



Dominion[®]

**Alternate Breakdown
Structure (ABS)
Supplement**

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TABLE OF CONTENTS

IMPORTANT NOTES TO INVESTORS	3
ALTERNATE BREAKDOWN STRUCTURE SUPPLEMENT.....	3
GUIDANCE RECONCILIATIONS	4
RECONCILIATION OF 1Q17 OPERATING EARNINGS TO GUIDANCE.....	4
GUIDANCE	5
2Q17 OPERATING EARNINGS GUIDANCE.....	5
GAAP RECONCILIATIONS.....	6
RECONCILIATION OF 1Q17 REPORTED EARNINGS TO OPERATING EARNINGS	6
RECONCILIATION OF 1Q16 REPORTED EARNINGS TO OPERATING EARNINGS	7
RECONCILIATION OF 2Q16 REPORTED EARNINGS TO OPERATING EARNINGS	8
VEPCO GAAP RECONCILIATIONS	9
RECONCILIATION OF 1Q17 REPORTED RESULTS TO OPERATING RESULTS	9
RECONCILIATION OF 1Q16 REPORTED RESULTS TO OPERATING RESULTS	9
RECONCILIATION OF 2Q16 REPORTED RESULTS TO OPERATING RESULTS	10
2017 EARNINGS EXPECTATIONS	11

Important Notes to Investors

This supplement contains certain forward-looking statements, including our forecasted operating earnings for the second-quarter and full-year 2017 which are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations may include factors that are beyond the company's ability to control or estimate precisely, including fluctuations in energy-related commodity prices, estimates of future market conditions, additional competition in our industries, changes in the demand for Dominion's services, access to and costs of capital, fluctuations in the value of our pension assets and assets held in our decommissioning trusts, impacts of acquisitions, divestitures, transfers of assets to joint ventures or Dominion Midstream and retirements of assets based on asset portfolio reviews, the receipt of approval for, and timing of, closing dates for acquisitions and divestitures, the timing and execution of Dominion Midstream's growth strategy, and the ability to complete planned construction or expansion projects at all or within the terms and timeframes initially anticipated. Other factors include, but are not limited to, weather conditions and other events, including the effects of hurricanes, earthquakes, high winds, major storms and changes in water temperatures on operations, the risk associated with the operation of nuclear facilities, unplanned outages at facilities in which Dominion has an ownership interest, the impact of operational hazards and catastrophic events, state and federal legislative and regulatory developments, including changes in federal and state tax laws and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gases and other emissions to which we are subject, changes in enforcement practices of regulators relating to environmental standards and litigation exposure for remedial activities, political and economic conditions, industrial, commercial and residential growth or decline in Dominion's service area, risks of operating businesses in regulated industries that are subject to changing regulatory structures, changes to regulated gas and electric rates collected by Dominion, changes to rating agency requirements and ratings, changing financial accounting standards, fluctuations in interest rates, employee workforce factors, including collective bargaining, counterparty credit and performance risks, adverse outcomes in litigation matters or regulatory proceedings, the risk of hostile cyber intrusions and other uncertainties. Other risk factors are detailed from time to time in Dominion's quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.

Alternate Breakdown Structure Supplement

The Alternate Breakdown Structure (ABS) supplement of Dominion's consolidated earnings has been prepared primarily for security analysts and investors in the hope that it will serve as a convenient and useful supplemental reference. The format of this supplemental disclosure may change in the future as we continue to try to meet the needs of security analysts and investors. Dominion manages its operations through its operating segments, and this supplement is not intended to replace Dominion's operating segment earnings disclosure. Please refer to Dominion's most recent quarterly report on Form 10-Q or annual report on Form 10-K filed with the Securities and Exchange Commission and the quarterly Earnings Release Kits for information about Dominion's results by operating segment.

Certain information provided in this Alternate Breakdown Structure supplement includes financial measures that are not required by, or presented in accordance with, generally accepted accounting principles (GAAP), including operating earnings before interest and taxes (Adjusted EBIT) and operating earnings before interest, taxes and depreciation (Adjusted EBITDA). These non-GAAP financial measures should not be considered as alternatives to GAAP measures, such as net income, operating income, or earnings per share, and may be calculated differently from, and therefore may not be comparable to, similarly titled measures used at other companies. Dominion has included reconciliations to the most directly comparable financial measures it is able to calculate and report in accordance with GAAP.

Projections or forecasts shown in this supplement are subject to change at any time. Dominion undertakes no obligation to update any forward-looking information statement to reflect developments after the statement is made.

Please continue to check our website regularly at www.dom.com/investors for the most recent updates.

Guidance Reconciliations

Reconciliation of 1Q17 Operating Earnings to Guidance

Unaudited, Alternate Breakdown Structure

(millions, except per share amounts)

Description	1Q16	Range of 1Q17		1Q17
	Actual	Low	High	Actual
Virginia Electric & Power Co. Adjusted EBITDA				
Electric Distribution	\$204	\$215	\$240	\$212
Electric Transmission	178	185	195	202
Utility Generation	437	535	585	552
VEPCO Corporate & Other	(1)	0	0	0
VEPCO DD&A	248	280	280	286
Subtotal VEPCO Adjusted EBIT	570	655	740	680
Gas Operations Adjusted EBITDA¹				
Gas Distribution	\$107	\$275	\$295	\$283
Gas Transmission	262	295	315	298
Gas Operations DD&A	64	125	125	123
Subtotal Gas Operations Adjusted EBIT	305	445	485	458
Merchant Generation Adjusted EBITDA				
Merchant Generation DD&A	\$151	\$120	\$150	\$141
Subtotal Merchant Generation Adjusted EBIT	39	50	50	48
Subtotal Merchant Generation Adjusted EBIT	112	70	100	93
Corporate and Other & Eliminations Adjusted EBIT	14	(10)	5	(21)
Total Adjusted EBIT	\$1,001	\$1,160	\$1,330	\$1,210
Consolidated Interest	224	300	290	292
Consolidated Income Taxes	198	265	300	265
Noncontrolling Interests	7	45	40	42
Operating Earnings	\$572	\$550	\$700	\$611
Average Diluted Shares Outstanding	598.2	629	627	628.1
Operating EPS Range	\$0.96	\$0.88	\$1.12	\$0.97
1Q17 Operating EPS Guidance Range		\$0.90	\$1.10	

1Q17 Operating EPS Actual >>> \$0.97

¹2017 amounts include Dominion Questar operations.

Please refer to page 6 and 7 of this Alternate Breakdown Structure Supplement for details related to adjustments to reported earnings for 1Q16 and 1Q17.

Figures may not add due to rounding

Guidance

2Q17 Operating Earnings Guidance

(millions, except per share amounts)

Description	2Q16	Range of 2Q17	
	Actual	Low	High
Virginia Electric & Power Co. EBITDA			
Electric Distribution	\$181	\$200	\$230
Electric Transmission	182	200	210
Utility Generation	446	490	525
VEPCO Corporate & Other	0	0	0
VEPCO DD&A	247	285	290
Subtotal VEPCO Adjusted EBIT	562	605	675
Gas Operations EBITDA			
Gas Distribution	\$88	\$170	\$180
Gas Transmission	257	230	250
Gas Operations DD&A	65	130	130
Subtotal Gas Operations EBIT	280	270	300
Merchant Generation EBITDA			
Merchant Generation DD&A	\$79	\$45	\$60
Subtotal Merchant Generation Operations EBIT	40	50	50
Subtotal Merchant Generation Operations EBIT	39	(5)	10
Corporate and Other & Eliminations Adjusted EBIT	(40)	(15)	(15)
Total Adjusted EBIT	\$841	\$855	\$970
Consolidated Interest	239	315	305
Consolidated Income Taxes	151	150	175
Noncontrolling Interests	10	30	30
Operating Earnings	\$441	\$360	\$460
Average Diluted Shares Outstanding	617.0	630	628
Operating EPS Range	\$0.71	\$0.57	\$0.73
2Q17 Operating EPS Guidance Range		\$0.60	\$0.70

¹ 2017 amounts include Dominion Questar operations.

Please refer to page 8 of this Alternate Breakdown Structure Supplement for details related to adjustments to reported earnings for 2Q16.

Figures may not add due to rounding

GAAP Reconciliations

Reconciliation of 1Q17 Reported Earnings to Operating Earnings

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	1Q17 Reported	Adjustments	1Q17 Operating
Virginia Electric & Power Co. Adjusted EBITDA			
Electric Distribution	\$212		\$212
Electric Transmission	202		202
Utility Generation	552		552
Virginia Power - Corporate & Other	4	(4)	0
VEPCO DD&A	286		286
Subtotal VEPCO Adjusted EBIT	684	(4)	680
Gas Operations Adjusted EBITDA			
Gas Distribution	283		283
Gas Transmission	298		298
Gas Operations DD&A	123		123
Subtotal Gas Operations Adjusted EBIT	458		458
Merchant Generation Operations Adjusted EBITDA	141		141
Merchant Generations Operations DD&A	48		48
Subtotal Merchant Generation Operations Adjusted EBIT	93		93
Corporate, Other & Eliminations Adjusted EBIT	6	(27)	(21)
Total Adjusted EBIT	1,241	(\$31)	1,210
Consolidated Interest	292	0	292
Consolidated Income Taxes	275	(10)	265
Noncontrolling Interests	42	0	42
Earnings	\$632	(\$21)	\$611
Average Diluted Shares Outstanding	628.1	628.1	628.1
Reported EPS	\$1.01		
Adjustments		(\$0.04)	
Operating EPS			\$0.97

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Other miscellaneous items.
- (c) Income tax provisions associated with adjustments to reported earnings.

¹ There are certain differences between segment reporting and the alternate breakdown structure.

Reconciliation of 1Q16 Reported Earnings to Operating Earnings**Unaudited, Alternate Breakdown Structure¹***(millions, except per share amounts)*

Description	1Q16 Reported	Adjustments		1Q16 Operating
Virginia Electric & Power Co. Adjusted EBITDA				
Electric Distribution	\$204			\$204
Electric Transmission	178			178
Utility Generation	437			437
Virginia Power - Corporate & Other	(41)	40	(a), (b)	(1)
VEPCO DD&A	248			248
Subtotal VEPCO Adjusted EBIT	530	40		570
Gas Operations Adjusted EBITDA				
Gas Distribution	107			107
Gas Transmission	262			262
Gas Operations DD&A	64			64
Subtotal Gas Operations Adjusted EBIT	305			305
Merchant Generation Operations Adjusted EBITDA				
Merchant Generations Operations DD&A	39			39
Subtotal Merchant Generation Operations Adjusted EBIT	112			112
Corporate, Other & Eliminations Adjusted EBIT				
	(11)	25	(a), (b)	14
Total Adjusted EBIT	\$936	\$65		\$1,001
Consolidated Interest	226	(2)	(b)	224
Consolidated Income Taxes	179	19	(c)	198
Noncontrolling Interests	7			7
Earnings	\$524	\$48		\$572
Average Diluted Shares Outstanding	598.2	598.2		598.2
Reported EPS	\$0.88			
Adjustments		\$0.08		
Operating EPS				\$0.96

Adjustments to Reported Earnings:

- (a) Items associated with the organizational design initiative.
(b) Other miscellaneous items.
(c) Income tax provisions associated with adjustments to reported earnings.

¹ There are certain differences between segment reporting and the alternate breakdown structure.

Reconciliation of 2Q16 Reported Earnings to Operating Earnings**Unaudited, Alternate Breakdown Structure¹***(millions, except per share amounts)*

Description	2Q16 Reported	Adjustments	2Q16 Operating
Virginia Electric & Power Co. Adjusted EBITDA			
Electric Distribution	\$181		\$181
Electric Transmission	182		182
Utility Generation	446		446
Virginia Power - Corporate & Other	9	(9)	0
VEPCO DD&A	247		247
Subtotal VEPCO Adjusted EBIT	571	(9)	562
Gas Operations Adjusted EBITDA			
Gas Distribution	88		88
Gas Transmission	257		257
Gas Operations DD&A	65		65
Subtotal Gas Operations Adjusted EBIT	280		280
Merchant Generation Operations Adjusted EBITDA			
Merchant Generations Operations DD&A	79		79
Merchant Generations Operations DD&A	40		40
Subtotal Merchant Generation Operations Adjusted EBIT	39		39
Corporate, Other & Eliminations Adjusted EBIT			
	(37)	(3)	(40)
Total Adjusted EBIT			
	\$853	(\$12)	\$841
Consolidated Interest			
	239	0	239
Consolidated Income Taxes			
	152	(1)	151
Noncontrolling Interests			
	10		10
Earnings	\$452	(\$11)	\$441
Average Diluted Shares Outstanding			
	617.0	617.0	617.0
Reported EPS			
	\$0.73		
Adjustments			
		(\$0.02)	
Operating EPS			\$0.71

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with the organizational design initiative.
- (c) Other miscellaneous items.
- (d) Income tax provisions associated with adjustments to reported earnings.

¹ There are certain differences between segment reporting and the alternate breakdown structure.

VEPCO GAAP Reconciliations

Reconciliation of 1Q17 Reported Results to Operating Results

Unaudited, Alternate Breakdown Structure¹
(millions)

Description	1Q17 Reported	Adjustments	1Q17 Operating
Adjusted EBITDA			
Electric Distribution	\$212		\$212
Electric Transmission	202		202
Utility Generation	552		552
Virginia Power - Corporate & Other	4	(4)	0
Total DD&A	286		286
Total Adjusted EBIT	684	(4)	680
Consolidated Interest	120		120
Consolidated Income Taxes	208	(2)	206
Net Income	\$356	(\$2)	\$354

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
(b) Income tax provisions associated with adjustments to reported earnings.

¹ There are certain differences between segment reporting and the alternate breakdown structure.

Reconciliation of 1Q16 Reported Results to Operating Results

Unaudited, Alternate Breakdown Structure¹
(millions)

Description	1Q16 Reported	Adjustments	1Q16 Operating
Adjusted EBITDA			
Electric Distribution	\$204		\$204
Electric Transmission	178		178
Utility Generation	437		437
Virginia Power - Corporate & Other	(41)	40	(1)
Total DD&A	248		248
Total Adjusted EBIT	530	40	570
Consolidated Interest	114		114
Consolidated Income Taxes	153	14	167
Net Income	\$263	\$26	\$289

Adjustments to Reported Earnings:

- (a) Items associated with the organizational design initiative.
(b) Other miscellaneous items.
(c) Income tax provisions associated with adjustments to reported earnings.

¹ There are certain differences between segment reporting and the alternate breakdown structure.

Reconciliation of 2Q16 Reported Results to Operating Results

Unaudited, Alternate Breakdown Structure¹
(millions)

Description	2Q16 Reported	Adjustments		2Q16 Operating
Adjusted EBITDA				
Electric Distribution	\$181			\$181
Electric Transmission	182			182
Utility Generation	446			446
Virginia Power - Corporate & Other	9	(9)	(a), (b)	0
Total DD&A	247			247
Total Adjusted EBIT	571	(9)		562
Consolidated Interest	113			113
Consolidated Income Taxes	178	(2)	(c)	176
Net Income	\$280	(\$7)		\$273

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
(b) Items associated with the organizational design initiative.
(c) Income tax provisions associated with adjustments to reported earnings.

¹ There are certain differences between segment reporting and the alternate breakdown structure.

2017 Earnings Expectations**Earnings Per Share (diluted)****Reconciliation of measures prepared in accordance with Generally Accepted Accounting Principles (GAAP) versus non-GAAP measures**

2Q 2017 Operating Earnings (estimate): \$0.60 - \$0.70

FY 2017 Operating Earnings (estimate): \$3.40 - \$3.90

2Q 2017 Reported Earnings (estimate): See Note 1 below

FY 2017 Reported Earnings (estimate): See Note 1 below

1. In providing its second-quarter and full-year 2017 operating earnings guidance, the company notes that there could be differences between expected reported earnings and estimated operating earnings for matters such as, but not limited to, acquisitions, divestitures or changes in accounting principles. At this time, Dominion management is not able to estimate the aggregate impact, if any, of these items on future period reported earnings. Accordingly, Dominion is not able to provide a corresponding GAAP equivalent for its operating earnings guidance.

Dominion uses operating earnings as the primary performance measurement of its earnings guidance and results for public communications with analysts and investors. Dominion also uses operating earnings internally for budgeting, for reporting to the board of directors, for the company's incentive compensation plans and for its targeted dividend payouts and other purposes. Dominion management believes operating earnings provide a more meaningful representation of the company's fundamental earnings power.

Dominion's estimates of second-quarter and full-year 2017 earnings are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations may include factors that are beyond the company's ability to control or estimate precisely, including fluctuations in energy-related commodity prices, estimates of future market conditions, additional competition in our industries, changes in the demand for Dominion's services, access to and costs of capital, fluctuations in the value of our pension assets and assets held in our decommissioning trusts, impacts of acquisitions, divestitures, transfers of assets to joint ventures or Dominion Midstream and retirements of assets based on asset portfolio reviews, the receipt of approvals for, and timing of, closing dates for acquisitions and divestitures, the timing and execution of Dominion Midstream's growth strategy, and the ability to complete planned construction or expansion projects at all or within the terms and timeframes initially anticipated. Other factors include, but are not limited to, weather conditions and other events, including the effects of hurricanes, earthquakes, high winds, major storms and changes in water temperatures on operations, the risk associated with the operation of nuclear facilities, unplanned outages at facilities in which Dominion has an ownership interest, the impact of operational hazards and catastrophic events, state and federal legislative and regulatory developments, including changes in federal and state tax laws and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gases and other emissions to which we are subject, changes in enforcement practices of regulators relating to environmental standards and litigation exposure for remedial activities, political and economic conditions, industrial, commercial and residential growth or decline in Dominion's service area, risks of operating businesses in regulated industries that are subject to changing regulatory structures, changes to regulated gas and electric rates collected by Dominion, changes to rating agency requirements and ratings, changing financial accounting standards, fluctuations in interest rates, employee workforce factors, including collective bargaining, counter-party credit and performance risks, adverse outcomes in litigation matters or regulatory proceedings, the risk of hostile cyber intrusions and other uncertainties. Other risk factors are detailed from time to time in Dominion's quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.