



Dominion[®]

**Alternate Breakdown
Structure (ABS)
Supplement**

February 1, 2017

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Important Notes to Investors

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

Alternate Breakdown Structure Supplement

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

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

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

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

Guidance Reconciliations

Reconciliation of 2016 Operating Earnings to Guidance

Unaudited, Alternate Breakdown Structure

(millions, except per share amounts)

Description	2015	Range of 2016		2016
	Actual	Low	High	Actual
Virginia Electric & Power Co. Adjusted EBITDA				
Electric Distribution	\$870	\$855	\$885	\$831
Electric Transmission	656	740	765	739
Utility Generation	1,850	1,995	2,095	2,140
VEPCO Corporate & Other	(1)	0	0	(2)
VEPCO DD&A	951	1,020	1,050	1,025
Subtotal VEPCO Adjusted EBIT	2,424	2,570	2,695	2,683
Gas Operations Adjusted EBITDA ¹				
Gas Distribution	\$359	\$350	\$370	\$522
Gas Transmission	1,066	1,045	1,115	1,055
Gas Operations DD&A	262	270	270	328
Subtotal Gas Operations Adjusted EBIT	1,163	1,125	1,215	1,249
Merchant Generation Adjusted EBITDA				
Merchant Generation DD&A	\$594	\$520	\$605	\$529
Subtotal Merchant Generation Adjusted EBIT	138	175	175	174
Subtotal Merchant Generation Adjusted EBIT	456	345	430	355
Corporate and Other & Eliminations Adjusted EBIT	(97)	(45)	(35)	(69)
Total Adjusted EBIT	\$3,946	\$3,995	\$4,305	\$4,218
Consolidated Interest	898	950	930	992
Consolidated Income Taxes	984	795	810	790
Noncontrolling Interests	24	100	90	89
Operating Earnings	\$2,040	\$2,150	\$2,475	\$2,347
Average Diluted Shares Outstanding	593.7	610	608	617.1
Operating EPS Range	\$3.44	\$3.53	\$4.07	\$3.80
2016 Operating EPS Guidance Range		\$3.60	\$4.00	
2016 Operating EPS Actual >>>				\$3.80

¹⁾ Amounts reflect Dominion Questar operations in Dominion Energy as of September 16, 2016.
 Figures may not add due to rounding

Reconciliation of 4Q16 Operating Earnings to Guidance

Unaudited, Alternate Breakdown Structure

(millions, except per share amounts)

Description	4Q15	Range of 4Q16		4Q16
	Actual	Low	High	Actual
Virginia Electric & Power Co. Adjusted EBITDA				
Electric Distribution	\$195	\$205	\$230	\$211
Electric Transmission	167	185	195	190
Utility Generation	354	460	505	485
VEPCO Corporate & Other	(1)	0	0	(1)
VEPCO DD&A	239	250	260	260
Subtotal VEPCO Adjusted EBIT	476	600	670	625
Gas Operations Adjusted EBITDA ¹				
Gas Distribution	\$90	\$235	\$245	\$239
Gas Transmission	262	300	320	311
Gas Operations DD&A	68	125	125	122
Subtotal Gas Operations Adjusted EBIT	284	410	440	428
Merchant Generation Adjusted EBITDA				
Merchant Generation DD&A	\$104	\$135	\$160	\$150
Subtotal Merchant Generation Adjusted EBIT	37	50	55	53
Subtotal Merchant Generation Adjusted EBIT	67	85	105	97
Corporate and Other & Eliminations Adjusted EBIT	(25)	(20)	(15)	(17)
Total Adjusted EBIT	\$802	\$1,075	\$1,200	\$1,133
Consolidated Interest	227	295	285	292
Consolidated Income Taxes	150	205	220	189
Noncontrolling Interests	9	30	20	34
Operating Earnings	\$416	\$545	\$675	\$618
Average Diluted Shares Outstanding	596.7	628	626	627.1
Operating EPS Range	\$0.70	\$0.87	\$1.08	\$0.99

4Q16 Operating EPS Guidance Range

\$0.90

\$1.05

4Q16 Operating EPS Actual >>>

\$0.99

¹⁾ 2016 amounts include Dominion Questar operations.

Please refer to page 8 of this Alternate Breakdown Structure Supplement for details related to adjustments to reported earnings for 4Q15.

Figures may not add due to rounding

2017 Guidance

2017 Operating Earnings Guidance

Unaudited, Alternate Breakdown Structure

(millions, except per share amounts)

Description	2016	Range of 2017	
	Actual	Low	High
Virginia Electric & Power Co. Adjusted EBITDA			
Electric Distribution	\$831	\$880	\$930
Electric Transmission	739	805	865
Utility Generation	2,140	2,235	2,345
VEPCO Corporate & Other	(2)	0	0
VEPCO DD&A	1,025	1,140	1,145
Subtotal VEPCO Adjusted EBIT	2,683	2,780	2,995
Gas Operations EBITDA ¹			
Gas Distribution	\$522	\$850	\$890
Gas Transmission	1,055	1,130	1,215
Gas Operations DD&A	328	515	515
Subtotal Gas Operations Adjusted EBIT	1,249	1,465	1,590
Merchant Generation Adjusted EBITDA			
Merchant Generation DD&A	174	215	215
Subtotal Merchant Generation Adjusted EBIT	355	175	235
Corporate and Other & Eliminations Adjusted EBIT	(69)	(25)	(5)
Total Adjusted EBIT	4,218	4,395	4,815
Consolidated Interest	992	1,250	1,230
Consolidated Income Taxes	790	900	950
Noncontrolling Interests	89	120	115
Operating Earnings	\$2,347	\$2,125	\$2,520
Average Diluted Shares Outstanding	617.1	638	636
Operating EPS Range	\$3.80	\$3.33	\$3.97
2017 Operating EPS Guidance Range		\$3.40	\$3.90

¹⁾ 2016 amounts include Dominion Questar operations.

Please refer to page 8 of this Alternate Breakdown Structure Supplement for details related to adjustments to reported earnings for 2016.

Figures may not add due to rounding

1Q17 Operating Earnings Guidance**Unaudited, Alternate Breakdown Structure***(millions, except per share amounts)*

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

Please refer to page 12 of this Alternate Breakdown Structure Supplement for details related to adjustments to reported earnings for 1Q16.

Figures may not add due to rounding

GAAP Reconciliations

Reconciliation of 2016 Reported Earnings to Operating Earnings

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	2016 Reported	Adjustments	2016 Operating
Virginia Electric & Power Co. Adjusted EBITDA			
Electric Distribution	\$831		\$831
Electric Transmission	739		739
Utility Generation	2,140		2,140
Virginia Power - Corporate & Other	(279)	277	(2)
VEPCO DD&A	1,025		1,025
Subtotal VEPCO Adjusted EBIT	2,406	277	2,683
Gas Operations Adjusted EBITDA			
Gas Distribution	522		522
Gas Transmission	1,055		1,055
Gas Operations DD&A	328		328
Subtotal Gas Operations Adjusted EBIT	1,249		1,249
Merchant Generation Adjusted EBITDA			
Merchant Generations DD&A	529		529
Merchant Generations DD&A	174		174
Subtotal Merchant Generation Adjusted EBIT	355		355
Corporate, Other & Eliminations Adjusted EBIT			
Corporate, Other & Eliminations Adjusted EBIT	(133)	64	(69)
Total Adjusted EBIT	\$3,877	\$341	\$4,218
Consolidated Interest	1,010	(18)	992
Consolidated Income Taxes	655	135	790
Noncontrolling Interests	89		89
Earnings	\$2,123	\$224	\$2,347
Average Diluted Shares Outstanding	617.1	617.1	617.1
Reported EPS	\$3.44		
Adjustments		\$0.36	
Operating EPS			\$3.80

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with the organizational design initiative.
- (c) Transaction and transition costs associated with Dominion Questar combination.
- (d) Items associated with ash pond and landfill closure costs at certain utility power stations.
- (e) Restoration costs associated with Hurricane Matthew.
- (f) Other miscellaneous items.
- (g) Income tax provisions associated with adjustments to reported earnings.

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

Reconciliation of 4Q16 Reported Earnings to Operating Earnings

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	4Q16 Reported	Adjustments	4Q16 Operating
Virginia Electric & Power Co. Adjusted EBITDA			
Electric Distribution	\$211		\$211
Electric Transmission	190		190
Utility Generation	485		485
Virginia Power - Corporate & Other	(248)	247	(1)
VEPCO DD&A	260		260
Subtotal VEPCO Adjusted EBIT	378	247	625
Gas Operations Adjusted EBITDA			
Gas Distribution	239		239
Gas Transmission	311		311
Gas Operations DD&A	122		122
Subtotal Gas Operations Adjusted EBIT	428		428
Merchant Generation Adjusted EBITDA			
Merchant Generations DD&A	53		53
Subtotal Merchant Generation Adjusted EBIT	97		97
Corporate, Other & Eliminations Adjusted EBIT			
	(23)	6	(17)
Total Adjusted EBIT	\$880	\$253	\$1,133
Consolidated Interest	295	(3)	292
Consolidated Income Taxes	94	95	189
Noncontrolling Interests	34	0	34
Earnings	\$457	\$161	\$618
Average Diluted Shares Outstanding	627.1	627.1	627.1
Reported EPS	\$0.73		
Adjustments		\$0.26	
Operating EPS			\$0.99

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Transaction and transition costs associated with Dominion Questar combination.
- (c) Items associated with ash pond and landfill closure costs at certain utility power stations.
- (d) Restoration costs associated with Hurricane Matthew.
- (e) Other miscellaneous items.
- (f) Income tax provisions associated with adjustments to reported earnings.

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

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

Description	1Q16 Reported	Adjustments		1Q16 Operating
Virginia Electric & Power Co. Adjusted EBITDA				
Electric Distribution	\$204			\$204
Electric Transmission	178			178
Utility Generation	437			437
Virginia Power - Corporate & Other	(41)	40	(a),(b)	(1)
VEPCO DD&A	248			248
Subtotal VEPCO Adjusted EBIT	530	40		570
Gas Operations Adjusted EBITDA				
Gas Distribution	107			107
Gas Transmission	262			262
Gas Operations DD&A	64			64
Subtotal Gas Operations Adjusted EBIT	305			305
Merchant Generation Adjusted EBITDA				
Merchant Generations DD&A	151			151
Subtotal Merchant Generation Adjusted EBIT	39			39
Corporate, Other & Eliminations Adjusted EBIT				
Subtotal	(11)	25	(a),(b)	14
Total Adjusted EBIT	\$936	\$65		\$1,001
Consolidated Interest	226	(2)	(b)	224
Consolidated Income Taxes	179	19	(c)	198
Noncontrolling Interests	7			7
Earnings	\$524	\$48		\$572
Average Diluted Shares Outstanding	598.2	598.2		598.2
Reported EPS	\$0.88			
Adjustments		\$0.08		
Operating EPS				\$0.96

Adjustments to Reported Earnings:

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

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

Reconciliation of 2015 Reported Earnings to Operating Earnings

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	2015 Reported	Adjustments	2015 Operating
Virginia Electric & Power Co. Adjusted EBITDA			
Electric Distribution	\$870		\$870
Electric Transmission	656		656
Utility Generation	1,850		1,850
Virginia Power - Corporate & Other	(234)	233	(1)
VEPCO DD&A	953	(2)	951
Subtotal VEPCO Adjusted EBIT	2,189	235	2,424
Gas Operations Adjusted EBITDA			
Gas Distribution	359		359
Gas Transmission	1,066		1,066
Gas Operations DD&A	262		262
Subtotal Gas Operations Adjusted EBIT	1,163		1,163
Merchant Generation Adjusted EBITDA			
Merchant Generations DD&A	594		594
Subtotal Merchant Generation Adjusted EBIT	138		138
Corporate, Other & Eliminations Adjusted EBIT			
Subtotal	(76)	(21)	(97)
Total Adjusted EBIT			
Subtotal	\$3,732	\$214	\$3,946
Consolidated Interest			
Subtotal	904	(6)	(e),(g),(h) 898
Consolidated Income Taxes			
Subtotal	905	79	(f),(i) 984
Noncontrolling Interests			
Subtotal	24		24
Earnings			
Subtotal	\$1,899	\$141	\$2,040
Average Diluted Shares Outstanding			
Subtotal	593.7	593.7	593.7
Reported EPS			
Subtotal	\$3.20		
Adjustments			
Subtotal		\$0.24	
Operating EPS			
Subtotal			\$3.44

Adjustments to Reported Earnings:

- (a) Items associated with PJM prior-year billing adjustment.
- (b) Write-off of prior-period deferred fuel costs associated with Virginia legislation.
- (c) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (d) Items associated with future ash pond and landfill closure costs at certain utility power
- (e) Items associated with rate adjustment clauses.
- (f) Item associated with North Carolina Public Utility Commission order.
- (g) Items in connection with Virginia Power's 2015 biennial review.
- (h) Other miscellaneous items.
- (i) Income tax provisions associated with adjustments to reported earnings.

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

Reconciliation of 4Q15 Reported Earnings to Operating Earnings

Unaudited, Alternate Breakdown Structure¹

(millions, except per share amounts)

Description	4Q15 Reported	Adjustments		4Q15 Operating
Virginia Electric & Power Co. Adjusted EBITDA				
Electric Distribution	\$195			\$195
Electric Transmission	167			167
Utility Generation	354			354
Virginia Power - Corporate & Other	(83)	82	(a),(b),(c),(d)	(1)
VEPCO DD&A	240	(1)	(b)	239
Subtotal VEPCO Adjusted EBIT	393	83		476
Gas Operations Adjusted EBITDA				
Gas Distribution	90			90
Gas Transmission	262			262
Gas Operations DD&A	68			68
Subtotal Gas Operations Adjusted EBIT	284			284
Merchant Generation Adjusted EBITDA	104			104
Merchant Generations DD&A	37			37
Subtotal Merchant Generation Adjusted EBIT	67			67
Corporate, Other & Eliminations Adjusted EBIT	(37)	12	(a),(d)	(25)
Total Adjusted EBIT	\$707	\$95		\$802
Consolidated Interest	230	(3)	(b),(d)	227
Consolidated Income Taxes	111	39	(e)	150
Noncontrolling Interests	9			9
Earnings	\$357	\$59		\$416
 Average Diluted Shares Outstanding	 596.7	 596.7		 596.7
Reported EPS	\$0.60			
Adjustments		\$0.10		
Operating EPS				\$0.70

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items in connection with Virginia Power's 2015 biennial review.
- (c) Items associated with future ash pond and landfill closure costs at certain utility power stations.
- (d) Other miscellaneous items.
- (e) Income tax provisions associated with adjustments to reported earnings.

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

VEPCO GAAP Reconciliations

Reconciliation of 2016 Reported Results to Operating Results

(millions)

Description	2016 Reported	Adjustments		2016 Operating
Adjusted EBITDA				
Electric Distribution	\$831			\$831
Electric Transmission	739			739
Utility Generation	2,140			2,140
Virginia Power - Corporate & Other	(279)	277	(a), (b), (c), (d), (e)	(2)
Total DD&A	1,025			1,025
Total Adjusted EBIT	\$2,406	277		\$2,683
Consolidated Interest	461			461
Consolidated Income Taxes	727	104	(f)	831
Net Income	\$1,218	173		\$1,391

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with the organizational design initiative.
- (c) Items associated with ash pond and landfill closure costs at certain utility power stations.
- (d) Restoration costs associated with Hurricane Matthew.
- (e) Other miscellaneous items.
- (f) Income tax provisions associated with adjustments to reported earnings.

Reconciliation of 4Q16 Reported Results to Operating Results

(millions)

Description	4Q16 Reported	Adjustments		4Q16 Operating
Adjusted EBITDA				
Electric Distribution	\$211			\$211
Electric Transmission	190			190
Utility Generation	485			485
Virginia Power - Corporate & Other	(248)	247	(a), (b), (c), (d)	(1)
Total DD&A	260			260
Total Adjusted EBIT	\$378	247		\$625
Consolidated Interest	116			116
Consolidated Income Taxes	90	92	(e)	182
Net Income	\$172	155		\$327

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with ash pond and landfill closure costs at certain utility power stations.
- (c) Restoration costs associated with Hurricane Matthew.
- (d) Other miscellaneous items.
- (e) Income tax provisions associated with adjustments to reported earnings.

Reconciliation of 1Q16 Reported Results to Operating Results*(millions)*

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

Adjustments to Reported Earnings:

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

Reconciliation of 2015 Reported Results to Operating Results*(millions)*

Description	2015 Reported	Adjustments	2015 Operating
Adjusted EBITDA			
Electric Distribution	\$870		\$870
Electric Transmission	656		656
Utility Generation	1,850		1,850
Virginia Power - Corporate & Other	(234)	233	(a), (b),(c),(d),(e), (g),(h) (1)
Total DD&A	953	(2)	951
Total EBIT	\$2,189	235	\$2,424
Consolidated Interest	443	(4)	(e),(g) 439
Consolidated Income Taxes	659	86	(f),(i) 745
Net Income	\$1,087	153	\$1,240

Adjustments to Reported Earnings:

- (a) Items associated with PJM prior-year billing adjustment.
(b) Write-off of prior-period deferred fuel costs associated with Virginia legislation.
(c) Net gain/loss of our investment in nuclear decommissioning trust funds.
(d) Items associated with future ash pond and landfill closure costs at certain utility power stations.
(e) Items associated with rate adjustment clauses.
(f) Item associated with North Carolina Public Utility Commission order.
(g) Items in connection with Virginia Power's 2015 biennial review.
(h) Other miscellaneous items.
(i) Income tax provisions associated with adjustments to reported earnings.

Reconciliation of 4Q15 Reported Results to Operating Results*(millions)*

Description	4Q15 Reported	Adjustments		4Q15 Operating
Adjusted EBITDA				
Electric Distribution	\$195			\$195
Electric Transmission	167			167
Utility Generation	354			354
Virginia Power - Corporate & Other	(83)	82	(a),(b),(c),(d)	(1)
Total DD&A	240	(1)		239
Total Adjusted EBIT	\$393	83		\$476
Consolidated Interest	111	(2)	(b)	109
Consolidated Income Taxes	95	33	(e)	128
Net Income	\$187	52		\$239

Adjustments to Reported Earnings:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items in connection with Virginia Power's 2015 biennial review.
- (c) Items associated with future ash pond and landfill closure costs at certain utility power
- (d) Other miscellaneous items.
- (e) Income tax provisions associated with adjustments to reported earnings.

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

1Q 2017 Operating Earnings (estimate): \$0.90 - \$1.10

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

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

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

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

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

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