DOMINION RES. NYSE-D

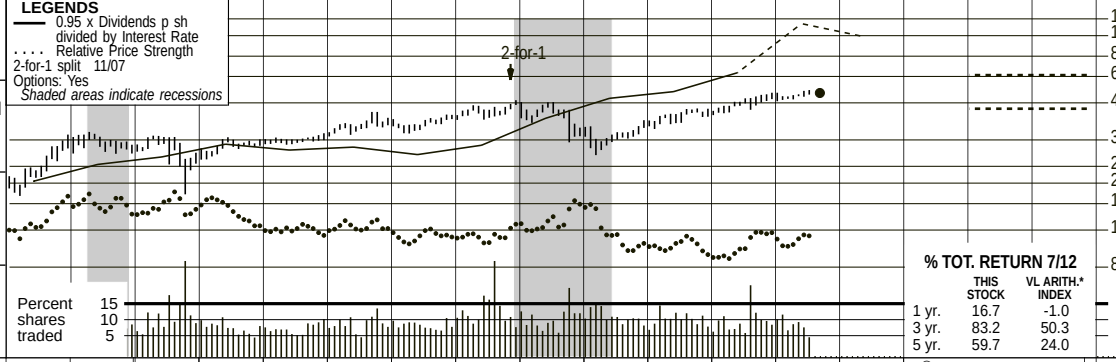
RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
53.50	17.6	(Trailing: 20.3 Median: 15.0)	1.21	4.1%	VALUE LINE

TIMELINESS 2 Raised 8/24/12
SAFETY 2 Raised 9/11/98
TECHNICAL 2 Raised 8/24/12
BETA .65 (1.00 = Market)

High:	35.0	33.5	33.0	34.4	43.5	42.2	49.4	48.5	39.8	45.1	53.6	55.2
Low:	27.6	17.7	25.9	30.4	33.3	34.4	39.8	31.3	27.1	36.1	42.1	48.9

Target Price Range
2015 | 2016 | 2017

LEGENDS
— 0.95 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 11/07
Options: Yes
Shaded areas indicate recessions



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+20%)	9%
Low	45	(-15%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	1	4	3	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2011	4Q2011	1Q2012
to Buy	309	316	287
to Sell	317	329	374
Hld's(000)	324573	321349	322861

% TOT. RETURN 7/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.7	-1.0
3 yr.	83.2	50.3
5 yr.	59.7	24.0

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
13.36	20.44	15.65	14.81	18.84	19.94	16.58	18.58	20.55	26.00	23.61	27.17	27.93	25.26	26.16	25.23	*23.45*	*24.00*	Revenues per sh	*26.25*
3.22	3.89	2.99	3.68	3.71	3.92	4.45	3.97	4.18	3.71	4.91	5.08	5.07	4.82	5.10	5.04	*5.50*	*5.85*	"Cash Flow" per sh	*7.00*
1.33	1.50	.86	1.50	1.25	1.49	2.41	1.96	2.13	1.50	2.40	2.13	3.04	2.64	2.89	2.76	*3.00*	*3.20*	Earnings per sh A	*3.75*
1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.30	1.34	1.38	1.46	1.58	1.75	1.83	1.97	*2.11*	*2.24*	Div'd Decl'd per sh B ■ †	*2.60*
1.34	1.73	1.60	2.16	2.82	2.31	2.17	5.20	3.88	4.84	5.81	6.89	6.09	6.41	5.89	6.41	*7.45*	*8.30*	Cap'l Spending per sh	*7.75*
13.59	13.42	13.67	12.75	14.22	15.81	16.57	16.21	16.80	14.98	18.50	16.31	17.28	18.67	20.65	20.08	*21.30*	*22.50*	Book Value per sh C	*26.75*
362.44	375.60	388.92	372.64	491.60	529.40	616.20	650.00	680.00	694.00	698.00	576.80	583.20	599.00	581.00	570.00	*576.00*	*581.00*	Common Shs Outst'g D	*595.00*
14.8	12.5	24.6	14.5	19.4	20.9	12.0	15.2	15.1	24.9	16.0	20.6	13.8	12.7	14.3	17.3	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
.93	.72	1.28	.83	1.26	1.07	.66	.87	.80	1.33	.86	1.09	.83	.85	.91	1.09	*Value Line*		Relative P/E Ratio	*1.00*
6.6%	6.9%	6.1%	5.9%	5.3%	4.1%	4.4%	4.3%	4.0%	3.6%	3.6%	3.3%	3.8%	5.2%	4.4%	4.1%	*estimates*		Avg Ann'l Div'd Yield	*4.7%*

CAPITAL STRUCTURE as of 6/30/12
Total Debt $20674 mill. **Due in 5 Yrs** $8016.0 mill.
LT Debt $17003 mill. **LT Interest** $884.0 mill.
(LT interest earned: 3.5x)
Leases, Uncapitalized Annual rentals $111.0 mill.
Pension Assets-12/11 $5.15 bill. **Oblig.** $4.98 bill.
Pfd Stock $257.0 mill. **Pfd Div'd** $16.0 mill.
1,340,140 shs. $4.04-$7.05, $100 liq. pref., redeemable at $101.00-$112.50/sh.; 2,500,000 variable rate Money Market Preferred shs.
Common Stock 573,352,279 shs.

MARKET CAP: $31 billion (Large Cap)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		15-17
10218	12078	13972	18041	16482	15674	16290	15131	15197	14379	*13500*	*13950*	Revenues ($mill)	*15600*
1378.0	1261.0	1425.0	1050.0	1704.0	1414.0	1781.0	1585.0	1724.0	1603.0	*1740*	*1870*	Net Profit ($mill)	*2300*
33.1%	34.9%	35.4%	35.7%	35.5%	33.4%	37.1%	33.2%	38.6%	34.6%	*36.0%*	*36.0%*	Income Tax Rate	*36.0%*
6.9%	7.9%	4.9%	9.7%	7.9%	7.3%	4.9%	4.8%	5.9%	5.3%	*5.0%*	*5.0%*	AFUDC % to Net Profit	*5.0%*
56.2%	59.4%	57.0%	57.9%	52.9%	57.8%	59.1%	57.5%	56.3%	59.8%	*59.0%*	*58.0%*	Long-Term Debt Ratio	*56.5%*
42.7%	39.7%	42.0%	41.1%	46.2%	41.1%	39.8%	41.5%	42.8%	39.3%	*40.5%*	*41.0%*	Common Equity Ratio	*43.0%*
23927	26571	27190	25307	27961	22898	25290	26923	28012	29097	*30400*	*31825*	Total Capital ($mill)	*37000*
20257	25850	26716	28940	29382	21352	23274	25592	26713	29670	*32500*	*35775*	Net Plant ($mill)	*43500*
7.7%	6.5%	6.9%	6.1%	7.9%	8.0%	8.7%	7.5%	7.7%	7.0%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.5%*
13.2%	11.7%	12.2%	9.9%	12.9%	14.6%	17.2%	13.9%	14.1%	13.7%	*14.0%*	*14.0%*	Return on Shr. Equity	*14.5%*
13.3%	11.8%	12.3%	9.9%	13.1%	14.9%	17.5%	14.0%	14.2%	13.9%	*14.0%*	*14.0%*	Return on Com Equity E	*14.5%*
6.3%	4.0%	4.8%	1.1%	5.6%	5.0%	8.4%	4.7%	5.3%	4.0%	*4.0%*	*4.5%*	Retained to Com Eq	*4.5%*
54%	67%	62%	89%	58%	67%	52%	67%	63%	71%	*71%*	*70%*	All Div'ds to Net Prof	*68%*

ELECTRIC OPERATING STATISTICS

	2009	2010	2011
% Change Retail Sales (KWH)	-1.2	+4.5	-3.4
Avg. Indust. Use (MWH)	14857	15162	14823
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	15917	16563	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.7	+.8	+.5
Fixed Charge Cov. (%)	319	378	318

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	3.5%	2.0%	*.5%*
"Cash Flow"	3.0%	3.0%	*6.0%*
Earnings	7.0%	6.5%	*5.0%*
Dividends	3.5%	6.5%	*6.0%*
Book Value	3.5%	3.5%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	4778	3450	3648	3255	15131
2010	4168	3333	3950	3746	15197
2011	4057	3341	3803	3178	14379
2012	3462	3053	*3850*	*3135*	*13500*
2013	*3650*	*3150*	*3900*	*3250*	*13950*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.89	.78	1.00	d.01	2.64
2010	.51	.79	.98	.61	2.89
2011	.89	.58	.69	.60	2.76
2012	.86	.48	*.91*	*.75*	*3.00*
2013	*.90*	*.60*	*.95*	*.75*	*3.20*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.395	.395	.395	.395	1.58
2009	.4375	.4375	.4375	.4375	1.75
2010	.4575	.4575	.4575	.4575	1.83
2011	.4925	.4925	.4925	.4925	1.97
2012	.5275	.5275			

BUSINESS: Dominion Resources, Inc. is a holding company for Virginia Power & North Carolina Power, which serve 2.4 mill. customers in Virginia & northeastern North Carolina. Acq'd Consolidated Natural Gas (1.3 mill. customers in Ohio & West Virginia) 1/00. Nonutility operations include independent power production & retail energy services. Electric rev. breakdown: residential, 46%; commercial, 31%; industrial, 7%; other, 16%. Generating sources: nuclear, 28%; coal, 26%; gas, 12%; other, 1%; purch., 33%. Fuel costs: 47% of revs. '11 reported depr. rates: 2.0%-4.7%. Has 15,800 employees. Chairman, President & CEO: Thomas F. Farrell II. Inc.: VA. Address: 120 Tredegar St., P.O. Box 26532, Richmond, VA 23261-6532. Tel.: 804-819-2000. Internet: www.dom.com.

We have cut our 2012 earnings estimate for Dominion Resources by $0.15 a share. Second-quarter results were below our expectation. The weather was milder than normal, which hurt the bottom line by an estimated $0.05 a share, and the company booked a $74 million pretax charge ($0.08 a share) for the cost of restoring customers following storms in mid-2012. Even so, profits should still advance over the 2011 tally, because . . .

Virginia Power is performing well. The service area's economy is faring better than the national economy. In addition, the utility's earning power is rising with the addition of generation and transmission projects. We expect growth from the regulated operations to produce higher profits in 2013, as well. Virginia Power completed gas-fired and coal-fired plants in 2011 and 2012, respectively. It earned a return on these projects through rate riders. The utility is now building a 1,329-megawatt gas-fired facility at an expected cost of $1.1 billion. It is scheduled for completion in late 2014. The company plans to ask the Virginia regulators for permission to construct a similar plant that would be on line in 2016. Virginia Power is building a $350 million transmission line that is scheduled for completion in 2015, and some smaller transmission projects are under way, as well.

North Carolina Power has a rate case pending. The utility filed for a tariff hike of $63.7 million, based on an 11.25% return on a 52.4% common-equity ratio. New rates should take effect at the start of 2013.

Weak power prices are a concern for Dominion. Hedging and effective cost controls can only do so much in such an operating environment. We expect no improvement in the nonregulated power-generation segment's profits in the next two years. At least the company's other nonutility operations are faring better. One key opportunity is a proposed expansion of its Cove Point liquefied natural gas facility—if Dominion can obtain regulatory approvals and fend off legal challenges.

This stock is ranked favorably for Timeliness. However, the yield and 3- to 5-year total return potential are only average, by utility standards.

Paul E. Debbas, CFA *August 24, 2012*

(A) Excl. nonrec. gains (losses): '01, (42¢); '03, ($1.46); '04, (22¢); '06, (18¢); '07, $1.67; '08, 12¢; '09, (47¢); '10, $2.18; '11, (7¢); losses from disc. ops.: '04, 3¢; '06, 26¢; '07, 1¢; '10, 26¢; '12, 3¢. '09 EPS don't add due to change in shares. Next earnings report due late Oct. (B) Div'ds histor. paid in mid-Mar., June, Sept., and Dec. ■ Div'd reinvest. plan avail. (C) Incl. intang. In '11: $9.05/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost, adj. Rate all'd on com. eq. in '11: 10.9%; earned on avg. com. eq., '11: 13.4%. Regulatory Climate: Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	70
Earnings Predictability	70

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