

Confidential Release

Case Number: 02-1757-GA-CRS

Date of Confidential Document:

May 29, 2012

Today's Date: September 14, 2012

Page Count: 8

Document Description

Portions of Exhibit C-3

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May 29, 2012

**RENEWAL APPLICATION OF DOMINION RETAIL, INC. ("DOMINION RETAIL")
FOR CERTIFICATION BY THE PUBLIC UTILITIES COMMISSION OF OHIO
AS A RETAIL NATURAL GAS SUPPLIER**

Exhibit C-3 "Financial Statements"

REQUEST FOR CONFIDENTIAL TREATMENT

Provided herewith are an original and ten copies of the 2010 and 2011 audited financial statements of Dominion Retail's parent company, Dominion Resources, Inc. Also included are the 2010 and 2011 financial statements of Dominion Retail.

Dominion Retail seeks to obtain confidential treatment of the 2010 and 2011 financial statements of its corporate parent company, Dominion Resources, Inc., as well as the 2010 and 2011 financial statements of Dominion Retail, included as part of this application.

Thus, Dominion Retail requests that the Commission enter an order to protect the confidential and proprietary nature of the attached income statements, balance sheets and statements of cash flows for the years ended 2010 and 2011.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

We have audited the accompanying consolidated balance sheets of Dominion Resources, Inc. and subsidiaries ("Dominion") as of December 31, 2011 and 2010, and the related consolidated statements of income, equity, comprehensive income, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of Dominion's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Dominion Resources, Inc. and subsidiaries as of December 31, 2011 and 2010, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the consolidated financial statements, in 2009 Dominion changed its methods of accounting to adopt a new accounting standard for the impairment framework for oil and gas properties.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Dominion's internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 27, 2012 expressed an unqualified opinion on Dominion's internal control over financial reporting.

/s/ Deloitte & Touche LLP

Richmond, Virginia
February 27, 2012

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Dominion Resources, Inc.

Consolidated Statements of Income

Year Ended December 31,	2011	2010	2009
(millions, except per share amounts)			
Operating Revenue	\$14,379	\$15,197	\$14,798
Operating Expenses			
Electric fuel and other energy-related purchases	4,194	4,150	4,285
Purchased electric capacity	454	453	411
Purchased gas	1,764	2,050	2,200
Other operations and maintenance	3,483	3,724	3,712
Depreciation, depletion and amortization	1,069	1,055	1,138
Other taxes	554	532	483
Total operating expenses	11,518	11,964	12,229
Gain on sale of Appalachian E&P operations	—	2,467	—
Income from operations	2,861	5,700	2,569
Other income	179	169	194
Interest and related charges	869	832	889
Income from continuing operations including noncontrolling interests before income taxes	2,171	5,037	1,874
Income tax expense	745	2,057	596
Income from continuing operations including noncontrolling interests	1,426	2,980	1,278
Income (loss) from discontinued operations ⁽¹⁾	—	(155)	26
Net income including noncontrolling interests	1,426	2,825	1,304
Noncontrolling interests	18	17	17
Net income attributable to Dominion	1,408	2,808	1,287
Amounts attributable to Dominion:			
Income from continuing operations, net of tax	1,408	2,963	1,261
Income (loss) from discontinued operations, net of tax	—	(155)	26
Net income	1,408	2,808	1,287
Earnings Per Common Share-Basic:			
Income from continuing operations	\$ 2.46	\$ 5.03	\$ 2.13
Income (loss) from discontinued operations	—	(0.26)	0.04
Net income	\$ 2.46	\$ 4.77	\$ 2.17
Earnings Per Common Share-Diluted:			
Income from continuing operations	\$ 2.45	\$ 5.02	\$ 2.13
Income (loss) from discontinued operations	—	(0.26)	0.04
Net income	\$ 2.45	\$ 4.76	\$ 2.17
Dividends paid per common share	\$ 1.97	\$ 1.83	\$ 1.75

(1) Includes income tax expense of \$21 million and \$16 million in 2010 and 2009, respectively.

The accompanying notes are an integral part of Dominion's Consolidated Financial Statements.

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Dominion Resources, Inc.

Consolidated Balance Sheets

At December 31, 2011 2010
(millions)

ASSETS

Current Assets

Cash and cash equivalents	\$ 102	\$ 62
Customer receivables (less allowance for doubtful accounts of \$29 and \$26)	1,780	2,158
Other receivables (less allowance for doubtful accounts of \$8 and \$9)	255	88
Inventories:		
Materials and supplies	641	609
Fossil fuel	541	354
Gas stored	166	200
Derivative assets	705	739
Margin deposit assets	319	244
Regulatory assets	541	407
Prepayments	262	277
Other	118	262
Total current assets	5,430	5,400

Investments

Nuclear decommissioning trust funds	2,999	2,897
Investment in equity method affiliates	553	571
Restricted cash equivalents	141	400
Other	292	283
Total investments	3,985	4,151

Property, Plant and Equipment

Property, plant and equipment	42,033	39,855
Property, plant and equipment, VIE	957	—
Accumulated depreciation, depletion and amortization	(13,320)	(13,142)
Total property, plant and equipment, net	29,670	26,713

Deferred Charges and Other Assets

Goodwill	3,141	3,141
Pension and other postretirement benefit assets	681	712
Intangible assets	637	642
Regulatory assets	1,382	1,446
Other	688	612
Total deferred charges and other assets	6,529	6,553
Total assets	\$ 45,614	\$ 42,817

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At December 31,	2011	2010
(millions)		

LIABILITIES AND EQUITY

Current Liabilities

Securities due within one year	\$ 1,479	\$ 497
Short-term debt	1,814	1,386
Accounts payable	1,250	1,562
Accrued interest, payroll and taxes	648	849
Derivative liabilities	951	633
Regulatory liabilities	243	135
Accrued severance	30	132
Other	547	579
Total current liabilities	6,962	5,773

Long-Term Debt

Long-term debt	14,785	14,023
Long-term debt, VIE	890	—
Junior subordinated notes payable to affiliates	268	268
Enhanced junior subordinated notes	1,451	1,467
Total long-term debt	17,394	15,758

Deferred Credits and Other Liabilities

Deferred income taxes and investment tax credits	5,216	4,708
Asset retirement obligations	1,383	1,577
Pension and other postretirement benefit liabilities	962	765
Regulatory liabilities	1,324	1,392
Other	613	590
Total deferred credits and other liabilities	9,498	9,032
Total liabilities	33,854	30,563

Commitments and Contingencies (see Note 23)

Subsidiary Preferred Stock Not Subject To Mandatory Redemption	257	257
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Equity

Common stock-no par ⁽¹⁾	5,180	5,715
Other paid-in capital	179	194
Retained earnings	6,697	6,418
Accumulated other comprehensive loss	(610)	(330)
Total common shareholders' equity	11,446	11,997
Noncontrolling interest	57	—
Total equity	11,503	11,997
Total liabilities and equity	\$45,614	\$42,817

(1) 1 billion shares authorized; 570 million shares and 581 million shares outstanding at December 31, 2011 and 2010, respectively.

The accompanying notes are an integral part of Dominion's Consolidated Financial Statements.

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Dominion Resources, Inc.

Consolidated Statements of Equity

	Common Stock		Dominion Shareholders			Total Common Shareholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Amount	Other Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)			
(millions)								
December 31, 2008	583	\$5,994	\$182	\$ 4,170	\$(269)	\$10,077	\$—	\$10,077
Net income including noncontrolling interests				1,304		1,304		1,304
Issuance of stock-employee and direct stock purchase plans	6	212				212		212
Stock awards and stock options exercised (net of change in unearned compensation)	2	70				70		70
Other stock issuances ⁽¹⁾	8	249				249		249
Tax benefit from stock awards and stock options exercised			3			3		3
Cumulative effect of change in accounting principle ⁽²⁾				12	(12)	—		—
Dividends ⁽³⁾				(800)		(800)		(800)
Other comprehensive income, net of tax					70	70		70
December 31, 2009	599	6,525	185	4,686	(211)	11,185	—	11,185
Net income including noncontrolling interests				2,825		2,825		2,825
Issuance of stock-employee and direct stock purchase plans	1	10				10		10
Stock awards and stock options exercised (net of change in unearned compensation)	2	80				80		80
Stock repurchases	(21)	(900)				(900)		(900)
Tax benefit from stock awards and stock options exercised			9			9		9
Dividends ⁽³⁾				(1,093)		(1,093)		(1,093)
Other comprehensive loss, net of tax					(119)	(119)		(119)
December 31, 2010	581	5,715	194	6,418	(330)	11,997	—	11,997
Net income including noncontrolling interests				1,425		1,425	1	1,426
Consolidation of noncontrolling interests ⁽⁴⁾						—	61	61
Stock awards and stock options exercised (net of change in unearned compensation)	1	49				49		49
Stock repurchases	(13)	(601)				(601)		(601)
Other stock issuances ⁽⁵⁾	1	17	(17)			—		—
Tax benefit from stock awards and stock options exercised			2			2		2
Dividends				(1,146) ⁽³⁾		(1,146)	(5)	(1,151)
Other comprehensive loss, net of tax					(280)	(280)		(280)
December 31, 2011	570	\$5,180	\$179	\$ 6,697	\$(610)	\$11,446	\$57	\$11,503

(1) Includes at-the-market issuances and a debt-for-common stock exchange.

(2) See Note 3 for additional information.

(3) Includes subsidiary preferred dividends related to noncontrolling interests of \$17 million in 2011, 2010 and 2009.

(4) See Note 16 for consolidation of a VIE in October 2011.

(5) Shares issued in excess of principal amounts related to converted securities. See Note 18 for further information on convertible securities.

The accompanying notes are an integral part of Dominion's Consolidated Financial Statements

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Dominion Resources, Inc.

Consolidated Statements of Comprehensive Income

Year Ended December 31,	2011	2010	2009 ⁽¹⁾
(millions)			
Net income including noncontrolling interests	\$1,426	\$2,825	\$1,304
Other comprehensive income (loss), net of taxes:			
Net deferred gains (losses) on derivatives-hedging activities, net of \$48, \$(52) and \$(195) tax	(67)	84	323
Changes in unrealized net gains (losses) on investment securities, net of \$(7), \$(54) and \$(86) tax	11	89	134
Changes in net unrecognized pension and other postretirement benefit costs, net of \$147, \$40 and \$(99) tax	(231)	(18)	136
Amounts reclassified to net income:			
Net derivative (gains)-hedging activities, net of \$28, \$193 and \$336 tax	(38)	(314)	(549)
Net realized (gains) losses on investment securities, net of \$(4), \$9 and \$(1) tax	6	(14)	2
Net pension and other postretirement benefit costs, net of \$(25), \$(38) and \$(19) tax	39	54	24
Total other comprehensive income (loss)	(280)	(119)	70
Comprehensive income including noncontrolling interests	1,146	2,706	1,374
Comprehensive income attributable to noncontrolling interests	18	17	17
Comprehensive income attributable to Dominion	\$1,128	\$2,689	\$1,357

(1) Other comprehensive income for the year ended December 31, 2009 excludes a \$20 million (\$12 million after-tax) adjustment to AOCI representing the cumulative effect of the change in accounting principle related to the recognition and presentation of other-than-temporary impairments.

The accompanying notes are an integral part of Dominion's Consolidated Financial Statements.

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Dominion Resources, Inc.

Consolidated Statements of Cash Flows

Year Ended December 31,	2011	2010	2009
(millions)			
Operating Activities			
Net income including noncontrolling interests	\$ 1,426	\$ 2,825	\$ 1,304
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operating activities:			
Gain from sale of Appalachian E&P operations	—	(2,467)	—
Loss from sale of Peoples	—	113	—
Charges (payments) related to workforce reduction program	(115)	229	—
Impairment of generation assets	283	194	—
Impairment of gas and oil properties	—	21	455
Net reserves (payments) related to rate cases	3	(500)	794
Contributions to pension plans	—	(650)	—
Depreciation, depletion and amortization (including nuclear fuel)	1,288	1,258	1,319
Deferred income taxes and investment tax credits, net	756	682	(494)
Other adjustments	(92)	(61)	(137)
Changes in:			
Accounts receivable	365	(60)	458
Inventories	(185)	35	(10)
Prepayments	(19)	139	(234)
Deferred fuel and purchased gas costs, net	(3)	(246)	802
Accounts payable	(413)	119	(156)
Accrued interest, payroll and taxes	(216)	166	(81)
Margin deposit assets and liabilities	(71)	(147)	(273)
Other operating assets and liabilities	(24)	175	39
Net cash provided by operating activities	2,983	1,825	3,786
Investing Activities			
Plant construction and other property additions (including nuclear fuel)	(3,652)	(3,422)	(3,837)
Proceeds from sale of Appalachian E&P operations	—	3,450	—
Proceeds from sale of Peoples	—	741	—
Proceeds from sales of securities	1,757	2,814	1,478
Purchases of securities	(1,824)	(2,851)	(1,511)
Investment in affiliates and partnerships	(4)	(2)	(43)
Distributions from affiliates and partnerships	43	47	174
Restricted cash equivalents	259	(396)	1
Other	100	38	43
Net cash provided by (used in) investing activities	(3,321)	419	(3,695)
Financing Activities			
Issuance (repayment) of short-term debt, net	429	91	(735)
Issuance and remarketing of long-term debt	2,320	1,090	1,695
Repayment and repurchase of long-term debt	(637)	(1,492)	(447)
Issuance of common stock	38	74	456
Repurchase of common stock	(601)	(900)	—
Common dividend payments	(1,129)	(1,076)	(1,039)
Subsidiary preferred dividend payments	(17)	(17)	(17)
Other	(25)	(2)	(25)
Net cash provided by (used in) financing activities	378	(2,232)	(112)
Increase (decrease) in cash and cash equivalents	40	12	(21)
Cash and cash equivalents at beginning of year ⁽¹⁾	62	50	71
Cash and cash equivalents at end of year ⁽²⁾	\$ 102	\$ 62	\$ 50
Supplemental Cash Flow Information			
Cash paid during the year for:			
Interest and related charges, excluding capitalized amounts	\$ 920	\$ 894	\$ 890
Income taxes	166	991	1,480
Significant noncash investing and financing activities:			
Accrued capital expenditures	328	240	240
Consolidation of VIE—assets at fair value	957	—	—
Consolidation of VIE—debt	896	—	—
Debt for equity exchange	—	—	56

(1) 2009 amount includes \$5 million of cash classified as held for sale in Dominion's Consolidated Balance Sheet.

(2) 2009 amount includes \$2 million of cash classified as held for sale in Dominion's Consolidated Balance Sheet.

The accompanying notes are an integral part of Dominion's Consolidated Financial Statements.

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