

Dominion

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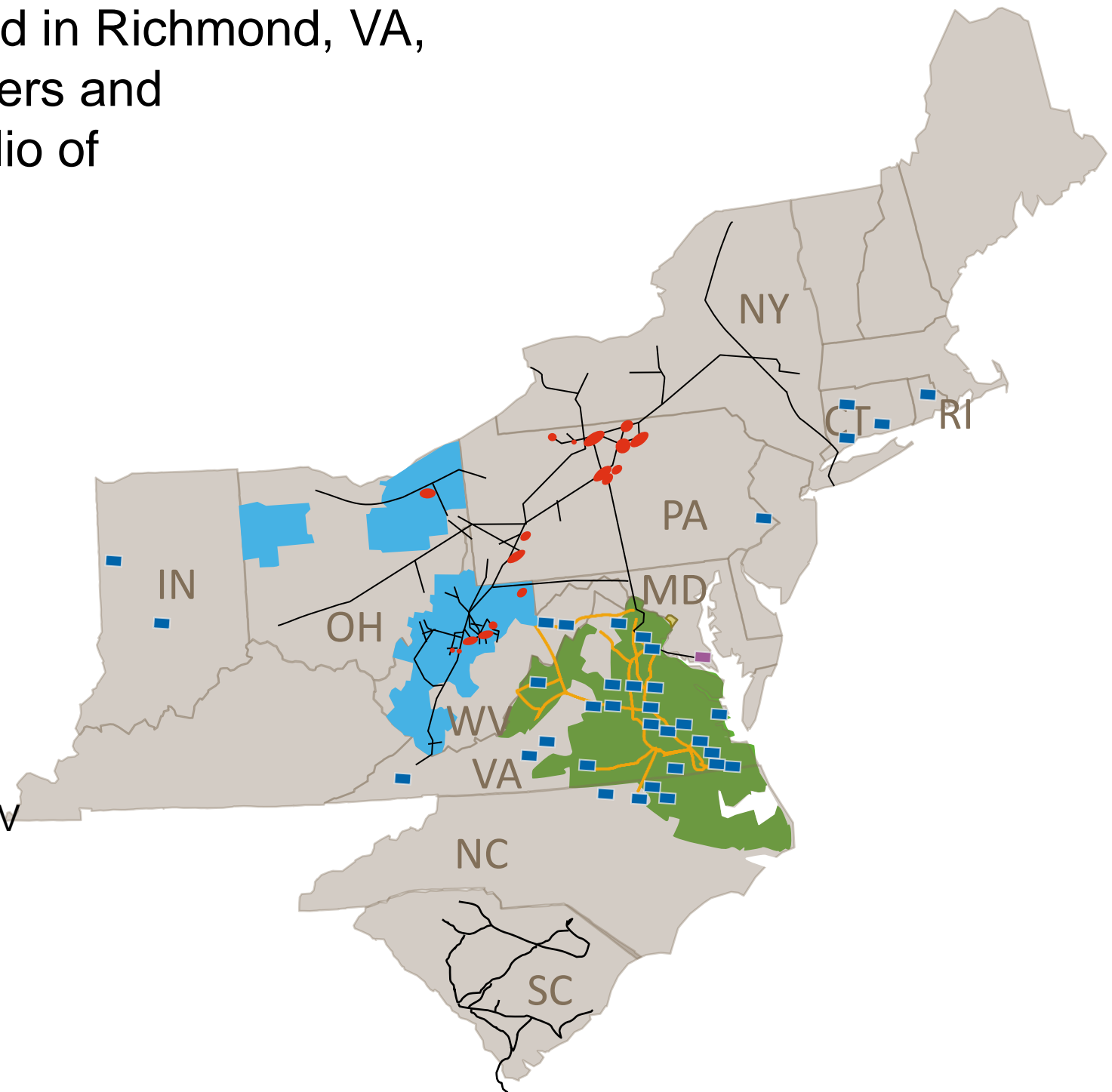
Dominion Profile

Power and Natural Gas Infrastructure Overview

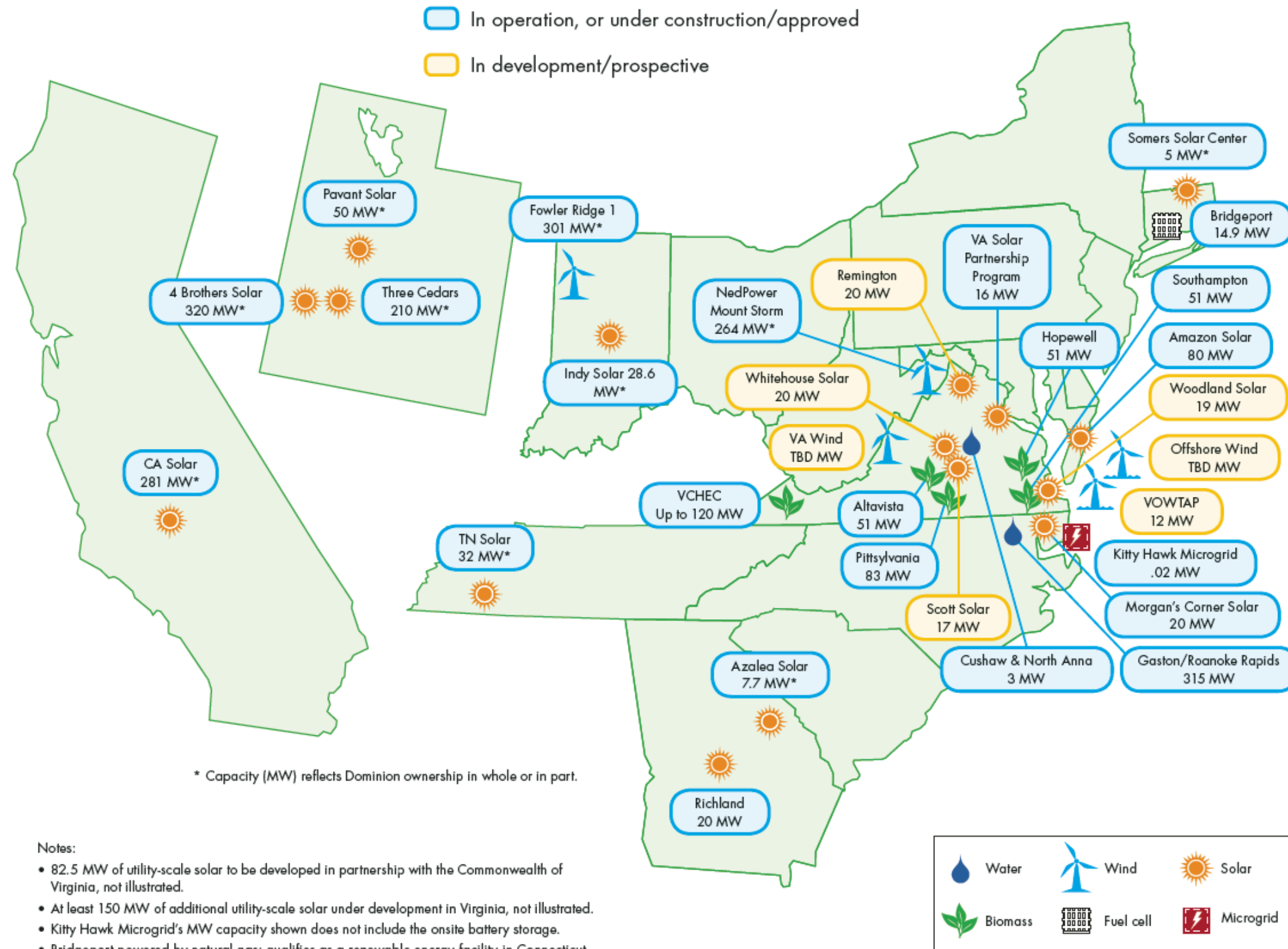
Leading provider of energy and energy services in the U.S.

Dominion (NYSE:D), headquartered in Richmond, VA, is one of the nation's largest producers and transporters of energy, with a portfolio of approximately:

- 24,300 MW of electric generation
- 6,500 miles of electric transmission
- 12,200 miles of natural gas transmission, gathering and storage pipeline
- 933 billion cubic feet of natural gas storage operated
- Cove Point LNG Facility
- 2.5 million electric customers in VA and NC
- 1.3 million natural gas customers in OH & WV
- 1.3 million non-regulated retail customers in 14 states (not shown)



Renewable Generation Investments



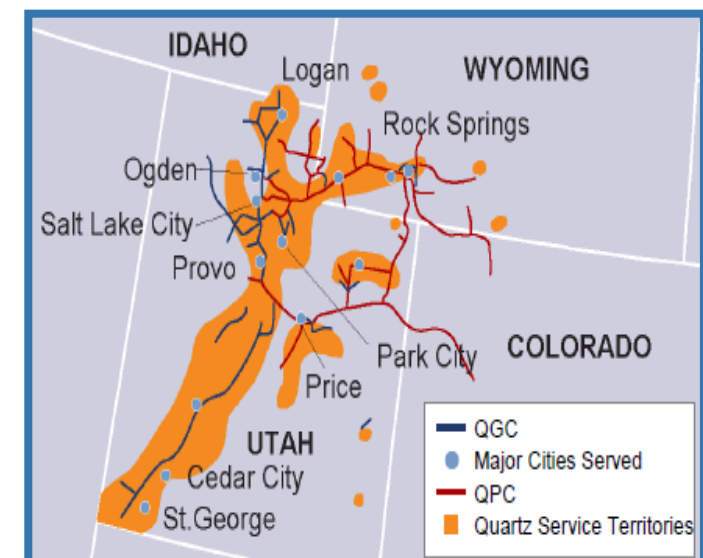
Activities Across the U.S.

► Electric

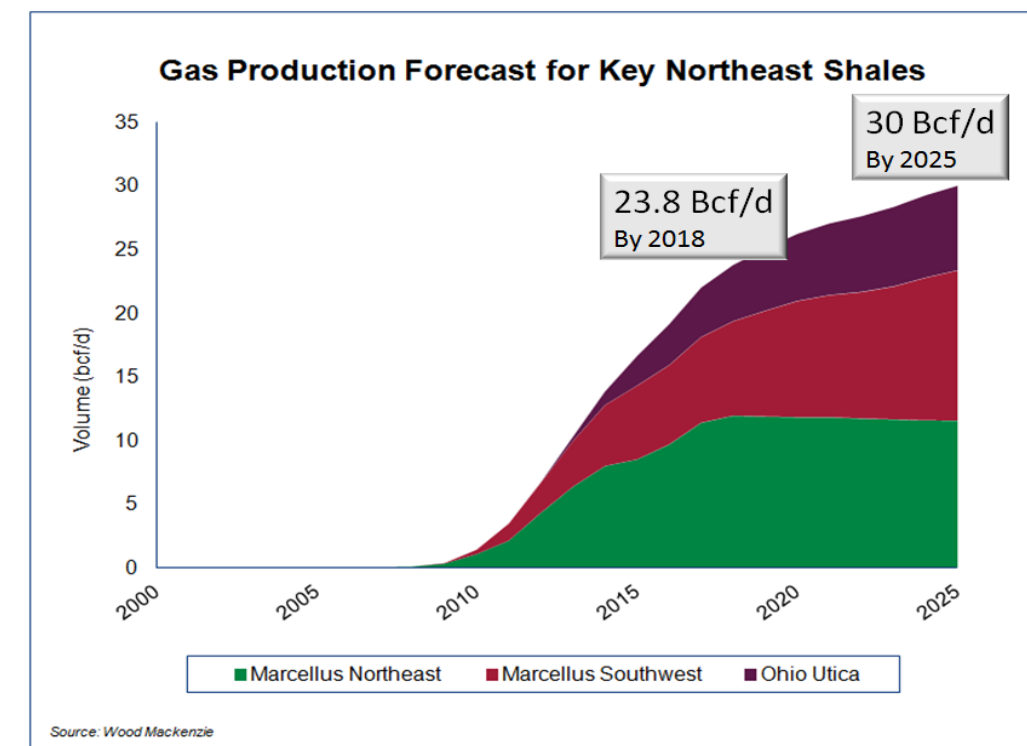
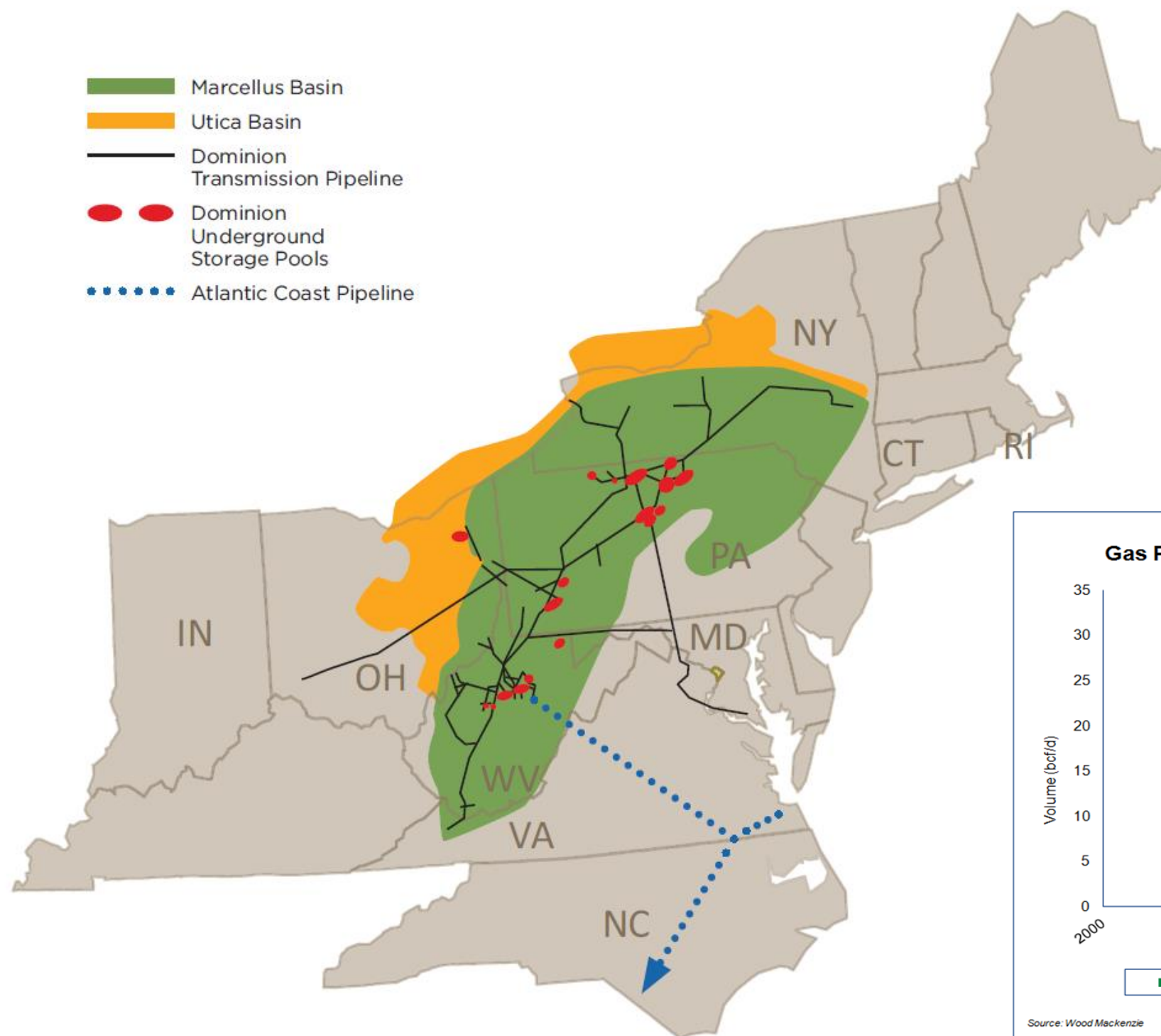
- Committed to building at least 400 MW's of utility-scale solar in VA by 2020
- Completing 1,300 MW CC station next month (VA)
- Awaiting decision next week on additional 1,600 MW CC station (VA)

► Natural Gas

- Building LNG export facility at existing import terminal in Southern MD
- Expanding facilities in New York for greater deliverability across Northeast
- Acquiring Questar, headquartered in Salt Lake City, UT
 - LDC serving approximately 900,000 customers in UT, CO, WY & ID
- Atlantic Coast Pipeline



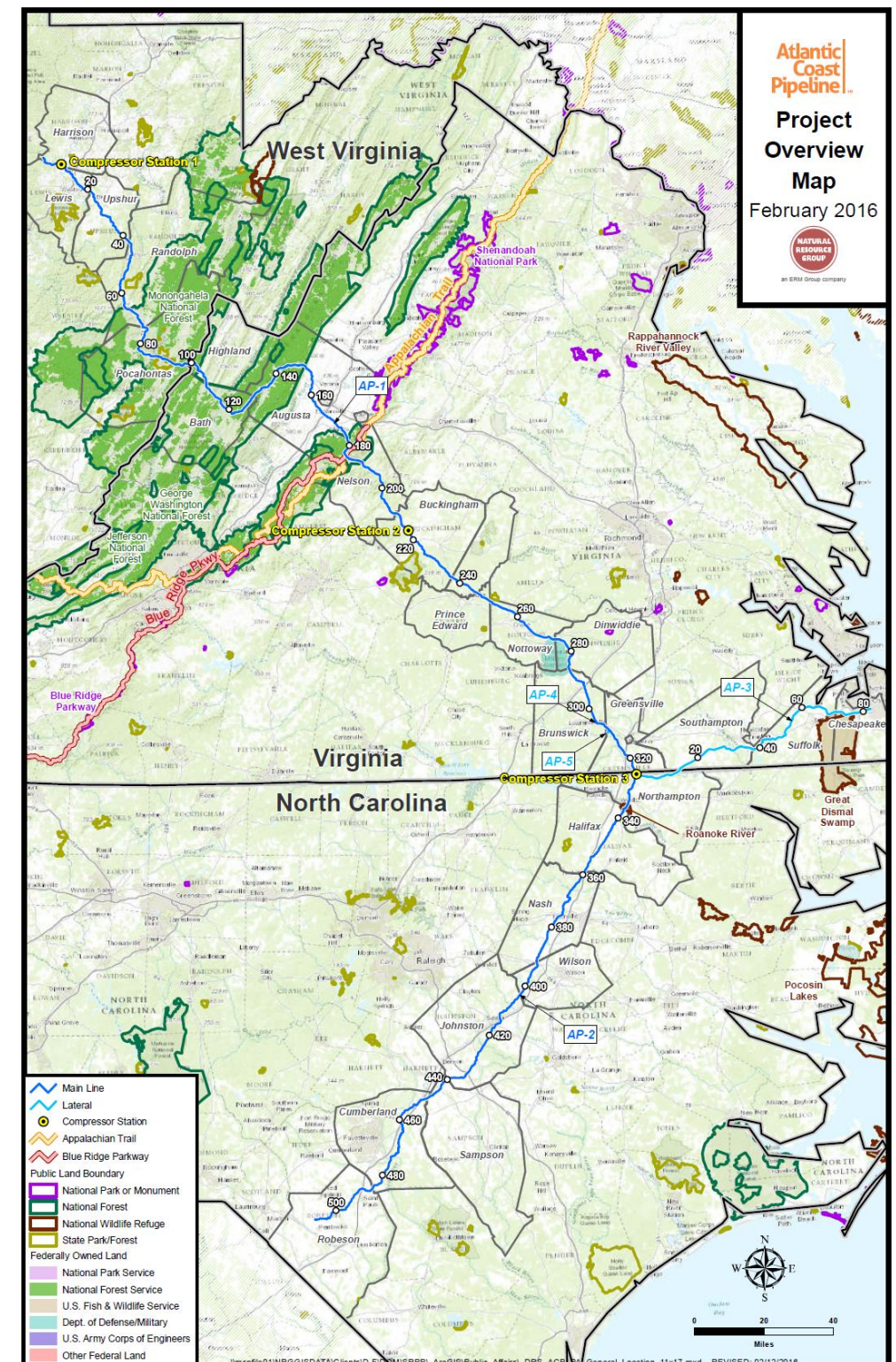
Abundant Supply of Natural Gas



Atlantic Coast Pipeline

Project Details

- ▶ **Length:** Approximately 594 miles
- ▶ **Pipe:** West Virginia: 42-inch diameter
Virginia: 42-inch diameter
North Carolina: 36-inch diameter
Hampton Roads: 20-inch diameter
- ▶ **Capacity:** 1.5 billion cubic feet/day
- ▶ **Three compressor station locations:**
 1. Lewis County, WV
 2. Buckingham County, VA
 3. Northampton County, NC
- ▶ **Service:** ~ 90% of capacity is committed to utilities primarily to replace coal powered electric generation



Companywide Commitment to Community

- ▶ **More than \$25 million in grants in 2015 from Dominion and Dominion Foundation**
 - \$1.7 million in matching gifts in 44 states
 - Local community giving decisions
 - '15 celebrated 70th anniversary of Dominion Foundation
- ▶ **110,000 hours of employee volunteer service**
 - Employees provided community “day off” of their choosing
- ▶ **\$8.7 million in EnergyShare heating, cooling assistance funds, helping 18,000 families**
 - Part of commitment to invest \$57 million in program through 2019
- ▶ **Troops to Energy Jobs**
 - More than 650 military veteran hires since 2011
 - Nearly 20 percent of new hires



Recognition

- ▶ **Fortune's 'Most Admired' Companies – Electric & Gas Utilities**

- Ranked 2nd in 2016
- Top two for past five years (1st in 2015)

- ▶ **Forbes' 'America's Best Employers' – No. 37**

- First among utility companies

- ▶ **Military Times 'Best for Vets' – ranked 21st**

- Sixth year listed
- Top utility ranked

- ▶ **Other recognition**

- DOD/ESGR Employer Support Freedom Award
- GI Jobs Top 100 Military-Friendly Employer, since 2010
- National United Way Summit Awards – Volunteerism, Community Impact



Forbes

America's Best Employers 2015

Dominion

Millstone Power Station

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Senior Vice President, Nuclear Operations



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Dominion Millstone Power Station

- ▶ **Largest and most important generating facility in Connecticut and New England:**
 - Safe, reliable, carbon-free, base load power
 - 2,100 MWs; ~17M MWhs annually
 - Output equivalent to >55% of electricity consumed in Connecticut
 - Critical in stopping Northeast blackout in August 2003
 - Reliably supported the grid during the 2015 polar vortex



Dominion Millstone Power Station

- ▶ **\$1.2 billion in annual economic benefit:**
 - Approximately 1,080 full time employees:
 - Annual payroll > \$100 million/yr
 - Average salary \$99,600/yr
 - Average “fully loaded” compensation is \$138,000/yr (excludes overtime and potential performance incentives)
 - Supports 4,300 direct and indirect jobs
 - Annually spends over \$200 million goods and services from vendors and contractors in Connecticut
- ▶ **Over \$1 billion in capital investment in safety and efficiency since 2001**
- ▶ **Over \$45 million annually in state and local taxes**
- ▶ **Strong partnership with Three River Community College**
- ▶ **Over \$6 million in Connecticut philanthropic gifts over the last five years**

Dominion Millstone Power Station

Performance for the Long Term

▸ **2015 Performance**

- Strong safety performance
- Record generation (17.4M MWhs)
- High capacity factors:
 - Millstone 2: 88.7% (including refueling outage)
 - Millstone 3: 100.%

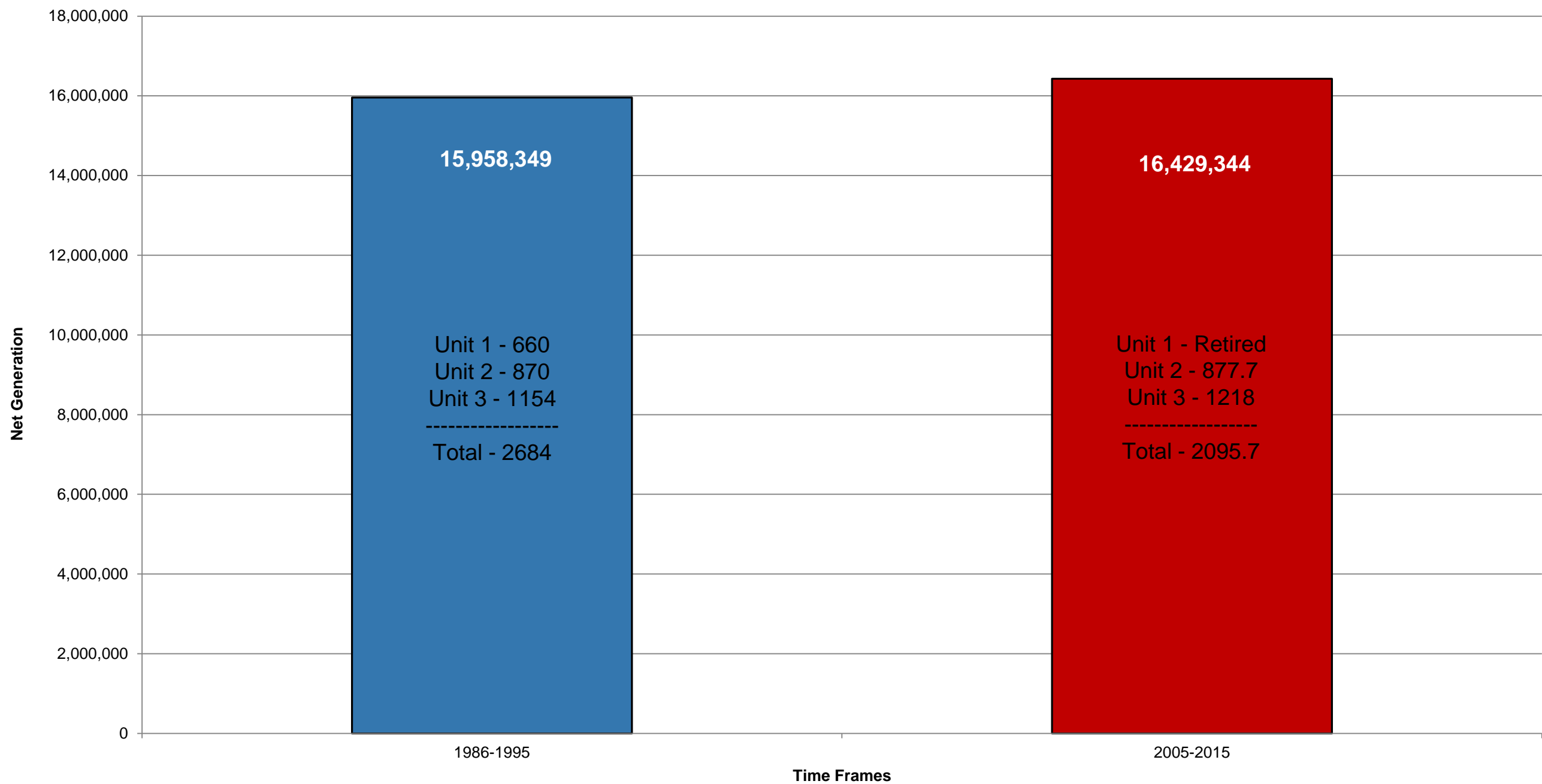
▸ **Long Term, In-state, Carbon Free Asset**

- Millstone 2 licensed through 2035
- Millstone 3 licensed through 2045
- Option for additional 20 years on each unit
 - No additional infrastructure required

Dominion Millstone Power Station

Historical and Current Operations

Millstone Station Net Generation Comparison –
Average Per Year



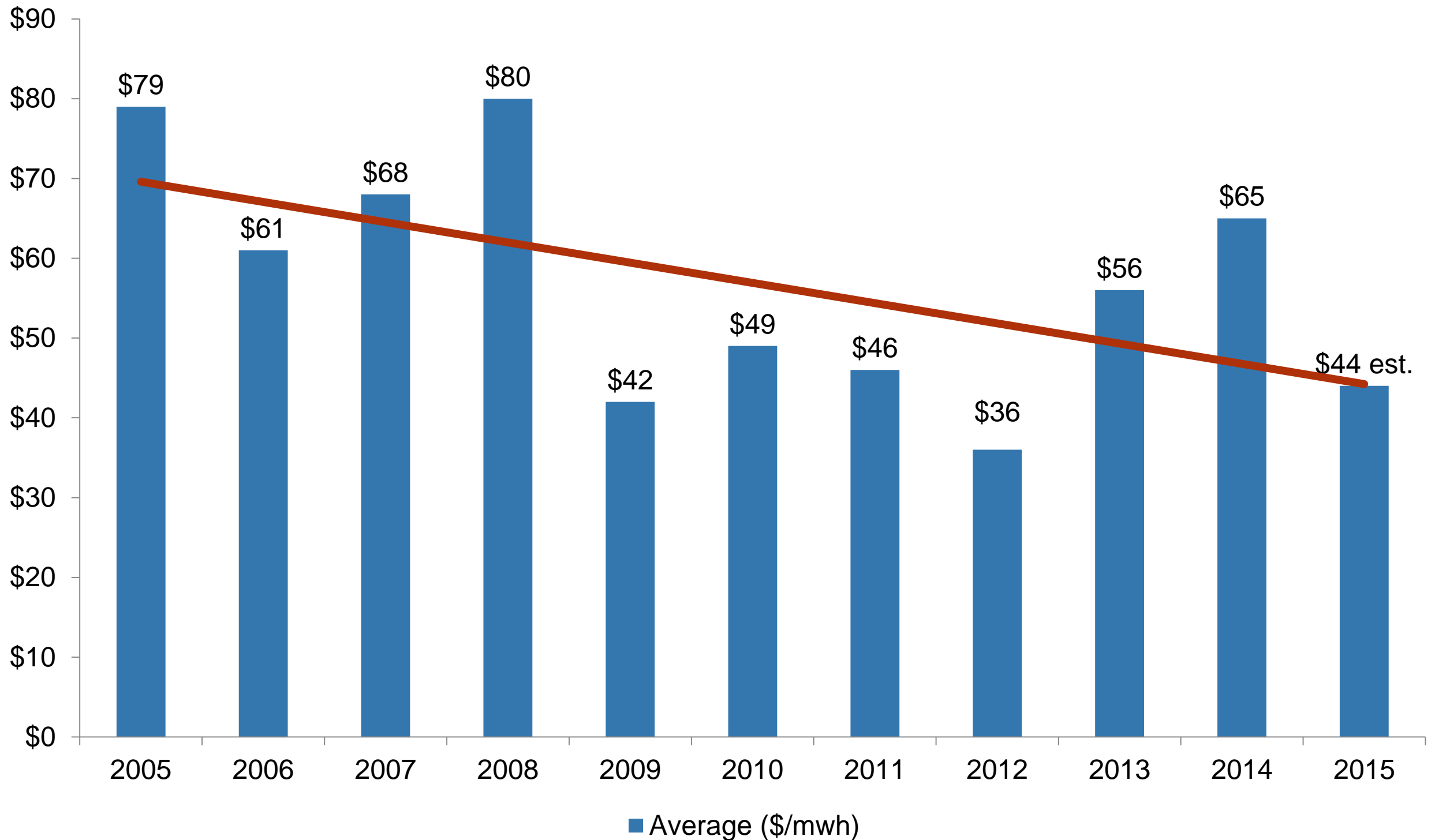
Not all Megawatts are Created Equally

Generation Type	Capacity Factor	Carbon-free?	Dispatchable?	Long term, on site, fuel source?
Solar PV	25%	YES	NO	--
Onshore Wind	36%	YES	NO	--
Offshore Wind	38%	YES	NO	--
Coal	85	No	YES	LIMITED
Combined Cycle Natural Gas	87%	NO (1/2 carbon of coal)	YES	VERY LIMITED
Nuclear	90%	YES	YES	YES

Source: U.S. Energy Information Administration, *2020 Levelized Costs of New Generation*, June 2015

Challenges

Electric Generation – New England Hub prices



Challenges

- ▶ **12 Year (2002 – 2014) nuclear plant cost trends**
 - 25% fuel cost increase
 - 109% capital cost increase
 - 13% operating cost increase
 - *28% total increase in generating cost*

- ▶ **Millstone “unique” aspect:**
 - Not like most two unit stations: two separate units with two different technologies
 - Creates additional cost challenges

Conclusions

- ▶ **Millstone is critical for Connecticut and New England:**
 - Economics
 - Jobs, economic activity, taxes, etc.
 - Environment
 - Baseload, dispatchable, carbon-free resource
 - Energy
 - Stable, efficient, long term electricity provider

- ▶ **Energy markets are in flux:**
 - Cheap gas, subsidies for preferred assets, early retirements

- ▶ **Plan now:**
 - Competitive advantage

Thank You



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