

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

DIVISION OF ENERGY REGULATION**Activities for Calendar Year 2004**

The Division of Energy Regulation assists the Commission in fulfilling its statutory responsibilities pursuant to Title 56, Chapter 10 of the Code of Virginia. Activities include reviewing investor-owned electric, natural gas and water/sewer utilities' cost of service studies; reviewing allocation methods, depreciation rates and rate design philosophies; and providing expert testimony in that regard.

The Division provides expert testimony in certificate cases for service areas and major facility construction of public utilities and independent power producers. After such certificates are granted, the Division is responsible for maintaining the official certificates and associated maps.

The Division has monitoring responsibilities relative to: the collection of gas costs by gas utilities, the incurrence of wholesale purchased power expenses by electric cooperatives, and the recovery of fuel expenses and the construction and operation of major facilities by the investor-owned utilities. It also reviews extraordinary costs and policies related to nuclear power, including decommissioning of nuclear power plants and the storage of spent nuclear fuel.

The Division investigates and resolves informal consumer complaints/inquiries relative to regulated utilities and licensed electricity and natural gas suppliers.

Finally, it provides the Commission with technical expertise in policy related issues including both state and national proceedings associated with industry restructuring and mergers and acquisitions of natural gas and electric utilities.

SUMMARY OF ACTIVITIES FOR CALENDAR YEAR 2004

Consumer Complaints, Letters of Protest, and Inquiries Received	5,124
Tariff Filings Received	121
Testimony and Reports Filed by Staff	59
Certificates of Convenience and Necessity Granted, Transferred, or Revised	71
Special Reports	5
Electric On-Site Construction Inspections	4
Electric Meter Tests Witnessed	2
Depreciation Studies	5
Federal Energy Regulatory Commission Filing/Comments	9
Legislative Presentations	5
Community Meetings Attended	6