

DOMINION RESOURCES INC /VA/
Form U-9C-3
March 24, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM U-9C-3

QUARTERLY REPORT PURSUANT TO RULE 58 OF
THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

For the Calendar Quarter Ended December 31, 2003

Dominion Resources, Inc.
Consolidated Natural Gas Company

(Name of registered holding companies)

120 Tredegar Street
Richmond, Virginia 23219

(Address of principal executive offices)

Table of Contents

| | <u>Page</u> |
|---|-------------|
| Item 1. <u>Organization Chart</u> | 2 |
| Item 2. <u>Issuances and Renewals of Securities and Capital Contributions</u> | 7 |
| Item 3. <u>Associate Transactions</u> | 9 |
| Item 4. <u>Summary of Aggregate Investment</u> | 12 |
| Item 5. <u>Other Investments</u> | 13 |
| Item 6. <u>Financial Statements and Exhibits</u> | 13 |

Page 2

ITEM 1 - ORGANIZATION CHART

| <u>Name of Reporting Company</u> | <u>Energy or Gas Related Company</u> | <u>Date of Organization</u> | <u>State of Incorporation</u> | <u>% of Voting Securities Held</u> | <u>Nature of Business</u> |
|--|--------------------------------------|-----------------------------|-------------------------------|------------------------------------|---|
| Dominion Resources, Inc. ("DRI")(a) | | | | | |
| Dominion Alliance Holding, Inc. ("DAH") | Energy Related | 11/2000 | Delaware | 100% | Held an investment in Bridgeco for the purpose of developing the infrastructure necessary to operate the Alliance regional transmission organization. |
| Dominion Energy Technologies, Inc. ("DETI") | Energy Related | 4/2001 | Virginia | 100% | Holds venture investments in energy technology companies. |
| Dominion Ohio ES, Inc. ("DOES") | Energy Related | 5/2001 | Ohio | 100% | Provides engineering, construction and other services. |
| Dominion Technical Solutions, Inc. ("DTECH") | Energy Related | 4/2002 | Virginia | 100% | Provides engineering, construction and other services. |

Page 3

ITEM 1 - ORGANIZATION CHART (CONTINUED)

| <u>Name of Reporting Company</u> | <u>Energy or Gas Related Company</u> | <u>Date of Organization</u> | <u>State of Incorporation</u> | <u>% of Voting Securities Held</u> | <u>Nature of Business</u> |
|---|---|-----------------------------|-------------------------------|------------------------------------|--|
| Dominion Resources, Inc. ("DRI") (a) | | | | | |
| Dominion Energy, Inc. ("DEI") (a) | | | | | |
| | Dominion Energy Exchange, Inc. ("DEE") | 9/2000 | Virginia | 100% | Owns an interest in EIP Holdings, LLC ("EIP") which owns 66.34% of TradeSpark, LP, an electronic and telephonic marketplace for transactions in natural gas, electricity and other fuels.(b) |
| | Dominion Cleveland Thermal, Inc. ("DCT") | 10/2000 | Ohio | 100% | Produces steam and chilled water for retail customers in the Cleveland, Ohio area. |
| | Dominion Energy Marketing, Inc. ("DEMI") | 9/2000 | Delaware | 100% | Engages in the sale of energy on a portfolio basis. |
| | Dominion Wagram, Inc. ("Wagram") | 12/2001 | North Carolina | 100% | Holds contracts pertaining to a steam plant facility in Wagram, NC that serves Westpoint Stevens. |

| | | | | | |
|---|----------------|---------|----------|------|--|
| Dominion Energy Terminal Company, Inc. ("DETC") | Energy Related | 2/2003 | Virginia | 100% | Holder of 20% General Partnership interest in Dominion Terminal Associates. Primarily engages in coal terminal services. |
| Dominion Wholesale, Inc. ("DWI") (NEW) | Energy Related | 12/2003 | Virginia | 100% | Assists in the procurement, storage and maintenance of materials, machinery, equipment, and supplies. |

Page 4

ITEM 1 - ORGANIZATION CHART (CONTINUED)

| <u>Name of Reporting Company</u> | <u>Energy or Gas Related Company</u> | <u>Date of Organization</u> | <u>State of Incorporation</u> | <u>% of Voting Securities Held</u> | <u>Nature of Business</u> |
|--|--------------------------------------|-----------------------------|-------------------------------|------------------------------------|---------------------------|
| Dominion Resources, Inc. ("DRI")(a) | | | | | |
| Dominion Energy, Inc. ("DEI")(a) | | | | | |
| Dominion Storage, Inc. ("DSI")(a) | | | | | |
| Dominion Energy Canada Limited ("DECL")(a) | | | | | |
| Dominion Energy | Energy Related | 11/2002 | Alberta, Canada | 100% | Trading, hedging and |

| | | | | | | |
|--|-------------------|--------|----------|------|--|--|
| Clearinghouse Canada, Inc. ("DECCI") | | | | | | marketing of production for Canadian operations. |
| Dominion Nuclear Projects, Inc. ("DNPI") (NEW) | Energy Related | 8/2003 | Virginia | 100% | | Manage development of new nuclear generation facilities. |

Page 5

ITEM 1 - ORGANIZATION CHART (CONTINUED)

| <u>Name of Reporting Company</u> | <u>Energy or Gas Related Company</u> | <u>Date of Organization</u> | <u>State of Incorporation</u> | <u>% of Voting Securities Held</u> | <u>Nature of Business</u> |
|--|--|---------------------------------|-----------------------------------|--|---|
| Dominion Resources, Inc. ("DRI")(a) | | | | | |
| Consolidated Natural Gas Company ("CNG")(a) | | | | | |
| Dominion Field Services, Inc. ("Field Services") | Gas Related | 3/1977 | Delaware | 100% | Engages in activities involving Appalachian natural gas supply, including gathering and administration of supply contracts. |
| Dominion Iroquois, Inc. (a) | | | | | |

| | | | | | |
|---|-------------|---------|----------------------|--------|--|
| Iroquois Gas Transmission System, L.P. ("Iroquois") | Gas Related | 12/1989 | Delaware Partnership | 24.72% | Owns and operates an interstate natural gas pipeline that transports Canadian gas to utilities and power generators in New York and New England. |
| Dominion Greenbrier, Inc. ("Greenbrier") | Gas Related | 11/2000 | Virginia | 100% | Owns 100% of Greenbrier Pipeline Company, LLC. (c) |
| Dominion Oklahoma Texas Exploration & Production, Inc. ("DOTEPI") | Gas Related | 9/2001 | Delaware | 100% | Engages in natural gas and oil exploration and production. |

Page 6

ITEM 1 - ORGANIZATION CHART (CONTINUED)

| <u>Name of Reporting Company</u> | <u>Energy or Gas Related Company</u> | <u>Date of Organization</u> | <u>State of Incorporation</u> | <u>% of Voting Securities Held</u> | <u>Nature of Business</u> |
|---|--------------------------------------|-----------------------------|-------------------------------|------------------------------------|------------------------------|
| Dominion Resources, Inc. ("DRI")(a) | | | | | |
| Consolidated Natural Gas Company ("CNG")(a) | | | | | |
| Dominion Natural Gas | Gas Related | 11/2001 | Delaware | 100% | Owns gas storage facilities, |

| | | | | | | |
|--|-------------|--------|----------|------|--|---|
| Storage, Inc. ("DNGS") | | | | | | a brine pipeline and a gas interconnect pipeline. |
| Dominion Cove Point, Inc. ("Cove Point") | Gas Related | 8/2002 | Virginia | 100% | | Owns an interest in Dominion Cove Point LNG, LP, a liquefied natural gas import facility. |
| Dominion Transmission, Inc. ("DTI") (a) | | | | | | |
| Tioga Properties, LLC ("Tioga") | Gas Related | 6/2002 | Delaware | 100% | | Owns a developmental underground natural gas storage system. |

(a) Directly or indirectly holds interests in energy-related or gas-related companies.

(b) DEE's voting rights in EIP cannot exceed 9.9% unless (i) its economic interest is less than 10% or (ii) it elects to increase its voting rights to equal its economic interest.

(c) Greenbrier Pipeline Company, LLC plans to develop, construct and own a pipeline to meet increased demand for natural gas in the Appalachian and Piedmont regions. Greenbrier acquired an additional 33% interest in Greenbrier Pipeline Company, LLC in November 2003.

(d) Not used.

(e) Not used.

Page 7

ITEM 2 - ISSUANCES AND RENEWALS OF SECURITIES AND CAPITAL CONTRIBUTIONS (f) (g)

| <u>Company issuing security (Borrower)</u> | <u>Type of security issued</u> | <u>Principal amount of security</u> | <u>Issue or renewal</u> | <u>Cost of capital</u> | <u>Person to whom issued (Lender)</u> | <u>Collateral given with security</u> | <u>Consideration received for each security</u> |
|--|--------------------------------|-------------------------------------|-------------------------|------------------------|---------------------------------------|---------------------------------------|---|
|--|--------------------------------|-------------------------------------|-------------------------|------------------------|---------------------------------------|---------------------------------------|---|

None

| <u>Company Contributing Capital</u> | <u>Company Receiving Capital</u> | <u>Type and Amount of Capital Infusion</u> |
|---|--|--|
| DEI | DCT | \$26,869 capital contribution |
| DEI | DEMI | \$446,952 capital contribution |
| DEI | Wagram | \$22,085 capital contribution |
| DEI | DWI | Common stock of \$1,000 |
| DEI | DNPI | Common stock of \$1,000 |
| CNG | Iroquois | \$74,928 capital contribution |
| CNG | Field Services | \$394,250 capital contribution |

(f) The chart reflects net advances made by Lenders to Borrowers during the fourth quarter of 2003. Advances are evidenced by book entries and were made pursuant to Rule 52. See also the DRI Form U-6B-2 filed for the fourth quarter of 2003.

Page 8

ITEM 2 - ISSUANCES AND RENEWALS OF SECURITIES AND CAPITAL CONTRIBUTIONS (continued)

(g) All of the following DRI Money Pool activity occurred from October through December 2003 for the participating energy-related and gas-related companies included in this U-9C-3.

DRI Money Pool
(In Thousands)

| <u>Company</u> | <u>Beginning Balance</u> | <u>Withdrawals</u> | <u>Contributions</u> | <u>Ending Balance</u> |
|----------------|------------------------------|--------------------|----------------------|---------------------------|
|----------------|------------------------------|--------------------|----------------------|---------------------------|

| | | | | |
|-------------------|----------|-----------|-----------|-----------|
| Field Services | \$37,792 | \$149,472 | \$115,918 | \$4,238 |
| Dominion Iroquois | 4,488 | 2,504 | 565 | 2,549 |
| Greenbrier | (18,675) | 9,454 | -- | (28,129) |
| DOTEPI | (89,698) | 167,955 | 116,884 | (140,769) |
| DNGS | (18,275) | 72 | 115 | (18,232) |
| DAH | (6,406) | -- | 78 | (6,328) |

Additionally, as of December 31, 2003 there remained outstanding the following guarantees and letters of credit.

Guarantees
(In Thousands)

| <u>Company</u> | <u>Guarantor</u> | <u>Amount</u> |
|----------------|------------------|---------------|
| Field Services | CNG | \$177,300 |
| DOTEPI | CNG | 346,700 |
| DNGS | CNG | 265 |
| Greenbrier | DRI | 287,537 |
| DEMI | DRI | 548,750 |
| DECCI | DRI | 92,179 |

Part I - Transactions Performed by Reporting Companies on Behalf of Associate Companies (h)

| <u>Reporting Company Rendering Service</u> | <u>Associate Company Receiving Service</u> | <u>Types of Services Rendered</u> | <u>Direct Costs Charged</u> | <u>Indirect Costs Charged</u> | <u>Cost of Capital</u> | <u>Total Amount Billed</u> |
|--|--|---|-------------------------------------|---------------------------------------|----------------------------|------------------------------------|
| DOES | Dominion Equipment, Inc. (i) | Engineering Services | \$7,842 | 0 | 0 | \$7,842 |
| DTECH | Fairless Energy, LLC (j) | Engineering Services | \$91,069 | 0 | 0 | \$91,069 |
| DTECH | Dresden Energy, LLC (j) | Engineering Services | \$943 | 0 | 0 | \$943 |
| DTECH | Pleasants Energy, LLC (k) | Engineering Services | \$1,128 | 0 | 0 | \$1,128 |
| DTECH | Armstrong Energy Limited Partnership, LLLP (l) | Engineering Services | \$33,782 | 0 | 0 | \$33,782 |
| DTECH | Troy Energy, LLC (m) | Engineering Services | \$15,302 | | | \$15,302 |
| Field Services | Dominion Transmission, Inc. (o) | Sales of Extracted Products, & Rental fees | \$4,496,833 | 0 | 0 | \$4,496,833 |
| Field Services | Dominion Exploration & Production, Inc. (p) | Fuel Management Services | \$49,889 | 0 | 0 | \$49,889 |
| Field Services | Dominion Appalachian Development Properties, LLC (q) | Fuel Management Services | \$3,598 | 0 | 0 | \$3,598 |

(h) As per Rules 80 and 81, natural gas supply, storage or transportation capacity transactions are not reported hereunder. Services provided by or to Dominion Resources Services, Inc. ("DRS") are billed pursuant to standard at-cost service agreements between DRS and Dominion Resources, Inc. subsidiaries. Information with respect to transactions under such agreements is not provided in this report, but is provided by Form U-13-60.

(i) Services provided by DOES to Dominion Equipment, Inc. are provided pursuant to service agreements dated June 1, 2001 in the form of Exhibit B to the DRI Form U-9C-3 filed for the fourth quarter of 2001.

(j) Services provided by DTECH to Dresden Energy, LLC and Dominion Equipment III, Inc. as agent for Fairless Energy, LLC are provided pursuant to service agreements dated August 1, 2002 in the form of Exhibits D and E respectively, to the DRI Form U-9C-3 filed for the third quarter of 2002.

(k) Services provided by DTECH to Pleasants Energy, LLC are provided pursuant to service agreements dated August 1, 2002 in the form of Exhibit B to the DRI Form U-9C-3 filed for the second quarter of 2003.

(l) Services provided by DTECH to Armstrong Energy Limited Partnership, LLLP are provided pursuant to service agreements dated August 1, 2002 in the form of Exhibit C to the DRI Form U-9C-3 filed for the third quarter of 2002.

Page 10

(m) Services provided by DTECH to Troy Energy, LLC are provided pursuant to service agreements dated August 1, 2002 in the form of Exhibit C to the DRI Form U-9C-3 filed for the second quarter of 2003.

(n) Not used.

(o) Services provided by Field Services to DTI are provided pursuant to a service agreement dated April 23, 2001 in the form of Exhibit A(e) to the CNG Form U-9C-3 filed for the second calendar quarter of 2002.

(p) Services provided at cost.

(q) Services provided by Field Services to Dominion Appalachian Development, Inc. are provided pursuant to a service agreement dated May 1, 2002 in the form of Exhibit A(g) to the CNG Form U-9C-3 filed for the second calendar quarter of 2002.

Page 11

ITEM 3 - ASSOCIATE TRANSACTIONS (continued)

Part II - Transactions Performed by Associate Companies on Behalf of Reporting Companies (h)

| Associate Company <u>Rendering Service</u> | Reporting Company <u>Receiving Service</u> | Types of Services <u>Rendered</u> | Direct Costs <u>Charged</u> | Indirect Costs <u>Charged</u> | Cost of <u>Capital</u> | Total Amount <u>Billed</u> |
|---|---|---|--------------------------------|----------------------------------|---------------------------|-------------------------------|
| DTI | Field Services (r) | Operations & Maintenance Services | \$132,620 | \$14,216 | 0 | \$146,836 |
| DTI | Greenbrier (s) | Administration, Engineering, Operations & | \$65,794 | \$1,423 | 0 | \$67,217 |

| | | | | | | |
|---|------------------------------------|---|-------------|-----------|---|-------------|
| | | Maintenance Services | | | | |
| DTI | DNGS (t) | Administration, Engineering, Operations & Maintenance Services | \$10,624 | \$485 | 0 | \$11,109 |
| DTI | Dominion Cove Point LNG, LP (u) | Engineering, Operations & Maintenance Services | \$651,125 | \$116,336 | 0 | \$767,461 |
| DTI | Tioga (v) | Administration, Engineering, Operations, Accounting, Marketing & Storage Services | \$12,839 | \$1,488 | 0 | \$14,326 |
| Dominion Exploration & Production, Inc. | DOTEPI (w) | Operations & Maintenance of Gas Properties | \$9,094,003 | 0 | 0 | \$9,094,003 |

(r) Services provided by DTI to Field Services are provided pursuant to agreements in the form of Exhibit A(i) to the CNG Form U-9C-3 filed for the second calendar quarter of 2002.

(s) Services provided by DTI to Greenbrier are provided pursuant to a service agreement dated January 1, 2001, in the form of Exhibit B to the CNG Form U-9C-3 filed for the first calendar quarter of 2001.

(t) Services provided by DTI to DNGS are provided pursuant to a service agreement dated December 1, 2001 in the form of Exhibit A(l) to the CNG Form U-9C-3 filed for the third calendar quarter of 2002.

(u) Services provided by DTI to Dominion Cove Point LNG, LP are provided pursuant to a service agreement dated August 30, 2002 in the form of Exhibit A(m) to the CNG Form U-9C-3 filed for the third calendar quarter of 2002.

(v) A copy of the Service Agreement between DTI and Tioga Properties, LLC dated July 1, 2002 in the form of Exhibit A(o) to the CNG Form U-9C-3 filed for the fourth calendar quarter of 2002.

(w) Services provided by Dominion Exploration & Production, Inc. to DOTEPI are provided pursuant to a Market Services Agreement dated November 1, 2001 in the form of Exhibit A(k) to the CNG Form U-9C-3 filed for the second calendar quarter of 2002.

Page 12

ITEM 4 - SUMMARY OF AGGREGATE INVESTMENT

Investments in energy-related companies (in thousands):

| | | |
|--|-----------------|--------|
| Total consolidated capitalization of DRI as of December 31, 2003 | \$29,274,756(x) | Line 1 |
|--|-----------------|--------|

| | | |
|--|------------------|--------|
| Total capitalization multiplied by 15% (Line 1 multiplied by 0.15) | <u>4,391,213</u> | Line 2 |
|--|------------------|--------|

| | | |
|-----------------------------------|-------------|--------|
| Greater of \$50 million or line 2 | \$4,391,213 | Line 3 |
|-----------------------------------|-------------|--------|

Total current aggregate investment:
(categorized by major line of energy-related business)

Energy-related business by category

| | |
|------------|----------|
| Category 2 | 10 |
| Category 5 | 641,612 |
| Category 6 | 13,752 |
| Category 7 | 8,236 |
| Category 9 | <u>2</u> |

| | | |
|--|----------------|--------|
| Total current aggregate investment (y) | <u>663,612</u> | Line 4 |
|--|----------------|--------|

| | | |
|--|-------------|--------|
| Difference between the greater of \$50 million or 15% of capitalization and the total aggregate investment of the registered holding system (line 3 less line 4) | \$3,727,601 | Line 5 |
|--|-------------|--------|

Investments in gas-related companies (in thousands):

Total current aggregate investment:
(categorized by major line of
gas-related business) (z)

| | | |
|--------------------------------|----------------|-----------------------------|
| Gas exploration and production | 2,470,751 | |
| Gas sales and storage services | 552,412 | |
| Gas transportation | <u>339,990</u> | <u> </u> |
| | | <u>\$3,363,153</u> |

(x) Includes short-term debt of \$1,451,791.

(y) Includes guarantees of \$640,929.

(z) Includes guarantees of \$811,802.

Page 13

ITEM 5 - OTHER INVESTMENTS

| Major Line of Energy-Related <u>Business</u> | Other Investment in <u>Last U-9C-3 Report</u> | Other Investment in this <u>U-9C-3 Report</u> | Reason for Difference <u>in Other Investment</u> |
|--|--|--|---|
|--|--|--|---|

None.

ITEM 6 - FINANCIAL STATEMENTS AND EXHIBITS

A. Financial Statements

Balance sheets as of December 31, 2003 and income statements for the three-months and year ended December 31, 2003 for the following companies are filed under confidential treatment pursuant to Rule 104(b):

DEE

DAH

DETI

DCT

DOES

Wagram

DTECH

DEMI

Field Services

Greenbrier

DOTEPI

DNGS

Cove Point

Tioga

DETC

DECCI

DWI

DNPI

B. Exhibits

The certificate as to filing with interested state commissions is attached hereto as Exhibit A.

SIGNATURE

The undersigned registered holding companies have duly caused this quarterly report to be signed on their behalf by the undersigned attorney thereunto duly authorized pursuant to the requirements of the Public Utility Holding Company Act of 1935.

DOMINION RESOURCES, INC.

By: /s/ James F. Stutts
James F. Stutts
Its Attorney

CONSOLIDATED NATURAL GAS COMPANY

By: /s/ James F. Stutts
James F. Stutts
Its Attorney

Dated: March 24, 2004

Exhibit A

CERTIFICATE

The undersigned certifies that she is the duly designated and acting attorney of Dominion Resources, Inc., a Virginia corporation ("DRI") and Consolidated Natural Gas Company, a Delaware corporation ("CNG") and that:

The Combined Quarterly Report for DRI and CNG on Form U-9C-3 filed pursuant to Rule 58 for the quarter ended December 31, 2003 was filed with each state commission having jurisdiction over the retail rates of the public utility companies that are associate companies of any of the reporting companies.

The names and addresses of such state utility commissions are:

Utilities Department
Public Utility Commission of Ohio
180 Broad Street
Columbus, OH 43266-0573

Executive Secretary
West Virginia Public Service Commission
201 Brooks Street
Charleston, WV 25301

Secretary
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17101

Director, Public Utility Accounting
Virginia State Corporation Commission
1300 East Main Street
Richmond, VA 23219

Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

IN WITNESS WHEREOF, I have hereunto set my hand as of the 24th day of March 2004.

 /s/ Sharon L. Burr

Sharon L. Burr
Attorney for
Dominion Resources, Inc.
Consolidated Natural Gas Company