

DOMINION RESOURCES INC /VA/
Form 11-K
June 22, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 11-K

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934.

X For the fiscal year ended December 31, 2005.

or

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES
EXCHANGE ACT OF 1934.

For the transition period from _____ to _____.

Commission File Number 333-85904

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**DOMINION TRANSMISSION AND HOPE GAS UNION SAVINGS PLAN
FOR EMPLOYEES REPRESENTED BY THE UNITED GAS WORKERS UNION,
LOCAL 69 - DIVISION II, SEIU, AFL-CIO**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**DOMINION RESOURCES, INC.
120 Tredegar Street
Richmond, VA 23219**

**DOMINION TRANSMISSION AND HOPE GAS UNION SAVINGS PLAN
FOR EMPLOYEES REPRESENTED BY THE UNITED GAS WORKERS
UNION, LOCAL 69 - DIVISION II, SEIU, AFL-CIO**

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee and Organization, Compensation, and Nominating Committee of the Board of Directors of Dominion Resources, Inc. and the Trustee and Participants of the Dominion Transmission and Hope Gas Union Savings Plan for Employees Represented by the United Gas Workers Union, Local 69 - Division II, SEIU, AFL-CIO Richmond, Virginia

We have audited the accompanying statements of net assets available for benefits of the Dominion Transmission and Hope Gas Union Savings Plan for Employees Represented by the United Gas Workers Union, Local 69 - Division II, SEIU, AFL-CIO (the "Plan") as of December 31, 2005 and 2004, and the related statement of changes in net assets available for benefits for the year ended December 31, 2005. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2005 and 2004, and the changes in net assets available for benefits for the year ended December 31, 2005, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of (1) assets (held at end of year) as of December 31, 2005, and (2) reportable transactions for the year ended December 31, 2005, are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These schedules are the responsibility of the Plan's management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic 2005 financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP

Richmond, Virginia
June 16, 2006

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**DOMINION TRANSMISSION AND HOPE GAS UNION SAVINGS PLAN
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UNION, LOCAL 69 - DIVISION II, SEIU, AFL-CIO**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2005	December 31, 2004
Assets:		
Participant-Directed Investments	\$ 166,530,937	\$ 181,948,886
Nonparticipant-Directed Investments	3,607,291	2,348,540
Receivables	1,021,981	443,484
Total Assets	171,160,209	184,740,910
Liabilities:		
Payables for Investments Purchased	744,981	443,011
Administrative Expenses Payable	81,116	54,936
Other Liabilities	157,416	33,158
Total Liabilities	983,513	531,105
NET ASSETS AVAILABLE FOR BENEFITS	\$ 170,176,696	\$ 184,209,805

The accompanying notes are an integral part of the financial statements.

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**DOMINION TRANSMISSION AND HOPE GAS UNION SAVINGS PLAN
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**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2005**

Additions:	
Investment Income:	
Dividends	\$ 2,528,906
Interest	178,778
Net Appreciation in Fair Value of Investments	10,418,248
Income from Master Trust	3,955,123
 Total Investment Income	 17,081,055
Contributions:	
Participants	5,126,045
Employers	1,514,883
 Total Contributions	 6,640,928
 Total Additions	 23,721,983
Deductions:	
Benefits Paid to Participants	37,114,492
Administrative Expenses	107,915
 Total Deductions	 37,222,407
 NET DECREASE IN NET ASSETS BEFORE TRANSFERS	 (13,500,424)
 TRANSFER OF PARTICIPANTS' ASSETS FROM THE PLAN TO OTHER PLANS	 (532,685)
 NET DECREASE	 (14,033,109)
NET ASSETS AVAILABLE FOR BENEFITS:	
Beginning of Year	184,209,805
 End of Year	 \$ 170,176,696

The accompanying notes are an integral part of the financial statements.

**DOMINION TRANSMISSION AND HOPE GAS UNION SAVINGS PLAN
FOR EMPLOYEES REPRESENTED BY THE UNITED GAS WORKERS
UNION, LOCAL 69 - DIVISION II, SEIU, AFL-CIO**

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF PLAN

The following description of the Dominion Transmission and Hope Gas Union Savings Plan for Employees Represented by the United Gas Workers Union, Local 69 - Division II, SEIU, AFL-CIO (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

- a. **GENERAL** - The Plan is a defined contribution plan covering union eligible employees of Dominion Transmission, Inc. and Hope Gas, Inc. (the Employers) who are 18 years of age or older. The Employers are wholly-owned subsidiaries of Consolidated Natural Gas Company (the Company or CNG). CNG is a wholly-owned subsidiary of Dominion Resources, Inc. (Dominion). The Plan administrator is Dominion Resources Services, Inc. (a subsidiary of Dominion). Mellon Bank, N. A. serves as the Trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).
 - b. **CONTRIBUTIONS** - Under the Plan, participants may contribute not less than 2% and not more than 50% of their earnings each pay period, in increments of 1%. Contributions are subject to applicable Internal Revenue Code (IRC) limitations. The Employer contributes amounts equivalent to 50% of each participant's contributions, not to exceed 3% of the participant's eligible earnings, which is used to purchase Dominion common stock. The Employer's matching contribution is increased to 66.7% of each participant's contributions, not to exceed 4% of participant's eligible earnings, for employees who have 20 or more years of service.
 - c. **PARTICIPANT ACCOUNTS** - Individual accounts are maintained for each Plan participant. Each participant's account includes the effect of the participant's contributions and withdrawals, as applicable, and allocations of the Employer's contributions, Plan earnings or losses, and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the vested portion of the participant's account.
 - d. **PARTICIPANTS** - Each employee is eligible to participate in the Plan on an entirely voluntary basis. Participation by an employee becomes effective immediately upon enrollment in the Plan.
 - e. **VESTING** - Participants become vested in their own contributions and earnings on these amounts immediately, and in the Employer's matching contributions and related earnings thereon after three years of service.
 - f. **FORFEITED ACCOUNTS** - At December 31, 2005 and 2004, forfeited nonvested accounts totaled \$460 and \$530, respectively. These accounts are used to reduce future Employer contributions. During the year ended December 31, 2005, Employer contributions were reduced by \$530 from forfeited nonvested accounts.
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g.

INVESTMENT OPTIONS

Employee Contributions: Upon enrollment in the Plan, a participant may direct contributions in any option (except the loan fund) in 1% increments totaling to 100%. Changes in investment options may be made at any time and become effective with the subsequent pay period. Participants can make unlimited transfers among existing funds. As discussed in Note 1.k., effective July 6, 2005, the Plan provides for employee contributions to be invested in the following:

Dominion Stock Fund

Interest in Master Trust:

Dresdner Large Cap Growth Fund (Dresdner Fund)
Certus Stable Value Fund (Certus Fund)

Common/Collective Trusts:

Northern Trust Global Securities - Aggressive Growth
Northern Trust Global Securities - Conservative
Northern Trust Global Securities - Moderate
Large Cap Value Fund
Wilshire 4500 Index Fund
EB Mellon Total Return Fund
Mellon S&P 500 Index Daily Fund

Mutual Funds:

Real Estate Fund
Small Cap Value Fund
Vanguard Explorer Fund
Euro Pacific Growth Fund

Employer Contributions: Employer's matching contributions are automatically invested in the Dominion Stock Fund. However, participants may transfer 100% of the value of the company match account into another investment option at anytime.

h. PARTICIPANT LOANS - Participants are eligible to secure loans against their plan account and repay the amount over a one to five-year period. The minimum loan amount is \$1,000 and the maximum loan amount is the lesser of:

- 50% of the vested account balance or
- \$50,000 (reduced by the maximum outstanding loan balance during the prior 12 months).

Loan transactions are treated as a transfer between the respective investment fund and the loan fund. The loans are interest bearing at one percentage point above the prime rate of interest. The rate is determined every quarter; however, the rate is fixed at the inception of the loan for the life of the loan.

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Participants make principal and interest payments to the Plan on a bi-monthly basis through payroll deductions. Any defaults in loans result in a reclassification of the remaining loan balances as taxable distributions to the participants.

- i. PAYMENT OF BENEFITS - On termination of service, a participant may elect to receive either a lump sum amount equal to the value of the participant's vested interest in his or her account, or defer the payment to a future time no later than the year in which the participant attains age 70 1/2. There were no amounts payable to participants at December 31, 2005 or 2004.
- j. FLEXIBLE DIVIDEND OPTION - Participants are given the choice of (1) receiving cash dividends paid on vested shares held in their Dominion Stock Fund or (2) reinvesting the dividends in the Dominion Stock Fund.
- k. PLAN CHANGES - In May 2005, members of the Utility Workers' Union of America, United Gas Workers' Local 69-II, AFL-CIO (Local 69-II) ratified a new labor agreement with Dominion Transmission, Inc. and Hope Gas, Inc. There were no changes made to the Plan by the agreement which was effective April 1, 2005 and continues through April 1, 2008. Local 69-II represents approximately 1,000 employees of Dominion Transmission, Inc. and Hope Gas, Inc.

In June 2005, the Plan approved the following changes to participant investment offerings, effective July 6, 2005: The underlying investments for the Capital Guardian Balanced - Aggressive Growth Fund, Capital Guardian Balanced - Conservative Balanced Fund, and Capital Guardian Balanced - Moderate Fund (the Balanced Funds) were replaced. The Balanced Funds managed by Capital Guardian Trust Company were transferred to similar balanced funds managed by Northern Trust Global Securities. In addition, the Small Cap Growth Fund's underlying investment, the RS Diversified Growth Fund, was replaced with the Vanguard Explorer Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES