



**Dominion<sup>®</sup>**

**2<sup>nd</sup> Quarter 2014  
Earnings Release Kit**

**July 30, 2014**

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## Important Notes to Investors

This 2Q14 Earnings Release Kit contains certain forward-looking statements, including our forecasted operating earnings for the third-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.

Certain information provided in this 2Q14 Earnings Release Kit 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) and operating earnings before interest, taxes, depreciation and amortization (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.

The consolidated financial data and statistics in this 2Q14 Earnings Release Kit and its individual components reflect the financial position and operating results of Dominion and its primary operating segments through June 30, 2014. Independent auditors have not audited any of the financial and operating statements. Projections or forecasts shown in this document are based on the assumptions listed in this document and 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.

This 2Q14 Earnings Release Kit has been prepared primarily for securities analysts and investors in the hope that it will serve as a convenient and useful reference document. The format of this release kit may change in the future as we continue to try to meet the needs of securities analysts and investors. This 2Q14 Earnings Release Kit is not intended for use in connection with any sale, offer to sell, or solicitation of any offer to buy securities.

Please continue to check our website regularly at [www.dom.com/investors](http://www.dom.com/investors).

## Earnings Release and Accompanying Schedules

July 30, 2014

### DOMINION ANNOUNCES SECOND-QUARTER 2014 EARNINGS

- *Second-quarter 2014 operating earnings of 62 cents per share compared to guidance of 55 cents to 65 cents per share*
- *Second-quarter 2014 GAAP earnings of 27 cents per share*
- *Year-to-date operating earnings per share up 22 cents, or 15% over 2013*
- *Company affirms 2014 operating earnings guidance of \$3.35 to \$3.65 per share*

RICHMOND, Va. – Dominion (NYSE: D) today announced unaudited reported earnings determined in accordance with Generally Accepted Accounting Principles (GAAP) for the three months ended June 30, 2014, of \$159 million (\$0.27 per share), compared with earnings of \$202 million (\$0.35 per share) for the same period in 2013.

Operating earnings for the three months ended June 30, 2014, amounted to \$361 million (\$0.62 per share), compared to operating earnings of \$355 million (\$0.62 per share) for the same period in 2013. Operating earnings are defined as reported (GAAP) earnings adjusted for certain items.

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.

The principal difference between GAAP earnings and operating earnings for the quarter was a charge associated with Virginia legislation permitting recovery of certain costs related to the development of a third nuclear unit at North Anna and offshore wind facilities through base rates.

Business segment results and detailed descriptions of items included in 2014 and 2013 reported earnings but excluded from operating earnings can be found on Schedules 1, 2 and 3 of this release.

Thomas F. Farrell II, chairman, president and chief executive officer, said:

“Our second-quarter results came in the upper half of our guidance range of \$0.55 to \$0.65 per share. Excluding the two cents per share impact of milder than normal weather, second quarter earnings would have been at the top of our range.

“During the quarter, we also continued to move forward with our infrastructure growth plan. We received the environmental assessment from FERC for our Cove Point Liquefaction project and we anticipate receiving FERC approval for the project in the next few weeks. We are also in negotiations with multiple parties on the Southeast Reliability Pipeline and hope to secure firm contracts in the near future.

“Construction of the Warren County Power Station and Brunswick County Power Station continues on time and on budget. During the quarter, we announced the acquisition of two solar projects in Tennessee and an agreement to acquire a seventh in California, bringing the total solar projects in service or in development to 232 megawatts.”

### **SECOND-QUARTER 2014 OPERATING EARNINGS COMPARED TO 2013**

Second-quarter 2014 operating earnings per share were equivalent to second-quarter 2013 operating earnings per share. The main positive driver for the quarter was a lower effective tax rate, partially offset by lower contributions from unregulated retail energy marketing operations.

Details of second-quarter 2014 operating earnings as compared to 2013 can be found on Schedule 4 of this release.

### **THIRD-QUARTER 2014 OPERATING EARNINGS GUIDANCE**

Dominion expects third-quarter 2014 operating earnings in the range of 90 cents to \$1.05 per share, compared to third-quarter 2013 operating earnings of \$1.00 per share. Positive factors for the third-quarter of 2014 compared to the same period of the prior year include an expected return to normal weather in our electric service territory, higher weather-normalized kilowatt sales and higher revenues related to our electric transmission growth projects. Negative factors for the quarter include higher interest expense, the absence of a benefit from an asset contribution to Blue Racer last year and higher operating expenses. GAAP earnings for the third quarter of 2013 were 98 cents per share. A reconciliation between operating and GAAP earnings for the third quarter of 2013 can be found on Schedule 3 of this release.

In providing its third-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 recording additional pre-tax charges of approximately \$44 million in each of the third and fourth quarters of 2014 associated with the North Anna and offshore wind legislation.

### **CONFERENCE CALL TODAY**

Dominion will host its second-quarter earnings conference call at 10 a.m. ET on Wednesday, July 30. Dominion management will discuss its second-quarter financial results and other matters of interest to the financial community.

Domestic callers should dial (866) 710-0179. The passcode for the conference call is “Dominion.” International callers should dial (334) 323-9872. Participants should dial in 10 to 15 minutes prior to the scheduled start time. Members of the media also are invited to listen.

A live webcast of the conference call, including accompanying slides, and the Earnings Release Kit will be available on the company’s investor information page at [www.dom.com/investors](http://www.dom.com/investors).

A replay of the conference call will be available beginning about 1 p.m. ET July 30 and lasting until 11 p.m. ET August 6. Domestic callers may access the recording by dialing (877) 919-4059. International callers should dial (334) 323-0140. The PIN for the replay is 14710756. Additionally, a replay of the webcast will be available on the company’s investor information page by the end of the day July 30.

Dominion is one of the nation's largest producers and transporters of energy, with a portfolio of approximately 23,600 megawatts of generation, 10,900 miles of natural gas transmission, gathering and storage pipeline, and 6,400 miles of electric transmission lines. Dominion operates one of the nation's largest natural gas storage systems with 947 billion cubic feet of storage capacity and serves utility and retail energy customers in 10 states. For more information about Dominion, visit the company's website at [www.dom.com](http://www.dom.com).

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## Schedule 1 - Segment Operating Earnings

### Preliminary, Unaudited

(millions, except earnings per share)

	Three months ended June 30,		
	2014	2013	Change
<b>Earnings:</b>			
Dominion Virginia Power*	\$ 116	\$ 112	\$ 4
Dominion Energy	130	124	6
Dominion Generation*	159	185	(26)
Corporate and Other	(44)	(66)	22
<b>OPERATING EARNINGS</b>	<b>\$ 361</b>	<b>\$ 355</b>	<b>\$ 6</b>
Items excluded from operating earnings <sup>2,3</sup>	(202)	(153)	(49)
<b>REPORTED EARNINGS<sup>1</sup></b>	<b>\$ 159</b>	<b>\$ 202</b>	<b>\$ (43)</b>
<b>Common Shares Outstanding (average, diluted)</b>	583.9	578.9	
<b>Earnings Per Share (EPS):</b>			
Dominion Virginia Power*	\$ 0.20	\$ 0.20	\$ -
Dominion Energy	0.22	0.21	0.01
Dominion Generation*	0.27	0.32	(0.05)
Corporate and Other	(0.07)	(0.11)	0.04
<b>OPERATING EARNINGS</b>	<b>\$ 0.62</b>	<b>\$ 0.62</b>	<b>\$ -</b>
Items excluded from operating earnings <sup>2</sup>	(0.35)	(0.27)	(0.08)
<b>REPORTED EARNINGS<sup>1</sup></b>	<b>\$ 0.27</b>	<b>\$ 0.35</b>	<b>\$ (0.08)</b>

(millions, except earnings per share)

	Six months ended June 30,		
	2014	2013	Change
<b>Earnings:</b>			
Dominion Virginia Power*	\$ 247	\$ 228	\$ 19
Dominion Energy	338	303	35
Dominion Generation*	468	439	29
Corporate and Other	(85)	(139)	54
<b>OPERATING EARNINGS</b>	<b>\$ 968</b>	<b>\$ 831</b>	<b>\$ 137</b>
Items excluded from operating earnings <sup>2,4</sup>	(430)	(134)	(296)
<b>REPORTED EARNINGS<sup>1</sup></b>	<b>\$ 538</b>	<b>\$ 697</b>	<b>\$ (159)</b>
<b>Common Shares Outstanding (average, diluted)</b>	583.4	578.2	
<b>Earnings Per Share (EPS):</b>			
Dominion Virginia Power*	\$ 0.42	\$ 0.39	\$ 0.03
Dominion Energy	0.58	0.53	0.05
Dominion Generation*	0.80	0.76	0.04
Corporate and Other	(0.14)	(0.24)	0.10
<b>OPERATING EARNINGS</b>	<b>\$ 1.66</b>	<b>\$ 1.44</b>	<b>\$ 0.22</b>
Items excluded from operating earnings <sup>2</sup>	(0.74)	(0.23)	(0.51)
<b>REPORTED EARNINGS<sup>1</sup></b>	<b>\$ 0.92</b>	<b>\$ 1.21</b>	<b>\$ (0.29)</b>

1) Determined in accordance with Generally Accepted Accounting Principles (GAAP).

2) Items excluded from operating earnings are reported in Corporate and Other segment. Refer to Schedules 2 and 3 for details, or find "GAAP Reconciliation" on Dominion's website at [www.dom.com/investors](http://www.dom.com/investors).

3) Pre-tax amounts for the current period and the prior period are (\$302) million and (\$263) million, respectively.

4) Pre-tax amounts for the current period and the prior period are (\$654) million and (\$232) million, respectively.

\* Amounts for 2013 have been recast to reflect unregulated retail energy marketing operations in Dominion Generation.

**Schedule 2 - Reconciliation of 2014 Operating Earnings to Reported Earnings****2014 Earnings (Six months ended June 30, 2014)**

The net effects of the following items, all shown on an after-tax basis, are included in 2014 reported earnings, but are excluded from operating earnings:

- \$193 million net charge related to the repositioning of our Producer Services business, reflecting the termination of natural gas trading and certain energy marketing activities.
- \$191 million charge associated with Virginia legislation enacted in April that permits Virginia Power to recover 70% of the costs previously deferred or capitalized through Dec. 31, 2013 relating to the development of a third nuclear unit located at North Anna and offshore wind facilities as part of the 2013 and 2014 base rates.
- \$31 million goodwill write-off associated with the company exiting the unregulated electric retail energy marketing business.
- \$15 million net charge related to other items.

<i>(millions, except per share amounts)</i>	1Q14	2Q14	3Q14	4Q14	YTD 2014 <sup>2</sup>
<b>Operating earnings</b>	\$607	\$361			\$968
<b>Items excluded from operating earnings (after-tax):</b>					
Producer Services repositioning	(193)				(193)
North Anna and offshore wind facilities		(191)			(191)
Goodwill write-off at unregulated electric retail	(31)				(31)
Other items	(4)	(11)			(15)
Total items excluded from operating earnings (after-tax) <sup>1</sup>	(228)	(202)			(430)
<b>Reported net income</b>	\$379	\$159			\$538
<b>Common shares outstanding (average, diluted)</b>	582.9	583.9			583.4
<b>Operating earnings per share</b>	\$1.04	\$0.62			\$1.66
Items excluded from operating earnings (after-tax)	(0.39)	(0.35)			(0.74)
<b>Reported earnings per share</b>	\$0.65	\$0.27			\$0.92

<sup>1)</sup> Pre-tax amounts for items excluded from operating earnings are reflected in the following table:

Items excluded from operating earnings:	1Q14	2Q14	3Q14	4Q14	YTD 2014
Producer Services repositioning	(319)				(319)
North Anna and offshore wind facilities		(287)			(287)
Goodwill write-off at unregulated electric retail	(31)				(31)
Other items	(2)	(15)			(17)
Total items excluded from operating earnings	(\$352)	(\$302)	\$0	\$0	(\$654)

<sup>2)</sup> YTD EPS may not equal sum of quarters due to share count differences.



**Schedule 3 - Reconciliation of 2013 Operating Earnings to Reported Earnings****2013 Earnings (Twelve months ended December 31, 2013)**

The net effects of the following items, all shown on an after-tax basis, are included in 2013 reported earnings, but are excluded from operating earnings:

- \$92 million net loss from discontinued operations of two merchant power stations (Brayton Point & Kincaid) which were sold in third quarter 2013.
- \$109 million net charge related to an impairment of certain natural gas infrastructure assets and the repositioning of Producer Services.
- \$28 million charge in connection with the Virginia Commission's final ruling associated with its biennial review of Virginia Power's base rates for 2011-2012 test years.
- \$17 million charge associated with our operating expense reduction initiative, primarily reflecting severance pay and other employee-related costs.
- \$39 million net gain related to our investments in nuclear decommissioning trust funds.
- \$30 million benefit due to a downward revision in the nuclear decommissioning asset retirement obligations (ARO) for certain merchant nuclear units that are no longer in service.
- \$7 million net expense related to other items.

<i>(millions, except per share amounts)</i>	1Q13	2Q13	3Q13	4Q13	YTD 2013 <sup>2</sup>
<b>Operating earnings</b>	\$476	\$355	\$583	\$467	\$1,881
<b>Items excluded from operating earnings (after-tax):</b>					
Discontinued operations - Brayton Point & Kincaid	1	(70)	(23)		(92)
Gas infrastructure & repositioning		(57)	(17)	(35)	(109)
Impact of Virginia Power biennial review order				(28)	(28)
O&M expense reduction initiative		(17)			(17)
Net gain in nuclear decommissioning trust funds	20	1	9	9	39
ARO revision				30	30
Other items	(2)	(10)	17	(12)	(7)
Total items excluded from operating earnings (after-tax) <sup>1</sup>	19	(153)	(14)	(36)	(184)
<b>Reported net income</b>	\$495	\$202	\$569	\$431	\$1,697
<b>Common shares outstanding (average, diluted)</b>	577.5	578.9	580.1	581.3	579.5
<b>Operating earnings per share</b>	\$0.83	\$0.62	\$1.00	\$0.80	\$3.25
Items excluded from operating earnings (after-tax)	0.03	(0.27)	(0.02)	(0.06)	(0.32)
<b>Reported earnings per share</b>	\$0.86	\$0.35	\$0.98	\$0.74	\$2.93

<sup>1)</sup> Pre-tax amounts for items excluded from operating earnings are reflected in the following table:

Items excluded from operating earnings:	1Q13	2Q13	3Q13	4Q13	YTD 2013
Discontinued operations - Brayton Point & Kincaid	1	(119)	(17)		(135)
Gas infrastructure & repositioning		(107)	(23)	(52)	(182)
Impact of Virginia Power biennial review order				(40)	(40)
O&M expense reduction initiative		(28)			(28)
Net gain in nuclear decommissioning trust funds	34	1	15	15	65
ARO revision				47	47
Other items	(4)	(10)	29	(26)	(11)
Total items excluded from operating earnings	\$31	(\$263)	\$4	(\$56)	(\$284)

<sup>2)</sup> YTD EPS may not equal sum of quarters due to share count differences.

**Schedule 4 - Reconciliation of 2Q14 Earnings to 2Q13**

Preliminary, unaudited (millions, except EPS)	Three Months Ended June 30, 2014 vs. 2013 Increase / (Decrease)	
<u>Reconciling Items</u>	<u>Amount</u>	<u>EPS</u>
<b><i>Dominion Virginia Power</i></b>		
Regulated electric sales:		
Weather	\$2	\$0.00
FERC Transmission equity return	7	0.01
Storm damage and service restoration	7	0.01
Other	(12)	(0.02)
<b>Change in contribution to operating earnings</b>	<b>\$4</b>	<b>\$0.00</b>
<b><i>Dominion Energy</i></b>		
Gas Distribution margins	3	0.00
Gas Transmission projects	8	0.02
Other	(5)	(0.01)
<b>Change in contribution to operating earnings</b>	<b>\$6</b>	<b>\$0.01</b>
<b><i>Dominion Generation</i></b>		
Regulated electric sales:		
Weather	\$3	\$0.01
Other	(2)	0.00
Merchant generation margin	9	0.02
Retail energy marketing operations	(18)	(0.04)
Rate adjustment clause equity return	(17)	(0.04)
PJM ancillary services	5	0.01
Other	(6)	(0.01)
<b>Change in contribution to operating earnings</b>	<b>(\$26)</b>	<b>(\$0.05)</b>
<b><i>Corporate and Other</i></b>		
Change in contribution to operating earnings	\$22	\$0.04
<b>Change in consolidated operating earnings</b>	<b>\$6</b>	<b>\$0.00</b>
<b>Change in items excluded from operating earnings <sup>1</sup></b>	<b>(\$49)</b>	<b>(\$0.08)</b>
<b>Change in reported earnings (GAAP)</b>	<b>(\$43)</b>	<b>(\$0.08)</b>

<sup>1)</sup> Refer to Schedules 2 and 3 for details of items excluded from operating earnings, or find "GAAP Reconciliation" on Dominion's website at [www.dom.com/investors](http://www.dom.com/investors).

## Financials

### Consolidated Financial Statements (GAAP)

DOMINION RESOURCES, INC.  
CONSOLIDATED STATEMENTS OF INCOME\*  
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
(millions, except per share amounts)				
<b>Operating Revenue</b>	<b>\$ 2,813</b>	<b>\$ 2,980</b>	<b>\$ 6,443</b>	<b>\$ 6,503</b>
<b>Operating Expenses</b>				
Electric fuel and other energy-related purchases	633	875	1,967	1,826
Purchased electric capacity	87	88	175	176
Purchased gas	324	297	864	764
Other operations and maintenance	933	728	1,358	1,351
Depreciation, depletion and amortization	308	303	616	600
Other taxes	134	141	301	308
Total operating expenses	2,419	2,432	5,281	5,025
Income from operations	394	548	1,162	1,478
Other income	57	49	97	136
Interest and related charges	227	203	464	431
Income from continuing operations including noncontrolling interests before income tax expense	224	394	795	1,183
Income tax expense	63	116	249	404
Income from continuing operations including noncontrolling interests	161	278	546	779
Loss from discontinued operations	—	(70)	—	(69)
<b>Net Income Including Noncontrolling Interests</b>	<b>161</b>	<b>208</b>	<b>546</b>	<b>710</b>
<b>Noncontrolling Interests</b>	<b>2</b>	<b>6</b>	<b>8</b>	<b>13</b>
<b>Net Income Attributable to Dominion</b>	<b>\$ 159</b>	<b>\$ 202</b>	<b>\$ 538</b>	<b>\$ 697</b>
<b>Amounts Attributable to Dominion:</b>				
Income from continuing operations, net of tax	\$ 159	\$ 272	\$ 538	\$ 766
Loss from discontinued operations, net of tax	—	(70)	—	(69)
Net income attributable to Dominion	\$ 159	\$ 202	\$ 538	\$ 697
<b>Earnings Per Common Share-Basic</b>				
Income from continuing operations	\$ 0.27	\$ 0.47	\$ 0.92	\$ 1.33
Loss from discontinued operations	—	(0.12)	—	(0.12)
Net income attributable to Dominion	\$ 0.27	\$ 0.35	\$ 0.92	\$ 1.21
<b>Earnings Per Common Share-Diluted</b>				
Income from continuing operations	\$ 0.27	\$ 0.47	\$ 0.92	\$ 1.33
Loss from discontinued operations	—	(0.12)	—	(0.12)
Net income attributable to Dominion	\$ 0.27	\$ 0.35	\$ 0.92	\$ 1.21
Dividends declared per common share	\$ 0.6000	\$ 0.5625	\$ 1.2000	\$ 1.1250

\*The notes contained in Dominion's most recent quarterly report on Form 10-Q or annual report on Form 10-K are an integral part of the Consolidated Financial Statements.

**DOMINION RESOURCES, INC.**  
**CONSOLIDATED BALANCE SHEETS\***  
(Unaudited)

	June 30, 2014	December 31, 2013 <sup>1</sup>
(millions)		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 419	\$ 316
Customer receivables (less allowance for doubtful accounts of \$23 and \$25)	1,476	1,695
Other receivables (less allowance for doubtful accounts of \$3 and \$4)	161	141
Inventories	1,261	1,176
Prepayments	224	192
Other	2,020	2,420
Total current assets	5,561	5,940
<b>Investments</b>		
Nuclear decommissioning trust funds	4,103	3,903
Investment in equity method affiliates	1,083	916
Other	272	283
Total investments	5,458	5,102
<b>Property, Plant and Equipment</b>		
Property, plant and equipment	48,698	46,969
Accumulated depreciation, depletion and amortization	(14,811)	(14,341)
Total property, plant and equipment, net	33,887	32,628
<b>Deferred Charges and Other Assets</b>		
Goodwill	3,044	3,086
Regulatory assets	1,375	1,228
Other	2,174	2,112
Total deferred charges and other assets	6,593	6,426
Total assets	\$ 51,499	\$ 50,096

<sup>1)</sup> Dominion's Consolidated Balance Sheet at December 31, 2013 has been derived from the audited Consolidated Financial Statements at that date.

\*The notes contained in Dominion's most recent quarterly report on Form 10-Q or annual report on Form 10-K are an integral part of the Consolidated Financial Statements.

**DOMINION RESOURCES, INC.**  
**CONSOLIDATED BALANCE SHEETS\***  
(Unaudited)

	June 30, 2014	December 31, 2013 <sup>1</sup>
(millions)		
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Securities due within one year	\$ 865	\$ 1,519
Short-term debt	3,080	1,927
Accounts payable	852	1,168
Derivative liabilities	964	828
Other	1,482	1,552
Total current liabilities	7,243	6,994
<b>Long-Term Debt</b>		
Long-term debt	18,018	16,877
Junior subordinated notes	1,373	1,373
Remarketable subordinated notes	1,082	1,080
Total long-term debt	20,473	19,330
<b>Deferred Credits and Other Liabilities</b>		
Deferred income taxes and investment tax credits	7,237	7,114
Asset retirement obligations	1,515	1,484
Regulatory liabilities	2,011	2,001
Other	1,319	1,274
Total deferred credits and other liabilities	12,082	11,873
Total liabilities	39,798	38,197
<b>Commitments and Contingencies</b>		
<b>Subsidiary Preferred Stock Not Subject to Mandatory Redemption</b>	<b>134</b>	<b>257</b>
<b>Common Shareholders' Equity</b>		
Common stock – no par <sup>2</sup>	5,861	5,783
Retained earnings	6,023	6,183
Accumulated other comprehensive loss	(317)	(324)
Total common shareholders' equity	11,567	11,642
Total liabilities and shareholders' equity	\$ 51,499	\$ 50,096

<sup>1)</sup> Dominion's Consolidated Balance Sheet at December 31, 2013 has been derived from the audited Consolidated Financial Statements at that date.

<sup>2)</sup> 1 billion shares authorized; 583 million shares and 581 million shares outstanding at June 30, 2014 and December 31, 2013, respectively.

\*The notes contained in Dominion's most recent quarterly report on Form 10-Q or annual report on Form 10-K are an integral part of the Consolidated Financial Statements.

**DOMINION RESOURCES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS\***  
(Unaudited)

Six Months Ended June 30,	2014	2013
(millions)		
<b>Operating Activities</b>		
Net income including noncontrolling interests	546	710
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operating activities:		
Depreciation, depletion and amortization (including nuclear fuel)	748	729
Deferred income taxes and investment tax credits	301	395
Gains on the sale of assets	(159)	(25)
Charges associated with North Anna and offshore wind legislation	287	—
Other adjustments	(55)	(12)
Changes in:		
Accounts receivable	153	92
Inventories	2	(10)
Deferred fuel and purchased gas costs, net	(322)	48
Prepayments	(34)	(88)
Accounts payable	(258)	(149)
Accrued interest, payroll and taxes	(50)	(67)
Margin deposit assets and liabilities	204	21
Other operating assets and liabilities	84	147
Net cash provided by operating activities	1,447	1,791
<b>Investing Activities</b>		
Plant construction and other property additions (including nuclear fuel)	(2,389)	(1,937)
Acquisition of solar development projects	(58)	(13)
Proceeds from sales of securities	686	862
Purchases of securities	(703)	(885)
Proceeds from the sale of assets to Blue Racer	84	47
Proceeds from the sale of electric retail energy marketing business	187	—
Restricted cash equivalents	8	23
Other	(1)	18
Net cash used in investing activities	(2,186)	(1,885)
<b>Financing Activities</b>		
Issuance (repayment) of short-term debt, net	1,152	(307)
Issuance of long-term debt	1,150	2,350
Repayment of long-term debt, including redemption premiums	(660)	(1,185)
Repayment of junior subordinated notes	—	(258)
Subsidiary preferred stock redemption	(125)	—
Issuance of common stock	71	144
Common dividend payments	(698)	(650)
Subsidiary preferred dividend payments	(6)	(8)
Other	(42)	(50)
Net cash provided by financing activities	842	36
Increase (decrease) in cash and cash equivalents	103	(58)
Cash and cash equivalents at beginning of period	316	248
Cash and cash equivalents at end of period	\$ 419	\$ 190
<b>Supplemental Cash Flow Information</b>		
Significant noncash investing activities:		
Accrued capital expenditures	\$ 309	\$ 172

\*The notes contained in Dominion's most recent quarterly report on Form 10-Q or annual report on Form 10-K are an integral part of the Consolidated Financial Statements.

## Segment Operating Earnings Results

### Dominion Consolidated<sup>2</sup>

#### Unaudited Summary of Operating results (\$mm except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
<b>Operating Revenue</b>	<b>\$ 2,813</b>	<b>\$ 2,961</b>	<b>\$ 6,444</b>	<b>\$ 6,436</b>
<b>Operating Expenses</b>				
Electric fuel and other energy-related purchases	633	851	1,531	1,801
Purchased electric capacity	87	88	175	176
Purchased gas	324	283	857	750
Other operations and maintenance	626	594	1,138	1,163
Depreciation, depletion and amortization	308	303	615	600
Other taxes	134	139	294	302
Total operating expenses	<u>2,112</u>	<u>2,258</u>	<u>4,610</u>	<u>4,792</u>
Income from operations	<u>701</u>	<u>703</u>	<u>1,834</u>	<u>1,644</u>
Other income	<u>51</u>	<u>37</u>	<u>77</u>	<u>81</u>
Income including noncontrolling interests before interest and income taxes	752	740	1,911	1,725
Interest and related charges	<u>226</u>	<u>201</u>	<u>462</u>	<u>427</u>
Income including noncontrolling interests before income taxes	526	539	1,449	1,298
Income taxes	<u>163</u>	<u>178</u>	<u>473</u>	<u>454</u>
Income including noncontrolling interests	363	361	976	844
Noncontrolling interests	<u>2</u>	<u>6</u>	<u>8</u>	<u>13</u>
<b>Operating Earnings</b>	<b>\$ 361</b>	<b>\$ 355</b>	<b>\$ 968</b>	<b>\$ 831</b>
<b>Operating Earnings Per Share</b>	<b>\$ 0.62</b>	<b>\$ 0.62</b>	<b>\$ 1.66</b>	<b>\$ 1.44</b>
Items excluded from operating earnings (net of taxes) <sup>1</sup>	<u>(202)</u>	<u>(153)</u>	<u>(430)</u>	<u>(134)</u>
<b>Reported Earnings</b>	<b>\$ 159</b>	<b>\$ 202</b>	<b>\$ 538</b>	<b>\$ 697</b>
<b>Reported Earnings Per Common Share - Diluted</b>	<b>\$ 0.27</b>	<b>\$ 0.35</b>	<b>\$ 0.92</b>	<b>\$ 1.21</b>
Average shares outstanding, diluted	583.9	578.9	583.4	578.2

<sup>1)</sup> For additional detail on items excluded from operating earnings see the GAAP Reconciliation schedules on pages 30-33.

<sup>2)</sup> Dominion Consolidated Income Statement reflects the impact of segment eliminations and adjustments.

**Dominion Virginia Power**

**Unaudited Summary of Operating results**

(\$mm except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
<b>Operating Revenue</b>	<b>\$ 450</b>	<b>\$ 435</b>	<b>\$ 954</b>	<b>\$ 901</b>
<b>Operating Expenses</b>				
Electric fuel and other energy-related purchases	-	1	1	1
Purchased electric capacity	-	-	-	-
Purchased gas	-	-	-	-
Other operations and maintenance	74	86	174	194
Depreciation, depletion and amortization	114	107	225	209
Other taxes	35	33	71	66
Total operating expenses	<u>223</u>	<u>227</u>	<u>471</u>	<u>470</u>
Income from operations	<u>227</u>	<u>208</u>	<u>483</u>	<u>431</u>
Other income	<u>16</u>	<u>13</u>	<u>29</u>	<u>24</u>
Income including noncontrolling interests before interest and income taxes	243	221	512	455
Interest and related charges	<u>52</u>	<u>43</u>	<u>104</u>	<u>87</u>
Income including noncontrolling interests before income taxes	191	178	408	368
Income taxes	<u>74</u>	<u>64</u>	<u>157</u>	<u>136</u>
Income including noncontrolling interests	117	114	251	232
Noncontrolling interests	<u>1</u>	<u>2</u>	<u>4</u>	<u>4</u>
<b>Operating Earnings Contribution</b>	<b>\$ 116</b>	<b>\$ 112</b>	<b>\$ 247</b>	<b>\$ 228</b>
<b>Operating Earnings Per Share Contribution</b>	<b>\$ 0.20</b>	<b>\$ 0.20</b>	<b>\$ 0.42</b>	<b>\$ 0.39</b>
Average shares outstanding, diluted	583.9	578.9	583.4	578.2



**Dominion Energy****Unaudited Summary of Operating results**

(\$mm except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
<b>Operating Revenue</b>	<b>\$ 681</b>	<b>\$ 629</b>	<b>\$ 1,532</b>	<b>\$ 1,505</b>
<b>Operating Expenses</b>				
Electric fuel and other energy-related purchases	7	23	23	45
Purchased electric capacity	-	-	-	-
Purchased gas	255	186	573	494
Other operations and maintenance	127	124	194	266
Depreciation, depletion and amortization	58	61	115	120
Other taxes	42	39	103	96
Total operating expenses	<u>489</u>	<u>433</u>	<u>1,008</u>	<u>1,021</u>
Income from operations	<u>192</u>	<u>196</u>	<u>524</u>	<u>484</u>
Other income	<u>23</u>	<u>5</u>	<u>35</u>	<u>18</u>
Income including noncontrolling interests before interest and income taxes	215	201	559	502
Interest and related charges	<u>3</u>	<u>7</u>	<u>7</u>	<u>13</u>
Income including noncontrolling interests before income taxes	212	194	552	489
Income taxes	<u>82</u>	<u>70</u>	<u>214</u>	<u>186</u>
Income including noncontrolling interests	130	124	338	303
Noncontrolling interests	-	-	-	-
<b>Operating Earnings Contribution</b>	<b>\$ 130</b>	<b>\$ 124</b>	<b>\$ 338</b>	<b>\$ 303</b>
<b>Operating Earnings Per Share Contribution</b>	<b>\$ 0.22</b>	<b>\$ 0.21</b>	<b>\$ 0.58</b>	<b>\$ 0.53</b>
Average shares outstanding, diluted	583.9	578.9	583.4	578.2

**Dominion Generation**

**Unaudited Summary of Operating results <sup>1</sup>**  
 (\$mm except per share amounts)

	Three Months Ended		Six Months Ended	
	<u>June 30,</u>		<u>June 30,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Operating Revenue</b>	<b>\$ 1,704</b>	<b>\$ 1,901</b>	<b>\$ 3,988</b>	<b>\$ 4,072</b>
<b>Operating Expenses</b>				
Electric fuel and other energy-related purchases	621	823	1,495	1,741
Purchased electric capacity	87	88	175	176
Purchased gas	89	98	312	300
Other operations and maintenance	433	393	793	721
Depreciation, depletion and amortization	128	127	259	255
Other taxes	52	59	105	124
Total operating expenses	<u>1,410</u>	<u>1,588</u>	<u>3,139</u>	<u>3,317</u>
Income from operations	<u>294</u>	<u>313</u>	<u>849</u>	<u>755</u>
Other income	<u>12</u>	<u>20</u>	<u>18</u>	<u>37</u>
Income including noncontrolling interests before interest and income taxes	306	333	867	792
Interest and related charges	<u>57</u>	<u>45</u>	<u>123</u>	<u>96</u>
Income including noncontrolling interests before income taxes	249	288	744	696
Income taxes	<u>89</u>	<u>99</u>	<u>272</u>	<u>248</u>
Income including noncontrolling interests	160	189	472	448
Noncontrolling interests	<u>1</u>	<u>4</u>	<u>4</u>	<u>9</u>
<b>Operating Earnings Contribution</b>	<b>\$ 159</b>	<b>\$ 185</b>	<b>\$ 468</b>	<b>\$ 439</b>
<b>Operating Earnings Per Share Contribution</b>	<b>\$ 0.27</b>	<b>\$ 0.32</b>	<b>\$ 0.80</b>	<b>\$ 0.76</b>
Average shares outstanding, diluted	583.9	578.9	583.4	578.2

<sup>1)</sup> Includes non-regulated retail energy marketing operations

**Corporate and Other****Unaudited Summary of Operating Results**

(\$mm except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
<b>Operating Revenue</b>	<u>\$ 143</u>	<u>\$ 162</u>	<u>\$ 289</u>	<u>\$ 303</u>
<b>Operating Expenses</b>				
Electric fuel and other energy-related purchases	-	-	-	-
Purchased electric capacity	-	-	-	-
Purchased gas	1	1	3	2
Other operations and maintenance	141	159	277	295
Depreciation, depletion and amortization	8	8	16	16
Other taxes	5	8	15	16
Total operating expenses	<u>155</u>	<u>176</u>	<u>311</u>	<u>329</u>
Income (loss) from operations	<u>(12)</u>	<u>(14)</u>	<u>(22)</u>	<u>(26)</u>
Other income	<u>8</u>	<u>17</u>	<u>11</u>	<u>37</u>
Income including noncontrolling interests before interest and income taxes	(4)	3	(11)	11
Interest and related charges	<u>122</u>	<u>124</u>	<u>244</u>	<u>266</u>
Income including noncontrolling interests before income taxes	(126)	(121)	(255)	(255)
Income taxes	<u>(82)</u>	<u>(55)</u>	<u>(170)</u>	<u>(116)</u>
Income including noncontrolling interests	(44)	(66)	(85)	(139)
Noncontrolling interests	-	-	-	-
<b>Operating Earnings (Loss) Contribution</b>	<u>\$ (44)</u>	<u>\$ (66)</u>	<u>\$ (85)</u>	<u>\$ (139)</u>
<b>Operating Earnings (Loss) Per Share Contribution</b>	<u>\$ (0.07)</u>	<u>\$ (0.11)</u>	<u>\$ (0.14)</u>	<u>\$ (0.24)</u>
Items excluded from operating earnings (net of taxes) <sup>1</sup>	<u>(202)</u>	<u>(153)</u>	<u>(430)</u>	<u>(134)</u>
<b>Reported Earnings</b>	<u>\$ (246)</u>	<u>\$ (219)</u>	<u>\$ (515)</u>	<u>\$ (273)</u>
<b>Reported Earnings Per Common Share - Diluted</b>	<u>\$ (0.42)</u>	<u>\$ (0.38)</u>	<u>\$ (0.88)</u>	<u>\$ (0.47)</u>
Average shares outstanding, diluted	583.9	578.9	583.4	578.2

<sup>1)</sup> For additional detail on items excluded from operating earnings see the GAAP Reconciliation schedules on pages 30-33.

## Operating Statistics

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
<b>Dominion Consolidated</b>				
<b>Regulated Electric Sales Revenue (\$mm)</b>				
Residential	\$ 713	\$ 716	\$ 1,649	\$ 1,561
Commercial	555	558	1,100	1,096
Industrial	124	117	254	231
Governmental	202	197	436	387
Regulated retail revenue	1,595	1,588	3,439	3,275
Wholesale - sales for resale	44	45	105	90
Other revenue	58	54	103	83
Total	\$ 1,697	\$ 1,687	\$ 3,648	\$ 3,448
<b>Dominion Virginia Power</b>				
<b>Degree Days (Electric service area)</b>				
<b>Cooling</b>				
Actual	529	539	529	539
Normal	474	469	479	474
<b>Heating</b>				
Actual	252	303	2,546	2,364
Normal	298	300	2,283	2,288
<b>Electric Delivery Customers (at period end)</b>				
Residential	2,226,514	2,204,496	2,226,514	2,204,496
Commercial	237,760	236,617	237,760	236,617
Industrial	626	494	626	494
Governmental	32,506	32,355	32,506	32,355
Total Retail	2,497,406	2,473,962	2,497,406	2,473,962
Wholesale - sales for resale	5	5	5	5
Total	2,497,411	2,473,967	2,497,411	2,473,967
<b>Electricity Delivered (GWh)</b>				
Residential	6,460	6,535	16,037	15,112
Commercial	7,228	7,208	14,431	14,358
Industrial	2,179	1,998	4,305	3,921
Governmental	2,642	2,636	5,185	5,166
Total Retail	18,510	18,377	39,957	38,557
Wholesale - sales for resale	829	858	1,767	1,782
Total	19,339	19,235	41,724	40,339
<b>Dominion Generation</b>				
<b>Dominion Retail</b>				
Unregulated Energy Customer Accounts (Average)				
Natural Gas	320,011	547,037	395,109	550,317
Products and Services	925,435	904,841	944,702	900,997
Total	1,245,446	1,451,877	1,339,811	1,451,314
Volumes Sold				
Natural Gas (mmcf)	13,812	17,310	57,944	59,027

Note: Figures may not add due to rounding

**DOMINION - 2014 EARNINGS RELEASE KIT**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
<b>Dominion Energy</b>				
<b>Gas Distribution</b>				
<b>Regulated Gas Revenue (\$mm)</b>				
Gas sales revenue				
Residential	\$ 33	\$ 34	\$ 144	\$ 128
Commercial	5	4	25	21
Industrial	1	-	2	1
Other	1	-	3	2
Total	<u>\$ 40</u>	<u>\$ 39</u>	<u>\$ 174</u>	<u>\$ 152</u>
<b>Regulated Gas Transportation and Storage Revenue (\$mm)</b>				
Gas transportation revenue				
Residential	\$ 78	\$ 85	\$ 173	\$ 214
Commercial	19	24	66	83
Industrial	12	13	29	29
Other	2	-	4	1
Total transportation revenue	<u>111</u>	<u>122</u>	<u>272</u>	<u>327</u>
Storage revenue	<u>3</u>	<u>2</u>	<u>4</u>	<u>4</u>
Total	<u>\$ 114</u>	<u>\$ 124</u>	<u>\$ 276</u>	<u>\$ 332</u>
<b>Degree Days</b>				
Heating				
Actual	603	641	4,116	3,664
Normal	668	675	3,480	3,523
<b>LDC Natural Gas Customers (Average)</b>				
Total LDC natural gas customers				
Residential	1,204,404	1,204,378	1,207,761	1,207,296
Commercial	91,919	91,600	92,461	92,053
Industrial	1,516	1,546	1,524	1,548
Other	24	23	24	23
Total	<u>1,297,863</u>	<u>1,297,547</u>	<u>1,301,770</u>	<u>1,300,920</u>
<b>LDC Natural Gas Delivery (mmcf)</b>				
Total LDC natural gas throughput				
Residential	15,719	16,548	84,370	75,803
Commercial	9,161	9,553	42,845	37,769
Industrial	27,801	28,811	64,630	63,030
Other	8,531	706	14,630	3,933
Total	<u>61,212</u>	<u>55,618</u>	<u>206,475</u>	<u>180,535</u>
<b>Gas Transmission</b>				
Natural Gas Liquids sales (million gallons)	31.1	36.1	64.2	74.4
Average Realized NGL Price with Hedging (\$/gal)	\$1.26	\$1.35	\$1.32	\$1.34
<b>Dominion Generation</b>				
<b>Merchant Generation</b>				
<b>Total Electric Sales (GWh)</b>				
NEPOOL Merchant Fleet <sup>1</sup>	3,737	3,791	8,250	8,575
PJM Merchant Fleet <sup>2</sup>	1,781	1,789	3,395	3,688

<sup>1)</sup> Comprised of Millstone and Manchester generating stations.

<sup>2)</sup> Comprised of Fairless generating station.

Note: Figures may not add due to rounding

## 2014 Weather Variance

Dominion - Effect of weather compared to normal <sup>1</sup>

Description	Pre-tax Impact (\$millions)				
	1Q14	2Q14	3Q14	4Q14	FY2014
Gas Distribution <sup>2</sup>	\$9	(\$0)	\$0	\$0	\$8
Electric Distribution <sup>3</sup>	14	(6)	-	-	\$9
Electric Transmission <sup>3</sup>	0	(0)	-	-	\$0
Utility Generation (VaP) <sup>4</sup>	29	(12)	-	-	\$17
<b>Earnings Impact (pre-tax)</b>	<b>\$52</b>	<b>(\$18)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$34</b>

Description	After-tax Impact (\$millions)				
	1Q14	2Q14	3Q14	4Q14	FY2014
Gas Distribution <sup>2</sup>	\$6	(\$0)	\$0	\$0	\$5
Electric Distribution <sup>3</sup>	9	(3)	-	-	\$5
Electric Transmission <sup>3</sup>	0	(0)	-	-	\$0
Utility Generation (VaP) <sup>4</sup>	18	(7)	-	-	\$10
<b>Earnings Impact (after-tax)</b>	<b>\$32</b>	<b>(\$11)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21</b>

Dominion - Effect of weather compared to prior period <sup>1</sup>

Description	Pre-tax Impact (\$millions)				
	1Q14 v. '13	2Q14 v. '13	3Q14 v. '13	4Q14 v. '13	FY14 v. '13
Gas Distribution <sup>2</sup>	\$7	(\$0)	\$0	\$0	\$7
Electric Distribution <sup>3</sup>	21	3	-	-	\$24
Electric Transmission <sup>3</sup>	0	-	-	-	\$0
Utility Generation (VaP) <sup>4</sup>	42	6	-	-	\$48
<b>Earnings Impact (pre-tax)</b>	<b>\$70</b>	<b>\$8</b>	<b>\$0</b>	<b>\$0</b>	<b>\$79</b>

Description	After-tax Impact (\$millions)				
	1Q14 v. '13	2Q14 v. '13	3Q14 v. '13	4Q14 v. '13	FY14 v. '13
Gas Distribution <sup>2</sup>	\$4	(\$0)	\$0	\$0	\$4
Electric Distribution <sup>3</sup>	13	2	-	-	\$14
Electric Transmission <sup>3</sup>	0	-	-	-	\$0
Utility Generation (VaP) <sup>4</sup>	26	3	-	-	\$29
<b>Earnings Impact (after-tax)</b>	<b>\$43</b>	<b>\$4</b>	<b>\$0</b>	<b>\$0</b>	<b>\$47</b>

1) The effects on earnings from differences in weather compared to normal and compared to prior periods are measured using base rate revenue. This schedule does not reflect the O&M expenditures for restoring service associated with outages caused by major storms.

2) Reported in the Dominion Energy segment. Comprised of Dominion East Ohio Gas Company and Hope Gas, Inc.

3) Reported in the Dominion Virginia Power segment.

4) Reported in the Dominion Generation segment.

Note: Figures may not add due to rounding

## Finance & Liquidity

### Schedule of Long-Term Debt

#### Preliminary & Unaudited (\$ in millions)

	At 6/30 <u>2013</u>	At 9/30 <u>2013</u>	At 12/31 <u>2013</u>	At 3/31 <u>2014</u>	At 6/30 <u>2014</u>
<b>Dominion Resources, Inc.</b>					
Unsecured Senior Notes:					
Variable rates, due 2013 and 2014	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
1.25% to 7.195%, due 2014 to 2018	\$ 3,291	\$ 3,291	\$ 3,291	\$ 3,291	\$ 3,291
2.75% to 8.875%, due 2019 to 2042 <sup>1</sup>	\$ 4,599	\$ 4,599	\$ 4,599	\$ 4,597	\$ 4,597
Unsecured Debentures and Senior Notes (previously issued by CNG):					
5.0% and 6.625%, due 2013 and 2014	\$ 622	\$ 622	\$ 600	\$ 400	\$ 400
6.8% and 6.875%, due 2026 and 2027	\$ 89	\$ 89	\$ 89	\$ 89	\$ 89
Unsecured Convertible Senior Notes, 2.125%, due 2023 <sup>2</sup>					
Tax-Exempt Financing, variable rate, due 2041	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
Unsecured Junior Subordinated Notes Payable to Affiliated Trust, 8.4% due 2031					
Enhanced Junior Subordinated Notes:					
7.5% and 8.375%, due 2064 and 2066	\$ 985	\$ 985	\$ 985	\$ 985	\$ 985
Variable rate, due 2066	\$ 380	\$ 380	\$ 380	\$ 380	\$ 380
Remarketable Subordinated Notes, 1.07% and 1.18%, due 2019 and 2021 <sup>3</sup>	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100
<b>Virginia Electric and Power Company</b>					
Unsecured Senior Notes:					
1.2% to 8.625%, due 2015 to 2018	\$ 2,147	\$ 2,145	\$ 2,138	\$ 2,137	\$ 2,130
2.75% to 8.875%, due 2019 to 2044	\$ 4,408	\$ 4,993	\$ 4,993	\$ 5,742	\$ 5,742
Tax-Exempt Financings: <sup>4</sup>					
Variable rates, due 2016 to 2041	\$ 484	\$ 484	\$ 606	\$ 606	\$ 606
1.5% to 5.6%, due 2022 to 2040 <sup>5,6</sup>	\$ 428	\$ 428	\$ 306	\$ 306	\$ 266
<b>Dominion Gas Holdings, LLC</b>					
Unsecured Senior Notes, 1.05% to 4.8%, due 2016 to 2043 <sup>7</sup>					
	\$ -	\$ -	\$ 1,200	\$ 1,200	\$ 1,200
<b>Dominion Energy, Inc.</b>					
Secured Senior Notes, 5.03% to 5.78%, due 2013					
	\$ 842	\$ -	\$ -	\$ -	\$ -
Tax-Exempt Financing, 2.375%, due 2033					
	\$ 27	\$ 27	\$ 27	\$ 27	\$ 27
<b>Total Principal Amount</b>	<b>\$19,956</b>	<b>\$19,672</b>	<b>\$20,842</b>	<b>\$21,385</b>	<b>\$21,334</b>
Fair Value Hedge Valuation	69	56	55	40	54
Amounts Due Within One Year	(1,934)	(1,132)	(1,519)	(916)	(865)
Unamortized Discount & Premium, net	(48)	(48)	(48)	(51)	(50)
<b>Total Long-Term Debt</b>	<b>\$18,043</b>	<b>\$18,548</b>	<b>\$19,330</b>	<b>\$20,458</b>	<b>\$20,473</b>

<sup>1</sup> In January 2014, \$2 million of the \$600 million 8.875% 2008 Series D Senior Notes due in 2019 were put back to Dominion and redeemed at the option of holders.

<sup>2</sup> \$25 million, \$1 million, \$3 million and \$4 million of the Convertible Senior Notes were converted into cash and common stock during the third and fourth quarters of 2013 and the first and second quarters of 2014, respectively.

<sup>3</sup> On July 1, 2014, Dominion issued \$1 billion of 2014 Series A 1.5% Remarketable Subordinated Notes due 2020.

<sup>4</sup> In December 2013, the \$60 million and \$62 million Pollution Control Refunding Revenue Bonds, Series 2008 A and 2008 B, respectively, issued by the IDA of the Town of Louisa on behalf of Virginia Power were remarketed and began bearing interest at a variable rate. Previously, interest for both bonds was fixed at 5.375%.

<sup>5</sup> In April 2014, Virginia Power redeemed the \$10 million 2.5% and the \$30 million 2.5% IDA of the Town of Louisa, Virginia Solid Waste and Sewage Disposal Revenue Bonds, Series 1997A and 2000A, that would otherwise mature in April 2022 and September 2030, respectively.

<sup>6</sup> In May 2014, the \$70 million Pollution Control Refunding Revenue Bonds, Series 2009 A, issued by the EDA of York County on behalf of Virginia Power were remarketed and began bearing interest at 1.875%. Previously, interest was fixed at 4.05%.

<sup>7</sup> In June 2014, Dominion Gas commenced an offer to exchange the \$1.2 billion Senior Notes that were issued in a private placement in October 2013. The exchange offer is expected to settle in August and will satisfy Dominion Gas's obligations under a registration rights agreement entered into in connection with the issuance of the original notes.

**Schedule of Debt Maturities**

As of June 30, 2014 (in \$ millions)

	<u>Due Date</u>	<u>DRI</u>	<u>VEPCO</u>	<u>DGH</u>	<u>Total</u>
<b>2014</b>					
7.195% Remarketed 2000 Series E Senior Notes	09/15/14	47.3	-	-	47.3
7.25% Mecklenburg Senior Bonds	10/15/14	-	5.6	-	5.6
2013 Private Placement Short Term Notes (variable)	11/21/14	400.0	-	-	400.0
5.0% 2004 Series A Senior Notes (from CNG Merger)	12/01/14	400.0	-	-	400.0
8.625% Panda-Rosemary Senior Notes	multiple	-	3.1	-	3.1
7.25% Ft Story, Ft Eustis, Ft Lee and Ft Monroe Promissory Notes	multiple	-	0.1	-	0.1
<b>2014 Total</b>		<b>847.3</b>	<b>8.8</b>	<b>-</b>	<b>856.1</b>
<b>2015</b>					
5.15% 2005 Series C Senior Notes	07/15/15	500.0	-	-	500.0
2.25% 2010 Series A Senior Notes	09/01/15	250.0	-	-	250.0
5.25% 2003 Series C Senior Notes	12/15/15	-	200.0	-	200.0
7.25% Mecklenburg Senior Bonds	multiple	-	4.2	-	4.2
8.625% Panda-Rosemary Senior Notes	multiple	-	6.1	-	6.1
7.25% Ft Story, Ft Eustis, Ft Lee and Ft Monroe Promissory Notes	multiple	-	0.3	-	0.3
<b>2015 Total</b>		<b>750.0</b>	<b>210.6</b>	<b>-</b>	<b>960.6</b>
<b>2016</b>					
5.2% 2004 Series A Senior Notes	01/15/16	193.9	-	-	193.9
5.4% 2006 Series A Senior Notes	01/15/16	-	450.0	-	450.0
8.625% Panda-Rosemary Senior Notes	02/15/16	-	1.5	-	1.5
1986 Series IDA Prince William (variable)	08/01/16	-	11.2	-	11.2
1986 Series Grant County (variable)	08/01/16	-	7.4	-	7.4
1.95% 2011 Series D Senior Notes	08/15/16	450.0	-	-	450.0
1.05% 2013 Series A Senior Notes (DGH)	11/01/16	-	-	400.0	400.0
5.6% 2006 Series A Senior Notes	11/15/16	250.0	-	-	250.0
7.25% Mecklenburg Senior Bonds	multiple	-	6.0	-	6.0
7.25% Ft Story, Ft Eustis, Ft Lee and Ft Monroe Promissory Notes	multiple	-	0.3	-	0.3
<b>2016 Total</b>		<b>893.9</b>	<b>476.4</b>	<b>400.0</b>	<b>1,770.3</b>
<b>2017</b>					
1.25% 2014 Series A Senior Notes	03/15/17	400.0	-	-	400.0
2011 Series A EDA Chesterfield County (variable)	06/01/17	-	75.0	-	75.0
1.4% 2012 Series A Senior Notes	09/15/17	350.0	-	-	350.0
5.95% 2007 Series B Senior Notes	09/15/17	-	600.0	-	600.0
6.0% 2007 Series A Senior Notes	11/30/17	350.0	-	-	350.0
7.25% Mecklenburg Senior Bonds	multiple	-	3.4	-	3.4
7.25% Ft Story, Ft Eustis, Ft Lee and Ft Monroe Promissory Notes	multiple	-	0.3	-	0.3
<b>2017 Total</b>		<b>1,100.0</b>	<b>678.7</b>	<b>-</b>	<b>1,778.7</b>
<b>2018</b>					
1.2% 2013 Series A Senior Notes	01/15/18	-	250.0	-	250.0
5.4% 2008 Series A Senior Notes	04/30/18	-	600.0	-	600.0
6.4% 2008 Series A Senior Notes	06/15/18	500.0	-	-	500.0
7.25% Ft Story, Ft Eustis, Ft Lee and Ft Monroe Promissory Notes	multiple	-	0.3	-	0.3
<b>2018 Total</b>		<b>500.0</b>	<b>850.3</b>	<b>-</b>	<b>1,350.3</b>
<b>Total</b>		<b>\$4,091.2</b>	<b>\$2,224.8</b>	<b>\$ 400.0</b>	<b>\$ 6,716.0</b>



**Schedule of Liquidity Position**

As of June 30, 2014 (in \$ millions)

Total Committed Bank Lines	\$	4,500
Less:		
Commercial Paper Outstanding	\$	3,080
Letters of Credit Issued	\$	115
Funded Loans	\$	-
Total Available Capacity	\$	1,305
Cash & Short-Term Investments On Hand*	\$	331
<b>Total Liquidity Available</b>	<b>\$</b>	<b>1,636</b>

\*Represents aggregate collected cash balances; not ledger balances per financial statements, which totaled \$419 million at 6/30/2014.

**Committed bank lines consist of the following:**

A \$4.0 billion revolving credit facility entered into by Dominion Resources, Inc. ("DRI"), Virginia Electric and Power Company ("VEPCO"), and Dominion Gas Holdings, LLC ("DGH") on May 19, 2014. This facility was amended and restated in order to increase the size of the facility to \$4.0 billion from \$3.0 billion, to add DGH as a borrower, and to extend the maturity date of the facility. This facility is available to DRI as well as VEPCO and DGH. The maturity date of this facility is April 2019.

A \$500 million revolving credit facility entered into by Dominion Resources, Inc. ("DRI"), Virginia Electric and Power Company ("VEPCO"), and Dominion Gas Holdings, LLC ("DGH") on May 30, 2014. This facility was amended and restated in order to add DGH as a borrower and to extend the maturity date of the facility. This facility is available to DRI as well as VEPCO and DGH. The maturity date of this facility is April 2019.

Additionally, VEPCO maintains a \$120 million revolving credit facility (not reflected in table above) that was amended and restated on May 19, 2014 in order to extend the maturity date of the facility to April 2019. This facility is dedicated to certain tax-exempt bond issuances by VEPCO.

## Schedule of Change in Capitalization

From December 31, 2013 to June 30, 2014 (in \$ millions)

### Change in Debt (Long-Term Debt plus Securities Due Within One Year)

Balance as of December 31, 2013		\$ 20,849
Issuances:		
VEPCO 2014 Series A 3.45% Senior Notes due 2024	350	
VEPCO 2014 Series B 4.45% Senior Notes due 2044	400	
DRI 2014 Series A 1.25% Senior Notes due 2017	400	
	<u>1,150</u>	
Maturities:		
DRI 1.8% 2011 Series B Senior Notes due 2014	(400)	
DRI 5.0% 2003 Series A Senior Notes (from CNG Merger) due 2014	(200)	
VEPCO IDA of the Town of Louisa 2.5% Series 2000A due 2030 <sup>1</sup>	(30)	
VEPCO IDA of the Town of Louisa 2.5% Series 1997A due 2022 <sup>1</sup>	(10)	
DRI 2004 Series C 2.125% Unsecured Convertible Senior Notes due 2023 <sup>2</sup>	(7)	
DRI 2008 Series D 8.875% Senior Notes due 2019 <sup>3</sup>	(2)	
Other	(9)	
	<u>(658)</u>	
Other:		
Change in Fair Value Hedges and Net Discount/Premium	(3)	
	<u>(3)</u>	
Balance as of June 30, 2014		\$ 21,338

### Change in Subsidiary Preferred Stock Not Subject to Mandatory Redemption

Balance as of December 31, 2013		\$ 257
Redemption of VEPCO Flex MMP 2002 Series A <sup>4</sup>	(125)	
Change in Deferred Issuance Expenses	2	
	<u>(123)</u>	
Balance as of June 30, 2014		\$ 134

### Change in Common Shareholders' Equity

Balance as of December 31, 2013		\$ 11,642
Issuance of Common Stock, Net	78	
Changes in AOCI:		
Net Other Comprehensive Gain (Loss) associated with effective portion of changes in fair value of derivatives designated as cash flow hedges, net of taxes and amounts reclassified to earnings:		
Interest Rate	(69)	
Electricity	4	
Gas	(2)	
NGL and Other	2	
	<u>(65)</u>	
Other changes in Net Other Comprehensive Income <sup>5</sup>	72	
Net change in AOCI	7	
Change in Retained Earnings	(160)	
		<u>(75)</u>
Balance as of June 30, 2014		\$ 11,567

<sup>1)</sup> Redeemed early on April 1, 2014.

<sup>2)</sup> Approximately \$7 million of the Convertible Senior Notes were converted into cash and common stock.

<sup>3)</sup> Put back to Dominion and redeemed at the option of holders on January 15, 2014.

<sup>4)</sup> Redeemed all 1,250,000 outstanding shares at \$100 per share plus accumulated and unpaid dividends.

<sup>5)</sup> Primarily reflects a net increase in unrealized gains on investments held in nuclear decommissioning trusts, and changes related to pension and OPEB benefit plans.

## Hedging

### Power, Capacity and NGL Hedge Positions

As of July 30, 2014

Merchant Generation Power & Fuel	Net Summer Capacity (MW)	2014	2015	2016
<b>Hedge Positions <sup>1</sup></b>				
Millstone	2,016	98%	80%	31%
Manchester	432	50%	0%	0%
Fairless	1,196	55%	0%	0%
<b>Total Merchant Generation <sup>2</sup></b>	<b>3,644</b>	<b>78%</b>	<b>45%</b>	<b>17%</b>
<b>Power Pricing</b>				
NEPOOL Baseload - Average Hedge Price (\$/MWh) <sup>3</sup>		\$52.43	\$55.43	\$52.38
<b>Merchant Generation Capacity (EFOR Adjusted)</b>				
		<b>2014</b>	<b>2015</b>	<b>2016</b>
Millstone & Manchester (MW)		2,467	2,469	2,469
Average Capacity Hedge Price (\$/KW - month)		\$2.77	\$3.08	\$3.03
Fairless (MW) <sup>4</sup>		1,174	1,182	1,187
Average Capacity Hedge Price (\$/KW - month)		\$5.52	\$4.71	\$4.25
<b>NGL</b>				
		<b>2014</b>		
Estimated annual NGL sales (in million gallons) <sup>5</sup>		120-130		
Amount hedged (in million gallons)		116		
Average hedge price per gallon <sup>6</sup>		\$1.31		

- 1) 2014 hedge percentages are calculated based on the weighted-average of: 1) actual results which are considered to be 100% hedged, and 2) balance of year hedge percentages. Capacity shown is net summer capacity. Assume capacity remains constant in all periods shown.
- 2) Annual percentage calculations are capacity-weighted. Excludes wind assets.
- 3) NEPOOL Baseload Average Hedge Price includes all on-peak, off-peak, around-the-clock, and seasonal hedges for Millstone Power Station.
- 4) For the June 1, 2012 to December 31, 2015 period, Fairless RPM auction clearing price is based on Eastern MAAC LDA.
- 5) Represents Dominion's production interest from the Hastings plant.
- 6) Average hedge price is based on a basket of liquids products: propane (52%), normal butane (17%), iso-butane (10%) and natural gasoline (21%).

## Reconciliation of Forecast and Outlook

### Reconciliation of Operating Earnings Guidance

#### 2Q14 Operating Earnings Summary

(millions, except per share amounts)

Description	2Q13 Actual	Range of 2Q14		2Q14 Actual
		Low	High	
<b>Operating Earnings before Interest and Taxes:</b>				
Dominion Virginia Power	\$221	\$240	\$260	\$243
Dominion Energy	201	190	220	215
Dominion Generation	333	290	345	306
Corporate and Other & Eliminations Adjusted EBIT	(15)	(20)	(10)	(12)
Total Adjusted EBIT	740	700	815	752
<b>Consolidated Interest</b>	201	235	225	226
<b>Consolidated Income Taxes</b>	178	155	190	163
<b>Noncontrolling Interests</b>	6	5	5	2
<b>Operating Earnings</b>	\$355	\$305	\$395	\$361
Average Diluted Shares Outstanding	578.9	585	583	583.9
<b>Operating EPS Range</b>	\$0.62	\$0.52	\$0.68	\$0.62

<b>2Q14 Operating EPS Guidance Range</b>	<b>\$0.55</b>	<b>\$0.65</b>
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Note: Figures may not add due to rounding

<b>2Q14 Operating EPS Actual &gt;&gt;&gt;</b>	<b>\$0.62</b>
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For information on items excluded from operating earnings see the GAAP Reconciliations on pages 34-36.

### 3Q14 Operating Earnings Guidance Summary

(millions, except per share amounts)

Description	3Q13 Actual	Range of 3Q14	
		Low	High
<b>Operating Earnings before Interest and Taxes:</b>			
Dominion Virginia Power	\$236	\$255	\$270
Dominion Energy	289	195	215
Dominion Generation	584	600	670
Corporate and Other & Eliminations Adjusted EBIT	(10)	(15)	(10)
Total Adjusted EBIT	1,099	1,035	1,145
<b>Consolidated Interest</b>	217	240	230
<b>Consolidated Income Taxes</b>	293	265	295
<b>Noncontrolling Interests</b>	6	5	5
<b>Operating Earnings</b>	\$583	\$525	\$615
Average Diluted Shares Outstanding	580.1	586	584
<b>Operating EPS Range</b>	\$1.00	\$0.90	\$1.05
<b>3Q14 Operating EPS Guidance Range</b>		<b>\$0.90</b>	<b>\$1.05</b>

**Note: Figures may not add due to rounding**

For information on items excluded from operating earnings see the GAAP Reconciliations on pages 34-36.

## GAAP Reconciliation

### Reconciliation of 2014 Consolidated Operating Earnings to Reported Earnings

Unaudited Income Statements  
(millions, except per share amounts)

	Three Months Ended June 30, 2014			Six Months Ended June 30, 2014		
	Operating	Adjustments	GAAP	Operating	Adjustments	GAAP
<b>Operating Revenue</b>	\$ 2,813	\$ -	\$ 2,813	\$ 6,444	\$ (1) (a),(b)	\$ 6,443
<b>Operating Expenses</b>						
Electric fuel and other energy-related purchases	633	-	633	1,531	436 (b)	1,967
Purchased electric capacity	87	-	87	175	-	175
Purchased gas	324	-	324	857	7 (a)	864
Other operations and maintenance	626	307 (e),(f)	933	1,138	220 (a),(b),(c),(e),(f)	1,358
Depreciation, depletion and amortization	308	-	308	615	1 (a),(b)	616
Other taxes	134	-	134	294	7 (a),(b)	301
Total operating expenses	2,112	307	2,419	4,610	671	5,281
Income from operations	701	(307)	394	1,834	(672)	1,162
Other income (loss)	51	6 (c),(e)	57	77	20 (a),(b),(c),(e)	97
Income including noncontrolling interests before interest and income taxes	752	(301)	451	1,911	(652)	1,259
Interest and related charges	226	1 (e)	227	462	2 (a),(b),(e)	464
Income including noncontrolling interests before income taxes	526	(302)	224	1,449	(654)	795
Income taxes	163	(100) (d)	63	473	(224) (d)	249
Income from continuing operations including noncontrolling interests	363	(202)	161	976	(430)	546
Income (loss) from discontinued operations, net of tax	-	-	-	-	-	-
Noncontrolling interests	2	-	2	8	-	8
<b>Earnings</b>	\$ 361	\$ (202)	\$ 159	\$ 968	\$ (430)	\$ 538
<b>Earnings Per Share - Diluted</b>	\$ 0.62	\$ (0.35)	\$ 0.27	\$ 1.66	\$ (0.74)	\$ 0.92
Average shares outstanding, diluted	583.9		583.9	583.4		583.4

#### Adjustments to Operating

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

Note: Figures may not add due to rounding

## Reconciliation of 2013 Consolidated Operating Earnings to Reported Earnings

Unaudited Income Statements  
(millions, except per share amounts)

	Three Months Ended June 30, 2013			Six Months Ended June 30, 2013		
	Operating	Adjustments	GAAP	Operating	Adjustments	GAAP
<b>Operating Revenue</b>	\$ 2,961	\$ 19 (a), (e)	\$ 2,980	\$ 6,436	\$ 67 (a), (e)	\$ 6,503
<b>Operating Expenses</b>						
Electric fuel and other energy-related purchases	851	24 (a)	875	1,801	25 (a)	1,826
Purchased electric capacity	88	-	88	176	-	176
Purchased gas	283	14 (e)	297	750	14 (e)	764
Other operations and maintenance	594	134 (a), (e), (f), (g)	728	1,163	188 (a), (e), (f), (g)	1,351
Depreciation, depletion and amortization	303	-	303	600	-	600
Other taxes	139	2 (a), (e), (f)	141	302	6 (a), (e), (f)	308
Total operating expenses	2,258	174	2,432	4,792	233	5,025
Income from operations	703	(155)	548	1,644	(166)	1,478
Other income (loss)	37	12 (a), (b), (e), (g)	49	81	55 (a), (b), (e), (g)	136
Income including noncontrolling interests before interest and income taxes	740	(143)	597	1,725	(111)	1,614
Interest and related charges	201	2 (a), (e)	203	427	4 (a), (e)	431
Income including noncontrolling interests before income taxes	539	(145)	394	1,298	(115)	1,183
Income taxes	178	(62) (c)	116	454	(50) (c)	404
Income from continuing operations including noncontrolling interests	361	(83)	278	844	(65)	779
Income (loss) from discontinued operations, net of tax	-	(70) (d)	(70)	-	(69) (d)	(69)
Noncontrolling interests	6	-	6	13	-	13
<b>Earnings</b>	\$ 355	\$ (153)	\$ 202	\$ 831	\$ (134)	\$ 697
<b>Earnings Per Share - Diluted</b>	\$ 0.62	\$ (0.27)	\$ 0.35	\$ 1.44	\$ (0.23)	\$ 1.21
Average shares outstanding, diluted	578.9		578.9	578.2		578.2

### 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.

Note: Figures may not add due to rounding

## Reconciliation of 2014 Corporate and Other Operating Earnings to Reported Earnings

Unaudited Income Statements  
(millions, except per share amounts)

	Three Months Ended June 30, 2014			Six Months Ended June 30, 2014		
	Operating	Adjustments	GAAP	Operating	Adjustments	GAAP
<b>Operating Revenue</b>	\$ 143	\$ -	\$ 143	\$ 289	\$ (1) (a),(b)	\$ 288
<b>Operating Expenses</b>						
Electric fuel and other energy-related purchases	-	-	-	-	436 (b)	436
Purchased electric capacity	-	-	-	-	-	-
Purchased gas	1	-	1	3	7 (a)	10
Other operations and maintenance	141	307 (e),(f)	448	277	220 (a),(b),(e),(f)	497
Depreciation, depletion and amortization	8	-	8	16	1 (a),(b)	17
Other taxes	5	-	5	15	7 (a),(b)	22
Total operating expenses	155	307	462	311	671	982
Income from operations	(12)	(307)	(319)	(22)	(672)	(694)
Other income (loss)	8	6 (c),(e)	14	11	20 (a),(b),(c),(e)	31
Income including noncontrolling interests before interest and income taxes	(4)	(301)	(305)	(11)	(652)	(663)
Interest and related charges	122	1 (e)	123	244	2 (a),(b),(e)	246
Income including noncontrolling interests before income taxes	(126)	(302)	(428)	(255)	(654)	(909)
Income taxes	(82)	(100) (d)	(182)	(170)	(224) (d)	(394)
Income from continuing operations including noncontrolling interests	(44)	(202)	(246)	(85)	(430)	(515)
Income (loss) from discontinued operations, net of tax	-	-	-	-	-	-
Noncontrolling interests	-	-	-	-	-	-
<b>Earnings (Loss) Contribution</b>	\$ (44)	\$ (202)	\$ (246)	\$ (85)	\$ (430)	\$ (515)
<b>Earnings Per Share</b>	\$ (0.07)	\$ (0.35)	\$ (0.42)	\$ (0.14)	\$ (0.74)	\$ (0.88)
Average shares outstanding, diluted	583.9		583.9	583.4		583.4

### Adjustments to Operating

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

Note: Figures may not add due to rounding



## Reconciliation of 2013 Corporate and Other Operating Earnings to Reported Earnings

Unaudited Income Statements  
(millions, except per share amounts)

	Three Months Ended June 30, 2013			Six Months Ended June 30, 2013		
	Operating	Adjustments	GAAP	Operating	Adjustments	GAAP
<b>Operating Revenue</b>	\$ 162	\$ 19 (a), (e)	\$ 181	\$ 303	\$ 67 (a), (e)	\$ 370
<b>Operating Expenses</b>						
Electric fuel and other energy-related purchases	-	24 (a)	24	-	25 (a)	25
Purchased electric capacity	-	-	-	-	-	-
Purchased gas	1	14 (e)	15	2	14 (e)	16
Other operations and maintenance	159	134 (a), (e), (f), (g)	293	295	188 (a), (e), (f), (g)	483
Depreciation, depletion and amortization	8	-	8	16	-	16
Other taxes	8	2 (a), (e), (f)	10	16	6 (a), (e), (f)	22
Total operating expenses	176	174	350	329	233	562
Income from operations	(14)	(155)	(169)	(26)	(166)	(192)
Other income (loss)	17	12 (a), (b), (e), (g)	29	37	55 (a), (b), (e), (g)	92
Income including noncontrolling interests before interest and income taxes	3	(143)	(140)	11	(111)	(100)
Interest and related charges	124	2 (a), (e)	126	266	4 (a), (e)	270
Income including noncontrolling interests before income taxes	(121)	(145)	(266)	(255)	(115)	(370)
Income taxes	(55)	(62) (c)	(117)	(116)	(50) (c)	(166)
Income from continuing operations including noncontrolling interests	(66)	(83)	(149)	(139)	(65)	(204)
Income (loss) from discontinued operations, net of tax	-	(70) (d)	(70)	-	(69) (d)	(69)
Noncontrolling interests	-	-	-	-	-	-
<b>Earnings (Loss) Contribution</b>	\$ (66)	\$ (153)	\$ (219)	\$ (139)	\$ (134)	\$ (273)
<b>Earnings Per Share</b>	\$ (0.11)	\$ (0.27)	\$ (0.38)	\$ (0.24)	\$ (0.23)	\$ (0.47)
Average shares outstanding, diluted	578.9		578.9	578.2		578.2

### 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.

Note: Figures may not add due to rounding

## Reconciliation of 2Q14 Operating Earnings to Reported Earnings

### Unaudited, Operating Segments

(millions, except per share amounts)

Description	2Q14 Operating	Adjustments	2Q14 GAAP
Dominion Virginia Power EBIT	\$243		\$243
Dominion Energy EBIT	215		215
Dominion Generation EBIT	306		306
Corporate and Other & Eliminations EBIT	(12)	(301) (a),(b),(c)	(313)
Total EBIT	\$752	(\$301)	\$451
Consolidated Interest	226	1 (b)	227
Consolidated Income Taxes	163	(100) (d)	63
Noncontrolling Interests	2		2
Income(loss) from Discontinued Operations	0	0	0
Earnings	\$361	(\$202)	\$159
Average Diluted Shares Outstanding	583.9	583.9	583.9
Operating EPS	0.62	---	---
Adjustments	---	(0.35)	---
Reported EPS	---	---	0.27

Note: Totals may not add due to rounding

### Adjustments to Operating

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with North Anna and offshore wind legislation.
- (c) Other miscellaneous items.
- (d) Income tax effects for items excluded from operating results.

## Reconciliation of 2Q13 Operating Earnings to Reported Earnings

### Unaudited, Operating Segments

(millions, except per share amounts)

Description	2Q13 Operating	Adjustments	2Q13 GAAP
Dominion Virginia Power EBIT	\$221		\$221
Dominion Energy EBIT	201		201
Dominion Generation EBIT	333		333
Corporate and Other & Eliminations EBIT	(15)	(143) (a), (b), (e), (f), (g)	(158)
Total EBIT	\$740	(\$143)	\$597
Consolidated Interest	201	2 (a), (e)	203
Consolidated Income Taxes	178	(62) (c)	116
Noncontrolling Interests	6		6
Income(loss) from Discontinued Operations	0	(70) (d)	(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

Note: Totals may not add due to rounding

### Adjustments to Operating

- (a) Items related to Kewaunee nuclear merchant power station.
- (b) Net gain/loss of 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.

## Reconciliation of 3Q13 Operating Earnings to Reported Earnings

### Unaudited, Operating Segments

(millions, except per share amounts)

Description	3Q13 Operating	Adjustments	3Q13 GAAP
Dominion Virginia Power EBIT	\$236		\$236
Dominion Energy EBIT	289		289
Dominion Generation EBIT	584		584
Corporate and Other & Eliminations EBIT	(10)	21 (a), (b), (e)	11
Total EBIT	\$1,099	\$21	\$1,120
Consolidated Interest	217	0	217
Consolidated Income Taxes	293	12 (c)	305
Noncontrolling Interests	6		6
Income(loss) from Discontinued Operations	0	(23) (d)	(23)
<b>Earnings</b>	<b>\$583</b>	<b>(\$14)</b>	<b>\$569</b>
Average Diluted Shares Outstanding	580.1	580.1	580.1
<b>Operating EPS</b>	<b>\$1.00</b>	<b>---</b>	<b>---</b>
<b>Adjustments</b>	<b>---</b>	<b>(\$0.02)</b>	<b>---</b>
<b>Reported EPS</b>	<b>---</b>	<b>---</b>	<b>\$0.98</b>

Note: Totals may not add due to rounding

### Adjustments to Operating

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items related to our gas infrastructure and repositioning strategies.
- (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 equity method investment in Elwood.

## 2014 Earnings Expectations

### Earnings Per Share (diluted)

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

3Q 2014 Operating Earnings (estimate):	\$0.90 - \$1.05
FY 2014 Operating Earnings (estimate):	\$3.35 - \$3.65
3Q 2014 Reported Earnings (estimate):	See Note 1 below
FY 2014 Reported Earnings (estimate):	See Note 1 below

1. In providing its third-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 recording additional pre-tax charges of approximately \$44 million in each of the third and fourth quarters of 2014 associated with the North Anna and offshore wind legislation.

*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 third-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.*