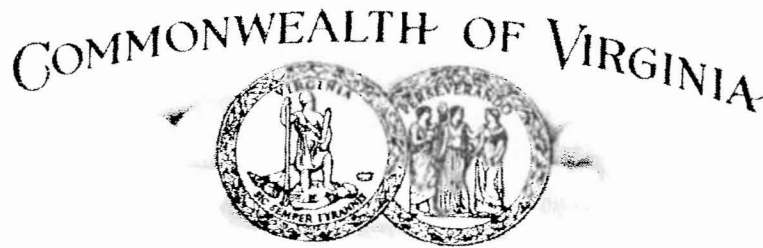


MARK C. CHRISTIE
COMMISSIONER

JAMES C. DIMITRI
COMMISSIONER

JUDITH WILLIAMS JAGDMANN
COMMISSIONER



JOEL H. PECK
CLERK OF THE COMMISSION
P.O. BOX 1197
RICHMOND, VIRGINIA 23218-1197

STATE CORPORATION COMMISSION

October 1, 2012

The Honorable Robert F. McDonnell
Governor, Commonwealth of Virginia

The Honorable John C. Watkins
Member, Senate of Virginia
Chairman, Senate Committee on Commerce and Labor

The Honorable Terry G. Kilgore
Member, Virginia House of Delegates
Chairman, House Committee on Commerce and Labor

Dear Sirs:

Chapter 771 of the 2011 Acts of Assembly directs the State Corporation Commission ("Commission") to provide annual reports on any solar energy distributed generation programs approved pursuant to that legislation. Under this legislation, the Commission has received: (i) one application seeking approval to construct and operate distributed solar generation facilities; and (ii) one application seeking approval of special tariffs to facilitate customer-owned distributed solar generation as an alternative to net metering. The applications were filed by Virginia Electric and Power Company and were docketed as Case Nos. PUE-2011-00117 and PUE-2012-00064, respectively. Both cases are currently pending before the Commission, and hearings were held on September 19, 20, and 24, 2012, in Case No. PUE-2011-00117.

As always, we will provide additional information or assistance upon request.

Respectfully submitted,

Handwritten signature of Mark C. Christie in black ink.

Mark C. Christie
Chairman

Handwritten signature of Judith Williams Jagdmann in black ink.

Judith Williams Jagdmann
Commissioner

Handwritten signature of James C. Dimitri in black ink.

James C. Dimitri
Commissioner