



Third Quarter 2017 Earnings Call

October 30, 2017



Important Note to Investors



This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding Dominion Energy and Dominion Energy Midstream Partners. The statements relate to, among other things, expectations, estimates and projections concerning the business and operations of Dominion Energy and Dominion Energy Midstream Partners. We have used the words "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "outlook", "predict", "project", "should", "strategy", "target", "will", "potential" and similar terms and phrases to identify forward-looking statements in this presentation. As outlined in our SEC filings, factors that could cause actual results to differ include, but are not limited to: unusual weather conditions and their effect on energy sales to customers and energy commodity prices; extreme weather events and other natural disasters; federal, state and local legislative and regulatory developments; changes to federal, state and local environmental laws and regulations, including proposed carbon regulations; cost of environmental compliance; changes in enforcement practices of regulators relating to environmental standards and litigation exposure for remedial activities; capital market conditions, including the availability of credit and the ability to obtain financing on reasonable terms; fluctuations in interest rates; changes in rating agency requirements or credit ratings and their effect on availability and cost of capital; impacts of acquisitions, divestitures, transfers of assets by Dominion Energy to joint ventures or to Dominion Energy Midstream Partners, and retirements of assets based on asset portfolio reviews; receipt of approvals for, and timing of, closing dates for acquisitions and divestitures; the execution of Dominion Energy Midstream Partners' growth strategy; changes in demand for Dominion Energy's services; additional competition in Dominion Energy's industries; changes to regulated rates collected by Dominion Energy; changes in operating, maintenance and construction costs; timing and receipt of regulatory approvals necessary for planned construction or expansion projects and compliance with conditions associated with such regulatory approvals; the inability to complete planned construction projects within time frames initially anticipated; and the ability of Dominion Energy Midstream Partners to negotiate, obtain necessary approvals and consummate acquisitions from Dominion Energy and third-parties, and the impacts of such acquisitions. Other risk factors are detailed from time to time in Dominion Energy's and Dominion Energy Midstream Partners' quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.

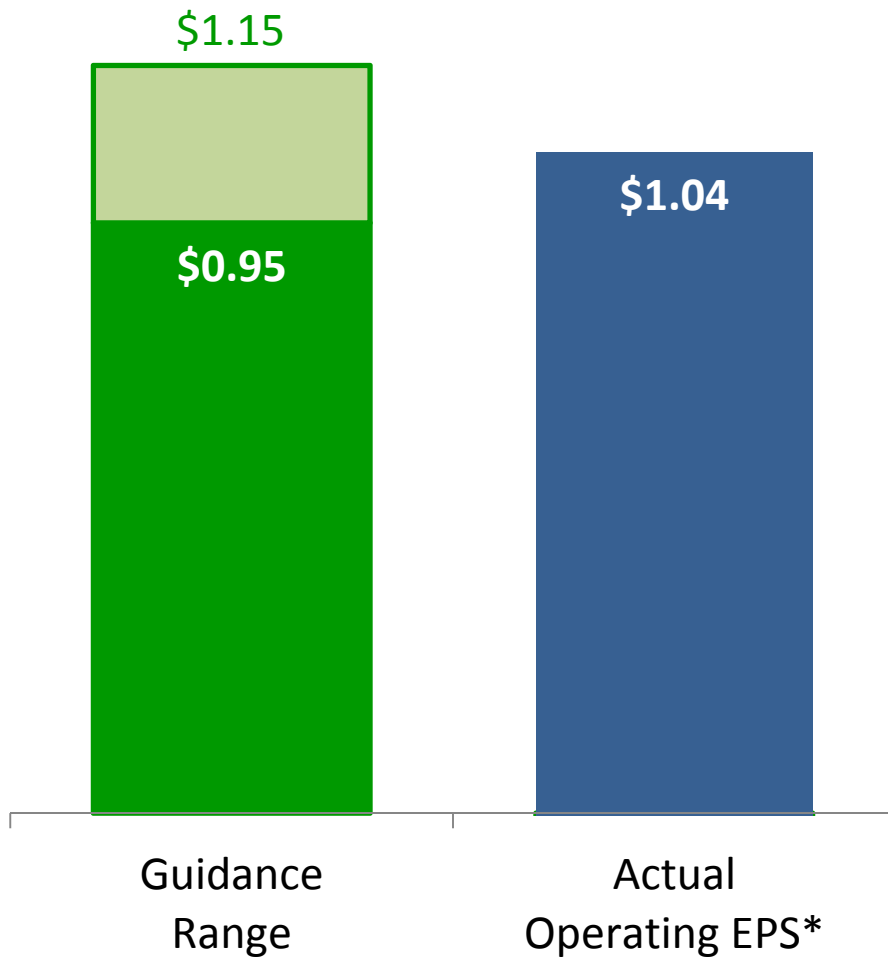
The information in this presentation was prepared as of October 30, 2017. Dominion Energy and Dominion Energy Midstream Partners undertake no obligation to update any forward-looking information statement to reflect developments after the statement is made. Projections or forecasts shown in this document are based on the assumptions listed in this document and are subject to change at any time. In addition, certain information presented in this document incorporates planned capital expenditures reviewed and endorsed by Dominion Energy's Board of Directors in late 2016. Actual capital expenditures may be subject to regulatory and/or Board of Directors' approval and may vary from these estimates.

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This presentation includes various estimates of EBITDA which is a non-GAAP financial measure. Please see the third quarter 2017 Dominion Energy earnings release kit and the Dominion Energy Midstream Press Release for a reconciliations to GAAP. Please continue to regularly check Dominion Energy's website at www.dominionenergy.com/investors and Dominion Energy Midstream Partners' website at www.dominionenergymidstream.com/investors.

Operating Earnings Summary

Third Quarter 2017 Versus Guidance (\$ per share)



3rd Quarter Drivers Versus Guidance

- ↑ Interest expense
- ↑ Income taxes
- ↑ Operating expenses
- ↓ Merchant power margins
- ↓ Weather

*See page 30 of the third quarter 2017 Earnings Release Kit for a reconciliation to GAAP

Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Operating EBITDA Summary

Third Quarter 2017 Versus Guidance (\$ millions)



Operating segment	Guidance range	Actual*	3 rd Quarter Drivers versus Guidance
Power Delivery	\$420—\$465	\$441	<p>↓ Weather</p> <p>↑ Operating expenses</p>
Power Generation	\$855—\$935	\$865	<p>↓ Merchant margins</p> <p>↓ Weather</p>
Gas Infrastructure	\$450—\$475	\$471	<p>↑ Operating expenses</p>

*See page 34 of the third quarter 2017 Earnings Release Kit for a reconciliation to GAAP

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Dominion Energy Midstream Partners (DM)



Third Quarter 2017 Earnings and Distribution

— Financial results in line with management expectations

- Net Income \$48.6 million
- Adjusted EBITDA \$76.2 million* — ~3x 3Q 2016 Adjusted EBITDA
- Distributable Cash Flow \$45.8 million* — ~90% higher than 3Q 2016

— Distribution results

- Board declared 3Q 2017 cash distribution of \$0.3025 per unit
 - 5% increase above second-quarter

— No equity issuances needed until mid to late 2018

- Dominion Energy Questar Pipeline dropdown will support DM's 22% distribution growth until 2H 2018

*See the third quarter 2017 Dominion Energy Midstream Press Release for a reconciliation to GAAP
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Cash Flow and Financing Activities

Third Quarter 2017



– Cash flow & liquidity*

- \$3.7 billion in cash from operating activities through 3Q 2017
- \$5.5 billion of credit facilities
- \$2.5 billion of liquidity at quarter end

– Recent significant financing activities

- DEI Mandatory Convertible Securities
 - Remarketed the \$1.0 billion 2014 remarketable subordinated notes**
 - Issued 12.5 million common shares in July associated with the conversion
- VEPCO issued \$750 million of senior notes in September
- Questar Gas signed commitments on private placement of senior notes in October
- Closed project level financing of ACP in October

*See pages 23-26 of the third quarter 2017 Earnings Release Kit for additional finance and liquidity details

**Remarketing transactions do not represent increases in total debt

Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Long-term Financing Activities

2017 Financing Plan (\$ millions)



Entity	Financing	Financing plan	Status
DEI	DRIP Equity	\$300	In progress
DEI	Debt*	\$2,000—\$2,300	Complete
DEI	2014 MC Jr Debt Remarketing**	\$1,000	Complete
VEPCO	Debt	\$1,400—\$1,700	Complete
QGC	Debt	\$75—\$125	Complete

Legend

Dominion Energy, Inc. (DEI)

Virginia Electric and Power Company (VEPCO)

Questar Gas Company (QGC)

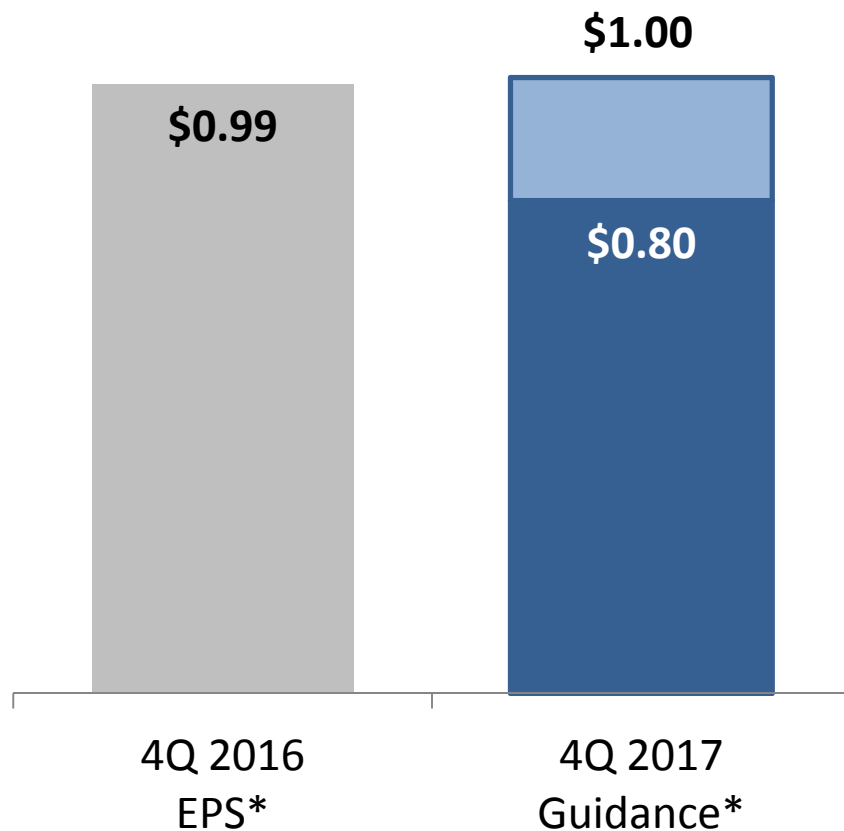
*In addition to public senior note issuances, financing included private placements, asset level loan financing, etc.

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Operating Earnings Guidance

Fourth Quarter 2017 (\$ per share)



4th Quarter Drivers Versus Last Year

- ↑ Regulated growth
- ↑ Products and Services agreement
- ↓ Millstone refueling outage
- ↓ Cove Point import contract roll-off
- ↓ Solar investment tax credits
- ↓ PJM electric capacity expenses

*See page 36 and 37 of the third quarter 2017 Earnings Release Kit for a reconciliation to GAAP
Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Financial Summary

Dominion Energy and Dominion Energy Midstream Partners



- Third quarter operating earnings of \$1.04 per share*
 - In the middle of the guidance range of \$0.95 to \$1.15
- Fourth quarter operating earnings guidance of **\$0.80—\$1.00** per share*
- Affirmed 2017 operating earnings guidance of **\$3.40—\$3.90** per share*
- Operating EPS to grow by at least **10%** in 2018 over 2017
- Operating EPS CAGR 2017–2020 will be in the **6—8% range**
- Operating EPS growth of at least **5%** per year beyond 2020
- Dominion Energy Midstream financial and distribution results in-line with expectations

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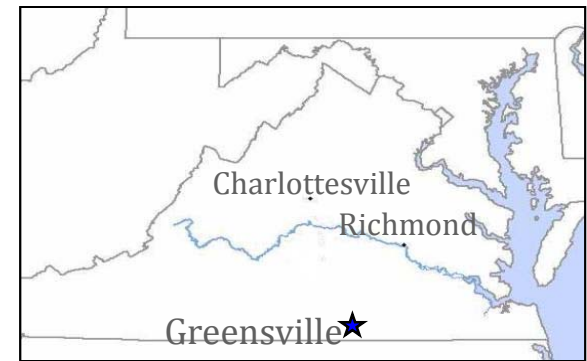
Power Generation

Growth Project Update – Greenville



Construction is On-time & On-budget

- **1,588 MW Gas Fired Combined Cycle plant in Greenville County, VA**
 - Will be the largest, most efficient single combined-cycle plant in the U.S.
 - 3-on-1 configuration; Duct burners, inlet air chillers, gas only
- **Estimated cost of \$1.3 billion**
- **Major milestones**
 - CPCN/Rider approved in March 2016
 - Began construction in June 2016
 - Expected first-fire in 2Q 2018
 - Expected in-service in December 2018



Project is ~60% complete

Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Power Generation

Growth Project Update – Solar



Focus on Virginia and North Carolina solar demand

Project	State	Capacity	Est. In-service
In-service in 2015/2016	VA/NC	216 MW	Complete ✓
IS37	NC	79 MW	Complete ✓
Remington Solar	VA	20 MW	Complete ✓
Clarke County	VA	10 MW	Complete ✓
Cherrydale	VA	20 MW	Complete ✓
Additional projects with Amazon	VA	180 MW	Late 2017
Oceana Solar	VA	18 MW	Late 2017
Additional NC Solar Projects	NC	20 MW	Late 2017
UVA Solar Projects	VA	32 MW	Late 2018



Total solar portfolio of ~1,660 MW in-service or under development in 9 states*

*Includes 405 MW Dominion Energy operates outside of Virginia and owned by a joint venture partner
Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Gas Infrastructure

Growth Project Update – Cove Point Liquefaction



Construction is On-time & On-budget

- All of the project's systems are in commissioning phase
- DOE approved exporting of commissioning cargoes
- FERC approved introduction of hydrocarbons to generate LNG
- Commence LNG production in November
- Expect in-service late 2017



Project is ~97% complete

Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Gas Infrastructure

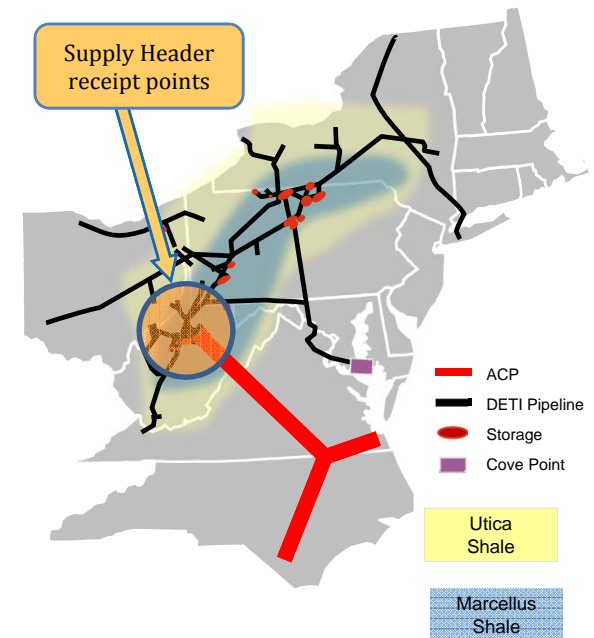
Atlantic Coast Pipeline and DETI Supply Header



- Received FERC Certificate on October 13th
- Expect to receive additional state permits this fall
- Project level construction financing in place
- Expect construction to begin in Q4 2017 and completion in second-half 2019

ACP OWNERSHIP STRUCTURE:	
Dominion Energy*	48%
Duke Energy	47%
Southern Company	5%

SUPPLY HEADER OWNERSHIP:	
Dominion Energy*	100%



Significant Progress Continues

- ✓ Design and engineering essentially completed
- ✓ Executed construction contracts
- ✓ Materials procurement 90% complete

* Dominion Energy will construct, operate and manage the pipeline

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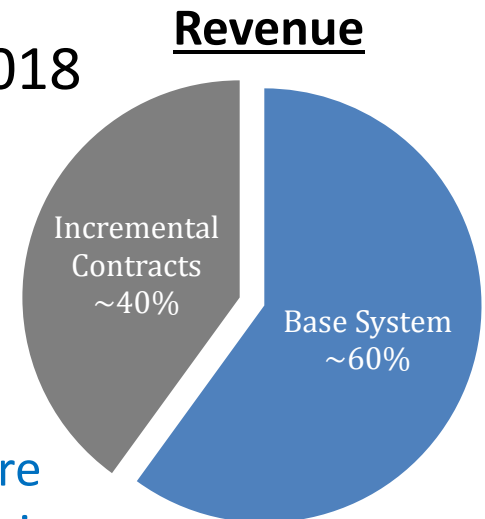
Gas Infrastructure

Regulatory Initiatives



Dominion Energy Transmission Modernization Program*

- Preparing to file a DETI rate case in first half of 2018
 - Base system rates have not been reset since 1994
- Recovery of modernization capital investment through FERC tracker
 - Investments in pipeline, storage and system infrastructure provide reliability, safety, regulatory compliance and service enhancements



~\$250 million of modernization capital spend per year

* Subject to regulatory approval

Please refer to slide 2 for risks and uncertainties related to projections and forward looking statements.

Key Takeaways

Third Quarter 2017 Earnings and Operational Highlights



Executing the growth plan and delivering on guidance

- Strong operating and safety performance in third quarter 2017
- Greenville County project on-time and on-budget
- Cove Point Liquefaction project on-time and on-budget
- Atlantic Coast Pipeline and Supply Header FERC certificate received
- Earnings growth of at least **10% in 2018, 6—8% growth 2017—2020**, and at least **5% growth beyond 2020**
- Dividend growth rate of **10% annually from 2018 to 2020***

*Annual dividend rates subject to Board approval

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