650
356	Purification Equipment	$0	$0	$0	$0	$0
357	Other Equipment	$416,565	$178,455	$0	$0	$595,020
358	Asset Retirement Costs - Underground Storage	$0	$0	$0	$0	$0
360	Land and Land Rights	$0	$0	$0	$0	$0
361	Structures and Improvements	$0	$0	$0	$0	$0
362	Gas Holders	$0	$0	$0	$0	$0
363	Purification Equipment	$0	$0	$0	$0	$0
363.1	Liquefication Equipment	$0	$0	$0	$0	$0
363.2	Vaporizing Equipment	$0	$0	$0	$0	$0
363.3	Compressor Equipment	$0	$0	$0	$0	$0
363.4	Meas. and Reg. Equipment	$0	$0	$0	$0	$0
363.5	Other Equipment	$0	$0	$0	$0	$0
363.6	Asset Retirement Costs - Other Storage	$0	$0	$0	$0	$0
364.1	Land and Land Rights	$0	$0	$0	$0	$0
364.2	Structures and Improvements	$0	$0	$0	$0	$0
364.3	LNG Processing Terminal Equipment	$0	$0	$0	$0	$0
364.4	LNG Transportation Equipment	$0	$0	$0	$0	$0
364.5	Measuring and Regulating Equipment	$0	$0	$0	$0	$0
364.6	Compressor Station Equipment	$0	$0	$0	$0	$0
364.7	Communications Equipment	$0	$0	$0	$0	$0
364.8	Other Equipment	$0	$0	$0	$0	$0

Utility Plant In Service - Account 101

Account No 101

Sub Account No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
364.9	Asset Retirement Costs - LNG Terminaling and Processing	$0	$0	$0	$0	$0
365.1	Land and Land Rights	$454,233	$0	$0	$0	$454,233
365.2	Rights-of-Way	$4,188,494	$0	$0	$(206,515)	$3,981,979
366	Structures and Improvements	$3,977,414	$193,857	$426	$6,829	$4,177,674
367	Mains	$152,384,499	$6,719,437	$248,947	$0	$158,854,989
368	Compressor Station Equipment	$1,921,748	$397	$0	$0	$1,922,145
369	Measuring and Reg. Sta. Equipment	$33,778,912	$1,737,764	$68,495	$0	$35,448,181
370	Communication Equipment	$0	$0	$0	$0	$0
371	Other Equipment	$839,268	$0	$0	$0	$839,268
372	Asset Retirement Costs - Transmission	$0	$0	$0	$0	$0
374	Land and Land Rights	$5,488,015	$51,027	$0	$0	$5,519,042
375	Structures and Improvement	$58,089,911	$2,247,645	$316,764	$(6,829)	$60,013,963
376	Mains	$834,646,227	$45,065,095	$2,138,229	$0	$877,573,093
377	Compressor Station Equipment	$0	$0	$0	$0	$0
378	Meas. and Reg. Sta. Equip.-General	$37,515,166	$1,855,755	$328,111	$0	$39,042,810
379	Meas. and Reg. Sta. Equip.-City Gate	$0	$0	$0	$0	$0
380	Services	$313,415,004	$17,533,019	$756,886	$0	$330,192,137
381	Meters	$89,997,378	$26,534,440	$4,526,138	$0	$112,005,680
382	Meter Installations	$37,157,058	$13,181,958	$0	$0	$50,339,016
383	House Regulators	$13,657,872	$156,543	$480,492	$0	$13,333,923
384	House Regulator Installations	$1,041,303	$13,027	$0	$0	$1,054,330
385	Industrial Meas. and Reg. Sta. Equip.	$6,666,038	$950,207	$316,989	$0	$7,299,256
386	Other Prop. on Customers' Premises	$0	$0	$0	$0	$0
387	Other Equip.	$3,017,642	$389,853	$0	$0	$3,407,495
388	Asset Retirement Costs - Distribution	$0	$0	$0	$0	$0
389	Land and Land Rights	$55,714	$0	$0	$0	$55,714
390	Structures and Improvements	$1,176,810	$6,800	$20,022	$0	$1,163,588

Utility Plant In Service - Account 101

Account No 101

Sub Account No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
391	Office Furniture and Equipment	$7,025,929	$1,825,616	$1,075,636	$114,683	$7,890,592
392	Transportation Equipment	$6,816,802	$19,543	$658,671	$0	$6,177,474
393	Stores Equipment	$187,680	$0	$13,443	$0	$174,237
394	Tools, Shop and Garage Equipment	$15,148,620	$184,588	$466,982	$0	$14,866,226
395	Laboratory Equipment	$105,750	$0	$6,120	$0	$99,630
396	Power Operated Equipment	$6,464,066	$211,219	$126,766	$0	$6,548,519
397	Communication Equipment	$13,055,202	$1,224,245	$401,071	$0	$13,878,376
398	Miscellaneous Equipment	$1,122,351	$3,204	$160,934	$0	$964,621
399	Other Tangible Property	$71,964,681	$1,759,005	$179,196	$0	$73,544,490
399.1	Asset Retirement Costs - General	$10,707,159	$97,881	$521,127	$0	$10,283,913
		$1,984,273,057	$141,579,488	$25,178,625	$(93,786)	$2,100,580,135

Accumulated Provision For Depreciation - Account 108

Name of Other Item		Accumumulated Depreciation Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Original Cost Of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Other Additions or Deductions Added (h)	Other Additions or Deductions Subtracted (i)	Balance End of Year (j)=(b)+(d)-(e)-(f)+(g)+(h)-(i)
Dominion East Ohio Gas Company										
12/31/2008										
301	Organization	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
302	Franchise and Consents	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
303	Miscellaneous Intangible Plant	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
304	Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
305	Structures and Improvements	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
306	Boiler Plant Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
307	Other Power Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
308	Coke Ovens	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
309	Producer Gas Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
310	Water Gas Generating Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
311	Liquefied Petroleum Gas Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
312	Oil Gas Generating Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
313	Generating Equipment--Other Processes	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
314	Coal, Coke, And Ash Handling Equipmer	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
315	Catalytic Cracking Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
316	Other Reforming Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
317	Purification Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
318	Residual Refining Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
319	Gas Mixing Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
320	Other Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
325.1	Producing Lands	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
325.2	Producing Leaseholds	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
325.3	Gas Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
325.4	Rights-of-Way	($1,255,197)	0.00%	($48,388)	$0	$0	$0	$0	($113,375)	($1,190,191)
325.5	Other Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
326	Gas Well Structures	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
327	Field Compressor Station Structures	($962,004)	0.00%	($78,108)	($2,709)	$0	$0	$0	($249,420)	($777,983)
328	Field Meas. & Reg. Station Structures	($265,513)	0.00%	($17,594)	$0	$0	$0	$0	($25,034)	($258,075)
329	Other Structures	($137,683)	0.00%	($10,470)	$0	$0	$0	($96,369)	$0	($244,722)

Name of Other Item		Accumulated Depreciation Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Original Cost Of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Other Additions or Deductions Added (h)	Other Additions or Deductions Subtracted (i)	Balance End of Year (j)=(b)+(d)-(e)-(f)+(g)+(h)-(i)
330	Producing Gas Wells-Well Construction	$0	0.00%	($20,973)	$0	$0	$0	$0	$0	($20,973)
331	Producing Gas Wells-Well Equipment	$0	0.00%	($4,250)	$0	$0	$0	$0	$0	($4,250)
332	Field Lines	($25,092,485)	0.00%	($1,303,526)	($38,854)	$0	$0	$0	($3,618,432)	($22,738,736)
333	Field Compressor Station Equipment	($5,460,939)	0.00%	($889,972)	($75,398)	$0	$0	($665,051)	$0	($7,130,564)
334	Field Meas. & Reg. Station Equipment	($4,462,834)	0.00%	($514,844)	($147,441)	$0	$0	($855,360)	$0	($5,676,997)
335	Drilling and Cleaning Equipment	($475,949)	0.00%	($24,944)	$0	$0	$0	$0	($189,274)	($311,619)
336	Purification Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
337	Other Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
338	Unsuccessful Exploration & Developmer	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
339	Asset Retirement Costs - Production and	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
340	Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
341	Structures and Improvements	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
342	Extraction and Refining Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
343	Pipe Lines	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
344	Extracted Products Storage Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
345	Compressor Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
346	Gas Meas. & Reg. Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
347	Other Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
348	Asset Retirement Costs - Extraction	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
350.1	Land	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
350.2	Rights-of-Way	$187,087	0.00%	($3,481)	$0	$0	$0	($271,203)	$0	($87,577)
351	Structures and Improvements	($3,130,520)	0.00%	($167,066)	($20,988)	$0	$0	$0	($1,138,216)	($2,130,382)
352	Wells	($22,510,877)	0.00%	($968,817)	($103,486)	$0	$0	$0	($3,222,463)	($20,153,745)
352.1	Storage Leaseholds and Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
352.2	Reservoirs	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
352.3	Non-recoverable Natural Gas	($4,804,874)	0.00%	($134,430)	$0	$0	$0	$0	($2,611)	($5,036,793)
353	Lines	($9,916,293)	0.00%	($500,873)	($18,919)	$0	$0	$0	($1,079,928)	($9,318,219)
354	Compressor Station Equipment	($9,352,184)	0.00%	($792,918)	($28,651)	$0	$0	$0	($3,132,764)	($6,988,687)
355	Measuring and Regulating Equipment	($3,554,435)	0.00%	($247,329)	($29,649)	$0	$0	$0	($1,339,912)	($2,432,203)
356	Purification Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
357	Other Equipment	$100,508	0.00%	($29,465)	$0	$0	$0	($261,305)	$0	($190,262)
358	Asset Retirement Costs - Underground S	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
360	Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
361	Structures and Improvements	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
362	Gas Holders	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
363	Purification Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0

Name of Other Item		Accumumulated Depreciation Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Original Cost Of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Other Additions or Deductions Added (h)	Other Additions or Deductions Subtracted (i)	Balance End of Year (j)=(b)+(d)-(e)-(f)+(g)+(h)-(i)
363.1	Liquefication Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
363.2	Vaporizing Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
363.3	Compressor Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
363.4	Meas. and Reg. Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
363.5	Other Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
363.6	Asset Retirement Costs - Other Storage	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.1	Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.2	Structures and Improvements	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.3	LNG Processing Terminal Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.4	LNG Transportation Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.5	Measuring and Regulating Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.6	Compressor Station Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.7	Communications Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.8	Other Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
364.9	Asset Retirement Costs - LNG Terminall	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
365.1	Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
365.2	Rights-of-Way	($1,802,332)	0.00%	($15,113)	$0	$0	$0	($160,164)	$0	($1,977,609)
366	Structures and Improvements	($2,311,916)	0.00%	($95,963)	($426)	$0	$0	$0	($310,996)	($2,096,457)
367	Mains	($60,681,850)	0.00%	($3,077,005)	($248,946)	$0	$0	$0	($12,714,804)	($70,795,405)
368	Compressor Station Equipment	($226,376)	0.00%	($47,884)	$0	$0	$0	$0	($4,335)	($268,726)
369	Measuring and Reg. Sta. Equipment	($12,509,141)	0.00%	($821,035)	($66,495)	$0	$0	$0	($849,162)	($12,412,518)
370	Communication Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
371	Other Equipment	($197,641)	0.00%	($18,267)	$0	$0	$0	($18,478)	$0	($234,386)
372	Asset Retirement Costs - Transmission	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
374	Land and Land Rights	($449,061)	0.00%	($46,930)	$0	$0	$0	($431,990)	$0	($928,001)
375	Structures and Improvement	($27,094,669)	0.00%	($2,149,276)	($173,150)	$0	$0	$0	($4,127,083)	($24,943,732)
376	Mains	($286,014,243)	0.00%	($16,662,204)	($2,136,138)	$0	$0	$0	($1,695,592)	($299,042,717)
377	Compressor Station Equipment	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
378	Meas. and Reg. Sta. Equip.-General	($7,876,078)	0.00%	$1,182,201	($328,111)	$0	$0	($2,327,939)	$0	($8,683,705)
379	Meas. and Reg. Sta. Equip.-City Gate	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
380	Services	($162,585,132)	0.00%	($13,117,476)	($756,886)	$0	$0	($17,274,446)	$0	($192,321,168)
381	Meters	($16,528,736)	0.00%	($2,994,731)	($4,526,136)	$0	$0	($12,191,031)	$0	($27,186,362)
382	Meter Installations	($3,957,179)	0.00%	($1,067,236)	$0	$0	$0	$0	($558,511)	($4,065,904)
383	House Regulators	($4,888,020)	0.00%	($449,550)	($480,492)	$0	$0	($2,070,076)	$0	($6,936,154)
384	House Regulator Installations	($366,744)	0.00%	($29,122)	$0	$0	$0	$0	($79,992)	($314,874)
385	Industrial Meas. and Reg. Sta. Equip.	($3,107,307)	0.00%	($176,547)	($316,989)	$0	$0	$0	($1,149,728)	($1,816,137)

Name of Other Item		Accumumulated Depreciation Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Original Cost Of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Other Additions or Deductions Added (h)	Other Additions or Deductions Subtracted (i)	Balance End of Year (j)=(b)+(d)-(e)-(f)+(g)+(h)-(i)
386	Other Prop. on Customers' Premises	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
387	Other Equip.	($853,502)	0.00%	($211,847)	$0	$0	$0	$0	($247,074)	($818,275)
388	Asset Retirement Costs - Distribution	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
389	Land and Land Rights	$0	0.00%	$0	$0	$0	$0	$0	$0	$0
390	Structures and Improvements	($98,792)	0.00%	($65,947)	$0	$0	$0	$0	($796)	($163,943)
391	Office Furniture and Equipment	($4,331,337)	0.00%	($788,589)	($615,162)	$0	$0	$0	($1,571,947)	($2,932,817)
392	Transportation Equipment	($2,574,178)	0.00%	($516,662)	($658,871)	$0	$0	($1,335,354)	$0	($3,767,521)
393	Stores Equipment	($150,835)	0.00%	($9,048)	($13,443)	$0	$0	$0	($17,107)	($129,433)
394	Tools, Shop and Garage Equipment	($10,616,810)	0.00%	($837,379)	($466,982)	$0	$0	$0	($606,889)	($10,380,118)
395	Laboratory Equipment	($89,531)	0.00%	($5,136)	($6,120)	$0	$0	$0	($13,427)	($76,119)
396	Power Operated Equipment	($1,892,105)	0.00%	($420,379)	($126,766)	$0	$0	$0	($296,053)	($1,889,665)
397	Communication Equipment	($6,458,589)	0.00%	($1,299,069)	($401,071)	$0	$0	$0	($43,351)	($7,313,236)
398	Miscellaneous Equipment	($707,859)	0.00%	($89,690)	($160,935)	$0	$0	$0	($55,315)	($561,299)
399	Other Tangible Property	($56,430,951)	0.00%	($3,094,437)	($179,195)	$0	($616,346)	($15,828,411)	($16,811,703)	($61,987,246)
399.1	Asset Retirement Costs - General	($176,854)	0.00%	($3,206)	$0	$0	$0	$0	$0	($180,062)
	Total	($785,939,110)		($52,633,537)	($12,126,212)	$0	($616,346)	($58,994,177)	($66,372,794)	($818,884,164)

Special Funds - Account 125

Account No. 125

Name of Fund (a)	Balance First of Year (b)	Principal Additions Principle (c)	Principal Additions Income (d)	Deductions (e)	Balance End of Year (f)=(b)+(c)+(d)-(e)
Dominion East Ohio Gas Company 12/31/2008					
Not Applicable	$0	$0	$0	$0	$0
Totals	**$0**	**$0**	**$0**	**$0**	**$0**

Special Funds - Account 126

Account No: 126

Name of Fund (a)	Balance First of Year (b)	Principal Additions Principle (c)	Principal Additions Income (d)	Deductions (e)	Balance End of Year (f)=(b)+(c)+(d)-(e)
Dominion East Ohio Gas Company					
12/31/2008					
Not Applicable	$0	$0	$0	$0	$0
Totals	**$0**	**$0**	**$0**	**$0**	**$0**

Special Funds - Account 128

Account No. 128

Name of Fund (a)	Balance First of Year (b)	Principal Additions Principle (c)	Principal Additions Income (d)	Deductions (e)	Balance End of Year (f)=(b)+(c)+(d)-(e)
Dominion East Ohio Gas Company **12/31/2008**					
Not Applicable	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0

Special Funds - Account 129

Account No. 129

Name of Fund (a)	Balance First of Year (b)	Principal Additions Principle (c)	Principal *Additions* Income (d)	Deductions (e)	Balance End of Year (f)=(b)+(c)+(d)-(e)
Dominion East Ohio Gas Company 12/31/2008					
Not Applicable	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0

Prepayments - Account 165

Account No: 165

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Dominion East Ohio Gas Company				
12/31/2008				
Fees & Assessments	$0	$1,801,662	$1,801,662	$0
Miscellaneous	$89,649	$0	$89,649	$0
Travel Expense	$4,103	$381,713	$381,000	$4,816
Insurance - Workers' Compensation	$89,184	$124,975	$130,843	$83,316
Insurance - General Property	$124,643	$302,476	$209,782	$217,237
Insurance - Excess Liability	$471,615	$672,572	$695,806	$448,381
Insurance - Executive Protection	$461,275	$516,765	$632,328	$345,712
Taxes - Excise	$3,148,961	$3,936,201	$3,936,201	$3,148,961
Taxes - Federal Income Tax	$41,044,567	$129,042,186	$170,086,753	$0
Totals	**$45,433,897**	**$136,776,550**	**$177,964,024**	**$4,248,423**

Misc. Current and Accrued Assets - Account 174

Account No: 174

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Dominion East Ohio Gas Company 12/31/2008				
SSO Supplier Imbalances	$1,206,402	$39,351,732	$38,029,016	$2,529,118
Totals	**$1,206,402**	**$39,351,732**	**$38,029,016**	**$2,529,118**

Extraordinary Property Losses - Account 182.1

Account No: 182.1

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Dominion East Ohio Gas Company				
12/31/2008				
Not Applicable	$0	$0	$0	$0
Totals	$0	$0	$0	$0

Unrecovered Plant and Regulatory Study Costs - Account 182.2

Account No: 182.2

	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Dominion East Ohio Gas Company				
12/31/2008				
Not Applicable	$0	$0	$0	$0
Totals	**$0**	**$0**	**$0**	**$0**

Miscellaneous Deferred Debits - Account 186

Account No: 186

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Dominion East Ohio Gas Company 12/31/2008				
Miscellaneous Other	$125	$876	$1,001	$0
Other Misc Non-Current Assets	$25,380,601	$1,034,122	$4,070,630	$22,344,093
Cash Clearing	($283)	$208,079	$272,076	($64,280)
Pension Asset	$689,854,894	$62,682,623	$201,308,268	$551,229,249
OPEB Asset	$19,908,678	$1,650,294	$21,558,972	$0
Ohio Property Taxes	$19,302,852	$25,157,148	$20,100,000	$24,360,000
PIPP	$133,382,404	$264,452,145	$397,834,549	$0
Totals	**$887,829,271**	**$355,185,287**	**$645,145,496**	**$597,869,062**

Research Development and Demonstration Expense (major) - Account 188

Account No: 188

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Dominion East Ohio Gas Company				
12/31/2008				
Not Applicable	$0	$0	$0	$0
Totals	**$0**	**$0**	**$0**	**$0**

Capital Stock - Account 201

Acct No. 201

Class Description Of Capital Stock (Common) (a)	Par Or Stated Value Per Share (Common)	Shares Authorized (Common)	Shares Issued Outstanding (Common)	Total Par Value of Stock Issues	Dividends Declared Per Share For Year (Common)	Total Declared Dividends
Dominion East Ohio Gas Company						
12/31/2008						
Common Stock Issued	$0.00	50,000	7,966	($584,967,650)	$4,212.63	$33,557,815
	$0.00	**50,000**	**7,966**	**($584,967,650)**	**$4,212.63**	**$33,557,815**

Capital Stock - Account 204

Acct No. 204 Class Description Of Capital Stock (Common) (a)	Par Or Stated Value Per Share (Preferred) (b)	Shares Authorized (Preferred) (c)	Shares Issued Outstanding (Preferred) (d)	Total Par V alue of Stock Issues (e) = (b) x (d)	Dividends Declared Per Share For Year (Common) (f)	Total Declared Dividends (g)
Dominion East Ohio Gas Company						
12/31/2008						
Not Applicable	$0.00	$0.00	0	$0	$0.00	$0
	$0.00	**$0.00**	**0**	**$0**	**$0.00**	**$0**

Long Term Debt - Account 221

AccountNo 221 Description of Obligation	Beginning Balance (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short Term Portion (h)	Long-Term Portion (i)
Dominion East Ohio Gas Company **12/31/2008**									
Not Applicable	$0	0	0	$0	$0	0.00%	0.00%	$0	$0
	$0			**$0**	**$0**			**$0**	**$0**

Long Term Debt - Account 222

Account No 222 Description of obligation		Beginning Balance (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short Term Portion (h)	Long-Term Portion (i)
Dominion East Ohio Gas Company										
12/31/2008										
Not Applicable	16	$0	0	0	$0	$0	0.00%	0.00%	$0	$0
		$0			**$0**	**$0**			**$0**	**$0**

Long Term Debt - Account 223

Account No: 223 Description of obligation	Beginning Balance (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short Term Portion (h)	Long-Term Portion (i)
Dominion East Ohio Gas Company **12/31/2008**									
DRI - Long Term Notes 6.34%	($477,000,000)	10/02/2006	10/01/2016	($477,000,000)	$0	6.34%	6.34%	$0	($477,000,000)
DRI - Long Term Notes 6.20%	($80,000,000)	03/30/1999	09/30/2010	($80,000,000)	$0	6.20%	6.20%	$0	($80,000,000)
DRI - Long Term Notes 6.95%	($40,000,000)	12/30/1997	12/15/2027	($40,000,000)	$0	6.95%	6.95%	$0	($40,000,000)
DRI - Long Term Notes 6.75%	$0	01/31/1997	11/30/2008	$0	$0	6.75%	6.75%	$0	$0
DRI - Long Term Notes 6.75%	$0	01/31/1997	11/30/2008	$0	$0	6.75%	6.75%	$0	$0
DRI - Long Term Notes 8.75%	($2,250,000)	12/30/1994	12/30/2014	($2,250,000)	$0	8.75%	8.75%	$0	($2,250,000)
DRI - Long Term Notes 6.80%	($1,100,000)	05/31/1994	11/30/2013	($1,100,000)	$0	6.80%	6.80%	$0	($1,100,000)
DRI - Long Term Notes 6.80%	($16,000,000)	05/31/1994	11/30/2013	($16,000,000)	$0	6.80%	6.80%	$0	($16,000,000)
DRI - Long Term Notes 6.80%	($901,200)	03/31/1994	11/30/2013	($901,200)	$0	6.80%	6.80%	$0	($901,200)
DRI - Long Term Notes 6.80%	($662,800)	12/31/1993	11/30/2013	($662,800)	$0	6.80%	6.80%	$0	($662,800)
DRI - Long Term Notes 6.80%	($11,282,000)	12/31/1993	11/30/2013	($11,282,000)	$0	6.80%	6.80%	$0	($11,282,000)
DRI - Long Term Notes 7.40%	($2,750,000)	12/21/1990	11/30/2015	($2,750,000)	$0	7.40%	7.40%	($250,000)	($2,500,000)
DRI - Long Term Notes 7.40%	($16,500,000)	12/21/1990	11/30/2015	($16,500,000)	$0	7.40%	7.40%	($1,500,000)	($15,000,000)
DRI - Long Term Notes 8.95%	($20,000,000)	11/01/1989	09/30/2019	($20,000,000)	$0	8.95%	8.95%	($1,815,000)	($18,185,000)
	($668,445,000)			**($668,446,000)**	**$0**			**($3,565,000)**	**($664,881,000)**

Long Term Debt - Account 224

Account No: 224 Description of Obligation	Beginning Balance (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short Term Portion (h)	Long-Term Portion (i)
Dominion East Ohio Gas Company									
12/31/2008									
Not Applicable	$0	0	0	$0	$0	0.00%	0.00%	$0	$0
	$0			**$0**	**$0**			**$0**	**$0**

Long Term Debt - Account 225

Account No: 225

Description of Obligation	Beginning Balance (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short Term Portion (h)	Long-Term Portion (i)
Dominion East Ohio Gas Company									
12/31/2008									
Not Applicable	$0	0	0	$0	$0	0.00%	0.00%	$0	$0
	$0			$0	$0			$0	$0

Long Term Debt - Account 226

Account No: 226 Description of Obligation	Beginning Balance (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short Term Portion (h)	Long-Term Portion (i)
Dominion East Ohio Gas Company **12/31/2008**									
Not Applicable	$0	0	0	$0	$0	0.00%	0.00%	$0	$0
	$0			**$0**	**$0**			**$0**	**$0**

Deferred Income Tax - Account 190

Account No 190

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
Dominion East Ohio Gas Company 12/31/2008				
ADIT - UPGA	($21,876,785)	$0	$13,625,888	($35,502,673)
ADIT - Supplier Refunds	($21,306)	$0	$0	($21,306)
ADIT - Realignment Costs (Order 636)	$750,628	$0	$17,427	$733,201
ADIT - State Deferrals	($56,362)	$0	$0	($56,362)
Total	($21,203,825)	$0	$13,643,315	($34,847,140)

Deferred Income Tax - Account 281

Account No 281

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
Dominion East Ohio Gas Company				
12/31/2008				
Not Applicable	$0	$0	$0	$0
Total	**$0**	**$0**	**$0**	**$0**

Deferred Income Tax - Account 282

Account No 282

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
Dominion East Ohio Gas Company				
12/31/2008				
ADIT - Capitalized Payroll Taxes	($1,708,938)	$0	$0	($1,708,938)
ADIT - Liberalized Depreciation	($191,738,907)	$0	($63,435,490)	($255,174,397)
Total	**($193,447,845)**	**$0**	**($63,435,490)**	**($256,883,335)**

Deferred Income Tax - Account 283

Account No 283

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
Dominion East Ohio Gas Company				
12/31/2008				
ADIT Capitalized Inventory IRC 263(A)	$239,449	($138,912)	$0	$378,361
ADIT Severance Accrual	$153,296	$0	($59,243)	$94,053
ADIT Bad Debts	($61,981,977)	($46,547,460)	$0	($15,434,517)
ADIT Miscellaneous Deferrals	$337,301	($3,190,034)	($114,334)	$3,413,001
ADIT SFAS 87 Pensions	($214,386,820)	$0	($21,859,362)	($236,245,182)
ADIT Ohio Gross Receipts Tax	($2,159,969)	($2,662,297)	$0	$502,328
ADIT Fed Impact on State Deferrals	$19,200	$0	$0	$19,200
ADIT Weatherization Program	($1,115,470)	($1,389,863)	$0	$274,393
ADIT SFAS 106 OPEB	$9,608,391	($451,085)	$0	$10,059,476
ADIT SFAS 112 Workers' Compensation	$1,741,420	($350,585)	$0	$2,092,005
ADIT SFAS 158 Pensions	($27,063,363)	($27,063,393)	($30)	$0
ADIT Vacation Accruals	$2,411,917	($213,691)	$0	$2,625,608
ADIT Restricted Stock Awards	$127,459	($59,484)	$0	$186,943
ADIT Charitable Contribution Carryforward Utilized	($735,713)	$0	$0	($735,713)
ADIT Line Pack Gas	$279,685	$0	($51,968)	$227,717
ADIT Health & Welfare Benefits	$1,208,236	$0	$0	$1,208,236
ADIT Injuries & Damages Reserve	$52,500	$0	$0	$52,500
ADIT Capitalized Overheads	$1,400,259	($283,522)	$0	$1,683,781
ADIT Bad Debt Tracker	($4,625,425)	($23,112,477)	$0	$18,487,052
ADIT Other Book Reserves	$1,973,242	$0	($1,973,242)	$0
ADIT SFAS 158 OPEB Medicare Part D	$0	($489,416)	$0	$489,416
ADIT Sales Tax Audit Adjustment	$0	($372,783)	$0	$372,783
ADIT Short Term Incentive Plan	$0	($972,650)	$0	$972,650
Total	**($292,515,382)**	**($107,297,852)**	**($24,058,179)**	**($209,275,909)**

Misc. Current and Accrued Liabilities - Account 242

Account No. 242

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
Dominion East Ohio Gas Company				
12/31/2008				
Other Miscellaneous	($547,512)	($1,118,841)	($1,247,361)	($676,032)
Year-end Accruals	($2,599,971)	($29,324,821)	($28,838,134)	($2,113,284)
Hospitalization & Dental	($2,902,065)	($155,508)	($46,629)	($2,793,186)
SSO Supplier Imbalances	$0	($11,384,103)	($11,384,103)	$0
Total	**($6,049,548)**	**($41,983,273)**	**($41,516,227)**	**($5,582,502)**

Gas Operating Revenues

Account No 400

Sub Account No	SubAccountTitle	Cubic Feet Sold Ohio	Cubic Feet Entire System	Revenues Ohio	Revenues Entire System
Dominion East Ohio Gas Company					
12/31/2008					
480	Residential Sales	38,190,263	38,190,263	536,296,248	536,296,248
481	Commercial & Industrial Sales	0	0		0
481.1	Commercial Sales (Small)	10,544,644	10,544,644	140,900,401	140,900,401
481.2	Industrial Sales (large)	1,088,209	1,088,209	14,525,204	14,525,204
482	Other Sales to Public Authorities	0	0	0	0
483	Sales for Resale	7,574,455	7,574,455	101,140,611	101,140,611
484	Interdepartmental Sales	0	0	0	0
485	Intracompany Transfers	0	0	0	0
487	Forfeited Discounts	- 0	0	71,887	71,887
488	Miscellaneous Service Revenues	0	0	628,212	628,212
489	Revenue from Trans of Gas of Others	0	0	0	0
489.1	Revenues from Transportation of Gas of Others through Gathering Facilities	0	0	0	0
489.2	Revenues from Transportation of Gas of Others through Transmission Facilities	0	0	0	0
489.3	Revenues from Transportation of Gas of Others through Distribution Facilities	216,324,653	216,324,653	459,088,448	459,088,448
489.4	Revenues from Storing Gas of Others	0	0	11,729,403	11,729,403
490	Sales of Prod. Extracted from Nat. Gas	0	0	310,590	310,590
491	Rev. from Nat. Gas Processed by Others	0	0	0	0
492	Incidental Gasoline and Oil Sales	0	0	820,471	820,471
493	Rent from Gas Property	0	0	0	0
494	Interdepartmental Rents	0	0	0	0
495	Other Gas Revenues	0	0	66,151,401	66,151,401
496	Provision for Rate Refunds	0	0	0	0

Gas Operating Revenues

Account No 400

Sub Account No	SubAccountTitle	Cubic Feet Sold Ohio	Cubic Feet Entire System	Revenues Ohio	Revenues Entire System
Total Gas Operating Revenues Net of Provision for Refunds (480-496)		273,722,224	273,722,224	1,331,662,876	1,331,662,876

Gas Operating Expense Accounts

Account No 401

Sub Acct No	SubAccountTitle	Ohio	Entire System
Dominion East Ohio Gas Company			
12/31/2008			
700	Operation supervision and engineering	$0	$0
701	Operation labor	$0	$0
702	Boiler fuel	$0	$0
703	Miscellaneous steam expenses	$0	$0
704	Steam transferred-Credit	$0	$0
710	Operation supervision and engineering	$0	$0
711	Steam expenses	$0	$0
712	Other power expenses	$0	$0
713	Coke oven expenses	$0	$0
714	Producer gas expenses	$0	$0
715	Water gas generating expenses	$0	$0
716	Oil gas generating expenses	$0	$0
717	Liquefied petroleum gas expenses	$0	$0
718	Other process production expenses	$0	$0
719	Fuel under coke ovens	$0	$0
720	Producer gas fuel	$0	$0
721	Water gas generator fuel	$0	$0
722	Fuel for oil gas	$0	$0
723	Fuel for liquefied petroleum gas process	$0	$0
724	Other gas fuels	$0	$0
724.1	Fuel	$0	$0
725	Coal carbonized in coke ovens	$0	$0
726	Oil for water gas	$0	$0
727	Oil for oil gas	$0	$0
728	Liquefied petroleum gas	$0	$0
729	Raw materials for other gas processes	$0	$0
729.1	Raw material	$0	$0
730	Residuals expenses	$0	$0
731	Residuals produced-Credit	$0	$0
732	Purification expenses	$0	$0
733	Gas mixing expenses	$0	$0
734	Duplicate charges--Credit	$0	$0
735	Miscellaneous production expenses	$0	$0
736	Rents	$0	$0
737	Operation supplies and expenses	$0	$0
750	Operation Supv and Eng	$24,791	$24,791

Gas Operating Expense Accounts

Account No 401

Sub Acct No	SubAccountTitle	Ohio	Entire System
751	Production Maps and Records	$152,616	$152,616
752	Gas Wells Exp	$0	$0
753	Field Lines Exp	$278,163	$278,163
754	Field Compress Sta Exp	$949,517	$949,517
755	Field Compress Sta Fuel and Pwr	$6,391,046	$6,391,046
756	Field Meas and Reg Sta Exp	$94,480	$94,480
757	Purification Exp	$0	$0
758	Gas Well Royalties	$0	$0
759	Other Expenses	$86,678	$86,678
760	Rents	$0	$0
770	Oper Supv and Eng	$0	$0
771	Oper Labor	$0	$0
772	Gas Shrinkage	$0	$0
773	Fuel	$0	$0
774	Power	$0	$0
775	Materials	$0	$0
776	Oper Supplies and Exp	$0	$0
777	Gas Process by Others	$0	$0
778	Royalties on Products Extracted	$0	$0
779	Marketing Ex	$0	$0
780	Products Purchased for Resale	$0	$0
781	Variation in Products Inventory	$0	$0
782	Extracted Prod Used by the Utility-Cr	$0	$0
783	Rents	$0	$0
795	Delay Rents	$0	$0
796	Nonprod Well Drilling	$0	$0
797	Abandoned Leases	$0	$0
798	Other Exploration	$0	$0
799	Natural Gas Purchases	$0	$0
800	Nat Gas Well Head Purchases	$0	$0
800.1	Nat Gas Well Head Purchases, Intracompany Trans	$0	$0
801	Nat Gas Field Line Purchases	$2,748	$2,748
802	Nat Gas Gasoline Plant Outlet Purchases	$0	$0
803	Nat Gas Transmission Line Purchases	$212,561,001	$212,561,001
804	Nat Gas City Gate Purchases	$491,064,656	$491,064,656
804.1	Liquefied Nat Gas Purchases	$0	$0
805	Other Gas Purchases	$0	$0
805.1	Purchased Gas Cost Adjust	$(38,389,390)	$(38,389,390)
805.2	Incremental Gas Cost Adjust	$0	$0
806	Exchange Gas	$(1,322,716)	$(1,322,716)

Gas Operating Expense Accounts

Account No 401

Sub Acct No	SubAccountTitle	Ohio	Entire System
807.1	Well Exp -Purchased Gas	$39,479	$39,479
807.2	Oper of Purchased Gas Meas Sta	$0	$0
807.3	Maint of Purchased Gas Meas Sta	$0	$0
807.4	Purchased Gas Calculations Ex	$0	$0
807.5	Other Purchased Gas Exp	$0	$0
808.1	Gas Withdrawn from Storage-Debit	$270,096,753	$270,096,753
808.2	Gas Delivered to Storage-Cr	$(270,318,880)	$(270,318,880)
809.1	Withdrawals of Liqu Nat Gas for Process -Debit	$0	$0
809.2	Deliveries of Nat Gas for Process -Cr	$0	$0
810	Gas Used for Compress Sta Fuelr	$(11,463,496)	$(11,463,496)
811	Gas Used for Prod Extract -Cr	$0	$0
812	Gas Used for Other Utility Oper -Cr	$(19,152,715)	$(19,152,715)
812.1	Gas Used in Util Oper -Cr	$0	$0
813	Other Gas Supply Expenses	$1,053,767	$1,053,767
814	Oper Supv and Eng	$43,741	$43,741
815	Maps and Records	$115,905	$115,905
816	Wells Exp	$1,623,957	$1,623,957
817	Lines Exp	$172,129	$172,129
818	Compress Sta Exp	$888,619	$888,619
819	Compress Sta Fuel and Power	$4,762,482	$4,762,482
820	Meas and Reg Sta Exp	$288,755	$288,755
821	Purification Exp	$0	$0
822	Exploration and Develop	$0	$0
823	Gas Losses	$15,337,345	$15,337,345
824	Other Exp	$487	$487
825	Storage Well Royalties	$1,323,924	$1,323,924
826	Rents	$0	$0
827	Operation supplies and expenses	$0	$0
840	Oper Supv and Eng	$0	$0
841	Oper Labor and Exp	$0	$0
842	Rents	$0	$0
842.1	Fuel	$0	$0
842.2	Power	$0	$0
842.3	Gas Losses	$0	$0
844.1	Oper Super and Eng	$0	$0
844.2	LNG Process Terminal Labor and Exp	$0	$0
844.3	Liquefaction Process Labor and Exp	$0	$0
844.4	Liquefach Trans Labor and Exp	$0	$0
844.5	Meas and Reg Labor and Exp	$0	$0
844.6	Compress Station Labor and	$0	$0

Gas Operating Expense Accounts

Account No 401

Sub Acct No	SubAccountTitle	Ohio	Entire System
844.7	Communication System Exp	$0	$0
844.8	System Control and Load Dispatch	$0	$0
845.1	Fuel	$0	$0
845.2	Power	$0	$0
845.3	Rents	$0	$0
845.5	Wharfage Receipts-Cr	$0	$0
845.6	Process Liquefied or Vapor Gas by Others	$0	$0
846.1	Gas Losses	$0	$0
846.2	Other Exp	$0	$0
850	Oper Supv and Eng	$399,862	$399,862
851	System Control and Load Dispatch	$33,544	$33,544
852	Comm System Exp	$13,803	$13,803
853	Compress Sta Labor and Exp	$280,125	$280,125
853.1	Compressor stataion fuel and power	$0	$0
854	Gas for Compress Sta Fuel	$309,968	$309,968
855	Other Fuel and Power for Compress Sta	$0	$0
856	Mains Exp	$1,087,137	$1,087,137
857	Meas and Reg Sta Exp	$306,402	$306,402
857.1	Operation supplies and expenses	$0	$0
858	Trans and Compress Of Gas by Others	$0	$0
859	Other Exp	$1,035,507	$1,035,507
860	Rents	$0	$0
870	Oper and Supv and Eng	$1,778,837	$1,778,837
871	Dist Load Dispatch	$1,265,891	$1,265,891
872	Compress Station Labor and Exp	$0	$0
873	Compress Sta Fuel and Power	$0	$0
874	Mains and Services Exp	$11,545,870	$11,545,870
875	Meas and Reg Sta Exp -General	$2,085,008	$2,085,008
876	Meas and Reg Sta Exp -Industrial	$228,786	$228,786
877	Meas and Reg Sta Exp -City Gas Check Sta	$0	$0
878	Meter and House Reg Exp	$15,046,698	$15,046,698
879	Customer Install Exp	$1,140,137	$1,140,137
880	Other Exp	$14,924,661	$14,924,661
881	Rents	$73,131	$73,131
901	Supervision	$0	$0
902	Meter Reading Exp	$9,155,722	$9,155,722
903	Customer Records and Collection Exp	$18,131,327	$18,131,327
904	Uncollectible Accts	$189,968,618	$189,968,618
905	Misc Customer Accounts EXP	$0	$0
906	Customer service and informational expenses	$0	$0

Gas Operating Expense Accounts

Account No 401

Sub Acct No	SubAccountTitle	Ohio	Entire System
907	Supervision	$3,816,563	$3,816,563
908	Customer Assist Exp	$5,295,961	$5,295,961
909	Information and Instructional Exp	$698,930	$698,930
910	Misc Cust Serv and Info Exp	$3,167,652	$3,167,652
911	Supervision	$141,030	$141,030
912	Demonstrating and Selling Exp	$699,432	$699,432
913	Advertising Exp	$687,158	$687,158
916	Misc Sales Exp	$38,538	$38,538
917	Sales Expense	$0	$0
920	Admin and Gen Salaries	$8,170,119	$8,170,119
921	Office Supplies and Other Exp	$2,610,002	$2,610,002
922	Admin Exp Trans - Cr	$(14,883,662)	$(14,883,662)
923	Outside Services Employed	$66,372,277	$66,372,277
924	Property Insurance	$315,587	$315,587
925	Injuries and Damages	$4,324,387	$4,324,387
926	Employee Pensions and Benefits	$(36,890,934)	$(36,890,934)
927	Franchise Requirements	$0	$0
928	Reg Comm Exp	$1,965,712	$1,965,712
929	Duplicate Charges-Cr	$0	$0
930.1	General Advertising Exp	$0	$0
930.2	Misc Ceneral Exp	$591,101	$591,101
931	Rents	$50,861	$50,861
Total OperatingExpenses (750-935)		**$982,687,392**	**$982,687,392**

Gas Maintenance Expense Accounts

Account No 402

Sub Acct No	SubAccountTitle	Ohio	EntireSystem
Dominion East Ohio Gas Company			
12/31/2008			
705	Maintenance supervision and engineering	$0	$0
706	Maintenance of structures and improvements	$0	$0
707	Maintenance of boiler plant equipment	$0	$0
708	Maintenance of other steam production plant	$0	$0
740	Maintenance supervision and engineering	$0	$0
741	Maintenance of structures and improvements	$0	$0
742	Maintenance of production equipment	$0	$0
743	Maintenance of production plant	$0	$0
761	Maint Supv and Eng	$0	$0
762	Maint of Struct and Improvmnt	$0	$0
763	Maint of Prod Gas Wells	$0	$0
764	Maint of Field Lines	$759,085	$759,085
765	Maint of Field Compress Sta Equip	$922,885	$922,885
766	Maint of Field Meas and Reg Station Equip	$150,760	$150,760
767	Maint of Purification Equip	$0	$0
768	Maint of Drilling and Cleaning Equip	$0	$0
769	Maint of Other Equip	$0	$0
769.1	Maintenance of other plant	$0	$0
784	Maintenance Supervisor and Eng	$0	$0
785	Maint of Structures and Improvemnts	$0	$0
786	Maint of Extraction and Refining Equip	$0	$0
787	Maint of Pipe Lines	$0	$0
788	Maint of Extracted Products Storage Equip	$0	$0
789	Maint of Compress Equip	$0	$0
790	Maint of Gas Meas and Reg Equip	$0	$0
791	Maint of Other Equip	$0	$0
792	Maintenance of product extraction plant	$0	$0
830	Maint Supv and Eng	$0	$0
831	Maint of Structures and Improvmnt	$0	$0
832	Maint of Reservoirs and Wells	$1,790,706	$1,790,706
833	Maint of Lines	$236,244	$236,244
834	Maint of Compress Station Equip	$1,060,553	$1,060,553
835	Maint of Meas and Reg Equip	$1,710,903	$1,710,903
836	Maint of Purification Equip	$0	$0
837	Maint of Other Equip	$0	$0
839	Maint of Local Storge Plant+	$0	$0

Gas Maintenance Expense Accounts

Account No 402

Sub Acct No	SubAccountTitle	Ohio	EntireSystem
843.1	Maint Supv and Eng	$0	$0
843.2	Maint of Structures and Improve	$0	$0
843.3	Maint of Gas Holders	$0	$0
843.4	Maint Of Purification Equip	$0	$0
843.5	Maint of Liquefaction Equip	$0	$0
843.6	Maint of Vaporizing Equip	$0	$0
843.7	Maint of Compress Equip	$0	$0
843.8	Maint of Meas and Reg Equip	$0	$0
843.9	Maint of Other Equip	$0	$0
847.1	Maint Supv and Eng	$0	$0
847.2	Maint of Structures and Improvmnt	$0	$0
847.3	Maint of LNG Process Terminal Equip	$0	$0
847.4	Maint of LNG Trans Equip	$0	$0
847.5	Maint of Meas and Reg Equip	$0	$0
847.6	Maint of Compress Sta Equip	$0	$0
847.7	Maint of Communication Equip	$0	$0
847.8	Maint of Other Equip	$0	$0
861	Maint Supv and Eng	$0	$0
862	Maint of Structures and Improve	$0	$0
863	Maint of Mains	$2,548,735	$2,548,735
864	Maint of Compressor Station Equip	$16,187	$16,187
865	Maint of Meas and Reg Station Equip	$867,047	$867,047
866	Maint of Commun Equip	$0	$0
867	Maint of Other Equip	$265,419	$265,419
868	Maint of other plant	$0	$0
885	Maint Supv and Eng	$0	$0
886	Maint of Structures and Improvemnts	$233,570	$233,570
887	Maint of Mains	$19,745,513	$19,745,513
888	Maint of Compress Station Equip	$0	$0
889	Maint of Meas and Reg Sta Equip - Gen	$373,288	$373,288
890	Maint of Meas and Reg Sta Equip -Indus	$200,539	$200,539
891	Maint of Meas and Reg Sta Equip -City Gate C	$0	$0
892	Maint of Services	$2,622,362	$2,622,362
892.1	Maintenance of Lines	$0	$0
893	Maint of Meters and House Reg	$1,504,089	$1,504,089
894	Maint of Other Equip	$211,824	$211,824
933	Transportation expenses	$0	$0
935	Maint of General Plant	$2,113,555	$2,113,555
Total Maintenance Expense		**$37,133,264**	**$37,133,264**

Taxes Other Than Income Taxes 408.1

Account No. 408.1

Type of Tax (Specify)	Amount
Dominion East Ohio Gas Company	
12/31/2008	
Excise Tax	$27,444,901
Franchise Tax	$-4,255
Gross Receipts Tax	$52,121,654
OCC & PUCO Fees	$1,493,727
Other Miscellaneous Taxes	$-55,382
Payroll Taxes	$8,073,449
Property Tax	$19,948,897
Sales and Use Tax	$-517,217
Severance Tax	$654
Total:	**$106,506,428**

Account 142-xx
PIP Customer Acounts Receivable

Month	Beginning Balance	Transfers From Acct 142 and Acct 144	Payment From Customers	Transfers To Acct 186 and 182.3	Other Adjustments	Ending Balance
Dominion East Ohio Gas Company						
12/31/2008						
January	88,590,111	19,131,266	0	(13,084,148)	0	94,637,229
February	94,637,229	22,283,103	0	(17,319,176)	0	99,601,156
March	99,601,156	30,729,316	0	(19,037,087)	0	111,293,385
April	111,293,385	11,577,646	0	(12,261,631)	0	110,609,400
May	110,609,400	5,633,843	0	(3,950,299)	0	112,292,944
June	112,292,944	1,416,167	0	(2,017,586)	0	111,691,525
July	111,691,525	823,995	0	(1,618,314)	0	110,897,206
August	110,897,206	(1,444,308)	0	(340,816)	0	109,112,082
September	109,112,082	(1,355,541)	0	(413,239)	0	107,343,302
October	107,343,302	2,823,094	0	(2,160,040)	0	108,006,356
November	108,006,356	15,171,795	0	(11,555,642)	0	111,622,509
December	111,622,509	27,183,187	0	(17,147,085)	0	121,658,611
	1,275,697,205	**133,973,563**	**0**	**(100,905,063)**	**0**	**1,308,765,705**

PIP Customer Deferred Accounts Receivable

Dominion East Ohio Gas Company

12/31/2008

1. What time period are PIP Accounts Receivable balances aged prior to transfers to the PIP Deferred account?	2. Do the transfers include Pre-PIP balances?	3. What Account do you record aged PIP in?
Twelve months	Yes	186.09500 - Pre-PIPP; 186.09530 - Forgiveness plan over 12 months in arrears;186.09540 - PIPP over 12 months in arrears

Month	Balance At End Of Previous Year PIP Deferred	Transfer From Acct 142_xx	Recover Thru Tariff Rider	Other Items	Ending Balance PIP Deferred (f) = (b+ c + d + e)
January	144,409,473	13,084,148	(16,407,074)	611,082	$141,697,629
February	141,697,629	17,319,176	(16,898,482)	256,327	$142,374,650
March	142,374,650	19,037,087	(14,872,187)	254,156	$146,793,706
April	146,793,706	12,261,631	(6,375,232)	240,130	$152,920,235
May	152,920,235	3,950,299	(3,464,082)	233,326	$153,639,778
June	153,639,778	2,017,586	(2,551,271)	225,366	$153,331,459
July	153,331,459	1,618,314	(1,957,341)	225,697	$153,218,129
August	153,218,129	340,816	(1,624,487)	223,057	$151,957,515
September	151,957,515	413,239	(2,040,502)	280,631	$150,610,883
October	150,610,883	2,160,040	(6,052,478)	428,358	$147,146,803
November	147,146,803	11,555,642	(11,075,630)	322,750	$147,949,565
December	147,949,565	17,147,085	(18,787,386)	234,167	$146,543,431
		100,905,063	(102,306,152)	3,535,047	

General Information - Natural Gas

Dominion East Ohio Gas Company
12/31/2008

1. Does the respondent use any process for mixing, reforming or stabilizing the heat content of natural gas?

No

2. Give location and capacity of mixing, reforming or stabilizing plants.

Not Applicable

3. Give a brief description of the process(as) used.

Not Applicable

4. Volume of gas mixed, reformed or stabilized, by separate plants

Plant Number	Not Applicable
Natural Gas Input MCF	
Highest Avg BTU of Input Nat Gas	
LowestAvgBTUofInputNatGas	
MixingorStabilGasInputMCF	
HighestAvgBTUofMixorStabilGas	
LowestAvgBTUofMixorStabilGas	
HighestAvgBTUofMixdorStabildGas	
LowestAvgBTUofMixdorStabildGas	
AnnualOutputofMixdorStabildGasMCF	

5.a. Number of acres at beginning of the year.	0
5.b. Leases taken (acres).	0
5.c. Leases abandoned (acres).	0
5.d. Acres purchased.	0
5.e. Acres sold	0
5.f. Acres transferred from non-producing.	0
5.g. Number of acres at end of year.	0
5.h.1. Number of Producing wells drilled during year:	2
5.h.2. Number of non-productive wells drilled during year.	0
5.i. Number of wells drilled deeper during year.	0
5.j. Number of wells purchased during year.	0

5.k. Number of wells abandoned during year. 0

5.l. Number of wells sold during year. 0

6. Non-Producing Gas Lands and Leaseholds

6.a. Number of acres at beginning of year. 0

6.b. Number of acres at beginning of year. 0

6.c. Number of acres abandoned during year. 0

6.d. Number of acres transferred to producing during year 0

6.e. Number of acres at close of year. 0

6.f.1. Number of producing wells drilled during year 0

6.f.2. Number of non-productive wells drilled during year. 0

7.a.1. Number of gas wells owned in Ohio: 2

7.b.1. Number of gas wells owned for the entire company 2

8. Number of gas wells leased and names of lessors.

Name Of Lessor	Number Of Gas Wells Leased

9. Number of acres under lease in Ohio as of the date of this report. 0

10. If gas is purchased from other companies during year, state: (attach rider if necessary)

Name Of Company	Number Cubic Feet	Price Per MCF	Amount Paid
Anadarko Energy	1,208,683	$10.80000	$13,048,114
BP Energy Company	1,719,469	$11.34000	$19,502,456
Chevron Natural Gas	1,473,277	$11.64000	$17,150,344
CIMA	1,969,173	$9.80000	$19,293,601
Commerce Energy,Inc	20,987	$12.84000	$269,446
Compass Energy Gas Services, LLC	6,422	$9.40000	$60,351
Conoco Phillips Company	2,396,650	$10.39000	$24,923,935
Coral Energy Resources,LP	21,067	$12.37000	$260,534
Delta Energy,LLC	2,945,897	$11.04000	$32,531,391
Devon Gas Services	148,325	$7.51000	$1,114,140
Dominion Retail,Inc	5,508,246	$10.58000	$58,271,250
DTE Energy Trading,Inc	10,052,307	$10.11000	$101,660,480
Eagle Energy Partners,LP	3,729,706	$12.09000	$45,103,710
Econnergy Energy Company,LLC	1,122	$11.34000	$12,725
Energy America,LLC	5,655,775	$10.58000	$59,815,756
Energy USA	452	$11.74000	$5,305
Exelon Energy Company	26,625	$8.23000	$219,033
Gateway Energy Services Corp	1,181	$10.48000	$12,372
Hess Corporation	15,931,217	$10.31000	$164,263,644
Iberdrola Renewables	450,345	$11.57000	$5,210,059
Interstate Gas Supply,Inc	3,995,986	$10.28000	$41,081,976
Integrys Energy Services,Inc	4,686,382	$9.85000	$45,222,684
Lakeshore Energy Services,LLC	1,892	$12.57000	$23,778
Louis Dreyfus Energy Services,LP	668,840	$12.78000	$8,548,859
Metromedia Energy,Inc	4,159	$9.34000	$38,833
MXEnergy,Inc	119,483	$10.82000	$1,292,345
NJR Energy Services Company	599,903	$11.31000	$6,785,974
Noble Energy Marketing,Inc	1,412,242	$11.33000	$15,997,775
Occidental Energy marketing,Inc	51,165	$12.31000	$629,773
ONEOK Energy Marketing and Trading Company,LP	888,549	$11.37000	$10,100,799

Shell USA	90,204	$13.02000	$1,174,218
Southstar Energy Services,LLC	2,711,043	$10.54000	$28,570,460
Tenaska Marketing Ventures	4,190,268	$9.95000	$41,686,853
Tennessee Gas Pipeline Company	(32,134)	$13.93000	($447,686)
Total Gas & Power North America,Inc	942,464	$11.71000	$11,035,835
UGI Gas Marketing	78	$10.00000	$780
Vectren Retail,LLC	43,575	$11.67000	$508,627
Volunteer Energy	7,930	$13.95000	$110,656
Virginia Power Energy Marketing,Inc	1,040,789	$7.61000	$7,916,863

11.a. Number of cubic feet produced during the year in Ohio 227,310

11.b. Number of cubic feet produced during the year for the entire company. 227,310

12.a. Total number of customers as of close of business in December for Ohio: 1,207,197

12.b. Total number of customers as of close of busines in December for entire company: 1,207,197

13. If gas is sold to other gas utility companies during year, state: (attach rider if necessary)

Name Of Company	Number Cubic Feet	Price Per MCF	Amount Paid

14. Number of cubic feet gas brought into Ohio. 273,852,398.00

15. Number of cubic feet gas sold outside of Ohio. 0.00

16. Number of gallons of gasoline produced during the year. 0.00

17. Number of new wells drilled during year:

Enter Ohio and Entire Company	Productive	Non Productive	Total
Entire Company	2	0	2
Ohio	2	0	2

Employee Compensation

Dominion East Ohio Gas Company
12/31/2008

Employee P or F	Male	Female	Total	Operation and Maintenance	Construction Wages	Other Wages	Total Compensation for Year Ending December 31
full-time	1,114	412	1,526	$82,449,482	$23,749,575	$0	$106,199,057
part-time	11	68	79	$0	$0	$0	$0
Totals	**1,125**	**480**	**1,605**	**82,449,482**	**23,749,575**	**0**	**106,199,057**

AFUDC Rate Used During Year and Calculation of Rate

Dominion East Ohio Gas Company
12/31/2008

AFUDC Rate Used During Year:

Calculation AFUDC Rate Used:

AFUDC Calculation - Quarterly

Fourth Quarter 2008	Principal Amount (000)	Capitalization Ratio	Cost Rates	Order 561 Weight Formula	Rate
Average Short Term Debt	$1,495,193		3.948%	54.303%	2.144%
Long Term Debt	$14,912,249	59.083%	5.494%	45.697%	1.483%
Preferred Stock	257,097	1.019%	6.605%	45.697%	0.031%
Common Equity	10,069,916	39.898%	12.150%	45.697%	2.215%
Total Capitalization	$25,239,262	100.000%			
Average CWIP Balances	$2,763,405				5.873%

Third Quarter 2008	Principal Amount	Capitalization Ratio	Cost Rates	Order 561 Weight Formula	Rate
Average Short Term Debt	$1,548,541 (000)		4.933%	53.495%	2.639%
Long Term Debt	$13,841,991	57.606%	5.753%	46.505%	1.541%
Preferred Stock	257,097	1.070%	6.605%	46.505%	0.033%
Common Equity	9,929,531	41.324%	12.150%	46.505%	2.335%
Total Capitalization	$24,028,619	100.000%			
Average CWIP Balances	$2,894,743				6.548%

Second Quarter 2008	Principal Amount (000)	Capitalization Ratio	Cost Rates	Order 561 Weight Formula	Rate
Average Short Term Debt	$1,725,682		5.495%	56.514%	3.105%
Long Term Debt	$14,702,883	60.311%	5.724%	43.486%	1.501%
Preferred Stock	257,097	1.055%	6.379%	43.486%	0.029%
Common Equity	9,418,230	38.634%	11.120%	43.486%	1.868%
Total Capitalization	$24,378,210	100.000%			
Average CWIP Balances	$3,053,532				6.504%

First Quarter 2008	Principal Amount (000)	Capitalization Ratio	Cost Rates	Order 561 Weight Formula	Rate
Average Short Term Debt	$1,863,042		5.479%	57.643%	3.158%
Long Term Debt	$13,239,670	58.085%	5.807%	42.357%	1.429%
Preferred Stock	257,097	1.128%	6.235%	42.357%	0.030%
Common Equity	9,296,781	40.787%	11.400%	42.357%	1.969%
Total Capitalization	$22,793,548	100.000%			
Average CWIP Balances	$3,232,017				6.586%

The calculation of AFUDC rates are updated on a quarterly basis using the FERC Order #561 method. The calculation is based on the capitalization of Dominion Resources,Inc which became East Ohio's parent company after the June 30, 2007 merger of CNG into the Dominion Resources holding company.

Number of Customers

Dominion East Ohio Gas Company
12/31/2008

Type of Customers	Number of Customers
Commercial	21,612
Industrial	337
Interdepartmental	0
Miscellaneous	0
Other	10
Public Authorities	0
Residential	339,331
Sales for Resale	0
Special Contract	0
Transportation	845,907
Ultimate Consumers	0
Total	**1,207,197**

Revenue, Customers, Consumption, and Gas Transportation

Dominion East Ohio Gas Company

12/31/2008

Description	Revenue	Sales MCF	Number of Customers	MCF / Month	Revenue/ MCF	Average GCR/MCF
Commercial Sales	$140,900,401	10,544,644	23,392	878,720	$13.36	$11.40
Commercial Transportation	$109,428,548	43,143,942	59,029	3,595,329	$2.54	$0.00
Industrial Sales	$14,525,204	1,088,209	354	90,684	$13.35	$11.40
Industrial Transportation	$49,556,191	86,520,480	1,255	7,210,038	$0.57	$0.00
Other Sales	$101,140,611	7,574,455	9	0	$13.35	$0.00
Other Transportation	$1,813,340	5,786,079	10	482,173	$0.31	$0.00
Residential Sales	$536,296,248	38,190,263	363,633	3,182,522	$14.04	$11.40
Residential Transportation	$298,290,369	80,874,172	753,803	6,739,514	$3.69	$0.00
	$1,251,950,912	**273,722,224**	**1,201,285**	**22,178,980**		

Statement of Intrastate Gross Earnings

Dominion East Ohio Gas Company
12/31/2006

Acct No	Account Title	Total Dollars (a)	Interstate Dollars (b)	Intrastate Dollars (3) = (1) -(2)
400	Operating Revenues	1,331,662,876	0	1,331,662,876
411.6	Gains from Disposition of Utility Property	0	0	0
412	Revenue from Gas Plant Leased to Others	0	0	0
414	Gains(Losses) from Disposition of Utility Plant	0	0	0
415	Revenues from Merchandising, Jobbing, Other	510,357	0	510,357
417	Income from Nonutility Operations	0	0	0
418	Nonoperating Rental Income	0	0	0
418.1	Eq. In Earnings of Sub Co. (major)	0	0	0
419	Interest and Dividend Income	8,730,971	0	8,730,971
421	Miscellaneous Nonoperating Income	715,000	0	715,000
421.1	Gains from Dispoition of Property	0	0	0
434	Extraordinary Income	0	0	0
483	Sales for Resale	0	0	0
904	Uncollectible Accounts	(189,968,618)	0	(189,968,618)
TOTAL		**1,151,650,586**	**0**	**1,151,650,586**

Contact Persons

Dominion East Ohio Gas Company
12/31/2008

Name, Title, Address, and Phone Number of the Company's Contact Persons to Receive Entries and Orders from the Docketing Division

Name:
Elwood L. Tanner

Title:
Controller, Accounting - Energy

Address:
120 Tredegar St, 4th Floor, Richmond,
VA 23219

Phone:
804-819-2465

Name, Title, Address, and Phone Number of Person to Whom Invoice Should be Directed

Name:
Kenneth W. Mroz

Title:
Lead Tax Accountant

Address:
1201 E. 55th Street, Cleveland, OH
44103-1081

Phone:
216-736-6268

Name and Address of the President

President Name
Bruce C. Klink

President Address
1201 E. 55th Street, Cleveland, OH
44103-1081

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

State of **Ohio**

County of **Cuyahoga**

Bruce C. Klink makes oath and says that
(Insert here the name of the affiant.)

he is **President**
(Insert here the name of the deponent.)

of **The East Ohio Gas Company , d/b/a Dominion East Ohio**
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including **January 1, 2008** to and including **December 31, 2008.**

Bruce C Klink
(Signature of affiant.)

State of **Ohio**

County of **Cuyahoga**

The foregoing was sworn to and subscribed before me, Notary Public, by **Bruce C. Klink** in his capacity as **the President of The East Ohio Gas Company, d/b/a Dominion East Ohio, Inc.** this 21ST day of April, 2009.

SHERRY JONES
NOTARY PUBLIC - STATE OF OHIO
Recorded in Cuyahoga County
My commission expires Jan. 22, 2013

Sherry Jones

This foregoing document was electronically filed with the Public Utilities

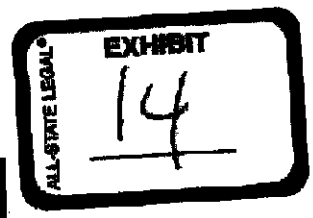
Commission of Ohio Docketing Information System on

4/29/2009 2:25:38 PM

in

Case No(s). 09-0001-AU-UNC

Summary: Annual Report 2008 Gas Annual Report electronically filed by Mr. Richard D Rhodes on behalf of Dominion East Ohio Gas Company



PUCO Meeting
November 14, 2008

Dominion

Pipeline Infrastructure Replacement Program

Pipeline Infrastructure Replacement Program
Dominion East Ohio

Jeff Murphy (Jeff.Murphy@dom.com) - **Director, Rates and Gas Supply**

Vicki Friscic (Vicki.H.Friscic@dom.com) – Manager, Regulatory and Pricing

Cliff Andrews (Clifford.E.Andrews@dom.com) – Financial Consultant

Mike Reed (Mike.C.Reed@dom.com) - **Director, Gas Design and Construction**

Mark Messersmith (P.Mark.Messersmith@dom.com) – Manager, PIR Gas Design

Terry Glidden (Terry.L.Glidden@dom.com) – PIR Project Manager

Dan Apitz (Daniel.Apitz@dom.com) – PIR Project Manager

Eric Hall (Eric.S.Hall@dom.com) – **Director, Gas Compliance**

Mike Stevens (Michael.S.Stevens@dom.com) – Manager, Gas Operations / Construction & Maintenance

Tim McNutt (Tim.C.McNutt@dom.com) – **Director, Gas Planning and Optimization**

Gary Penny (Gary.D.Penny@dom.com) – Manager, Program Development

Maureen Critchfield (Maureen.C.Critchfield@dom.com) – Manager, Capital Asset Management

Marge Cestoni (Marge.J.Cestoni@dom.com) – Senior Business Performance Analyst

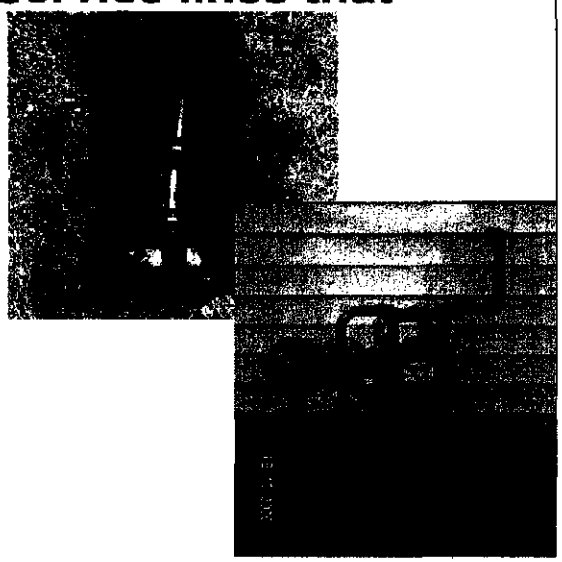
Dominion

PUCO Meeting
November 14, 2008
Pipeline Infrastructure Replacement Program

Privileged and Confidential

Annual PIR Final Order: October 15, 2008

- **Ability to recover revenue requirement associated with PIR through a "PIR Cost Recovery Charge".**
  - **Program includes replacement of bare steel, cast iron, wrought iron and copper.**
  - **First 5 years approved (25 year program)**
  - **$1.12 year one [+$1.00 subsequent years] per month per residential customer (starts Nov. 2009)**
  - **Assumption of ownership of curb to meter service lines that DEO installs or repairs (trigger is separation of service)**
  - **On-going infrastructure expenditures**
  - **Consideration of Meter Relocation Plans**
  - **Incorporation of potential O&M Savings**
  - **OCC to participate in PIR process**



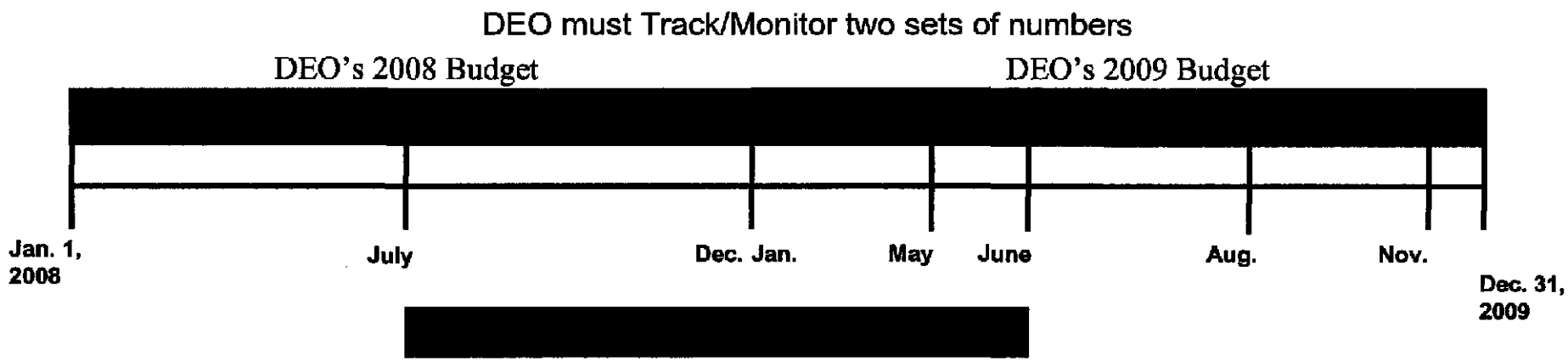
Annual PIR Filing

May ⟶ Pre-Filing required 9 months of actual + 3 months projected costs

August ⟶ File application with schedules supporting PIR cost recovery charge for period [Prior] July 1st – June 30th

September /October ⟶ Staff conducts investigation of DEO's filing.

November ⟶ Rates become effective



Short and Long Term Prioritization Strategy…

Tier One - Review of remaining Bare Transmission lines

Tier Two - Review of High Pressure Distribution lines

Tier Three - Review of target Distribution segments

Tier Four - Utilization of Prioritization Tool

Additional Considerations for Year One Projects

- **Diverse Portfolio of projects considering DEO's:**
  - **Operational issues**
  - **Environmental concerns**
  - **Material lead times**
  - **Contractor/Welder availability**
- **Minimize service line involvement until order details were known and DEO necessary internal and external processes develops.**

TIER 1 – TRANSMISSION LINES

Started 2008 with 35 miles (remaining Bare)

- Non-HCA mileage
- Vast majority will be replaced in 2008 and 2009

TIER 2 – High Pressure DISTRIBUTION

(operates over 100 psig)

- Includes "Out Of Scope" pipelines
- Minimal services
- Important to Customer Supply / Service Reliability

TIER 3 – TARGETED DISTRIBUTION SEGMENTS

Manual "Risk Ranking" Effort

- Leak repairs
- Leak indications
- Heat tape data
- Outage data
- Supervisor input

Shop	Road Name	Range (i.e., SS of Main from 1st to 3rd)	Line Number	MAOP	Pipe Dia	Met'l	Coating	Branch Connections	Yr Installed	Footage
WESTERN	LAKE RD	SS OF LAKE RD FROM WEST CITY LIMIT EAST TO AVALON	17303	1	4"	STEEL	BARE	1	1938	796
WOOSTER	ROSS ALLEY	60' OF BARE PIPE	247	60	4"	STEEL	BARE		1949	64
WESTERN	LAKE RD	NS OF LAKE RD FROM WEST CITY LIMIT EAST TO AVALON	17304	1	8"	STEEL	BARE	1	1939	871
WESTERN	AVALON	ES OF AVALON FROM LAKE TO PARKLAWN	3397	1	4"	STEEL	BARE		1938	786
NORTHEAST	LAKESHORE	SS OF LAKESHORE FROM E 235TH TO E 238TH	3792	1	8"	STEEL	T&W	2	1927	740

TIER 4 – IT PROJECT PRIORITIZATION OBJECTIVE

Select and Implement Prioritization Software

- Identify Pipe "Replacement Units" to Risk Rank
- Apply Risk to each replacement unit
- Group into Construction Projects
- Apply Risk and Cost Data to each Construction Project for the Basis of Determining Scheduling of Projects
- Vendor selection almost complete
- Timeline 2nd quarter 2009 – Go live!

opvantek

Optimain® DS Solution Overview

Features

- Auto-build & manage evaluation projects
- Monitor entire distribution network
- Resolve failure, risk & economic factors from all available source data systems
- Calculate risk and economic scores to stratify projects
- Dynamic system-wide risk assessment

Customers

BGE
PECO
CenterPoint Energy
delmarva power
NiSource
Washington Gas
VECTREN

opvantek

Opvantek's Optimain DS's General Benefits

1. Leverages our core existing Smallworld functionality and lends itself to our current employee skill set.

2. Seamless integration with Smallworld so data updates are "realtime" instead of snapshots of stale data

3. More project oriented data capture

4. Supports additional long term business needs of tracking PIR projects at a "dash board" level

Building Projects

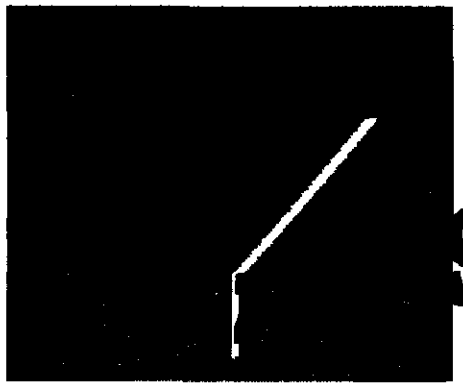
SAMS PIPE DATA

LEAK DATA

OUTAGE AND HEAT TAPE DATA

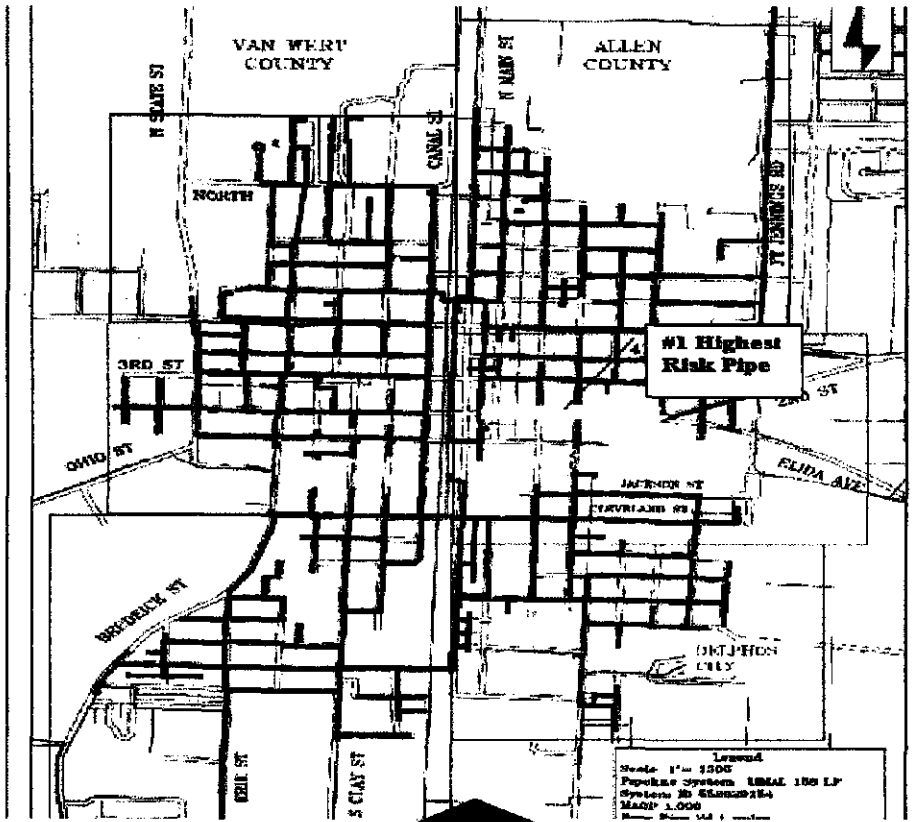
CONSEQUENCE DATA

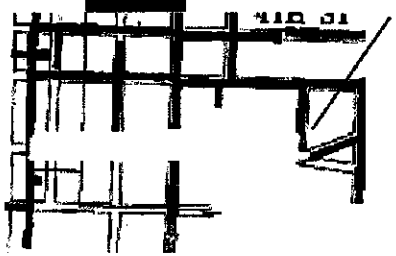
ETC



Software

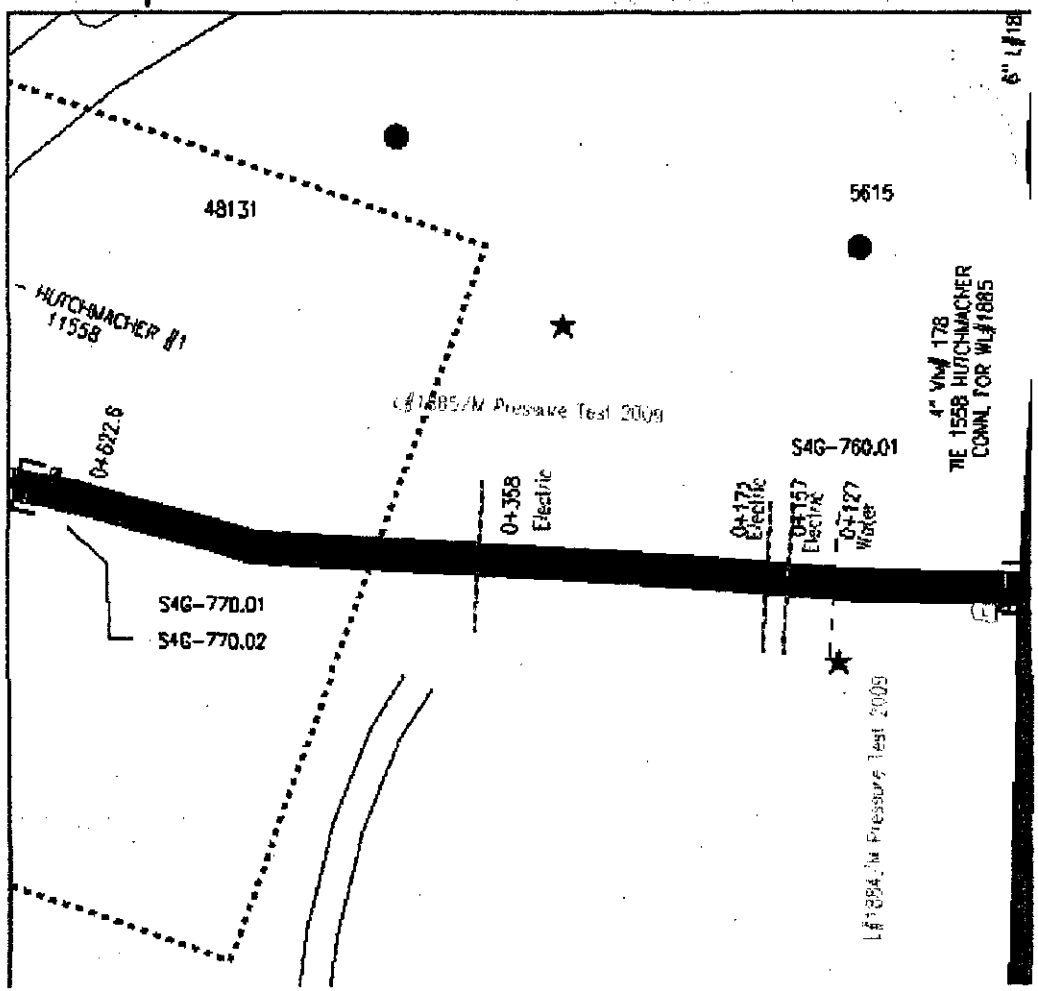
Risk Score	Pipeline Number	Operating Company	Size	Current Coating Type	Material
259.9	2030	Dominion East Ohio	3	UNKNOWN	Steel
234.7	2030	Dominion East Ohio	2	UNKNOWN	Steel





#1 Highest Risk Pipe

Example of providing PIR project visibility in SAMS



[Gis] Integrity Project

Field name	Value
Name	L#1885/M Pressure Test 2009
Company	Dominion East Ohio
Project Type	Pressure Test
Status	Scheduled
Category	BAP
Planned Year	2009
Centerline Designator	L#1885/M
Start Measure	0'
End Measure	665'
Id	583846951
Source System ID	123
Remarks	Project Key: Proj:TMcN Review.....Sc...
Integrity Project Group	
Project Reasons	3
Gas Hcas	1
Route	✓
Annotation	✓

Dominion

Considerations for scheduling projects on PIR Project Plan

- Prioritization software risk results
- System operations
- Capital Funding
- Community impacts
- Size of projects (diverse projects sizes available throughout life of the program)

Once PIR Project Plan is Created . . .

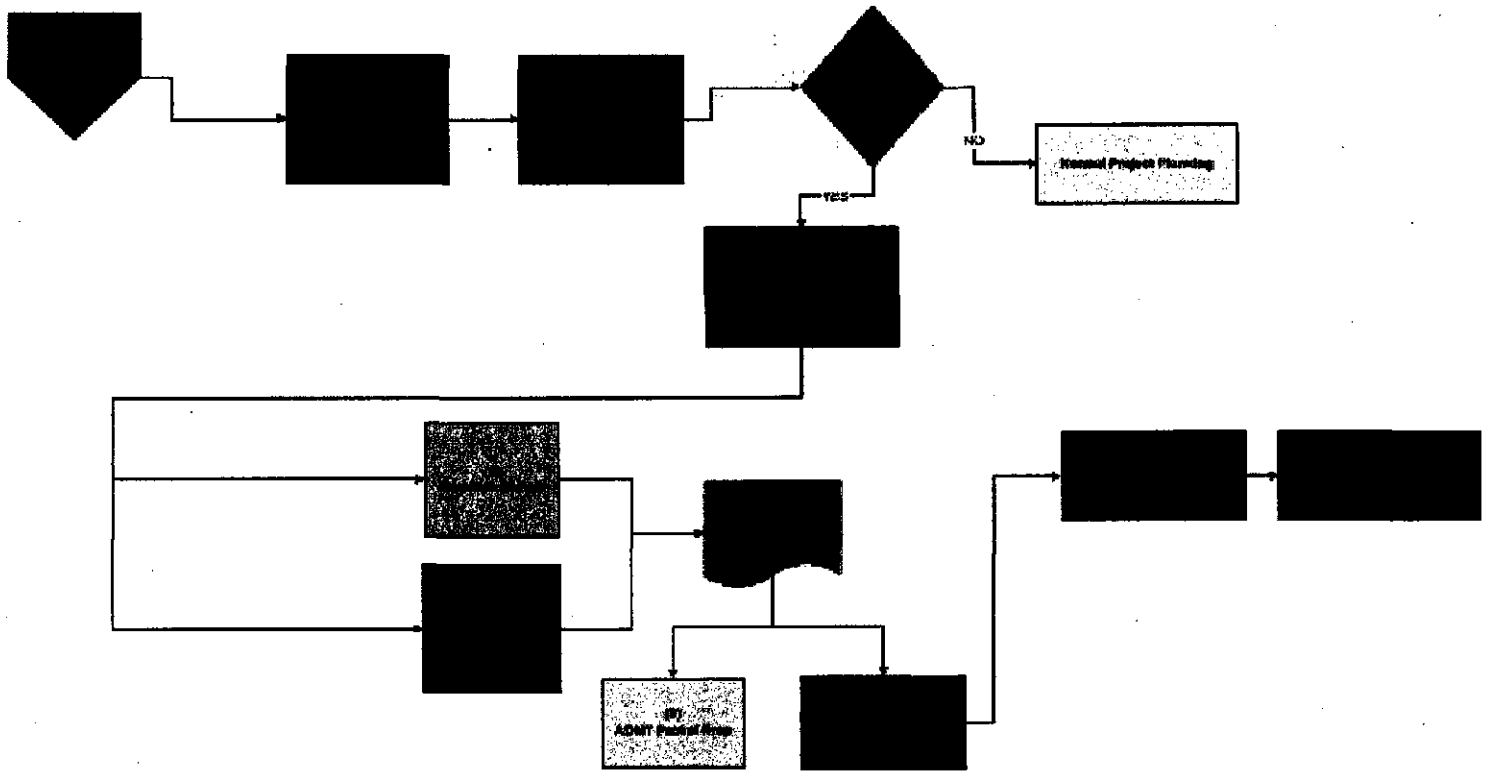
Two On-Going Initiatives:

- One process to prepare projects for design handoff
- Several processes to manage all changes to the plan
  - Reprioritization as conditions change
  - Coordination of efforts

PIR Business Objectives

- Demonstrate a prioritized approach for replacements
- Develop a process for proactively responding to leak indications on PIR pipe
- Determine baseline and subsequent O&M Cost Avoidance for Rate Payer "Refund"
- Identify System Uprate Opportunities
- Position Company for successful PIR PUCO Audits

Project Prioritization Team



Implementing new formal process, with standardized tools to address many pre-engineering issues.

PIR Project List

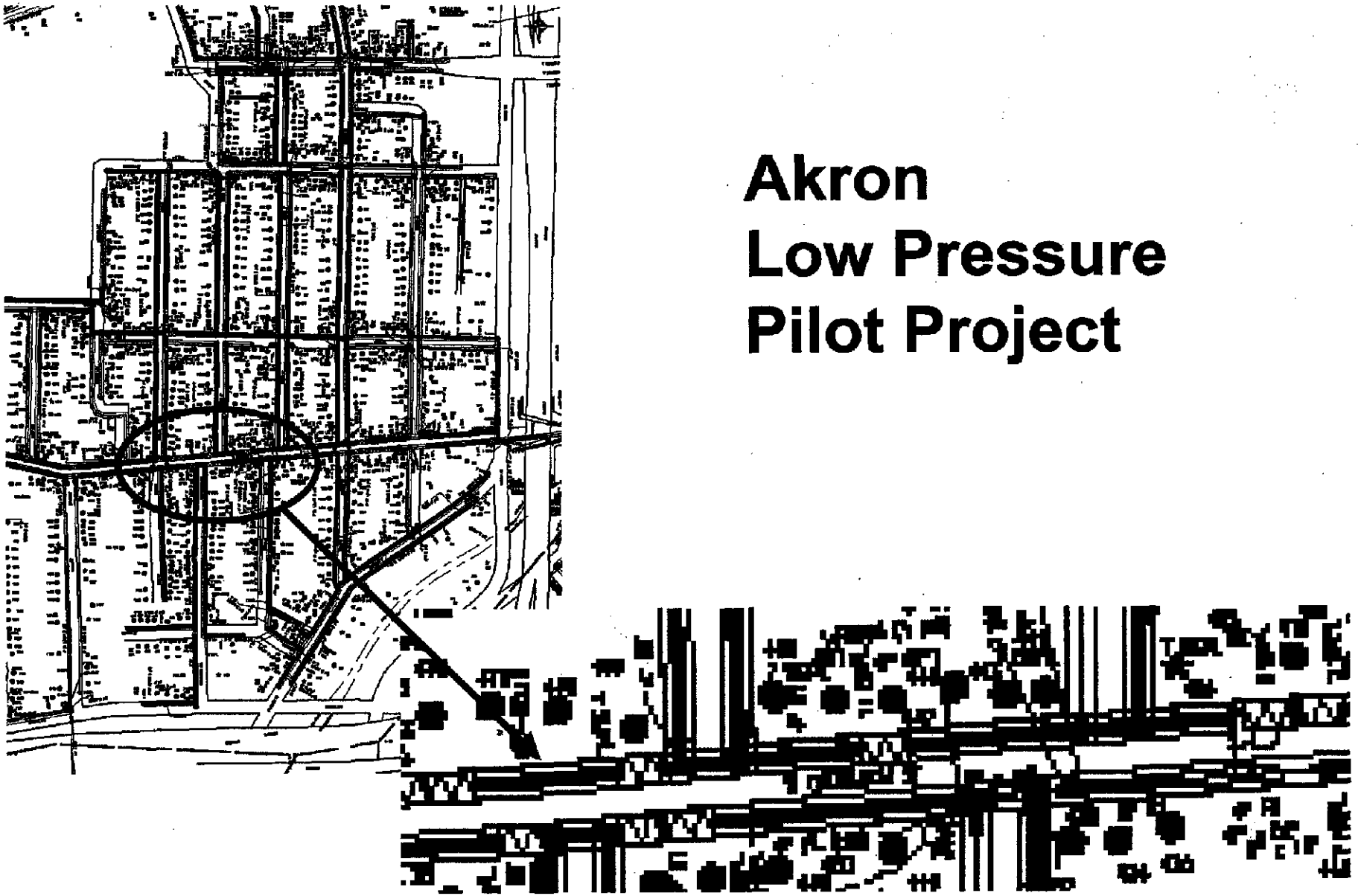
7-Nov-08

Pipeline Infrastructure Replacement Project List

Project ID	WMIS #	Location	Pipeline Number	Alternate Name	Pipeline Function	Size	Bare Length	MAOP	Vintage	Comments	Replace	Area
PIR-001	1E07102355	Brecksville Rd from Goodrich to Lafayette	L#27229	(OLD TPL2) Brecksville Rd	Distribution	20"	19,000	Various	1949	Old TPL2. 20 Leaks within project boundries	Steel to Steel	Eastern
PIR-002	6T07050341	Pvt R/W from NP Border Sta to Herron Sta	L#256	DOVER-NEW PHIL. 1	Transmission	12	25,097	437	1953		Steel to Steel	New Philadelphia
PIR-003	6T07035138	Columbiana Compressor Sta to TPL 7 at Cidermill Rd	L#248	COLUMBIANA INLET	Transmission	8	23,400	660	1950		Steel to Steel	Youngstown
PIR-004	6T07038348	Karl Ave Border Sta to Austintown Station	L#243	WARREN #2	Transmission	10, 12	40,380	270	1941		Steel to Steel	Youngstown

Meter Relocation Plan

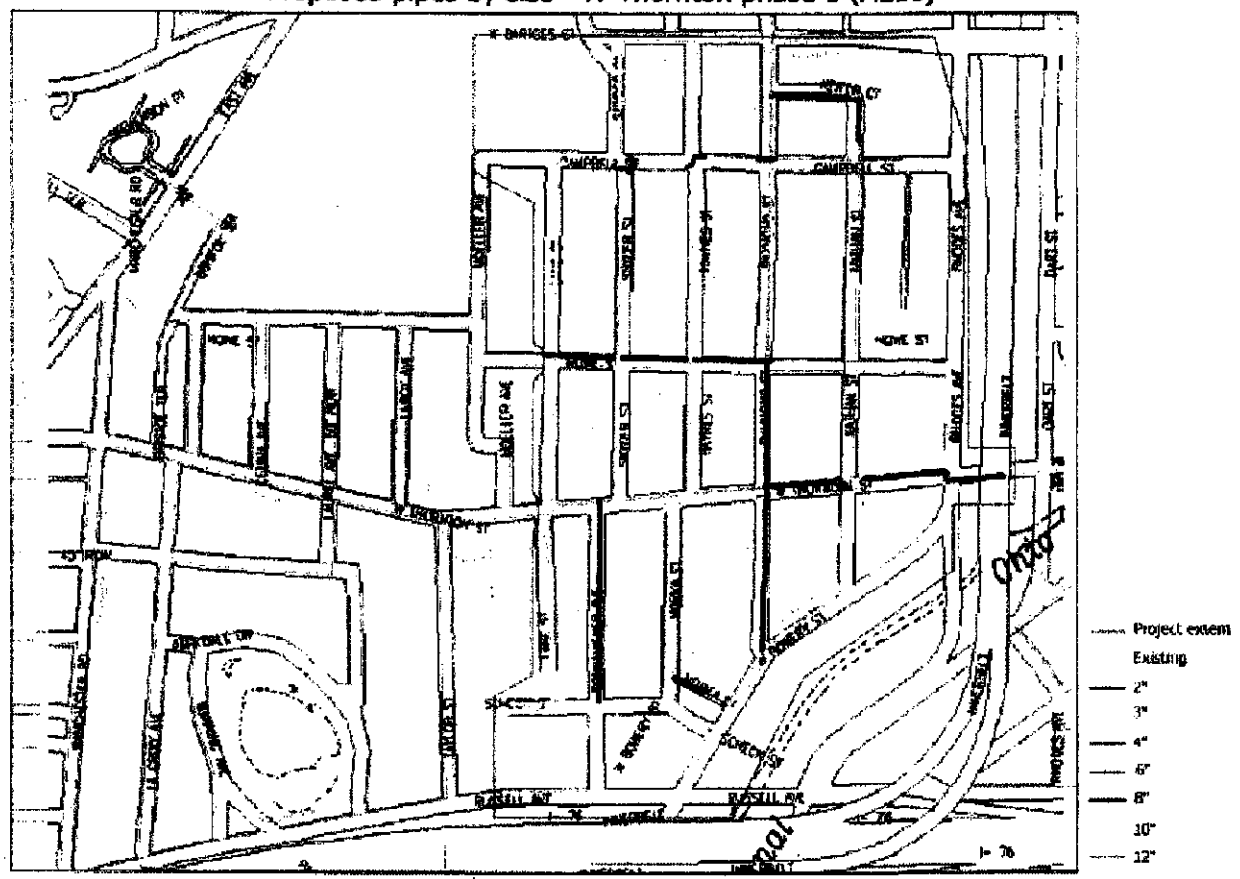
- Opportunity to complete a proactive system level evaluation
- Gather input from system models, operations, personnel and others
- Identify systems where an uprate from LP to MP should be proposed
- Make proposal to the PUCO



Akron Low Pressure Pilot Project

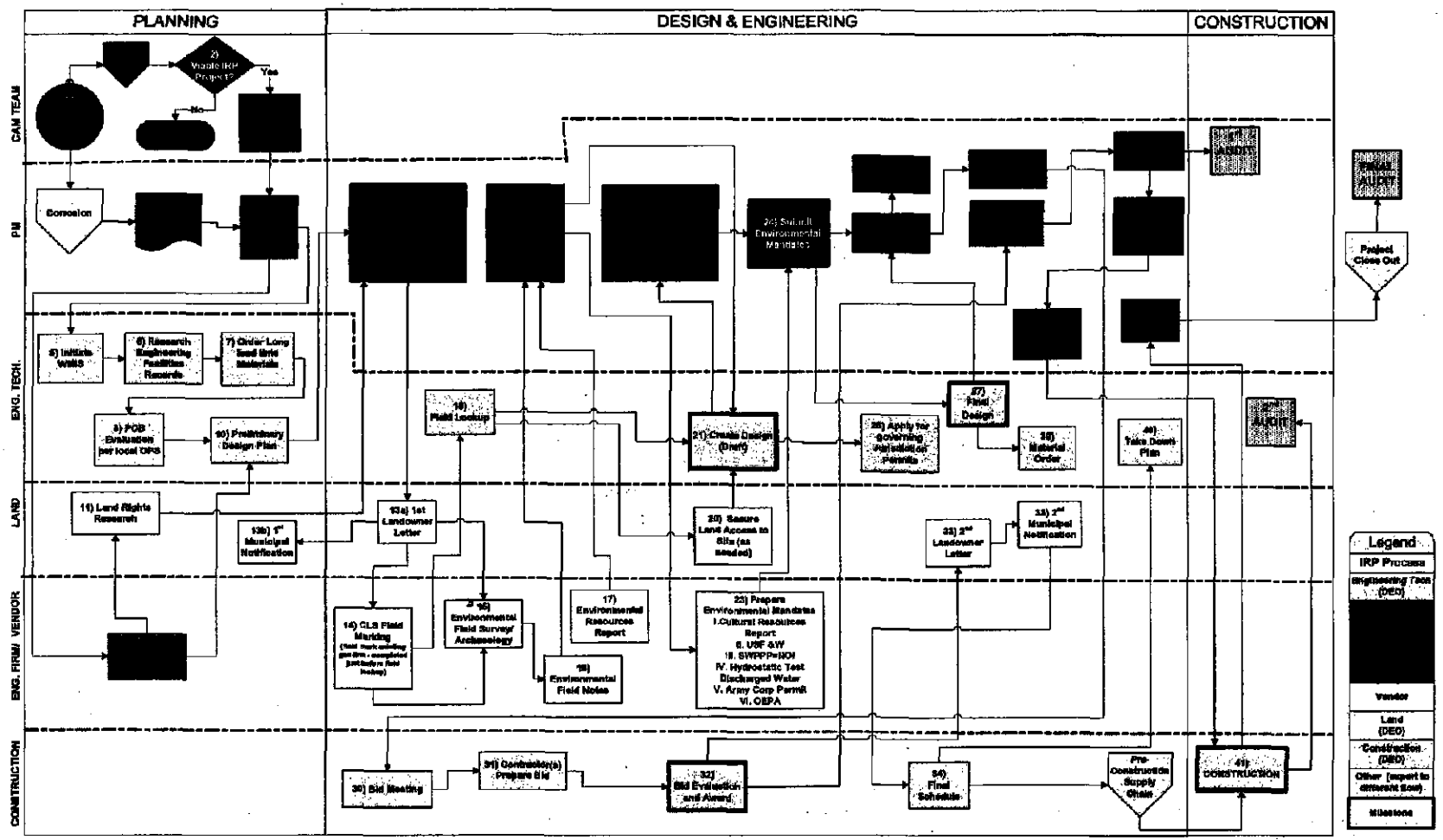
Akron LP Pilot Project

Proposed pipes by size - W Thornton phase 1 (AL16)



System Analysis

PIR Process Flow



Resource Strategy

Partner Functions

- Line Locating
- Land Base
- Environmental Reviews

Dominion Engineering (Shared Staff)

- Records
- Project Administration
- Design Decisions
- Project Close Out

Public/Community Coordination

Permitting

Traffic Pattern Disruptions

Noise

Parking Restrictions

Inconvenience / Temporary interruption of Service

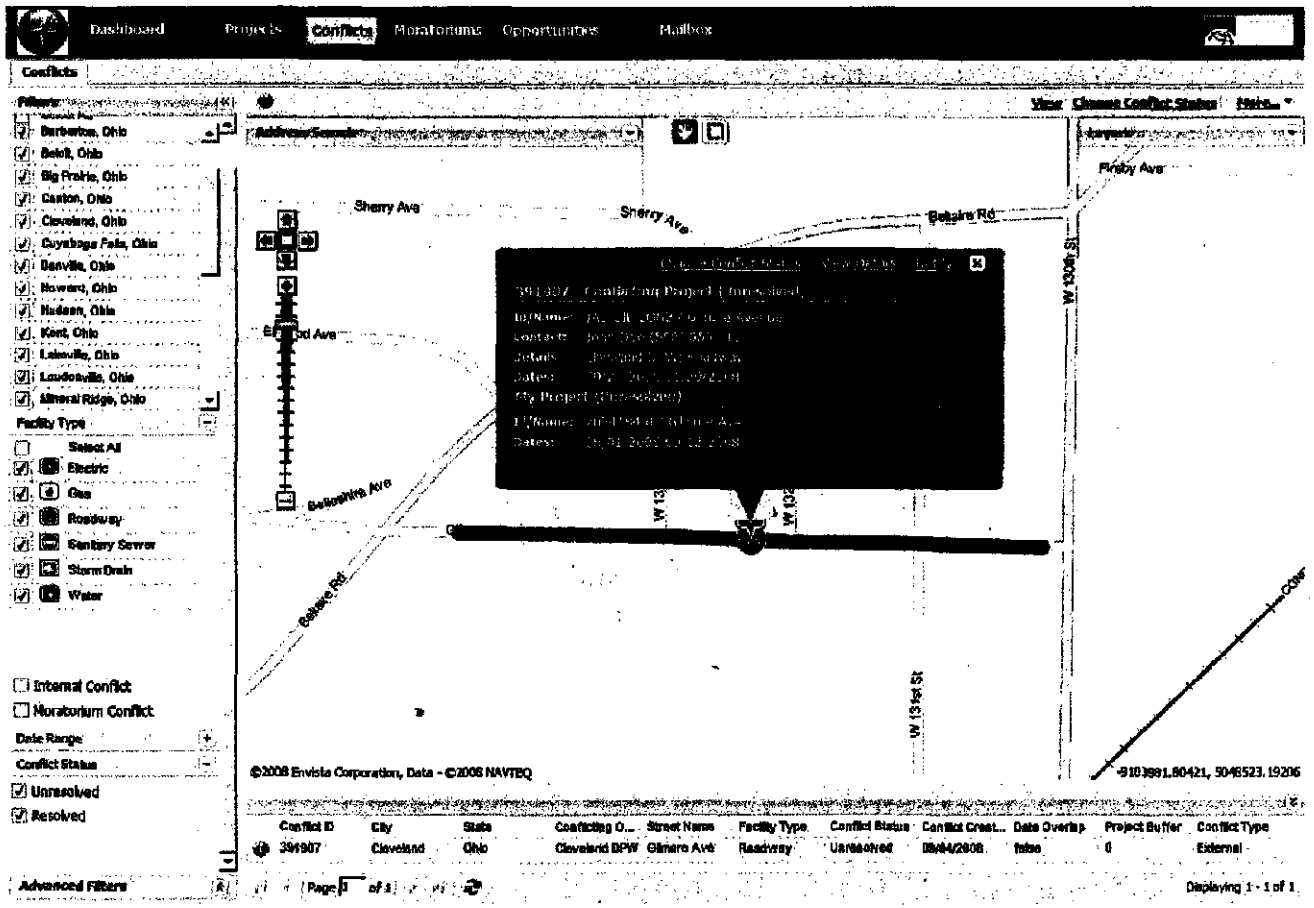
Restoration

Project Schedules (Envista)

Communications

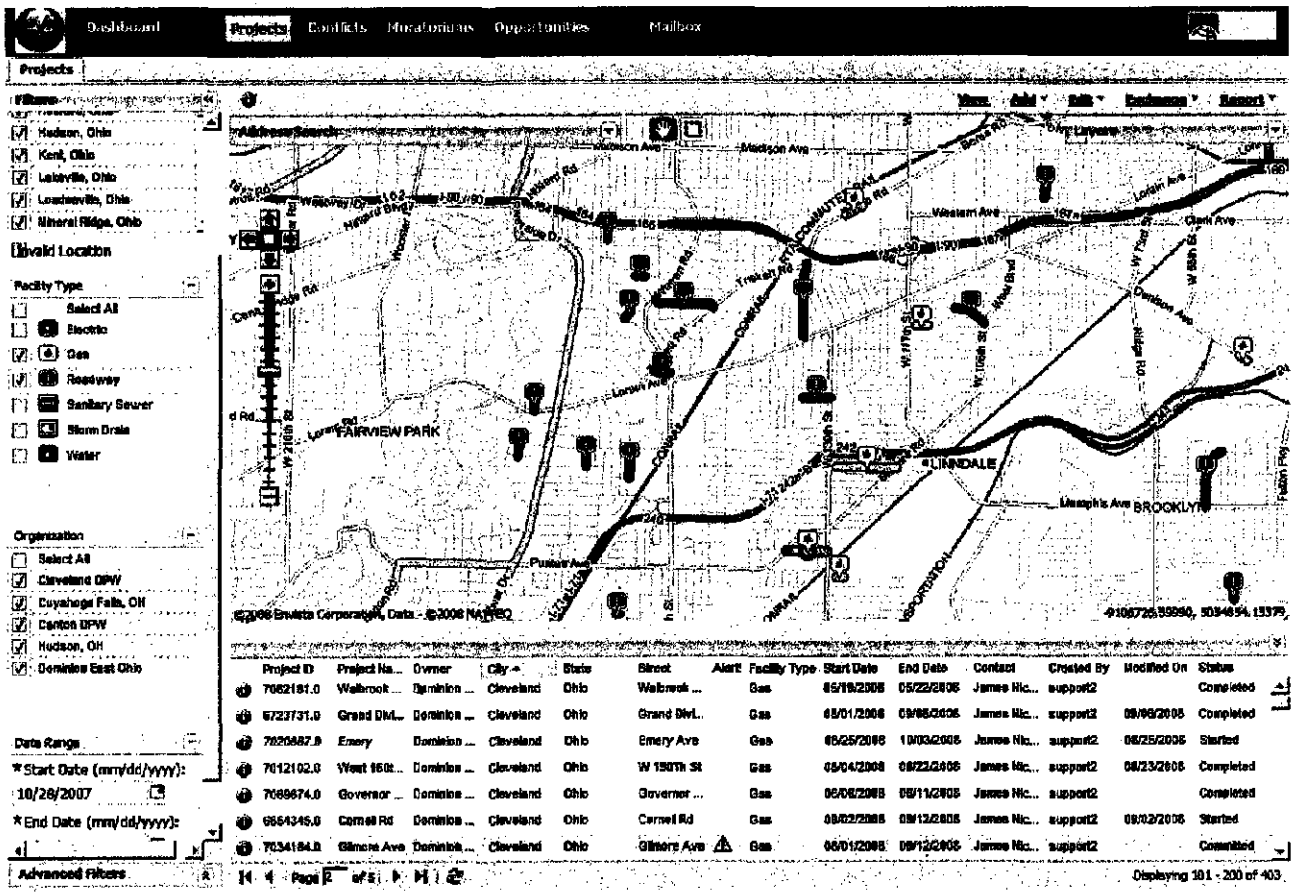
Public Project Coordination

Envista



Dominion

Envista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Opportunities
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Roadway
Sanitary Sewer
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Water
Organization
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Canton DPW
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Dominion East Ohio
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BROOKLYN
Project ID
Project Na...
Owner
City
State
Street
Alert
Facility Type
Start Date
End Date
Contact
Created By
Modified On
Status
Displaying 101 - 200 of 403

Current Construction Project

Columbiana Inlet (PIR-3)

Tier 1 project

- Columbiana County
- 23,400' of 8" steel
- MAOP: 650 psi
- Status: 22,800' installed

Current Construction Project

Warren #2 (PIR-4)

Tier 1 project

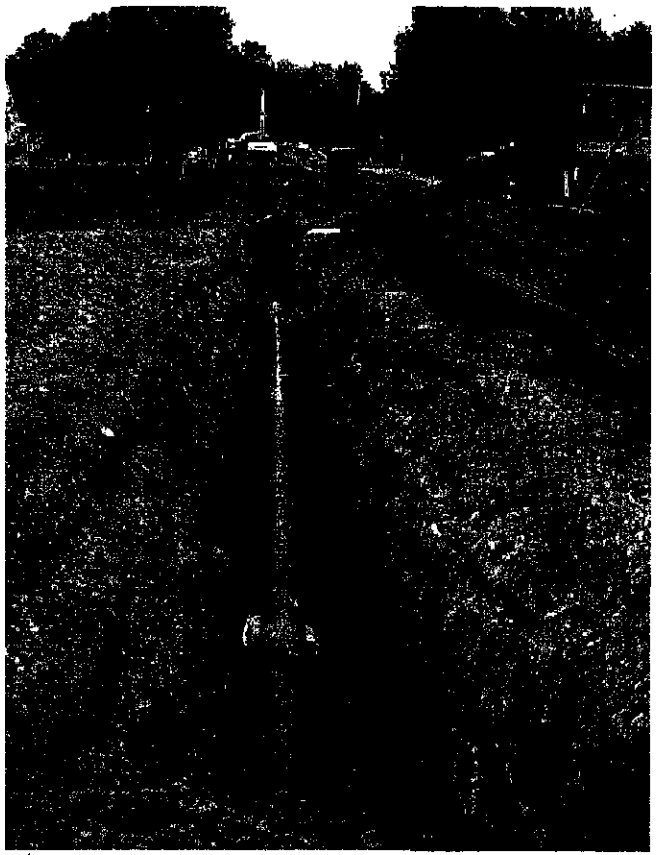
- Mahoning & Trumbull County
- 40,300' of 10" & 12" steel
- MAOP: 270 psi
- Status: 16,100' installed

Current Construction Project

TPL #1 (PIR-7)

Tier 1 project

- **Stark & Summit County**
- **15,065' of 10" & 12" steel**
- **MAOP: 400 psi**
- **Status: 12,500' installed**



Current Construction Project

Marietta, RM 580 (PIR-15)

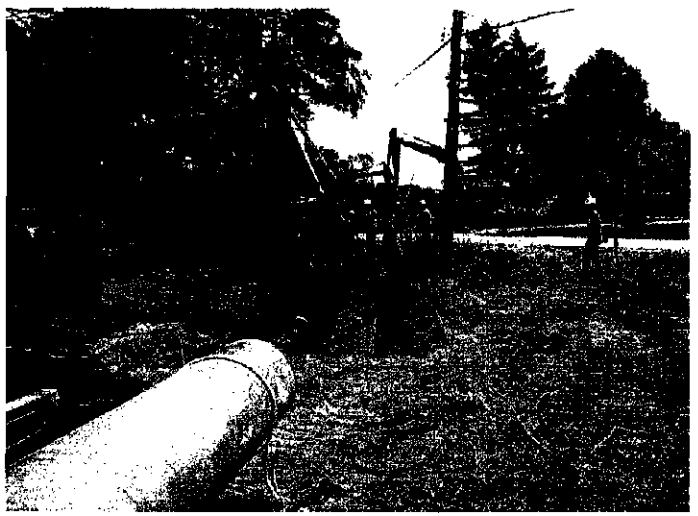
Tier 3 project

- Washington County
- 43,921' of 8" plastic pipe
- MAOP: 60 PSI
- Status: 38,325' installed

On-Going Infrastructure Expenditures

Transmission & Distribution:

- Pipeline Replacements
- Main-to-Curb Replacements
- Mandatory Government Relocations
- Transmission Pipeline Integrity
- Regulation Stations
- System Improvements
- Environmental Compliance



Potential Incremental O&M Expenditures

Non-capitilized cost that but for the PIR program would not be incurred:

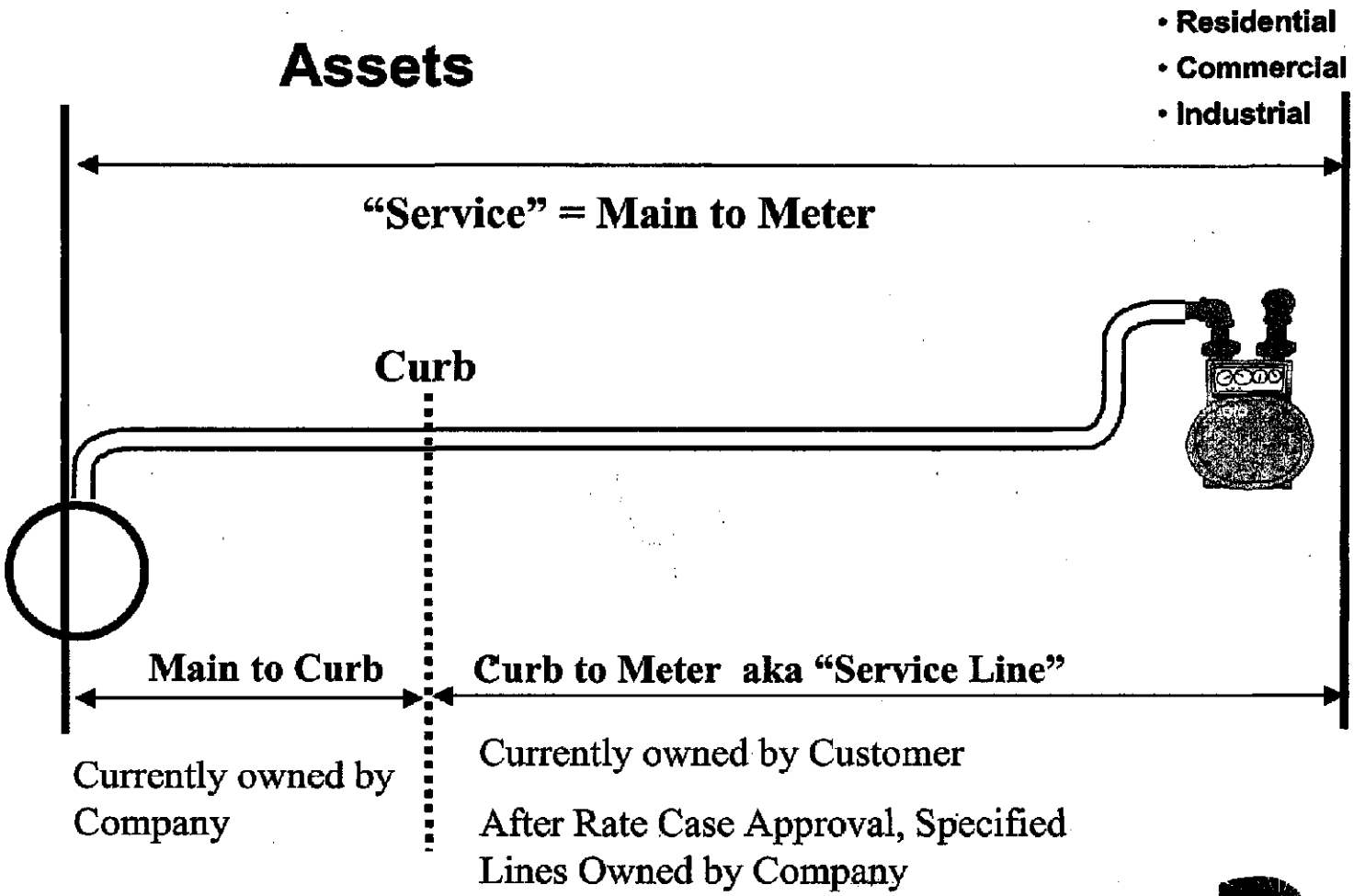
Project Managers, Engineers, Tech Specialists and Contract Coordinators
- Project List Development
- Project Prioritization
- Project Management
- Contractor Management
- Accounting and Reporting

Designers

Inspectors
- Tapping and Stoppering
- Monitor Construction Process and Procedures

C&M (Construction and Maintenance Crew)
- Service Line Installation / Replacement

Service Line Ownership

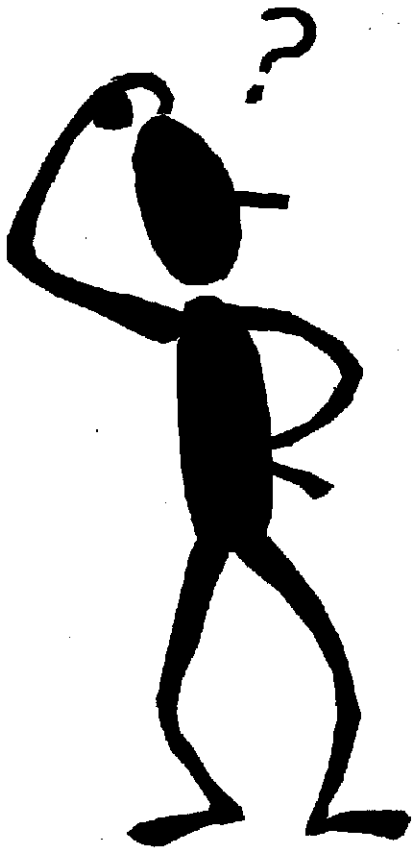


DEO Service Line Ownership

For EXISTING Services, DEO "shall assume ownership of and responsibility for all customer-owned service lines whenever such lines are separated from the main line and a pressure test is required before the line can be returned to service"

- **Defective service lines found during normal operations**
- **Service lines encountered when replacing Main Line**

DEO responsible for installing, and will own, the gas service line from main to meter for newly constructed buildings



Questions?

Dominion

7-Nov-08

Pipeline Infrastructure Replacement Project List

Project ID	WMIS #	Location	Pipeline Number	Alternate Name	Pipeline Function	Size	Bare Length	MAOP	Vintage	Comments	Replace	Area
PIR-001	1E07102355	Brecksville Rd from Goodrich to Lafeyette	L#27229	(OLD TPL2) Brecksville Rd	Distribution	20"	19,000	Various	1949	Old TPL2. 20 Leaks within project boundries	Steel to Steel	Eastern
PIR-002	6T07050341	Pvt R/W from NP Border Sta to Herron Sta	L#256	DOVER-NEW PHIL. 1	Transmission	12	25,097	437	1953		Steel to Steel	New Philadelphia
PIR-003	6T07035138	Columbiana Compressor Sta to TPL 7 at Cidermill Rd	L#248	COLUMBIANA INLET	Transmission	8	23,400	650	1950		Steel to Steel	Youngstown
PIR-004	6T07038348	Karl Ave Border Sta to Austintown Station	L#243	WARREN #2	Transmission	10, 12	40,300	270	1941		Steel to Steel	Youngstown
PIR-005	3W07052864	Fr: the Town of Danville, North to Beck Rd.	L#1125	Mohican-South Dist - Phase 1	Distribution	3, 6, 8, 10 &12	17,392	99	1918, 1937, 1941		Steel to Plastic	Wooster
PIR-006	6T07051208	Barnes to Wilbur	L#234	Mohican Transmission Phase 1	Transmission	20, 18, 16, 3	10,362	437	1947, 1948, 1951	Single source of supply for Wooster	Steel to Steel	Akron
PIR-007	6T07051986	Robinson to Lauby	L#201	TPL# 1	Transmission	10, 12	15,065	400	1949		Steel to Steel	Akron
PIR-008	2Y07073879	South Youngstown Station to East Midlothian Blvd	L#2636	SHERIDAN (east of I-680)	Distribution	20	21,777	174	1950		Steel to Steel	Youngstown
PIR-009	3C07077247	Canton-Perry, Wackerly Border to Perry Yard (Southway Street)	L#6140	Canton- Perry	Distribution	20	10,347	256	1952		Steel to Steel	Canton
PIR-010	3C07077264	McDowell Border Station to 20th and Maple	L#2374	Canton - McDowell	Distribution	20,18, 16,12,	20,890	160	1948, 1954		Steel to Steel	Canton

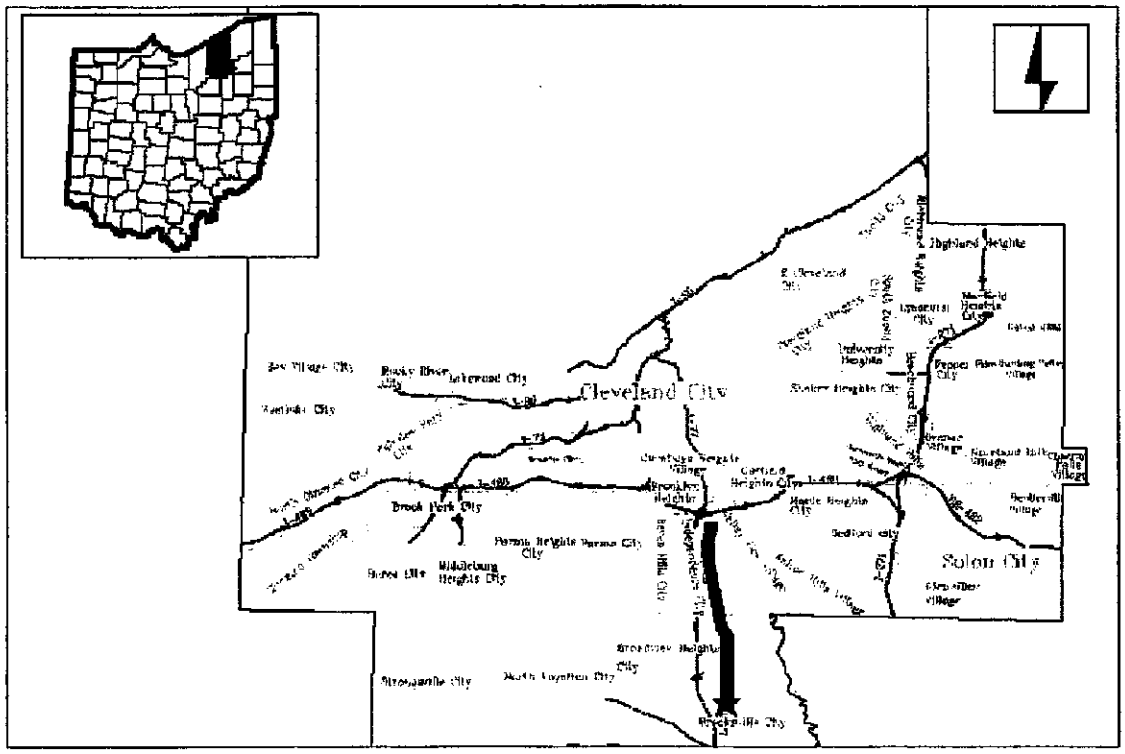
7-Nov-08	**Pipeline Infrastructure Replacement Project List**											
Project ID	***WMIS #***	***Location***	***Pipeline Number***	***Alternate Name***	***Pipeline Function***	***Size***	***Bare Length***	***MAOP***	***Vintage***	***Comments***	***Replace***	***Area***
PIR-011	1E07077654	Morley to Holmwood along South Woodlands then Green Road to	L#4080	Cleveland - Eastern Project	Distribution	12, 8	6,011	95	1941		Steel to Plastic	Cuyahoga
			L#7621		Distribution	24,20, 12, 8	6,261	95	1941			
PIR-012	1A07119644	Austinburg Station to Wade Ave Station	L#1033	Ashtabula - Austinburg	Distribution	10"	17,164	187	1952	Derived from OOS list	Steel to Steel	Ashtabula
PIR-013	2Y07124523	Howell and Hill to Petersburg Alley	L#136	Howell & Hill	Distribution	EX: 6" SPECIFIED REPL 8" HD PL	13,632	100	1941		Steel to Plastic	Youngstown
PIR-014	2Y07124615	Windham Reducing Station to 1 mile West of RR at SR 534	L#1	Windham Reducing Station	Distribution	EX: 10,6,4,3 SPECIFIED REPL 6" STL	34,072	128	1953		Steel to Steel	Warren
PIR-015	3M07075705	Marietta - Ludlow Station to valve #705 connection of RM580 to RM266.	L#RM580	Marietta RM 580	Distribution	8" MD	43,921	46	1920, 1936, 1957	Greg Nicholes top priority with significant leak history.	Steel to Plastic	River
PIR-016	6T07051208	Prospect to Five Points	L#234	Mohican Transmission Phase 2	Transmission	20,12,10	28,304	437	1948	Single source of supply for Wooster	Steel to Steel	Wooster
PIR-017	2Y07087542	Meridian Road, East to Hazelwood	L#3140	Hendricks & Meridian - Phase 3 (HP)	Distribution	16"	4,635	198	1953	Derived from OOS list	Steel to Steel	Youngstown
PIR - 018	2Y07087545	Eddie St, Roy, Schenley & Hazelwood	Multiple line #'s	Hendricks & Meridian - Phase 2 - (LP)	Distribution	4"	2,200	1	1937, 1942	Derived From OOS List	Steel to Plastic	Youngstown
PIR-019		Wrenford Rd to Chagrin Blvd	L#9517		Distribution	26"	32,780	249	1951	As per Planning & Gas Control: Upsize to 30" and return to a 260# MAOP (Use 30" X 52 w/ .375 wall and test to 500#	Steel to Steel	Eastern / Northeast

7-Nov-08	**Pipeline Infrastructure Replacement Project List**											
Project ID	*WMIS #*	*Location*	*Pipeline Number*	*Alternate Name*	*Pipeline Function*	*Size*	*Bare Length*	*MAOP*	*Vintage*	*Comments*	*Replace*	*Area*
PIR-020	2Y07118305	Raccoon Rd to Niles East Border Station	L#4999, L#412	Raccoon Road	Distribution	20"	13,226	174	1936, 1949	As per planning, replace 2 parallel pipelines (8"& 12") w/ 20". Derived from OOS list	Steel to Steel	Warren
PIR-021		St. Elmo Ave 17th Street to 19th Street	L#1996, L#2004 , L#2005, L#2006	St Elmo - Canton	Distribution / IP	6"	2,074	80	1947	On Mike Wintrow's list of top priorities. Pipe has 7 leaks combined	Steel to Plastic	Canton
PIR-022	3C07130943	Ohio & 13th to Gorgas & Nickelplate Rd	L#448, L#2900, L#2397, L#1, L#104, L#99	Mahoning Road	Distribution / IP	6", 10"	16,000	80	1939	On Mike Wintrow's list for worst areas	Steel to Plastic	Canton
PIR-023	3M07117829	Loop off of RM580	RM266	Marietta RM 266	Distribution	EX: 7" & 3" SPECIFIED REPL 6" MD PL	24,816	46		23 leak repairs on this line.	Steel to Plastic	River
PIR-024		Maple Heights Blvd & Lee Rd to Euclid Ave. & Lee Rd.	L#4180	Lee Rd	Distribution / IP	20"	26,400	95	934, 1941, 194	Significant Leak History	Steel to Plastic	Eastern
PIR-025	1E07133686	Bangor Ave to Prayner & Libby Rd	L#7902, L#7630, L#6908	Dunham Station R/W	Distribution / IP	20"	6,724	95		Significant Leak History	Steel to Steel	Eastern
PIR-026	2Y07125031	1700' W of Coitsville Hubbard & Oak to West Park Ave- HUB regulator station	L#1732, L#80, L#96, L#97, L#98	Coitsville / Hubbard	Distribution/ IP	8"	25,500	100	1954	Pipe has 30 leaks combined. This is Fred Jones #1 Priority.	Steel to Plastic	Youngstown
PIR-027		W. Thornton & Taylor to W.Thornton & S.R. 59	L#3963, L#879	Low Pressure Pilot	Distribution/ LP	8", 6", 4" & 3"	TBD	1	1927, 1928, 1929 & 1954	David Feller's top priorities for replacement. 23 leak repairs.	Steel to Plastic	Akron
PIR-028	3M07129835	Parks Farm to ST Rt 26	RM # 226	Marietta RM 226	Distribution / MP	2"	4,578	60	1955		Steel to Plastic	River

PIR PROJECT FACT SHEET

PIR Project #:	1	**Line #:**	27229	**Vintage:**	1949
Project Name:	Brecksville Rd	**City / Township:**	Brecksville	**County:**	Cuyahoga
Asset Type:	Bare	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Planning



Justification: Distribution HP - 20 Leaks indentified on L# 27229

General Description of the Project: Approximately 19,000' of 20" on L # 27229. Project being reevaluated to incorporate additional bare steel lines.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: TBD

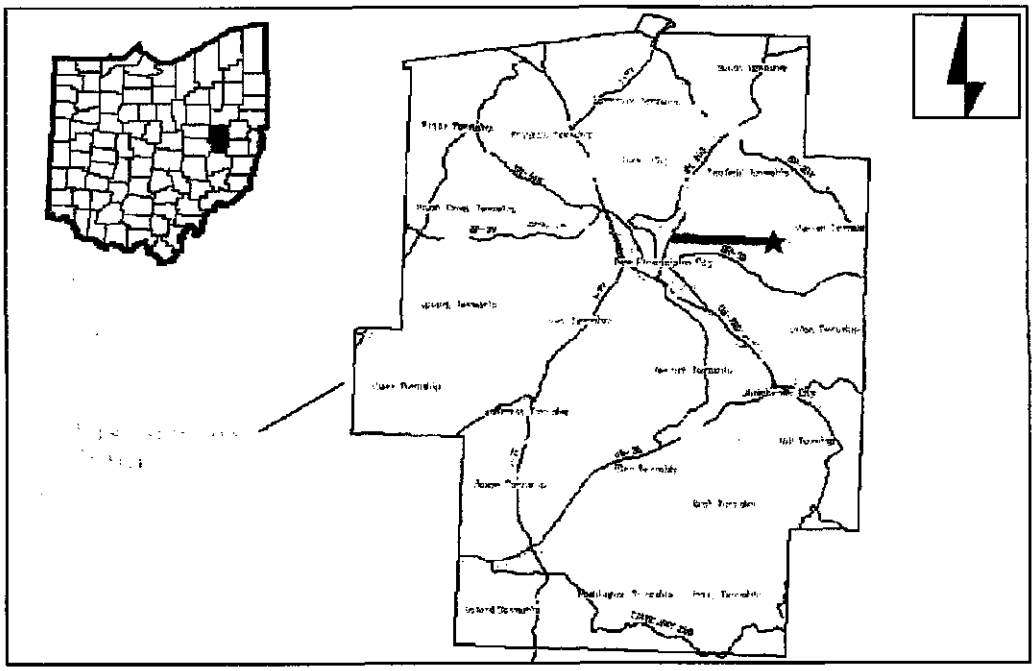
Other Project Considerations: Mutliple bare lines along Brecksville Rd

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	2	**Line #:**	256	**Vintage:**	1953
Project Name:	Dover-New Phila	**City / Township:**	Fairfield	**County:**	Tuscarawas
Asset Type:	Bare	**Facility Type:**	Transmission	**Pressure:**	HP

Project Status: Design



Justification: Transmission

General Description of the Project: Replace approximately 32,683 feet of 8-inch and 10-inch Transmission bare steel gas pipeline with approximately 25,097 feet of 12-inch coated steel gas pipeline from New Philadelphia Border Station to Herron Station in Tuscarawas County, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work In Progress Status: N/A

Services Involved: 0

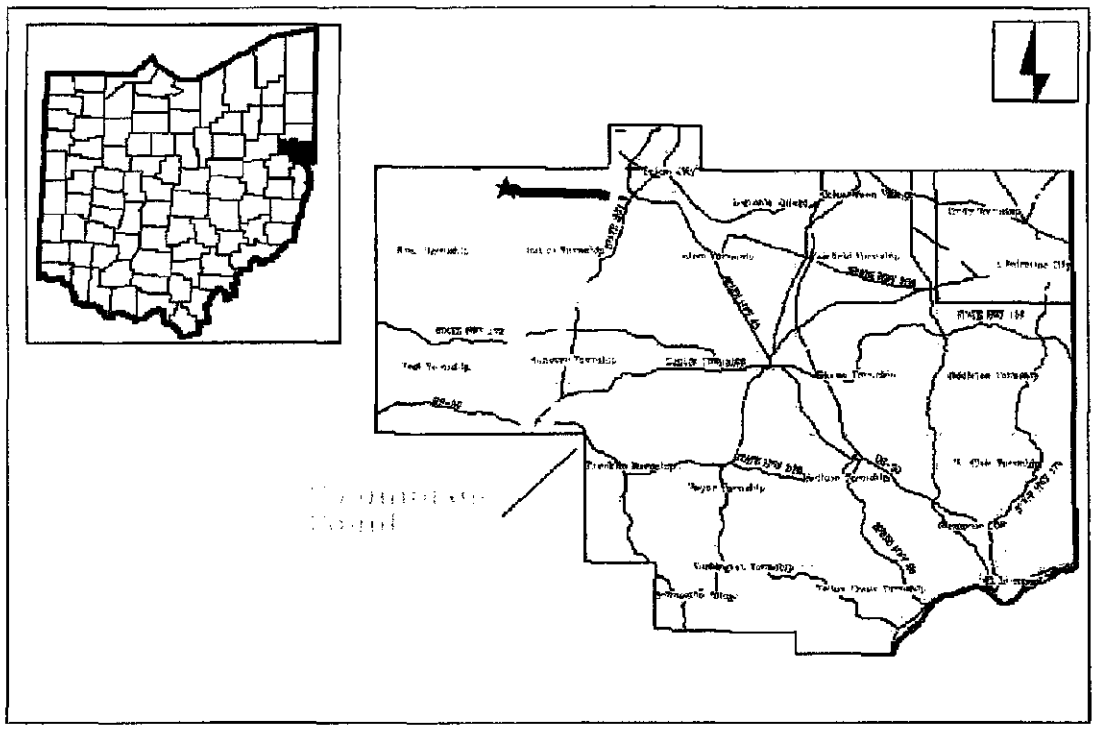
Other Project Considerations: Increased diameter from parallel 8-inch and 10-inch to a single 12-inch pipeline. Requires Ohio Power Siting Board review.

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	3	**Line #:**	248	**Vintage:**	1950
Project Name:	Columbiana Inlet	**City / Township:**	Knox / Butler	**County:**	Columbiana
Asset Type:	Bare Steel	**Facility Type:**	Transmission	**Pressure:**	HP

Project Status: Construction



Justification: Transmission

General Description of the Project: Replace 8-inch Transmission bare steel gas pipeline with approximately 23,400 feet of 8-inch coated steel gas pipeline from Columbiana Station to TPL7 in Columbiana County, Ohio.

Cost Estimate: $3,037,523

Work in Progress Status: Approximately 22,800 feet of pipeline installed. Proceeding to test and tie-in to existing pipeline.

Services Involved: 0

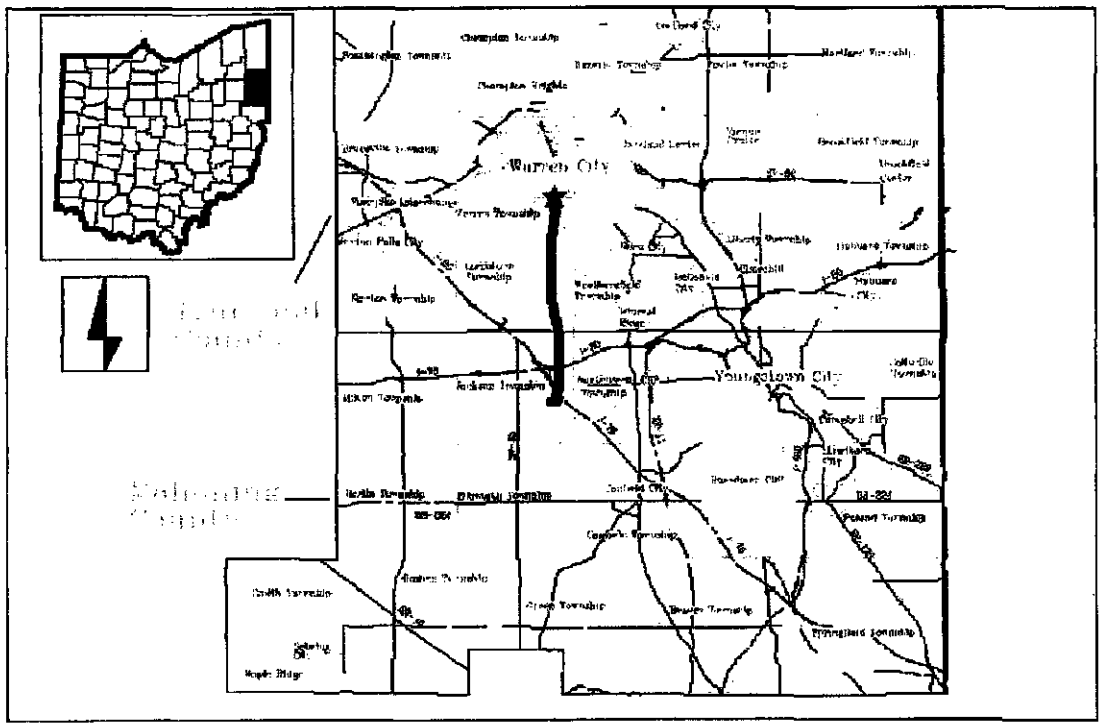
Other Project Considerations: N/A

Tentative Construction Complete: Q4 2008

PIR PROJECT FACT SHEET

PIR Project #:	4	**Line #:**	243	**Vintage:**	1941
Project Name:	Warren #2	**City / Township:**	Warren, Lordstown, Jackson	**County:**	Trumbull, Mahoning
Asset Type:	Bare Steel	**Facility Type:**	Transmission	**Pressure:**	HP

Project Status: Construction



Justification: Transmission

General Description of the Project: Replace 10-inch and 12-inch Transmission bare steel gas pipeline with approximately 40,300 feet of 10-inch and 12-inch coated steel gas pipeline from Karl Avenue Border Station to Austintown Station in Mahoning and Trumbull counties, Ohio.

Cost Estimate: $6,573,145

Work in Progress Status: Approximately 16,100 feet of pipeline installed.

Services Involved: 0

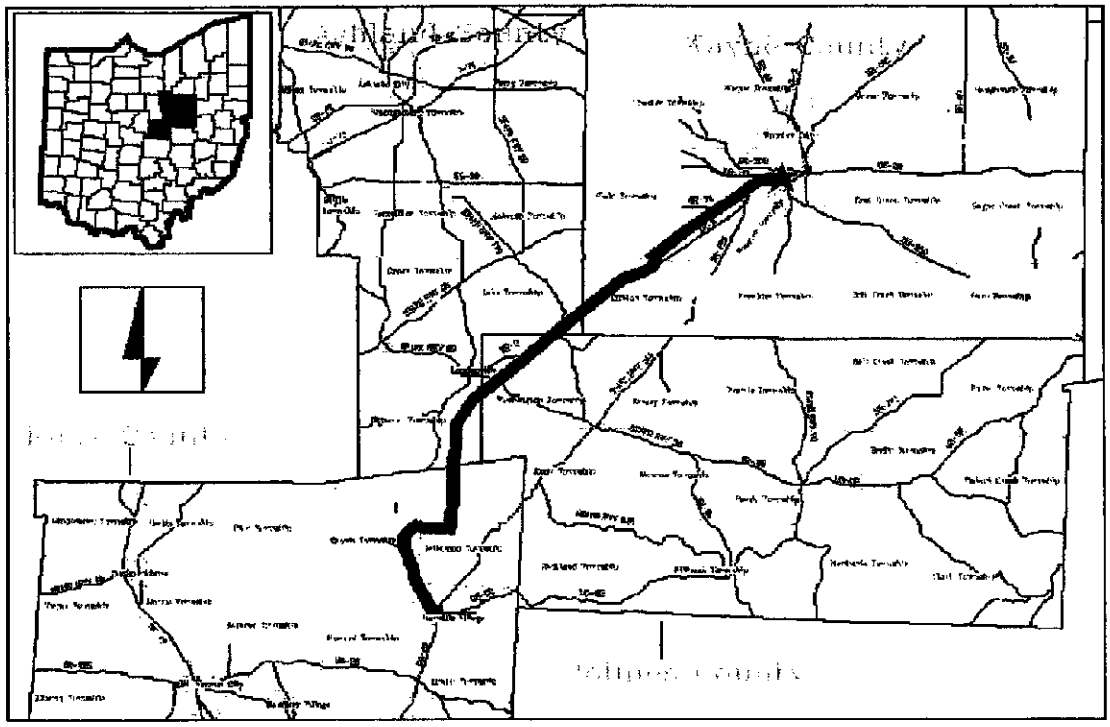
Other Project Considerations: Using existing casing to cross underneath Ohio Turnpike.

Tentative Construction Complete: Q4 2008

PIR PROJECT FACT SHEET

PIR Project #:	5	**Line #:**	1125	**Vintage:**	1937 & 1941
Project Name:	Mohican - South Phase 1	**City / Township:**	Various	**County:**	Wayne, Holmes, Knox
Asset Type:	Bare	**Facility Type:**	Distribution	**Pressure:**	IP

Project Status: Design



Justification: Existing line is shallow and dresser coupled. This is a rural area and has higher risk of third party damage.

General Description of the Project: Replace approximately 17,392' of 8" and 10" Distribution bare steel gas pipeline with 8" & 12" plastic pipeline from the Town of Danville North to Beck Road

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: TBD

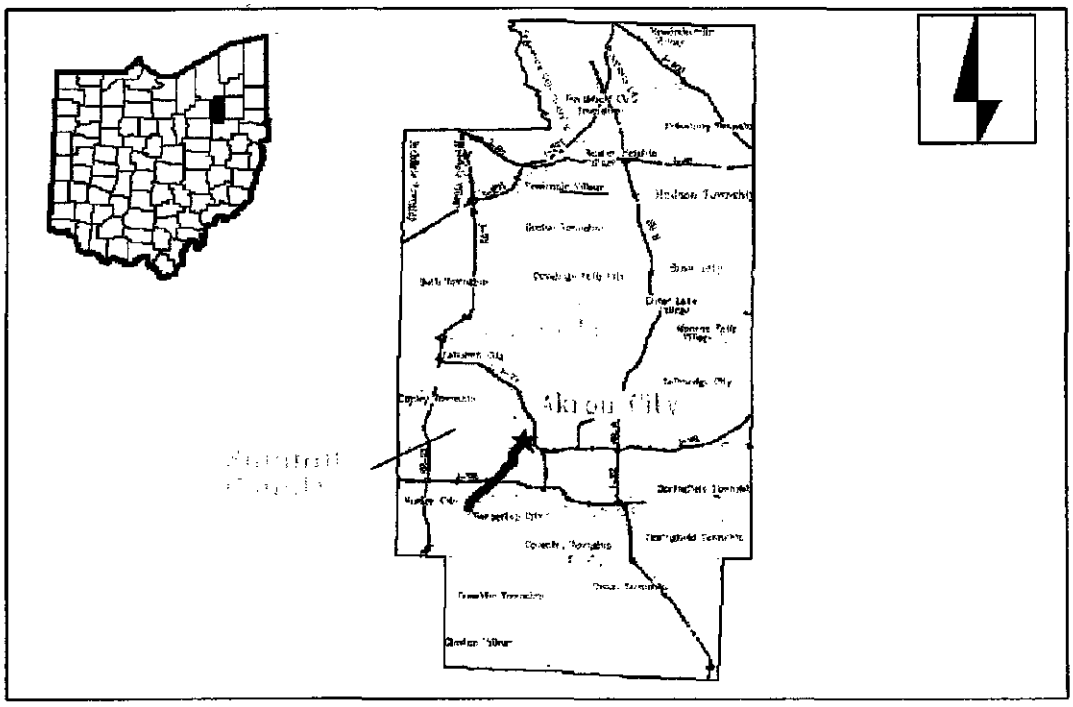
Other Project Considerations: Single source of supply to the south of Wooster (Danville)

Tentative Construction Complete: Q2 2009

PIR PROJECT FACT SHEET

PIR Project #:	6	**Line #:**	234	**Vintage:**	1947, 1948 & 1951
Project Name:	Mohican Transmission Phase 1	**City / Township:**	Akron, Barberton	**County:**	Summit, Wayne
Asset Type:	Bare Steel	**Facility Type:**	Transmission	**Pressure:**	HP

Project Status: Planning



Justification: *Transmission*

General Description of the Project: Replace 20-inch, 18-inch and 16-inch Transmission bare steel gas pipeline with approximately 10,362 feet of 20" coated steel gas pipeline from Barnes Road Station to Wilbur Station in Summit and Wayne counties, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

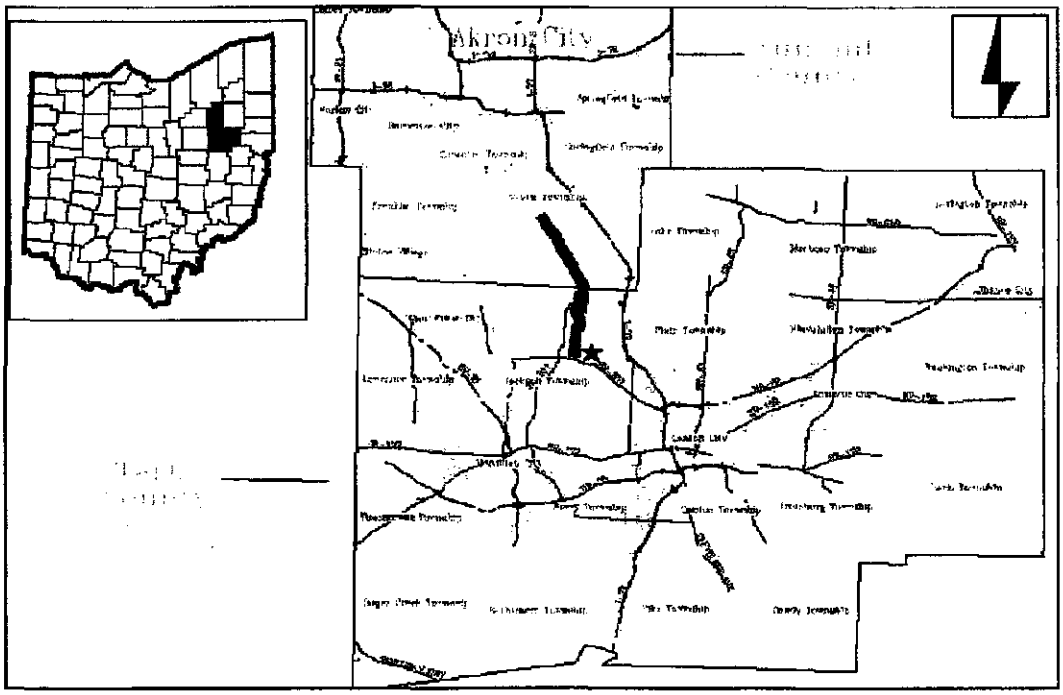
Services Involved: 0

Other Project Considerations: Single source of supply for Wooster

Tentative Construction Complete: Q4 2009

PIR PROJECT FACT SHEET

PIR Project #:	7	**Line #:**	201	**Vintage:**	1949
Project Name:	TPL1	**City / Township:**	Jackson Green	**County:**	Stark, Summit
Asset Type:	Bare Steel	**Facility Type:**	Transmission	**Pressure:**	HP
		Project Status:	Construction		



Justification: Transmission

General Description of the Project: Replace 10-inch and 12-inch Transmission bare steel gas pipeline with approximately 15,065 feet of 10-inch and 12-inch coated steel gas pipeline from Robinson Station to Strausser Road in Stark County and from south of Koons Road to north of Allma Drive in Summit County, Ohio.

Cost Estimate: $2,666,661

Work in Progress Status: Approximately 12,500 feet of pipeline installed.

Services Involved: 0

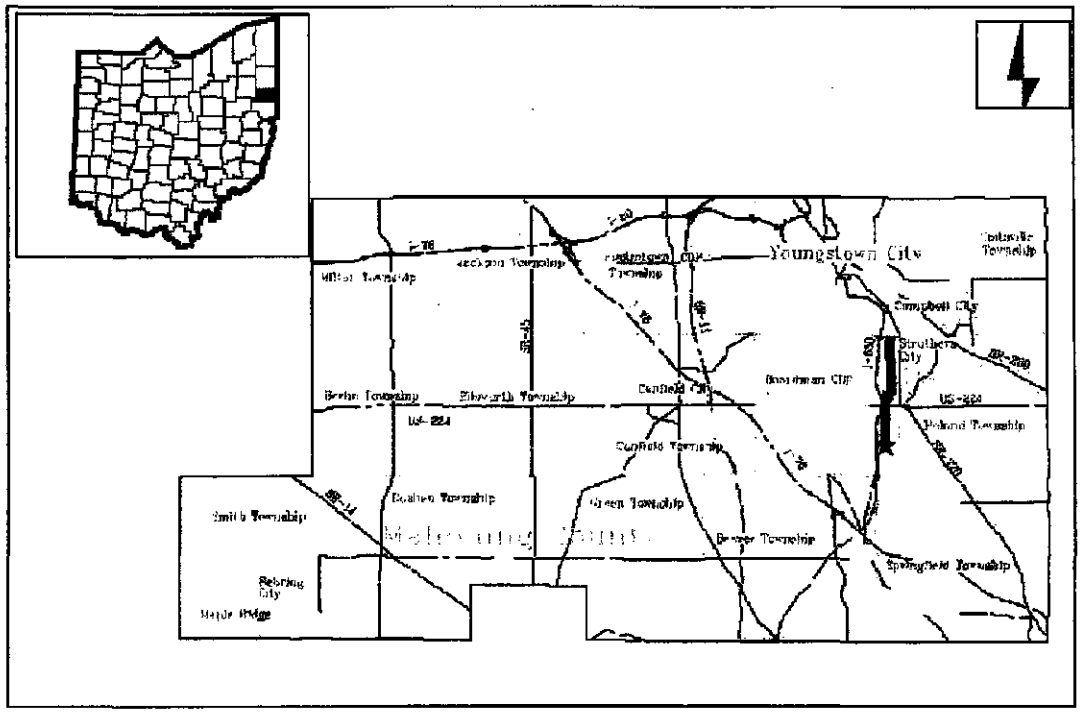
Other Project Considerations: N/A

Tentative Construction Complete: Q4 2008

PIR PROJECT FACT SHEET

PIR Project #:	8	**Line #:**	2636	**Vintage:**	1950
Project Name:	*Sheridan*	***City / Township:***	*Struthers, Poland*	***County:***	*Mahoning*
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Design



Justification: High Pressure Distribution

General Description of the Project: Replace 20-inch high pressure Distribution bare steel gas pipeline with approximately 21,777 feet of 20-inch coated steel gas pipeline from E. Midlothian Avenue to South Youngstown Station in Mahoning County, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

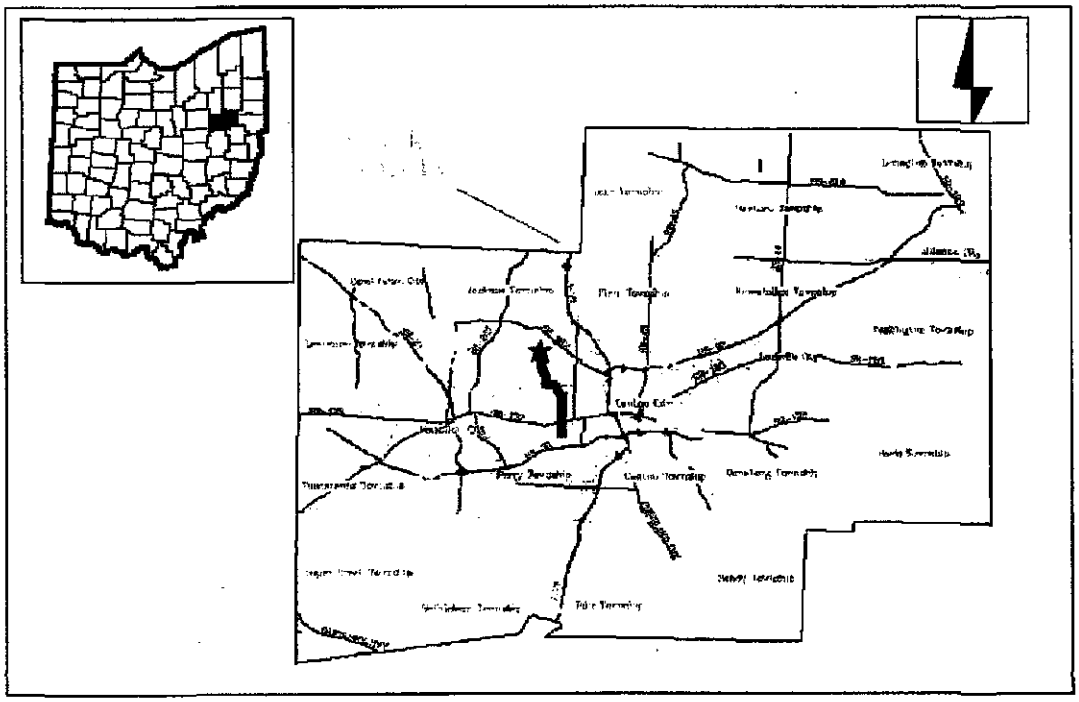
Other Project Considerations: N/A

Tentative Construction Complete: Q3 2009

PIR PROJECT FACT SHEET

PIR Project #:	9	**Line #:**	6140	**Vintage:**	1952
Project Name:	Canton - Perry	**City / Township:**	Jackson, Perry	**County:**	Stark
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Design



Justification: High Pressure Distribution

General Description of the Project: Replacement of approximately 10,347 feet of 20 inch HP bare steel gas pipeline with 20 inch coated steel from Willow Crest Rd to Dunkeith Rd.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: N/A

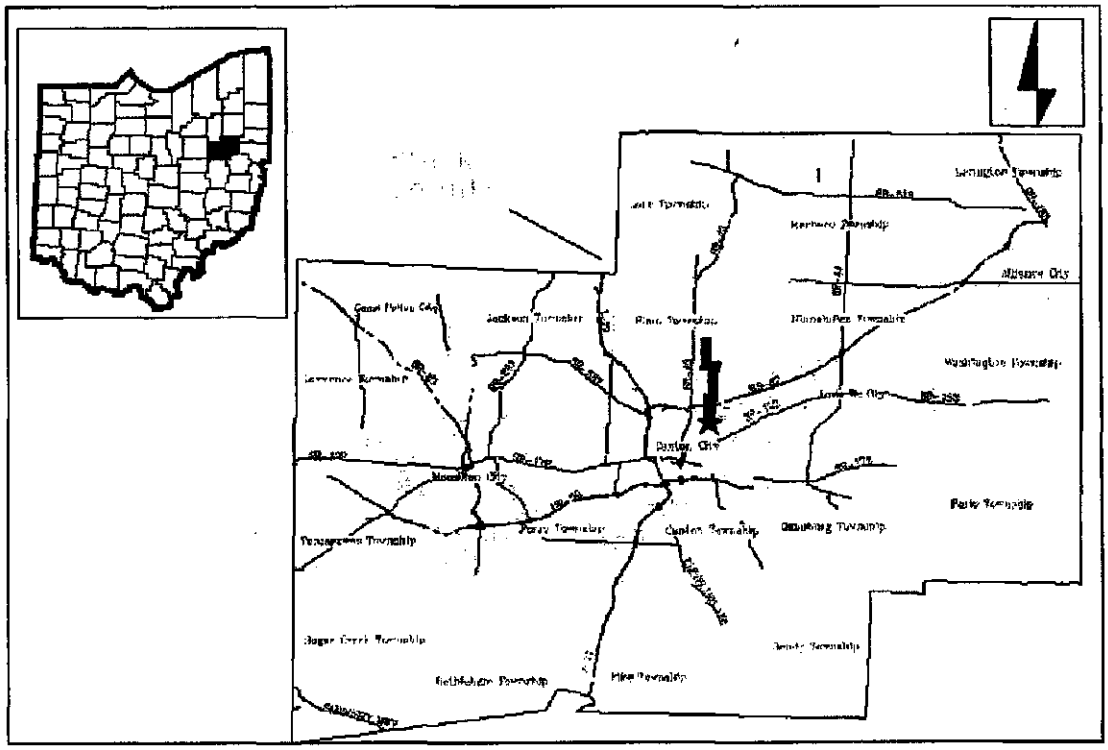
Other Project Considerations: The bulk of this project will require horizontal directional drilling due to wetlands and terrain.

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	10	**Line #:**	2374	**Vintage:**	1948 & 1954
Project Name:	Canton-McDowell	**City / Township:**	Canton, Plain	**County:**	Stark
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Planning



Justification: High Pressure Distribution

General Description of the Project: Replace 20", 18", 16" and 12" high pressure Distribution bare steel gas pipeline with approximately 20,890 feet of coated steel gas pipeline (various sizes 20", 18", 16" and 12") from McDowell Border Station to 20th and Maple streets in Stark County, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

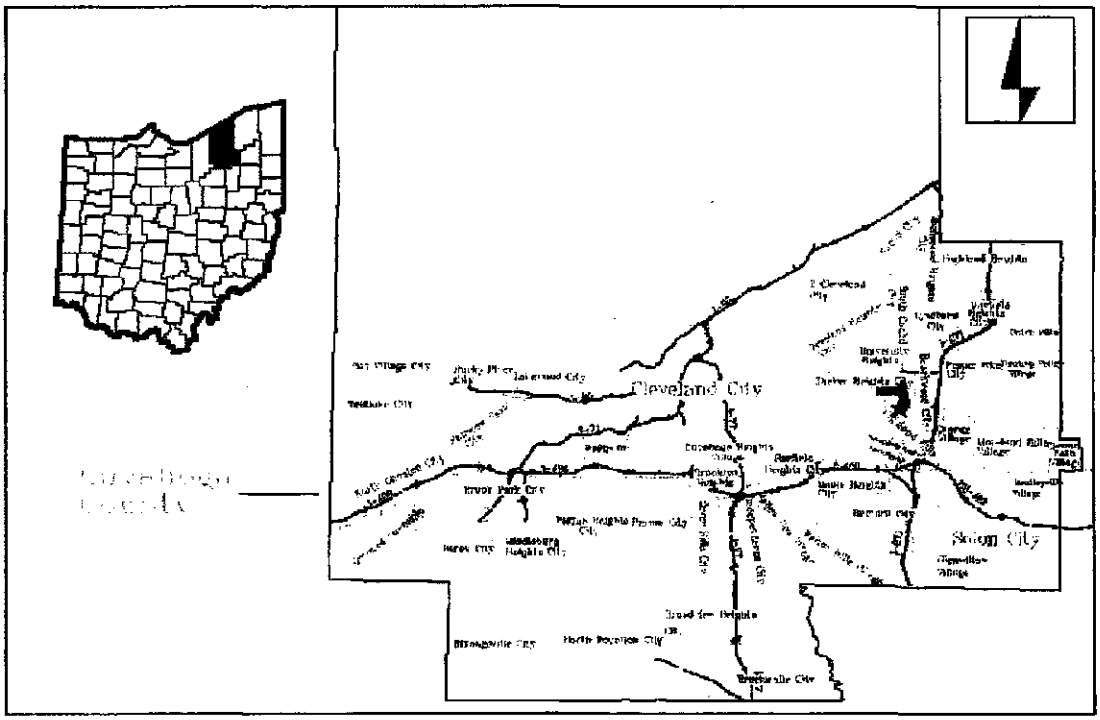
Other Project Considerations: N/A

Tentative Construction Complete: Q4 2009

PIR PROJECT FACT SHEET

PIR Project #:	11	**Line #:**	4080 & 7621	**Vintage:**	1941
Project Name:	Cleveland Eastern	**City / Township:**	Beechwood, Shaker Hts	**County:**	Cuyahoga
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	IP

Project Status: Planning



Justification: 10 Leaks within Project Boundary

General Description of the Project: Multiple lines are involved in this project and on several streets. Project is being reevaluated and most likely will be worked into separate phases.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work In Progress Status: N/A

Services Involved: TBD

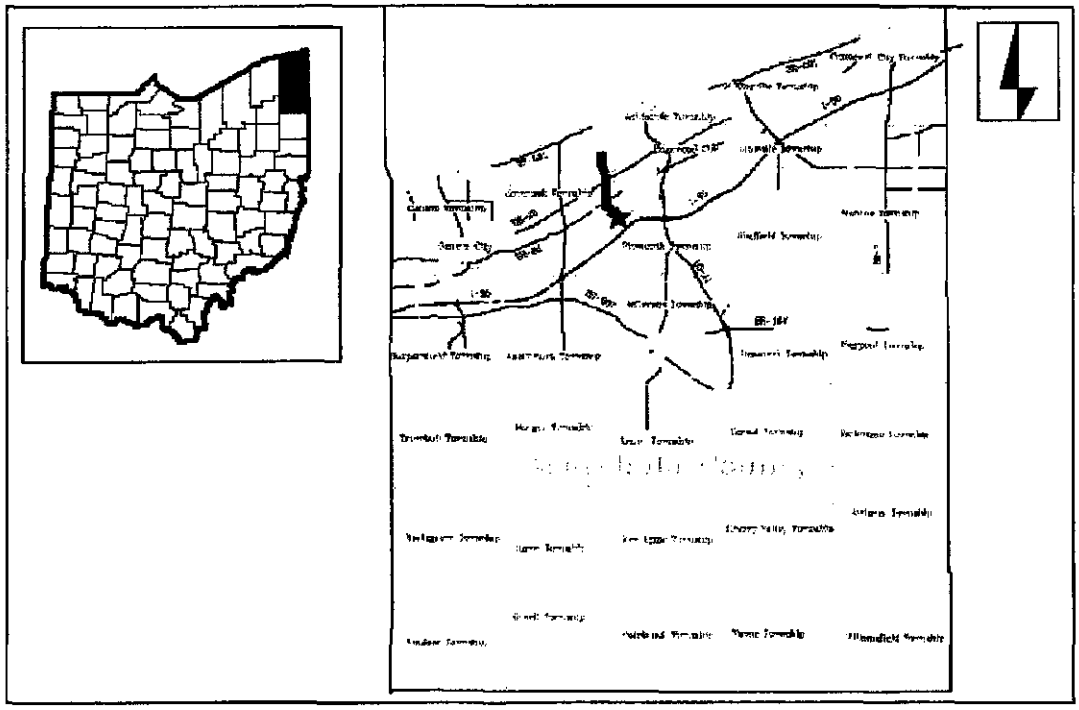
Other Project Considerations: TBD

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	12	**Line #:**	1033	**Vintage:**	1952
Project Name:	Ashtabula - Austinburg	**City / Township:**	Saybrook	**County:**	Ashtabula
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Planning



Justification: High Pressure Distibution

General Description of the Project: Replace 10-inch high pressure Distribution bare steel gas pipeline with approximately 17,184 feet of 14" coated steel gas pipeline from Austinburg Station to Wade Avenue Station in Ashtabula County, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

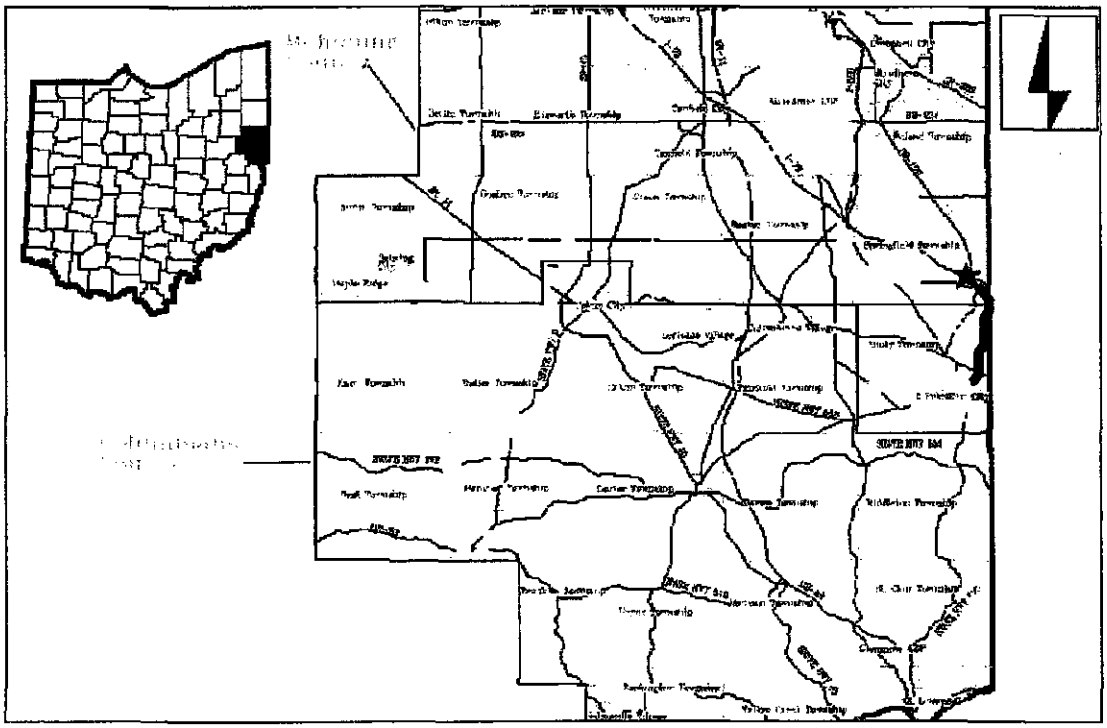
Other Project Considerations: N/A

Tentative Construction Complete: Q3 2009

PIR PROJECT FACT SHEET

PIR Project #:	13	**Line #:**	136	**Vintage:**	1941
Project Name:	Howell & Hill	**City / Township:**	Springfield, Unity	**County:**	Mahoning, Columbiana
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Planning



Justification: High Pressure Distribution

General Description of the Project: Replace 6-inch high pressure Distribution bare steel gas pipeline with approximately 13,532 feet of 8-inch plastic gas pipeline from Howell & Hill Station to Petersburg Alley Station in Columbiana County, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

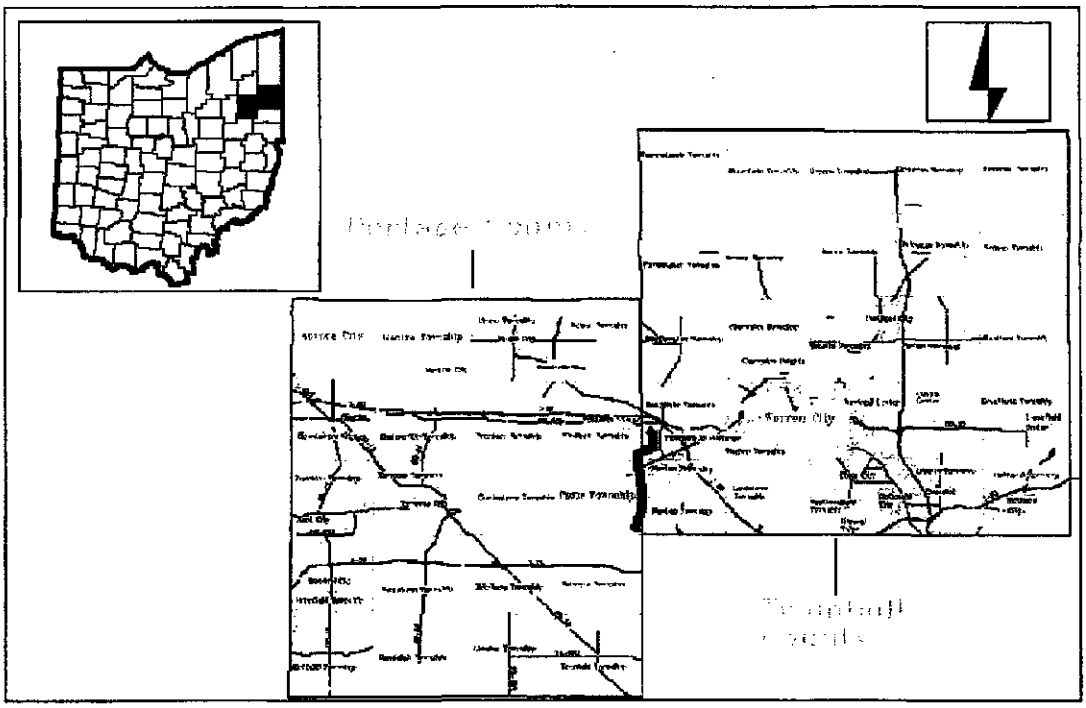
Services Involved: 0

Other Project Considerations: Replace existing steel pipeline with plastic pipeline. In order to maintain capacity using 8" plastic.

Tentative Construction Complete: Q3 2009

PIR PROJECT FACT SHEET

PIR Project #:	14	**Line #:**	1	**Vintage:**	1953
Project Name:	Windham Reducing Station	**City / Township:**	Paris	**County:**	Portage, Trumbull
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP
		Project Status:	Planning		



Justification: High Pressure Distribution

General Description of the Project: Replace 10-inch, 6-inch, 4-inch and 3-inch high pressure Distribution bare steel gas pipeline with approximately 34,072 feet of 6-inch steel gas pipeline from Windham Reducing Station to SR 534 in Portage and Trumbull counties, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

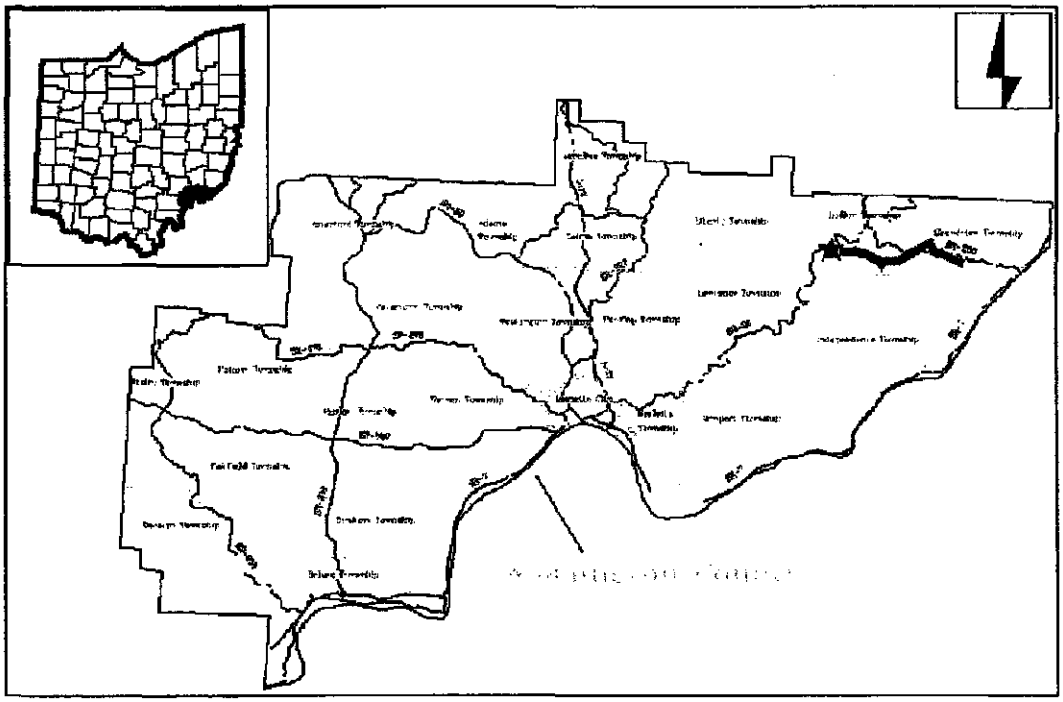
Other Project Considerations: Replace multiple diameters with single diameter pipeline.

Tentative Construction Complete: Q3 2009

PIR PROJECT FACT SHEET

PIR Project #:	15	**Line #:**	RM580	**Vintage:**	1920, 1936 & 1957
Project Name:	Marietta RM580	**City / Township:**	Ludlow & Grandview Twp.(s)	**County:**	Washington
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	MP

Project Status: Construction



Justification: There are approximately 29 total leaks within scope. Portions of the existing line are exposed.

General Description of the Project: Replace 3-inch, 4-inch, 5-inch and 7-inch Distribution bare steel gas pipeline with approximately 43,921 feet of 8-inch plastic gas pipeline from Ludlow Station to junction of RM580 and RM266 in Washington County, Ohio.

Cost Estimate: $6,001,875

Work In Progress Status: Approximately 38,325 feet installed.

Services Involved: 24

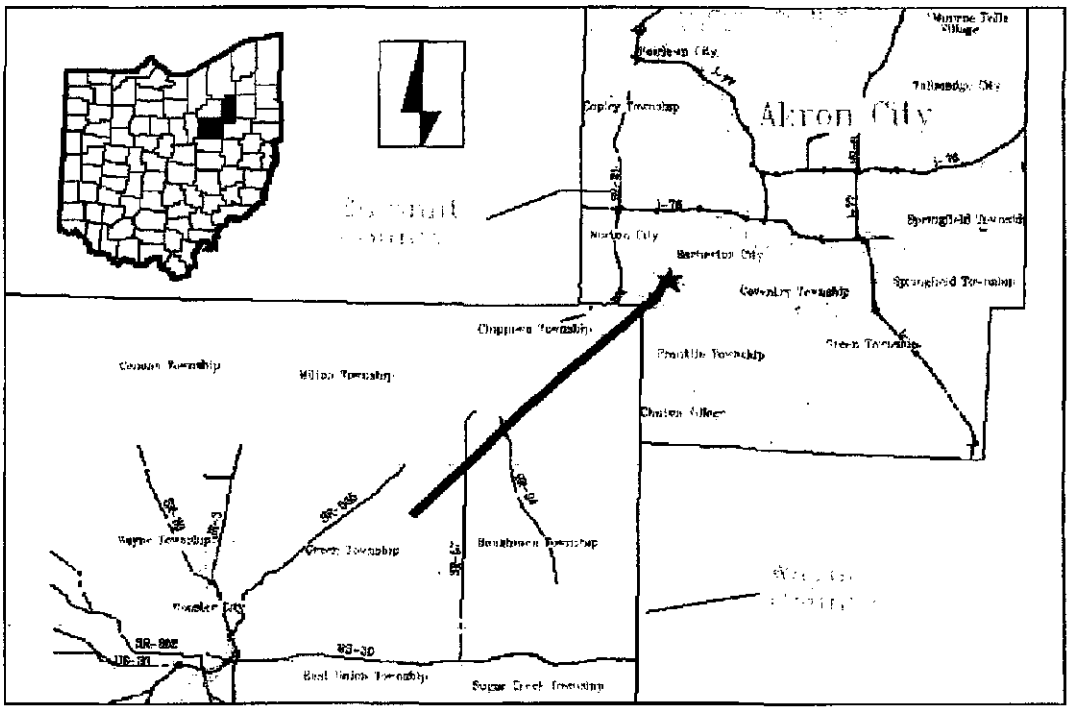
Other Project Considerations: Replacing steel with single diameter plastic. Must use 8" to maintain capacity.

Tentative Construction Complete: Q4 2008

PIR PROJECT FACT SHEET

PIR Project #:	16	**Line #:**	234	**Vintage:**	1948
Project Name:	Mohican Transmission Phase II	**City / Township:**	Chippewa, Green	**County:**	Wayne
Asset Type:	Bare Steel	**Facility Type:**	Transmission	**Pressure:**	HP

Project Status: Planning



Justification: Transmission

General Description of the Project: Replace 20-inch, 12-inch and 10-inch Transmission bare steel gas pipeline with approximately 28,304 feet of coated steel gas pipeline from Prospect Station to Five Points Station in Summit and Wayne counties, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

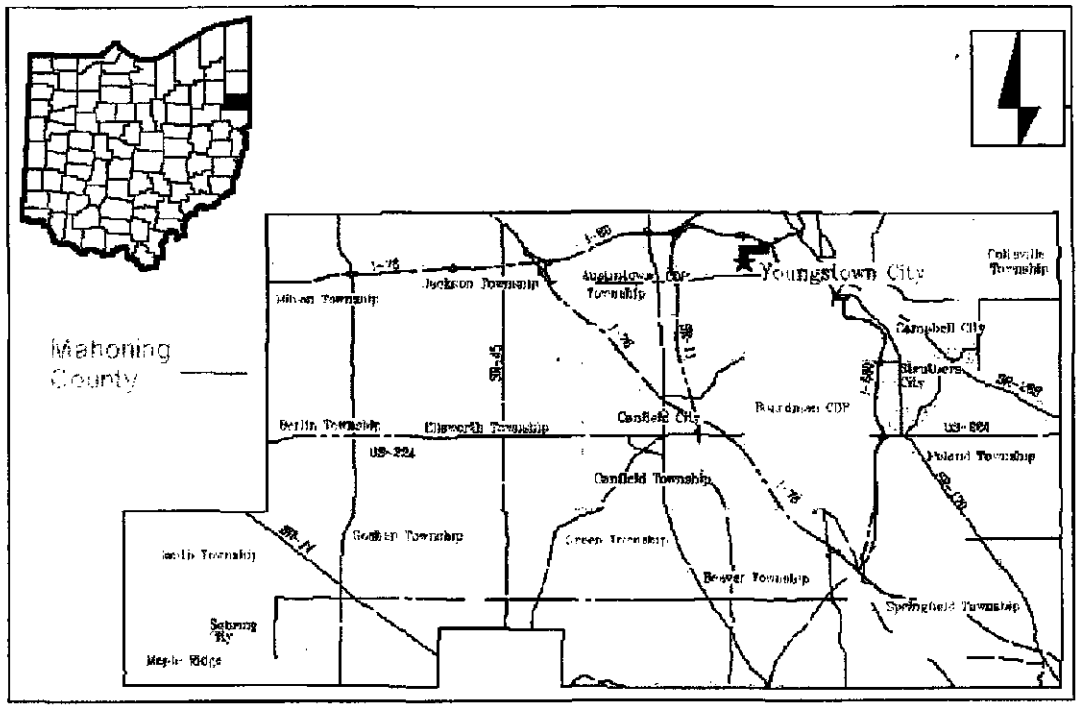
Other Project Considerations: Single source of supply to Wooster.

***Tentative* Construction Complete:** Q4 2009

PIR PROJECT FACT SHEET

PIR Project #:	17	**Line #:**	3140	**Vintage:**	1953
Project Name:	Hendricks & Meridian Phase 3	**City / Township:**	Youngstown City	**County:**	Mahoning
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Design



Justification: High Pressure Distribution

General Description of the Project: Replacement of 4,635 feet of 16 inch HP bare steel pipeline from West side of North Meridian Rd to Valve #682 (located East of the intersection of Hazelwood & Eddie Roads)

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: N/A

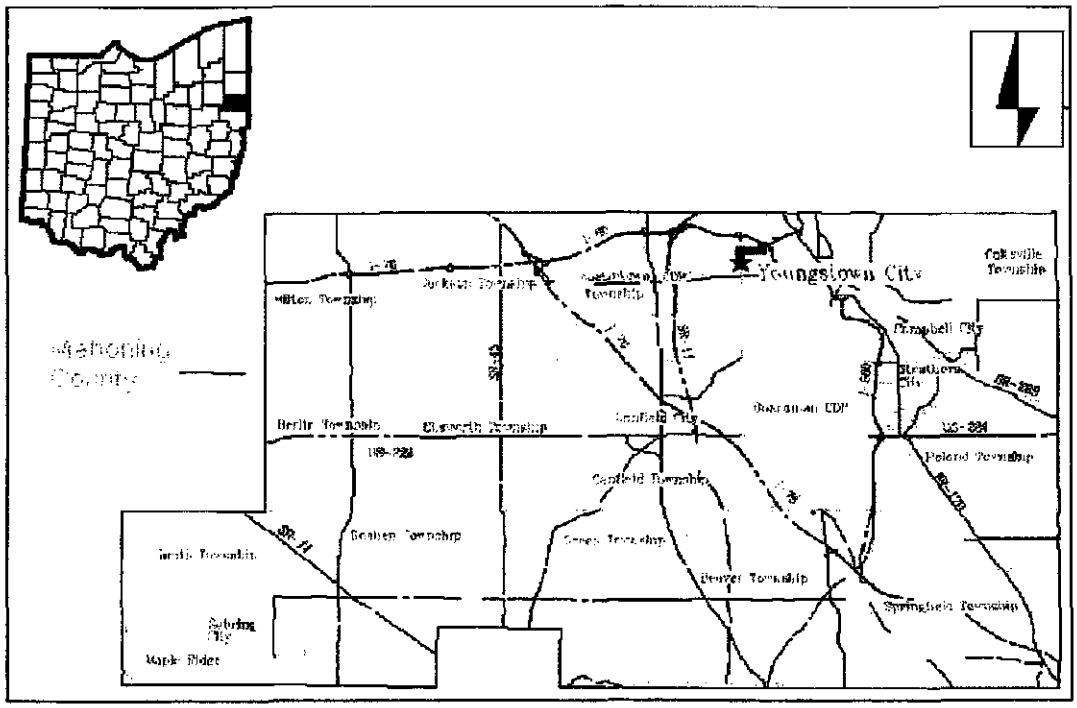
Other Project Considerations: Construction constraint due to Northern Harrier (nesting season April to July)

Tentative Construction Complete: Q3 2009

PIR PROJECT FACT SHEET

PIR Project #:	18	**Line #:**	Multiple	**Vintage:**	1937
Project Name:	Hendricks & Meridian Phase 2	**City / Township:**	Youngstown	**County:**	Mahoning
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	LP

Project Status: Design



Justification: This project was identified in conjunction with PIR project #17

General Description of the Project: Replacement of 2,200 feet of 4 inch LP bare steel pipeline with 4 inch LP medium density plastic pipeline along N. Bonair Ave, Rhoda Ave., Donald Ave., N. Schenley Ave., and Eddie St.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services involved: TBD

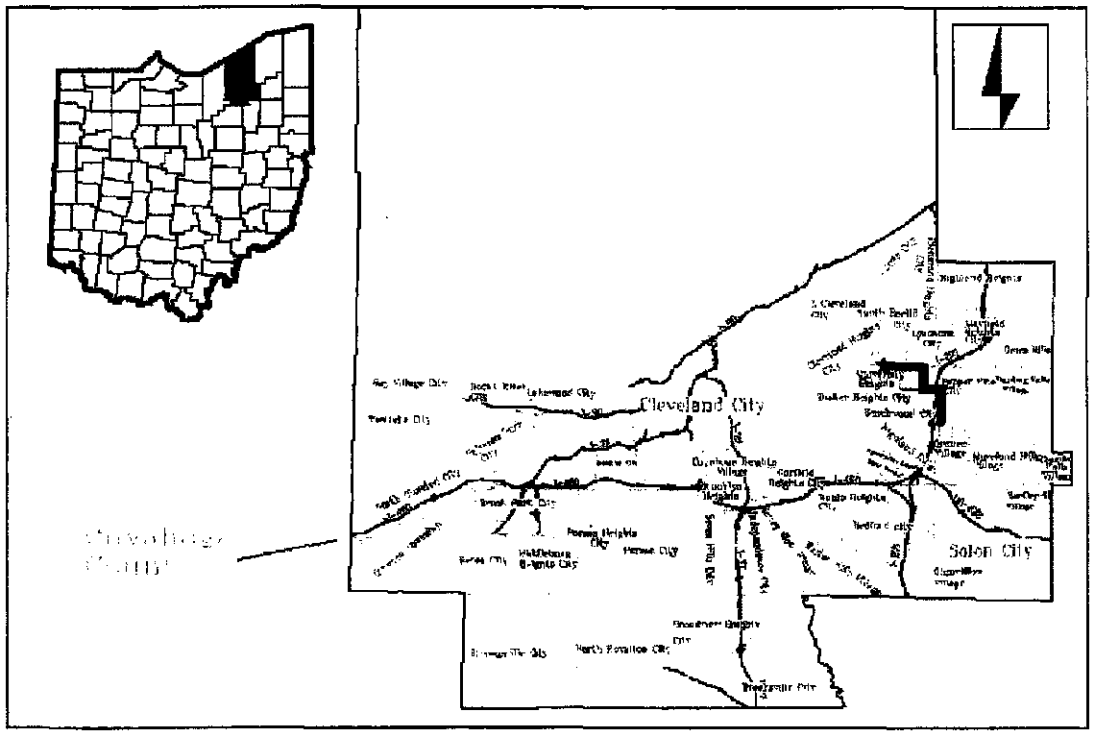
Other Project Considerations:

Tentative Construction Complete: Q1 2009

PIR PROJECT FACT SHEET

PIR Project #:	19	**Line #:**	9517	**Vintage:**	1951
Project Name:	N/A	**City / Township:**	Beachwood	**County:**	Cuyahoga
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Planning



Justification: High Pressure Distribution

General Description of the Project: Replace 32,790' of 26" HP Distribution from Cedar & Warrensville Sta. To Chagrin & Brainard Rds. Sta.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: TBD

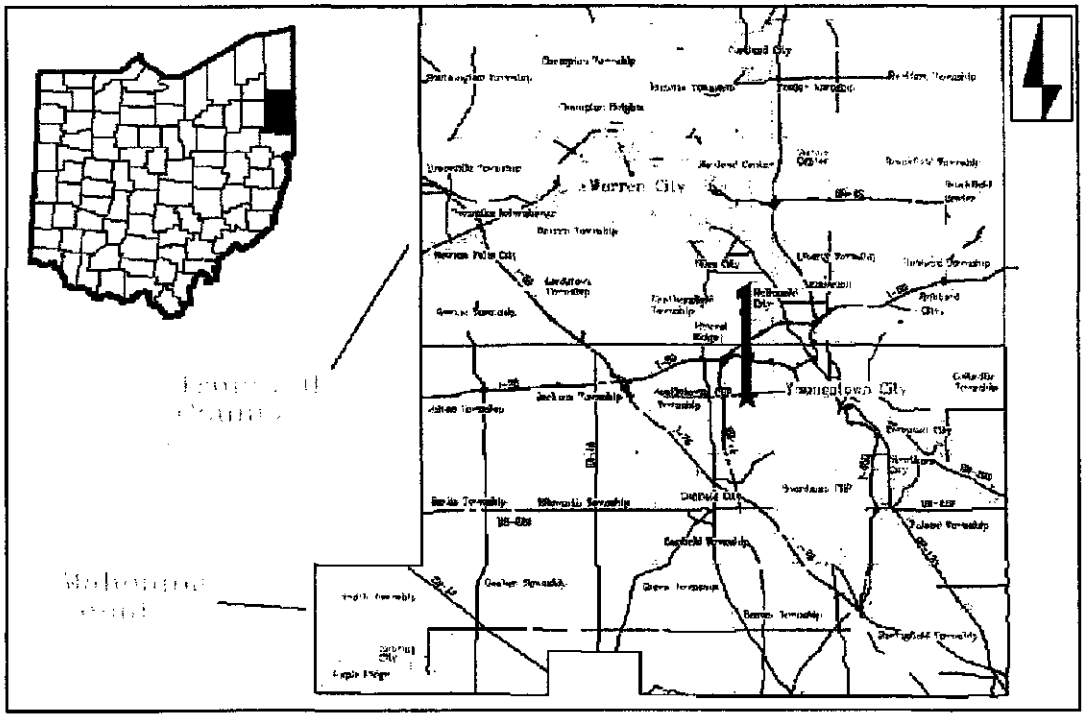
Other Project Considerations: As per Planning and Gas Control: Upsize to 30" and return to a 260# MAOP (use 30" x 52 w/ .375 wall and test to 500#).

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	20	**Line #:**	412 & 4999	**Vintage:**	1936 & 1949
Project Name:	Raccoon Road	**City / Township:**	Austintown Township	**County:**	Mahoning
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Design



Justification: High Pressure Distribution

General Description of the Project: Replace 8-inch and 12-inch high pressure Distribution bare steel gas pipeline with approximately 13,225 feet of 20-inch coated steel gas pipeline from Raccoon Road to Niles East Border Station in Trumbull and Mahoning counties, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

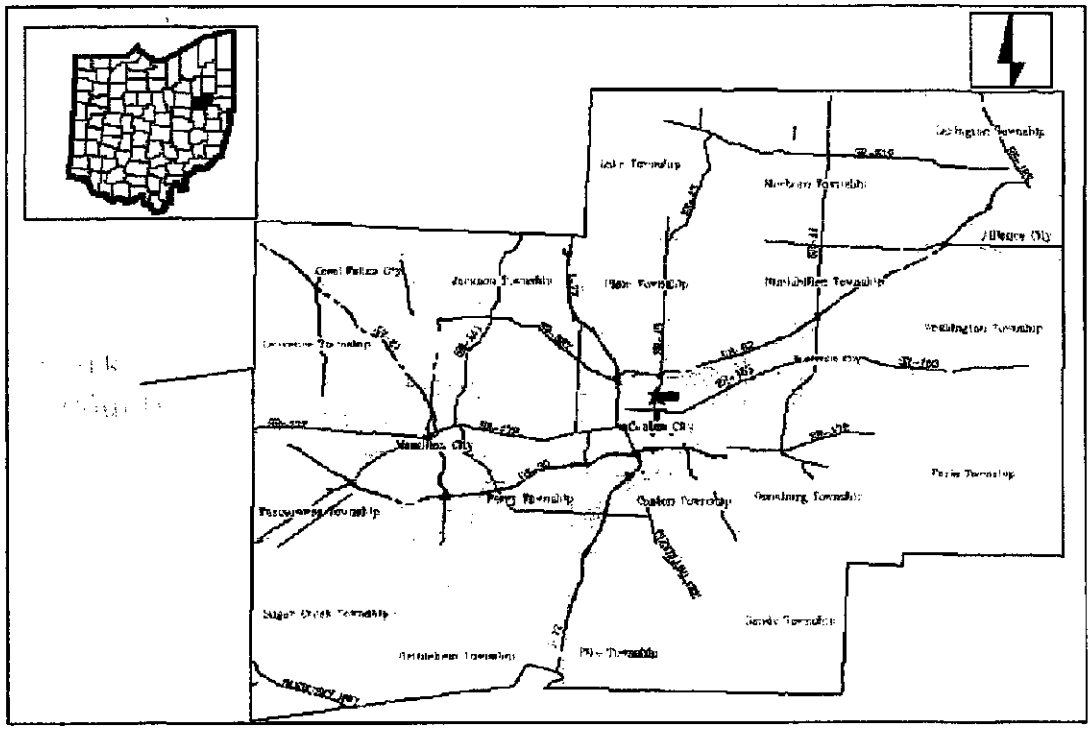
Other Project Considerations: Requires Ohio Power Siting Board review. Double mainline consolidated to single. The increase to 20" was due in part because the 8" was only good at ambient temperatures of above 40 degrees and the 12" was good at ambient temperatures above 20 degrees. The 20" will also increase flowing capacity into Niles.

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	21	**Line #:**	Various	**Vintage:**	1947
Project Name:	St Elmo - Canton	**City / Township:**	Canton	**County:**	Stark
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	IP / LP

Project Status: Planning



Justification: 7 leaks within project scope.

General Description of the Project: Replace 1015' of 3" & 4" LP Bare Steel with 4" HD Plastic and 1059' of 6" IP Bare Steel with 6" HD Plastic.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

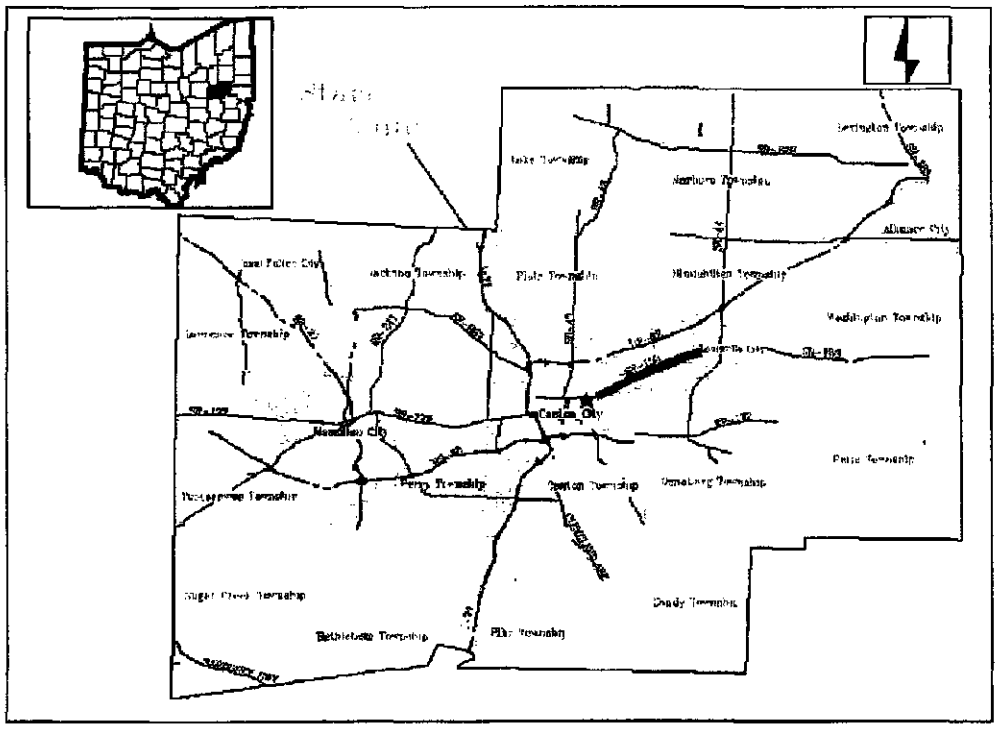
Services Involved: Approximately 38

Other Project Considerations: N/A

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	22	**Line #:**	Various	**Vintage:**	1939
Project Name:	Mahoning Road	**City / Township:**	Canton	**County:**	Stark
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	MP
		Project Status:	Planning		



Justification: 36 total leaks within project scope

General Description of the Project: Replace 16,000' of 4", 6" & 8" IP Bare Steel with 4", 6" & 12" HD Plastic.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

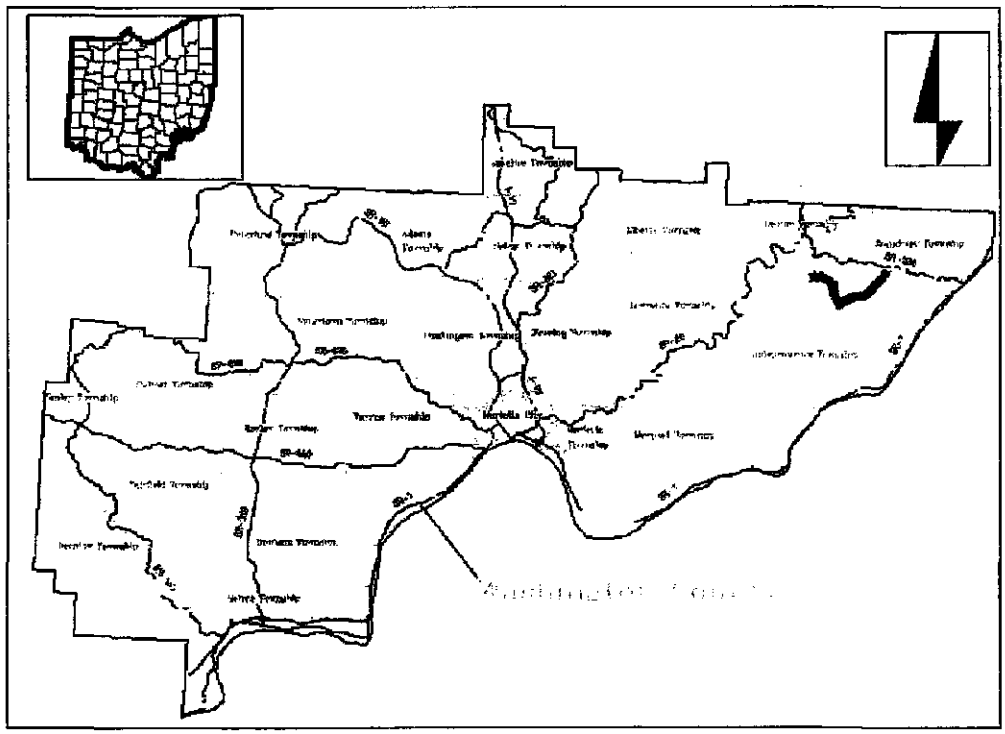
Services Involved: Numerous

Other Project Considerations: N/A

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	23	**Line #:**	RM266	**Vintage:**	1957
Project Name:	Marietta RM 266	**City / Township:**	Grandview Township	**County:**	Washington
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	MP
		Project Status:	Design		



Justification: 23 leak repairs on line.

General Description of the Project: Replace 3-inch and 7-inch Distribution bare steel gas pipeline with approximately 24,816 feet of 6-inch plastic gas pipeline from Grandview to Ludlow townships in Washington County, Ohio.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 0

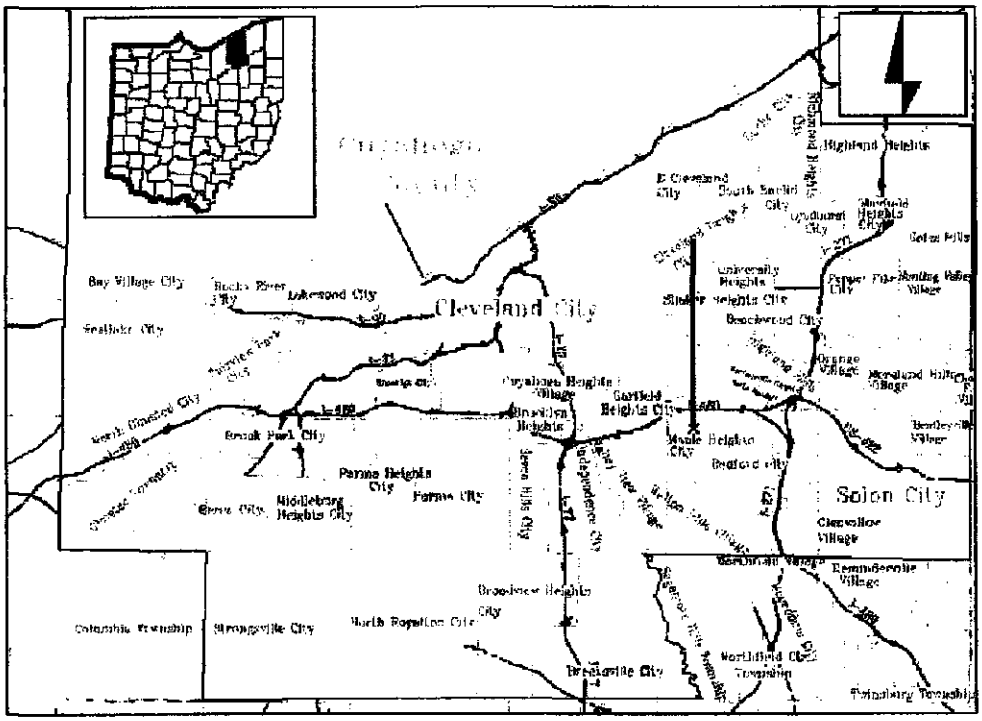
Other Project Considerations: Steel to Plastic

Tentative Construction Complete: Q1 2009

PIR PROJECT FACT SHEET

PIR Project #:	24	**Line #:**	4180	**Vintage:**	1934, 1941 & 1945
Project Name:	Lee Rd	**City / Township:**	Cleveland	**County:**	Cuyahoga
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	IP

Project Status: Planning



Justification: 15 Leaks on Line # 4180

General Description of the Project: Approximately 26,400' of 20" & 22" on L # 4180. Project being reevaluated to incorporate additional bare steel low pressure lines.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: TBD

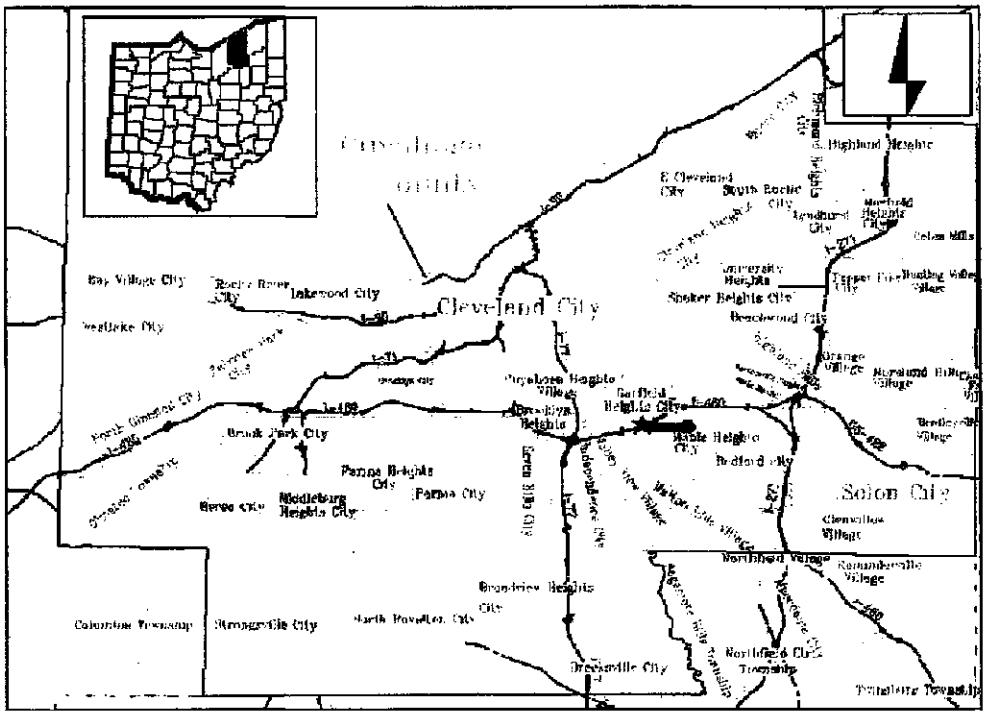
Other Project Considerations: Mutliple bare lines and pressures along Lee Rd

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	25	**Line #:**	Various	**Vintage:**	1946 & 1947
Project Name:	Dunham Station R/W	**City / Township:**	Maple Heights city	**County:**	Cuyahoga
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	IP

Project Status: Planning



Justification: Intermediate Pressure Distribution. Significant Leaks.

General Description of the Project: Replace 6,724' of 20" Bare steel Mainline with 6,724' of 20" coated steel

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: N/A

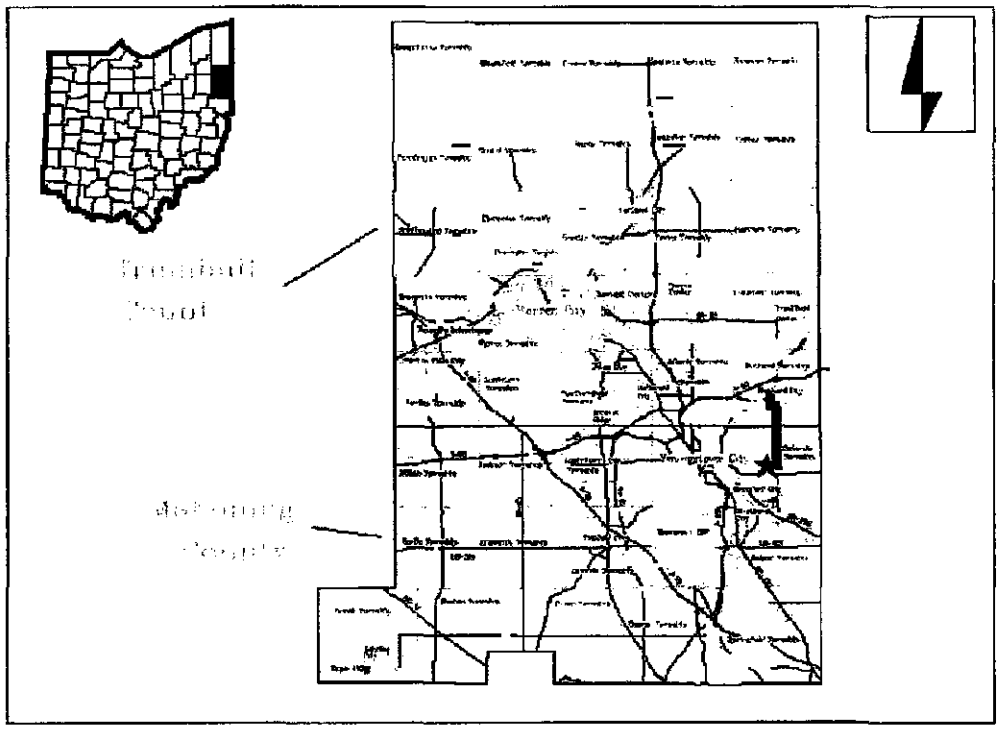
Other Project Considerations: N/A

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	28	**Line #:**	Various	**Vintage:**	1954
Project Name:	Coitsville - Hubbard	**City / Township:**	Coitsville	**County:**	Mahoning
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	HP

Project Status: Planning



Justification: High Pressure Distribution with 30 leaks. High priority for local Supervisor.

General Description of the Project: Replace 25,500' of 8" HP Bare Steel with 10" HD Plastic from Coitsville Hubbard and Oak to west of Park Ave.

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 35

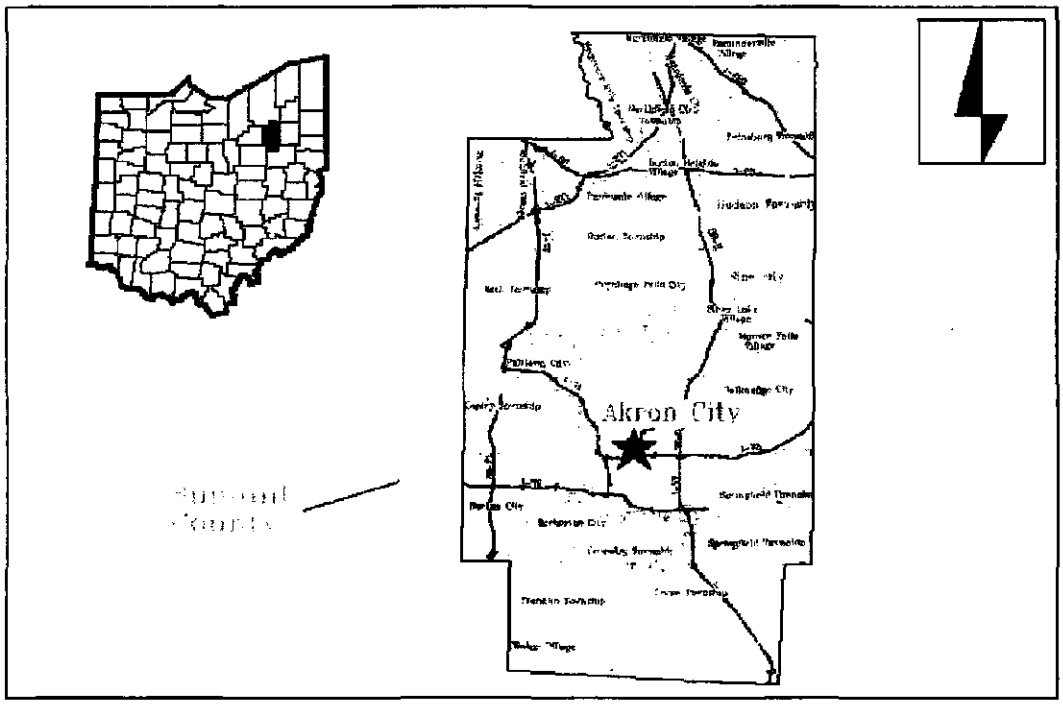
Other Project Considerations: N/A

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	27	**Line #:**	Various	**Vintage:**	1927, 1928, 1929, 1954
Project Name:	Low Pressure Pilot	**City / Township:**	Akron	**County:**	Summit
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	LP

Project Status: *Planning*



Justification: Approximately 19 Leaks in 3800' of Low Pressure Mainline. High priority for local supervision

General Description of the Project: Replace Bare steel (various sizes) mainline in neighborhood of approximately 15 streets with new MD plastic mainline and services

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: 500 +

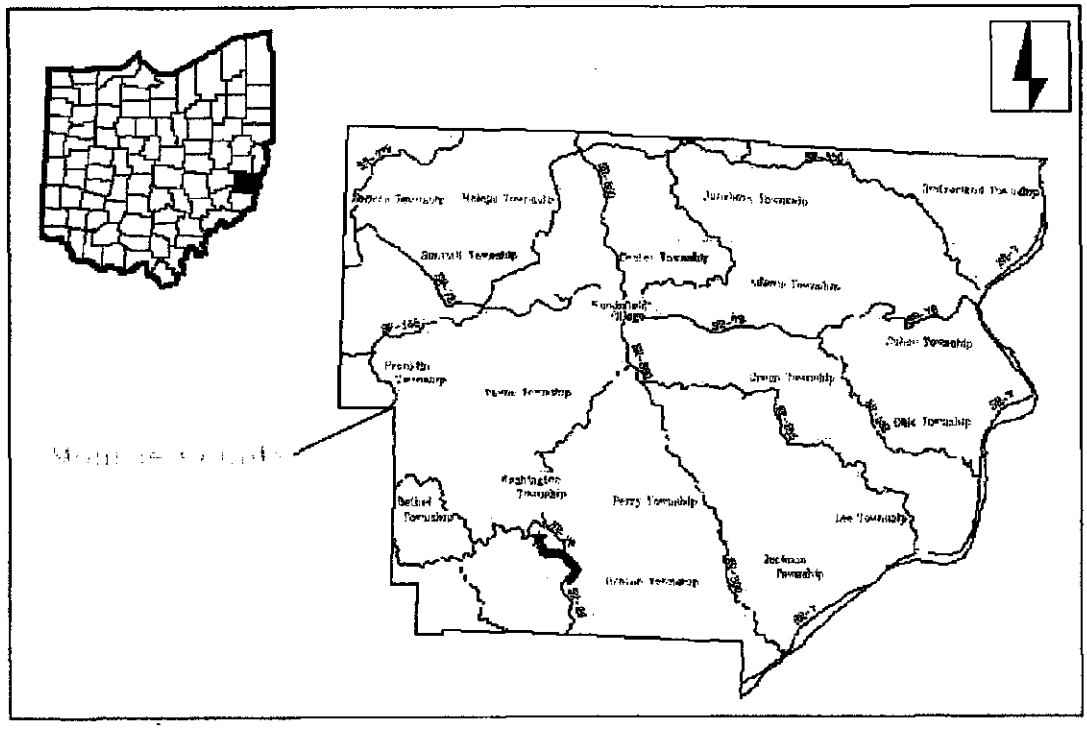
Other Project Considerations: After Complete Neighborhood will have all plastic and coated steel mainline & service lines. Opportunity to reduce total footage by going from double main to single when applicable.

Tentative Construction Complete: TBD

PIR PROJECT FACT SHEET

PIR Project #:	28	**Line #:**	RM 226	**Vintage:**	1955
Project Name:	Marietta RM 226	**City / Township:**	Washington Township	**County:**	Monroe
Asset Type:	Bare Steel	**Facility Type:**	Distribution	**Pressure:**	MP

Project Status: Planning



Justification: 10 Leaks in Project Area

General Description of the Project: Replace approximately 4,578' of 2" Distibution bare steel gas pipeline with 2" plastic pipeline from Parks Farm to ST RT 26 in Monroe County, Ohio

Cost Estimate: TBD - Cost estimate will be provided prior to construction

Work in Progress Status: N/A

Services Involved: TBD

Other Project Considerations: N/A

Tentative Construction Complete: Q3 2009

PIR Fact Sheet

PIR Project Number – PIR Project number from the project list.

Line #: Major line number(s).

Vintage: Major vintages involved.

Project Name: This would include an alias or name used by DEO personnel. It may not be applicable in all cases.

City/ Township: The main one(s) if project spans multiple zones.

County: County involved.

Asset Type: Material/Coating: Bare Steel, Copper, Cast Iron or Wrought Iron.

Facility Type: Transmission or Distribution

Pressure: HP, IP, MP, LP.

Project Status: Planning, Design, Construction

Map: Illustration of the location of the project.

Justification: Why the project was selected.

General Description of the Project: A short summary of the project.

Cost Estimate: This is the project estimate created after a job has been bid (before construction begins).

Work in Progress Status: For work in construction only – this reflects work completed by November 7th.

Services Involved: This reflects the involvement of curb to meter services for a particular job.

Other Project Considerations: This includes input from stakeholders (Modelers, Gas Control, Operations) or anything unusual about the job.

Tentative Construction Complete: Date DEO anticipates completion of the job.

DEO

EXHIBIT 15

ALL-STATE LEGAL®

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DOMINION EAST OHIO

Comparative Analysis of the Bare Steel Piping of Dominion East Ohio

June 18, 2008

Confidential Attorney Client Work Product Prepared in Anticipation of Litigation

BLACK & VEATCH
Building a world of difference.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

At the request of Dominion East Ohio ("Dominion" or the "Company"), Black & Veatch Corporation ("Black & Veatch") has performed a comparative analysis of Dominion's bare steel distribution and transmission piping data. This analysis was based on information reported annually by natural gas distribution and transmission operators to the U.S. Department of Transportation, Office of Pipeline Safety ("DOT") for the years 2002 through 2006 and data provided by Dominion.

The purpose of this analysis was to provide Dominion with: 1) a better understanding of how it compares to national and regional companies on benchmarks related to aging pipeline infrastructure on natural gas distribution and transmission systems; and 2) an independent opinion on the need for Dominion to accelerate its replacement program for its: bare steel and cast & wrought iron mains, bare steel services, and bare steel transmission piping.

The analysis of the 2006 DOT distribution data reveals that Dominion has the largest inventory of bare steel mains (3,862 miles) remaining in service of all of the nation's gas distribution operating companies reporting to the DOT (1,481 companies), and in 2006 it reported the highest number of corrosion leaks on mains (3,391 leaks) for all companies reporting. During the last two years Dominion had taken extra efforts to significantly reduce the number of its year-end backlog of leaks waiting to be repaired. The impact of this effort may have had the effect of increasing the number of corrosion leaks reported in 2006 and 2007. This is because as a larger amount of backlog leaks were repaired they were then classified according to initial cause, including corrosion. A trend line analysis of the 2002-2005 period estimates a 2006 level of corrosion leaks on mains to be 2,855, which would have ranked second highest in the nation.

While Dominion has a high number of corrosion leaks compared to other distribution companies, on the measure of corrosion leaks per mile of non-cathodically protected bare and coated steel main experienced during 2006, Dominion had a lower value at 0.56 compared to the average value of 1.29 for regional companies and 0.96 for national companies (not including Dominion) that have more than 50 miles of bare steel main in their distribution systems. The data also shows that Dominion's corrosion leaks and corrosion leak rates on mains have increased steadily since 2003.

Dominion's 2007 data also shows that 80% (3,582) of its total leaks on mains (4,490) were caused by corrosion.

Dominion reports that it has 222 miles of bare steel mains that were installed approximately 100 years ago (1900-1910) and another 927 miles of bare steel mains that were installed from 1910 to 1939. Half of Dominion's bare steel and cast or wrought iron mains (2,044) were installed before 1950. Experience and data have taught the natural gas industry that these aging mains will need to be either retired, or replaced with plastic or cathodically protected steel mains. In our opinion it is not a matter of "if", but rather "when" these mains will need to be replaced, in order to reduce the risks and costs associated with leaking gas mains, as well as to deliver on Dominion's overarching commitment to safety.

In 2006 Dominion replaced 34 miles of its bare steel mains at a rate of approximately 0.9% per year as compared to the national average replacement rate of 3.7% per year. At the 2006 Dominion replacement rate, it would take the Company 114 years to eliminate its aging bare steel mains compared to 26 years for the nation as a whole (not including Dominion). Dominion's proposed term for its accelerated replacement program (25 years) is in line with the national average. As the

company with the largest amount of bare steel in the nation and a history of a high number of corrosion leaks on mains, Black and Veatch believes that such action by Dominion is prudent and reasonable.

The focus on the number of corrosion leaks is critical because science and industry studies demonstrate that "when a section of pipeline system starts to develop leaks, experience has shown that further leaks will develop at a continuously increasing rate."[1] Furthermore, it is Black & Veatch's experience that corrosion leaks on underground non-cathodically protected (unprotected) bare and coated steel pipe can be expected to increase exponentially over time until the pipes are either cathodically protected, retired, or replaced.

In the case of Dominion, the data also shows that even with this high number of corrosion leaks per year, the Company maintained a rate of corrosion leaks on mains per mile of bare and non-protected coated steel main that was lower than the average rate of regional companies. However, as the bare steel pipe inventory continues to age, at the current rate of main replacement, we believe Dominion's number of corrosion leaks will increase.

For example, if the corrosion leak rate for Dominion was to rise to the level of the average leak rate for regional companies in 2006 that would mean that Dominion's annual corrosion leaks would increase from 3,391 to between 5,716 and 7,855 corrosion leaks (a 69% to 132% increase) depending on the calculation method. In either case, a 69% increase in leaks alone could create additional safety risks, as well as create a serious leak management challenge for the Company. It is our opinion that the focus of Dominion's efforts must be towards accelerating the identification and replacement of its aging higher risk mains before the leak rate becomes excessive and it finds itself in a crisis mode of replacement. Without instituting such an accelerated replacement effort, it is our opinion that Dominion will face the risks associated with an ever increasing number of corrosion leaks.

Dominion has 112 miles of cast and wrought iron mains in its distribution system. Cast iron mains, while less prone to corrosion leakage, are also poor performers due to their joining methods. Cast iron sections of pipe are typically joined together with calked lead and jute bell and spigot joints, which leak increasingly over time. In addition, because of its brittle failure mode, leaks in cast iron pipe due to cracks or breaks, can be sudden and serious. This is especially true with small diameter piping. Seventy seven percent of Dominion's cast and wrought iron main inventory is less than or equal to 4 inches in diameter. Such small diameter mains experience higher stresses when placed under bending moments due to soil loadings and such higher stresses pose an increased risk of cracking.

Dominion also has 35 miles of bare steel transmission piping remaining in its system. This is likely the oldest pipe in Dominion's transmission system and older transmission pipes generally pose the highest risk. Unless Dominion's bare steel transmission pipe can be assessed with in-line intelligent inspection (ILI) devices (smart pigs), or similar technologies to identify and target the most severely affected areas, we believe implementing pipe replacement programs for the remaining bare steel transmission inventory best reduces this risk.

[1] Peabody's "Control of Pipeline Corrosion," second edition 2001. Chapter 15, Page 290.

EXECUTIVE SUMMARY

We support Dominion's PIR program efforts to prioritize its higher risk mains for replacement first, and accelerate the replacement of these aging mains before the leak rates increase. Without such an accelerated replacement effort, it is our opinion, supported by corrosion science and data, that Dominion will face the risks associated with an increasing number of corrosion leaks.

We believe it is in the best interest of Dominion's customers that Dominion implement its PIR program, rather than expose customers to the ever-increasing risk and expense of emergency repairs to leaks on such mains, and then replacing them in response to a harder to manage leak rate.

In addition to the customer safety and system reliability benefits mentioned throughout this report, a well planned accelerated main replacement program would have qualitative benefits for the public such as fewer unplanned disruptions to traffic on roads for emergency gas leak repairs, and improved coordination with local town and village governments. Although these quality of life benefits are dwarfed by the safety and reliability benefits, it is Black & Veatch's opinion that utility system operators must prudently manage their systems in a manner that protects the customer, assures the integrity of the gas system, and does not adversely inconvenience the customers' quality of life.

We believe that with Dominion experiencing as many corrosion leaks as it has, and a recent bare steel mains replacement rate of between 114 and 155 years (2006 and 2007 respectively), its proposed Pipeline Infrastructure Replacement (PIR) program is an example of what is needed to continue to be a responsible system operator. We believe that Dominion should implement a systematic accelerated replacement of its aging higher risk mains and services.

Black & Veatch recommends that the Public Utility Commission of Ohio ("PUCO") approve the implementation of Dominion's proposed accelerated mains replacement program.

PURPOSE OF THE REPORT

Dominion East Ohio, Inc. ("Dominion" or the "Company") has requested approval from the PUCO for "tariffs to recover, through an automatic adjustment mechanism, costs associated with a 25 year Pipeline Infrastructure Replacement ("PIR") program". This program is an accelerated mains replacement program targeting its bare steel, cast iron and wrought iron distribution mains and services, as well as its bare steel transmission piping.

Dominion has requested approval of this program because, while it has been replacing and maintaining its aging mains, it has determined that a higher level of effort and investment will be required by the Company to ensure that its leak experience remains manageable and that acceptable levels of safety and reliability are maintained.

Dominion has requested Black & Veatch provide: 1) a better understanding as to how Dominion compares to national and regional companies on benchmarks related to aging pipeline infrastructure of natural gas distribution and transmission systems and 2) an independent opinion as to the need for a Dominion accelerated replacement program for its: bare steel and cast & wrought iron mains, bare steel services, and bare steel transmission piping.

THE DATA UTILIZED

This section identifies the data utilized in the analyses and discusses specific characteristics of the data that are relevant to the analysis. In performing the analyses, Black & Veatch utilized data from the U.S. Department of Transportation Office of Pipeline Safety ("DOT") web site, data provided by Dominion, as well as Black & Veatch's calculations using this data.

Department of Transportation Data

Gas distribution and transmission pipeline operators are required by the DOT to annually submit certain main, service and leak data utilizing, as appropriate, either DOT form PHMSA[2] F7100.1-1 or PHMSA F7100.2-1. This data is available to the public through the DOT web site. (http://ops.dot.gov).

The DOT data, as of April 2008 included the elements listed below for the years 2002 to 2006. DOT 2007 data was not yet available through the DOT, therefore Dominion provided Black & Veatch its 2007 DOT data. In addition, Dominion has provided updated data for 2002 to 2006.

- Miles of bare steel, cast iron and other categories of main and service materials in the system at the end of each year;
- Number of corrosion leaks eliminated or repaired for mains and services;
- Number of total leaks eliminated or repaired for mains and services for various leak causes; and
- Number of leaks remaining in backlog at year-end.

Corrosion Leaks

While DOT data provides the total number of corrosion leaks for mains, DOT does not provide a breakdown of the number of corrosion leaks by type of main material. Due to this DOT data limitation, for the purposes of this review, we assumed that the reported corrosion leaks on distribution mains predominately occurred on either non-cathodically protected bare steel or non-cathodically protected coated steel mains. For transmission piping, since all of Dominion's bare steel is reported as cathodically protected, we compared it to other companies that also reported their bare steel as cathodically protected.

Based on our experience we believe that this assumption is reasonable since, while it is recognized that corrosion leaks can occur on cathodically protected coated steel mains, most corrosion leaks occur on unprotected bare and coated steel pipe. Our opinion is supported by information provided by Dominion, based on its 2007 Cleveland-Western Shop Bare Steel Replacement Pilot, which identified that 91% of its corrosion leaks on mains occurred on bare steel low pressure pipe. More specifically, operating experience leads one to conclude that:

- Mains that are cathodically protected, while they occasionally develop corrosion leaks, are generally protected from corrosion leaks;
- Cast iron main leaks are typically not caused by corrosion (graphitization) and are generally caused by leaking joints or main breaks; and
- Plastic mains do not corrode.

Black & Veatch Calculations

Utilizing DOT data, Black & Veatch prepared several comparisons and developed certain metrics to assist in comparing Dominion to other companies. They included comparisons related to:

- Annual change in bare steel mains inventory.

[2] Pipeline and Hazardous Materials Safety Administration

- Annual change in corrosion leaks eliminated or repaired
- Annual number of corrosion leaks eliminated or repaired per mile of bare and unprotected coated steel main.
- Leak causes
- Types of material
- Annual number of corrosion leaks per 1,000 bare steel and unprotected coated steel services
- Year-end backlog of leaks pending repair

If the DOT data was missing a data point for a particular company, in a given year, Black & Veatch substituted for the missing data point the average data of the prior and subsequent year.

Observations Regarding the Data:

- The DOT 2006 database contained data for 1,481 distribution and 1,433 transmission companies.
- Most of the companies that filed with the DOT do not have bare steel mains or have a very small amount of bare steel mains compared to Dominion.
- DOT database sorting criterion for distribution data – Black & Veatch utilized a sorting criterion intended to limit the focus to companies with a significant amount of bare steel, yet still incorporate a reasonable sample of companies. The sorting criterion chosen was all companies with a minimum of 50 miles of non-cathodically protected bare steel in 2006. Additional data which reinforced the reasonableness of this sorting criterion included:
  - Nationwide, 83 companies, including Dominion, meet the 50 miles of bare steel sorting criterion. They are listed in Appendix A of this report. Generally, these are also investor owned companies that are larger in size than the average company reporting, as measured by the number of gas services (68 have more that 50,000 services), and are subject to state regulatory oversight similar to Dominion.
  - The 83 nationwide companies meeting the sorting criterion represent 97% of the non-cathodically protected bare steel in the DOT 2006 database (51,283 miles out of 53,100 miles).
- DOT database sorting criterion for transmission data – Black & Veatch utilized a sorting criterion intended to limit the focus to companies with a significant amount of bare steel, yet still incorporate a reasonable sample of companies. The sorting criterion chosen was all companies with a minimum of 10 miles of bare steel in 2006. Additional data which reinforced the reasonableness of this sorting criterion included:
  - Nationwide, 80 companies, including Dominion, meet the 10 miles of bare steel sorting criterion and represent 98% of the bare steel in the DOT 2006 database (9,592 miles out of 9,758 miles). They are listed in Appendix B of this report. However, out of the 80 companies, 48 reported having only cathodically protected bare steel (5,843 miles or 61% of the nation's total bare steel). These companies reported no non-cathodically protected pipe. This is similar to Dominion's inventory mix.
- Regional distribution analysis – In addition to the national sorting criterion of 50 miles, Black & Veatch determined that Dominion data might also be reasonably compared to companies in close regional proximity to Dominion. Companies in Ohio and the states bordering Ohio were thought by Black & Veatch and Dominion to possibly experience more similar environmental characteristics (such as weather, soil and age of pipe material) than companies in other areas of the United States.

- The regional states selected include: Indiana, Kentucky, Michigan, Ohio, Pennsylvania and West Virginia.
- There are 30 companies, including Dominion, that meet the sorting criterion and are located in the six regional states. They are listed in Appendix C.
- The 30 regional companies meeting the sorting criteria represent 44% of the bare steel in the DOT 2006 database.

- Regional transmission analysis – In addition to the national sorting criterion of 10 miles, Black & Veatch determined that Dominion data might also be reasonably compared to companies in close regional proximity to Dominion. Companies in Ohio and the states bordering Ohio were thought by Black & Veatch and Dominion to possibly experience more similar environmental characteristics (such as weather, soil and age of pipe material) than companies in other areas of the United States.
  - The regional states selected include: Indiana, Kentucky, Michigan, Ohio, Pennsylvania and West Virginia.
  - There are 21 companies, including Dominion, that meet the sorting criterion and are located in the six regional states. They are listed in Appendix D.
  - The 21 regional companies meeting the sorting criteria represent 24% of the bare steel in the DOT 2006 database. Out of the 21 companies, 9 reported having only cathodically protected bare steel piping (428 miles). These companies reported no non-cathodically protected pipe. This is similar to Dominion's inventory mix.

FINDINGS AND OPINIONS

1. Miles of bare steel distribution main comparison – 2006

For the year-ending 2006, Dominion reported having 3,862 miles of non-cathodically protected bare steel mains in its system.

What is significant about the amount of bare steel in Dominion's distribution system is that it has the greatest amount of non-cathodically protected bare steel reported compared to all other distribution operators reporting to the DOT. Figure 1 illustrates Dominion's miles of bare steel compared to national and regional companies.

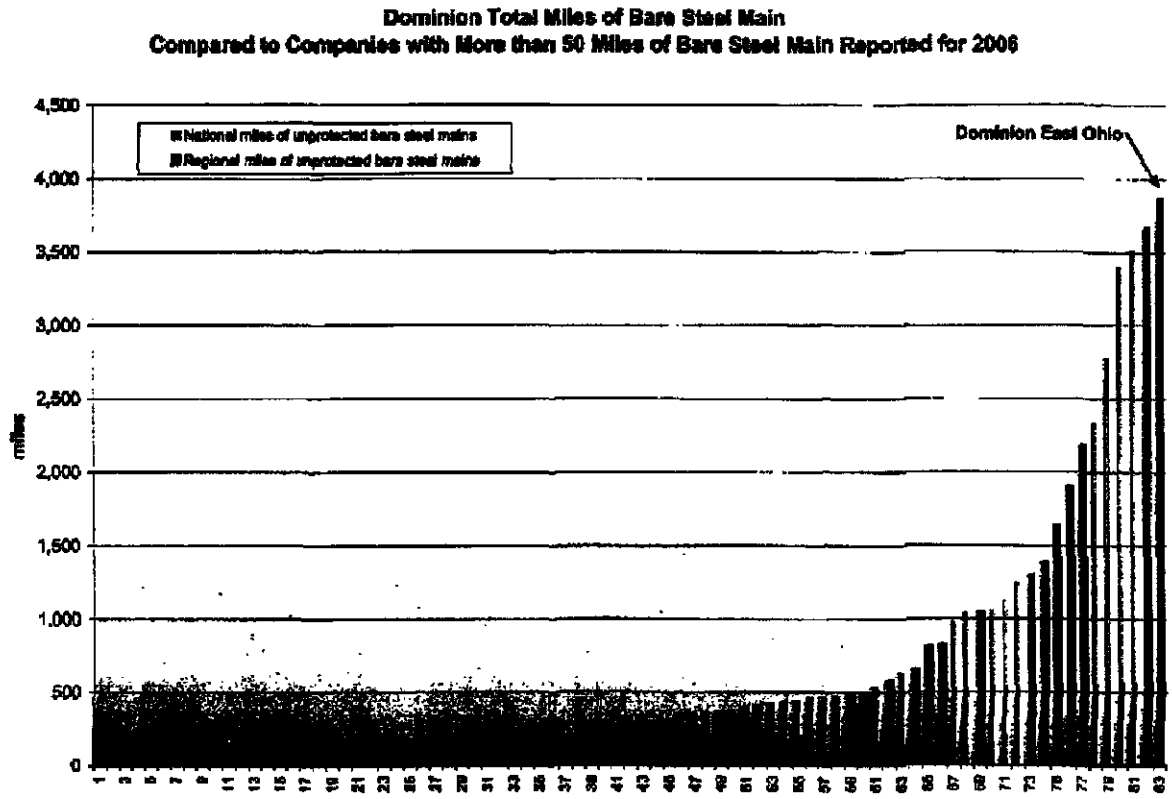


Figure 1

2. Dominion's miles of distribution main by year installed

For the year-ending 2007 Dominion reports that it had 3,837 miles of non-cathodically protected bare steel and 70 miles of cathodically protected bare steel for a total of 3,907 miles of bare steel. Bare steel accounts for 20% of Dominion's total inventory of distribution mains.

The number of years that these mains have been buried in the ground is a major contributing factor to an ever increasing amount of corrosion leaks over time. Figure 2 illustrates the miles of bare steel mains installed by year in Dominion's system.

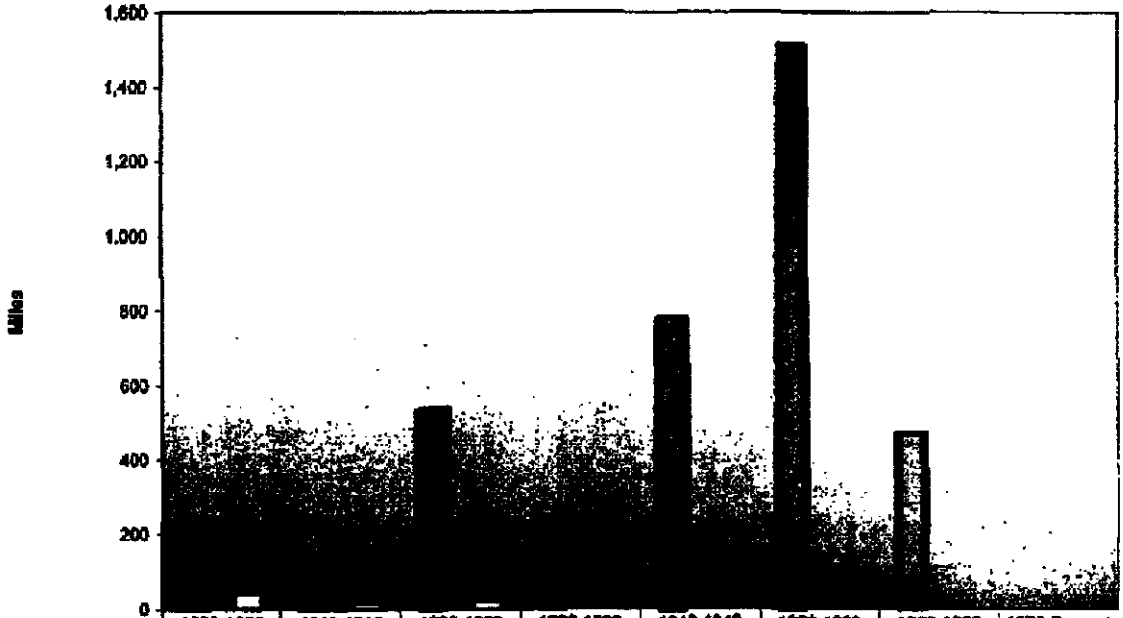
From this chart one can see that 222 miles of Dominion's bare steel main was installed approximately 100 years ago (1900-1909); 148 miles were installed between 1920-1929; 535 miles were installed between 1930-1939); 780 miles were installed between 1940-1949; and 1,978 miles have been installed since 1950. From this data the weighted average amount of time Dominion's bare steel mains have been in the ground is 63 years.

Dominion's practice of installing these main materials during the decades illustrated on the chart is consistent with the pipeline technology at the time.

As explained in further detail later in this report, experience and data have taught the natural gas industry that these mains will need to be either retired or replaced with plastic or cathodically protected steel mains. In our opinion it is not a matter of "if", but rather "when" these mains will need to be replaced, in order to reduce the risks and costs associated with leaking gas mains, as well as to deliver on Dominion's overarching commitment to safety.

Black & Veatch observes that replacing such a large amount of bare steel, in a pragmatic and efficient manner, will require a considerable amount of planning, effort, and expense on the part of Dominion's management. The historic sequence of main installations was to install cast iron, wrought iron and bare steel pipe in the early years and then in later years to install coated steel and plastic pipe. Therefore, it is reasonable to infer that most of the bare steel main in service today was installed prior to 1959.

Dominion Miles of Bare Steel, Cast and Wrought Iron by Decade Installed



	1900-1909	1910-1919	1920-1929	1930-1939	1940-1949	1950-1959	1960-1969	1970-Present
Bare Steel	222	148	535	244	790	1509	489	0
Cast Iron	1	24	7	2	0	0	0	0
Wrought Iron	40	15	19	3	0	1	0	0

Figure 2

3. Dominion's distribution main leaks by cause

During 2007 Dominion reported experiencing a total of 4,490 leaks that were eliminated or repaired on mains. Leaks due to corrosion on mains accounted for 3,582 or 80% of the Company's total number of leaks on mains (Figure 3). In 2006 this value was 78% and ranks Dominion in the top 16% of companies reporting more than 50 miles of bare steel in their system in 2006 (Figure 4).

Focusing on gas leaks is important because of the risk they may present to the public and company employees. For example, the proximity of homes or population centers to higher risk pipe (for example, bare steel and cast iron) coupled with the susceptibility of the pipe to leaks or catastrophic failure (breaks) is a safety risk associated with the pipe remaining in service.

Simply waiting and reacting to a failure by making repairs results in higher risks to the public. Operators with large amounts of aging pipe that begins to fail exposes the public to risk as pipe cannot be replaced overnight. This results in costly patrols and leak survey monitoring programs and repair crews responding to emergencies and at times under severe weather conditions.

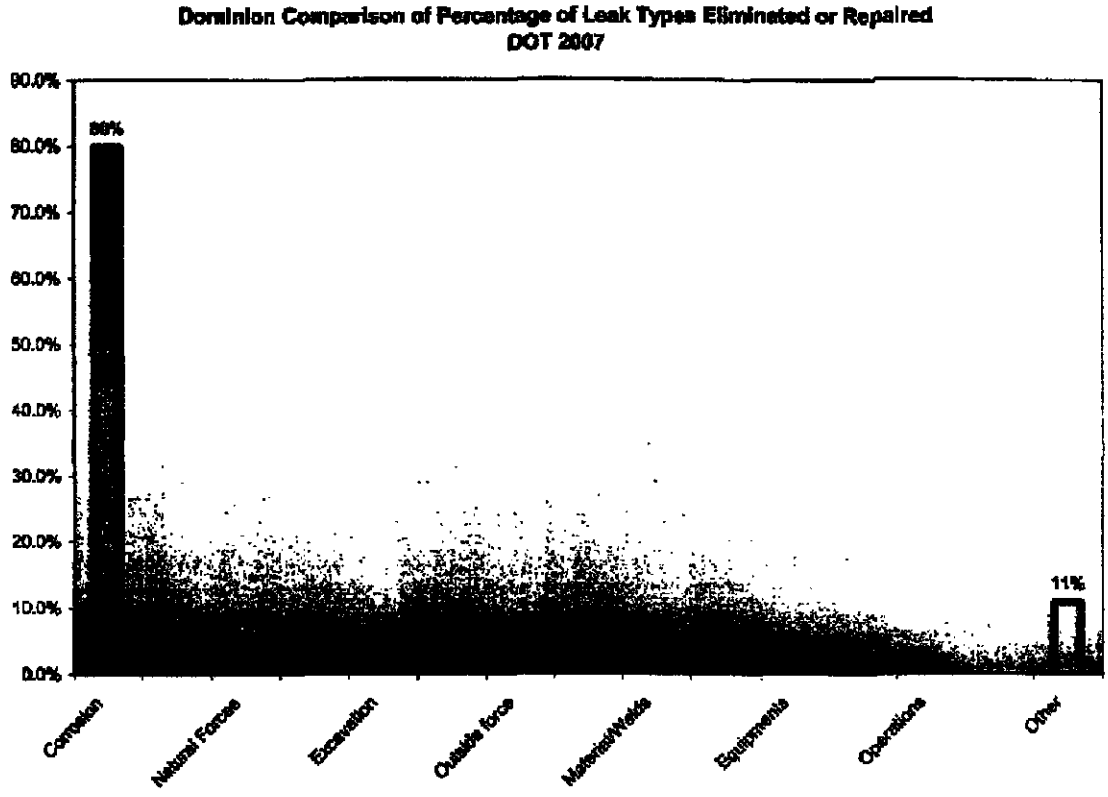


Figure 3

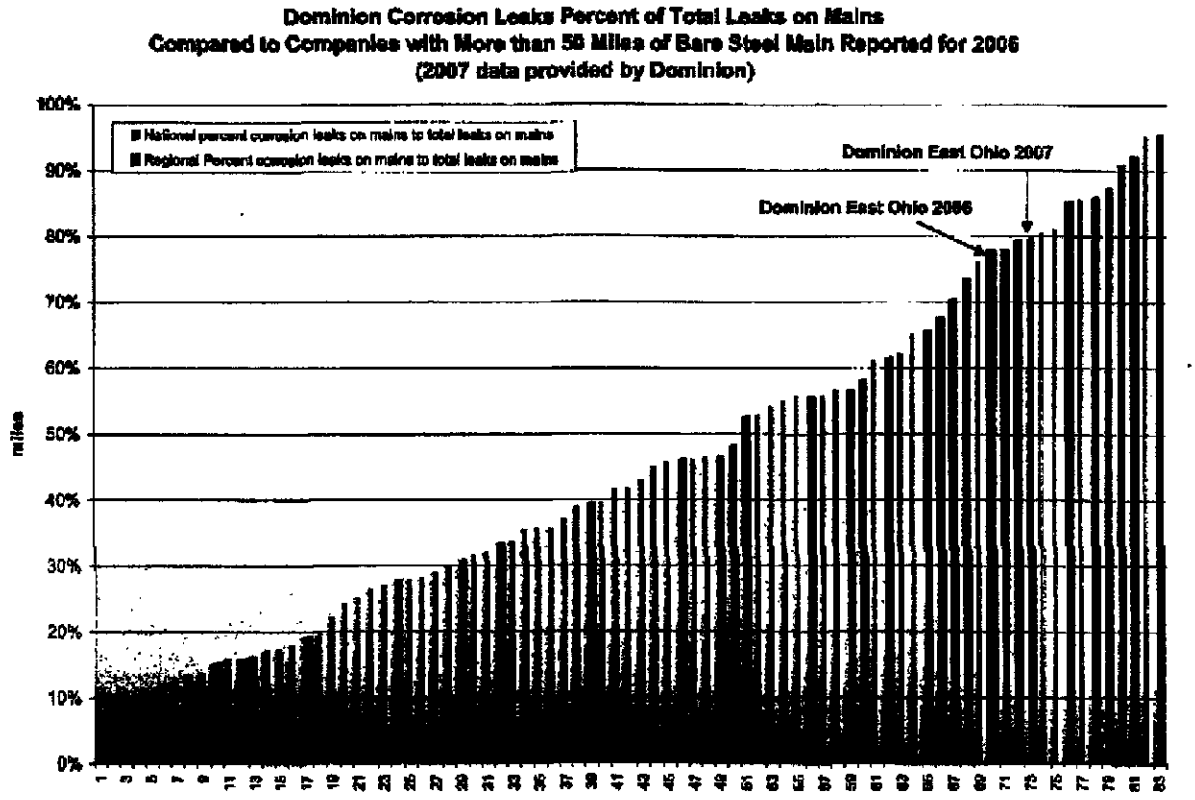

Dominion Corrosion Leaks Percent of Total Leaks on Mains
Compared to Companies with More than 50 Miles of Bare Steel Main Reported for 2006
(2007 data provided by Dominion)
National percent corrosion leaks on mains to total leaks on mains
Regional Percent corrosion leaks on mains to total leaks on mains
Dominion East Ohio 2007
Dominion East Ohio 2006
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
miles

Figure 4

4. Total corrosion leaks on distribution mains comparison - 2006

Dominion's reported number of corrosion leaks on mains in 2006 ranks as the highest among the 83 companies in the DOT database with more than 50 miles of bare steel in their systems. This is illustrated in Figure 5. Dominion reported eliminating or repairing 3,391 corrosion leaks on mains in 2006 and 3,582 in 2007. Figure 4 also illustrates Dominion's level of corrosion leaks in 2005.

The increase in corrosion leaks from 2005 to 2007 is further discussed in the next section.

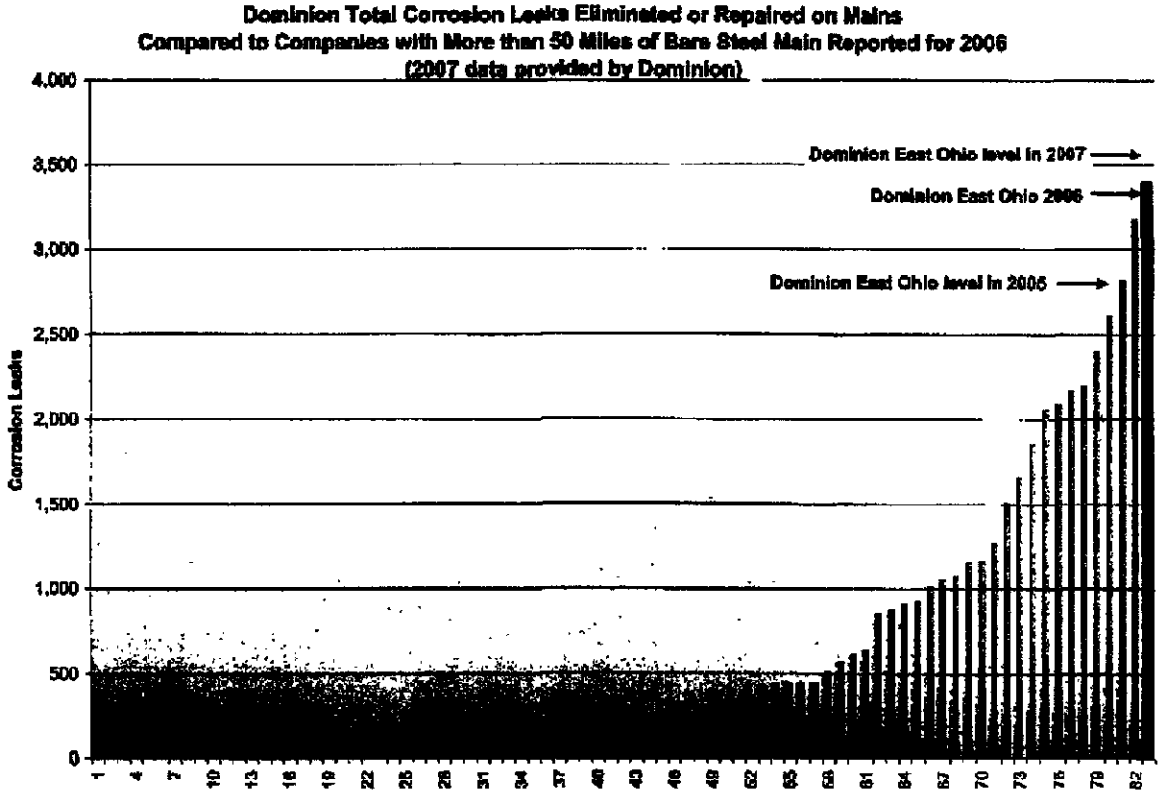


Figure 5

5. Dominion's distribution year-end backlog of leaks pending repair – 2002 - 2007

Each distribution operator is also required by the DOT to also report the number of leaks awaiting repairs at the end of each year (commonly known as leak backlog). Leaks remaining in backlog are not classified by cause until they are repaired or eliminated. Leaks in backlog typically include leaks on both mains and services, due to corrosion, natural forces, joints leaks, material or weld failure, outside forces, and other. Typically they do not include leaks due to third party excavations damage since those leaks are usually repaired the same day.

The number of leaks pending repair at the end of a year is a direct function of the amount of unprotected bare and coated steel pipe and cast iron inventory, its associated level of corrosion and joint leaks, and the Company resources available to repair or replace the offending sections of main. In addition to individual leaks being worked by the company until they are repaired, as sections of main are replaced, it will reduce the production of new leaks, and also eliminate the existing leak backlog associated with those main segments.

The significant increase in Dominion's reported number of corrosion between leaks from 2005 to 2007 may be due to the additional efforts that Dominion has put towards reducing its year-end backlog of leaks waiting to be repaired. Dominion's efforts to reduce its level of year-end leak backlogs are commendable.

Dominion may not have ranked as the company with the highest reported corrosion leaks on mains in 2006 if it had not significantly reduced its level of leaks awaiting repair at year end (backlog) by 3,038 leaks. We have been advised by Dominion that during the last two years it had taken extra efforts to significantly reduce the year-end backlog of leaks waiting to be repaired. The impact of this effort may have had the effect of increasing the number of corrosion leaks reported in 2006 and 2007. This is because as leaks in backlog were repaired, they were then classified according to initial cause, including corrosion.

A trend line analysis of the 2002-2005 period estimates a 2006 level to be 2,855.

In 2006, a corrosion leak level of 2,855 corrosion leaks on mains leaks would have ranked second highest in the nation. This is further discussed in the next section.

While the extra effort of reducing Dominion's backlog of leaks may have resulted in additional corrosion leaks being identified, compared to if the level of backlog leaks had remained the same year to year. The fact remains that Dominion's number of leaks due to corrosion is high and will go higher as the corrosion process continues on these aging pipes. Dominion's corrosion leak rate is currently the highest in the nation. It may remain in that position until it retires or replaces a significant amount of its bare steel.

Figure 6 illustrates Dominion's change in year-end backlog of leaks and the number of corrosion leaks on mains reported for the period 2002 – 2007.

The average number of corrosion leaks for 2002-2005 was 2,639 per year and a linear trend analysis (shown on Figure 5) for this period results in a 2006 value of 2,855 leaks and a 2007 value of 2,942 leaks. It is reasonable to assume that based on the age of Dominion's bare steel system and the increase in corrosion leaks observed between 2002 and 2005, that if Dominion's annual level year-end leak backlog in 2006 and 2007 had remained at the same level as prior years, the number of

corrosion leaks would likely have increased, but not to the 2007 reported level of 3,500 corrosion leaks per year.

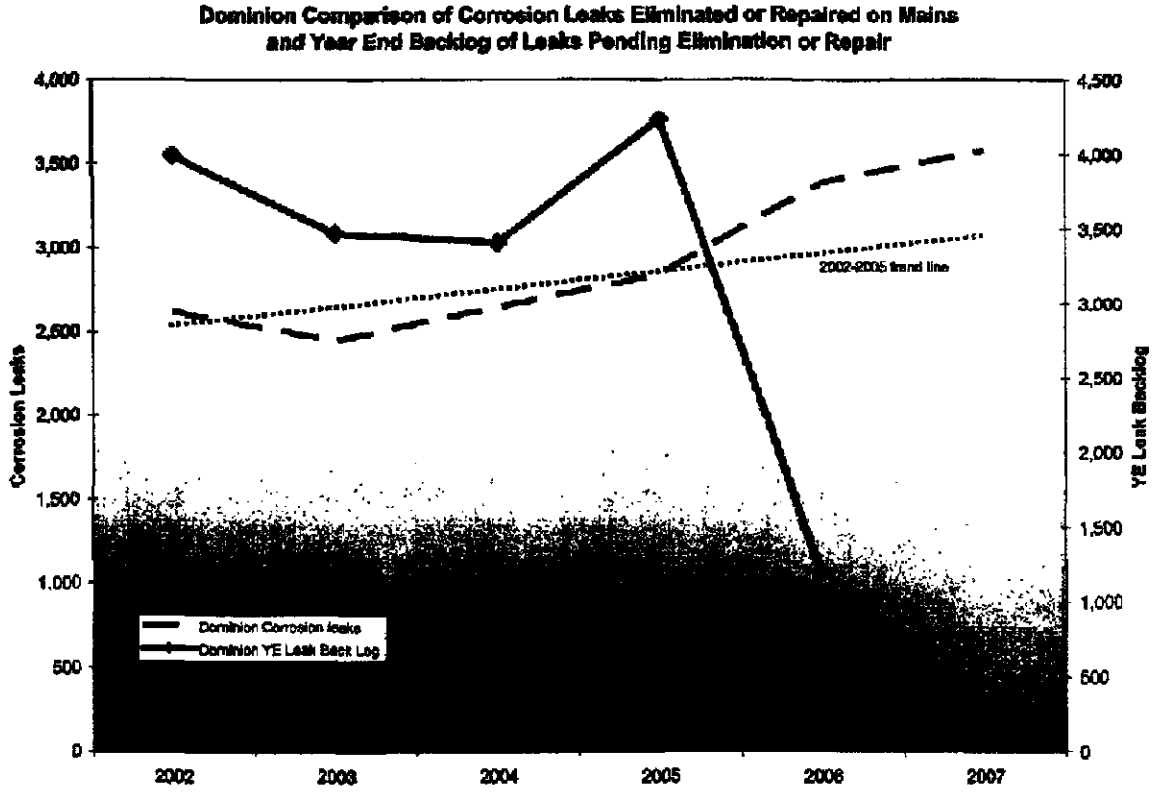


Figure 6

Whether the annual number of corrosion leaks is 2,600 or 3,500, Dominion's large number of corrosion leaks, resulting from a very large inventory of aging bare steel mains, creates additional safety, reliability and maintenance risks that it must diligently manage.

Dominion's PIR program should reduce substantially the number of corrosion leaks, as more and more bare steel mains are either retired or replaced.

6. Total corrosion leaks on distribution mains compared to bare steel main inventory

In 2006 Dominion's rate of replacement of non-cathodically protected bare steel was 34 miles approximately 0.9% of its inventory (3,862 miles) and the nation's was 3.7%. In 2007 it was 25 miles (0.6%). Figure 7 illustrates the reduction in Dominion's bare steel inventory and the change in corrosion leaks on mains for the period 2002 – 2007.

Extrapolating Dominion's 2006 rate of bare steel replacement (34 miles per year) into the future would result in the replacement of its bare steel main inventory (not including cast) in approximately 114 years, compared to approximately 26 years for the nation as a whole (not including Dominion). Dominion's 2007 replacement rate would result in the replacement of its bare steel main inventory in approximately 155 years.

Dominion's bare steel, and cast & wrought iron mains are its oldest pipelines. The Company reports that 1,149 miles of bare steel main are in the pre-1940 category. Dominion's bare steel mains have been in the ground an average of 63 years. We understand that the newest vintage of the Company's risk mains are those installed in the 1960's. While the Company will replace mains based on their risk priority, if it was to replace the oldest mains first, it would result in the last main being replaced when it is 153 years old.

Black & Veatch believes that these mains will continue to corrode at an increasing rate for reasons discussed in this report, and that Dominion's present rate of main replacement increases the risk to its customers.

Figure 7 also illustrates that while the Company has been retiring or replacing its bare steel inventory, it has reported an increase in the number of corrosion leaks on mains that have been either eliminated or repaired each year. The significance of this data was discussed in the prior section.

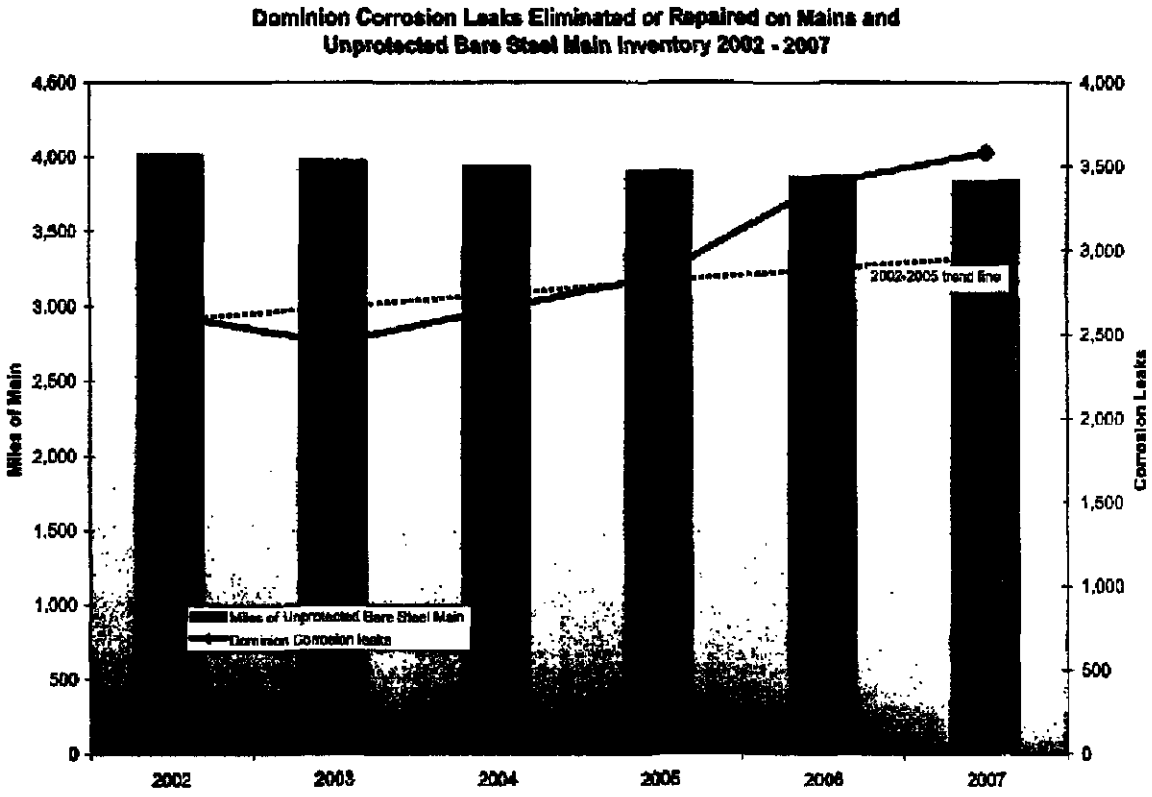

Dominion Corrosion Leaks Eliminated or Repaired on Mains and Unprotected Bare Steel Main Inventory 2002 - 2007
Miles of Main
Corrosion Leaks
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
2002-2005 trend line
Miles of Unprotected Bare Steel Main
Dominion Corrosion leaks
2002
2003
2004
2005
2006
2007

Figure 7

7. Dominion's change in corrosion leaks on distribution mains – 2002 - 2007

For the period 2002 – 2007, the Company had reported a high level of corrosion leaks eliminated or repaired on mains compared to the average of regional companies. This is illustrated in Figure 8 where it is compared to the average number of corrosion leaks for regional companies with more than 50 miles of bare steel main in their systems. In 2006 Dominion reported 3,391 corrosion leaks eliminated or repaired on mains and in 2007 it reported 3,582. We have included in the graphic the 2002-2005 annual corrosion leak trend line as discussed previously.

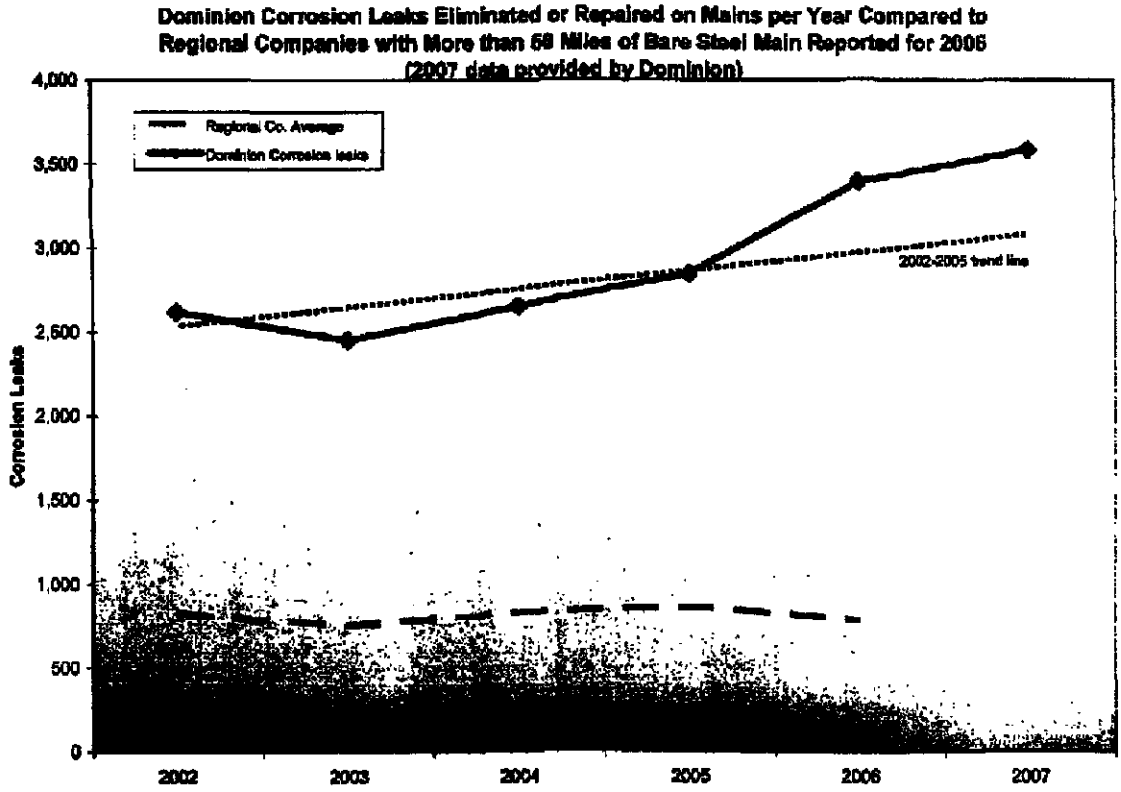


Figure 8

8. Corrosion leaks per mile of non-protected bare steel and coated steel distribution mains – 2006

The measure of corrosion leaks per mile of unprotected bare steel and coated steel main is a frequently used metric to illustrate the condition of these mains in a distribution system. Figure 9 compares for 2006, this measure for all companies having mo re than 50 miles of bare steel main in their system. It can be seen that Dominion's 2006 rate of 0.56 is better than the region and national averages. The average rate of the regional companies is 1.29 and average rate of the national companies is 0.96 (not including Dominion). In 2007 Dominion's rate rose to 0.59[3].

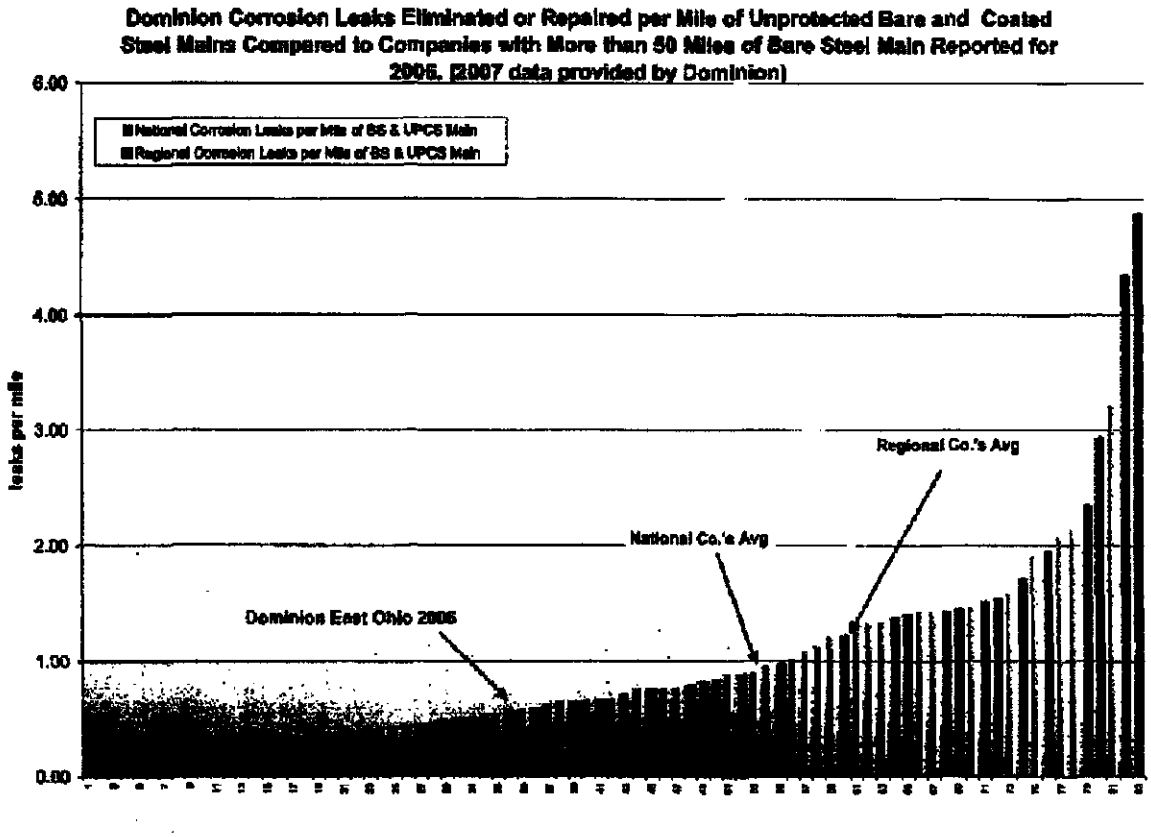


Figure 9

[3] Dominion believes that their miles of unprotected coated steel mains may be overstated. If this was true, this would result in a lower corrosion leak rate per mile than would otherwise be calculated if the miles of unprotected coated steel mains were lower. To illustrate this, if Dominion had no unprotected coated steel mains its corrosion leak rate for 2006 would be 0.88 compared to the average of regional companies of 1.48 (using the same calculation).

9. Change in Dominion's corrosion leaks per mile of non-protected bare steel and coated steel distribution mains – 2002 - 2007

The plot of Dominion's corrosion leaks per mile of unprotected bare and coated steel main and the regional companies for the period 2002 - 2007 is presented in Figure 10.

Dominion's corrosion leak rate per mile in 2006 was 0.56 corrosion leaks per mile of unprotected bare and coated steel main and in 2007 it was 0.59. In addition, because of the impact that the reduction in leak backlog likely had on Dominion's corrosion leak rate, we have also estimated, based on the 2002-2005 corrosion leak rate trend line analysis, the 2006 and 2007 corrosion leak rate to be 0.47 and 0.49 respectively.

If Dominion's corrosion leak rate was to rise to the level of the average corrosion leak rate for regional companies in 2006, we believe that Dominion would experience an increase in leaks of such levels that would create additional risks and likely severely challenge the Company's ability to keep up with its leak management duties. We have estimated Dominion's theoretical number of leaks (assuming Dominion's leak rate was to rise to the level of regional companies) based on assuming the reported Dominion inventory of unprotected bare and coated steel main. If Dominion's corrosion leak rate of 0.56 was to rise to the level of the average leak rate for regional companies in 2006 (1.29), that would mean that its annual corrosion leaks would increase from 3,391 (in 2006) to 7,855 leaks. This would be a 132% increase in the number of leaks[4]. We believe that the risk associated with such an increase in number of leaks must be avoided.

Black & Veatch believes that such a higher level of leaks would add incremental risks to the public and Dominion. We support the Company's decision to begin an accelerated replacement program of its aging mains to drive down the 2007 corrosion leak rate of over 3,500 leaks per year and to improve the safety and reliability of their system. Without an accelerated mains replacement program, we believe that the Dominion's rate of corrosion leaks will continue to increase.

[4] As noted, Dominion believes that its number of miles of unprotected coated steel may be overstated. If we assume that Dominion has no unprotected coated steel main and if Dominion's corrosion leak rate of 0.56 was to rise to the level of the average leak rate for regional companies in 2006 (1.48), that would mean that its annual corrosion leaks would increase from 3,391 (in 2006) to 5,716 leaks. This would be a 69% increase in the number of leaks.

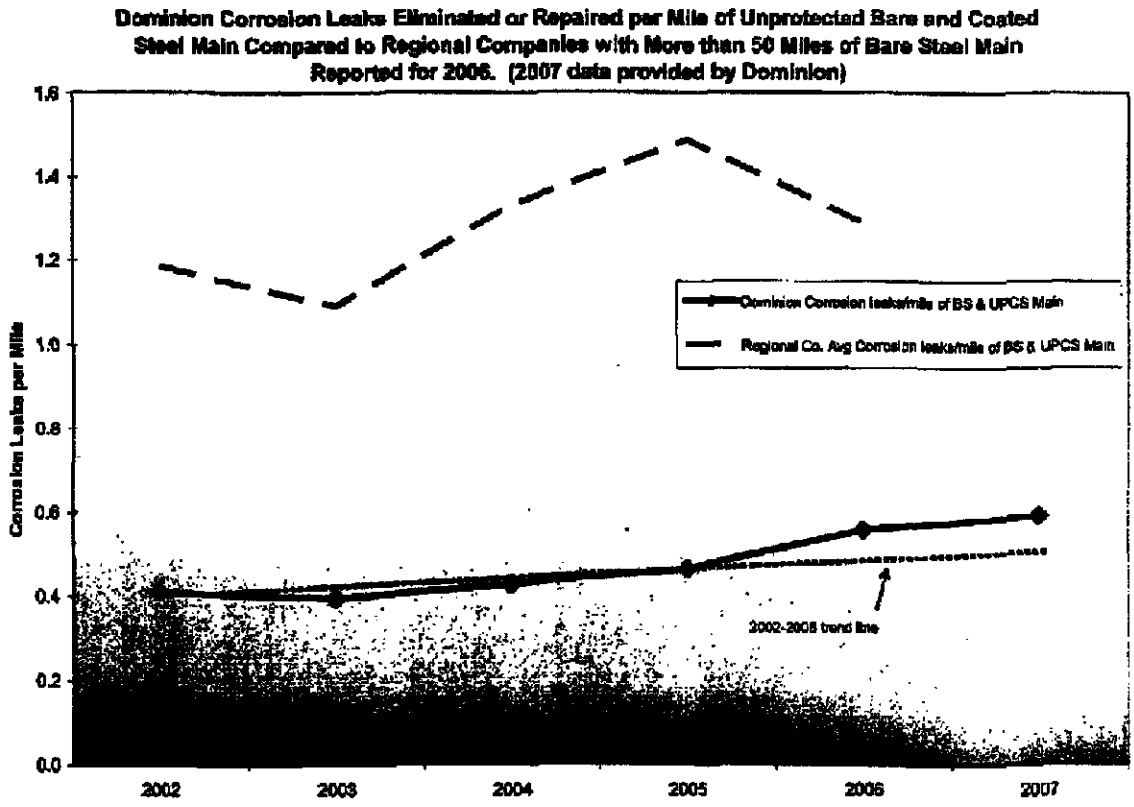

Dominion Corrosion Leaks Eliminated or Repaired per Mile of Unprotected Bare and Coated Steel Main Compared to Regional Companies with More than 50 Miles of Bare Steel Main Reported for 2006. (2007 data provided by Dominion)
Corrosion Leaks per Mile
1.6
1.4
1.2
1.0
0.8
0.6
0.4
0.2
0.0
2002
2003
2004
2005
2006
2007
Dominion Corrosion leaks/mile of BS & UPCS Main
Regional Co. Avg Corrosion leaks/mile of BS & UPCS Main
2002-2006 trend line

Figure 10

10. Pipeline corrosion science - industry data

Black & Veatch's opinion is supported by our gas distribution industry experience, data and science. For example, the modes of failure and the mechanisms associated with bare steel corrosion are well understood by corrosion experts and documented in a number of texts on the topic. It is a known fact that bare steel pipe, buried in the earth where there is moisture in the soil and without cathodic protection, will corrode over time. This corrosion may occur over the entire surface of the pipe and it may take many years before the first single corrosion leak occurs. However, once the first leak on a pipeline segment occurs, there are other points on the pipe where it is loosing metal and where pits are becoming deeper and deeper due to corrosion. As the corrosion pitting continues and the pipes continue to loose metal, these pipes will experience additional leaks in a shorter and shorter timeframe as the corrosion pits completely breach the wall of the pipe. Eventually many additional points of corrosion may result in an unmanageable leak rate as the pipe becomes fragile and sometimes unrepairable.

This deterioration mentioned above is a function of time in the ground, moisture levels, and soil type, etc. This fact is evidenced by the fact that the DOT has not allowed the installation of bare steel for gas service since 1971. Furthermore, an early scientific reference regarding the failure rate of buried steel pipe was given in the book "Soil Corrosion and Pipe Line Protection" by Scott Ewing Ph.D. published in 1938. In the text the performance of the service pipes in the Philadelphia Gas Works System was plotted and showed that corrosion leak occurrences over time on bare steel pipe increased at an exponential rate. This graph is shown below in Figure 11. When this text was written the natural gas industry was still in its infancy and the high performance materials such as plastic and well coated and cathodically protected steel were not available or well understood.

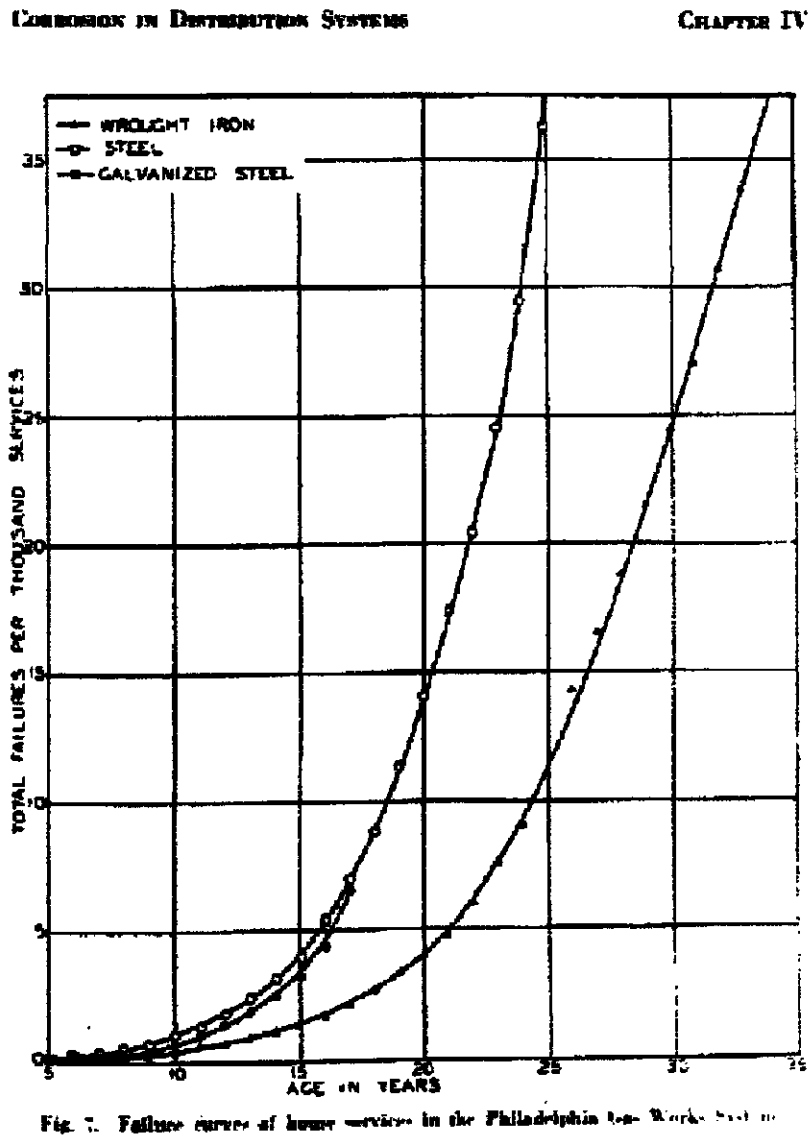


Figure 11 - Chart from 1938 text showing exponential leak rates for bare steel pipe in gas service

This very same finding is corroborated today in more modern corrosion science texts. One such text which is considered by many to be a foundational book for the study of corrosion is "Peabody's Control of Pipeline Corrosion" by A.W. Peabody, published by the National Association of Corrosion Engineers International, the Corrosion Society (Second Edition 2001). This text published more than 60 years after the Ewing text reaffirms the fact that leak incidents on bare pipe will occur at an exponentially increasing rate. In the Peabody text this is shown as an example plotted on semi log paper. A copy of the graph used to describe this in the Peabody text (Figure 15.1 in Peabody) is shown in Figure 12 below.

As can be seen on this graph, no leakage occurs during the initial life of the pipe (first leak occurred 4 years after placing the piping in service). Then, in the next 4 years, 1.5 new leaks occurred. Then,

15. Dominion's number of bare steel services comparison - 2006

When comparing the number of bare steel services among the companies reporting having more than 50 miles of bare steel main in 2006, Dominion had the highest number of bare steel services in the nation (approximately 671,500 or 52% of Dominion's services). This is illustrated in Figure 19. This is a significant number of services that will need to be replaced. We were advised by Dominion that the majority of these services are included in its proposed PIR program.

Bare steel gas services have thinner wall thicknesses than bare steel gas mains and if they are not cathodically protected they will likely exhibit a leak due to corrosion faster than mains.

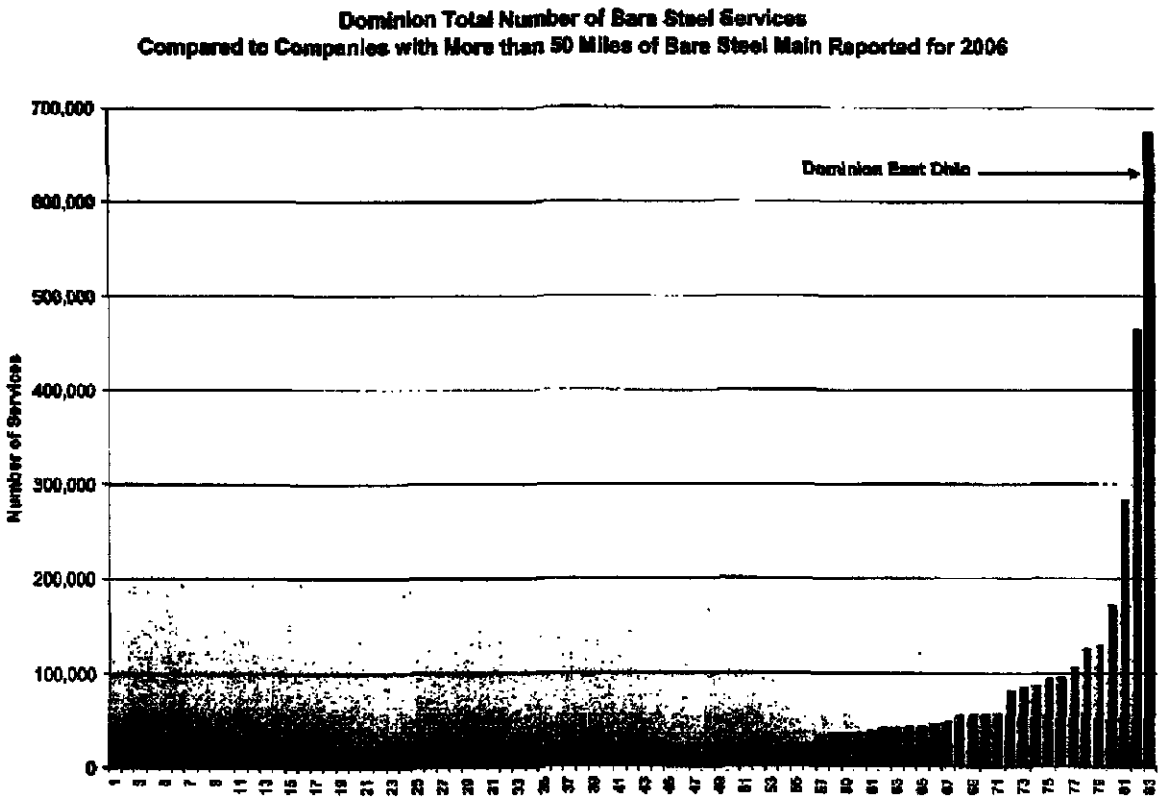


Figure 19

16. Dominion's corrosion leaks per 1,000 unprotected bare and coated steel services comparison - 2006

Figure 20 illustrates a comparison of the measure of corrosion leaks per 1,000 bare and non-protected steel services among companies with more than 50 miles of bare steel mains.

Dominion's ranking in this metric is favorable to the other national and regional companies. However, continued improvement is required to further reduce the annual number of corrosion leaks on services from the 2007 reported level of 4,054.

As part of the Company's efforts to reduce service related leaks, Black and Veatch believes that Dominion should follow the industry's best practices of replacing such services at the time the bare and non-protected coated steel mains are replaced. In addition, it may be necessary to replace existing coated steel services, if field supervision determines this to be prudent due to the condition of the existing coated steel service. There is a significant benefit to the gas customers in the efficiency of gas service leak repair when replacement of bare steel or otherwise deteriorated services occurs at the time of main replacement. In doing this there is an economic advantage, since this work is completed by crews already on site under the same work permit and without the need to perform the very costly leak investigation.

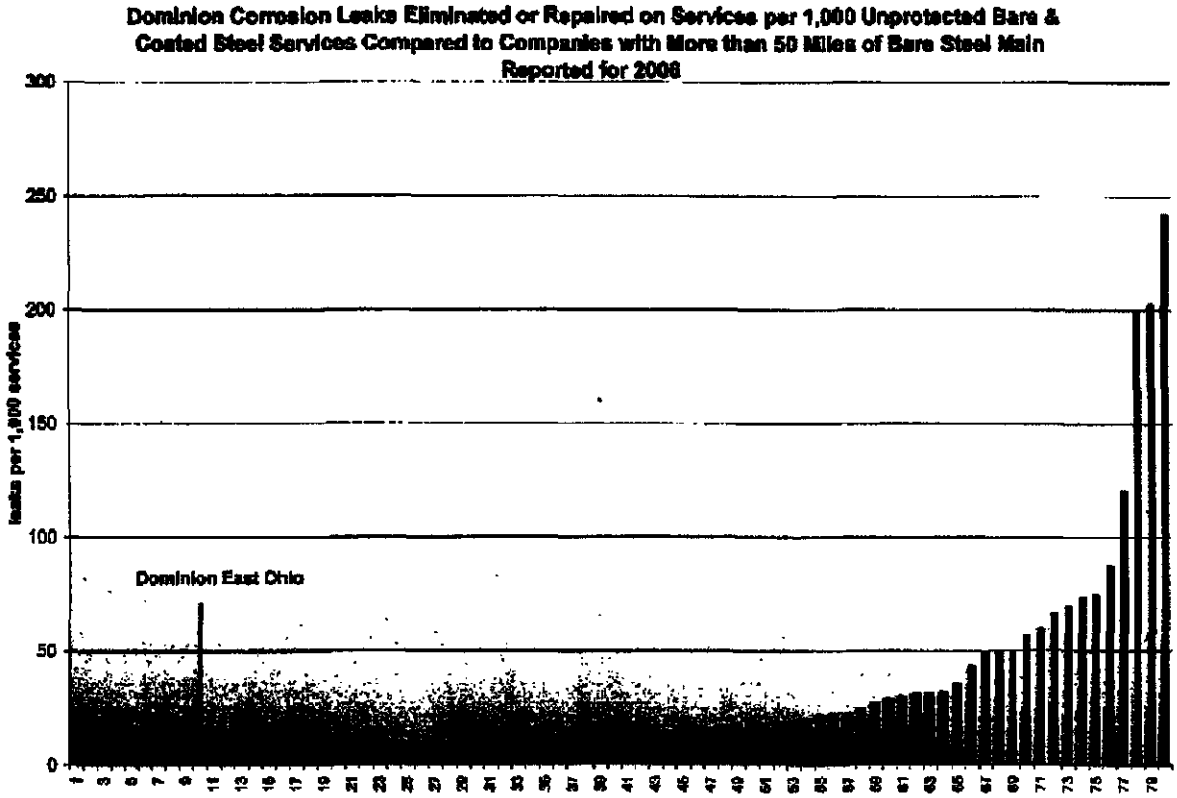


Figure 20

17. Dominion's cast and wrought iron mains

The natural gas industry typically includes cast and wrought iron mains among its list of higher risk main materials, along with bare steel mains. These mains are among the oldest mains remaining in distribution systems dating back to before the 1900's and are a problem for distribution operators because of the way they leak. Just like with bare steel mains, the DOT no longer permits these mains to be installed.

Cast iron main sections are typically joined together by jute and lead caulking at its bell and spigot joints. Over time these joints become dried out and due to the flexing of the pipe that may occur due to traffic vibration, seasonal weather, and construction activities, these joints eventually leak. Of greater concern is the fact that cast iron mains are more susceptible to cracks or main breaks due to earth movement. Such breaks are of a major concern due to the amount of gas that may be released in such circumstances. Unlike a corrosion leak that starts small, often a cracked main may leak at such a high rate that it can quickly saturate the area around the leak with natural gas and it may enter underground passageways to homes or other confined spaces such as underground utility vaults and sewers. Cast iron main breaks are particularly a concern during very cold temperatures when frost may cause additional stresses on these mains and when frost may also make the earth's surface an impermeable surface unable to allow the gas to vent out safely. The inability of the gas to safely escape increases the risk to near-by residents as this gas follows the path of least resistance which all too often is the basement of the house. Cast iron is capable of corroding under the right soil conditions, but is much more likely to leak at joints or crack in a brittle failure mode. Wrought iron, while less brittle than cast iron main, is subject to corrosion. A viewing of the chart provided in Figure 11 shows the corrosion of wrought iron as being similar to bare steel in its exponential leak rate growth. It too is part of the family of poor performers that needs replacement.

Regarding the replacement of cast and wrought iron mains, 86 miles or 77% of Dominion's cast iron and wrought iron mains are smaller than 4 inches in size. Smaller diameter mains experience higher stresses when placed under bending moments due to forces. Such higher stresses pose an increased risk of cracking.

Dominion has 112 miles of cast and wrought iron mains in its distribution system. It is Black & Veatch's opinion that similar to the bare steel mains, these mains should be also targeted for replacement under the Company's proposed 25-year replacement program. Such replacements should be prioritized based on the analysis of data using all of the tools available to Dominion's management. These miles of cast and wrought iron are included in Black & Veatch's estimate of approximately 162 miles per year to be replaced under Dominion's 25-year PIR program.

CONCLUSIONS

Throughout this report, Black & Veatch has compared Dominion's bare steel piping, using various measures, against other national and regional distribution and transmission operating companies that reported to DOT having more than 50 miles of bare steel distribution mains or 10 miles of bare steel transmission piping in their systems in 2006.

Our key findings and opinions are summarized as follows:

1. Of all of the distribution gas operating companies reporting to the DOT in 2006, Dominion has the greatest amount of bare steel mains remaining in its distribution system. At the end of 2006, Dominion reported having 3,862 miles of bare steel in its distribution system. Dominion's inventory of bare steel main is 20% of its total inventory of mains.
2. Dominion's 2007 data also shows that 80% (3,582) of its total leaks on mains (4,490) were caused by corrosion.
3. Dominion reported the highest number of corrosion leaks on mains in the nation in 2006 with 3,391 leaks. Dominion's efforts to reduce the number of leaks in their year-end back log of leaks waiting to be repaired likely resulted in increasing the number of corrosion leaks reported for the year. A trend line analysis of the 2002-2005 period estimates a 2006 level of corrosion leaks on mains to be 2,855. In 2006 a corrosion leak level of 2,855 corrosion leaks on mains would have ranked second highest in the nation.
4. The data also shows that even with this high number of corrosion leaks on mains per year, Dominion has maintained a corrosion leaks per mile of bare and non-protected coated steel mains rate that was lower than the average rate of regional companies. However, if the Dominion's corrosion leak rate was to rise to the level of the average leak rate for regional companies in 2006, that would mean that its annual corrosion leaks would increase from 3,391 to 7,855 leaks (a 132% increase)7. We believe that the risk associated with such an increase in number of leaks must be avoided.
5. We believe that a rise in leak rates that mirrors the average of regional companies would create additional safety risks, as well as create a serious leak management challenge for the Company. It is our opinion that the focus of Dominion's efforts must be towards prioritizing the worst mains for replacement first and accelerating the replacement of these aging mains before the leak rate gets out of hand. Without such an accelerated replacement effort it is our opinion that Dominion will face the risks associated with an increasing number of corrosion leaks.
6. In 2006 Dominion replaced 34 miles its bare steel distribution mains at a rate of approximately 0.9% per year as compared to the national average replacement rate of 3.7% per year. At the present Dominion replacement rate, it would take the Company 114 years to eliminate its aging bare steel mains compared to 26 years for the nation as a whole (not including Dominion). Dominion proposed accelerated replacement program (25 years) is in line with the national average. With Dominion having the largest amount of bare steel and a high number of corrosion leaks on mains, Black and Veatch believes that such action by Dominion is prudent and reasonable.

[7] As noted, Dominion believes that its number of miles of unprotected coated steel may be overstated. If we assume that Dominion has no unprotected coated steel main and if Dominion's corrosion leak rate of 0.88 was to rise to the level of the average leak rate for regional companies in 2006 (1.48), that would mean that its annual corrosion leaks would increase from 3,391 (in 2006) to 5,716 leaks. This would be a 69% increase in the number of leaks.

in the next 4 years, 4.5 new leaks occurred. Then, in the next 4 years, 11 new leaks occurred. This accelerating occurrence of leaks continues at a rate that places the cumulative leak count off the scale, past the 23rd year, with more than 100 cumulative leaks occurring. What is important to note is not that the leaks are occurring, but that they are occurring at an ever increasing frequency as a function of time.

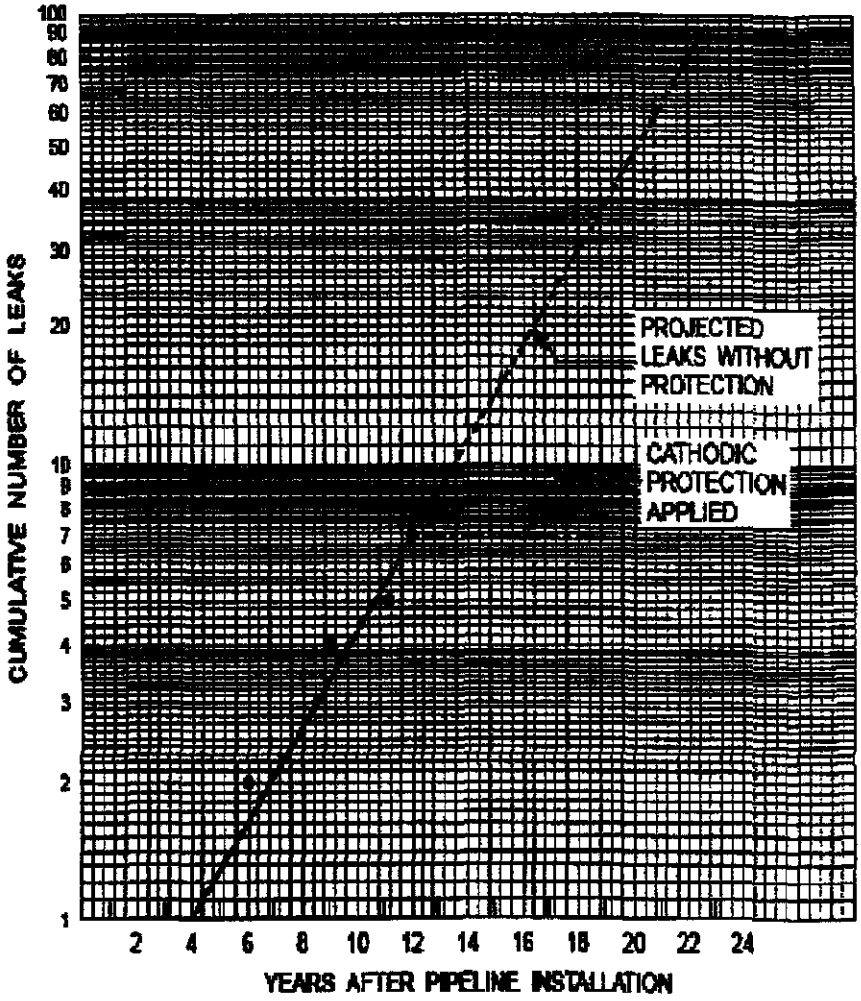


Figure 15.1 Cumulative number of leaks without CP.

Figure 12 - Chart from 2001 text showing exponential leak rates for bare steel pipe in gas service.

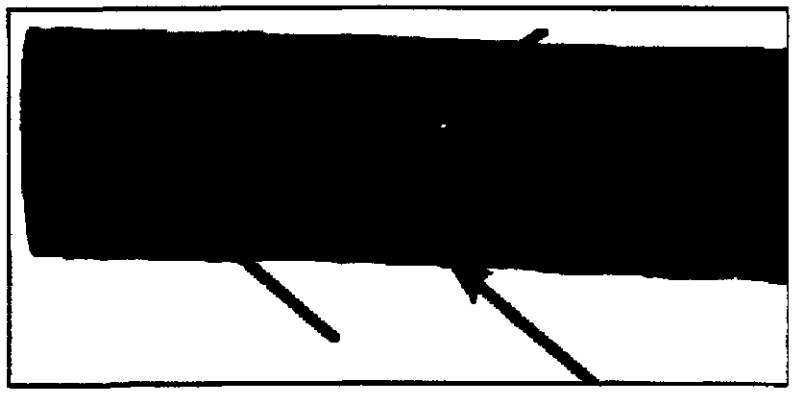
This exponential growth of leak occurrences on bare steel pipe is scientifically documented as indicated in the text above. This exponential growth of leak occurrences on bare steel pipe is also well known by experienced gas system operators who perform bare steel repairs and find themselves installing leak repair sleeve after sleeve on sections of corroding pipe.

This increasing frequency of leak incidents is also intuitively evident based on the corrosion mechanisms. Intuitively speaking, the wall thickness of a pipe is undergoing continuous deterioration by corrosion. In some locations the deterioration is more aggressive than in other

locations. Typically the wall thickness is many times thicker than needed to resist the hoop stresses caused by the pipeline pressure. When the first few corrosion leaks occur in a pipe segment, it is intuitive that many more future leaks are nearing their emergence as the corrosion pits become deeper and approach the point where they have fully breached the wall of the pipe and allow the gas to escape. In many cases although the wall thickness is penetrated at only a single point it can be seen that the entire pipe may have been degraded to the point where future leaks will occur at an ever increasing rate. This is visually obvious by viewing the piece of corroded pipe shown from the DOT OPS website in Figure 13. In this excerpt and picture, there may be only a few points of actual leakage, but as can be seen the pipe shows signs of distress along the entire wall thickness.

Corrosion is the deterioration of metal pipe. Corrosion is caused by a reaction between the metallic pipe and its surroundings. As a result, the pipe deteriorates and may eventually leak. Although corrosion cannot be eliminated, it can be substantially reduced with cathodic protection (see FIGURE II-1).

FIGURE II-1 BARE PIPE -NOT UNDER CATHODIC PROTECTION



An example of bare steel pipe installed for gas service. Note the deep corrosion pits that have formed. Operators should never install bare steel pipe underground. Operators should use either polyethylene pipe manufactured according to ASTM D2513 or coated steel pipe as new or replacement pipe. If steel pipe is installed, that pipe must be coated and cathodically protected.

Figure 13 - Excerpt from DOT OPS website http://ops.dot.gov/regs/small_ng/Chapter3.htm

The following photograph was provided by Dominion as an additional illustration of the degree to which corrosion can destroy the integrity of bare steel pipelines. In the photo, when a section of bare steel main was cleaned of dirt and scale, it revealed a corrosion hole in the pipe (Figure 14).

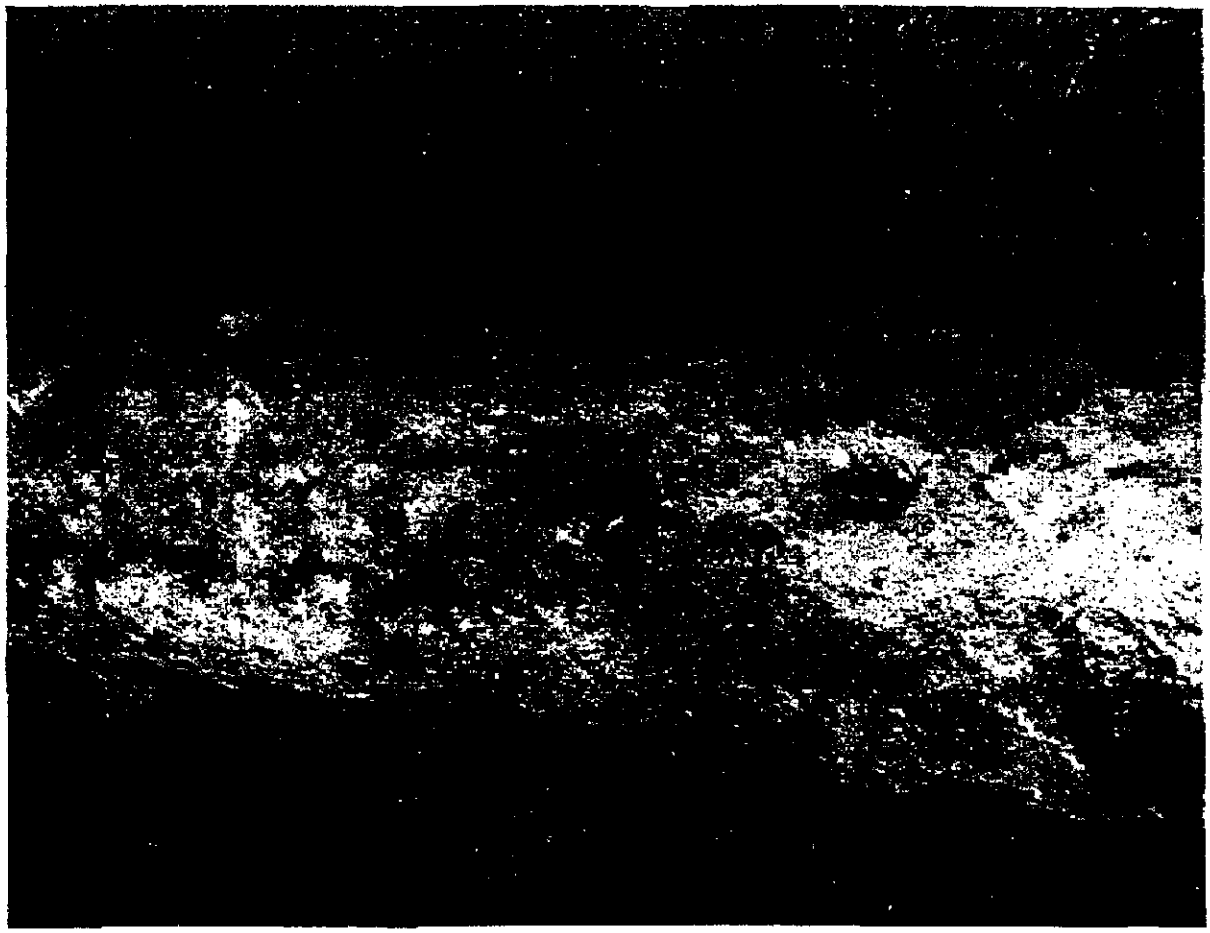


Figure 14

The issue that Dominion faces is not "if" it will need to replace its bare steel mains, but over what time frame it will need to replace mains to best serve the needs of its customers. With the clear understanding that Dominion's system is aging (with new corrosion pits approaching the point of leakage), and with the knowledge that the leak occurrence rates are a function of the number of years a main segment is exposed to a corrosive environment (the age of the mains), there are a number of scenarios that could be considered. For example:

Scenario 1 - Status Quo

In this scenario, Dominion may continue at its present rate of pipeline replacement. As discussed previously, at the Company's 2006 bare steel replacement rate, it would take another 114 years to replace these mains. While the Company will replace mains based on their risk priority, if it was to replace the oldest mains first, it would result in the Dominion's late vintage of main installed in the 1960s being replaced when it is 153 years old.

When these main segments age to the point that they begin to experience a continuing increase in the number of corrosion leaks and a corresponding increase in the leaks per mile, this situation will challenge Dominion's ability to manage risk and to keep up with the necessary level of leak repairs. This problem is not unique to Dominion – other companies that have a very large inventory of bare steel pipe are faced with the same challenge. When greater amounts of pipe begin to experience a

continuing increase in the number of corrosion leaks, the additional leaks increase the risks, as well as increase the costs to remedy the problem. For these reasons, Black and Veatch does not recommend this approach.

Scenario 2 – Proactive

In this scenario, Dominion would replace its bare steel mains at a rate significantly greater than today, while remaining manageable beginning with the mains that are in the worst condition, as identified by Dominion management, using all of its decision making support tools.

Dominion's management has stated that it has determined the shortest manageable time frame to complete the necessary main replacements is 25 years. Under this scenario Dominion would strive to replace or retire five and a half times the amount it replaced in 2007[5] or approximately 162 miles per year[6]. Black & Veatch believes that this rate of replacement is a reasonable expectation and would bring Dominion in line with the current nationwide average rate of replacement.

This proactive approach would provide a planned mechanism to replace or retire Dominion's entire aging higher risk pipe with mostly plastic, and in some instances, with cathodically protected coated steel pipe. In Black and Veatch's opinion, this is the most prudent scenario because it helps protect the safety of the Company's customers while avoiding numerous repairs of the piping before its eventual replacement.

However, if during the planned 25 year replacement program Dominion observes that the rate of corrosion leaks per mile is increasing and becomes unmanageable, it may need to increase the rate of replacement of its aging higher risk mains.

It should be noted that other companies in the same region as Dominion have also realized the need to replace their bare steel, cast and wrought iron mains. Duke Energy Ohio had presented its case for the replacement of its bare steel to the PUCO and requested rate relief and the authorization to institute an Accelerated Mains Replacement Program ("AMRP") tracker. The PUCO approved the program and the tracker. The request by Duke Energy was for the replacement of all the bare steel and cast iron main over a 10 year period. According to Gary Hebbeler's recent testimony on behalf of Duke Energy, in Case No. 07-589-GA-AIR, it had replaced 559 miles of cast iron and bare steel during the period 2001-2006. This equates to 93 miles per year compared to Dominion's plan to replace approximately 162 miles per year for the next 25 years. While Duke Energy's 10-year replacement program may appear to be more aggressive than Dominion's 25 year plan, one must recognize that for the Company to replace its bare steel mains in 10 years, it would need to replace about 400 miles per year. This is over four times the amount of miles that Duke Energy replaced each year. In our opinion it is not reasonable to plan for a replacement program of a higher magnitude than Dominion is instituting as long as its corrosion leak levels remain under control. As it is, the Company is planning to replace approximately 162 miles per year which will be a resource challenge. Duke Energy's replacement program, as testified by Mr. Hebbeler, has resulted in a significant reduction of leaks from 6,223 leaks in 2002 to 4,196 leaks in 2006 when the replacement program was only 48% complete. Black and Veatch would expect similar results for Dominion as its program is implemented.

[5] 2007 replacements equaled 29 miles based on 25 miles of bare steel distribution main, 3 miles of cast iron and 1 mile of transmission bare steel

[6] Assumes 4,055 miles to be retired or replaced: (3,907 miles of bare steel, 112 miles cast and wrought iron and 1 mile of copper mains and 35 miles of bare steel transmission piping).

11. Miles of bare steel transmission comparison – 2006

In 2006, Dominion reported having 62 miles of cathodically protected bare steel pipe. These values are compared to national and regional companies in Figure 15.

Dominion's high-pressure transmission system in 2007 consisted of 35 miles of cathodically protected bare steel pipe. This is 2.8% of its total transmission system mileage. The 27-mile reduction in cathodically protected bare steel pipe mileage from 2006 to 2007 is due to the Company replacing 1 mile of pipe and reclassifying 26 miles of transmission pipe to distribution main.

While other transmission companies continue to maintain non-cathodically protected bare steel transmission piping, Dominion has no transmission mains that are not cathodically protected.

Dominion Transmission- Total Miles of Bare Steel Compared to Companies with More than 10 Miles of Bare Steel (w/CP and w/o CP) Reported for 2006

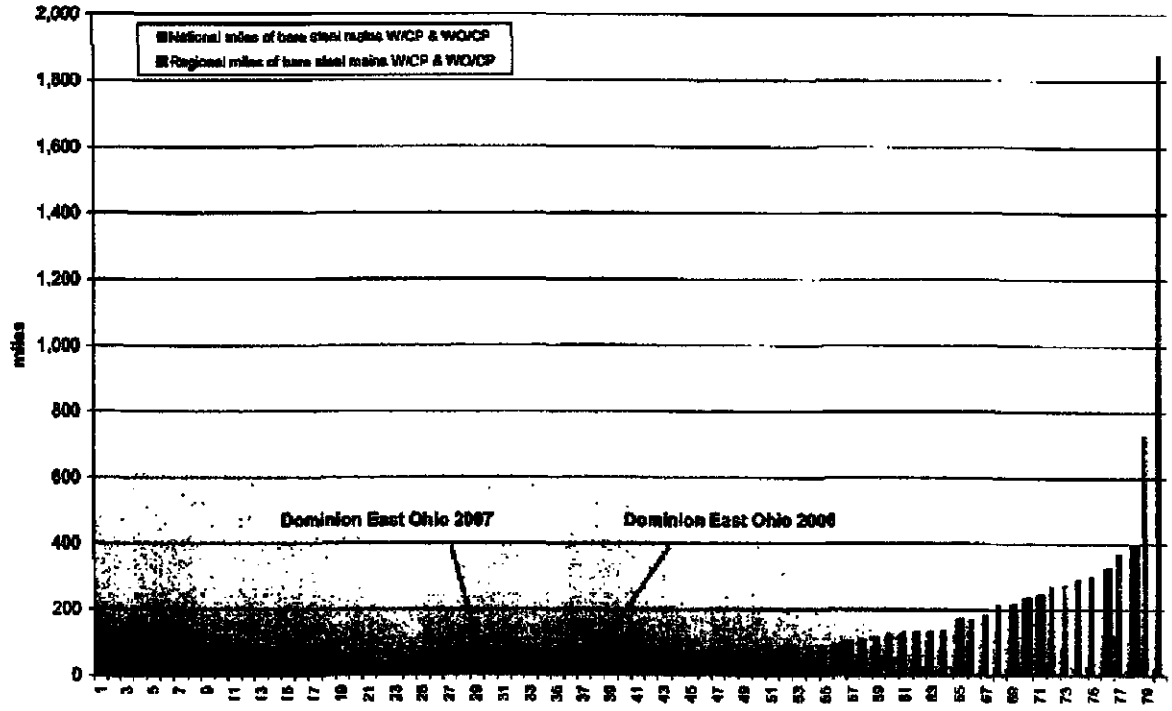


Figure 15

12. Total corrosion leaks on transmission piping compared to bare steel main inventory

Figure 16 illustrates the reduction in Dominion's bare steel transmission piping for the period 2002 – 2007. In addition it also illustrates the reduction in corrosion leaks reported each year. One may note that the number of transmission leaks due to corrosion is relatively small compared to distribution system corrosion leaks, however, due to the operating pressures of transmission pipelines, each and every transmission gas leak is a very serious matter and every effort is typically taken to minimize such leaks.

We believe that it is reasonable to assume that the significant reduction in corrosion leaks was directly related to the reduction in the Company's transmission inventory of bare steel.

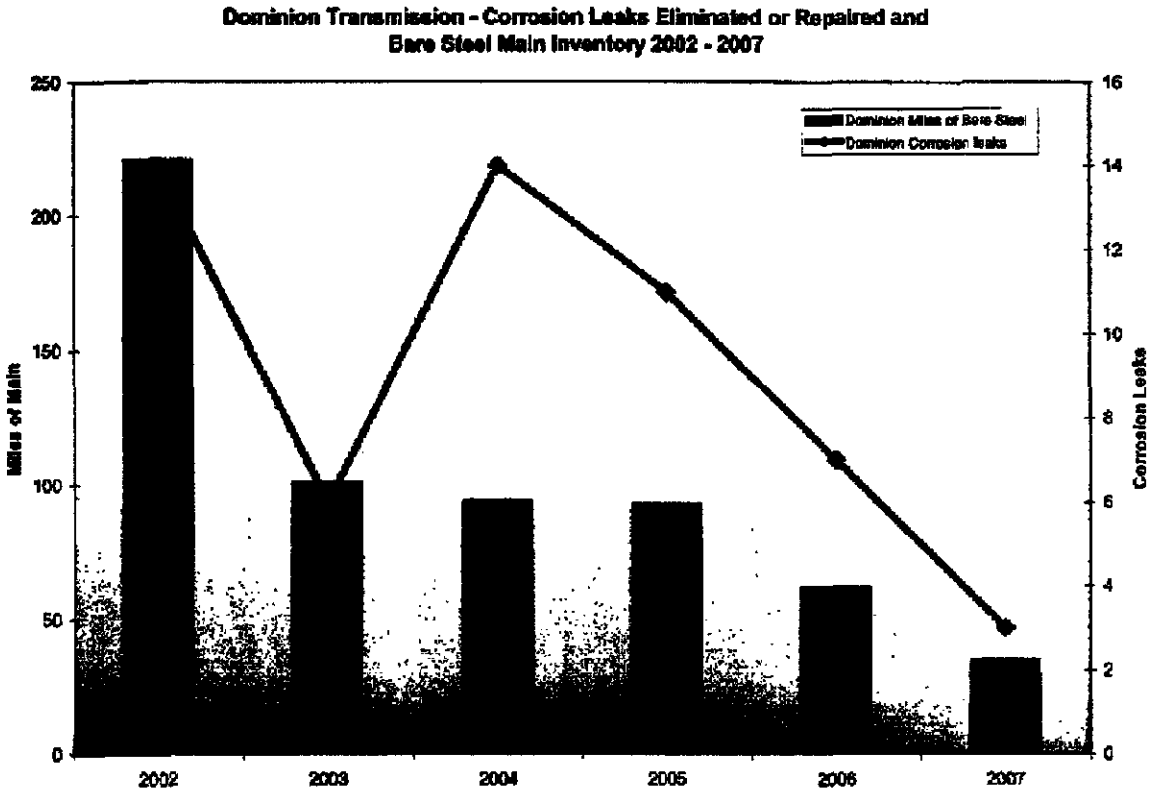


Figure 16

13. Corrosion leaks per mile of protected bare steel transmission – 2006

The measure of corrosion leaks per mile of unprotected bare steel and coated steel main is a frequently used metric to illustrate the condition of these pipes. However, Dominion has a small amount of cathodically protected bare steel and no non-cathodically protected bare steel transmission piping while *some other* companies have both. Using the above measure is difficult because Dominion has no non-cathodically protected bare steel. We have determined that in 2006 there were 48 national and 9 regional companies that also have cathodically protected bare steel and no non-cathodically protected bare steel transmission piping. Therefore, for this measure we are only using miles of cathodically protected bare steel in the denominator of the corrosion leaks per mile equation.

Figure 17 compares for 2006, this measure for all transmission companies having more than 10 miles of bare steel main in their system. Dominion's 2006 rate was 0.11, which is higher than the regional average. In 2006 the average rate of the regional companies was 0.09 and average rate of the national companies was 0.06 (not including Dominion). In 2007 Dominion's rate dropped to 0.086.

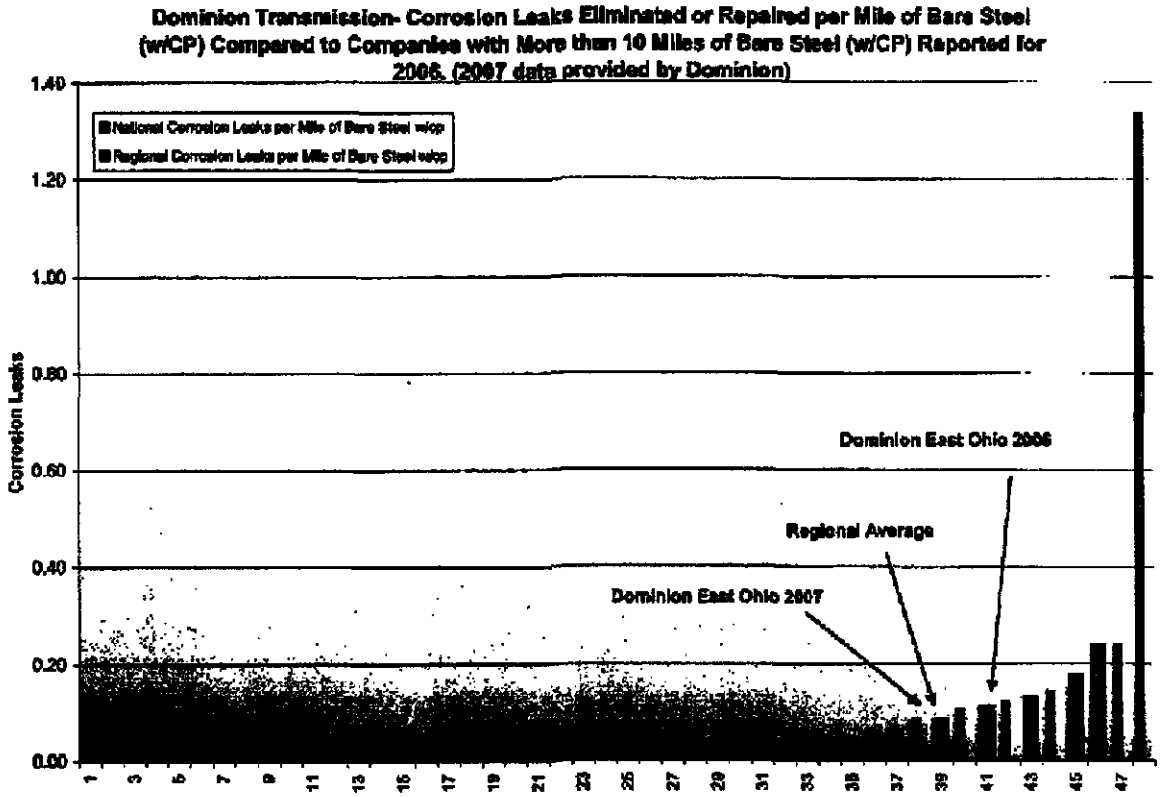


Figure 17

14. Dominion's change in transmission corrosion leak rates – 2002 - 2007

Figure 18 illustrates for the period 2002 – 2007, the Company's transmission corrosion leaks eliminated or repaired per mile of cathodically protected bare steel compared to the average corrosion leak rate of regional companies with more than 10 miles of bare steel main in their systems. In 2006 Dominion's rate was slightly higher than the regional average.

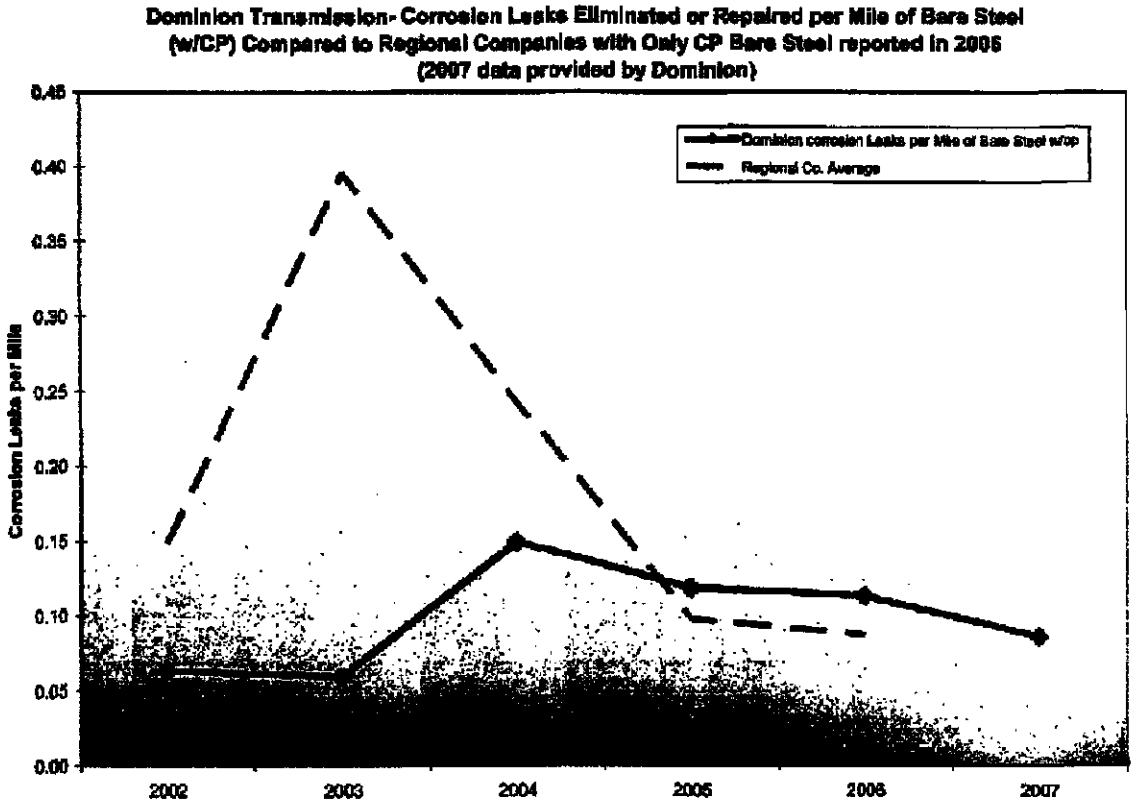


Figure 18

The Federal Government's Integrity Management Programs (IMP) for transmission lines, in practical terms, require operators to gather and analyze pipe on its system to determine those pipe categories and segments most in need of repair, maintenance or replacement. For transmission piping systems, this means identifying categories of pipe more prone to failure. Older pipes generally pose the highest risk. Unless Dominion's bare steel pipe can be assessed with in-line intelligent inspection (ILI) devices (smart pigs), or similar technologies to identify the most severely affected areas, we believe implementing pipe replacement programs for the remaining bare steel inventory best reduces their risk. Dominion's 35 miles of bare steel transmission piping are included in our estimate of approximately 162 miles per year to be replaced under Dominion's 25-year PIR program.

7. Dominion has 112 miles of cast iron and wrought iron mains. While less prone to corrosion leakage, these mains are also poor performers due to its joining methods. Cast iron sections of pipe are typically joined together with calked lead and jute bell and spigot joints which leak over time. In addition, cast iron can leak because of its brittle failure mode that can result in sudden and serious leakage. Seventy seven percent of Dominion's cast and wrought iron main inventory is less than or equal to 4 inches in diameter. Such small mains experience higher stresses when placed under bending moments due to soil loadings and such higher stresses pose an increased risk of cracking.
8. In 2007 Dominion also has 35 miles of bare steel transmission piping in its system. This is likely the oldest pipe in Dominion's transmission system and generally older pipes pose the highest risk. Unless Dominion's bare steel pipe can be assessed with in-line intelligent inspection (ILI) devices (smart pigs), or similar technologies to identify the most severely affected areas, we believe implementing pipe replacement programs for the remaining bare steel inventory best reduce their risk.
9. Corrosion science experts (e.g., Peabody) have documented the exponential growth of corrosion leaks on bare steel as a function of time. This exponential growth rate begins after the first leak in a main segment occurs. A gas system with bare steel mains may be exposed to an acceleration of leakage incidents as its system ages. If a gas system has a relatively small amount of bare steel, this accelerated leak rate growth can be managed via a short time frame (ten years) mains replacement program. In the case of Dominion, with nearly 4,000 miles of bare steel, cast and wrought iron mains, an increase in its corrosion leak rate could not be efficiently mitigated in a short time frame. Hence, now is the time to begin an accelerated mains replacement program.
10. Dominion has the highest number of bare steel services (671,586 services) among all companies reporting to the DOT with more than 50 miles of bare steel main. In 2006 Dominion had 4,054 corrosion leaks on services ranking it as having the highest number of corrosion leaks on services among all of the companies in the nation reporting to the DOT. As part of the Company's effort to reduce service related leaks, Black and Veatch believes that Dominion should follow the industry's best practices of replacing such services at the time the bare and non-protected coated steel mains are replaced. Furthermore, there is a significant benefit to the gas customers in the efficiency of gas service leak repair when replacement of bare steel or otherwise deteriorated services occurs at the time of main replacement. In doing this there is an economic advantage, since this work is completed by crews already on site under the same work permit and without the need to perform the very costly leak investigation.

In addition to the customer safety and system reliability benefits noted throughout this report, a well-planned accelerated main replacement program would have a host of qualitative benefits for the public such as fewer unplanned disruptions to traffic on roads for emergency gas leak repairs, and improved coordination with local town and village governments. Although these quality of life benefits are dwarfed by the safety and reliability benefits, it is Black & Veatch opinion that utility operators need to prudently manage their systems in a manner that protects the customer, assures the integrity of the gas system and does not adversely inconvenience the customer's quality of life.

Black & Veatch recognizes and commends Dominion's concern for the safety of its customers and employees, its desire to be a responsible steward of the gas system it operates. We affirm its need to implement its PIR program.

CONCLUSIONS

Black & Veatch recommends that the PUCO approve the implementation of Dominion's proposed accelerated mains replacement program.

APPENDIX A:
LIST OF 83 DISTRIBUTION COMPANIES MEETING THE SELECTION CRITERIA WITHIN THE NATIONAL SAMPLE

1 Alabama Gas Corporation
2 Aquila Networks (Kansas)
3 Aquila Networks (Nebraska)
4 Arkansas Western Gas Company
5 Atlanta Gas Light
6 Atmos Energy - West Texas Division
7 Atmos Energy Corp., Mid-Tex Division
8 Atmos Energy Corporation, Colorado Kansas Division
9 Atmos Energy Corporation - KY/Mid States Division
10 AtmostEnergy Corporation - KY/Mid States Division
11 Baltimore Gas & Electric Company
12 Bay State Gas Company
13 CenterPoint Energy
14 CenterPoint Energy Resources Corp. D/B/A CenterPoint Energy Minnesota Gas
15 Central Florida Gas, (Winter Haven)
16 Central Hudson Gas & Electric Corporation
17 Chartiers Natural Gas Company, Inc.
18 Chesapeake Utilities Corporation Maryland Gas Division (See Part F).
19 Clearwater Gas System
20 Columbia Gas of Kentucky
21 Columbia Gas of Maryland
22 Columbia Gas of Ohio
23 Columbia Gas of Pennsylvania
24 Columbia Gas of Virginia
25 Consolidated Edison Company of New York, Inc.
26 Consumers Energy Company
27 Consumers Gas Utility Company
28 Corning Natural Gas Corporation
29 Delta Natural Gas Company, Inc
30 Dominion East Ohio
31 Duke Energy Ohio, Inc.
32 Energy Services of Pensacola
33 Equitable Gas Company
34 Florida Public Utilities
35 Florida Public Utilities
36 Hope Gas Inc, DBA Dominion Hope
37 Indiana Gas Company, Inc.
38 Kansas Gas Service
39 Kansas Gas Service
40 KeySpan Energy Delivery - Boston Gas
41 KeySpan Energy Delivery - Colonial Cape
42 KeySpan Energy Delivery - Long Island
43 KeySpan Energy Delivery- New York City
44 Lancaster Municipal Gas Dept.
45 Louisville Gas & Electric Company
46 Michigan Consolidated Gas Company
47 Mountaineer Gas Company
48 National Fuel Gas Distribution Corp - NY
49 National Fuel Gas Distribution Corp - PA
50 National Gas & Oil Cooperative
51 National Grid USA
52 National Grid USA (Rhode Island)
53 New England Gas Company - Fall River
54 New Jersey Natural Gas
55 New York State Electric & Gas
56 Nicor Gas
57 Northern Indiana Public Service Company
58 NSTAR Gas Company
59 Oklahoma Natural Gas Company
60 Orange & Rockland Utilities
61 Pacific Gas & Electric Company
62 PECO Energy Company
63 PPL Gas Utilities Corporation
64 Public Service Company Of Colorado
65 Public Service Electric & Gas Company
66 Puget Sound Energy
67 Rochester Gas And Electric Corp.
68 SEMCO ENERGY Gas Company
69 South Jersey Gas Company
70 Southern California Gas Company
71 Southern Connecticut Gas Company
72 Southern Indiana Gas & Electric Company
73 Suburban Natural Gas Company
74 T. W. Phillips Gas And Oil Co.
75 TECO Peoples Gas
76 Texas Gas Service Company
77 The Gas Company, LLC.
78 The Peoples Natural Gas Company DBA Dominion Peoples
79 UGI Penn Natural Gas
80 UGI Utilities, Inc.
81 Vectren Energy Delivery of Ohio
82 Washington Gas Light Company
83 Yankee Gas Services Company

APPENDIX B
LIST OF 30 DISTRIBUTION COMPANIES MEETING THE SELECTION CRITERIA WITHIN THE REGIONAL SAMPLE

1 Atmos Energy Corporation - KY/Mid States Division
2 Chartiers Natural Gas Company, Inc.
3 Columbia Gas of Kentucky
4 Columbia Gas of Ohio
5 Columbia Gas of Pennsylvania
6 Consumers Energy Company
7 Consumers Gas Utility Company
8 Delta Natural Gas Company, Inc
9 Dominion East Ohio
10 Duke Energy Ohio, Inc.
11 Equitable Gas Company
12 Hope Gas Inc, DBA Dominion Hope
13 Indiana Gas Company, Inc.
14 Lancaster Municipal Gas Dept.
15 Louisville Gas & Electric Company
16 Michigan Consolidated Gas Company
17 Mountaineer Gas Company
18 National Fuel Gas Distribution Corp - PA
19 National Gas & Oil Cooperative
20 Northern Indiana Public Service Company
21 PECO Energy Company
22 PPL Gas Utilities Corporation
23 SEMCO ENERGY Gas Company
24 Southern Indiana Gas & Electric Company
25 Suburban Natural Gas Company
26 T. W. Phillips Gas and Oil Co.
27 The Peoples Natural Gas Company DBA Dominion Peoples
28 UGI Penn Natural Gas
29 UGI Utilities, Inc.
30 Vectren Energy Delivery of Ohio