

**AMENDMENT NO. 1
TO THE
AGREEMENT FOR THE PROVISION OF
ELECTRIC SERVICE TO MUNICIPALITIES
AND COUNTIES OF THE
COMMONWEALTH OF VIRGINIA
FROM VIRGINIA ELECTRIC AND POWER COMPANY**

THIS AMENDMENT (the "Amendment") is made and entered into as of October 15, 2008 (the "Effective Date") by and between **VIRGINIA ELECTRIC AND POWER COMPANY**, a Virginia public service corporation ("Dominion Virginia Power") and **VIRGINIA ENERGY PURCHASING GOVERNMENTAL ASSOCIATION**, a joint powers association representing member units of political subdivisions of the Commonwealth of Virginia ("VEPGA"). The Amendment revises the Agreement for the Provision of Electric Service to Municipalities and Counties of the Commonwealth of Virginia from Virginia Electric and Power Company dated June 25, 2007 ("Agreement"). (Dominion Virginia Power and VEPGA shall be referred to hereafter collectively as the "Parties.")

RECITALS

In correspondence to VEPGA dated February 28, 2008, Dominion Virginia Power proposed a draft revision of Schedule D concerning the conversion of existing mercury vapor lamped luminaires to high pressure sodium luminaires. In its correspondence to VEPGA dated March 20, 2008, Dominion Virginia Power proposed a draft revision of Schedule SMH concerning decorative metal halide lamped luminaires. In an undated letter to Dominion Virginia Power VEPGA accepted the proposed revisions and requested that they be implemented as soon as possible. Consequently, the Parties wish to amend the Agreement to revise **Schedule SMH** concerning decorative metal halide lamped luminaires and **Schedule D** concerning the conversion of existing mercury vapor lamped luminaires to high pressure sodium luminaires.

NOW, THEREFORE, in consideration of the mutual covenants in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Attachment A to the Agreement, concerning the schedule of charges from July 1, 2007 through December 31, 2010, is hereby amended by deleting Schedule D included with the original Agreement (Municipal and County – Mercury Vapor to High Pressure Sodium Conversion Charges) and inserting in its stead the Schedule D attached to this Amendment as Exhibit 1.

2. Attachment A to the Agreement, concerning the schedule of charges from July 1, 2007 through December 31, 2010, is further amended by deleting Schedule SMH included with the original Agreement (Municipal and County – Streetscape Metal Halide

Supplemental Outdoor Lighting Rate) and inserting in its stead the Schedule SMH attached to this Amendment as Exhibit 2.

3. Exhibit 1 shall be applicable to all requests for service received on or after the Effective Date concerning the matters addressed by such rate schedule.

4. The 13,000 and 24,000 lumen metal halide luminaires are not expected to be available until January 2009. Accordingly, Exhibit 2 shall become effective for usage on and after February 1, 2009.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the Effective Date.

VIRGINIA ELECTRIC AND POWER COMPANY

BY: David F. Koogler
David F. Koogler
Director – State Regulation

VIRGINIA ENERGY PURCHASING GOVERNMENTAL ASSOCIATION

BY: Paul N. Proto
Paul N. Proto
Chairman

SCHEDULE D

MUNICIPAL AND COUNTY

MERCURY VAPOR LUMINAIRE CONVERSION CHARGES

I. APPLICABILITY

This schedule is applicable to the conversion of existing in-service mercury vapor lamped luminaires, to luminaires with an alternative standard lamp type where the replacement luminaires are placed on the same poles or posts as the retired luminaires.

For an existing mercury vapor luminaire, which is non-functional due to a failure of the luminaire's housing, ballast, or electrical components other than a lamp or photo-control ("non-functional luminaire"), the Company will replace, at no charge to the Customer, such non-functional luminaire with a comparable high pressure sodium luminaire and lamp of similar lumen output and photometric distribution characteristics using the same existing support of the retired luminaire.

For luminaires that are in close proximity to the nonfunctional luminaire, when requested by the Customer, the Company will coordinate with the Customer any conversion that involves replacing otherwise functional existing mercury vapor lighting equipment so that the Customer can inform the public in advance of such conversion.

The Customer charge for conversion of any otherwise functional existing mercury vapor lighting equipment, regardless of its proximity to other lighting equipment, and provided that the replacement luminaire is placed on the same pole or post as the retired luminaire, will be calculated pursuant to Section II of this schedule. In no case shall the Customer charge be less than zero.

II. CUSTOMER CHARGE

For an otherwise functional existing in-service mercury vapor luminaire, for which the Customer requests conversion to a comparable high pressure sodium luminaire that will be billed under Rate Schedule 150 as a Type 1 luminaire, and which uses the same existing support as the retired luminaire, the Customer charge shall be a flat rate of \$149.00 per luminaire.

(Continued)

Electric – Virginia
Municipal – County

Superseding Schedule Effective
07-01-07. This Schedule Effective
10-15-08.

SCHEDULE D

MUNICIPAL AND COUNTY

MERCURY VAPOR LUMINAIRE CONVERSION CHARGES

II. CUSTOMER CHARGE (Continued)

For other requests where the Customer wishes to convert an otherwise functional existing in-service mercury vapor luminaire, to an alternative style standard luminaire, an alternative standard lamp type, or an alternative standard lamp size, and where the replacement luminaire is placed on the same pole or post as the retired luminaire, the Customer charge shall be the total estimated project cost less a \$149.00 conversion credit per luminaire converted. If, however, the net additional four-year revenue (excluding fuel revenue but including 1.2470¢ per kWh pursuant to Section III of the Terms and Conditions) exceeds the specified credit amount, then the total credit allowed will be the amount of such net additional revenue.

III. TAX EFFECT RECOVERY FACTOR (TERF)

TERF shall not be applied to conversion charges as described under Paragraph III.H. of the Terms and Conditions of the Agreement of which this schedule is a part.

SCHEDULE SMH

MUNICIPAL AND COUNTY

STREETSCAPE METAL HALIDE SUPPLEMENTAL OUTDOOR LIGHTING RATE

I. APPLICABILITY

This Schedule is applicable to any municipality or county, or any board, agency or authority thereof for Electricity Supply Service and Electric Delivery Service to premium lighting equipment with metal halide lamping.

II. MONTHLY RATE

A. Streetscape Lighting Service

a. Distribution Service Charge

Approximate Lumens	Nominal Wattage	Input Wattage	Monthly kWh	Distribution Service Charge Per Unit Per Month	
				First Unit Per Pole	Each Additional Unit on Same Pole
7,000	100	124	41	\$30.31	\$13.20
10,000	150	173	57	\$31.41	\$13.45
13,000	250	298	99	\$37.63	\$13.26
24,000	400	458	152	\$38.00	\$13.62

b. Electricity Supply Service Charge

Approximate Lumens	Nominal Wattage	Input Wattage	Monthly kWh	Electricity Supply Service Charge Per Unit Per Month	
				First Unit Per Pole	Each Additional Unit on Same Pole
7,000	100	124	41	\$1.29	\$1.29
10,000	150	173	57	\$1.80	\$1.80
13,000	250	298	99	\$3.13	\$3.13
24,000	400	458	152	\$4.80	\$4.80

B. Each Electricity Supply kilowatthour used is subject to Fuel Charge Rider A. Electricity Supply kilowatthours used shall be the "Monthly kWh" shown in II. A., above, for each lamp.

SCHEDULE SMH

MUNICIPAL AND COUNTY

STREETSCAPE METAL HALIDE SUPPLEMENTAL OUTDOOR LIGHTING RATE

II. MONTHLY RATE (Continued)

C. Minimum Charge

The monthly minimum charge shall be the rate specified in Section II. A., above.

III. PAYMENTS

Bills are due and payable from the billing date as provided in Section VII of the Terms and Conditions of the Agreement or the equivalent provision in any subsequent agreement, of which this schedule is a part.

IV. TERMS AND CONDITIONS

- A. The complete installation is to be furnished, maintained and operated by the Company and will remain the property of the Company. The type of fixture and method of installation shall be in accordance with Company standards. The Company will make underground installations in accordance with Section III of the Terms and Conditions, or the equivalent provision in any subsequent agreement, of which this schedule is a part. Installations on buildings or structures belonging to the Customer or to others will not be permitted.
- B. The Customer shall report to the Company, as promptly as possible, any lights that are out or not burning properly.
1. Following such report, the Company will, except in storm or other unusual weather or operating conditions, endeavor to replace or repair such lights within the number of days described below:
 - a. for installations not involving an underground cable failure, three working days; or
 - b. for installations involving an underground cable repair, five working days; or
 - c. for installations involving an underground cable replacement:
 - i) in cases where the cable is in customer-owned conduit, 20 calendar days following the Customer's notification to the Company of the completion of any required conduit repair, and
 - ii) 40 calendar days in all other cases.

SCHEDULE SMH

MUNICIPAL AND COUNTY

STREETSCAPE METAL HALIDE SUPPLEMENTAL OUTDOOR LIGHTING RATE

IV. TERMS AND CONDITIONS (Continued)

The number of days described, above, assumes the Company is not required to obtain a permit for such work in public ways, or is permitted to perform such work under a blanket permit. The Company shall be allowed additional time commensurate with the time required to obtain case-specific permits.

2. Regardless of the reason for repair, if the streetlight has not been repaired within the applicable time limit, below, the Company will automatically adjust the billing. The amount of any refund or credit for such lights shall be prorated for the days of outage following the first report to the Company.
 - a. For all installations not involving an underground cable failure, eleven calendar days.
 - b. For installations involving an underground cable repair, fifteen calendar days.
 - c. For installations involving an underground cable replacement, 45 calendar days.

If the Company cannot either perform the required work without obtaining a permit for work in public ways or cannot perform the required work under a blanket permit for work in public ways, the above time limits shall be extended by any duration in excess of three calendar days from the date the Company submitted the application for a case-specific permit to the date the Company received the approved permit.

In the event the Company must await completion of any work by the Customer (including but not limited to Customer's repair of Customer-owned conduit or pole foundations), all time limits shall be calculated from the day the Company receives notification from the Customer of the completion of such work. If, after receiving notification that the Customer's work is completed (including corrections of unsatisfactory work), the Company in its reasonable judgment determines that any Customer-performed work is unsatisfactory, the time limit shall be recalculated from the day the Company subsequently receives notification from the Customer that such unsatisfactory work has been corrected.

3. As used in this schedule, underground cable repair shall mean uncovering an underground cable fault and splicing the faulted underground cable together and -- when appropriate -- shall further include incidental replacement of up to five feet of underground cable to bridge a damaged cable segment. More extensive replacement

SCHEDULE SMH

MUNICIPAL AND COUNTY

STREETSCAPE METAL HALIDE SUPPLEMENTAL OUTDOOR LIGHTING RATE

IV. TERMS AND CONDITIONS (Continued)

work shall be considered as an underground cable replacement except as may be otherwise determined by the Company. The Company shall determine whether the most appropriate method of restoring service is through underground cable repair or underground cable replacement.

4. This Paragraph B. will not be applicable to outages caused by extraordinary circumstances requiring abnormal repairs.