

# Dominion affirms 2008 guidance, trims 2009 view

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RICHMOND, Va. (AP) - Dominion late Friday maintained its 2008 earnings estimate but lowered its guidance for 2009 due to higher costs for capital, for pensions and other benefits as well as a continued decline in commodity prices.

The energy producer said it expects to earn \$3.10 to \$3.15 in 2008 on an operating basis. For 2009, operating income is pegged in a range of \$3.20 to \$3.30 per share, down from a prior estimate of \$3.30 to \$3.45 per share.

On average, analysts surveyed by Thomson Reuters forecast earnings per share of \$3.12 this year and \$3.30 next year.

Dominion said it now expects an operating earnings per share growth rate of 3 to 6 percent in 2009 over 2008 earnings; a 4 to 6 percent growth rate in 2010 over 2009 earnings; and a return to a 6 percent or greater growth rate in 2011 and thereafter.

The company also said it was reducing non-fuel operating and maintenance expenses as well as capital expenditures for 2009 by about \$350 million in response to tightening credit markets.

"Dominion has more-than-adequate liquidity, and we have been able to successfully access the capital markets in recent months. Yet, given the increased interest rates and widespread economic pressures in the marketplace, we find it prudent to conserve cash and lower our financing requirements," said Thomas F. Farrell, chairman, president and chief executive.

The company will further discuss its guidance during a conference call after its fourth-quarter earnings report Jan. 29.

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