



Dominion[®]

**Alternate Breakdown
Structure (ABS)
Supplement**

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Important Notes to Investors

This supplement contains certain forward-looking statements, including our forecasted operating earnings for the second-quarter and full-year 2014 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 an MLP and retirements of assets based on asset portfolio reviews, the receipt of regulatory approvals for, and timing of, planned projects, acquisitions and divestitures, the timing and execution of our MLP 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, 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.

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 (EBIT). 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 1Q14 Operating Earnings to Guidance

Unaudited, Alternate Breakdown Structure

(millions, except per share amounts)

Description	1Q13 Actual	Range of 1Q14		1Q14 Actual
		Low	High	
Virginia Electric & Power Co. EBIT				
Electric Distribution	\$137	\$150	\$160	\$160
Electric Transmission	97	95	105	109
Utility Generation	319	330	350	357
Virginia Power - Corporate Adjusted	0	0	0	0
Subtotal VEPCO Adjusted EBIT	553	575	615	626
Gas Operations EBIT				
Gas Distribution	73	55	75	90
Gas Transmission ¹	228	235	245	254
Subtotal Regulated Gas Operations EBIT	301	290	320	344
Merchant Generation EBIT	97	120	140	174
Dominion Retail EBIT	43	25	35	30
Corporate and Other & Eliminations Adjusted EBIT	(9)	(20)	(10)	(15)
Total Adjusted EBIT	985	990	1,100	1,159
Consolidated Interest	226	235	225	236
Consolidated Income Taxes	276	255	285	310
Noncontrolling Interests	7	5	5	6
Operating Earnings	\$476	\$495	\$585	\$607
Average Diluted Shares Outstanding	577.5	584	582	582.9
Operating EPS Range	\$0.83	\$0.85	\$1.00	\$1.04

1Q14 Operating EPS Guidance Range	\$0.85	\$1.00
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Note: Figures may not add due to rounding

1Q14 Operating EPS Actual >>> \$1.04
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¹ Includes Producer Services business.

Please refer to pages 6 and 7 of this Alternate Breakdown Structure Supplement for details related to *Items excluded from operating earnings* for 1Q13 and 1Q14.

2Q14 Operating Earnings Guidance**Unaudited, Alternate Breakdown Structure***(millions, except per share amounts)*

Description	2Q13	Range of 2Q14	
	Actual	Low	High
Virginia Electric & Power Co. EBIT			
Electric Distribution	\$121	\$130	\$145
Electric Transmission	98	110	115
Utility Generation	283	265	290
Virginia Power - Corporate Adjusted	0	0	0
Subtotal VEPCO Adjusted EBIT	502	505	550
Gas Operations EBIT			
Gas Distribution	50	40	45
Gas Transmission ¹	151	150	175
Subtotal Regulated Gas Operations EBIT	201	190	220
Merchant Generation EBIT	16	30	50
Dominion Retail EBIT	34	(5)	5
Corporate and Other & Eliminations Adjusted EBIT	(13)	(20)	(10)
Total Adjusted EBIT	740	700	815
Consolidated Interest	201	235	225
Consolidated Income Taxes	178	155	190
Noncontrolling Interests	6	5	5
Operating Earnings	\$355	\$305	\$395
Average Diluted Shares Outstanding	578.9	585	583
Operating EPS Range	\$0.62	\$0.52	\$0.68
2Q14 Operating EPS Guidance Range		\$0.55	\$0.65

Note: Figures may not add due to rounding¹ Includes Producer Services Business.

Please refer to page 8 of this Alternate Breakdown Structure Supplement for details related to *Items excluded from operating earnings* for 2Q13.

GAAP Reconciliations

Reconciliation of 1Q14 Operating Earnings to GAAP

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	1Q14 Operating	Adjustments	1Q14 GAAP
Virginia Electric & Power Co. EBIT			
Electric Distribution	\$160		\$160
Electric Transmission	109		109
Utility Generation	357		357
Virginia Power - Corporate	0	2	(a) 2
Subtotal VEPCO EBIT	626	2	628
Gas Operations EBIT			
Gas Distribution	90		90
Gas Transmission ²	254		254
Subtotal Gas Operations EBIT	344		344
Merchant Generation Operations EBIT	174		174
Dominion Retail EBIT	30		30
Corporate, Other & Eliminations	(15)	(353)	(a),(b),(c) (368)
Total EBIT	\$1,159	(\$351)	\$808
Consolidated Interest	236	1	(b),(c) 237
Consolidated Income Taxes	310	(124)	(d) 186
Noncontrolling Interests	6		6
Income(loss) from Discontinued Operations	0		0
Earnings	\$607	(\$228)	\$379
Average Diluted Shares Outstanding	582.9	582.9	582.9
Operating EPS	\$1.04		
Adjustments		(\$0.39)	
Reported EPS			\$0.65

Adjustments to Operating:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with the repositioning of our Producer Services business.
- (c) Items associated with exiting the unregulated electric retail energy marketing business.
- (d) Income tax effects for items excluded from operating results.

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

² Includes Producer Services business.

Reconciliation of 1Q13 Operating Earnings to GAAP

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	1Q13 Operating	Adjustments	1Q13 GAAP
Virginia Electric & Power Co. EBIT			
Electric Distribution	\$137		\$137
Electric Transmission	97		97
Utility Generation	319		319
Virginia Power - Corporate	0	2	2
Subtotal VEPCO EBIT	553	2	555
Gas Operations EBIT			
Gas Distribution	73		73
Gas Transmission ²	228		228
Subtotal Gas Operations EBIT	301		301
Merchant Generation Operations EBIT	97		97
Dominion Retail EBIT	43		43
Corporate, Other & Eliminations	(9)	30	21
Total EBIT	\$985	\$32	\$1,017
Consolidated Interest	226	2	228
Consolidated Income Taxes	276	12	288
Noncontrolling Interests	7		7
Income(loss) from Discontinued Operations Earnings	0	1	1
	\$476	\$19	\$495
Average Diluted Shares Outstanding	577.5	577.5	577.5
Operating EPS	\$0.83		
Adjustments		\$0.03	
Reported EPS			\$0.86

Adjustments to Operating:

- (a) Items related to Kewaunee nuclear merchant power station.
- (b) Net gain/loss related to our investment in nuclear decommissioning trust funds.
- (c) Income tax effects for items excluded from operating results.
- (d) Items related to Brayton Point and Kincaid discontinued operations.

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

² Includes Producer Services business.

Reconciliation of 2Q13 Operating Earnings to GAAP

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	2Q13 Operating	Adjustments	2Q13 GAAP
Virginia Electric & Power Co. EBIT			
Electric Distribution	\$121		\$121
Electric Transmission	98		98
Utility Generation	283		283
Virginia Power - Corporate	0	(12)	(12)
Subtotal VEPCO EBIT	502	(12)	490
Gas Operations EBIT			
Gas Distribution	50		50
Gas Transmission ²	151		151
Subtotal Gas Operations EBIT	201		201
Merchant Generation Operations EBIT	16		16
Dominion Retail EBIT	34		34
Corporate, Other & Eliminations	(13)	(131)	(144)
Total EBIT	\$740	(\$143)	\$597
Consolidated Interest	201	2	203
Consolidated Income Taxes	178	(62)	116
Noncontrolling Interests	6		6
Income(loss) from Discontinued Operations Earnings	0	(70)	(70)
Earnings	\$355	(\$153)	\$202
Average Diluted Shares Outstanding	578.9	578.9	578.9
Operating EPS	\$0.62		
Adjustments		(\$0.27)	
Reported EPS			\$0.35

Adjustments to Operating:

- (a) Items related to Kewaunee nuclear merchant power station.
- (b) Net gain/loss related to our investment in nuclear decommissioning trust funds.
- (c) Income tax effects for items excluded from operating results.
- (d) Items related to Brayton Point and Kincaid discontinued operations.
- (e) Items related to our gas infrastructure and repositioning strategies.
- (f) Items associated with our operating expense reduction initiative.
- (g) Other miscellaneous items.

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

² Includes Producer Services business.

VEPCO GAAP Reconciliations

Reconciliation of 1Q14 Operating Earnings to GAAP

Virginia Electric & Power Company

Reconciliation of 1Q14 Operating Results to 1Q14 GAAP Results (Unaudited)

(millions)

Description	1Q14 Operating Adjustments		1Q14 GAAP
EBIT			
Electric Distribution	\$160		\$160
Electric Transmission	109		109
Utility Generation	357		357
Virginia Power - Corporate	0	2 (a)	2
Total EBIT	\$626	2	\$628
Consolidated Interest	107		107
Consolidated Income Taxes	196	1 (b)	197
Net Income	323	1	324
Preferred Dividends	6		6
Balance Available for Common Stock	\$317	1	\$318

Adjustments to Operating:

(a) Net gain/loss related to our investment in nuclear decommissioning trust funds.

(b) Income tax effects for items excluded from operating results.

Reconciliation of 1Q13 Operating Earnings to GAAP

Virginia Electric & Power Company

Reconciliation of 1Q13 Operating Results to 1Q13 GAAP Results (Unaudited)

(millions)

Description	1Q13 Operating Adjustments		1Q13 GAAP
EBIT			
Electric Distribution	\$137		\$137
Electric Transmission	97		97
Utility Generation	319		319
Virginia Power - Corporate	0	2 (a)	2
Total EBIT	\$553	2	\$555
Consolidated Interest	93		93
Consolidated Income Taxes	174	1 (b)	175
Net Income	286	1	287
Preferred Dividends	4		4
Balance Available for Common Stock	\$282	1	\$283

Adjustments to Operating:

(a) Net gain/loss related to our investment in nuclear decommissioning trust funds.

(b) Income tax effects for items excluded from operating results.

Reconciliation of 2Q13 Operating Earnings to GAAP**Virginia Electric & Power Company****Reconciliation of 2Q13 Operating Results to 2Q13 GAAP Results (Unaudited)***(millions)*

Description	2Q13 Operating Adjustments		2Q13 GAAP
EBIT			
Electric Distribution	\$121		\$121
Electric Transmission	98		98
Utility Generation	283		283
Virginia Power - Corporate	0	(12)	(a), (b) (12)
Total EBIT	<u>\$502</u>	<u>(12)</u>	<u>\$490</u>
Consolidated Interest	84		84
Consolidated Income Taxes	147	(6)	(c) 141
Net Income	<u>271</u>	<u>(6)</u>	<u>265</u>
Preferred Dividends	4		4
Balance Available for Common Stock	<u>\$267</u>	<u>(6)</u>	<u>\$261</u>

Adjustments to Operating:

- (a) Net gain/loss related to our investment in nuclear decommissioning trust funds.
(b) Items associated with our expense reduction initiative.
(c) Income tax effects for items excluded from operating results.

2014 Earnings Expectations

Earnings Per Share (diluted)

Reconciliation of measures prepared in accordance with Generally Accepted Accounting Principles (GAAP) versus non-GAAP measures

2Q 2014 Operating Earnings (estimate):	\$0.55 - \$0.65
FY 2014 Operating Earnings (estimate):	\$3.35 - \$3.65
2Q 2014 Reported Earnings (estimate):	See Note 1 below
FY 2014 Reported Earnings (estimate):	See Note 1 below

1. In providing its second-quarter and full-year 2014 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, divestitures or changes in accounting principles. At this time, Dominion management is not able to estimate the aggregate impact of these items on reported earnings. However, Dominion anticipates a pre-tax charge associated with legislation signed into law by the Virginia Governor that permits Virginia Power to recover 70% of the \$570 million previously deferred or capitalized costs related to the development of a third nuclear unit located at North Anna through December 31, 2013 from Virginia jurisdictional and non-jurisdictional ratepayers as part of the 2013 and 2014 base rates.

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 2014 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 an MLP and retirements of assets based on asset portfolio reviews, the receipt of regulatory approvals for, and timing of, planned projects, acquisitions and divestitures, the timing and execution of our MLP 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, 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.