



## **Working Toward a Sustainable Future**

## Letter From the Chairman

We've been listening. You have said you expect more from energy companies.

We hear you.



## From the Chairman

I wrote in our last sustainability report, "We are re-tooling everything we do, in every part of the company, to operate more sustainably and to deliver energy more reliably than ever before." And I invited you to check back to see the results in 2018. Those results are in — and they are dramatic.

- You asked for cleaner energy, and we are delivering. We now operate the country's 4th-largest solar generation fleet in development and operation, and we have begun building the mid-Atlantic's first major offshore wind project. We're planning for another 20 years of clean energy by re-licensing our carbon-free nuclear power stations in Virginia. And we commit to develop new solar and wind energy projects to power 750,000 homes within four years.
- You asked for infrastructure that supports renewable energy and protection against hacking. We're transforming the energy grid to advance solar and protect against cyber-attacks, and we commit to new investments in advanced security technology.
- You said, service reliability is critical. We're placing power lines underground, and we commit to new investments in energy reliability.
- You said, keep energy affordable. Recent cold winters have brought huge price spikes, when demand outstrips supply of natural gas. So we're building new infrastructure to bring lower-cost natural gas to mid-Atlantic homes and businesses. We commit to lean operations that keep customer costs down.
- You said, be cleaner. We beat our goal of reducing carbon intensity by 50 percent from our generation fleet. We now commit to reduce it by 60 percent by 2030. Since 2008, the sum of our methane savings is equivalent to removing over 115,000 cars from the road for a year. By 2030, we commit to reduce methane intensity by 50 percent compared to 2010 levels.
- You said, burn less coal. Just 13 percent of our electricity now comes from coal. We commit to drive coal down even further as we bring on more solar backed by natural gas and nuclear power.
- You love your community. We do too. We donate \$30 million a year to more than 2,000 charitable organizations. Our people donate more than 100,000 hours of volunteer service. We commit to do more every year.
- You said, get serious about diversity. Women now make up 25 percent of our Board of Directors, and Forbes recognized us one of the best places to work for women. One in five hires is a veteran. We commit to spending more with diverse local suppliers, and we are redoubling our efforts to make sure our workforce reflects the communities we serve.
- You expect transparency. We are opening our doors, opening our books and demonstrating new levels of disclosure. Our website now includes a number of new disclosure reports covering everything from how we are addressing climate change to reducing emissions and more — and we commit to further transparency. Our Board of Directors now includes a Sustainability and Corporate Responsibility Committee that oversees our company's approach to environmental and social issues.

These are the hallmarks of a company that's shaping the future of energy in America. We have adopted "embrace change" as one of the five core values that guide everything we do — along with safety, ethics, excellence and teamwork.



## Letter From the Chairman

*Continued*

This means planning and investing for the future, and being honest about how energy works.

We have made significant strides in recent years. More than 85 percent of our current generation comes from either clean energy sources such as nuclear, renewables and hydro, or natural gas-fired generation that supports renewables. We strongly believe that natural gas pipelines, pumped storage and combined cycle electric generation plants are essential to maintain reliability when renewables cannot power the grid.

With the support of this diverse mix of electric generation, renewables can power our homes and even our cars, and our climate leadership can help drive carbon reduction across the rest of the energy sector, including transportation. Without that support, the lights go out at night or in bad weather. Of course, that doesn't happen in practice, because other power sources kick in under those conditions. That's just how energy works. If anyone says they can deliver energy in 2018 solely with wind or solar — they're not telling the whole story. They are simply outsourcing reliability to another company that relies in part on fossil-fuel generation. We deliver both renewable energy and reliable energy.

Technology is racing forward, and large-scale energy storage is on the horizon. We are pursuing advanced commercial batteries that make large-scale energy storage possible, and fully renewable energy along with it. We are making our gas infrastructure system the cleanest in the country — by adding renewable natural gas, reducing methane emissions and delivering natural gas to help users reduce their carbon footprints. As we look ahead, even more of our planned growth investment in generation will be for clean energy generation, including solar, wind, storage and nuclear re-licensing.

This is a bold vision, and our people are excited about embracing this change. We're all in this together. Let's work together to make it happen.

Sincerely,



**Thomas F. Farrell, II**

CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

#### Highlights

## Key data from other sections in this report.

## A Brief Preview

This report contains a wealth of information about Dominion Energy, its business operations and its commitment to sustainability. While no attempt to summarize the report's contents can capture either its scope or its richness of detail, we provide a few highlights below.

## Our Customers & Communities

MORE THAN

**\$30 MILLION**

CONTRIBUTED

to community causes through the Dominion Energy Charitable Foundation, EnergyShare, ThermWise and other means in 2018.

MORE THAN

**\$1.9 BILLION**

IN IMPROVEMENTS

to gas infrastructure since 2008 that enhance service and safety.



#### Helping Customers

\$57 million through 2019 to help those in need



#### Adopted Environmental Justice Policy



#### Electric Rates Lower

Than the average for the East Coast and the nation



#### Safety Improvements

Recordable injury rates cut in half since 2010



## Highlights

Continued

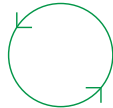
# Environmental Stewardship

A commitment to reduce carbon intensity 60 percent and methane intensity 50 percent by 2030.

50%

### REDUCTION

In carbon intensity (the amount of carbon dioxide emitted per unit of energy produced)



### Nearly 600,000 Tons

Material Recycled in 2017



### New Investment

In renewable natural gas



### 4th

In nation among utility holding companies for ownership of solar facilities



### New Management System

Robust standards for environmental protection

\$3.5

### BILLION

Worth of renewable energy investments in the past five years



### Growth of our Solar Fleet

2,600 Megawatts in service or development as of December, 2018

50%

### REDUCTION

In methane intensity by 2030

## Our Culture

Named a trendsetter by the Center for Political Accountability for transparency and disclosure with regard to political contributions.



### Adoption Assistance

Expanded reimbursement



### 50 Scholarships

Worth \$5,000 awarded to diverse students each year



### 120 Hours (Up To)

Paid parental leave



### 2017 Triumph Award

From the Virginia Department of Veterans' Services.



## Highlights

*Continued*



### **Leading Private Employer of Veterans**

Veterans make up 20 percent of all new hires



### **Best Places to Work for Women**

Recognized by Forbes



### **Best Workplaces for Diversity**

Recognized by Forbes

## Our Business for the Future

MORE THAN

**\$870 MILLION**

INVESTMENTS

in expanded energy-conservation programs over the next decade.  
Plus enhancements to the electric grid — including smart meters, intelligent grid devices and faster restoration times.



### **Greater Innovation**

Crowdsourcing and sprint teams

**\$4.2**

### **BILLION**

Annual investment in cleaner energy and a more robust delivery system

**3,000**

### **MEGAWATTS**

Of new solar and wind generation by 2022 (under development or in operation)



### **Offshore Wind Generation**

New pilot project



## About Us

# A profile of who we are and what we do.



## At a Glance

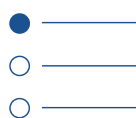
Nearly 6 million customers in 19 states heat and cool their homes and power their businesses with electricity or natural gas from Dominion Energy. The company's record of safe, reliable and clean energy regularly places it among America's most [admired utilities](#). Ranked fourth in the nation among utility holding companies for ownership of solar facilities, either operational or under development, Dominion Energy has cut its carbon intensity rate in half and has committed to reducing it 60 percent by 2030. The company also has committed to cutting its methane intensity from its natural gas business in half by 2030. Headquartered in Richmond, Va., Dominion Energy contributes more than \$30 million annually to the communities it serves, supports military veterans and their families and practices environmental responsible stewardship everywhere it operates. To learn more, visit [www.dominionenergy.com](http://www.dominionenergy.com).

## Key Stats

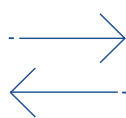
(As of and for the year ended December 31, 2017 unless otherwise noted)



**50%**  
Emission Rate Reduction  
Since 2000



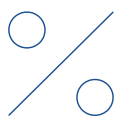
**233**  
Fortune 500 Rank as of 2018



**\$76.6 Billion**  
Assets



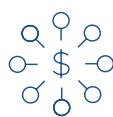
**More than 100,000 hours**  
Volunteer Service



**\$3.035**  
Dividends Per Share for the  
Year Ended December 31,  
2017



**\$3.60**  
Operating Earnings Per  
Share for the Year Ended  
December 31, 2017



**\$1.5 Billion**  
Wages Paid



**\$12.6 Billion**  
Operating Revenue for the  
Year Ended December 31,  
2017

## About Us

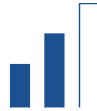
*Continued*



**More than 16,000**  
Total # of Employees



**\$584 Million**  
Environmental Expenditures



**\$70.87 - \$85.30**  
Common Stock Price  
Range for the Year Ended  
December 31, 2017



**\$6.1 Billion**  
Goods & Services



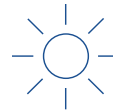
**Richmond, VA.**  
Headquarters



**645 Million**  
Common Shares  
Outstanding



**60%**  
Carbon Intensity Reduction  
Target (2000-2030) as of 2018



**4th**  
Largest Solar Fleet in  
Operation or Development in  
the U.S. as of 2018



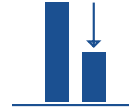
**2017**  
Best Year in Safety



**\$52.2 Billion**  
Market Capitalization as of  
December 31, 2017



**\$30+ Million**  
In Contributions to Charity  
and Worthy Causes in 2018



**50%**  
Reduction in Methane  
Intensity by 2030



## About Us

Continued

# Operating Groups

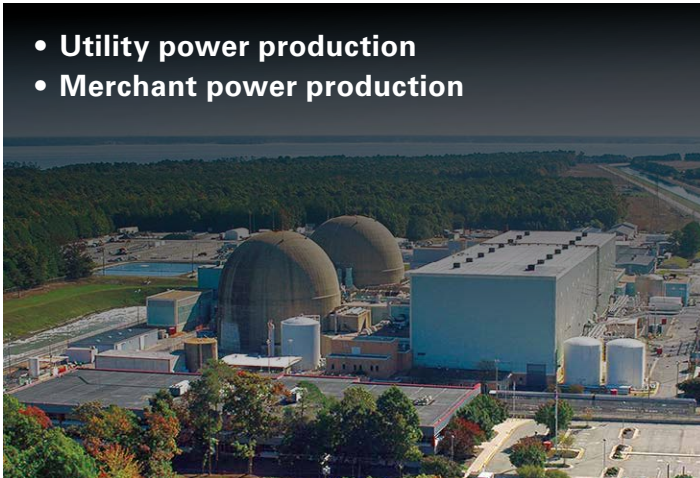
2017 % of Primary Operating Segment Earnings

\*Excludes Corporate and Other

## Power Generation Group

54%

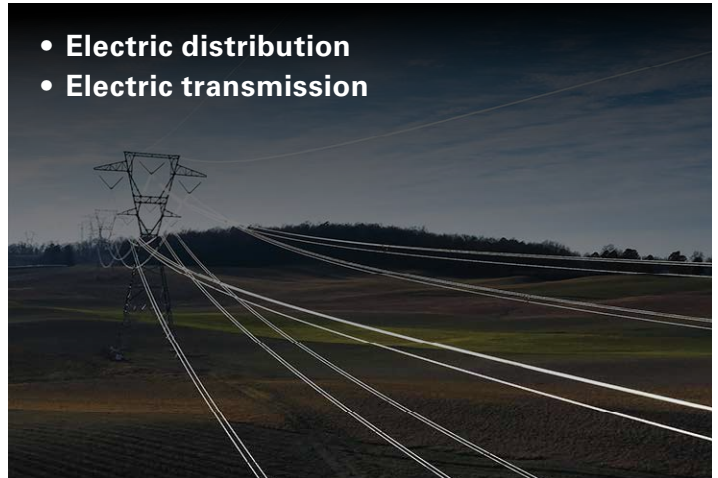
- Utility power production
- Merchant power production



## Power Delivery Group

20%

- Electric distribution
- Electric transmission



## Gas Infrastructure Group

35%

- Natural gas distribution
- Natural gas transmission & storage
- Liquefied natural gas services
- Retail energy marketing



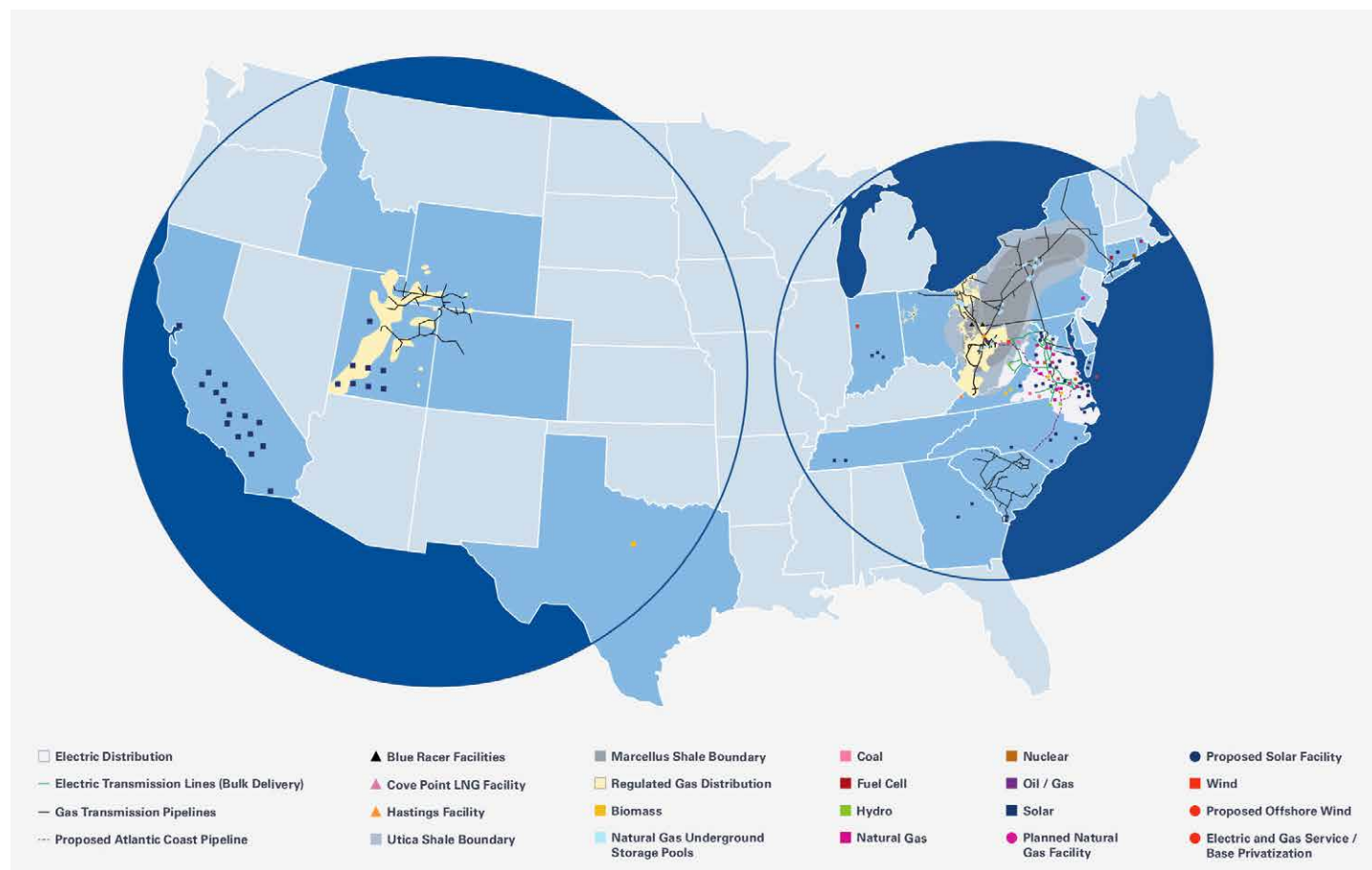
## About Us

*Continued*

### Portfolio of Assets

Electric Generating Capacity	26,000 Megawatts Approximately
Electric Transmission & Distribution Lines	64,500 Miles
Natural Gas Transmission, Gathering; Storage & Distribution Pipeline	66,600 Miles
Underground Natural Gas Storage Capacity	1 Trillion Cubic Feet
Liquified Natural Gas Import/Export & Storage	1.8 Billion Cubic Feet Daily Send-Out Capacity 14.6 Billion Cubic Feet Storage Capacity

## Where We Work





## About This Report

# What it includes, and why.

## About This Report

People want to know different things when they think of Dominion Energy. Investors and employees want to know how the company is performing financially. Customers want to know if bad weather will bring power outages. Job-seekers want to know if Dominion Energy is a good place to work that welcomes all talented workers and respects diverse communities. Our neighbors want to know how the company treats the natural landscape and whether nearby Dominion Energy operations are safe. Regulators and government officials want to know how the company is complying with its legal obligations. The communities in which we operate want to know how the company is supporting their needs. And the list doesn't end there.

This report has been prepared in accordance with the GRI Standards: Core option. As defined by those standards, material topics are those that "reflect the ... organization's significant economic, environmental, and social impacts; or substantively influence the assessments and decisions of stakeholders." The topics covered in this report were developed using the strategy described below to understand what is important to our stakeholders, and we crafted the report to address those topics.

Dominion Energy pursues a strategy of nearly continuous stakeholder engagement through a wide variety of means. Those include correspondence with shareholders; scrutiny of external documents that convey stakeholder perspectives; internal and external surveys; monitoring of media coverage; interviews with employees who regularly interact with external stakeholders; public hearings; town halls; and more.

We tapped into those interactions to conduct a formal materiality assessment in 2017. An independent third party helped us collect this feedback from internal and external interviews, meetings with customers and community meetings, employee and customer surveys and investor engagement to provide a potential list of issues to address in the report. A cross-functional team within the company then narrowed the focus to the material topics using input from

our stakeholders about the importance of the topic discussed in this report.

Dominion Energy conducts business in 19 states (see: About Us), and those states define the boundary of the company's impacts, with two exceptions: (1) carbon dioxide and methane emissions, which contribute to climate change, and whose impacts are global; (2) our customers, suppliers and investors, which are spread across the country (and, in certain cases, extend far beyond it).

The current report covers calendar year 2017 and much of 2018. Our previous report, which came out in March, 2018, covered a period spanning 2016 and part of 2017. In this report, major sections contain tables showing targets for 2018, with a status update for each target. Those targets, delineated in and drawn from the previous report, cover calendar 2018 and in most cases do not cover activity outside that specific calendar year. While we have relied on third-party input to help compile the report, the report has not been third-party assured. This report includes data that reflect the acquisition of Questar Corporation in 2016. There have been no other significant changes to the organization, its capital structure or its supply chain structure during the reporting period covered.

In the interest of even greater transparency, an [index](#) appears at the end of this report cross-referencing the topics covered with the relevant GRI standards. A second [index](#) cross-references the material topics to the United Nations Sustainable Development Goals. You can find the index elsewhere in this section.

Please direct all feedback, including any questions, to: [sustainability@DominionEnergy.com](mailto:sustainability@DominionEnergy.com)

## About This Report

# What it includes, and why.

*Continued*

## Materiality Index

The material topics covered in this report fall into the following categories. Specifics regarding goals and targets, grievance mechanisms, the evaluation of our management approach and any steps taken to adjust the approach can be found elsewhere in this report.

### Serving Customers and Communities

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Energy Reliability and Affordability</b>	Six million customers rely on Dominion Energy's services for their well-being. Service must be reliable and affordable to support daily needs.	Customers; Shareholders; Employees.	We invest to maintain and upgrade our delivery systems. We maximize operational efficiency to keep costs down, and spend millions on energy-assistance programs for our customers in need. Processes and procedures are in place to ensure we provide reliable and safe energy and to prepare and respond to severe weather. We evaluate outage performance for opportunities to improve performance.
<b>Engaging Communities</b>	Serving the needs of our customers and communities is important. To do so, we seek to better understand those needs and to create opportunities to meet them. While the resulting projects respond to demand, they can create controversy because of concerns about property values, aesthetics, and the environment.	Local communities; Customers; Shareholders; Employees	Our goal is to ensure that people's voices are heard. We hold public meetings and meet with stakeholder groups to hear ideas and understand needs. We are developing new processes to help us coordinate with groups whose voices are not always heard. We use surveys and ongoing interactions to evaluate the effectiveness of our engagement, and continue to evaluate our approaches for opportunities to improve it.
<b>Safety</b>	Physical safety is one of the most basic of human needs. Employees, communities and customers count on us to minimize the risk of potential harm.	Employees; Customers; Local communities.	Safety ranks first among the company's core values, and that is reflected in our communications, system designs and training. Our primary metrics are the number and rate of OSHA-recordable incidents and lost time incidents.



## About This Report

# What it includes, and why.

*Continued*

## Materiality Index

### Serving Customers and Communities

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Community Development</b>	Our communities expect us to support local needs and businesses. As members of the community, our employees want to invest their time and efforts to support the communities where they live. Our customers want to partner on projects to mutually support the community.	Local communities; Employees; Customers.	We listen to our stakeholders and then invest in worthy causes. We work to build partnerships with businesses in the communities where we operate. We have established processes to support suppliers, including diverse suppliers, in the communities. We measure our impact in terms of number of projects, individuals helped, dollars invested in the community, and similar indices.

### Environmental Stewardship

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Cleaner Air</b>	Our stakeholders want cleaner, affordable and reliable energy. Providing cleaner energy includes a focus on reducing air emissions including carbon and methane in our business strategy.	Local communities; Employees; Shareholders.	We have an environmental management system in place which has policies and appropriate procedures to ensure compliance and to identify and implement opportunities to improve environmental performance. We measure our performance through self-assessments, inspections, audits and air emissions metrics to demonstrate improvement.
<b>Cleaner Water</b>	As we produce energy, our stakeholders expect us to do so by protecting the waters near our operations and infrastructures projects and by using water resources efficiently.	Local communities; Employees; Shareholders; Customers.	We have an environmental management system in place which has policies and procedures appropriate to ensure compliance and to identify and implement opportunities to improve environmental performance. We measure our performance through self-assessments, inspections, audits and water quality and water use metrics to demonstrate improvement.

## About This Report

# What it includes, and why.

*Continued*

## Materiality Index

### Environmental Stewardship

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Reducing Waste</b>	Careful stewardship of natural resources reduces our impact on the environment.	Employees; Shareholders; Local communities; Customers.	We have an environmental management system in place which has policies and procedures appropriate to ensure compliance, and reduce or recycle wastes. We measure our performance through self-assessments, inspections, audits and waste generated and recycled metrics to demonstrate improvement.
<b>Habitat and Wildlife Protection</b>	As we produce energy and transport it from place to place there is the potential to impact wildlife and habitat. Our efforts to avoid impacts where we can and mitigate them where appropriate are important to our stakeholders.	Local communities; Employees; Shareholders; Customers	We have an environmental management system in place which has policies and procedures appropriate to ensure compliance and to identify and implement opportunities to improve environmental performance. We measure our performance through self-assessments, audits and with habitat protected and mitigated to demonstrate improvement.

### Our Culture

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Values, Ethics &amp; Compliance</b>	Our values as a company set the course for everything we do, and are therefore responsible for all of our impacts, both good and bad.	Customers; Employees; Shareholders; Communities we serve.	We reinforce our values through regular communication and annual training. We measure our performance by requiring employees to certify that any compliance issues have been reported or are being addressed.

## About This Report

# What it includes, and why.

*Continued*

## Materiality Index

### Our Culture

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Corporate Sustainability Governance</b>	Proper corporate governance ensures that the company preserves long-term value and sustainability for shareholders, employees, customers, the communities in which we work and the natural environment in which we operate.	Customers; Employees; Shareholders; Communities we serve.	We review governance documents regularly. The Board of directors engages on Environmental, Social & Governance (ESG) matters during each regularly scheduled Board meeting and starting in 2018 it will receive an annual report on our sustainability targets, strategy and progress. The Board also maintains a standing Sustainability and Corporate Responsibility Committee.
<b>Attracting, Developing &amp; Retaining Talent</b>	Dominion Energy's hiring, retention, and promotion practices have a substantial effect on the company's financial success, the well-being of its employees, and the ability of people and communities in the areas where we operate to flourish.	Employees; Customers; Shareholders; Communities we serve.	We want a diverse and inclusive workplace that reflects the communities we serve. We promote diversity at every level of the organization. We offer extensive training, as well as directed and self-guided learning, and provide robust benefits, including paid parental leave and flexible work schedules. We have policies and procedures in place to ensure fair and appropriate treatment of employees. We measure our progress with demographic data, employee surveys, and internal communication channels.

## About This Report

# What it includes, and why.

*Continued*

## Materiality Index

### Our Business for the Future

	Impact / Reason for Inclusion	Stakeholders Affected	Management Approach
<b>Innovation</b>	Our ability to innovate has a substantial effect on our financial strength, our ability to meet evolving customer expectations and the degree to which we affect the communities we serve and the natural environment.	Employees; Customers; Shareholders; Communities we serve.	We are aggressively seeking ways to foster an even more innovative culture, grow and transform the business, and enhance the performance of existing assets. We have established a position of chief innovation officer and created an innovation strategy focused on enhancing a culture to foster innovation. We measure our progress based on successful new products, services and processes.
<b>Investing in Infrastructure</b>	Building and maintaining infrastructure directly affect our ability to serve customers and shareholders well. It also helps ensure the safety of the communities we serve and the natural habitats around them.	Customers; Shareholders; Communities in which we operate.	We seek to construct infrastructure to produce and deliver energy, with a special emphasis on renewable energy and smart-grid technology. We measure our effectiveness by tracking service outages, megawatts of renewable generation in operation and completion of infrastructure projects.
<b>Energy Diversity &amp; Security</b>	A diverse energy mix helps ensure service reliability and affordability for our customers. It also protects the company against over-exposure in any one sector. The use of renewable energy reduces our impact on the environment.	Customers; shareholders; Communities in which we operate.	We consider potential risks in developing our company strategy for supplying energy. We invest in the grid to allow for the addition of more renewables to our carbon-free nuclear and low-carbon fleet as we transition to a lower-carbon economy. We will continue to invest in natural gas and in making the electric grid smarter and harder. We will measure our progress against project milestones.
<b>Cybersecurity</b>	Customers, employees and shareholders all depend on Dominion Energy to protect their sensitive information and to protect our services against interruption.	Customers; Shareholders; Employees.	We take extensive measures to protect the integrity of our critical infrastructure, continuously strengthening our defenses to identify and prevent external attacks as well as insider threats. We revise our cybersecurity plan at least once annually.



## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>102</b>	<b>General Disclosures</b>	
	<b>Organizational Profile</b>	
102-1	Report the name of the organization	Title page
102-2	Description of the organization's activities	About Us
102-3	Report the location of the organization's headquarters	About Us
102-4	Report the number of countries where the organization operates, and the names of the countries where it has significant operations and/or that are relevant to the topics covered in the report	About Us
102-5	Report the nature of ownership and legal form	Publicly owned corporation
102-6	Report markets served: including: <ul style="list-style-type: none"> <li>• Geographic location where products and services are offered;</li> <li>• Sectors served</li> <li>• Types of customers and beneficiaries</li> </ul>	About Us
102-7	Report scale of the organization, including: <ul style="list-style-type: none"> <li>• total number of employees;</li> <li>• total number of operations;</li> <li>• net revenues (for public sector organizations);</li> <li>• quantity of products or services provided</li> </ul>	About Us
102-8	Report information on employees and other workers, including: <ul style="list-style-type: none"> <li>• Total number of employees by employment contract (permanent and temporary), by gender.</li> <li>• Total number of employees by employment contract (permanent and temporary), by region.</li> <li>• Total number of employees by employment type (full-time and part-time), by gender.</li> <li>• Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description</li> </ul>	About Us; Attracting, Developing & Retaining Talent

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-8	of the nature and scale of work performed by workers who are not employees.	About Us; Attracting, Developing & Retaining Talent
102-8	<ul style="list-style-type: none"> <li>Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).</li> <li>An explanation of how the data have been compiled, including any assumptions made.</li> </ul>	About Us; Attracting, Developing & Retaining Talent
102-8 EU	Organizational Profile - contractor workforce by employment type, contract, and regulatory regime	
102-8 EU	Organizational Profile - percentage of contractor workforce working for reporting organization covered by collective bargaining agreements by country or regulatory regime	Labor Relations in Attracting, Developing & Retaining Talent
102-9	Report a description of the organization's supply chain, including main elements as they relate to the organization's activities, primary brands, products and services	Corporate & Sustainability Governance / Human Rights
102-10	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or supply chain, including: <ul style="list-style-type: none"> <li>Changes in the location of, or changes in, operations, including facility openings, closings, and expansions;</li> <li>Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations);</li> <li>Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination.</li> </ul>	N/A
102-11	Report whether and how the organization applies the precautionary principle or approach	Corporate & Sustainability Governance / Risk Oversight

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-12	Report a list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses	Methane Challenge; Natural Gas STAR Program; One Future; Electric Utility Industry Sustainable Supply Chain Alliance; CDP Supporter and participation in the Climate, Water and Forestry CDP for 2017; Tree City USA; The Nature Conservancy Steep Slope Construction Guidelines, EEl ESG Sustainability Metrics, AGA ESG Sustainability Metrics, INGAA Methane Reduction Initiative
102-13	Report a list of main memberships of industry or other associations, and national or international advocacy organizations	Values, Ethics & Compliance-Political Participation. Additional memberships include Utility Air Regulatory Group, the Utility Water Act Group, the Utility Solid Waste Activities Group and the Electric Power Research Institute among other organizations.
102-EU1	Installed Capacity, Broken Down by Primary Energy Source and by Regulatory Regime	Data
102-EU2	Net Energy Output Broken Down by Primary Energy Source and by Regulatory Regime	Data
102-EU3	Number of Residential, Industrial, Institutional, and Commercial Customer Accounts	Data
102-EU4	Length of Above and Underground Transmission and Distribution Lines by Regulatory Regime	Data

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-EU5	Allocation of CO <sub>2</sub> e Emissions Allowances or Equivalent, Broken Down by Carbon Trading Framework	The company purchases Regional Greenhouse Gas Initiative (RGGI) allowances for its Manchester Power Station located in areas subject to the RGGI framework.
<b>Strategy</b>		
102-14	Report a statement from the most senior decision maker of the organization (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the strategy for addressing sustainability	Letter from the CEO
102-15	Report a description of key impacts, risks, and opportunities	Throughout report
<b>Ethics and Integrity</b>		
102-16	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct, codes of ethics, etc.	Values, Ethics & Compliance
102-17	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and organizational integrity; and reporting concerns about unethical or unlawful behavior, and organizational integrity	Values, Ethics & Compliance
<b>Governance</b>		
102-18	Report the governance structure of the organization including committee of the highest governance body and committees responsible for decision-making on economic, environmental and social topics	Corporate & Sustainability Governance
102-19	Report the processes for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees	Corporate & Sustainability Governance



## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-22	<p>Report the composition of the highest governance body and its committees by:</p> <ul style="list-style-type: none"> <li>• Executive or non-executive;</li> <li>• Independence;</li> <li>• Tenure on the governance body;</li> </ul> <p>Number of each individual's other significant positions and commitments, and the nature of the commitments;</p> <ul style="list-style-type: none"> <li>• Gender;</li> <li>• Membership of under-represented social groups;</li> <li>• Competencies relating to economic, environmental, and social topics;</li> <li>• Stakeholder representation.</li> </ul>	Corporate & Sustainability Governance
102-23	<p>Report whether the chair of the highest governance body is also an executive officer in the organization. If the chair of the highest governance body is also an executive officer in the organization, describe his/her function within the organization's management and the reasons for this arrangement</p>	Corporate & Sustainability Governance
102-24	<p>Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including whether and how:</p> <ul style="list-style-type: none"> <li>• Stakeholders (including shareholders) are involved</li> <li>• Diversity is considered</li> <li>• Independence is considered</li> <li>• Expertise and experience relating to economic, environmental and social topics are considered</li> </ul>	Corporate & Sustainability Governance
102-28	<p>Report the following information regarding the highest governance body's performance:</p> <ul style="list-style-type: none"> <li>• Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics.</li> <li>• Whether such evaluation is independent or not, and its frequency.</li> <li>• Whether such evaluation is a self-assessment.</li> <li>• Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.</li> </ul>	Corporate & Sustainability Governance

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-31	Report the frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.	Corporate & Sustainability Governance
<b>Stakeholder Engagement</b>		
102-40	Provide a list of stakeholder groups engaged by the organization.	About This Report; Throughout report
102-40 OG	Stakeholder Engagement-Indigenous Peoples inclusion	Tribal Engagement in Engaging Communities
102-41	Report the percentage of total employees covered by collective bargaining agreements.	Attracting, Developing & Retaining Talent
102-42	Report the basis for identification and selection of stakeholders with whom to engage.	About This Report; Throughout report
102-43	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Engaging Communities and About this Report
102-43 OG	Stakeholder Engagement-Indigenous Peoples Engagement and effectiveness of actions taken by company to address issues	Engaging Communities-Tribal Engagement
102-44	Report the key topics and concerns that have been raised through stakeholder engagement, including: <ul style="list-style-type: none"> <li>How the organization has responded to those key topics and concerns, including through its reporting;</li> <li>The stakeholder groups that raised each of the key topics and concerns.</li> </ul>	Engaging Communities; About this Report; Throughout report
<b>Reporting Practice</b>		
102-45	Report a list of all entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	<a href="#">Sec Filings</a>

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-46	Report an explanation of the process for defining the report content and the topic boundaries and an explanation of how the organization has implemented the reporting principles for defining report content	About This Report
102-47	Report a list of the material topics identified in the process for defining report content.	About This Report
102-48	Report the effect of any restatements of information given in previous reports, and the reasons for such restatements.	About This Report
102-49	Report significant changes from previous reporting periods in the list of material topics and topic boundaries.	About This Report
102-50	Report the reporting period for the information provided.	About This Report
102-51	Report, if applicable, the date of the most recent previous report.	Spring, 2018
102-52	Report the reporting cycle.	About This Report
102-53	Report the contact point for questions regarding the report or its contents.	sustainability@ DominionEnergy.com
102-54	Report the claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: 'This report has been prepared in accordance with the GRI Standards: Core option'; 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.	This report has been prepared in accordance with the GRI Standards: Core option
102-55	Report the GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. For each disclosure, the content index shall include: <ul style="list-style-type: none"> <li>• The number of the disclosure (for disclosures covered by the GRI Standards);</li> <li>• The page number(s) or URL(s) where the information can be found, either within the report or in other published materials;</li> <li>• If applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.</li> </ul>	GRI Index

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
102-56	<p>Report a description of the organization's policy and current practice with regard to seeking external assurance for the report.</p> <p>If the report has been externally assured, report the following:</p> <ul style="list-style-type: none"> <li>• A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;</li> <li>• The relationship between the organization and the assurance provider;</li> <li>• Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.</li> </ul>	About This Report
<b>103</b>	<b>Management Approach</b>	
103-1	<p>For each material topic, the reporting organization shall report the following information:</p> <ul style="list-style-type: none"> <li>• An explanation of why the topic is material.</li> <li>• The Boundary for the material topic, which includes a description of: where the impacts occur and the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</li> <li>• Any specific limitation regarding the topic Boundary.</li> </ul>	About This Report; Throughout report
103-2	<p>For each material topic, the reporting organization shall report the following information:</p> <ul style="list-style-type: none"> <li>• An explanation of how the organization manages the topic.</li> <li>• A statement of the purpose of the management approach. <ul style="list-style-type: none"> <li>• A description of the following, if the management approach includes that component: <ul style="list-style-type: none"> <li>• Policies</li> <li>• Commitments</li> <li>• Goals and targets</li> <li>• Responsibilities</li> <li>• Resources</li> <li>• Grievance mechanisms</li> <li>• Specific actions, such as processes, projects, programs and initiatives</li> </ul> </li> </ul> </li> </ul>	Throughout report



## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
103-3	For each material topic, the reporting organization shall report an explanation of how the organization evaluates the management approach, including: <ul style="list-style-type: none"> <li>• The mechanisms for evaluating the effectiveness of the management approach.</li> <li>• The results of the evaluation of the management approach.</li> <li>• Any related adjustments to the management approach.</li> </ul>	Throughout report
<b>200</b>	<b>Economic</b>	
	<b>Economic Performance</b>	
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Please see the Company's Climate Report which can be found at <a href="https://dominionenergy.gcs-web.com/">https://dominionenergy.gcs-web.com/</a> , under downloads and under Environmental on the Dominion Energy ESG site. Additional disclosure in the company's response to the climate CDP.
<b>202</b>	<b>Market Presence</b>	
202 OG	Market Presence including Local Context	About Us
<b>203</b>	<b>Indirect Economic Impacts</b>	
203-1	Infrastructure investments and services supported	Investment in Infrastructure
<b>204</b>	<b>Procurement Practices</b>	
204 OG	Procurement Practices	Ethics and Compliance in Values, Ethics and Compliance
204-1	Proportion of spending on local suppliers	Supplier Diversity in Community Development

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>205</b>	<b>Anti-corruption</b>	
205 OG	Anti-Corruption	Ethics and Compliance in Values, Ethics and Compliance
205-2	Communication and training about anti-corruption policies and procedures	Ethics and Compliance in Values, Ethics and Compliance
<b>Sector Specific</b>		
200-EU	DMA: Demand-Side Management (EU sector specific) -No indicators given	Energy Affordability
200-EU	DMA: Research and Development (EU sector specific) -No indicators given	Innovation
<b>300</b>	<b>Environmental</b>	
301-2	Recycled input materials used	The company uses waste wood products to fuel its three biomass units and waste coal products and waste wood to fuel the Virginia City Hybrid Center. For more information see our Climate Disclosure Project Forestry filing.
<b>302</b>	<b>Energy</b>	
302-4	Reduction of energy consumption	Improving Workplaces in Attracting, Developing and Retaining Talent
302-OG2	Total Amount Invested in Renewable Energy	Energy Diversity and Security

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
302-OG3	Total Amount of Renewable Energy Generated by Source	Energy Diversity and Security
<b>303</b>	<b>Water</b>	
303-1	Water withdrawal by source	Data and for more information our filing under the Water Corporate Disclosure Project
303-3	Water recycled and reused	Data
<b>304</b>	<b>Biodiversity</b>	
304 OG	Ecosystem Services including Biodiversity	Habitat and Wildlife Protection
304-2	Significant impacts of activities, products, and services on biodiversity	Habitat and Wildlife Protection
304-3	Habitats protected or restored	Habitat and Wildlife Protection
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Habitat and Wildlife Protection
<b>305</b>	<b>Emissions</b>	
305 OG	GHG Emissions (report on operational control and on an equity basis)	Data
305-1	Direct (Scope 1) GHG emissions	Data and Cleaner Air
305-2 EU	Energy Indirect GHG Emissions Scope 2	Data

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
305-4	GHG emissions intensity	Data
305-5	Reduction of GHG emissions	Cleaner Air
305-5 OG	Reduction of GHG Emissions	Cleaner Air
305-6	Emissions of ozone-depleting substances (ODS)	Data and Cleaner Air
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Data and Cleaner Air
<b>306</b>	<b>Effluence and Waste</b>	
306-2	Waste by type and disposal method	Data and Waste Management- Waste is disposed of in offsite or onsite facilities according to government regulations.
<b>307</b>	<b>Environmental Compliance</b>	
307-1	Non-compliance with environmental laws and regulations	Data
<b>308</b>	<b>Supplier Environmental Compliance</b>	
308-1	New suppliers that were screened using environmental criteria	Our supplier screening process for proposals to conduct works with the company considers how the supplier would implement the environmental protection aspects of the proposed work. Suppliers are required to acknowledge and adhere to all requirements and expectations in the Supplier Code of Ethics and Business Conduct which includes environmental stewardship expectations.



## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>400</b>	<b>Social</b>	
<b>401</b>	<b>Employment</b>	
401 EU and OG	Employment	About Us
401-3	Parental leave	Parental Leave in Attracting, Developing and Retaining Talent
401-15 EU	Percentage of Employees Eligible to Retire in the Next 5 and 10 Years Broken Down by Job Category and by Region	Attracting Talent in Attracting, Developing and Retaining Talent for percentage employees eligible to retire
401-18 EU	Percentage of Contractor and Subcontractor Employees that have Undergone Relevant Health and Safety Training	Keeping Everyone Safe and Safety and Contractor Oversight in Safety
<b>402</b>	<b>Labor/ Management Relations</b>	
402-1	Minimum notice periods regarding operational changes	The company follows the US WARN Act which requires a 60 day notice period for station closings.
<b>403</b>	<b>Occupational Health and Safety</b>	
403-1	Workers representation in formal joint management-worker health and safety committees	Keeping Everyone Safe in Safety
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Data and Keeping Everyone Safe in Safety

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>404</b>	<b>Training and Education</b>	
404-2	Programs for upgrading employee skills and transition assistance programs	Developing Talent in Attracting, Developing and Retaining Talent
404-3	Percentage of employees receiving regular performance and career development reviews	Developing Talent in Attracting, Developing and Retaining Talent
<b>405</b>	<b>Diversity Equal Opportunity</b>	
405-1	Diversity of governance bodies and employees	Governance in Our Culture and Data
<b>406</b>	<b>Non-discrimination</b>	
406	Incidents of discrimination	Consistent with both our values and our responsibility to prevent unlawful discrimination, we prohibit discrimination through our Code of Ethics and Business Conduct, Supplier Code of Ethics and Business Conduct, and other policies designed to ensure that employees, suppliers, and others are treated fairly. Allegations of discrimination are investigated by our Ethics and Compliance Program so that appropriate action may be taken; specific incidents would be considered confidential. Dominion Energy also strives to create a positive work environment through its diversity and inclusion programs,

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
		including those addressing supplier diversity. Relevant employee policies include the Equal Employment Opportunity Policy, Harassment Policy and Expectations of Employees Policy. See Values, Ethics and Compliance.
<b>407</b>	<b>Freedom of Association and Collective Bargaining</b>	
407-EU	Freedom of Association and Collective Bargaining	Labor Relations in Attracting, Developing & Retaining Talent
<b>408</b>	<b>Child Labor</b>	
408-1	Operations and suppliers identified as having significant risk for incidents of child labor	None; U.S. law prohibits child labor, Dominion Energy prohibits these practices within the company and has a Supplier Code of Ethics and Business Conduct which prohibits this practice with suppliers.
<b>409</b>		
409-1	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor	None; U.S. law prohibits forced labor, Dominion Energy prohibits these practices within the company and through our Supplier Code of Ethics and Business Conduct which prohibits this practice with suppliers.

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>410</b>	<b>Security Practices</b>	
410-1	Security personnel trained in human rights policies or procedures	Dominion Energy security personnel maintain a standard of professional conduct that requires a high degree of integrity and ethical behavior. This includes treatment of third parties with dignity, fairness and respect at all times; exercising prudent judgment in decision-making and risk analyses; and compliance with applicable laws.
<b>411</b>	<b>Rights of Indigenous People</b>	
411	Violations of Indigenous Rights	None. Additional information on Management Approach-Engaging Communities-Tribal Engagement.
<b>412</b>	<b>Human Rights Assessment</b>	
412-2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Leaders and employees are completing diversity and inclusion training in 2018 as well as training for leaders related to harassment. This training is still underway so the hours of training metric is not yet available to report.
<b>413</b>	<b>Local Communities</b>	
413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Engaging Communities for our company community engagement efforts.

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>414</b>	<b>Supplier Social Assessment</b>	
414-1	New suppliers that were screened using social criteria	Potential suppliers are screened as part of the request for proposal process for safety, supplier diversity (including supplier business diversity information and a request to use diverse subcontractors if the supplier is not diverse). Suppliers are required to acknowledge and adhere to all requirements and expectations in the Supplier Code of Ethics and Business Conduct which includes expectations for social aspects of their business conduct.
<b>415</b>	<b>Public Policy</b>	
415-1	Political contributions	Political Participation in Values, Ethics and Compliance
<b>416</b>	<b>Customer Health and Safety</b>	
416-1	Assessment of the health and safety impacts of product and service categories	Safety- electric and natural gas safety
<b>417</b>	<b>Product and Service Labeling</b>	
417-1	Requirements for product and service information and labeling	This is not applicable to our products
<b>418</b>	<b>Customer Privacy</b>	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There have been none.

## About This Report

# What it includes, and why.

*Continued*

## GRI Index

Metric	Description	Location (or page reference)
<b>419</b>	<b>Socio-economic Compliance</b>	
419-1	Non-compliance with laws and regulations in the social and economic area	Not aware of any material non-compliance for the reporting period.
<b>400 OG EU</b>	<b>Sector Specific</b>	
400-OG	DMA: Emergency Preparedness (OG sector specific) -No Indicators	Natural Gas Safety in Safety
400-EU	DMA: Disaster/Emergency Planning and Response (EU sector specific) -No indicators specified	Risk Oversight in Corporate & Sustainability Governance
400-EU28	DMA: Access (EU sector specific) Power Outage Frequency	Reliable Energy in Energy Reliability & Affordability
400-EU29	DMA: Access (EU sector specific) Average Power Outage Duration	Reliable Energy in Energy Reliability & Affordability



## About This Report

# What it includes, and why.

Continued

## U.N. Development Goals

The United Nations Sustainable Development Goals outline a blueprint for businesses, government and organizations to work together toward sustainable development. Many topics addressed by Dominion Energy through our sustainability initiatives align with the Sustainable Development Goals. Our sustainability topics are mapped to the sustainable development goals below.



## Sustainable Development Goal Mapping

Sustainability Issues & Initiatives	Aligns With This Sustainable Development Goal
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### Serving Customers and Communities

Energy Reliability and Affordability	Goal 7 Affordable and clean energy
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## About This Report

# What it includes, and why.

*Continued*

## U.N. Development Goals

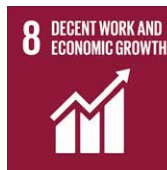
**Sustainability Issues & Initiatives**      **Aligns With This Sustainable Development Goal**

### Serving Customers and Communities

**Energy Reliability and Affordability**      **Goal 7** Affordable and clean energy



**Engaging Communities**      **Goal 8** Decent work and economic growth;  
**Goal 17** Partnerships for the goals



**Safety**      **Goal 3** Good health and well-being



**Community Development**      **Goal 7** Affordable and clean energy;  
**Goal 8** Decent work and economic growth;  
**Goal 17** Partnerships for the goals



### Environmental Stewardship

**Cleaner Air**      **Goal 7** Affordable and clean energy;  
**Goal 13** Climate action



## About This Report

# What it includes, and why.

*Continued*

## U.N. Development Goals

### Sustainability Issues & Initiatives

### Aligns With This Sustainable Development Goal

#### Clean Water

#### Goal 6 Clean water and sanitation



#### Reducing Waste

#### Goal 12 Responsible consumption and production



#### Habitat and Wildlife

#### Goal 15 Life on land



### Our Culture

#### Values, Ethics and Compliance

#### Goal 16 Peace, justice and strong institutions;

#### Goal 17 Partnerships for the goals



#### Corporate and Sustainability Governance

#### Goal 16 Peace, justice and strong institutions;



## About This Report

# What it includes, and why.

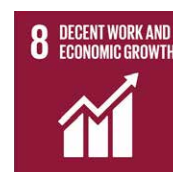
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## U.N. Development Goals

**Sustainability Issues & Initiatives**      **Aligns With This Sustainable Development Goal**

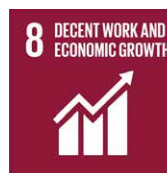
**Attracting, Developing and Retaining Talent**

**Goal 4** Quality education;  
**Goal 5** Gender equality;  
**Goal 8** Decent work and economic growth



**Community Development**

**Goal 7** Affordable and clean energy;  
**Goal 8** Decent work and economic growth;  
**Goal 17** Partnerships for the goals



## Our Business for the Future

**Investing in Infrastructure**

**Goal 7** Affordable and clean energy;  
**Goal 9** Industry Innovation and Infrastructure;  
**Goal 13** Climate action



**Innovation**

**Goal 9** Industry innovation and infrastructure



**Energy Diversity and Security**

**Goal 7** Affordable and clean energy;  
**Goal 13** Climate action



About This Report

## What it includes, and why.

*Continued*

## U.N. Development Goals

Sustainability Issues & Initiatives	Aligns With This Sustainable Development Goal
-------------------------------------	---

Cybersecurity	Goal 9 Industry innovation and infrastructure
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## Our Commitments

# Ethical behavior matters, and our reputation depends on it.

## Our Commitments

### Serving Customers and Communities

#### Energy Reliability

##### Targets for 2018

##### Status

To ensure reliability, we plan to rebuild 120 miles of electric transmission lines in 2018.

As of October 31, 2018, we rebuilt 109 miles of electric transmission lines.

Three hundred miles of electric distribution lines will be placed underground in 2018 to enhance reliability and safety.

The company is on course to complete this commitment.

Annually we will inspect 25 percent of Dominion Energy electric equipment housed in customer-owned vaults to ensure it is working properly.

The company is on course to complete this commitment.

Replacing natural gas distribution infrastructure: Our Western state operations in Utah, Wyoming and Idaho are committed to spend \$95 million in 2018 on aging natural gas infrastructure replacement. This includes high-pressure mains, distribution mains and service lines.

We are on track to complete planned replacements by year end.

We will invest \$200 million or more annually over the next two decades to upgrade about 5,600 miles of aged bare steel, cast iron, wrought iron and copper pipe in our Ohio pipeline system — reducing methane emissions at the same time.

More than 1,600 miles have been replaced of the 5,600 miles of pipe to be upgraded. We are on track to continue our investment of \$200 million annually.

##### Additional Energy Reliability Targets:

- To ensure reliability, we plan to rebuild 90 miles of electric transmission line in 2019.
- We expect to enhance reliability and resiliency by converting approximately 260 miles of the most outage-prone overhead distribution tap lines to underground.
- We plan to inspect 25 percent of company electric equipment housed in customer-owned vaults to ensure it is working properly.



## Our Commitments

*Continued*

## Our Commitments

- We plan to perform line inspections on 2,500 miles of distribution main feeders focused on the reliability and safe operation of this equipment.
- Our Western-state operations in Utah, Wyoming and Idaho intend to continue to replace high-priority natural gas infrastructure. This includes high-pressure mains, distribution mains and service lines.
- We will invest \$200 million or more annually over the next two decades to upgrade about 5,600 miles of aged bare steel, cast iron, wrought iron and copper pipe in our Ohio pipeline system-reducing methane emissions at the same time.
- In our natural-gas distribution systems in West Virginia, we plan to continue to implement our pipeline replacement programs to maintain reliability and reduce methane emissions.

### Energy Affordability

#### Targets for 2018

To ensure affordability, we will grow EnergyShare, which helps all customers, with a special focus on senior citizens, individuals living with disabilities and military veterans. Our 2018 target for EnergyShare is to invest \$5 million to help 20,000 families or individuals; participate in 440 outreach events; and weatherize 3,000 homes of low-income customers.

The ThermWise energy-efficiency programs have a total 2018 budget for Energy Efficiency of \$24.5 million. ThermWise is forecasting over 81,000 customers will participate in the program in 2018. ThermWise is forecasting 1.15 million dekatherms (Dth) of natural gas savings from 2018 programs, which equates to the annual usage of nearly 14,500 customers.

#### Status

Through July 2018, \$4.2 million has been paid to utility vendors on behalf of 11,600 families. Through August 2018, 344 outreach events have been conducted with over 154,000 attendees. Through September, EnergyShare weatherization efforts were on target, with more than 2,600 homes weatherized.

In Ohio, EnergyShare provided \$230,000 to help customers with their heating bills. In Utah, Idaho and Wyoming, the company contributed more than \$400,000 through the end of the third quarter of 2018 — funds that provided assistance to more than 1,300 households. Dominion Energy West Virginia contributed more than \$125,000 to assist low-income customers.

As of the end of the third quarter, ThermWise has spent \$17.8 million on customer incentives and program administration, with approximately 57,000 participants and nearly 690,000 Dth of natural-gas savings.

## Our Commitments

*Continued*

# Our Commitments

## Energy Affordability

### Targets for 2018

### Status

Additional Affordability Targets:

- As part of the 2018 Grid Transformation Plan, the company is seeking Virginia State Corporation Commission concurrence with infrastructure programs including the initial three years of a five-year plan to complete the Smart Meter deployment of 2.1 million smart meters to streamline integration of renewables while ensuring safe and reliable service to customers.
- In 2019, we intend to invest \$5.4 million to help families with electric energy bills and conduct 460 strategic outreach events and allocate \$6 million for weatherization efforts.
- We expect to propose at least \$870 million in energy efficiency programs in the next ten years.
- ThermWise program increased savings from natural gas energy efficiency will aim for 5 percent from 2018 to 2019.

## Engaging Communities

### Targets for 2018

### Status

With stakeholders, improvements to our community engagement processes will be identified and implemented. We also will continue to work closely with landowners to minimize impact to their property as we expand both electric and gas infrastructure. We continued our outreach efforts for the Atlantic Coast Pipeline.

We continued our outreach efforts for the Atlantic Coast Pipeline. We held 25 outreach events concerning our electric transmission projects, attended by nearly 700 people, and held dozens of community meetings to obtain input on our strategic undergrounding program. An environmental justice working group has been established to continue to improve our community engagement process.

Additional Engagement Target:

- We intend to continue to work with stakeholders to improve the way we engage with our neighbors. We also intend to continue to work closely with landowners to reasonably minimize impact to their property as we expand and modernize electric and gas infrastructure. We intend to further refine our engagement processes, and continue working with landowners to reach mutually acceptable agreements.

## Our Commitments

*Continued*

# Our Commitments

## Safety

### Targets for 2018

### Status

We will maintain and enhance our programs designed to maintain zero work-related fatalities and to lead the industry in eliminating serious injuries. We aim to demonstrate that commitment by achieving and maintaining first-quartile performance in the Southeastern Electric Exchange peer utility benchmark.

At the end of the second quarter, we were in the first quartile and second overall for safety performance in the Southeastern Electric Exchange peer utility benchmark.

Dominion Energy's natural-gas division has developed comprehensive pipeline and storage integrity programs for decades. These include ongoing programs that evaluate the condition and threats on pipelines and storage wells to inform decision-making and provide targeted, proactive approaches to Operations and Maintenance. These programs include internal and external corrosion evaluations, smart pigging, aerial and foot patrols, public awareness, landowner engagement, third-party damage prevention, storage-well inspections, high-tech logging of storage well downhole components and many others. For 2018:

Twenty-eight miles of bare pipe has been replaced, along with 140 remotely controlled valves and 14 mainline valves to enhance the safety of our transmission pipelines by the end of July 2018.

1. As part of our comprehensive pipeline integrity programs we consistently seek ways to go beyond compliance and improve our effectiveness. The Dominion Energy pipelines conduct reviews for targeted portions of the pipeline each year. And we have proactively committed to replace 50 miles of bare transmission pipeline by 2020 across the Dominion Energy Transmission, Inc., system.
2. Dominion Energy pipelines have partnered with the industry to improve response times; to support this initiative, we have committed to install an additional 250 remote controlled or automated valves across the Dominion Energy footprint by 2020.
3. As another proactive program to improve response times, Dominion Energy has committed to install 20 additional mainline valves on critical areas of our natural gas pipeline systems.

By the end of 2019, we will inspect 125,000 wood poles to ensure they meet Dominion Energy's safe design standards.

The company is on pace to complete these inspections.

## Our Commitments

*Continued*

## Our Commitments

Our Western-state gas operations plan to implement a pipeline excavation damage prevention program for safety and to reduce methane emissions.

In progress and on target.

### Additional Safety Targets:

- As part of our comprehensive pipeline integrity programs we consistently seek ways to go beyond compliance and improve our effectiveness. The company pipelines conduct reviews for targeted portions of the pipeline each year. And we have proactively committed to replace 50 miles of bare transmission pipeline by 2020 across the Dominion Energy Transmission, Inc., system.
- Company pipelines have partnered with the industry to improve response times; to support this initiative, we have committed to install an additional 250 remote-controlled or automated valves across the Dominion Energy footprint by 2020.
- As another proactive program to improve response times, Dominion Energy has committed to install 20 additional mainline valves on critical areas of our natural gas pipeline systems.
- We also increased the number of storage wells logged to more than 80 percent with plans to exceed 84 percent in 2018, and 87 percent in 2019.
- In workplace safety, we plan to maintain and enhance our programs designed to maintain zero work-related fatalities and to lead the industry in eliminating serious injuries. We aim to demonstrate that commitment by achieving and maintaining first-quartile performance in the Southeastern Electric Exchange peer utility benchmark and we strive to achieve first quartile performance compared to American Gas Association companies of similar size and category.
- By the end of 2019, we plan to inspect 125,000 wood poles to ensure that they meet Dominion Energy's safe design standards. Poles will be inspected on a 12-year cycle to ensure that they meet Dominion's safe design standards.
- We plan to inspect approximately 20,000 padmount transformers to ensure they meet Dominion Energy's safety and operational standards.
- In 2017, as part of expanding our already robust pipeline and storage integrity programs, we set a record for miles inspected using smart pigging tools at more than 820 miles in a single year — with plans to pig at least 1,100 in 2018. We also increased the number of storage wells logged to more than 80 percent with plans to exceed 84 percent in 2018 and 87 percent in 2019.

## Our Commitments

Continued

# Our Commitments

## Community Development

### Targets for 2018

### Status

In support of our partnerships with small, local, and diverse businesses, we will conduct matchmaking events, pairing local businesses with our own employees, to discuss upcoming opportunities. We will continue to cultivate relationships with local businesses and advocacy organizations to encourage economic growth in our communities.

We have held a number of matchmaking events pairing local businesses with our employees to discuss supplier capabilities and upcoming opportunities.

In 2018, we plan to invest more than \$30 million to support community needs in addition to encouraging and supporting employee volunteerism. Our goal is also to exceed 100,000 hours of employee volunteer time.

We are on course to meet or exceed these targets.

### Additional Community Development Targets:

- In 2019, we plan to invest more than \$30 million to support community needs in addition to encouraging and supporting employee volunteerism. Our goal is also to exceed 100,000 hours of employee volunteer time.
- In support of our partnerships with small, local, and diverse businesses, we expect to conduct matchmaking events, pairing local businesses with our own employees, to discuss upcoming opportunities. We aim to continue to cultivate and expand relationships with local businesses and advocacy organizations to encourage economic growth in our communities.
- In 2019, we expect our volunteers will weatherize 10 homes of veterans in need.

## Our Commitments

*Continued*

# Our Commitments

## Environmental Stewardship

### Cleaner Air

#### Targets for 2018

#### Status

Dominion Energy will increase disclosures around greenhouse gases by participating in the climate Corporate Disclosure Project (CDP) reporting on greenhouse gases in 2018.

The CDP was submitted in August 2018. Additional public disclosures completed to date include an update to the Methane Management Report and participation in the EEI ESG and AGA ESG sustainability metrics pilots. A Climate Report including a two-degree scenario analysis was posted in November 2018.

The company intends to reduce our carbon intensity to 50 percent by 2030 from 2000 levels.

This target has been met.

Methane Reductions: Dominion Energy East Ohio and Dominion Energy West Virginia will implement a pipeline replacement program for its main and service lines and commit to replacing at least 1.5 percent of the unprotected steel and cast iron pipes every year by 2021.

In progress and on target.

Methane Reductions: Dominion Energy Wexpro will install instrument air systems (air compressors and air dryers) to 31 end devices at Canyon Creek and Church Buttes, eliminating 46,000 MCF of gas lost and related emissions.

This project is underway and on target.

#### Additional Cleaner Air Targets:

- Disclosure and transparency addressed in Governance commitments.
- Our business plan should result in a reduction of carbon produced for each unit (rate or intensity) of generation of 60 percent by 2030 compared to 2000 levels.
- Methane Reductions: Dominion Energy East Ohio and Dominion Energy West Virginia have implemented a pipeline replacement program for main and service lines committing to replace unprotected steel and cast iron pipes at a level that meets or exceeds the EPA Natural Gas STAR Methane Challenge.
- The Company commits to reduce methane intensity from its natural gas business by 50 percent by 2030 (from 2010 baseline).
- Beginning in 2019, we are voluntarily going beyond the



## Our Commitments

*Continued*

## Our Commitments

regulatory requirements in West Virginia and Ohio to increase annual inspections and maintenance from 20 percent to 33 percent of our gas regulator stations to keep natural gas in the system and avoid methane emissions.

- Beginning in 2019, equipment is planned to be installed on gas distribution construction projects involving large diameter pipe to minimize the need to blowdown natural gas which will reduce methane emissions.
- The company has committed to test and pilot new technology to reduce natural gas loss during inline pipe inspections.

### Clean Water

#### Targets for 2018

Reduced water withdrawals: Dominion Energy generation has already reduced its water withdrawals by utilizing low-water-use technologies (for example, dry cooled condensers) for new generation, and will further reduce water use in the future as we continue to add to our renewable generation portfolio.

#### Status

Greensville Power Station will come on line later this year along with additional solar generation — all of which use low water use technology or no water to generate electricity.

Water reuse: In 2018, Dominion Energy Wexpro will install a produced water treatment system at the Canyon Creek Unit Produced Water Evaporation Facility.

Installation of the facility is complete. This system should allow an estimated 21 million gallons of water to be reused over the next five years at the Canyon Creek Unit Central facility and operations.

#### Additional Clean Water Targets:

- Our business plan is expected to result in a 50 percent reduction from 2000 levels in freshwater withdrawn per MW to generate electricity by 2030.
- We plan to continue to proactively replace oil-filled electrical equipment to mitigate the risk of an oil release to the environment.
- We will implement measures to keep soils out of waterways by going above and beyond regulatory requirements during the construction of the Atlantic Coast Pipeline to protect waterways along the route. A few examples include:
  - More environmental inspectors and more frequent and rigorous inspections during rainstorms to make sure stormwater protections are preventing runoff.
  - Stronger protections for sensitive streams, including increased distances for equipment refueling and

## Our Commitments

*Continued*

## Our Commitments

- additional controls to capture more sediment.
- Strongest protections for steep slope construction ever used by the industry, specifically designed to stabilize soils and protect ridgelines in mountainous areas.
- Dominion Energy Wexpro installed in 2018 a produced water treatment system at the Canyon Creek Unit Produced Water Evaporation Facility. This system should allow an estimated 21 million gallons of water to be reused over the next five years at the Canyon Creek Unit Central facility and operations.

### Reducing Waste

#### Targets for 2018

#### Status

IT Waste Recycling: We will continue our zero-landfill policy by responsibly recycling IT equipment that we no longer use.

Through July 30, more than 72,000 pounds of IT equipment were either reused or recycled instead of making it to a landfill.

#### Additional Reducing Waste Targets:

- We plan to work to improve our recycling processes to increase the amount of waste recycled.
- IT Waste Recycling: We will continue our zero-landfill policy by responsibly recycling IT equipment that we no longer use.

### Habitat & Wildlife Protection

#### Targets for 2018

#### Status

Protecting birds and wildlife: We will continue to implement new design standards that include increased spacing on distribution lines for avian protection, animal guards on exposed equipment, and other deterrents to animals coming near equipment.

We continue to implement these design standards and audit our jobs to ensure we are doing so.

#### Additional Habitat & Wildlife Protection Targets:

- Protecting birds and wildlife: We plan to continue to implement new design standards that include increased spacing on distribution lines for avian protection, animal guards on exposed equipment, and other deterrents to animals coming near equipment.

## **Our Commitments**

*Continued*

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## **Our Commitments**

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- We commit to establish over 500 acres of pollinator habitat by 2020 and to pilot habitat plots on solar farm sites.
- To protect birds near our gas produced-water evaporation ponds, we use netting or bird deterrents and expect to continue to implement these systems as new facilities are constructed in 2019.

## Our Commitments

Continued

# Our Commitments

## Our Culture

### Values, Ethics & Compliance

#### Targets for 2018

#### Status

To continue to reinforce the importance of ethics, employees will complete annual training in ethics and compliance. In addition, employees will certify annually that any potential compliance items have been reported or are already being addressed.

Annual training is underway in ethics and compliance for our employees and the employee certification to identify any potential compliance items is complete for 2018. To reinforce our commitment to a workplace free from any form of harassment, leaders are participating in an extensive interactive training on detecting and preventing harassment in the workplace.

#### Additional Values, Ethics & Compliance Target:

- To continue to reinforce the importance of ethics, our intention is that employees will complete annual training in ethics and compliance. In addition, employees are expected to certify annually that any potential compliance items have been reported or are already being addressed.

### Corporate and Sustainability Governance

#### Targets for 2018

#### Status

Board of Director Engagement: The Board of Directors will receive an annual report on our sustainability targets, strategy and progress.

The report to the Board of Directors is planned for December 2018.

#### Additional Corporate and Sustainability Governance Targets:

- We intend to continue engagement with directors on ESG matters at each regularly scheduled Board of Directors' meeting.
- We intend to continue to improve our communication channels and transparency on ESG matters.

## Our Commitments

*Continued*

# Our Commitments

### Attracting, Developing and Retaining Talent

#### Targets for 2018

#### Status

Diversity and Inclusion: Leaders and employees will complete training in diversity and inclusion.

Training on diversity and inclusion is underway for employees and leaders.

Improving Workplaces: To provide a positive work environment for employees, we will strive for Leadership in Energy & Environmental Design (LEED) design construction standards in all new office spaces.

Construction has begun for a number of buildings designed for LEED standards: 600 Canal Place in Richmond, VA; Oakford, PA; Petersburg, VA District Office; and the Greenville, VA Power Station administrative building. Our Summersville, WVA building is complete and LEED certification is expected.

#### Additional Talent Management Targets:

- At Dominion Energy, our target for recruitment is to match the representation of the communities we serve.
- We aim to have 100 percent of staffing and hiring managers of interns complete a series on unconscious bias in our online development platform by the end of 2019.
- To assist with the recruitment of skilled workers, we intend to host 10 teachers across the company for teacher externships in 2019.
- We expect to increase training provided to employees by 10 percent or more in 2019 over 2017 levels.
- We anticipate having more than 100 graduates or graduates in training of the Emerging Leader program by the end of 2019.

## Our Commitments

Continued

# Our Commitments

## Our Business For The Future

### Innovation

#### Targets for 2018

#### Status

Fostering a culture of innovation: We will continue to reward innovation to create a culture in which employees are encouraged to experiment. Retaining the attributes that have made us successful, we will place even more emphasis on innovation and customer focus. We are committed to looking out for disruptions to our industry and partnering with start-ups to infuse energy into our employees and processes.

In 2018 we enhanced our innovation capability by forming a beachhead team consisting of strategists, designers and coaches to foster innovation mindsets and skills. We also created opportunities for innovation through a series of immersive field experiences, employee summits and our first innovation expo. We expanded our innovation tools by launching a company-wide crowdsourcing platform for ideas and began to create environments for rapid testing, prototyping and experimentation.

#### Additional Innovation Target:

- We expect to double the number of crowdsourced business and technical solutions in 2019 (compared to prior year), expanding the company's innovation accelerator program from the pilot program in one organization to all business units, collaborating with university faculty and students in the states where we operate, and deploying technologies such as data analytics, edge devices, and mixed reality. We plan to substantially increase the number of pitch sessions across the company, where employees can present their ideas to broader audiences, and gain exposure to others in the company to bring ideas through the implementation stage. Dominion Energy is committed to seeking out disruptions to our industry and partnering with start-ups to infuse energy into our employees and business processes.



## Our Commitments

*Continued*

# Our Commitments

## Investing in Infrastructure

### Targets for 2018

### Status

Infrastructure: We plan to begin construction of the 600-mile Atlantic Coast Pipeline, fully operationalize the Cove Point liquefaction project in Maryland, pursue re-licensing of our carbon-free nuclear fleet and continue investing in renewable energy. We plan to rebuild 120 miles of electric transmission lines.

In April, 2018, we brought online the Cove Point liquefaction project in Maryland. In August, we sought permission to construct a pilot offshore wind project in the Atlantic.

We are investing up to \$4.2 billion annually through the middle of the next decade to provide cleaner energy to our customers over a more robust, secure system of natural gas pipelines and electric wires.

And we have begun construction of the 600-mile Atlantic Coast Pipeline in parts of West Virginia and North Carolina to bring American natural gas to people and businesses in new markets that need more of it to support growing populations and economies, to replace higher-carbon fuels and to support intermittent renewable energy from solar and wind. In October 2018 we submitted an application to renew the license for Surry Power Station and are working to submit a similar application for North Anna Power Station in 2020. As of mid-year 101 miles of transmission lines have been rebuilt.

### Additional Investing in Infrastructure Targets:

- Dominion Energy is seeking concurrence from the State Corporation Commission of Virginia with the infrastructure programs including the deployment of 2.1 million smart meters to streamline integration of renewables while ensuring safe, secure and reliable service to customers.
- We intend to continue to enhance reliability and resiliency in 2019 by converting approximately 260 miles of the most outage-prone overhead distribution tap lines to underground.
- We anticipate continuing construction of the Atlantic Coast Pipeline to provide reliable natural gas to the region and pursue license extensions for our carbon-free nuclear fleet.
- To ensure reliability, we plan to rebuild 90 miles of electric transmission line in 2019.

## Our Commitments

Continued

# Our Commitments

## Energy Diversity & Security

### Targets for 2018

Cleaner Energy: The company announced plans to continue to increase our reliance on cleaner generation technologies.

### Status

In the past five years we have invested \$3.5 billion in renewable generation and grown our solar fleet from zero to approximately 1,700 megawatts in service, in construction or under development. In 2018 we filed for approval of an offshore wind pilot project – the second such project in the United States and the first to be owned by an electric utility.

### Additional Energy Diversity & Security Targets:

- The self-healing and grid hardening activities in the company's proposed Grid Transformation Plan should reduce outages by 25 percent over the next 10 years.
- Dominion Energy is committing to having 3,000 megawatts of new solar and wind under development or in operation by of 2022.
- As part of the 2018 Grid Transformation Plan, the company is seeking Virginia State Corporation Commission concurrence with infrastructure programs including the initial three years of a five-year plan to complete the Smart Meter deployment of 2.1 million smart meters to streamline integration of renewables while ensuring safe and reliable service to customers.

## Cybersecurity

### Targets for 2018

Employees will complete annual training to educate them in their role as the first defense in cybersecurity. In addition, internal and third party-led exercises to evaluate cybersecurity defenses will be performed. We will conduct four cyber security drills in 2018. These are conducted with both internal resources and external parties, including other utilities, regulatory agencies and law enforcement. We will conduct four Independent Vulnerability Scans in 2018. These scans are conducted by third parties to identify any public-facing cyber vulnerabilities. We will conduct six Penetration Tests in 2018. These tests are targeted testing of vulnerabilities of our external and internal systems. We target enterprise and industrial control systems, with remediation of

### Status

We revised the cyber security strategic plan and prioritize cyber security investments based on these external assessments, threat intelligence and our assessment of risk. Employees have completed Information Protection and Phishing training. The company has participated in Coast Guard cyber exercises, completed vulnerability scans, penetration tests and NERC CIP Cyber Vulnerability assessments.

## Our Commitments

*Continued*

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## Our Commitments

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any issues found as a high priority.

We will conduct North American Electric Reliability Critical Infrastructure Protection (NERC CIP) program Cyber Vulnerability Assessments at 65 locations in 2018. We aim to remain in the top quartile of BitSight assessments, a third party organization that conducts external cyber assessment and scoring of major companies. We revise the cyber security strategic plan and prioritize cyber security investments based on these external assessments, threat intelligence and our assessment of risk.

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Additional Cybersecurity Target:

- In 2019 we plan to conduct four cybersecurity drills, four independent vulnerability scans and eight penetration tests, and plan to perform North American Electric Reliability Corporation critical-infrastructure protection Cyber Vulnerability Assessments at multiple locations.

## Data Tables

# Essential numbers about generation capacity, emissions and more.

## Metrics

	2000	2005	2013	2014	2015	2016	2017
<b>Environmental</b>							
Total generation (net GWH) (by ownership)	71,537	111,686	93,977	93,075	98,309	109,072	102,424
Total CO <sub>2</sub> e emissions (millions of metric tons) (by ownership)	42.62	58.12	33.86	33.64	34.25	37.19	30.16
CO <sub>2</sub> e intensity rate (MMT/net MWH) (by ownership)	0.596	0.520	0.360	0.361	0.348	0.341	0.295
Total CO <sub>2</sub> emissions (millions of metric tons) (by ownership)	42.00	57.3	33.2	33.1	33.8	36.7	30.14
CO <sub>2</sub> intensity rate (MMT/net MWH) (by ownership)	0.587	0.513	0.353	0.356	0.343	0.336	0.295
	2000	2005		2015		2016	2017
<b>Purchased Power *</b>							
	16,753,741	18,987,726		14,656,975		7,486,404	13,419,239
Carbon Dioxide (CO <sub>2</sub> )							
Total Purchased Generation CO <sub>2</sub> Emissions (MT)	12,159,115	13,780,442		10,637,376		5,443,297	9,739,083
Total Purchased Generation CO <sub>2</sub> Emissions Intensity (MT/Net MWH)	0.73	0.73		0.73		0.73	0.73
Carbon Dioxide Equivalent (CO <sub>2</sub> e)							
Total Purchased Generation CO <sub>2</sub> e Emissions (MT)	13,604,038	15,418,034		11,901,464		6,078,960	10,898,034
Total Purchased Generation CO <sub>2</sub> e Emissions Intensity (MT/Net MWH)	0.812	0.812		0.812		0.812	0.812

## Data Tables

Continued

# Metrics

	2000	2005	2015	2016	2017		
Owned Generation + Purchased Power							
Carbon Dioxide (CO <sub>2</sub> )	88,291,004	130,673,596	112,966,194	116,558,488	115,495,731		
Total Owned + Purchased Generation CO <sub>2</sub> Emissions (MT)	54,148,573	71,042,641	44,398,852	42,092,716	39,876,085		
Total Owned + Purchased Generation CO <sub>2</sub> Emissions Intensity (MT/Net MWH)	0.613	0.544	0.393	0.361	0.345		
Carbon Dioxide Equivalent (CO <sub>2</sub> e)							
Total Owned + Purchased Generation CO <sub>2</sub> e Emissions (MT)	56,223,338	73,539,166	46,154,768	43,265,615	41,056,221		
Total Owned + Purchased Generation CO <sub>2</sub> e Emissions Intensity (MT/Net MWH)	0.637	0.563	0.409	0.371	0.355		
*Purchased power emissions calculated using an estimated intensity rate and CO <sub>2</sub> e conversion factor.							
	2000	2005	2013	2014	2015	2016	2017
Nitrogen Oxide, Sulfur Dioxide and Mercury Generation Basis for Calculation (MWH)	71,422,359	110,868,443	93,350,531	92,524,386	97,812,907	108,753,991	101,792,551
Nitrogen Oxide emissions (metric tons) (by ownership)	132,895	101,106	18,743	16,987	15,361	13,883	10,559
Nitrogen Oxide emissions intensity (MT/net MWH) (by ownership)	0.001861	0.009120	0.000199	0.000183	0.000157	0.000128	0.000104
Sulfur dioxide emissions (metric tons) (by ownership)	372,732	283,213	37,294	25,960	12,921	9,665	5,490

## Data Tables

Continued

## Metrics

	2000	2005	2013	2014	2015	2016	2017
Sulfur dioxide emissions intensity(MT/ net MWH) (by ownership)	0.005219	0.002554	0.000397	0.000279	0.000132	0.000089	0.000054
Mercury emissions (kg) (by ownership)	2,194	931	235	230.9	54	52	32
Mercury emissions intensity( kg/net MWH) (by ownership)	0.000037	0.000084	0.0000025	0.0000025	0.0000005	0.0000005	0.0000003
Methane Emissions from Gas Operations# (metric tons)			61,426	57,087	53,449	60,951	61,777
# As reported in EPA's GHG reporting program. In 2016, Dominion Energy began reporting additional emissions from pipeline blowdowns, gathering and boosting as part of EPA's reporting program.							
Sulfur Hexafluoride (MT)			2.04	3.32	2.36	1.9	1.66
CO <sub>2</sub> e of sulfur hexafluoride (MT)			46,446	75,671	53,819	42,847	37,841
Water reused/recycled (millionliter) (by ownership)			1,700	2,017	2,097	5,598	5,066
Water reused/recycled (millionliters/ net MWH ) (by ownership)			18.08	21.68	21.33	51.33	49.46
Fresh Water withdrawn (billion liters)			8,222.6	7,858.5	7,983.7	7,760	7,625
Fresh Water Consumed (billion liters)					33.2	38	29

## Data Tables

Continued

# Metrics

	2000	2005	2013	2014	2015	2016	2017
Water Withdrawals - Consumptive (Billions of Liters/Net MWH)	0.0000006	0.00000007			0.00000026	0.0000004	0.00000003
Water Withdrawals - Non-consumptive (Billions of Liters/Net MWH)	0.000142	0.000133			0.000082	0.0000703	0.000074
Coal ash produced / reused (million tons)(by ownership)			3.7/0.6	3.6/0.5	3.3/0.6	3.2/0.5	2.53/0.5
Coal Combustion Byproducts produced / reused (million tons) (by ownership)			3.8/0.7	3.8/0.7	3.4/0.8	3.4/0.7	2.53/0.5
Percent of Coal Combustion Byproducts Reused/Recycled (by ownership)			18%	18%	24%	21%	20%
Hazardous Waste Produced (million lbs) (by ownership)			2.25	2.22	2.39	3.67	3.56
<b>Recycled and Reused Materials</b>							
Coal combustion byproducts (tons)			726,017	724,499	776,765	718,257	433,927
Gypsum (tons)			145,658	179,945	193,747	191,071	110,503
Biomass combustion products (tons)			20,652	17,287	13,896	7,473	7,110
Oils, fluids for reclamation/recovery (tons)			17,351	26,114	10,241	12,335	11,151

## Data Tables

Continued

## Metrics

	2000	2005	2013	2014	2015	2016	2017
Scrap metals (tons)			18,567	20,712	8,145	20,553	17,661
Paper, cardboard, plastic, glass (tons)			1,198	648	721	495	528
e-waste (tons)			142	46	14	34	50
Notices of Violation (NOVs)			13	18	14	12	17
Environmental Penalties Paid			\$3,692,200	\$420,500	\$447,732	\$404,415	\$178,324

	2015	2016	2017
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### Investing in the Future: Capital Expenditures, Energy Efficiency (EE), and Smart Meters

Total Annual Capital Expenditures (nominal dollars)	\$9,650,172	\$4,457,420	\$5,749,588
Incremental Annual Electricity Savings from EE Measures (MWh)	228,458	207,018	112,185
Incremental Annual Investment in Electric EE Programs (nominal dollars)	\$34,031,000	\$43,200,000	\$28,158,538
Percent of Total Electric Customers with Smart Meters (at end of year)	14	14	15



**Data Tables**
*Continued*

## Metrics

	2013	2014	2015	2016	2017
<b>Social</b>					
Total Number of Employees	14,500	14,400	14,670	14,579	16,200
<b>Employee Safety Metrics</b>					
Recordable Incident Rate	0.83	0.75	0.74	0.66	0.60
Lost-time Case Rate	0.24	0.23	0.22	0.18	0.17
Days Away, Restricted, and Transfer (DART) Rate	0.34	0.33	0.38	0.30	0.28
Work-related Fatalities	0	0	0	0	0
<b>Customers</b>					
Retail Electric Customer Count (at end of year)	2,476,195	2,500,541	2,525,460	2,550,017	2,574,679
Commercial	269,010	270,271	272,359	273,813	275,136
Industrial	527	631	663	654	648
Residential	2,206,658	2,229,639	2,252,438	2,275,550	2,298,895
Average gas dist. customer accounts	1,294,500	1,296,000	1,297,000	2,305,000	2,326,000
<b>Governance Metrics</b>					
Board of Directors					
Total Number on Board of Directors/ Trustees	12	11	10	11	12
Total Women on Board of Directors/ Trustees	2	2	2	2	3
Total Minorities on Board of Directors/ Trustees	1	1	1	1	1

## Data Tables

Continued

# Metrics

	2000	2005	2015	2016	2017
<b>Other Metrics</b>					
Miles Distribution Lines-Electric (regulated utility)					58,277
Miles Transmission Lines-Electric (regulated utility) Includes circuit miles, including overhead and underground lines					6,600
<b>Owned Nameplate Generation Capacity at end of year</b>	19,920	25,809	22,753	24,584	25,043
Coal	5,992	7,861	4,406	4,406	4,372
Natural Gas	2,529	7,074	7,836	9,256	9,297
Nuclear	3,253	5,726	5,349	5,349	5,349
Petroleum	1,747	3,105	2,160	2,160	2,168
<b>Total Renewable Energy Resources</b>	324	2,020	2,976	3,387	3,842
Biomass/Biogas		80	236	236	266
Geothermal		9			
Hydroelectric	1,587	1,931	2,120	2,126	2,126
Solar			338	743	1,168
Wind			282	282	282
Other			15	15	15
<b>Net Generation for the data year (MWH)</b>	71,510,204	97,370,726	97,630,530	109,709,990	102,424,141
Coal	40,739,792	25,855,775	21,359,693	21,947,757	15,376,308
Natural Gas	1,405,786	11,887,793	429,170,441	38,371,159	37,497,407
Nuclear	26,552,901	44,182,025	43,583,876	44,651,666	44,548,239
Petroleum	2,321,923	9,963,780	543,304	459,165	435,005

## Data Tables

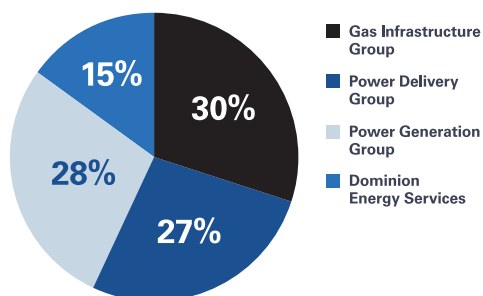
Continued

## Metrics

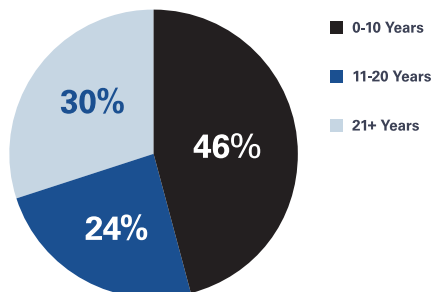
	2000	2005	2015	2016	2017
Total Renewable Energy Resources	489,802	5,481,354	2,973,216	4,280,243	4,567,182
Biomass/Biogas		2,747,448	1,088,991	1,266,746	1,163,454
Geothermal		2,274,566			
Hydroelectric	489,802	459,340	619,846	1,332,985	876,168
Solar			499,316	925,769	1,953,263
Wind			693,865	666,103	574,297
Other			15	15	15

## Workforce and Compensation\*

### Breakdown of employees by Dominion Energy business unit



### Breakdown of employees by Dominion Energy tenure



## Data Tables

*Continued*

# Metrics

### Other employee information

- The vast majority of Dominion Energy's employees are full time.
- Roughly 0.2% of the total Dominion Energy workforce is made up of temporary employees.
- Dominion Energy used subcontracted workers throughout 2018 to assist during outages and also provide supplemental staffing support.
- The company employs a variety of people with education up to the Ph.D. level.

### Dominion Energy's compensation and benefits philosophy

- Dominion Energy's compensation philosophy is designed to reward employees for their contributions toward achieving the company's objectives. The foundation of the compensation program is to provide fair and equitable pay that is externally competitive, internally aligned, compliant and supports the successful achievement of our business strategy by attracting, retaining and engaging employees.
- Dominion Energy's benefits philosophy is to provide a fair, equitable and market competitive total benefits package. Our benefit programs are designed to offer choice in acknowledgement of our diverse demographic workforce as well as to support our employees' physical and financial well-being. We review our benefits strategy annually to ensure we evolve in response to marketplace changes and employee preferences.

### Alignment of CEO pay

- Consistent with our objective to reward strong performance based on achievement of short-term and long-term goals, a significant portion of compensation for our CEO and other executives is tied to the achievement of performance goals or is stock based. Approximately 90% of Mr. Farrell's targeted 2018 total direct compensation was performance-based. This compares to a significantly lower percentage of total variable pay for our non-officer employees. The exact percentage of variable pay under the company's annual incentive plan (AIP) for non-officer employees varies by job title, and payout under AIP is contingent on achieving certain diversity, environmental and sustainability, operational and safety goals.

\*All information is current as of 12/31/2018 and does not incorporate legacy SCANA Corporation entities, as the 12/31/2018 measurement date preceded the merger between Dominion Energy and SCANA Corporation.

## Data Tables

Continued

# Natural Gas Metrics

## AGA Voluntary Sustainability Metrics: Quantitative Information - DE Gas Utilities

Disclaimer: All information below is being provided on a voluntary basis, and as such, companies may elect to include or exclude any of the topics outlined below and customize the template to their specific needs. The decision to include data for historical and future years is at the discretion of each company and the specific years (e.g., historical baseline) should be chosen as appropriate for each company.

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<b>Parent Company</b>	Dominion Energy Inc
<b>Operating Company(s)</b>	DEUWI, DETI, DEOH, DEWV, DECGT, DEQP, DEWexpro
<b>Business Type(s)</b>	<i>Vertically integrated</i>
<b>State(s) of Operation</b>	VA, PA, WV, OH, MD, NY, SC, UT, WY, ID, CO
<b>Regulatory Environment</b>	<i>Regulated and Unregulated</i>
Note: Data from operating companies is rolled up to the corporate level.	
<b>Report Date</b>	30-Nov-18

Ref. No.	Metric	Year 2017	Definitions	Comments
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## Natural Gas Distribution

<b>1</b>	<b>Methane Emissions and Mitigation from Distribution Mains</b>			
1.1	Number of Gas Distribution Customers	2,255,507		For all EPA-reported distribution companies
1.2	Distribution Mains in Service	40,834	These metrics should include all local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule.	For all EPA-reported distribution companies
1.2.1	Plastic (miles)	23,088		For all EPA-reported distribution companies

## Data Tables

Continued

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)	12,116		For all EPA-reported distribution companies
1.2.3	Unprotected Steel - Bare & Coated (miles)	5,598		For all EPA-reported distribution companies
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)	31		For all EPA-reported distribution companies
1.3	Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete)	15	These metrics should provide the number of years remaining to take out of service, replace or upgrade cathodically unprotected steel mains, and cast iron/wrought iron mains, consistent with applicable state utility commission authorizations.	For all EPA-reported distribution companies
1.3.1	Unprotected Steel (Bare & Coated)	15	This metric should be the longest period of all distribution companies.	DEUT replaced all unprotected steel and cast iron over 10 years ago.
1.3.2	Cast Iron / Wrought Iron	15	This metric should be the longest period of all distribution companies.	DEUT replaced all unprotected steel and cast iron over 10 years ago.

## 2 Distribution CO<sub>2</sub>e Fugitive Emissions

2.1	CO <sub>2</sub> e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	800,728	Fugitive methane emissions (not CO <sub>2</sub> combustion emissions) stated as CO <sub>2</sub> e, as reported to EPA under 40 CFR 98, Subpart W, sections 98.236(q)(3)(ix)(C) and (D), 98.236(r)(1)(iv) and (v), and 98.236(r)(2)(v)(A) and (B). This metric should include fugitive methane emissions above	Reports fugitive methane emissions only - Does not include CO <sub>2</sub> emissions which are included in the Dominion Energy EEI submission (801,804).
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## Data Tables

Continued

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
			the reporting threshold for all natural gas local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule.	
2.1a	Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	32,029		Methane emissions from EPA-reported LDCs DEUT, DEWV, and DEOH.
2.2	Natural Gas Throughput from Gas Distribution Operations in thousands of scf	511,578,083	This metric provides gas distribution throughput reported under Subpart W, 40 C.F.R. 98.236(aa)(9) (i) through (iii), as reported on the Subpart W e-GRRT integrated reporting form in the "Facility Overview" worksheet Excel form, gas received (column 1) plus the gas withdrawn (column 2) minus the gas injected into storage (column 3). See screenshot of e-GRRT report provided in template instructions.	
2.3	CO <sub>2</sub> e Fugitive Methane Emissions Rate (metric tons per thousands scf of Throughput)	0.0016	2.1 divided by 2.2	
2.3a	Fugitive Methane Emissions Rate (metric tons methane per methane content of the above mscf of Throughput)	0.34%	(Row 2.1a divided by density of CH <sub>4</sub> )/(Row 2.2 times 0.95 percent CH <sub>4</sub> in gas)	

## Data Tables

Continued

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
<b>Natural Gas Transmission &amp; Storage</b>				
1.2	Transmission Pipelines, Blow Down Volumes, and Fugitive Emissions			
1.2.1	Total Miles of Transmission Pipeline Operated by gas utility (miles)	-	No DE utilities report under this segment.	
1.2.2	Volume of Transmission Pipeline Blow Down Emissions - outside storage and compression facilities (metric tons of CO <sub>2</sub> e):		As reported to EPA under 40 CFR 98, Subpart W.	
1.2.2.1	scf of natural gas		Not reported to EPA	
1.2.2.3	metric tons CO <sub>2</sub> e	-	No DE utilities report under this segment.	
1.3	Underground Natural Gas Storage Emissions	-	No DE utilities report under this segment.	
1.3.2	Storage Compressor Station Emissions (metric tons CO <sub>2</sub> e)	3,917	As reported to EPA under 40 CFR 98, Subpart W.	Total EPA-reported DEOH storage station emission(Chip & Robinson) minus wellhead emissions. Only the DEOH storage facilities are technically within a utility.
1.3.3	Storage Facility Wellhead Component Fugitive Emissions (metric tons of CO <sub>2</sub> e)	1,764	Utilizing EPA emissions factors, as reported to EPA under Subpart W, 40 CFR 98.236, on the e-GRRT integrated reporting form, "Equipment Leaks Surveys and Population Counts [98.236 (q, r)]" tab.	Total EPA-reported DEOH storage wellhead emissions (Chip & Robinson). Only the DEOH storage facilities are a gas utility.



**Data Tables**
*Continued*

## Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
<b>2</b>	<b>CO<sub>2</sub>e Emissions for Transmission and Storage Compression</b>			
2.1	CO <sub>2</sub> e Emissions for Transmission Pipelines (metric tons)	-	CO <sub>2</sub> combustion emissions as reported to EPA under 40 CFR 98, Subpart C and methane emissions stated as CO <sub>2</sub> e as reported under Subpart W.	DE gas utilities do not report transmission compressor station emissions.
2.2	CO <sub>2</sub> e Emissions for Storage Facilities (metric tons)	42,007	CO <sub>2</sub> combustion emissions as reported to EPA under 40 CFR 98, Subpart C and methane emissions stated as CO <sub>2</sub> e as reported under Subpart W.	Total EPA-reported DEOH storage station emission including Subpart C.
<b>3</b>	<b>Conventional Air Emissions from Transmission and Storage Compression</b>			
3.1	Emissions reported for all permitted sources (minor or major)		The number of permitted sources for conventional emissions may not be the same number of sources reporting under the EPA GHG reporting rule. Companies may wish to describe which, or how many, sources are included in the conventional pollutants data and whether the CO <sub>2</sub> e data reported includes all of these sources.	
3.1.1	NO <sub>x</sub> ( metric tons per year)	206		From DEOH (Chip, Robinson, and Switzerland)
3.1.2	VOC (metric tons per year)	63		From DEOH (Chip, Robinson, and Switzerland)

## Data Tables

Continued

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
<b>Natural Gas Gathering &amp; Boosting</b>				
<b>1</b>	<b>Methane Emissions</b>			
1.1	Gathering and Boosting Pipelines, Blow Down Volumes, and Emissions			
1.1.1	Total Miles of Gathering Pipeline Operated by gas utility (miles)	838		DEOH is the only EPA-reported G&B utility facility.
1.1.2	Volume of Gathering Pipeline Blow Down Emissions (scf)		This metric is collected to support calculations under EPA 40 CFR 98, Subpart W.	not reported to EPA
1.1.4	Gathering Pipeline Blow-Down Emissions outside storage and compression facilities (metric tons CO <sub>2</sub> e)	84		DEOH is the only EPA-reported G&B utility facility.
<b>2</b>	<b>CO<sub>2</sub>e Combustion Emissions for Gathering &amp; Boosting Compression</b>			
2.1	CO <sub>2</sub> e Emissions for Gathering & Boosting Compression Stations (metric tons)	43,108	CO <sub>2</sub> combustion emissions as reported to EPA under 40 CFR 98, Subpart C, as directed in Subpart W, 98.232(k). There is no Subpart C for Gathering and Boosting	There is no Subpart C for G&B. Combustion emissions are reported under Subpart W. The value represents DEOH G&B emissions reported to EPA under Subpart W.

## Data Tables

*Continued*

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
<b>3</b>	<b>Conventional Combustion Emissions from Gathering &amp; Boosting Compression</b>			
3.1	Emissions reported for all permitted sources (minor or major)		The number of permitted sources for conventional emissions may not be the same number of sources reporting under the EPA GHG reporting rule. Companies may wish to describe which, or how many, sources are included in the conventional pollutants data and whether the CO <sub>2</sub> e data reported includes all of these sources.	
3.1.1	NO <sub>x</sub> ( metric tons per year)	0		G&B stations are too small to have air permits.
3.1.2	VOC (metric tons per year)	0		G&B stations are too small to have air permits.

## Dominion Energy Utility and Non-Utility T&S Voluntary Sustainability Metrics: Quantitative Information

Disclaimer: All information below is being provided on a voluntary basis, and as such, companies may elect to include or exclude any of the topics outlined below and customize the template to their specific needs. The decision to include data for historical and future years is at the discretion of each company and the specific years (e.g., historical baseline) should be chosen as appropriate for each company.

<b>Parent Company</b>	Dominion Energy Inc (Transmission and Storage)
<b>Operating Company(s)</b>	DETI, DECGT, DEQP, DEOH
<b>Business Type(s)</b>	<i>Vertically integrated</i>
<b>State(s) of Operation</b>	VA, PA, WV, OH, MD, NY, SC, UT, WY, CO
<b>Regulatory Environment</b>	<i>Unregulated</i>
Note: Data from operating companies is rolled up to the corporate level.	
<b>Report Date</b>	30-Nov-18

## Data Tables

Continued

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
<b>Methane Emissions from Natural Gas Transmission &amp; Storage</b>				
<b>1</b>	<b>Transmission Pipelines Blowdowns (between compressor station)</b>			
1.1	Transmission Pipeline Miles Represented in EPA Subpart W Transmission Pipeline Blowdown Reports	3,887	As reported to EPA under 40 CFR 98, Subpart W.	DETI is the only company that triggered the GHGRP, Subpart W, threshold in 2017.
1.2	Transmission Pipeline Blowdowns (metric tons CH <sub>4</sub> )	7,617	As reported to EPA under 40 CFR 98, Subpart W.	DETI only
1.3	Transmission Pipeline Natural Gas Throughput (mscf)	3,592,799,547	As reported to EPA under 40 CFR 98, Subpart W, Quantity of natural gas received at all custody transfer stations in the calendar year (mscf) plus net storage withdrawals.	DETI only
1.4	Methane Intensity of Blowdowns along Transmission Pipelines (between compressor stations)	0.01%	(Row 1.2 divided by density of CH <sub>4</sub> )/(Row 1.3 times 0.95 percent CH <sub>4</sub> in gas)	Matches what is in Methane Management Report updated in May 2018 with 2017 data for intensity calculations.
<b>2</b>	<b>Transmission &amp; Storage Compressor Stations</b>			
2.1	Number of Stations represented in EPA Subpart W T&S Reports	28	As reported to EPA under 40 CFR 98, Subpart W, counting each station separately, even if reporting with another station as a co-located facility.	20 Transmission Stations, 8 Storage, from DETI, DECGT, DEOH, and DEQP

## Data Tables

Continued

# Natural Gas Metrics

Ref. No.	Metric	Year 2017	Definitions	Comments
2.2	Transmission & Storage Compressor Station Emissions (metric tons CH <sub>4</sub> )	3,886	As reported to EPA under 40 CFR 98, Subpart W, CH <sub>4</sub> only.	Total EPA-reported DETI, DCGT, DEQP and DEOH T&S station CH <sub>4</sub> emissions. The number is equivalent to what is in the Methane Report (page 8). However, please note that units are in metric tons CH <sub>4</sub> here; whereas in Methane Report (page 8), emissions have been converted to mscf of CH <sub>4</sub> (i.e., metric tons CH <sub>4</sub> divided by density).
2.3	Storage Pool Wellhead Component Fugitive Emissions (metric tons CH <sub>4</sub> )	325	Utilizing EPA emissions factors, as reported to EPA under Subpart W, 40 CFR 98.236, on the e-GRRT integrated reporting form, "Equipment Leaks Surveys and Population Counts [98.236 (q, r)]" tab.	Total EPA-reported DETI and DEQP and DEOH storage station wellhead CH <sub>4</sub> emissions.
2.3	Transmission and Storage Station Combined Natural Gas Throughput (mscf)	3,591,972,569	As reported to EPA under 40 CFR 98, Subpart W, Quantity of natural gas received at all custody transfer stations in the calendar year (mscf).	The number is equivalent to what is in the Methane Report (page 8). However, please note that units are in mscf of gas here; whereas in Methane Report (page 8) the throughput was converted to mscf of CH <sub>4</sub> (i.e. 95% of gas).
2.4	Methane Intensity from T&S Compressor Stations	0.01%	(Row 2.2 divided by density of CH <sub>4</sub> )/(Row 2.3 times 0.95 percent CH <sub>4</sub> in gas)	Matches what is in Methane Management Report updated in May 2018 with 2017 data for intensity calculations.

## Data Tables

Continued

# Natural Gas Metrics

## Dominion Energy Utility and Non-Utility Gathering Voluntary Sustainability Metrics: Quantitative Information

Disclaimer: All information below is being provided on a voluntary basis, and as such, companies may elect to include or exclude any of the topics outlined below and customize the template to their specific needs. The decision to include data for historical and future years is at the discretion of each company and the specific years (e.g., historical baseline) should be chosen as appropriate for each company.

<b>Parent Company</b>	Dominion Energy Inc (Gathering & Boosting)
<b>Operating Company(s)</b>	DETI, DEOH, DEWexpro
<b>Business Type(s)</b>	<i>Vertically integrated</i>
<b>State(s) of Operation</b>	PA, WV, UT, WY, CO
<b>Regulatory Environment</b>	<i>Unregulated</i>

Note: Data from operating companies is rolled up to the corporate level.

<b>Report Date</b>	30-Nov-18
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Ref. No.	Metric	Year 2017	Definitions	Comments
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## Methane Emissions from Natural Gas Gathering & Boosting

<b>1</b>	<b>Gathering and Boosting Basin Emissions</b>			
1.1	Gathering Pipeline Miles represented in EPA Subpart W G&B Reports	4067	As reported to EPA under 40 CFR 98, Subpart W.	For EPA-reported G&B basins reported under DETI, DEOH, and DEWexpro
1.2	Number of geologic basin represented in EPA Subpart W G&B Reports	3	As reported to EPA under 40 CFR 98, Subpart W.	Green River Basin (535), Appalachian Basin (160), and Appalachian Basin (Eastern Overthrust) (160A)
1.3	Gathering and Boosting Emissions (metric tons CH <sub>4</sub> )	2,768	As reported to EPA under 40 CFR 98, Subpart W, CH <sub>4</sub> only.	For EPA-reported G&B basins reported under DETI, DEOH, and DEWexpro. The number is equivalent to what is in the Methane Report (page 8). However, please note that units are in metric tons CH <sub>4</sub> here; whereas in Methane Report (page 8), emissions have been converted to mscf of CH <sub>4</sub> (i.e., metric tons CH <sub>4</sub> divided by density).

## Data Tables

*Continued*

# Natural Gas Metrics

1.4	Throughput of Natural Gas through Gathering & Boosting	362,442,426	Gas received by G&B facilities, as reported to EPA under 40 CFR 98, Subpart W.	For EPA-reported G&B basins reported under DETI, DEOH, and DEWexpro. The number is equivalent to what is in the Methane Report (page 8). However, please note that units are in mscf of gas here; whereas in Methane Report (page 8) the throughput was converted to mscf of CH <sub>4</sub> (i.e. 95% of gas).
1.5	Methane Intensity of Gathering & Boosting	0.04%	(Row 2.2 divided by density of CH <sub>4</sub> )/(Row 2.3 times 0.95 percent CH <sub>4</sub> in gas)	Matches what is in Methane Management Report updated in May 2018 with 2017 data for intensity calculations.

Serving Customers & Communities

## Energy Reliability & Affordability

Business success depends on meeting the needs and desires of customers and the community. Dominion Energy aims to provide our customers with safe, reliable, sustainable and affordable electricity and natural gas.

## Performance and Targets

### Our Strategy:

Our goal is to provide safe, reliable, sustainable and affordable energy for our customers. We do this by deploying advanced technology to monitor and enhance the electric grid and pipeline operations, consistently inspecting and maintaining existing equipment, and restoring any disruption of energy deliveries faster and more safely, minimizing inconvenience for customers—as well as by adopting and inventing sustainable practices in all aspects of our infrastructure and its operation. And when people have trouble paying for essential energy services, we find ways to help.

### How We Performed:

We have invested more than \$520 million in more than 30 projects to upgrade the grid in Virginia and North Carolina with large, high-voltage transmission wires and equipment. We have buried 1,000 miles of overhead tap lines. We annually inspect 25 percent of Dominion Energy electric equipment housed in customer-owned vaults to ensure it is working properly. To date EnergyShare, our energy assistance program, has helped more than 820,000 families and individuals and weatherized 22,000 homes. We have invested more than \$300 million to upgrade and replace natural-gas pipelines. By the end of the third quarter, ThermWise had spent \$17.8 million on customer incentives and program administration, with approximately 57,000 participants and nearly 690,000 Dth of natural-gas savings.



Electric transmission lines and towers.



# Energy Reliability & Affordability

Continued

## Performance and Targets

Reliability		Affordability	
2018 TARGETS	STATUS	2018 TARGETS	STATUS
To ensure reliability, we plan to rebuild 120 miles of electric transmission lines in 2018.	As of October 31, 2018, we rebuilt 109 miles of electric transmission lines.	To ensure affordability, we will grow EnergyShare, which helps all customers, with a special focus on senior citizens, individuals living with disabilities and military veterans. Our 2018 target for EnergyShare is to invest \$5 million to help 20,000 families or individuals; participate in 440 outreach events; and weatherize 3,000 homes of low-income customers.	Through July, \$4.2 million has been paid to utility vendors on behalf of 11,600 families. Through August, 344 outreach events have been conducted with over 154,000 attendees. Through September, EnergyShare weatherization efforts were on target, with more than 2,600 homes weatherized. In addition to the EnergyShare programs for our electric customers, we have invested more than \$600,000 so far this year in assistance for our natural gas customers in Ohio, West Virginia, Utah, Idaho and Wyoming. In Ohio, EnergyShare provided \$230,000 to help customers with their heating bills. In Utah, Idaho and Wyoming, the company contributed more than \$400,000 through the end of the third quarter of 2018 — funds that provided assistance to more than 1,300 households. Dominion Energy West Virginia contributed more than \$125,000 to assist low-income customers.
Three hundred miles of electric distribution lines will be placed underground in 2018 to enhance reliability and safety.	The company is on course to complete this commitment.		
Annually will inspect 25 percent of Dominion Energy electric equipment housed in customer-owned vaults to ensure it is working properly.	The company is on course to complete this commitment.		
In our Western-state operations in Utah, Wyoming and Idaho, Dominion Energy is committed to spend \$95 million in 2018 on aging natural gas infrastructure replacement. This includes high-pressure mains, distribution mains and service lines.	We are on track to complete planned replacements by year's end.		
We will invest \$200 million or more annually over the next two decades to upgrade about 5,600 miles of aged bare steel, cast iron, wrought iron and copper pipe in our Ohio pipeline system — reducing methane emissions at the same time.	More than 1,600 miles have been replaced of the 5,600 miles of pipe to be upgraded. We are on track to continue our investment of \$200 million annually.		

## Energy Reliability & Affordability

Continued

### Performance and Targets

#### Affordability

##### 2018 TARGETS

##### STATUS

The ThermWise energy-efficiency programs have a total 2018 budget of \$24.5 million. ThermWise is forecasting over 81,000 customers will participate in the program in 2018. ThermWise is forecasting 1.15 million dekatherms (Dth) of natural gas savings from 2018 programs which equates to the annual usage of nearly 14,500 customers.

As of the end of the third quarter, ThermWise had spent \$17.8 million on customer incentives and program administration, with approximately 57,000 participants and nearly 690,000 Dth of natural-gas savings.

We will continue to enhance reliability and resiliency by converting approximately 260 miles of the most outage-prone overhead distribution tap lines to underground.

We will inspect 25 percent of Company electric equipment housed in customer-owned vaults to ensure it is working properly.

We will perform line inspections on 2,500 miles of distribution main feeders focused on the reliability and safe operation of this equipment.

Our Western state operations in Utah, Wyoming and Idaho will continue to replace high-priority natural gas infrastructure. This includes high-pressure mains, distribution mains and service lines.

We will invest \$200 million or more annually over the next two decades to upgrade about 5,600 miles of aged bare steel, cast iron, wrought iron and copper pipe in our Ohio pipeline system-reducing methane emissions at the same time.

In our natural-gas distribution systems in West Virginia, we will continue to implement our pipeline replacement programs to maintain reliability and reduce methane emissions.

In 2019, we will invest \$5.4 million to help families with electric energy bills and conduct 460 strategic outreach events and allocate \$6 million for weatherization efforts.

As part of the 2018 Grid Transformation Plan, the Company is seeking concurrence from the Virginia State Corporation Commission (SCC) on the initial three years of a five-year plan to complete the Smart Meter deployment of 2.1 million smart meters.

ThermWise program increased savings from natural gas energy efficiency will be 5 percent from 2018 to 2019.

### Where We're Headed:

In July, 2018, Dominion Energy announced a major new undertaking aimed at greening the grid and enhancing electric reliability. The 10-year grid transformation project, made possible by Virginia's 2018 Grid Transformation & Security Act (GTSA), will involve substantially increased renewable investments, almost \$1 billion in energy efficiency improvements and changes to the grid that will accommodate renewable energy from multiple sources. To improve reliability, it will include intelligent grid devices, smart meters, and automated control systems that will enable a "self-healing" grid, which will speed the restoration process during outages by quickly identifying and isolating the causes. These change also will protect the grid against cyber and physical attacks. We have made a commitment of \$130 million to help customers in need from 2018-2028 through the EnergyShare program.

### Our Commitments:

To ensure reliability, we plan to rebuild 90 miles of electric transmission line in 2019.

## Energy Reliability & Affordability

*Continued*

### Reliable Energy

Our customers count on Dominion Energy to provide them with the services they want, when they want them. So we're building new infrastructure, upgrading existing infrastructure, and inspecting and maintaining equipment.

## Electricity

### Our Strategy:

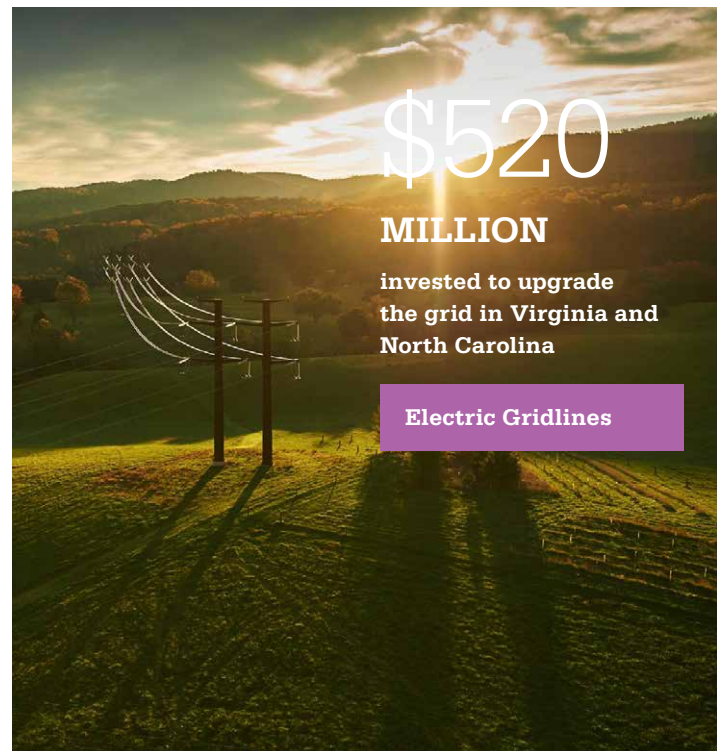
To provide safe, reliable, sustainable and affordable energy for our customers. We do this by deploying advanced technology to monitor and enhance grid flexibility, consistently inspecting and maintaining existing equipment, investing in renewable energy technologies and infrastructure, and using this approach to restore power faster and more safely when it goes out, minimizing inconvenience for customers. And when people have trouble paying for electricity, we find ways to help.

### How We Performed:

We have invested more than \$520 million in more than 30 projects to upgrade the grid in Virginia and North Carolina with large, high-voltage transmission wires and equipment. We have buried nearly 1,000 miles of overhead tap lines. We annually inspect 25 percent of Dominion Energy electric equipment housed in customer-owned vaults to ensure it is working properly. To date EnergyShare, our energy assistance program, has helped more than 820,000 families and individuals and weatherized 22,000 homes.

### Where We're Headed:

In July, 2018, Dominion Energy announced a major new undertaking aimed at greening the grid and enhancing electric reliability. The 10-year grid transformation project, made possible by Virginia's 2018 Grid Transformation & Security Act (GTSA), will substantially increase renewable investments, provide for almost \$1 billion in energy efficiency improvements, and better accommodate renewable energy from multiple sources. To improve reliability, it will include intelligent grid devices, smart meters and automated control systems that will enable a "self-healing" grid, which will speed the restoration process during outages by quickly identifying and isolating the causes. Dominion Energy has made a commitment of \$130 million to help customers in need from 2018-2028 through the EnergyShare program.



Electric transmission lines and towers.

# Energy Reliability & Affordability

Continued

## Reliable Energy

### Electric Reliability

For our electric customers, it all begins with delivering power whenever our customers want it. To achieve that goal, we deploy advanced technology to monitor and enhance grid flexibility. We consistently inspect and maintain equipment to prevent the power from going out – and to restore it quickly and safely on those rare occasions when it does, so customers experience the least possible inconvenience. Customers shouldn’t have to worry about whether the lights will come on. That’s why we also operate programs such as EnergyShare to ease the strain of those facing financial difficulties.

Here’s what we’ve done to ensure the reliability of the electrical grid:

We have invested more than \$520 million on more than 30 projects to upgrade the energy grid in Virginia and North Carolina with large, high-voltage transmission wires and equipment. Some of those projects focused on rebuilding a 96-mile section of the company’s original 500-kV line from West Virginia to Maryland that serves as the backbone of the mid-Atlantic energy grid. The upgrade increased the line’s capacity by two-thirds, which bolstered reliability and provided additional capacity for energy flow during periods of heavy use. It includes one of the largest electric transmission projects in our 100-year history.

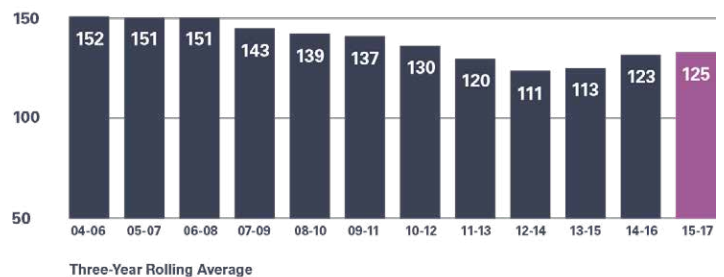
We have buried 1,000 miles of overhead tap lines – the smaller, neighborhood-level wires that bring electricity directly into your home. To determine which overhead lines should be placed underground, we rely on extensive data analysis, evaluating 10 years of outage information. We expect these measures to reduce the time it takes to restore service for all customers after a major storm by as much as 50 percent.

We annually inspect 25 percent of Dominion Energy electric equipment housed in customer-owned vaults to ensure it is working properly. If it does not, it could affect reliability for the customers and could result in a release of oil, so the inspection makes sure that these structures have the appropriate oil spill prevention measures in place.

#### Reliability Improvements

Excluding Major Storms

Average Number of Minutes Without Power Per Customer



Serving Customers & Communities

## Energy Reliability & Affordability

*Continued*

### Reliable Energy

## Improving Delivery

Those highlights don't cover the many other efforts we make to sustain and improve power delivery – from replacing transformers and adding utility poles to installing new switches and sensors.

In July, 2018, Dominion Energy [announced](#) a major new undertaking aimed at enhancing electric security even further.

The 10-year grid transformation project, made possible by Virginia's 2018 Grid Transformation & Security Act (GTSA), will include intelligent grid devices, smart meters, and automated control systems that will enable a "self-healing" grid, which will speed the restoration process during outages by quickly identifying and isolating the causes.

New construction and material standards will improve grid resiliency and reduce outages caused by weather and other events. The company also will take additional measures, such as hardening substations that serve critical facilities, to protect the grid against the growing threat of both physical and cyber-attacks. Other provisions of the GTSA reinforce efforts by Dominion Energy to place more vulnerable and outage-prone distribution lines underground.



A self-healing grid will speed power restoration during outages.



## Energy Reliability & Affordability

*Continued*

### Reliable Energy

## Natural Gas

### Our Strategy:

To operate, maintain, upgrade and build infrastructure that transports clean, American natural gas from its natural formations and from renewable sources to the homes, businesses, fleets and power stations that rely on it. Dominion Energy's natural gas companies offer among the nation's most flexible and reliable delivery options. Upgrading this infrastructure makes service more reliable while reducing greenhouse gases such as methane.

### How We Performed:

We have spent more than \$1.4 billion so far to replace more than 1,600 miles of transmission and distribution pipe in Ohio, where we serve approximately 1.3 million customers. In Utah and Wyoming, all cast iron and bare steel pipe has been replaced. We have spent more than \$.5 billion in our Utah service territory, where we serve more than 1 million customers. Additionally, we have spent \$49 million for upgrades in West Virginia and \$11 million for replacement projects in Wyoming. We respond to all reported gas emergencies, and are on site within 60 minutes 98 percent of the time. And we have begun construction of the 600-mile Atlantic Coast Pipeline in parts of North Carolina and West Virginia to bring American natural gas to people and businesses in new markets that don't have enough, to increase grid reliability, to support the conversion of coal-fired generation to cleaner fuels and to support the expansion of renewable energy.

### Where We're Headed:

We will continue to upgrade our distribution system to provide reliable and safe service to our natural gas customers.



# Energy Reliability & Affordability

Continued

## Reliable Energy

### Natural Gas Reliability

Reliability is equally important to our gas customers. Delivering clean, American natural gas without fail depends on many of the same strategies we use to ensure electricity reliability.

In Ohio we are in the process of replacing approximately 5,600 miles of bare steel mains since 2008 to enhance safety and reduce methane emissions. We are planning to reduce methane emissions by investing \$200 million or more annually, as authorized, over the next two decades to upgrade existing bare steel, cast iron, wrought iron, and copper pipe in our Ohio pipeline system — expanding on the \$1.4 billion investment we already have made to replace more than 1,600 miles of pipeline in the Buckeye State.

Following the recent approval by the Public Service Commission of West Virginia, Dominion Energy's companies invested \$49 million for distribution pipeline upgrades in that state. In 2018, we followed that with a \$95 million investment to replace gas delivery infrastructure in Utah, Wyoming, and Idaho. Keeping our pipelines in first-rate condition helps us meet high customer expectations. But we don't stop there.

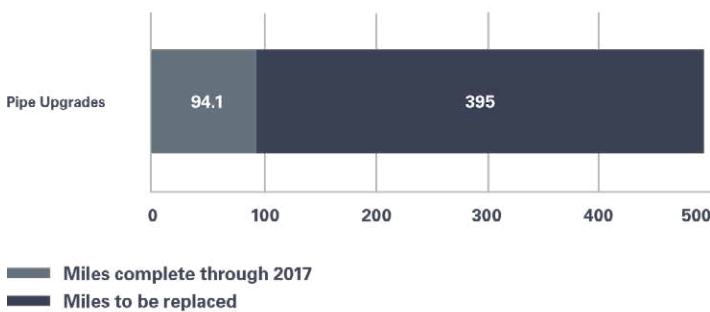


Our Pipeline Infrastructure Replacement project is an investment safety and reliability.

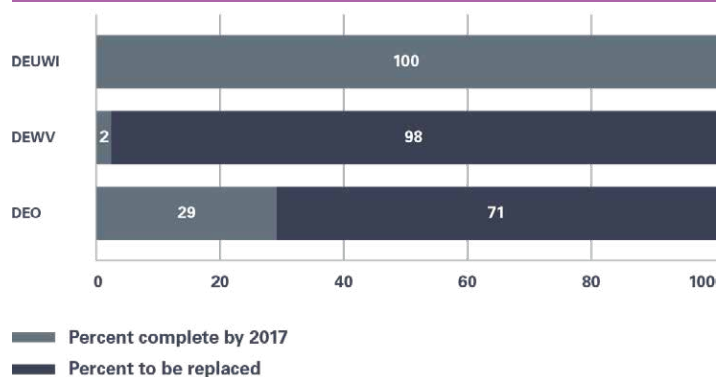
# \$49

**MILLION**  
invested for distribution  
pipeline upgrades in West  
Virginia

#### Western Operations Upgrade Program for High Pressure and Intermediate High Pressure Pipe



#### Replacement for Aged Bare Steel, Cast Iron, Wrought Iron and Copper Distribution Pipe for Reliability and Reduced Methane Emissions



## Energy Reliability & Affordability

Continued

### Affordable Energy

Keeping power and gas flowing is half the equation. The other half involves keeping them affordable. To do that, Dominion Energy constantly strives to maximize the efficiency of its operations – without ever compromising safety. That sustained effort is one reason our electric and gas rates remain so competitive.

### Keeping Rates Low

As of October 2018, Dominion Energy Virginia's typical residential electricity bill was:

- 9.7 percent below the Virginia statewide average;
- 14.6 percent below the D.C. regional average;
- 18.1 percent below the national average;
- 24 percent below the East Coast average; and
- 36.9 percent below the average of states in the Regional Greenhouse Gas Initiative.

The 2018 Grid Transformation & Security Act will improve electric affordability even further. The act returns \$200 million in bill credits to customers, and \$125 million in annual rate cuts due to tax relief. The 2.1 million smart meters slated for installation in homes and businesses, in conjunction with a new customer-information platform, will give customers more information and tools to better manage their energy use and bills. That's \$450 million invested in customer service in three years without any rate increase.

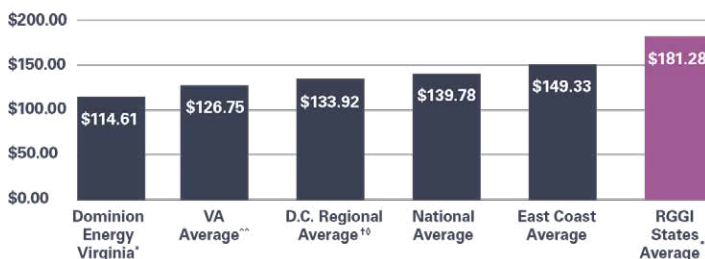
Our industrial rates are likewise highly competitive. As of September 2018, Dominion Energy Virginia's typical industrial rate was:

- 14.5 percent below the Southeast Peer Group average;
- 28 percent below the CNBC "Top States for Business: 2017" average;
- 31.4 percent below the national average;
- 40.4 percent below the East Coast average; and
- 50 percent below the RGGI states average.

#### Dominion Energy Virginia: Residential Rates Remain Very Competitive

Residential Rate Comparison, Typical Monthly Bills, 1,000 kWh (annualized)

As of September 2018, Dominion Energy Virginia's typical residential bill will be 9.6% below the VA statewide average, 14.4% below the D.C. regional average, 18% below the national average, 24% below the East Coast average and 36.8% below the RGGI states average.



\*Dominion Energy Virginia: Proposed rates effective September 1, 2018. Source: Company rates dept.  
 \*\*VA Average: VA State Corporation Commission Report (August 2018) for rates effective July 1, 2018. Includes co-ops, IOUs.  
 †D.C. Regional Average: Dominion Energy Virginia (rates effective September 1, 2018), Baltimore Gas & Electric, Potomac Electric (D.C.), Potomac Electric (Montgomery Co.), and Potomac Electric (Prince George's Co.)  
 \*\*Regional Greenhouse Gas Initiative (RGGI) states: ME, VT, NH, CT, RI, MA, NY, NJ, MD, DE. Rates effective January 1, 2018.

Source: Edison Electric Institute, *Typical Bills and Average Rates Report: Winter 2018*. Rates effective January 1, 2018. Annualized, monthly residential bills, 1,000 kWh usage. Latest data available.



## Energy Reliability & Affordability

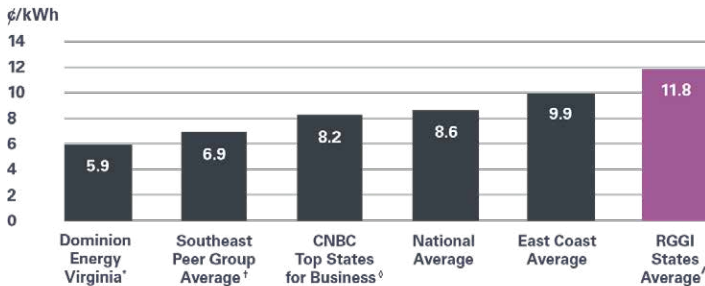
Continued

### Affordable Energy

#### Dominion Energy Virginia: Industrial Rates Remain Extremely Competitive

Industrial Rate Comparison, average rate per kilowatt-hour, 1,000 kW demand and 650,000 kWh usage

As of September 2018, Dominion Energy Virginia's typical industrial rate will be 14.5% below the Southeast Peer Group average, 28% below the CNBC "Top States for Business: 2018" average, 31.4% below the national average, 40.4% below the East Coast average and 50% below the RGGI states average.



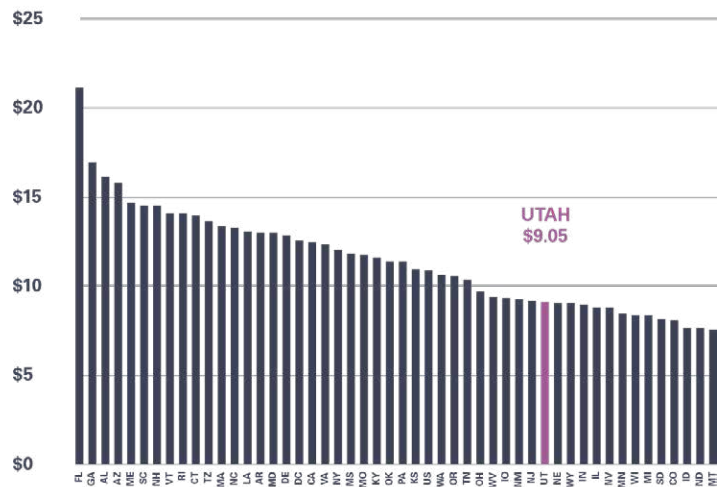
\*Dominion Energy Virginia: Industrial rates effective September 1, 2018. Source: company rates dept.

†Southeast Peer Group: AL Power, Duke (NC), Duke (SC), Entergy MS, FPL, GA Power, Gulf Power, MS Power, Duke Energy Progress (NC), Duke Energy Progress (SC), Duke Energy Florida, SCE&G, Tampa Electric, Kentucky Utilities, and Louisville Gas & Electric ‡CNBC "Top Ten States for Business" include: TX, VA, NC, UT, WA, MN, CO, GA, FL, MA. List published July 2018 ^RGGI (Regional Greenhouse Gas Initiative) states include: ME, NH, VT, MA, RI, CT, NY, NJ, DE, MD

Source: Edison Electric Institute, Typical Bills and Average Rates Report: Winter 2018. Rates effective January 1, 2018. Annualized, monthly industrial bills, 1,000 kW demand & 650,000 kWh usage. Latest data available.

Dominion Energy Utah's gas rates also rank among the lowest in the continental United States, and remain highly affordable in comparison to its peers.

#### Dominion Energy Utah Residential Rates are Among the Lowest in the Continental U.S.



September 13, 2018

\$ per Mcf, TTM 6/18; Source: U.S. Energy Information Administration

Since its inception in 1997, Dominion Energy Ohio's Energy Choice program has allowed eligible customers to buy natural gas from another supplier and have it delivered by the company. This option allows customers to select a supplier that may offer a competitive price. The actual amount of savings varies depending on the supplier rate plan and the amount of natural gas used. Dominion Energy Ohio also conducts an annual auction overseen by the Public Utilities Commission of Ohio that is designed to provide low-priced natural gas for those customers who don't choose another supplier.

In West Virginia, customers' annual gas bills have decreased at an average rate of 1.02 percent since 2009, when base rates were last changed. (In contrast, the Consumer Price Index has increased at an average annual rate of 1.8 percent during that same time period.)

## Energy Reliability & Affordability

*Continued*

### Affordable Energy

## Energy Assistance

Sometimes life hits us with the loss of a job, a medical crisis or another emergency. When that happens, everything feels more expensive. When the unexpected occurs, EnergyShare steps up to provide a helping hand with bill assistance. The ThermWise programs provide rebates for energy-efficiency upgrades in the home - which provide lasting natural gas and financial savings not only during a crisis, but long after it has passed.

### EnergyShare

EnergyShare began in 1982 to help those in need pay their electricity and natural-gas heating bills. Since then it has helped more than 820,000 families and individuals and weatherized 22,000 homes. Today, more than 100 employees work as energy efficiency trainers to speak at schools, professional organizations, and other community venues. It became a year-round program in 2008 when it began paying summer electricity bills as well.

Virginia law expanded EnergyShare in 2015. Dominion Energy has committed \$130 million from 2018-2028 to help our customers in need. For the first time, financial energy assistance and energy efficiency upgrades such as LED lights, attic insulation, and efficient shower heads and faucet aerators have been linked, creating sustainable relief on customers' energy bills. The additional funding also has enabled programs specifically aimed at helping the elderly, military veterans, and persons living with disabilities.

In Ohio, EnergyShare offers gas assistance to help customers with their heating bills once government assistance has run out. Ohio EnergyShare partners with the Salvation Army to review requests and determine eligibility. If the request is approved, the energy supplier bill is paid directly, at no cost to the customer.

Ohio's EnergyShare has raised nearly \$7.2 million, helping about 79,000 people in its first 17 years. During the 2017-18 heating season, nearly 4,000 people in 1,651 households received a total \$373,000 in EnergyShare assistance.



Dominion Energy provides a helping hand with bill assistance and no-cost home upgrades.

820,000

**FAMILIES**  
weatherized homes via  
EnergyShare programs

\$130

**MILLION**  
committed through 2028 to  
help customers in need

Serving Customers & Communities

## Energy Reliability & Affordability

*Continued*

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### Affordable Energy

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#### **ThermWise and Home Performance**

The ThermWise energy-efficiency programs have provided more than \$22 million in incentives for the installation of high-efficiency natural gas equipment and above-code building shell measures in 2017, saving nearly 900,000 dekatherms — equivalent to roughly 11,000 residential customers. (The ThermWise programs also provide funds for extensive home retrofits and furnace replacements for low-income customers in Utah and Idaho. These funds are provided to the state's low-income assistance agency and have totaled more than \$5 million in the 11- year history of the ThermWise programs.)

Natural gas savings from the ThermWise programs totaled nearly 7.1 million dekatherms — equivalent to the annual consumption of roughly 89,000 residential customers, and a total of \$211 million in incentives paid to customers. The ThermWise programs also have conducted more than 2,200 weatherization inspections and provided more than 27,000 home energy plans.

The budget for 2018 is \$24.5 million, with a target of more than 81,000 participating customers. Forecasts predict a savings of 1.15 million dekatherms for the year — equal to the annual usage of nearly 14,500 customers.

Dominion Energy Ohio's Home Performance with ENERGY STAR Program helps residential customers improve their homes' energy efficiency. In 2017, nearly 3,400 assessments were completed at a cost of \$2.26 million, which includes the cost of the assessment and the rebates paid out for energy savings improvements made.

#### **Housewarming and Dollar Energy Fund**

In 2017, through the Dominion Energy Ohio-sponsored Housewarming program, an investment of \$6.7 million funded energy conservation measures and education that improved the residences of 1,677 customers. Also, Dominion Energy West Virginia partnered with the local Salvation Army and the West Virginia Office of Economic Opportunity through the Dollar Energy Fund and a weatherization program, contributing over \$125,000 to assist income-eligible customers.

## Energy Reliability & Affordability

*Continued*

### Affordable Energy

## Consumer Choice

Consumers increasingly want options, and power delivery is no longer a one-way street. We are committed to giving our customers choices about the services they use and how they pay for them.

### Electric Vehicles

Dominion Energy Virginia customers who drive electric vehicles (EVs) are taking advantage of special charging rates through a pilot program approved by state regulators. The pilot program provides customers with two rate options. Measures to support EVs are allowable investments under the Grid Transformation and Security Act, and the company has announced its support of efforts at the state and local levels related to EVs. The options are:

- **EV Only Pricing Plan:** Customers install a second, dedicated meter at their house to measure the amount of electricity used to charge an EV. Charging prices will be lower during the nighttime hours when power demand is reduced.
- **EV + Home Pricing Plan:** A “whole house” rate option, which enables customers to take advantage of lower prices for power used by all of their household appliances, including the EV charger, during off-peak hours. A special meter is installed at the customer’s home that measures power usage in 30-minute intervals. This lets participating customers receive variable prices from Dominion Energy, depending on when and how much electricity is used at the residence.





Serving Customers & Communities

## Energy Reliability & Affordability

*Continued*

### Affordable Energy

## Consumer Solar Programs

Qualified homeowners and business customers in Virginia can participate in our five-year pilot Solar Purchase Program, which allows customers to generate and sell electricity and solar Renewable Energy Credits (RECs) directly to Dominion Energy at a premium rate of 15 cents per kilowatt-hour.

The Dominion Energy Green Power program directly supports these solar projects through the purchase and retirement of RECs produced by the Solar Purchase Program.

Since the program's inception in 2013, about 160 solar installations have been completed. In 2017, these projects generated more than 2.4 million kilowatt-hours of clean energy and produced more than 2,400 RECs. That brings the program totals to nearly 8 million kilowatt-hours and 7,900 RECs.

Through the Solar Partnership Program, Dominion Energy is constructing solar energy facilities on leased rooftops or other grounds of private businesses and public properties in Virginia. This multi-year pilot program is designed to increase our understanding of community-based solar energy by studying its effects and benefits while supporting the growth of this renewable resource in Virginia.

In 2017, the program completed demonstration projects at the [University of Virginia](#).

By facilitating our customers' ability to generate and sell solar power and RECs, Dominion Energy's consumer solar programs give customers more control over what and how they pay for energy.



UVA Rooftop Solar.

Serving Customers & Communities

# Engaging Communities

Dominion Energy devotes itself to a path that benefits everyone: our customers, our communities, our employees, and our shareholders. We understand and appreciate the value of dialogue and collaboration. So we consistently seek out other perspectives to help inform our decisions.



## Our Engagement Process

We work hard to limit impacts on the environment, landowners and communities. To make sure we better understand our stakeholders' perspectives, we hold public meetings with the communities in which we operate, reach out to a wide range of groups, and are implementing new processes that will help us coordinate with those whose voice is not always heard.

### 2018 TARGET

In 2018, with stakeholders, improvements to our community engagement processes will be identified and implemented. We also will continue to work closely with landowners to minimize impact to their property as we expand both electric and gas infrastructure.

### STATUS

We continued our outreach efforts for the Atlantic Coast Pipeline. We held 25 outreach events concerning our electric transmission projects, attended by nearly 700 people, and held dozens of community meetings to obtain input on our strategic undergrounding program. An environmental justice working group has been established to continue to improve our community engagement process.

to their property as we expand and modernize electric and gas infrastructure. We will further refine our engagement processes, and continue working with landowners to reach mutually acceptable agreements.



## Our Commitment:

We will continue to work with stakeholders to improve the way we engage with our neighbors. We also will continue to work closely with landowners to reasonably minimize impact

We are committed to working closely with all stakeholders in the areas where we live and work.

## Engaging Communities

*Continued*

### Pipeline Routing

We carefully study the effects that our infrastructure projects might have on property owners and others in the vicinity. For example, we spent more than two years conducting an exhaustive review of the Atlantic Coast Pipeline's route. We listened to input from more than 8,800 attendees at scores of public meetings. We considered views from landowners, local governments, environmentalists, historic preservationists, community activists and others. Based on that information, we adjusted the 600-mile pipeline's route more than 300 times.

### Route Alterations

The adjustments we have made ensure that, where possible, the pipeline route avoids wetlands, public drinking water sources, wildlife habitats, private wells, natural springs, and sensitive karst features such as sinkholes and sinking rivers.

When building infrastructure, we conduct informational meetings in which we engage with community members to answer their questions and learn about their concerns. We work with local government, community groups, and residents to find the best solution with the least impact.

We're working in partnership with the natural gas transmission industry to clearly define and communicate these closely held commitments to our landowners and communities. In 2017 we worked collaboratively through INGAA (Interstate Natural Gas Association of America) to develop "Commitments to Responsible Pipeline Construction," which clearly outlines these commitments made in partnership with 26 of our industry peers.

For any infrastructure project, eminent domain remains an absolute last resort. In the case of an interstate natural gas pipeline, it can be used only once a project receives federal approval and only in the relatively small number of cases where an agreement cannot be reached with the landowners. In those cases, a court determines how much landowners should be compensated for the use of their land.



We have adjusted the route for the Atlantic Coast Pipeline to avoid wetlands, drinking water sources, wildlife habitats, and natural springs.



## Engaging Communities

*Continued*

### Environmental Justice

Dominion Energy is committed to hearing, fully considering and responding to the concerns of all stakeholders. This commitment includes ensuring a voice in decisions about siting and operating energy infrastructure is given to all people and communities, regardless of race, color, national origin, or income. Communities should have ready access to accurate information and a meaningful voice in the development process.

#### What We're Doing

By definition, the major tenets of environmental justice — fair treatment and meaningful involvement — are ones the company already embraces. However, these tenets require constant evaluation to appropriately address evolving social expectations. Our own expectations for addressing environmental justice are also informed by the expectations of others, and so we enlist outside perspectives to identify gaps in our processes that could unfairly exclude vulnerable persons.

To proactively address public concern about infrastructure projects and potential effects on certain communities, Dominion Energy is enhancing its focus on environmental justice when it comes to siting and operating its energy infrastructure. This effort is carried out across the Company's Gas Infrastructure, Power Delivery, Power Generation and Services operations and national footprint.

To that end, Dominion Energy recently adopted the following Environmental Justice Policy to guide our work in this area:

#### **Environmental Justice: Ongoing Commitment to Our Communities**

At Dominion Energy, we are committed to providing reliable, affordable, clean energy in accordance with our values of safety, ethics, excellence, embrace change and team work. This includes listening to and learning all we can from the communities we are privileged to serve.

Our values also recognize that environmental justice considerations must be part of our everyday decisions, community outreach and evaluations as we move forward with projects to modernize the generation and delivery of energy.



Dominion Energy frequently holds public meetings to listen to the different perspectives of its many stakeholders.

To that end, communities should have a meaningful voice in our planning and development process, regardless of race, color, national origin, or income. Our neighbors should have early and continuing opportunities to work with us. We pledge to undertake collaborative efforts to work to resolve issues. We will advance purposeful inclusion to ensure a diversity of views in our public engagement processes.

Dominion Energy will be guided in meeting environmental justice expectations of fair treatment and sincere involvement by being inclusive, understanding, dedicated to finding solutions, and effectively communicating with our customers and our neighbors. We pledge to be a positive catalyst in our communities.



## Engaging Communities

*Continued*

### Tribal Engagement

We will work in good faith with Native American tribes on projects that could affect them, and ensure that they have an equal opportunity to participate in the project development process.

### Early Engagement

Coordination with American Indian tribes on energy infrastructure projects has evolved over the past few years through industry experiences, tribal interactions, agency and governmental actions, and our own attentiveness to addressing their unique concerns and questions regarding energy development.

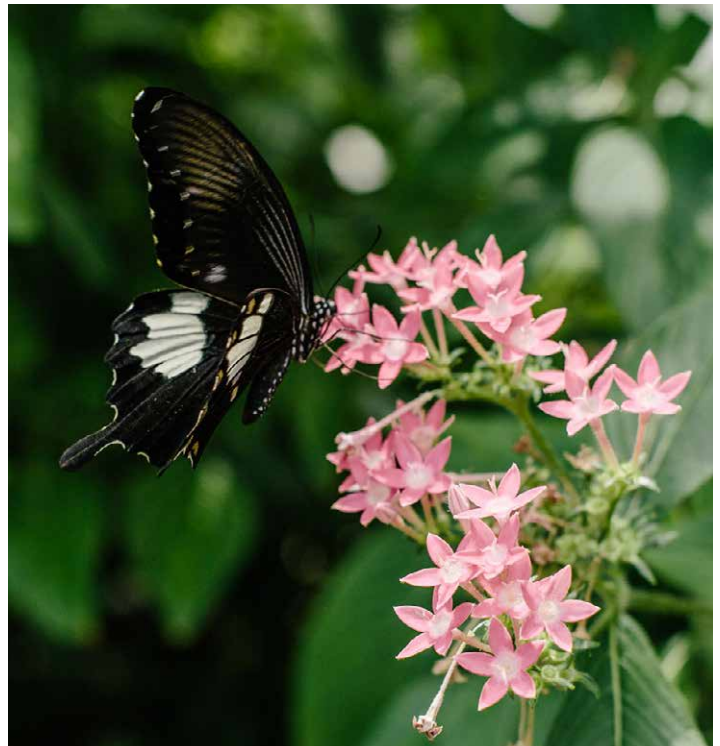
Our aim is to engage American Indian tribes and to develop robust and lasting working relationships. A variety of different statutes, regulations, executive orders and federal policies dictate the legal requirements for formal tribal government-to-government consultation with federally recognized tribes. Dominion Energy always will respect and comply with these well-established procedures. But we will not stop there.

Our aim is to engage Native tribes and to develop robust and lasting working relationships.

In many areas where Dominion Energy does business, Native American tribes have community, religious and cultural ties that may intersect with company interests. Each tribe has its own laws, procedures and guidelines governing activities on tribal lands and ancestral interests. Dominion Energy's policy is to engage with tribes in the early stages — and regardless of their federal-recognition status — as part of project outreach and communications.

For Dominion Energy, engagement means more than simply listening to what someone has to say. Whenever a project has the potential to affect the rights or resources of Native people, Dominion Energy will work directly with the tribe to fully understand their concerns, and determine appropriate measures to avoid or minimize our impacts.

To ensure a focus on meaningful tribal outreach, Dominion Energy has a designated advisor role responsible for leading engagement with Native tribes to ensure proactive, consistent efforts across our footprint.



Serving Customers & Communities

## Safety

Safety plays a vital role in sustainability: Accidents, injuries, fatalities and property damage exact a heavy toll on individuals, families, companies, communities and ecosystems. Sustainable companies put safety first.

## Overall Safety

Dominion Energy places safety as the first among the company's five core values — ahead of ethics, excellence, Embrace Change and One Dominion Energy, our term for teamwork. No other value can last long in any organization that does not put safety first.

### Our Strategy:

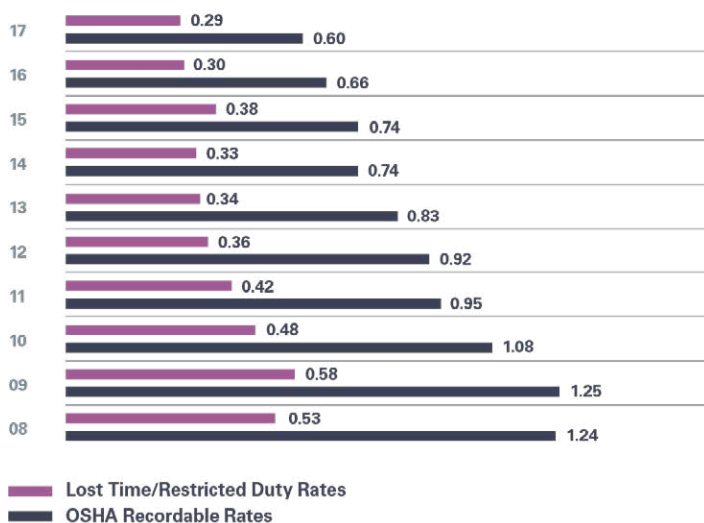
To put safety at the forefront of everything we do and strive constantly toward a perfect safety record.

### How We Performed:

2017 was our best safety year ever. Dominion Energy has cut OSHA-recordable injuries by more than half since 2010, in both actual numbers and on the basis of the OSHA-recordable rate, which is based on a ratio of incidents to hours worked. When there is an emergency gas-related call, company employees are on-site within one hour at least 98 percent of the time.

#### Dominion Energy Safety Metrics\*

Figures represent the number of injuries per 100 employees over the course of the given year.



\*Recast to reflect the inclusion of certain incidents of hearing loss that may be work-related and therefore recordable under OSHA regulations.

2017 results include combined results for Dominion Energy and Dominion Energy West (formerly Questar).

# Safety

Continued

## Overall Safety

2018 TARGETS	STATUS	
We will maintain and enhance our programs designed to maintain zero work-related fatalities and to lead the industry in eliminating serious injuries. We aim to demonstrate that commitment by achieving and maintaining first-quartile performance in the Southeastern Electric Exchange peer utility benchmark.	At the end of the second quarter, we were in the first quartile and second overall for safety performance in the Southeastern Electric Exchange peer utility benchmark.	go beyond compliance and improve our effectiveness. The Dominion Energy pipelines conduct reviews for targeted portions of the pipeline each year. And we have proactively committed to replace 50 miles of bare transmission pipeline by 2020 across the Dominion Energy Transmission, Inc., system.
Dominion Energy's natural-gas division has developed comprehensive pipeline and storage integrity programs for decades. These include ongoing programs that evaluate the condition and threats on pipelines and storage wells to inform decision-making and provide targeted, proactive approaches to Operations and Maintenance. These programs include internal and external corrosion evaluations, smart pigging, aerial and foot patrols, public awareness, landowner engagement, third-party damage prevention, storage-well inspections, high-tech logging of storage well downhole components and many others. For 2018:	Twenty-eight miles of bare pipe have been replaced. 140 remotely controlled valves and 14 mainline valves to enhance the safety of our transmission pipelines were installed by the end of July 2018.	<ol style="list-style-type: none"> <li>2. Dominion Energy pipelines have partnered with the industry to improve response times; to support this initiative, we have committed to install an additional 250 remote controlled or automated valves across the Dominion Energy footprint by 2020.</li> <li>3. As another proactive program to improve response times, Dominion Energy has committed to install 20 additional mainline valves on critical areas of our natural gas pipeline systems.</li> </ol>
1. As part of our comprehensive pipeline integrity programs we consistently seek ways to		By the end of 2019, we anticipate inspecting 125,000 wood poles to ensure that they meet Dominion Energy's safe design standards.
		The company is on pace to complete these inspections.
		Our Western-state gas operations plan to implement a pipeline excavation damage prevention program for safety and to reduce methane emissions.
		In progress and on target.

## Safety

*Continued*

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### Overall Safety

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#### Where We're Headed:

We will continue to improve our safety performance year over year until we achieve our goal: zero safety incidents for both employees and members of the public.

#### Our Commitments:

In workplace safety, we will maintain and enhance our programs designed to maintain zero work-related fatalities and to lead the industry in eliminating serious injuries. We aim to demonstrate that commitment by achieving and maintaining first-quartile performance in the Southeastern Electric Exchange peer utility benchmark, and we strive to achieve first-quartile performance compared to American Gas Association companies of similar size and category.

As part of our comprehensive pipeline integrity programs we consistently seek ways to go beyond compliance and improve our effectiveness. The company pipelines conduct reviews for targeted portions of the pipeline each year. And we have proactively committed to replace 50 miles of bare transmission pipeline by 2020 across the Dominion Energy Transmission, Inc., system. Company pipelines have partnered with the industry to improve response times; to support this initiative, we have committed to install an additional 250 remote-controlled or automated valves across the Dominion Energy footprint by 2020.

As another proactive program to improve response times, Dominion Energy has committed to install 20 additional mainline valves on critical areas of our natural gas pipeline systems.

We also increased the number of storage wells logged to more than 80 percent with plans to exceed 84 percent in 2018, and 87 percent in 2019.

By the end of 2019, we anticipate inspecting 125,000 wood poles to ensure that they meet Dominion Energy's safe design standards.

We are scheduled to inspect approximately 20,000 padmount transformers to ensure that they meet Dominion Energy's design standards by the end of 2019.

In 2017, as part of expanding our already robust pipeline and storage integrity programs, we set a record for miles inspected using smart pigging tools at more than 820 miles in a single year — with plans to pig at least 1,100 in 2018. We also increased the number of storage wells logged to more than 80 percent with plans to exceed 84 percent in 2018 and 87 percent in 2019.

## Safety

*Continued*

### Overall Safety

## Keeping Everyone Safe

Our first and most fundamental workplace goal is to send every employee home safe and sound, every day. That is the only acceptable standard of performance.

A few years ago we launched a vigorous effort to instill safety awareness at every level of our operations. That begins at the very top: CEO Tom Farrell begins each quarterly earnings call with an update about the company's safety performance. Meetings at the company start with a safety message – whether it's a reminder to stay hydrated during hot weather or a warning to steer clear of downed power lines after a storm.

Our philosophy is that working safely is our way of doing business. All employees are expected to follow safe work practices and accept accountability for their actions. On an ongoing basis, all levels of management and employees must work together to foster this safety culture.

That culture is driven by four interdependent components:

1. Management commitment and involvement at all levels
2. Employee commitment and involvement
3. Hazard analysis, prevention, and control
4. Training and education

Our strategy focuses on improving safety performance continually. To do this, the company relies on several basic practices acting in concert. We want to make sure personal accountability for safety remains strong, situational awareness remains high, workplace hazards are minimized, regulatory compliance is achieved, and public safety is never compromised. An active and visible leadership commitment to safety serves as a constant reminder of the important role a strong safety culture plays in the company's overall success.

The core of the safety program rests on a set of corporate policies that set clear expectations for safety excellence. For instance, managers are expected to make sure that



Safety is at the forefront of everything we do.



**Serving Customers & Communities**

# Safety

*Continued*

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## Overall Safety

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employees follow proper safety procedures, that hazards are addressed before work begins, that employees are encouraged to report workplace injuries, and that only trained, authorized employees are permitted to use or maintain machinery and equipment. Among other things, employees are expected to stop working if conditions are not safe, to report safety issues, and to refrain from horseplay or practical joking.

Each business group tailors these policies to their specific work activities. We foster strong collaboration, and share incident information and best practices – both within the company and outside it, through peer groups such as the Southeast Electric Exchange and the Edison Electric Institute, the American Gas Association and the Interstate Natural Gas Association of America.

We reinforce safety expectations with employees and contractors through classroom and practical training on safe work practices, the use of personal protective equipment, and by stressing the importance of situational awareness. To make them effective, the lessons are tailored to specific jobs, and the company safety program is guided by the expertise of safety professionals with extensive education and experience. These efforts have produced a strong safety record that has received industry recognition. In August 2018, Dominion Energy Ohio received the American Gas Association's Safety Achievement Award for excellence in employee safety for large local distribution companies, recognizing DEO's 2017 performance. The company has won the award — the natural gas utility trade group's highest employee safety honor — multiple times. Dominion Energy operations in Utah and West Virginia, as well as Dominion Energy Questar Pipeline and Dominion Energy Transmission, Inc., also received AGA Industry Leader in Accident Prevention awards for performance in 2017.

## Safety

Continued

### Overall Safety

## A Record of Performance

We use engineering controls to increase the margin of safety where specific tasks involve hazards that warrant added protection. Safety specialists from across the company meet regularly. Safety committees include employees and highlight and reinforce heightened safety awareness both at work and at home.

Root-cause analysis enables the company to fully understand and address the factors that contributed to significant incidents. This ensures that the corrective and preventive measures taken in response will be effective.

The results speak for themselves. Dominion Energy has cut OSHA-recordable injuries by more than half from 2010 to 2017, in both actual numbers and on the basis of the OSHA-recordable rate, which is a measure of injuries per 100 employees. At Cove Point, in Maryland, we logged 22.4 million hours of construction and operation worked with zero fatalities and only three injuries since construction began in 2014 – an OSHA-recordable rate of just 0.41.

# 22.4

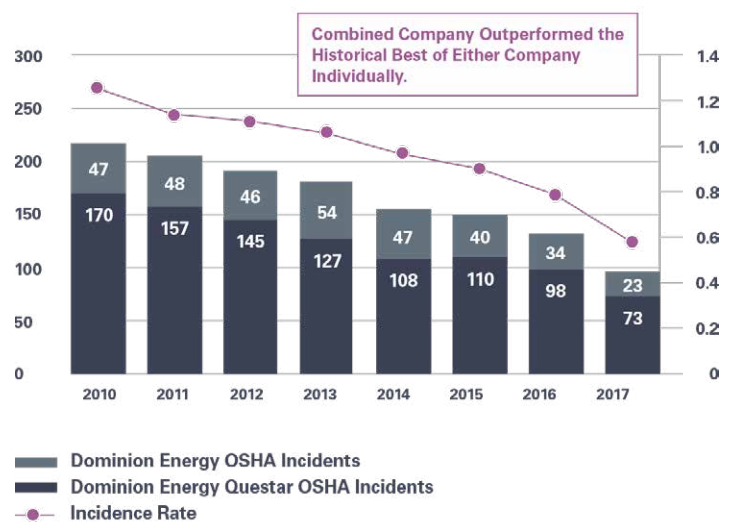
MILLION

Hours of Construction and Operation Worked with 0 fatalities and only 3 injuries. Cove Point, Maryland

All companies have a financial interest in reducing injuries, which raise health care costs and lower productivity. Ultimately, though, our desire to do so is driven by care for one another and the desire to send every person home after a day's work in the same condition as – or better than – when they arrived. Dominion Energy employees care about one another, and none of us wants to see anyone else get hurt. That's why we place such a high emphasis on safety.

But we're not done yet. We set stringent standards for ourselves and strive to lower our incident rates each year. We will not rest until we reach zero – to us, the only acceptable standard.

Dominion Energy OSHA Recordable Injuries 2010 - 2017



## Safety

*Continued*

### Natural Gas Safety

The systems that produce and transport natural gas can be hazardous when not handled properly. That's why Dominion Energy takes extensive measures to minimize the risks presented by its infrastructure.

### Pipeline Integrity

We go above and beyond the strong federal and state regulations for natural-gas pipelines.

We inspect and assess our transmission pipelines in many ways. Three particular ways are patrols, smart pigs and continuous monitoring by gas control. In addition to regular aerial observation and foot patrols, we also inspect pipelines from the inside, using sophisticated devices called smart pigs. These devices use computerized sensors capable of detecting and reporting anomalies such as dents and corrosion, enabling us to make appropriate repairs to ensure the integrity of the pipe. Dominion Energy uses smart pigs on more than half of its 8,000 miles of our transmission and storage system — well beyond regulatory requirements. Finally, pipelines are monitored around the clock from our Gas Control Command Centers.

We continuously monitor the pressure, temperature, and flow of gas through remote sensors placed along the entire length of a pipeline. Remote-controlled safety shutoff valves allow Gas Control operators to immediately shut off the flow of gas and isolate individual sections of pipeline if needed. Our redundant layers of protection for the Atlantic Coast Pipeline include steel pipe that is half an inch to three-quarters of an inch thick, covered with a corrosion-resistant epoxy layer. Before the ACP enters service, we will inspect every weld with ultrasonic testing and pressure-test the entire line to ensure both the pipe and the welds are secure.

Dominion Energy is committed to maintaining the integrity of its transmission pipeline system. To prevent external corrosion, we operate cathodic protection systems on our underground steel assets. In addition to annual monitoring at key locations, we perform detailed corrosion surveys for an average of 1,000 miles of transmission pipeline each year, to ensure these protection systems are functioning effectively. Internal corrosion is prevented through vigilant monitoring of constituents in the gas stream, evaluating potential impact



# 55

#### PERCENT

of 8,000 miles of our  
transmission and storage  
systems use smart pigs.

to our assets, and applying targeted mitigative measures. We also examine the internal and external surfaces of our assets whenever operating and maintenance activities provide such opportunities, in order to validate the effectiveness of our programs.

Additional safety assessments for transmission and storage pipelines occur on both a cyclic and as-needed basis. These efforts help make serious incidents related to natural gas transmission and distribution in the United States rare.

This redundant system of vigilant monitoring enables us to detect and fix any problems in our system long before they present a hazard. We also have committed to expand the number of remote-controlled valves to lower response times even further.



## Safety

*Continued*

### Natural Gas Safety

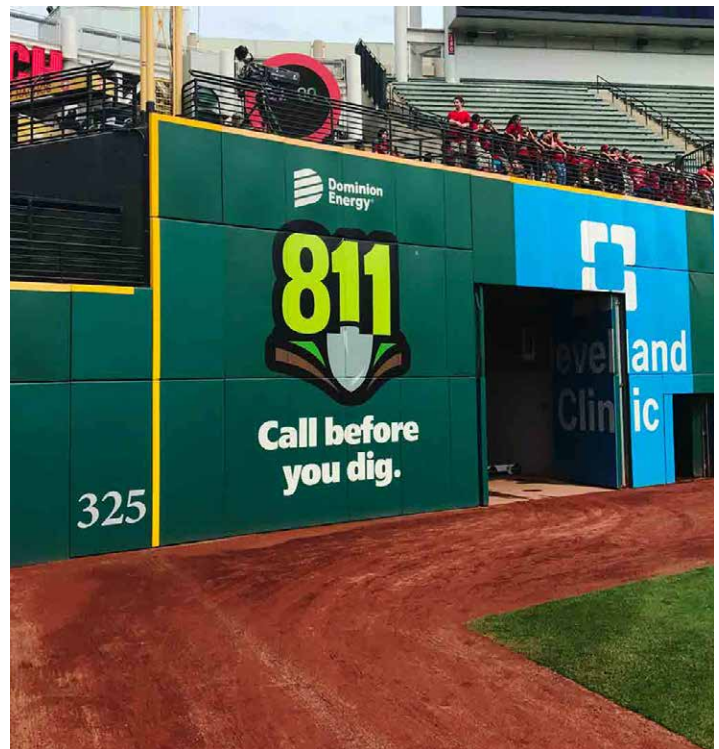
## Protecting the Public

But we know it's not enough just to meet high safety standards. Over the past 20 years, third-party damage has been the primary cause of incidents on natural gas pipelines, accounting for about 25 percent of all serious incidents on transmission pipelines and about 33 percent on distribution pipelines.

So Dominion Energy also conducts public awareness programs to educate landowners near company facilities to help protect them and their communities. This is especially important along the 66,600 transmission and distribution miles of pipeline we operate across 11 states — Ohio, Pennsylvania, Maryland, New York, Virginia, North Carolina, West Virginia, Utah, Idaho, Wyoming and Colorado.

In order to protect our underground gas transmission pipelines from third-party damage, we are active in — and support laws requiring — the use of the 811 “Know what’s below; call before you dig” one-call system. Anyone planning to do work that disturbs the soil beneath streets, sidewalks, yards, farms, or other property is required to call the single designated number. All utilities, authorities, and others mark their underground facilities before work begins. Excavators can call the one-call system in their state or the national one-call number: 811. Dominion Energy typically receives and responds to more than 50,000 excavation activity notifications per year near our underground transmission pipelines. These one-call programs are a valuable component to protect our system and to ensure safe operations. It’s important to us that our customers and employees know how to take safety precautions around both electric and gas infrastructure. And when there is an emergency gas-related call, company employees are on-site 98 percent of the time.

In Ohio, Dominion Energy teamed up with the Cleveland Indians to promote the Call 811 safety message in 2017 through signage at Progressive Field. The venture built on similar promotions with the NBA’s Cleveland Cavaliers, the American Hockey League’s Cleveland Monsters and the Arena Football League’s Cleveland Gladiators at the Quicken Loans Arena.



Natural Gas “Call Before You Dig” program.

## **Safety**

*Continued*

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### **Natural Gas Safety**

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In Utah, employees make roughly 100 safety presentations each year to community organizations, informing customers about earthquake preparedness, natural gas safety, the safety of high-pressure pipelines near their homes and businesses, ways to identify leaks, and what to do in the event of an incident.

We conduct campaigns every fall to encourage customers to have a licensed heating expert check furnaces before winter, and we partner with Utah Poison Control, the Utah Health Department, and the Utah Unified Fire Authority each year to educate the public about carbon monoxide. We sponsored the Utah Safety Council Safety Conference and Expo in 2017 and 2018, and plan to continue our sponsorship in 2019.

## Safety

*Continued*

### Natural Gas Safety

## Safe Storage

Dominion Energy operates over 2,300 storage wells, which are used for injection and withdrawal of gas from our underground natural gas storage formations. We have completed well casing inspections using advanced technology logging tools on over 80 percent of these storage wells, and have plans to expand the program each year.

Dominion Energy's storage holdings also include 21 underground depleted hydrocarbon reservoirs in Ohio, West Virginia, Pennsylvania, New York and Utah, and three aquifer reservoirs in northern Utah and Wyoming. Aquifers are underground, porous and permeable rock formations that act as natural water reservoirs that, in some cases, may be used for natural gas storage.

Dominion Energy has successfully managed its natural gas storage facilities since it began storing natural gas for customers in the 1930s. Many of our storage wells are depleted production wells that have been redesigned for gas storage; other storage wells have been drilled specifically for that purpose.

The storage wells are designed to withstand the high pressures associated with compression and withdrawal. Ongoing casing integrity inspection logging allows for monitoring the condition of the casing that contains the storage pressure in the wells. Our wells contain up to three concentric linings. On many, the innermost casing is cemented to the surface to provide additional leak prevention.

Dominion Energy has been using electronic logging since 2000, before it was required by the Pipeline and Hazardous Materials Safety Administration. The process involves lowering a high-resolution electronic device into the well to take electromagnetic readings over the entire length of the well.

Under normal operations, fugitive methane emissions from underground storage field wellheads owned by Dominion Energy constitutes less than 1 percent (and usually closer to 0.2 percent) of Dominion Energy's total inventoried methane



Our storage wells are designed to withstand the high pressures associated with compression and withdrawal.

## Safety

*Continued*

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### Natural Gas Safety

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emissions. This estimate is based on the methodology specified by the EPA's Greenhouse Gas Reporting Program for underground storage facilities.

We take into account a variety of parameters in deciding how often to perform casing inspection logging on our storage wells. This work is prioritized using a risk ranking, which takes into account factors such as depth, operating pressure, and location. In the event of a major leak, Dominion Energy has in place site-specific Emergency Plans for each storage field.

Our integrity programs include:

- Periodic well casing integrity inspections for internal and external corrosion;
- Regular inspections to verify well status and pressure, and to look for signs of atmospheric corrosion, vent gas, or leaks;
- Remote monitoring; and
- Monitoring of third-party drilling activities in and around storage pools.

## Safety

*Continued*

### Electric Safety

Electricity, energy's most easily controllable form, is an indispensable tool in building and sustaining modern societies. At Dominion Energy, we take extensive precautions to protect our employees, our contractors and the public from any electrical mishaps.

### Precautionary Measures

The Dominion Energy Transmission and Distribution group is engaged in a series of projects centered on two main concerns: systems safety and reliability across local, state, federal and National Electric Safety Code levels. These concerns are addressed before, during and after all project plans are implemented.

- We conduct diligent inspections to ensure all our equipment is safe for those in the community and for our lines crews. By the end of 2018, we will have inspected 125,000 wood poles to verify they meet our stringent safety requirements.
- We work closely with fire, police and ambulance providers to help educate them on the dangers of electricity and what to do when coming across downed electrical wires and energized homes that are on fire.
- We use our "safety village" tool to demonstrate electrical safety concepts at schools and community events.
- We provide the public with a variety of safety tips to reduce electricity-related accidents or injuries.



Crews regularly inspect equipment to ensure it is safe for those in the community.



## Safety

*Continued*

### Electric Safety

## Power Line Projects

Dominion Energy continues to invest in high-voltage transmission assets to strengthen grid reliability for our electric customers. We constantly work to replace aged infrastructure. For example, we are rebuilding the 500-kilovolt loop that serves as the backbone of our service area. Another approach we are pursuing is investing in new transmission facilities to support expansion of electrical needs across our system.

### Smart Meters

In markets where we have received regulatory approval, Dominion Energy uses smart-meter technology. These new meters help drive safety by increasing the speed with which we respond to outages. The meters help pinpoint the outage locations so that we can reduce truck rolls and eliminate wasted time on the roads. Smart meters also reduce the number of trucks on the road for meter-reading. Smart meters mean fewer trucks on the road, less potential for accidents and fewer intrusions onto private properties.

### Strategic Underground Program

Dominion Energy Virginia's Strategic Underground Program is a system-wide initiative to shorten restoration times following significant storms. The project involves placing outage-prone overhead electrical distribution lines underground. The overhead electrical wires in neighborhoods sustain the most damage during bad weather.

The result: Communities now enjoy more reliable power supply and better electrical safety. With more lines underground, there is less potential for trees to knock over overhead electrical infrastructure. This keeps the public safe and reduces opportunities for our employees to be injured while repairing downed power lines in hazardous conditions.

### Unmanned Aerial Inspections

High-voltage transmission lines have a significant role in the overall performance of the electrical network. Dominion Energy continues to utilize Federal Aviation Administration-approved service providers with the requisite training and authorization to inspect our transmission lines and



Dominion Energy Virginia's Strategic Underground Program, which begins with public outreach in outage-prone areas, involves placing overhead electrical distribution lines underground.

## Safety

*Continued*

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### Electric Safety

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towers. These providers are also trained in use of Unmanned Aerial Vehicles (drones) to accomplish this task. This program improves safety, shortens the time needed to patrol transmission lines, and reduces the need to use helicopters during inspections. Since its inception, Dominion Energy has inspected more than 200 miles of transmission lines and more than 2,000 structures.

#### Substation Fence

Dominion Energy enforces NESC, ANSI C2 rules and complies with OSHA regulations. Appropriate signage marks all relevant areas in and around our substations and switchyards. Additionally, the company maintains a concerted effort to harden boundaries and implement sophisticated asset monitoring around the perimeter of our substations. These steps improve the safety and security of the communities we serve.

#### Tree Trimming and Cutting Right-of-Way

Physical contact with energized power lines can cause electric shock, serious injury or death. Direct or indirect human contact with power lines could be caused when live power lines are blown down by falling trees or branches. The resultant flashover causes line voltage increases, which are especially dangerous for all within that community.

Dominion Energy manages this risk by regularly trimming trees and vegetation around overhead power lines in all our service territories. In keeping with company policy, persons working on power lines to perform tree trimming activities must be certified through company-approved training courses provided by qualified training authorities.

We also require that a safety specialist or a supervisor be present for all tree trimming to make sure all team members comply with company-specific safety practices. Safety specialists at our work sites have the authority to stop work at any time if they believe safety is compromised.

## Safety

*Continued*

### Electric Safety

## Defensive Driving

Our certified trainers offer eight-hour defensive driving courses to qualifying employees throughout our service territories. The courses are provided in a range of affordable options and formats to meet the needs of our organization. More than 3,000 employees have completed this training (as well as DMV escort and CDL training) in the last two years alone. Through this program, Dominion Energy expects to improve employee and public safety, better control liability costs associated with work-related vehicle crashes, reduce insurance premiums and reduce vehicular repair bills.



More than 3,000 employees have completed our extensive driver training program in the last two years.



## Safety

*Continued*

### Electric Safety

## Safety and Contractor Oversight

Employee safety is a top priority. Dominion Energy emphasizes the importance of safe work environments by maintaining extensive safety qualifications under Work Zone Traffic Control, OSHA, DMV, and other oversight controls and affiliations. Furthermore, it has implemented programs such as job safety assessments, root cause analyses, a quick-information database called The Source, and health and safety training plans to promote employee awareness. Through these carefully crafted programs, we are relaying to each team member the central role they play in creating injury-free work environments.

Dominion Energy's commitment to safety extends beyond its employees to include all contractors. Here are a few measures currently taken to illustrate this:

- Contractors are approved and tracked on their past safety statistics.
- Contractors are assigned on-site coordinators to monitor their safety performance.
- Dominion Energy conducts field audits to ensure our contractors meet all safety expectations.
- Contractors, like employees, must report all observed hazards and incidents. We believe the value of reporting and investigating all incidents outweighs simply tracking lost-time injury rates.



Safety awareness, such as this slip-and-fall prevention exercise, is one of many safety training programs at our company.

Serving Customers & Communities

## Safety

*Continued*

### Electric Safety

## Work Methods

The Dominion Electric Safety and Training staff works diligently to review, develop and implement work procedures required to efficiently and safely install, operate and maintain electric facilities. This includes addressing new technologies, smart grid, and distributed generation such as wind and solar.

Another component of work methods is to evaluate, test and implement new tools and equipment to enhance the safety and efficiency of our specialized work force.

We actively participate in industry working groups such as the Edison Electric Institute and the Southeastern Electric Exchange to stay abreast of new regulations, learn about new technologies, tools and equipment and collaborate on best practices used by Dominion Energy and peer companies.



We work together to develop and implement efficient, safe systems and work procedures.

## Safety

*Continued*

### Nuclear Safety

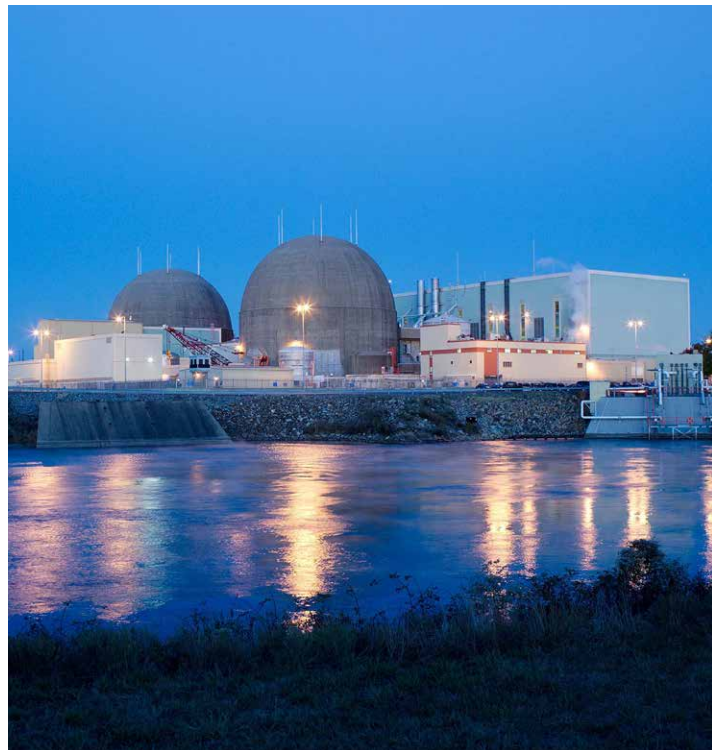
Nuclear power stations are designed, built, operated and guarded with multiple, redundant layers of safety and security to ensure that nothing will go wrong – and that in the event of an unlikely mishap, the system will shut down immediately and the consequences will be completely contained.

### From Safe to Safer

Dominion Energy's three nuclear stations serve the largest segment of the company's electrical customers. The Millstone, North Anna and Surry nuclear stations are the workhorses of the company because they run 24 hours a day, seven days a week over 18-month fuel cycles to provide safe and reliable electricity with virtually no greenhouse gas emissions.

While nuclear energy is one of the safest electrical production technologies in the world, the accident at Japan's Fukushima Daiichi power station in 2011 led to many changes across the nuclear industry. The Nuclear Energy Institute, the Institute of Nuclear Power Operations and the Electric Power Research Institute formed the Fukushima Response Steering Committee to coordinate and oversee industry response activities. The industry's "Way Forward" strategy constitutes a coordinated approach that integrates all industry parties' response to the Fukushima incident.

The nuclear energy industry's primary and constant goal is to make safe nuclear facilities even safer. Nuclear stations are designed with multiple and redundant safety systems that back one another up in the event that any one system or piece of equipment fails. This is known as "defense in depth." The various levels of protection are not only redundant, they also are independent of one another. So if one fails, the others can continue protecting the plant, its workers, and the general public.



North Anna Nuclear Power Station.

## Safety

*Continued*

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## Nuclear Safety

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### Inside the Plant

Nuclear stations are built with safety in mind.

Here's how that works:

The nuclear reactor is used to fission uranium atoms. The heat from this process is transferred in the reactor coolant system to a set of steam generators, which convert water in a secondary system into steam to spin the turbines to generate electricity. Water from a nearby water source — the Long Island Sound for Millstone, Lake Anna for North Anna, and the James River for Surry — is used to condense the steam back into water, to be reheated in a continuous steam cycle. The water used to condense the steam does not mingle with the water used in the steam cycle. Each nuclear unit is designed so that the reactor coolant system continually re-circulates water used to cool the nuclear fuel in the reactor, preventing any radioactive materials from entering outside environment.

America's nuclear facilities are designed and built to withstand extreme natural forces, from hurricanes to earthquakes, and the added safety margins have paid off. In 2011, a 5.8-magnitude earthquake struck a region of Virginia 11 miles away from Dominion Energy's North Anna nuclear facility. Both reactors shut down automatically, and emergency equipment safely cooled both reactors, as it was designed to do. The fuel in a nuclear power plant is enriched to a concentration level so low that it cannot explode. In the unlikely event of an accident, the containment building housing the reactor is designed to prevent any radioactive material from escaping into the environment. Incidents like the one at Chernobyl cannot occur in the United States. The Chernobyl plant did not have containment barriers, which are now required throughout the world. The 1986 disaster in the former Soviet Union was the product of a severely flawed reactor design and serious mistakes made by the plant operators, who violated procedures intended to ensure safe operation of the plant.

A severe nuclear power plant emergency, while highly unlikely, would most likely not be a sudden event. It probably would take hours or days to develop. In such a situation, if

all redundant safety systems failed to maintain the station in a safe condition, Dominion Energy has a separate set of equipment — including portable electric generators, water pumps and hoses — that can be put in place to keep the station safe. This "FLEX" equipment was installed at every nuclear station in the U.S. following the Fukushima Daiichi accident in Japan. State and local officials would have ample time, in a coordinated effort with Dominion Energy, to take any actions necessary to protect the public.



## Safety

*Continued*

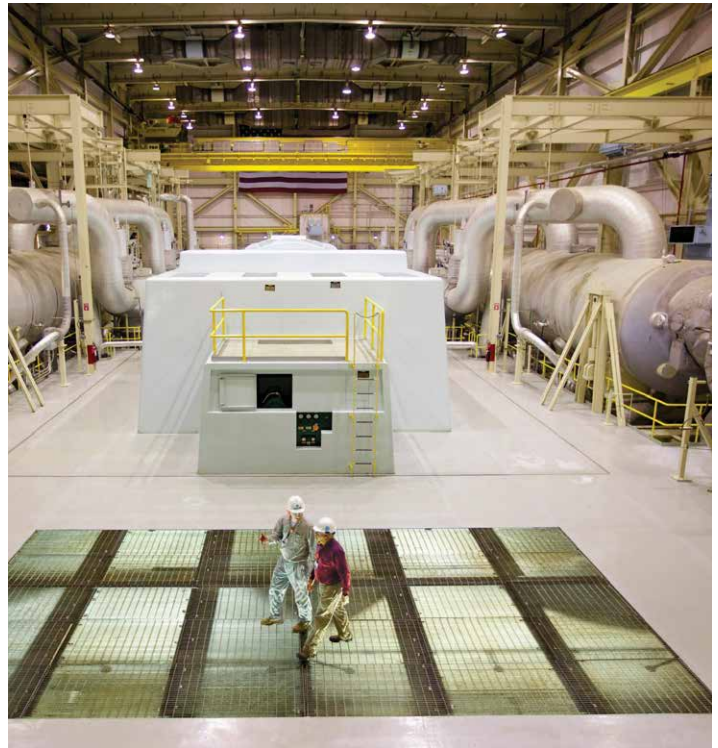
### Nuclear Safety

## Training and Oversight

Nuclear stations are run by professionals licensed by the U.S. Nuclear Regulatory Commission (NRC). Highly trained, heavily armed security officers protect the facilities from external threats. Employees are thoroughly vetted through background checks, drug and alcohol screening, psychological screening, a review of education records, interviews with former employers and credit-history reviews. The company has a program to ensure employees are fit for duty on the job. At least half of employees are subject to random drug and alcohol testing each year.

The Nuclear Training Department at each site and company management ensure that operators maintain high levels of safety and proficiency. The Training organization also brings to the operators' attention any industry operating experience that might have affected nuclear units at other sites around the nation and the world. Operators are expected to internalize the lessons from these episodes to avoid repeating the same experience. They are accountable to the federal government for the safe operation of each station. They spend 20 percent of their time — the equivalent of one day out of every work week — in classroom and simulator training. In addition, they undergo testing throughout their careers to maintain their qualifications to run the units.

Dominion Energy is subject to the oversight not only of the NRC, but also of the Institute of Nuclear Power Operations (INPO), an organization dedicated to the safe, efficient, and excellent operation of nuclear stations. While the NRC's sole charge is to ensure that nuclear units are operated safely and provides the public with an ongoing, Web-based assessment of each unit's performance based on a series of safety metrics, INPO's oversight program is geared toward ensuring that employees engaged in nuclear operations are proficient at their work and exemplary in their performance, so that nuclear operating standards are maintained at very high levels of safety and excellence.



Millstone Nuclear Power Station.

# 20

#### PERCENT

time spent - the equivalent  
of one day out of every  
work week - by Operators  
in classroom and simulator  
training

Serving Customers & Communities

## Community Development

Sustainability is about meeting needs and fostering growth – now and in the years to come. Our core business does these things by providing energy for homes and businesses, and the systems that power the U.S. economy. But every community has a host of other worthy endeavors that can benefit from informal networks of caring people who find joy in helping others.

## Investing in Communities

At Dominion Energy, we have a long tradition of putting goodwill into action. As far back as 1918, employees of Virginia Railway and Power Co. joined forces to package boxes of food and deliver them to families in need during the holidays. Today, our employees and retirees still take pleasure in giving time and money to the communities where we live and serve, and Dominion Energy takes pleasure in helping them do so.

### Our Strategy:

Dominion Energy seeks to be a trusted, respected service provider and a permanent, positive fixture in the communities that we serve. To achieve this, we invest our time and funds to serve human needs, environmental stewardship and other worthy causes in the communities to which we belong. We demonstrate that we care about the communities we serve through charitable giving, energy assistance, volunteer activities and educational programs. We actively encourage our employees to donate their time and money to address community needs.

### How We Performed:

In 2017, more than 640 employee volunteers completed 29 “Energizing Our Communities” projects in nine states. All told, our employees logged a record-setting nearly 125,000 volunteer hours to benefit our community partners. Dominion Energy and its Charitable Foundation contributed \$20 million to charity and \$8.8 million for energy assistance throughout our footprint and beyond. We matched nearly 5,000 gifts made by our retirees and employees that totaled \$2.4 million. We increased our supplier diversity spending by 48 percent from 2013 through 2017. We held matchmaking events pairing

local businesses with our employees to discuss supplier capabilities and upcoming opportunities.



Dominion Energy employee volunteers participate in a wide variety of efforts to help weatherize and improve homes for the elderly, veterans, those on low incomes and others.

## Serving Customers & Communities

# Community Development

*Continued*

## Investing in Communities

2018 TARGETS	STATUS	
In support of our partnerships with small, local, and diverse businesses, we will conduct matchmaking events, pairing local businesses with our own employees, to discuss upcoming opportunities. We will continue to cultivate and expand relationships with local businesses and advocacy organizations to encourage economic growth in our communities.	We have held a number of matchmaking events pairing local businesses with our employees to discuss supplier capabilities and upcoming opportunities.	organizations to encourage economic growth in our communities.
In 2018, we plan to invest more than \$30 million (a 50 percent increase over our original target for the year) to support community needs in addition to encouraging and supporting employee volunteerism. Our goal is also to exceed 100,000 hours of employee volunteer time.	We are on course to meet or exceed these targets.	In 2019, we plan to invest more than \$30 million to support community needs in addition to encouraging and supporting employee volunteerism. Our goal is also to exceed 100,000 hours of employee volunteer time.  In 2019, our volunteers will weatherize 10 homes of veterans in need.

### Where We're Headed:

In 2018, we plan to invest more than \$30 million to support community causes. Our goal is to exceed 100,000 hours of employee volunteer time. We will continue to encourage and support employee volunteerism, and to host matchmaking events to discuss upcoming opportunities.

### Our Commitments:

In support of our partnerships with small, local, and diverse businesses, we will conduct matchmaking events, pairing local businesses with our own employees, to discuss upcoming opportunities. We will continue to cultivate and expand relationships with local businesses and advocacy

## Community Development

Continued

## Investing in Communities

### Philanthropy

Through its [Dominion Energy Charitable Foundation](#), as well as [EnergyShare](#) and other programs, Dominion Energy is contributing more than \$30 million in 2018 to community causes throughout its footprint and beyond. The Dominion Energy Charitable Foundation is the philanthropic arm of our company. Its overriding purpose is to improve the physical, social, and economic well-being of the communities served by Dominion Energy. The Foundation is a registered 501(c)(3) charitable entity governed by a board of directors consisting of Dominion Energy officers and staff. A corporate group of regional Community Investment Boards advises the Foundation board, assisting with grant proposal reviews and making recommendations.

Here are some of the areas we focus on:

- **Human needs** grants that support increased food security, housing and shelter, and access to basic medical and health care.
- **Environmental stewardship** grants to protect natural resources and help non-profit organizations make efficient use of energy.
- **Education** grants to develop the capacity of the future workforce, especially in STEM and energy fields.
- **Community vitality** grants to foster an appreciation of diversity, revitalize neighborhoods and ensure a vibrant community through support of cultural endeavors.

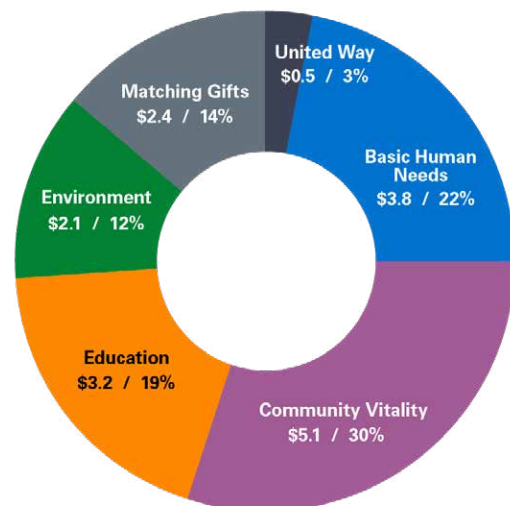
Since 2015, the Dominion Energy Charitable Foundation has been awarding up to \$1 million annually in targeted grants that address specific critical needs to 501(c)(3) nonprofits in communities served by Dominion Energy. The Dominion Energy Charitable Foundation will consider grant requests, up to \$25,000 each, that support housing and shelter, access to medicine and medical services (including mental health services), or increased food security.

### FutureHaus at Virginia Tech

In February 2018, the Foundation made a \$150,000 grant to FutureHaus at Virginia Tech — a multi-disciplinary project that built a net-positive-energy solar house, which was later

Dominion Energy Charitable Foundation giving by Category, 2017

\* Does not include EnergyShare funding.





## Serving Customers & Communities

# Community Development

*Continued*

## Investing in Communities

entered in an international competition in Dubai. The house, developed by 65 students from 14 disciplines, is made out of modular, pre-wired “plug-and-play cartridges” and includes other advanced home technologies such as voice-activated appliances and smart kitchen fixtures. The team from Virginia Tech — the only U.S. team included among the 22 universities from around the world that participated in the competition — took first place.



FutureHaus at Virginia Tech

## J. Sargeant Reynolds Community College

In May, the Foundation made a \$250,000 grant to J. Sargeant Reynolds Community College to support need-based scholarships for public-housing and low-income residents of the East End community in Richmond, Virginia. The scholarships will enable students to attend Reynolds’ award-winning Culinary Arts program, along with other occupational and academic programs, developing a talent pipeline of skilled culinary and hospitality professionals critically needed in the Richmond region’s popular and rapidly expanding food and hospitality scene — which is expected to need 3,000 more workers in culinary and culinary-related fields annually in the coming years.

Serving Customers & Communities

## Community Development

*Continued*

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## Investing in Communities

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### Renewable and Sustainability Projects

For years, Dominion Energy has been investing in environmental, renewable and sustainability projects by giving grants to support outside projects and by pursuing sustainability projects of our own. Those projects include everything from a \$4,000 grant to support Kid Pedal Power at Greenwood Elementary School in Virginia to the 71-megawatt Solvay [solar energy project](#) that came online in December, 2017.

For a complete list of Dominion Energy's renewable-energy projects, [click here](#).



In 2017, Dominion Energy brought online 466 megawatts of solar generating capacity in California, North Carolina, South Carolina and Virginia.

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## Community Development

*Continued*

## Investing in Communities

### Volunteering

Dominion Energy's formal community service program has thrived for more than three decades of volunteerism. Each year, the company sponsors one day of paid volunteer time for each non-union employee and encourages participation in company-sponsored volunteer events. Our goal is to exceed 100,000 hours of employee volunteer time. (In 2016 and 2017, employees logged more than 200,000 hours of volunteer time and participated in more than 60 employee-led "Energizing Our Communities" projects.) We focus on the things that matter most — protecting natural resources, investing in education, supporting veterans, and revitalizing neighborhoods.

Since the fall of 2000, Dominion Energy volunteers have participated in more than 275 employee-nominated and -led projects to support environmental efforts. Our volunteers have helped beautify parks, assisted with erosion-control projects, removed invasive species, cleaned rivers, replaced osprey platforms, restored greenhouses, built urban gardens, and much more.

Our volunteer efforts extend beyond the natural environment. Dominion Energy volunteers also have assembled and distributed emergency preparedness kits, installed access ramps for the disabled, and prepared and delivered meals to the home-bound.

In 2017, volunteers completed 29 projects in nine states. This involved more than 640 employee volunteers and \$74,000 in funding from the [Dominion Energy Charitable Foundation](#).

A sample of our efforts:

- In Connecticut, Dominion Energy volunteers revitalized the main building exterior of the Eugene O'Neill Theater Center.
- In Pennsylvania, volunteers installed pathways to increase safety and reduce erosion and removed invasive plants at the Keystone Elk Country Alliance/Elk County Visitors Center.

- In Utah, volunteers built bird boxes to attract natural pest-control predators for the garden at the 9 Line Garden/Wasatch Community Gardens.
- In Virginia, employee volunteers tackled the trash at Great Shiplock Park in Richmond, a historic urban park along the north bank of the James River.

Those are just a few of the many ways Dominion Energy has tried to help improve our communities. Last year, employees who volunteered through the "Energizing Our Communities" program also planted shrubs and flowers at the St. Francis Home, an assisted-living facility in Richmond; [restored](#) a historic schoolhouse in Louisa County, Virginia; and helped turn a vacant lot into a mini-golf course in Rock Springs, Wyoming.



Dominion Energy West volunteers.

# 275+

**EMPLOYEE-NOMINATED  
AND -LED PROJECTS**  
since the fall of 2000

Serving Customers & Communities

## Community Development

*Continued*

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## Investing in Communities

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### Special Events

Dominion Energy sponsors two holiday light shows, both featuring LED lights that require less energy and shine more brightly. The Dominion Energy GardenFest of Lights at Lewis Ginter Botanical Garden is one of the Richmond area's largest holiday light displays. A similar display is held annually at the Norfolk Botanical Garden, and Dominion Energy, through its foundation, is the title sponsor.

Dominion Energy also hosts the Dominion Energy Charity Classic. Now in its third year, the Charity Classic features the top 72 players for the first playoff event in the bid for the 2018 season-ending PGA TOUR Champions Charles Schwab Cup. In addition to bringing exceptional golf to the Commonwealth of Virginia, the Dominion Energy Charity Classic has given more than \$600,000 to charities in our community including the Virginia Values Veterans (V3) program, a division of the Virginia Veterans Services Foundation, and the Richmond Fisher House, which provides lodging to the families of those being treated at the Hunter Holmes McGuire Veterans Affairs hospital.



The Dominion Energy Charity Classic golf tournament has given more than \$600,000 to charities in our community including the Virginia Values Veterans (V3) program, a division of the Virginia Veterans Services Foundation, and others benefiting veterans.

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## Community Development

*Continued*

### Helping Those Who Need It

From providing bill assistance to matching employee gifts to supporting veterans, Dominion Energy constantly looks for new avenues to help those who need it and to expand those avenues already in place.

### Matching Funds

The Dominion Energy Charitable Foundation has a dollar-for-dollar funds-matching program to encourage our employees (including part-time employees) and retirees to support eligible non-profit organizations where they live and work. Employees and retirees can request matching gifts of up to \$5,000 per calendar year.

To encourage community service, any employee or retiree who (a) serves on the board of directors of a qualified recipient organization or who (b) gives at least 50 hours of volunteer service per year to that organization can request a 2-for-1 match of a gift once each calendar year.

In 2017, Dominion Energy matched \$2.4 million in charitable gifts to qualified non-profits in 44 states.



Dominion Energy employees spent nearly 125,000 hours in 2017 volunteering in their communities.

## Community Development

*Continued*

### Helping Those Who Need It

## Supporting Veterans

In 2017, the Dominion Energy Charitable Foundation awarded more than \$900,000 in grants to provide services to veterans and military families. These include workforce programs, transitional housing and shelters, medical services (including addiction recovery), and family support.

Dominion Energy employees support veterans through bill payment assistance and coordinated volunteer efforts. Through EnergyShare, the company partners with departments of veterans' services to provide energy vouchers for vets in need. The program also has weatherized homes for veterans, including transitional-housing facilities.

As part of a Wounded Warriors project in West Virginia, employees served as fly-fishing guides with the Potomac Highlands Wounded Warrior Outreach and the Veteran of Foreign Wars organization. For three days, 11 Dominion Energy employees shared their expertise on the fine art of casting, catching and landing the elusive trout, which is then released. The veterans soon realized that despite some limitations, they can participate in activities that were once considered too difficult or even impossible.



Wounded Warriors Fly Fishing event, 2017.

## Community Development

*Continued*

### Education

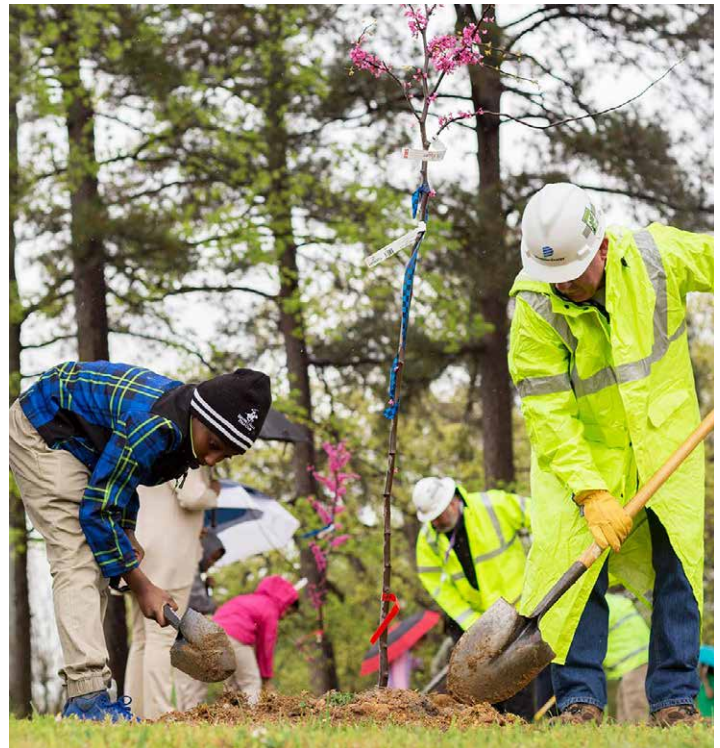
Few activities embody the ethos of sustainability more than preparing the young for the future. In that spirit, Dominion Energy has developed several programs to educate tomorrow's leaders about energy and the environment.

### Local Partnerships

We work with a wide array of local institutions and organizations to help bring up the next generation of scientists, engineers, environmentalists and other skilled workers.

A few examples:

1. Dominion Energy sponsors Project Plant It!, partnering with Arbor Day Foundation and local organizations to teach students about the environmental benefits of planting trees. Students from local schools, Girl Scout and Boy Scout troops, civic associations, and more take part in our interactive lessons and are given tree seedlings to plant at home or at school. In April 2018, the project reached a major milestone: the distribution of 500,000 tree seedlings since the program began in 2007. According to the Virginia Department of Forestry, this equates to about 1,250 acres of new forest if all of the seedlings are planted and grow to maturity.
2. The Dominion Energy Charitable Foundation provides environmental-education grants for schools that teach students and the public about environmental stewardship, protect and preserve natural habitats, and improve open spaces and make nature accessible. These grants are highly competitive. In early 2017, the Foundation awarded \$1.2 million to more than 100 organizations — in Connecticut, Maryland, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Virginia, and West Virginia.
3. The Dominion Energy Envirothon is a team-based natural resources competition for high school students throughout Virginia. Students learn stewardship and management concepts and work to solve real-world environmental problems. During regional competitions, teams of high



Project Plant It! activity.



## Community Development

*Continued*

### Education

school students are tested on their knowledge of natural resources, including soils, forestry, wildlife, aquatics, and a current environmental issue. Students visit five “in-the-field” test stations, where written and hands-on problem-solving is required along with an oral presentation formulating a strategy to address a specific environmental issue they’ve researched. Winners of the regional competitions move to the Virginia statewide competition, and those winners attend the North American Envirothon. The company has sponsored this project, in partnership with the Virginia Association of Soil and Water Conservation Districts, since 2011.



Envirothon 2017, Mt Solon.

A video discussing the Envirothon is available [here](#).

In 2018, thanks to a Dominion Energy environmental grant, several new educational opportunities at Virginia Commonwealth University’s Rice Rivers Center will arise. The grant is being used to restore a pier, which will provide students with safe and secure access to resources that will enhance their knowledge about the environment. You can watch a brief video about the project [here](#).

## Community Development

*Continued*

### Education

## Scholarships

Dominion Energy offers a variety of scholarships, including:

### Diversity Scholars

We are increasing the diversity scholarships designated for highly qualified female and minority candidates — with more to come. These scholarships also include paid summer internships at Dominion Energy.

### The Dominion Energy Careers in Energy at Three Rivers Community Technical College

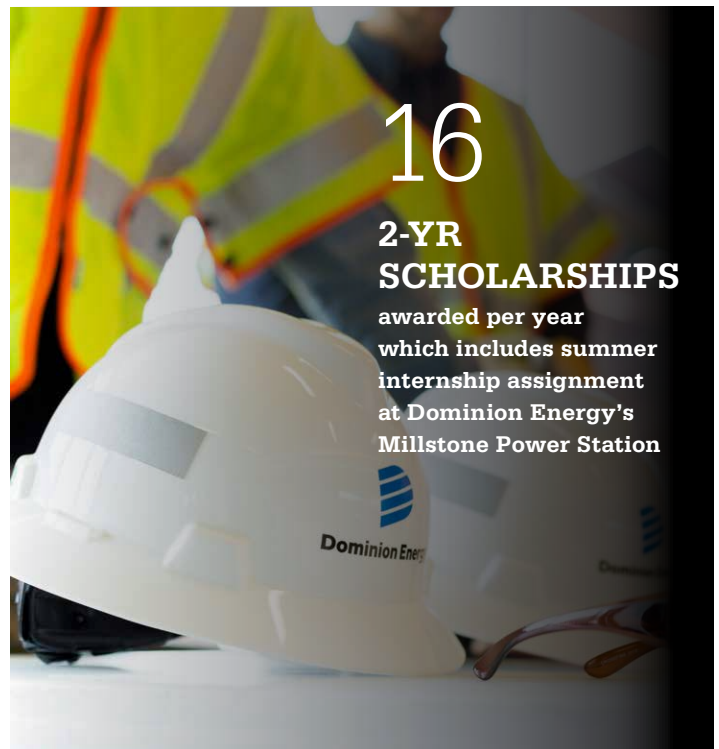
This scholarship supports promising candidates for the Nuclear Engineering Technology program at Three Rivers Community College in Norwich, Conn., with up to 16 two-year scholarship awards per year, which includes tuition and fees, books, a monthly stipend, and a summer internship assignment at Dominion Energy's Millstone Power Station.

### The Dominion Energy Credit Union Scholarship Program

This provides educational funds for Dominion Energy Credit Union members who are graduating high-school seniors enrolling as full-time students in an accredited college or university.

### Combined College Funds

In the states where Dominion Energy has a broad customer base, we support a variety of combined college funds, such as the United Negro College Fund, as well as statewide and regional foundations for independent colleges and community colleges.



## Community Development

*Continued*

### Supplier Diversity

Being a good partner with our communities also means spending dollars to support the local economy and businesses. We increased our supplier diversity spending by 48 percent from 2013 through 2017. As we strive to be more inclusive, we seek out competitive and qualified small, local and diverse businesses to participate in the supply of materials, equipment and services we need to operate. We work with advocacy groups to identify and encourage small, local and diverse businesses to participate in our procurement processes.

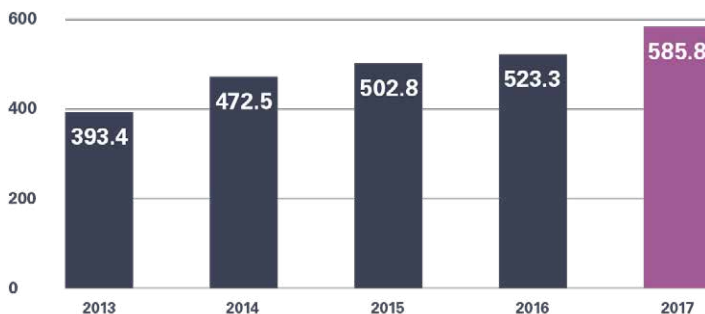
### Outreach

The Dominion Energy Supplier Diversity Program uses the following six diversity classifications:

- Minority-owned businesses
- Woman-owned businesses
- Veteran-owned businesses
- Service-disabled-veteran-owned businesses
- HUBZone businesses (those located in Historically Underutilized Business Zones, which are [designated by](#) the U.S. Small Business Administration)
- Small Disadvantaged businesses

#### Dominion Energy Spending on Diverse Suppliers By Year

(millions of dollars)



A supplier diversity fair hosted by Dominion Energy.

Serving Customers & Communities

## Community Development

*Continued*

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### Supplier Diversity

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We hold matchmaking events that pair local businesses with our own employees to discuss supplier capabilities and upcoming opportunities. In 2017, we hosted construction-services and information-technology events in Richmond, Virginia, where 22 diverse suppliers met about 40 Dominion Energy employees representing the business units and supply-chain management.

In 2018, we hosted a gas infrastructure matchmaking event in Bridgeport, West Virginia. Diverse suppliers met with our employees to pitch their services and learn about potential opportunities. We conducted another gas infrastructure diversity fair event in Salt Lake City, Utah, where diverse suppliers networked and learned about doing business with the company. While in Utah, we also hosted a lunch with numerous advocacy organizations, including several chambers of commerce, to foster ongoing relationships. For all of our events, we used our advocacy group relationships to help identify small, local and diverse attendees. We are planning an outreach event in Richmond, Virginia this fall.

We continue to partner with government agencies, minority business groups and advocacy organizations across our service territory to develop diverse supplier sourcing opportunities.

Groups we work with include:

- Women Presidents' Educational Organization
- Virginia Asian Chamber of Commerce
- The Metropolitan Business League
- Carolinas-Virginia Minority Supplier Development Council
- Maryland Washington Minority Contractor's Association
- Ohio Minority Supplier Development Council
- Ohio River Valley Women's Business Council

We are working to expand and develop advocacy relationships across our service territory and to partner with organizations to help fulfill our commitment to small, local, and diverse businesses. These partnerships translate into economic growth and increased employment opportunities in the communities we serve.



## Environmental Stewardship

# Environmental Management System

At Dominion Energy we are committed to full compliance with all applicable laws and regulations. We work to avoid impacts to the environment — and where we can't, we're working to reduce them.

## Our Commitment

We have a deep appreciation for the environment around us, and we know others do as well. So we want to do what's right for the natural world and the creatures that inhabit it. That's why we have adopted an environmental policy statement and have an environmental management system designed to uphold high standards and set clear expectations. Our employees work together to uphold these rigorous standards, which meet or go beyond statutory and regulatory requirements.

## Setting High Standards

In 2017 we established new, companywide standards to enhance our environmental management system. We also set formal targets to improve our environmental performance, including a greenhouse gas reduction goal. We continue striving to improve our efforts to address greenhouse gases and other air emissions from our operations, water use and water quality, the responsible management of wastes and land and wildlife protection.

Each of our business groups is implementing our enhanced environmental management system. We will continue to reduce emissions and waste, and to preserve natural habitats in the areas where we do business.

Dominion's Energy's corporate offices at 120 Tredegar Street in Richmond sit just a few dozen yards from the banks of the James River. Through the floor-to-ceiling windows of the cafeteria, employees can watch geese wade at the water's edge and great blue herons soar above kayakers shooting



A Dominion Energy employee at the company's Chesterfield Power Station in Virginia, on the banks of the James River.

## Environmental Stewardship

# Environmental Management System

*Continued*

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## Our Commitment

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the Class IV rapids. It might be the most naturally beautiful corporate campus in America, and we are determined to protect the environment here and at all our company locations.

We know others feel the same way about the environment, too.

Our customers [want](#) cleaner energy.

Our investors want to invest in a company that integrates environmental matters — especially climate — in our planning, and considers them as we perform risk assessment and analyze business opportunities. They expect us to be transparent in reporting environmental information and diligent in reducing impacts to the environment.

Our communities want us to be good partners in reducing the environmental effects from our operations.

Our neighbors want us to take care as we build projects to protect natural resources.

We are listening — and responding. At Dominion Energy, we're not only aware of our impact on the environment — we're working to reduce it. From lowering greenhouse-gas emissions to protecting water quality and preserving wildlife habitat, we're constantly looking for ways to ensure that the natural world is maintained for future generations.



**Environmental Stewardship**

# Environmental Management System

*Continued*

## Our Commitment

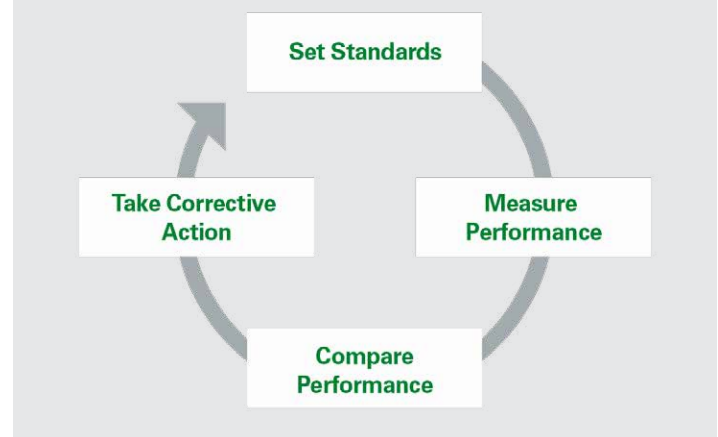
## Environmental Management System

Our approach to stewardship begins with our environmental management system. Full regulatory compliance sets the baseline, but our expectation goes much further: We want to do what's right for the planet and its rich diversity of ecosystems, while preserving shareholder value.

To live up to those standards, we have a robust set of clear expectations for every employee. Beginning in 2016 and continuing into 2017, we took a hard look at the systems and processes we had put in place to improve our environmental performance.

The result is an even stronger environmental management system – led by the company's most senior leaders, and driven by the chairman and CEO. In 2017, we established new, companywide standards for environmental management, critically reviewed current practices and established implementation plans for our business groups. In 2018, each of our business groups is implementing this enhanced management system.

### Environmental Management System Process



## Environmental Stewardship

# Cleaner Air

We are committed to increasing our reliance on cleaner generation technologies, especially renewables such as solar and wind power, and to reducing our production of carbon dioxide and other emissions.

## Reducing Carbon

Climate change is one of the most significant energy and environmental challenges. Dominion Energy is committed to doing our part by reducing greenhouse-gas emissions from our electric generating fleet and our natural gas businesses.

### Our Strategy:

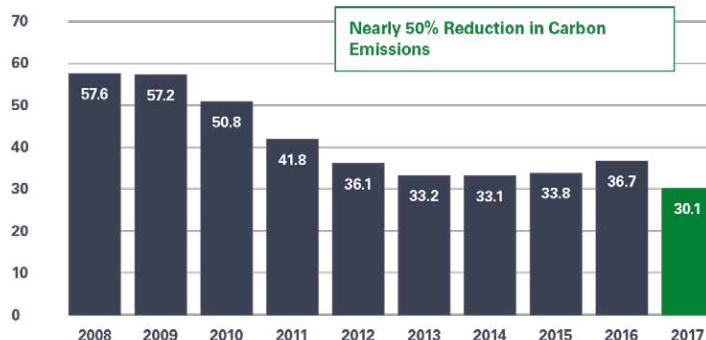
Reducing greenhouse gases is a major focus of Dominion Energy's environmental strategy. We will pursue a diverse mix of cleaner, more efficient and lower-emitting methods of generating and delivering energy, while advancing aggressive voluntary measures to continue dramatically reducing emissions.

### How We Performed:

We cut our carbon intensity by 50 percent from 2000 to the end of 2017, in large part by relying less on coal-burning power plants and more on gas-fired, our nuclear and renewable generation. In the last 10 years we have reduced our carbon emissions by nearly 50 percent — the equivalent of taking 6 million cars off the road. We reduced emissions of sulfur dioxide, nitrogen oxide and mercury rates by more than 90 percent, and invested \$3.5 billion in renewable generation over the past five years — leading to a doubling of our electricity production from renewable energy. In our natural gas business, we voluntarily reduced methane emissions, saving 10 billion cubic feet of natural gas since 2008.

### Cleaner Air 10-Year Trend

Million Metric Tons Carbon Dioxide



## Environmental Stewardship

# Cleaner Air

*Continued*

## Reducing Carbon

2018 TARGETS	STATUS
Dominion Energy will increase disclosures around greenhouse gases by participating in the climate Corporate Disclosure Project (CDP) reporting on greenhouse gases in 2018.	The CDP was submitted in August 2018. Additional public disclosures completed to date include an update to the Methane Management Report and participation in the EEI ESG and AGA ESG sustainability metrics pilots. A Climate Report including a two-degree scenario analysis was posted in November 2018.
The company intends to reduce our carbon intensity to 50 percent by 2030 from 2000 levels.	This target has been met.
Methane Reductions: Dominion Energy East Ohio and Dominion Energy West Virginia will implement a pipeline replacement program for its main and service lines and commit to replacing at least 1.5 percent of the unprotected steel and cast iron pipes every year by 2021.	In progress and on target.
Methane Reductions: Dominion Energy Wexpro will install instrument air systems (air compressors and air dryers) to 31 end devices at Canyon Creek and Church Buttes, eliminating 46,000 MCF of gas lost and related emissions.	This project has been installed on target.

### Where We're Headed:

In the next few years we will invest another \$4 billion in renewable energy including support or development of 3,000 MW of new solar or wind in Virginia by 2022, as we continue our transition to lower carbon generation. We are investing in the grid to allow for reliable growth of renewables and in energy efficiency programs. We will continue a comprehensive methane strategy to reduce methane emissions further and faster in the next five years.

### Our Commitments:

Disclosure and transparency addressed in Governance commitments.

Our business plan should result in a reduction of carbon produced for each unit (rate or intensity) of generation of 60 percent by 2030 compared to 2000 levels.

Methane Reductions: Dominion Energy East Ohio and Dominion Energy West Virginia have implemented a pipeline replacement program for main and service lines committing to replace unprotected steel and cast iron pipes at a level that meets or exceeds the EPA Natural Gas STAR Methane Challenge.

The Company commits to reduce methane intensity from its natural gas business by 50 percent by 2030 (from 2010 baseline).

Beginning in 2019, we are voluntarily going beyond the regulatory requirements in West Virginia and Ohio to increase annual inspections and maintenance from 20 percent to 33 percent of our gas regulator stations to keep natural gas in the system and avoid methane emissions.

Beginning in 2019, equipment is planned to be installed on gas distribution construction projects involving large diameter pipe to minimize the need to blowdown natural gas which will reduce methane emissions.

The company has committed to test and pilot new technology to reduce natural gas loss during inline pipe inspections.

## Environmental Stewardship

# Cleaner Air

Continued

## Reducing Carbon

# Transitioning to Lower Carbon

As part of Dominion Energy's long-term strategic planning, our environmental strategy is aimed at transitioning to a lower-carbon economy while providing reliable and affordable energy. Our customers want cleaner energy and we want to provide it while maintaining reliability. The integrated strategy to meet these objectives consists of three principal elements:

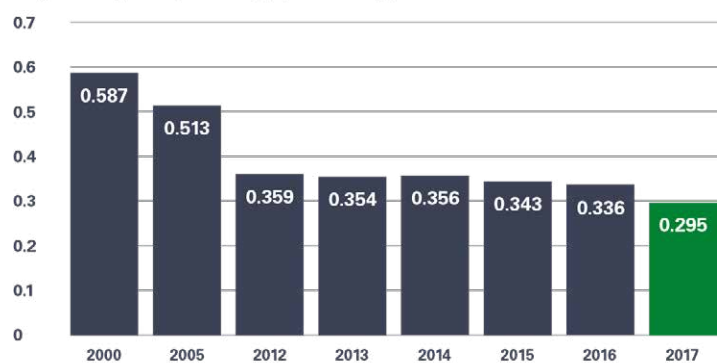
1. Reducing greenhouse-gas emissions;
2. Energy infrastructure and modernization, including natural gas and electric operations to support more renewables; and
3. Enhancing conservation and energy efficiency to help customers use energy wisely.

The principal components of the greenhouse-gas reduction strategy, which include initiatives that address electric energy production and delivery, natural gas storage, transmission and delivery and energy management are as follows:

- Sell, close, place in cold reserve or convert to cleaner fuels a number of coal-fired generation units. The company has executed on this strategy by divesting of its merchant coal units, converting several coal units to biomass, placing nine less efficient regulated coal and gas units into "cold reserve," and will complete the retirement of two coal units at Yorktown upon completion of transmission upgrades in 2019;
- Pursue the extension of operating licenses of existing nuclear units, which provide carbon-free generation;
- Expand Dominion Energy's renewable-energy portfolio to further diversify the company's fleet, meet state renewable-energy targets and lower the carbon footprint;
- Continue to evaluate business opportunities presented by a lower-carbon economy and innovative technologies such as renewable natural gas (RNG), which we are pursuing through (1) a recently announced joint venture with Smithfield Foods, (2) incentivizing RNG purchases at compressed-natural-gas stations, and (3) a voluntary RNG program for Utah customers;

### Carbon Intensity Rate Reductions

CO<sub>2</sub> Intensity Rate (mt/mWh) (by ownership)



- Evaluate effective storage solutions, such as batteries, hydroelectric pumped storage and natural gas storage options, which help support a grid with increased renewables;
- Enhance conservation and energy efficiency programs on both the electric and natural gas side of our business to help customers use energy wisely and reduce environmental impacts;
- Evaluate behind-the-meter and rate design solutions and other business opportunities;
- Construct new electric and gas transmission infrastructure to modernize the grid, to expand the availability of cleaner fuel, to reduce emissions, to promote energy and economic security and to help deliver more green energy to population centers where it is needed most;
- Continue efforts to reduce methane emissions from our natural gas infrastructure — for example, by replacing high-priority distribution pipe;
- Pursue disruptive technologies through a dynamic innovation process; and
- Continue to advance our customer-centric business model by offering innovative, sustainable solutions.

## Environmental Stewardship

# Cleaner Air

Continued

## Reducing Carbon

We are committed to doing our part to meet the objectives of the Paris Climate Agreement. In accordance with the principles of We Are Still In, a nationwide coalition of government and business leaders that supports the Agreement, we will continue to support actions to meet its terms. We will also continue to respect and learn from the latest scientific evidence regarding the impacts of a warming climate as we implement measures to reduce our greenhouse-gas emissions.

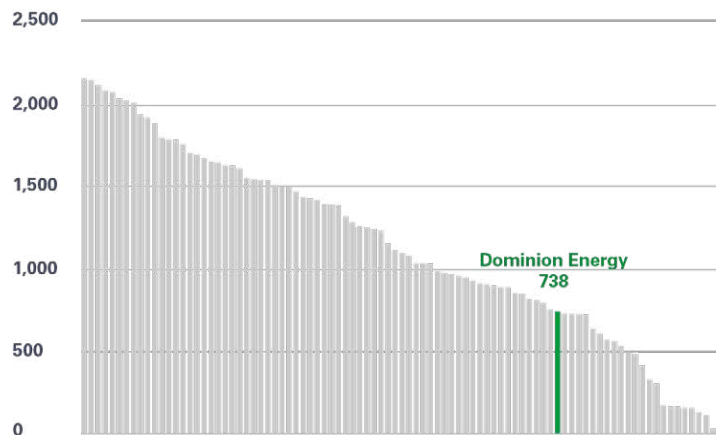
From 2007 through 2017, our use of coal to generate electricity for customers fell from 46 percent to 15 percent. During the same period, our production of electricity from natural gas rose from 9 percent to 37 percent, and our capacity to produce electricity from renewable energy increased to 2,600 MW today in operation or development. Today, we have the fourth-largest utility-owned solar fleet in development and operation. We are seeking to extend the licenses of our around-the-clock carbon-free nuclear facilities so they can continue to play an important role in providing clean energy to our customers.

Generation in the future will be more efficient, like the natural gas-fired power station in Greensville, Va., that began generating electricity for customers in December, 2018. Able to power 400,000 homes, it is the largest and most efficient natural gas power stations in the country — operating under the most stringent air permit in the United States with regard to carbon dioxide emissions.

Dominion Energy's strategy is producing real results today. The company's carbon emissions rate for our electric generating fleet is in the lowest-emitting quartile among energy producers in the United States, according to an annual benchmarking report published by the M.J. Bradley group for the sustainability nonprofit [CERES](#). From 2000 through the end of 2017, we cut our carbon intensity — the amount of CO<sub>2</sub> emitted per unit of energy — by 50 percent. We intend to further increase our reliance on cleaner generating technologies. Combining those with continued operation of our three nuclear power stations should reduce our carbon intensity by 60 percent by 2030.

### Carbon Emissions Benchmarking - M.J. Bradley Report

CO<sub>2</sub> Emissions (lb/MWh)



Note: Ratings based on 2016 emissions and generation (by ownership)  
Source: <https://www.mjbradley.com/benchmarking-air-emissions>

**Environmental Stewardship**

## **Cleaner Air**

*Continued*

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## **Reducing Carbon**

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### **Virginia Carbon Regulations**

Pursuant to a gubernatorial executive directive requiring the Virginia Department of Environmental Quality (DEQ) to develop “trading ready” regulations to reduce emissions from electric generating units in Virginia, in January 2018, the DEQ published for public comment a proposed state carbon regulation. The details of this proposal are still being developed for consideration by the Virginia State Air Pollution Control Board.

We believe that the company’s ongoing and planned further transition to a lower carbon emitting electric generation fleet will serve as a critical element in our planning for compliance under any future carbon reduction directive, whether at the Federal or state level, and we remain committed to working with our regulators and all stakeholders toward practical carbon reduction policies in Virginia and nationally that provide reasonable and actual reduction targets and timelines, flexible compliance options and keep fuel diversity, reliability and costs to customers top of mind.



## Environmental Stewardship

# Cleaner Air

*Continued*

## Reducing Methane and Other Emissions

Methane is also a powerful greenhouse gas. At Dominion Energy, we have cut our methane emissions sharply, and will continue to do so as we replace old infrastructure and adopt new techniques.

Dominion Energy has reduced methane emissions by 10 billion cubic feet since 2008. Our methane emissions reductions are the result of the cumulative effect of numerous voluntary programs. Our initial methane reduction strategy focused on reducing our lost and unaccounted-for gas rate. But we wanted further reductions. So in 2011, we joined the EPA's [Natural Gas STAR program](#), which emphasizes best-management practices to voluntarily reduce methane emissions and report those reductions. By the end of 2018, all applicable Dominion Energy Gas Infrastructure Group (GIG) operations will be members of the Natural Gas STAR program.

Interested in reducing our methane emissions even further, we joined the EPA's [Methane Challenge](#) as a founding member. By the end of 2018, all applicable Dominion Energy GIG assets will be members of the Methane Challenge. As part of the Methane Challenge, we committed to methane reduction targets through 2021, and we began disclosing results before the Challenge deadline.

In addition, the Gas Infrastructure Group joined the initial report of the One Future Coalition and participated in its inaugural November 2018 report. In December, the Gas Infrastructure Group also will be submitting an inaugural report under the American Gas Association's Natural Gas Sustainability Initiative. Business units within the Gas Infrastructure Group also have partnered with Washington State University and Colorado State University to examine methane emissions, and the company is piloting new technologies to reduce venting from maintenance even further.



**Environmental Stewardship****Cleaner Air***Continued***Reducing Methane and Other Emissions****New Pipes and Procedures**

Experience has taught us that one of the most effective ways to reduce methane emissions on the distribution side is to upgrade pipelines with relatively higher leak rates. In Ohio, we have been actively replacing approximately 5,600 miles of bare-steel mains since 2008. As part of the Methane Challenge, we are planning to reduce methane emissions by investing \$200 million or more annually over the next two decades to upgrade bare-steel, cast-iron, wrought-iron and copper pipe in our Ohio pipeline system — expanding the \$1.4 billion investment we already have made to replace more than 1,600 miles of pipeline in the Buckeye State. We began a similar program in West Virginia in 2016. We will have invested nearly \$58 million in that effort by the end of 2018.

On the gas-transmission system, we are continuing to take further steps to reduce methane emissions. We are using procedures to make pipe connections that do not require natural gas venting and are reducing pipeline pressures on our compressor systems before natural gas venting during maintenance projects. In addition, we have expanded our leak detection and repair (LDAR) program at our compressor stations and storage wells.

In Utah we will reduce methane emissions under the Methane Challenge through a new program to prevent excavation damage to pipelines. Wexpro will install new air compressors and air dryers to 31 devices at Canyon Creek and Church Buttes, eliminating 46 million cubic feet of gas lost and other, related emissions. Dominion Energy Wexpro, our producing business, has been aggressively reducing methane over the past decade. As an example, it started reduced emission completions long before EPA moved to require this process to drastically reduce emissions at the wellhead. In addition, all high bleed devices were replaced in 2013 and 2014 with low bleed devices. Our effort to reduce methane at our production wells continue today. Just last year, Wexpro completed replacement of all older pneumatic pumps with electric pumps, eliminating 327 million standard cubic feet per day of vented raw natural gas and an estimated 1,100 tons per year of volatile organic compounds into the atmosphere.



**Environmental Stewardship**

## Cleaner Air

*Continued*

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### Reducing Methane and Other Emissions

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This year, we installed instrument air systems in two locations to eliminate more than 90 percent of the remaining methane emissions at these facilities. Finally, over the last two years, we completed water gathering projects at three locations to reduce truck traffic by 6,700 trucks per year.

The new export facility at our Cove Point liquefied natural gas (LNG) facility in Calvert County, Maryland, has implemented the most aggressive and best-in-class leak detection and repair program in the state. In addition, we utilize waste heat to provide the power needed for the liquefaction process, use air cooled condensers in the power generation process and we recycle the process water.

Recently we challenged ourselves to find additional, voluntary measures to reduce methane emissions even further, and launched new, voluntary initiatives to achieve the commitment to reduce methane intensity by 50 percent by 2030 (from 2010 baseline). Dominion Energy GIG also joined the One Future Coalition. Our Nation's Energy Future Coalition (One Future)/ Emissions Intensity Commitment Option is an industry-led partnership, which provides flexibility to determine the most cost-effective pathway to reduce the methane emission rate of the natural gas value chain to 1 percent or less of gas throughput by 2025.

The company has also signed on to natural gas transmission business methane reductions through the Interstate Natural Gas Association of America (INGAA). As a participant, the company pledges to install air-driven, low-bleed, or intermittent pneumatic controllers when installing new pneumatic controllers, unless a different device is required for safe operations; minimizing emissions through maintenance, repair and replacement of pipelines; replacing rod packing on all transmission and storage reciprocating compressors at prescribed intervals; conducting leak surveys at member-owned and member operated transmission and storage compressor stations and natural gas storage wells; and to transparent reporting of methane emissions.

**Environmental Stewardship**

## Cleaner Air

*Continued*

## Reducing Methane and Other Emissions

### Transparent Reporting

In addition to reducing emissions, we are focused on continuing to be transparent about our emissions. In fact, we are proud to have the most comprehensive public disclosures of any peer gas company. In September, CDP CEO Paul Simpson recognized Dominion Energy's commitment, [writing](#) that U.S. "disclosers include ... Dominion Energy, the seventh largest publicly traded utility in the world."

Dominion Energy has been proactive about reporting its emissions, including methane, using EPA-recommended approaches.

- We have voluntarily reported our carbon emissions on our website since 2005.
- In 2008, we began developing a corporate greenhouse-gas inventory for our natural gas businesses.
- In 2012, we began reporting emissions from our natural-gas system under the EPA greenhouse-gas reporting program.
- In 2015, we published our first methane report, building on more than a decade of voluntary reports on greenhouse gas emissions. We continue to update the report, most recently in 2018, to continue to improve our transparency on methane emissions. For more details, see the most recent version of our Methane Management Report, updated as of May 3, 2018.
- We continue to incorporate and share cost-effective best practices in engineering design to reduce methane emissions from new projects.

In 2018, Dominion Energy is increasing disclosures of greenhouse gases including methane and carbon dioxide for our electric and natural gas business by participating in the CDP (formerly the Carbon Disclosure Project). We have piloted the American Gas Association's environmental, social and governance metrics for natural gas distribution businesses and will be participating in the public pilot of these metrics in 2018. This pilot is in addition to our participation in the Edison Electric Institution's ESG and Sustainability Metrics.

To enhance our disclosures concerning our generation business, strategy, governance, risks and opportunities, we have conducted a two-degree scenario analysis and published the report in November, 2018. The analysis focuses on the company's full portfolio power generation assets and will augment the scenario analysis currently conducted for our regulated assets as part of the Integrated Resource Plan.



## Environmental Stewardship

# Cleaner Air

*Continued*

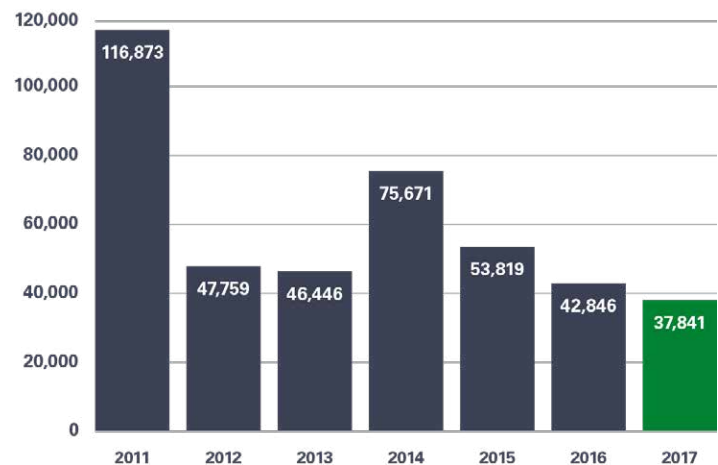
## Reducing Methane and Other Emissions

### Other Greenhouse Gases

In addition to carbon dioxide (CO<sub>2</sub>) and methane (CH<sub>4</sub>), other anthropogenic GHGs include nitrous oxides (N<sub>2</sub>O) and fluorinated gases including sulfur hexafluoride (SF<sub>6</sub>). Sulfur hexafluoride is a very potent GHG that is used as an electric insulator gas in high-voltage equipment in the transmission and distribution of electricity through the power grid (including circuit breakers, gas-insulated substations and other switchgear). The company has been implementing best-management practices to minimize and reduce SF<sub>6</sub> emissions from its electric transmission and distribution system, including the inspection of switch gear for gas pressure (which indicates leakage), replacing or conducting maintenance on leaking equipment, owning and operating SF<sub>6</sub> charging and reclamation equipment, removing SF<sub>6</sub> before breakers are sold or scrapped, testing and reusing (recycling) SF<sub>6</sub>, owning and operating laser leak-detection equipment, and utilizing extensive written procedures and conducting training for handling SF<sub>6</sub>. The company has reduced its SF<sub>6</sub> equipment leak rate by 86 percent and its emissions of SF<sub>6</sub> by approximately 68 percent since 2011.

#### Sulfur Hexafluoride (SF<sub>6</sub>) Reduction Rates

Metric Tons of Carbon Equivalent (CO<sub>2</sub>e)





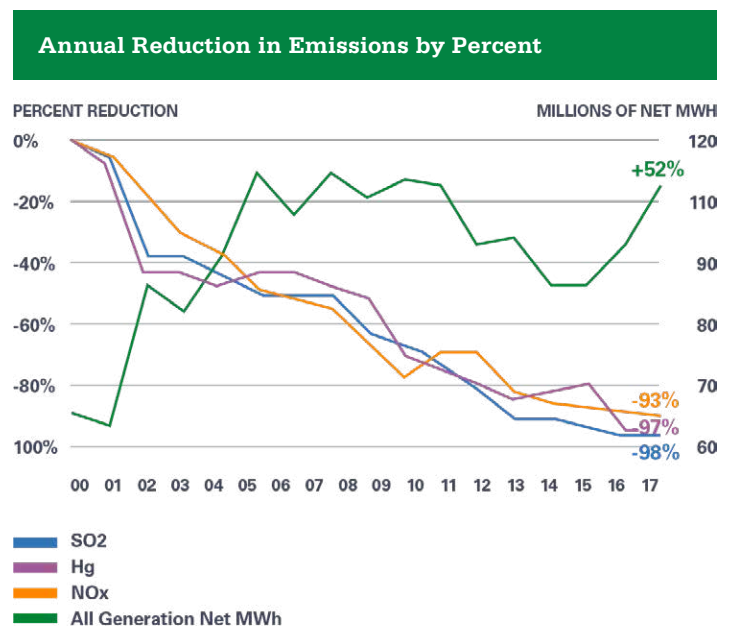
## Cleaner Air

*Continued*

## Reducing Methane and Other Emissions

### Other Pollutants

From 2000 to 2018, we have reduced emissions of nitrogen oxide, sulfur dioxide and mercury, measured in pounds per net megawatt-hour, by 93 percent, 98 percent and 97 percent respectively. During the same period, Dominion Energy increased the amount of electricity provided by 52 percent.



### Our Green Fleet

Alternative-vehicle technologies and fuels help lower greenhouse gas emissions, reduce worksite noise levels and improve working conditions for our field crews. As of August 2018, more than one in three (41 percent) of the vehicles in our on-road fleet — more than 7,000 cars and trucks — are powered by alternative fuels. In addition, we are proud that Clean Cities recognized Dominion Energy as one of the top idle-free businesses in Utah in 2017.





## Environmental Stewardship

# Clean Water

Producing energy requires water for cooling, fuel processing, and more. In many cases, water can be used and then returned to the original source. But since that is not always true in every case, we look for opportunities to use less water — and to reuse what we do use. As we make and deliver energy to our customers, we try to avoid impacts to waterways. Where we cannot, we put measures in place to protect them.

## Reduce and Reuse

Through the use of new technology and the expansion of our renewable-energy fleet, we are eliminating the need to use water in many cases and finding new ways to conserve what water we do use.

### Our Strategy:

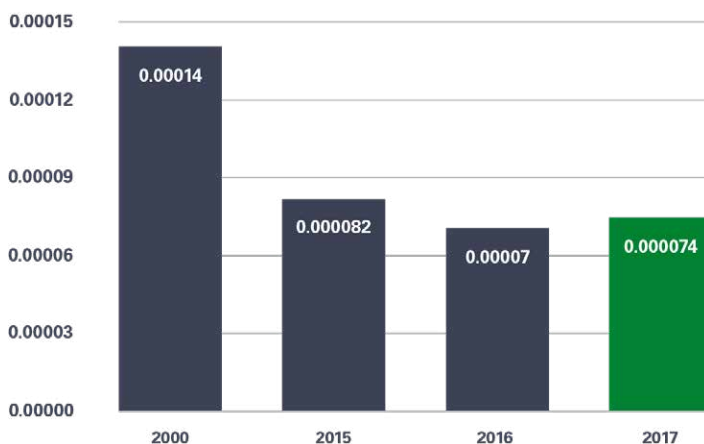
To use less water as we transform our fleet to lower carbon and provide natural gas to our customers, and to protect waterways near our operations.

### How We Performed:

We are building new generation facilities that use low-water use technologies such as dry-cooled condensers instead of water-cooled systems, as well as renewable generation projects that need no water, such as an offshore wind pilot project 27 miles out to sea in the Atlantic. In 2018 we joined forces with The Nature Conservancy to produce a report on reducing the effects of pipeline construction in mountainous terrain.

#### Freshwater Withdrawn to Produce Power

Billions of Liter/ MWhr of Generation



## Environmental Stewardship

# Clean Water

*Continued*

## Reduce and Reuse

2018 TARGETS	STATUS
Dominion Energy generation has already reduced its water withdrawals by utilizing low-water-use technologies (for example, dry cooled condensers) for new generation, and will further reduce water use in the future as we continue to add to our renewable generation portfolio.	Greensville Power Station will come on line later this year, along with additional solar generation — all of which employ low-water-use technology or no water to generate electricity.
In 2018, Dominion Energy Wexpro will install a produced water treatment system at the Canyon Creek Unit Produced Water Evaporation Facility.	Installation complete. This system will allow an estimated 21 million gallons of water to be reused over the next five years at the Canyon Creek Unit Central facility and operations.

### Where We're Headed:

We are rapidly expanding our renewable-energy portfolio, which does not require water for cooling to generate power and uses low-water-use technology for new fossil-fuel generation. Likewise, our Cove Point facility uses air cooling rather than water. In addition, Wexpro, our producing business, focuses on reducing and reusing water to minimize water use. In May and June of 2018, Dominion Energy Wexpro installed a produced water treatment system at the Canyon Creek Unit Produced Water Evaporation Facility. This system will allow an estimated 21 million gallons of produced water — water that is brought to the surface during the production of natural gas — to be reused over the next five years at Canyon Creek and operations in Wyoming.

## Environmental Stewardship

# Clean Water

*Continued*

## Reduce and Reuse

### Our Commitments:

Our business plans will result in a 50 percent reduction from 2000 levels in freshwater withdrawn per MW to generate electricity by 2030.

We will continue to proactively replace oil-filled electrical equipment to mitigate the risk of an oil release to the environment.

Dominion Energy Wexpro installed in 2018 a produced water treatment system at the Canyon Creek Unit Produced Water Evaporation Facility. This system will allow an estimated 21 million gallons of water to be reused over the next five years at the Canyon Creek Unit Central facility and operations.

We will implement measures to keep soils out of waterways by going above and beyond regulatory requirements during the construction of the Atlantic Coast Pipeline to protect waterways along the route. A few examples include:

- More environmental inspectors and more frequent and rigorous inspections during rainstorms to make sure stormwater protections are preventing runoff.
- Stronger protections for sensitive streams, including increased distances for equipment refueling and additional controls to capture more sediment.
- Strongest protections for steep slope construction ever used by the industry, specifically designed to stabilize soils and protect ridgelines in mountainous areas.



Wexpro Canyon Creek Rig

**Environmental Stewardship****Clean Water***Continued***Reduce and Reuse****Reducing Water Use**

Dominion Energy already reduced water withdrawal by using low water-use technologies (such as air-cooled condensers) for new generation, and we will further reduce water use in the future as we continue to add to our portfolio of renewable power generation and rely less on our conventional power generating technologies. In the past five years, we have put into service, in construction or under development 1,700 megawatts of solar generation, the 1,358-megawatt Brunswick Power Station and another 1,588-megawatt power station at Greenville (to begin commercial operation in late 2018) — all of which generate power with low water use. Our plans are to do more as we reduce the water used to produce each megawatt by 50 percent by 2030 when compared to 2000.

In May and June of 2018, Dominion Energy Wexpro installed a produced water treatment system at the Canyon Creek Unit Produced Water Evaporation Facility. This system will allow an estimated 21 million gallons of produced water — water that is brought to the surface during the production of natural gas — to be reused over the next five years at Canyon Creek and operations in Wyoming.

As we build new power stations, we have worked to eliminate the need to use water for cooling. The Virginia City Hybrid Energy Center, a state-of-the-art power station in Southwest Virginia, uses an air-cooled condenser. Similar, modern cooling systems were installed at our Warren County Power Station, which became operational in late 2014, and our Brunswick County Power Station, which began commercial operation in 2016. The same system will be used at the Greenville Power Station, which is expected to enter commercial operation in late 2018.

Some of our electricity generating stations need fresh water for air pollution control and equipment cooling. In some cases, we have found opportunities to reuse or recycle this valuable resource. For instance, Chesterfield Power Station reuses wastewater from the Proctors Creek Wastewater Treatment Plant in parts of its air emissions control equipment. And in cooler months, Millstone Power Station in Connecticut uses variable-speed drives to regulate water and

ensure the plant uses only the amount of water necessary to produce power.

Where we do use water for cooling, we are evaluating these and other technologies at 13 power stations to reduce the potential impacts of the water we use on aquatic life. These studies are to support the company's compliance with the Environmental Protection Agency's requirements to evaluate and implement the best technologies for reducing the potential to impinge or entrain fish and shellfish in water withdrawals at the stations.



Millstone Power Station.

## Clean Water

*Continued*

## Reduce and Reuse

### Reducing Office Use

We are committed to conserving water not only in large-scale operations, but also in our office facilities. For instance, we use motion sensors in our restrooms with no-touch flush features and hand-washing fixtures to minimize water use. New company office buildings are Leadership in Energy and Environmental Design (LEED)-certified by the U.S. Green Building Council, and are constructed with low-consumption landscaping and building fixtures. Six of our offices have been built to these standards.





## Environmental Stewardship

# Clean Water

*Continued*

## Reduce and Reuse

### De-Watering

We are in the process of closing 11 ash ponds at four coal-fired power stations in Virginia. With the implementation of new dry ash management and new water treatment at Chesterfield, all future ash handling water at Chesterfield and elsewhere will be treated and eventually eliminated.

One of the first steps for closure is “de-watering” the ponds, which involves careful treatment and testing of the water before it’s released. We are working with several top firms that specialize in on-site wastewater treatment. We are removing the water and treating and testing it on-site using a multistage process to meet or go beyond stringent, government-mandated levels before release. The coal ash itself will not be released into nearby waterways – just the water that has been put through a rigorous treatment process incorporating state-of-the-art science. Once these closures are complete, these treated releases will be eliminated.

When releasing the water from coal ash ponds, we are committed to protecting nearby streams and rivers. We follow stringent standards to ensure protection of the environment. Even after the ponds are closed, groundwater will continue to be monitored. We are committed to transparency around this process. We post water-quality test results publicly [on our website](#).



We are closing coal ash ponds, such as this one at Breemo Power Station in Virginia.



## Environmental Stewardship

# Clean Water

*Continued*

## Reduce and Reuse

### Careful Planning

Water is used in the initial completion of natural gas wells through a process called hydraulic fracturing, or “fracking.” While other companies produce most of the gas transferred in our pipelines, we do use this process in the extraction parts of our business.

Pipeline construction sometimes involves clearing the land in areas that have rough terrain or wetlands or streams along the path. This type of construction can be challenging, and we work with our construction partners to minimize impacts to the environment.

We use careful planning to ensure safety and build in measures to protect the environment. That’s why we did research to identify “best-in-class” practices to prevent soils from harming wetlands or streams during construction. In addition, we signed on to the Interstate Natural Gas Association of America’s Commitments to Responsible Pipeline Construction as a further commitment to minimize impacts from construction. Sometimes the plan will involve drilling beneath waterways to avoid disturbing aquatic life. This type of construction likewise requires careful planning to use the right approach to protect the waterway.

Our Cove Point liquefaction facility in Maryland is a great example of sustainability in action. We clean and re-use water with no discharge. The site’s Leak Detection and Repair (LDAR) program is the most aggressive in Maryland. We minimized wetlands impacts by installing a bottomless culvert bridge, and planted or replaced 6,968 trees — twice what was removed for the project at the terminal. And we located the \$4 billion facility on roughly 52 acres within the existing industrial footprint of the plant.

Dominion Energy, along with seven other energy companies, has partnered with The Nature Conservancy (TNC) to develop best practices to minimize environmental impacts of pipeline construction in mountainous areas.

In the spring of 2017, TNC began engaging pipeline developers and other key stakeholders to spur collaborative

action on improving steep-slope construction practices. In 2018, TNC produced “Improving Steep-Slope Pipeline Construction to Reduce Impacts to Natural Resources,” a report on the best practices to use to build pipelines safely in mountainous terrain. The report covers topics such as reducing landslides and the effect of pipelines on natural habitat.

The final report details 10 recommended and four potential best practices, which are organized according to three characteristic phases of a pipeline project: (1) pre-construction, (2) construction and restoration and (3) operation and maintenance. The practices described in the report do not supplant any federal, state/provincial, or local regulations. Because each project will have unique challenges, it is not feasible to provide guidance for all possible scenarios, nor is it expected that every suggested best practice will be used on any given project.



When building pipelines and other infrastructure, we follow best practices to minimize environmental effects.

## Environmental Stewardship

# Clean Water

*Continued*

## Reduce and Reuse

### Cove Point

The Dominion Energy Cove Point LNG liquefaction facility uses a zero-liquid-discharge design that recycles water, with no releases of process water to the environment. All water used in the liquefaction process is filtered and reused, with the contaminants packaged and sent to an appropriate disposal site.

Rainwater runoff from impervious areas is collected and filtered in 11 constructed wetlands settlement ponds within the facility. The vegetation within these wetlands removes and utilizes nutrients from the rainwater runoff, further purifying it.

Air-cooled condensers are used for the electrical power generation system, rather than traditional water-cooled condensers, further reducing the amount of water used by the liquefaction operation.



Cove Point.

### Mitigation

Our efforts to continuously improve our management approach is born in our values and reinforced by our environmental management system. Sometimes we do not get it right the first time — and we work to address the issues so that the lapse does not happen again.

We have worked over the past year to further enhance the controls we put in place to ensure that any soil runoff during construction is minimized, to protect nearby wetlands and waterways. The measures we have taken include enhanced training and expectation-setting for both employees and contractors, and best-in -class measures for construction on steep slopes. We take our obligation to protect the environment very seriously and are constructing and operating to meet this expectation.





## Environmental Stewardship

# Reducing Waste

Our goal at Dominion Energy is to use as few resources as necessary to get the job done, and then reuse them whenever we can.

## Reuse

An important part of sustainability is the reduction of waste and an increase in reuse and recycling, to ensure fewer impacts on human health and the environment. Dominion Energy is finding ways to re-use everything from coal ash to scrap metal and employing sustainable design in everything from office spaces to hard hats.

### Our Strategy:

To avoid creating waste whenever possible, and to reuse as much waste material as possible when it cannot be avoided. When we must dispose of waste, we do so responsibly. We monitor and inspect how we or our contractors manage waste at any of our facilities and locations, including audits of final disposal and recycling sites.

### How We Performed:

In 2017, we recycled:

- 544,430 tons of coal combustion byproducts;
- 7,110 tons of ash from the combustion of wood waste;
- 11,151 tons of oils and fluids;
- 17,661 tons of scrap metal;
- 528 tons of paper, cardboard, plastic and glass; and
- 50 tons of electronic waste.

### Recycling Reduced Waste

Nearly 600,000 Tons  
recycled in 2017.

Coal Combustion  
Byproducts

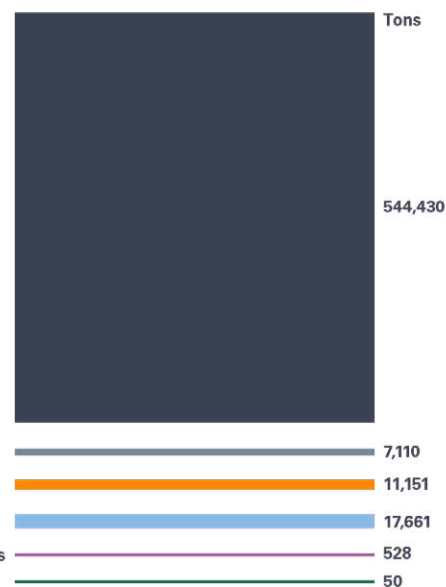
Wood Ash

Oils and fluids

Scrap Metal

Paper, Cardboard, Plastic, Glass

Electronic Waste



**Environmental Stewardship**

## Reducing Waste

*Continued*

### Reuse

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**2018 TARGETS****STATUS**

We will continue our zero-landfill policy by responsibly recycling IT equipment that we no longer use.

Through July 30, more than 72,000 pounds of IT equipment were either reused or recycled instead of making it to a landfill.

### Where We're Headed:

We will continue seeking ways to conserve natural resources, and look for opportunities to reuse and recycle waste. We will look for opportunities to increase the amount of waste that can be reused or recycled.

### Our Commitments:

We will work to improve our recycling processes to increase the amount of waste recycled.

IT Waste Recycling: We will continue our zero-landfill policy by responsibly recycling IT equipment that we no longer use.

## Environmental Stewardship

# Reducing Waste

*Continued*

## Coal Ash

As part of our transition to cleaner energy, we are also creating less waste and continuing to manage wastes responsibly at our facilities. The generation of new coal ash — a byproduct of burning coal — is being eliminated over time as we retire coal units or convert them to different, cleaner fuels.

For those stations that currently burn coal or have in the past, managing the ash happens in one of three ways: It is deposited in landfills, it is recycled or it is stored in ash ponds.

For four stations, coal ash was managed by using water to convey the waste into treatment ponds, which enabled the ash to settle in the ponds, and the water to be decanted and released. In 2015 we began implementing plans to close the ash ponds. Those plans included inspections, monitoring, removing and treating water from the ponds, and — for over half of the ponds — removing ash. In addition, a study was completed in 2017 to ensure that stakeholders had information about various options for closure — including the safety, environmental and community effects of various options.

We intend to close 11 ponds at these four locations, and in 2018 began the process of permitting closure for six of the ash ponds where ash was already removed: four ponds at Possum Point Power Station and two ponds at Bremono Power Station. Once permits are obtained, these ponds are expected to be permanently closed by the end of 2019.

All of Dominion Energy's ash ponds will be closed in accordance with all applicable federal, state and local environmental regulations and necessary permits. Groundwater monitoring and reporting will continue even after the ponds are closed.

In addition, an evaluation is underway to explore options for recycling ash that has been in ponds for decades. This will provide stakeholders with additional information on Dominion Energy's efforts to dispose of or recycle ash in a responsible manner. A request has been issued for ash recycling proposals from interested suppliers focusing on ash at these four stations. The proposals were evaluated and the results reported in late 2018. At the five stations that continue to burn

coal, the ash is either recycled or landfilled. At Chesterfield Power Station, the ash-handling process was converted to dry handling, and a new state-of-the-art lined landfill was constructed to handle future ash generated at the station that is not recycled. It began operation in November, 2017.

### Locations Where Coal Ash Has Been Removed



## Reducing Waste

*Continued*

### Coal Ash

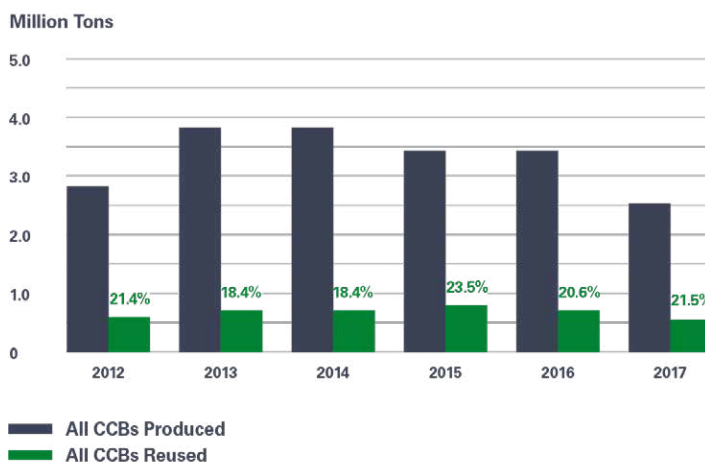
## Repurposing Coal Ash

In the spirit of recycling, we continue to explore innovative ways to reuse newly generated coal combustion byproducts for the creation of drywall, roofing shingles, concrete, cement and even bowling balls.

In 2017 year we recycled more than 500,000 tons of coal ash material — the equivalent, by weight, of five aircraft carriers. This amount is lower than the 700,000 tons recycled last year in part because the amount of material generated was reduced. In 2017, about 22 percent of Dominion Energy’s coal ash was beneficially reused.

To learn more about how we repurpose coal ash, [click here](#).

CCBs Produced and Reused 2012 - 2017





**Environmental Stewardship**

## Reducing Waste

*Continued*

### Nuclear Waste

Dominion Energy produces safe, reliable and carbon-free electricity at its six operating nuclear units at three locations in Connecticut and Virginia.

Uranium fuel at our nuclear power stations is used for three 18-month operating cycles – or about four and a half years in total – before it is permanently removed from service. The used fuel is then stored safely and securely in fortified pools of water where it cools down to a point where it can be placed on-site in dry storage facilities. Both storage methods are safe and secure.

Dominion Energy was the first utility to pioneer dry storage at the Surry Power Station, in 1986. The company now operates dry storage facilities at its Surry, North Anna, Millstone and decommissioned Kewaunee power stations. The company stores the used fuel in various types of containers designed to isolate the fuel from the public and the environment.

The company's nuclear stations have programs in place to minimize production of radioactive waste. One component of this commitment is minimizing the small amount of solid low-level radioactive waste produced at the stations. The treatment and disposal of this waste is highly regulated by the U.S. Nuclear Regulatory Commission. Low-level radioactive waste is dewatered as needed and packed in robust waste disposal containers for transport to one of three licensed radioactive waste disposal facilities in the United States.



The Surry Nuclear Power Station in Virginia.

## Environmental Stewardship

# Reducing Waste

*Continued*

## Recycling

In 2017, we recycled almost 18,000 tons of scrap metals such as copper, aluminum, and steel. In 2016, more than 41 million pounds of scrap metal was recycled.

Some of the other materials we are dedicated to recycling responsibly include demolition material, used batteries, brass, porcelain, iron, oil and transformer oil, street lights, paper, plastic and scrap transformers. In 2016, we recycled nearly 500 tons of paper, cardboard, plastic and glass and in 2017, we recycled 528 tons. At our Cove Point facility, we helped expand two artificial reefs in the Chesapeake Bay by depositing approximately 2,000 tons of clean concrete rubble from existing-building demolition. The reef project was carried out in close coordination with the Maryland Department of Natural Resources.

We also are practicing sustainability in the construction of a new office tower, 600 Canal Place, in downtown Richmond. After the former building on-site was demolished, more than 50 percent of the demolition material was recycled, per LEED standards. (LEED, or Leadership in Energy and Environmental Design, is a “green building” certification system by which third-party experts certify that a building is environmentally sustainable.) When it is complete, 600 Canal Place is expected to have a LEED Gold rating.



The company's new office tower in Richmond, Virginia. (photo illustration)

**Environmental Stewardship**

## Reducing Waste

*Continued*

### Recycling

## Electronic Waste

It's important to us to reuse and recycle electronic waste responsibly, so we use an IT disposal vendor that has a "no-landfill" policy and resells almost all of the company's disposed assets for continued use, while recycling all others in an environmentally responsible manner. In 2017, we recycled 50 tons of electronic waste compared to 34 tons in 2016. We are committed to continuing this practice in the coming years.

Through July 30, the Dominion Energy IT group accumulated more than 72,000 pounds of "waste avoided," meaning 5,898 technology assets were either reused or recycled instead of making their way to a landfill. Nearly 64 percent of those technology assets — ranging from desktop PCs and monitors to printers and notebooks — were refurbished, while the remaining were recycled.

By avoiding landfills, Dominion Energy has prevented the emission of an estimated 3.3 million pounds of greenhouse gases and disposal of 18,156 pounds of hazardous waste. The asset recycling process also has led to the recovery of valuable materials, including aluminum, ferrous and copper.



**Environmental Stewardship**

## Reducing Waste

*Continued*

## Recycling

### Office Efficiency

We strive to make our company facilities sustainable by using as many recycled materials and energy-efficient appliances as possible. As we make improvements to our company offices, we install LED lights where feasible and replace incandescent lighting and traditional fluorescent lights with efficient T-8 fluorescent fixtures. We keep warm with high-efficiency, gas-fired unit heaters in place of steam fan coil units, and we install programmable thermostats to save energy.

We also use solar film on windows to decrease heat infiltration, and have heat-reflective shades that can be closed electronically on hot days to help conserve energy. Our offices sport furniture systems made from recycled materials and carpet manufactured from 90 percent recycled materials, which is also fully recyclable when retired.

In our restrooms, occupancy-sensor-controlled light fixtures save energy, and hands-free automated paper towel dispensers, set to distribute the smallest effective amount of paper, reduce trash. Moreover, foam soap dispensers in restrooms reduce the use of soap. To conserve resources, we also use measures such as a paperless work-order process to cut paper usage by more than 200,000 sheets per year. Moreover, we are using single-stream trash recycling at more than 100 of our offices. In addition, in 2018 we are piloting composting of food wastes at some of our office cafeterias. Practicing sustainability in our workspaces helps us to be good stewards of the environment.



Resource conservation informs our choices about everything from lighting and shades to furniture and carpet.



## Environmental Stewardship

# Habitat & Wildlife Protection

Our business involves producing reliable energy, and transporting it from where it originates to our customers. Many steps along the way have the potential to affect the wildlife or habitat around our operations or in the transportation of energy. Our strategy is to find ways to avoid such impacts, and where we cannot to look for ways to minimize or mitigate them.

## Wildlife Protection

In addition to our avian protection program, we continue to implement new design standards that include animal guards on exposed equipment and other deterrents to reduce the incidence of animals coming near equipment.

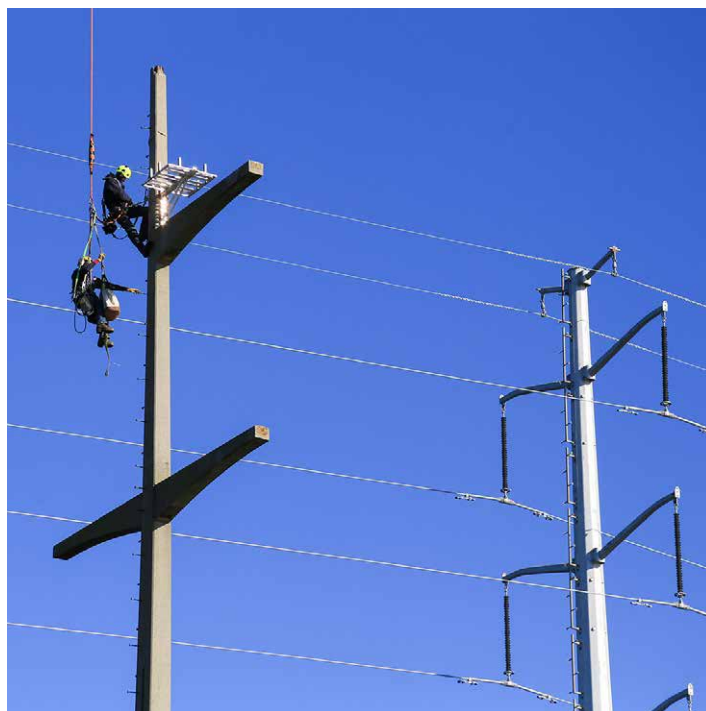
### Our Strategy:

To find ways to avoid impacts on wildlife or habitat, and where we cannot to look for ways to minimize or mitigate them.



### How We Performed:

We continued to perform extensive biological monitoring around our facilities and to implement our avian protection standards at our wind sites and as we construct our distribution lines. We added aluminum platforms in the Outer Banks of North Carolina to protect birds and, along with our partners, committed to a pollinator program along the path of the Atlantic Coast Pipeline. For the eighth consecutive year, we were recognized as a Tree Line USA utility by the Arbor Day Foundation.



Line workers installing a bird platform.

**Environmental Stewardship**

## Habitat & Wildlife Protection

*Continued*

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### Wildlife Protection

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**2018 TARGETS****STATUS**

We will continue to implement new design standards that include increased spacing on distribution lines for avian protection, animal guards on exposed equipment, and other deterrents to animals coming near equipment.

We continue to implement these design standards and audit our jobs to ensure we are doing so.

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### Where We're Headed:

We will continue our strategy to work to understand the potential for our operations or construction to affect habitat or wildlife and identify opportunities to avoid those potential effects or find ways to reduce or mitigate them.

### Our Commitments:

We plan to continue to implement new design standards that include increased spacing on distribution lines for avian protection, animal guards on exposed equipment, and other deterrents to animals coming near equipment.

We commit to establish over 500 acres of pollinator habitat by 2020 and to pilot habitat plots on solar farm sites.

To protect birds near our gas produced water evaporation ponds, we use netting or bird deterrents and expect to continue to implement these systems as new facilities are constructed in 2019.



## Environmental Stewardship

# Habitat & Wildlife Protection

*Continued*

## Wildlife Protection

### Protecting Birds

The best way to minimize impacts is to prevent them. To build on our existing avian protection program created decades ago, three years ago we began a multi-year project to protect large birds such as bald eagles, ospreys, owls and vultures. When birds with large wingspans make contact with multiple wires, they can create a path for electricity and get hurt. Most injuries and deaths occur when the birds actually land on power poles or collide with power lines. Our program creates avian protection zones along major rivers where the birds live, such as the Potomac, James, York and Rappahannock.

For all new construction or upgrades in these zones, the company increases the space between electric lines on power poles from 44 inches to as much as 60 inches, to give the birds more room to fly. When it's not possible to spread the lines, the company installs perch guards to discourage the birds from landing. The program protects the large birds (and reduces power outages for customers). All new construction outside of the protection zone is built with improved avian protections.

Dominion Energy is one of the first companies in the country to use new aluminum-alloy nesting platforms — instead of wooden ones — to provide ospreys with an alternative to nesting on transmission towers. The aluminum platforms are sturdier, larger and will last much longer than the wooden platforms, which are prone to be destroyed by high winds and storms.

In 2017 the company installed 12 new aluminum platforms alongside the Wright Memorial Bridge over Currituck Sound in North Carolina's Outer Banks. Keeping the birds off the transmission towers protects them from harm and reduces power outages for the company's customers.

Dominion Energy has a close partnership with the Center for Conservation Biology to enhance bird habitat in our operating areas. We have installed a dozen American kestrel nest boxes in the Richmond metro area, two peregrine falcon nesting platforms at our Possum Point and Yorktown power stations, as well as more than 50 wood duck nest boxes near

the Staunton and Scuppernong rivers. We are in the planning stages for an eagle nesting platform.

To avoid potential harm or injury to birds and other wildlife, Wexpro has installed bird cones on all production equipment vents and added netting over any containment that could potentially hold fluids. To keep birds away from produced water evaporation facilities, Wexpro uses either netting or a Bird Avert System that detects approaching birds and activates mechanical falcons, high-intensity strobe lights, and loudspeakers to deter the birds from approaching further.



Dominion Energy's avian protection zones safeguard waterfowl and other birds along major rivers.

## Environmental Stewardship

# Habitat & Wildlife Protection

*Continued*

## Wildlife Protection

### Limiting Impacts

#### Atlantic Coast Pipeline

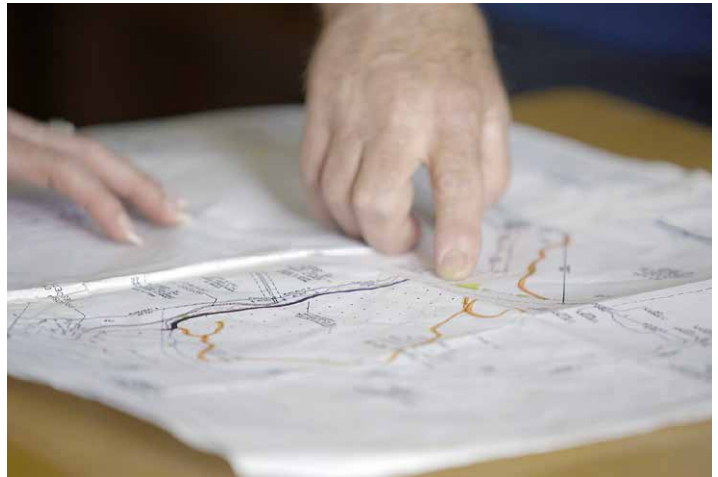
On infrastructure projects such as pipelines or powerlines, we work to avoid sensitive wildlife and natural habitat where we can, and we try to mitigate our effects upon them where we cannot. The Atlantic Coast Pipeline (ACP) is a good example.

The ACP team has consulted with the U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, the U.S. Forest Service, the U.S. Army Corps of Engineers, the West Virginia Division of Natural Resources, the Virginia Department of Game and Inland Fisheries, the Virginia Marine Resources Commission, the Virginia Department of Conservation and Recreation, the North Carolina Wildlife Commission and other stakeholders.

ACP made more than 300 changes to the pipeline routes to avoid effects on natural resources, threatened and endangered species, and state-protected species, and to accommodate landowner requests. Where impacts were unavoidable, ACP developed mitigation plans, including species-specific mitigation. In addition, ACP is mitigating the loss of forest habitat in each of the three states by providing funds to the states with which to acquire significant acres of forest land.

ACP also has developed plans approved by state and federal agencies for the protection of aquatic life, including plans to move fish and mussels from stream and river crossing areas during construction. Other requirements include time-of-year restrictions and, in some cases, the crossing methods were changed to provide additional protections. We relocated federally endangered Clubshell mussels and we are funding propagation efforts in West Virginia. We are funding Yellow Lance mussel propagation efforts in North Carolina. Our efforts to keep soils from construction out of waterways are further examples of how we work to protect the fish and other life that depend upon clean water.

To protect wildlife and rare plants that occur along the ACP route, we are conducting monitoring and relocation of



In planning projects such as the Atlantic Coast Pipeline, the company seeks routes that will minimize any effects on wildlife.

## Environmental Stewardship

# Habitat & Wildlife Protection

*Continued*

## Wildlife Protection

protected species. We are conducting acoustic monitoring at bat caves in Virginia to ensure we are adequately protecting federally protected bats. We installed monitoring equipment to evaluate shade and soil moisture to protect federally threatened small whorled pogonia plants. We are also working with the Smithsonian Institute to ensure long-term monitoring of small whorled pogonia plants. We relocated ginseng in the George Washington National Forest where it would have been impacted by construction. We also relocated red spruce trees within Northern flying squirrel areas in West Virginia to ensure that the squirrel habitat is not diminished. We preserved 500 acres of land in West Virginia to protect running buffalo clover and federally protected bats.

### Wexpro Drilling

For many years, Wexpro's drilling program has been based on multi-well pads, which use directional drilling and allow for multiple wells to be drilled from one location. The result is that the surface disturbance for multiple wells is no greater than that for a single well. This not only conserves habitat, it also has substantially reduced associated day-to-day operations: trucking, production equipment, gathering lines, and more.



A Wexpro multi-well pad.

**Environmental Stewardship****Habitat & Wildlife Protection***Continued***Wildlife Protection****Protecting Pollinators  
and Rare Plants**

We manage our electric rights-of-way to increase habitat for birds, bees, butterflies and other pollinators in Virginia and North Carolina — we call it Wings at Work. The company has created more than 43,000 acres of habitat by using selective herbicides that affect only trees and woody brush. Reducing the tree canopy and the shade it creates has enabled flowers, milkweeds and other plants important to pollinators to thrive. In addition, rights-of-way in Virginia are home to rare plants that also like the open canopy. These areas are managed differently to ensure that the plants are protected. The company also has pledged to create more more than 500 acres of additional habitat across the company by the end of 2020. This includes 60 acres of additional pollinator habitat at its power stations and pilot plots for habitat at solar farm sites. With our ACP project partners, we also will restore at least 450 acres of right-of-way with pollinator habitat, native grasses and wildflowers.

In 2017 Dominion Energy along with our ACP partners announced a [new initiative](#) along the pipeline route to establish new habitats for butterflies, bees and other pollinator insects. The project identified 450 acres along roughly 50 miles of the route. It developed dozens of native seed mixes, including native grasses such as Little Bluestem and Beaked Panicum, and wildflowers such as Partridge Pea and Black-Eyed Susan. The program is voluntary and relies on the approval and input of participating landowners.





**Environmental Stewardship****Habitat & Wildlife Protection***Continued***Wildlife Protection****Oysters, Bats and More**

In 2017 — in cooperation with the Calvert County Oyster Committee and the Maryland Department of Natural Resources — we enhanced the Back-of-the-Island natural oyster bar located south of the Gov. Thomas Johnson Bridge in the Patuxent River near Solomons Island, Maryland. This involved placing bedding material consisting of clean, aged oyster shell (cultch) and then covering it with a layer of spat-on-shell that was seeded at the Patuxent Environmental and Aquatic Research Laboratory or the Piney Point Aquaculture Center. The oyster larvae were obtained from the Maryland Horn Point State Hatchery. Local vendors from Maryland and Virginia were used to procure the cultch and it was aged in southern Maryland. A total of four acres of oyster habitat was enhanced for use in continued harvesting operations. Prior to 2017, we supported efforts to expand artificial reefs and provide additional habitat for fish in the area by recycling concrete at two reef sites in the Chesapeake Bay.

We are also working to protect a freshwater marsh along the shoreline of the Chesapeake Bay near our Cove Point facility. In 2017, we partnered with local groups to plant 6,000 plants to reestablish beach grasses to protect this important resource.

Employees at Warren County Power Station noticed that bats were being drawn into the large fans that are part of the station's air-cooled condenser. To protect the bats, the company installed netting beneath the fans where this has been an issue and has since included this in the design of similar equipment — for instance, at the Virginia City Hybrid Energy Center in southwest Virginia.

We also have worked with our partners and resource agencies to protect bats around the Fowler Ridge wind farm in Indiana and the NedPower wind farm in West Virginia. During the time that bats are emerging from their caves, the angle of the fan blades is changed to prevent rotation at low wind speeds. The speed at which the blades begin to generate power is raised at the same time to avoid wind conditions in which the bats are more likely to be looking for food. These changes reduce the likelihood that they will be injured by the turbine blades.

After it received its new license from the Federal Energy Regulatory Commission in 2005, Roanoke Rapids Power Station in North Carolina has been using eel ladders to capture and count American eels. The eels are transported above the dam so they can reoccupy historic habitat. In 2017, nearly 54,000 eels were moved upstream.



Oyster seedlings.

## Our Culture

# Values, Ethics & Compliance

At Dominion Energy, we sustain our devotion to doing the right thing through intentional effort. It is a frame of mind, an ethos that informs our choices from the smallest to the most momentous, and a constant thread woven into the fabric of our culture.

## Core Values

### Our Strategy:

To reinforce our culture of ethics and compliance through transparency, accountability and tone at the top.

### How We Performed:

In 2017, the company revised the Supplier Code of Ethics and Business Conduct to clarify and reinforce its expectations. In 2018, Dominion Energy added a fifth core value to its ethos — Embrace Change — and was recognized by the Center for Political Accountability for the transparency and disclosure of its political contributions.

#### 2018 TARGETS

To continue to reinforce the importance of ethics, employees will complete annual training in ethics and compliance. In addition, employees will certify annually that any potential compliance items have been reported or are already being addressed.

#### STATUS

Annual training is underway in ethics and compliance for our employees and the employee certification to identify any potential compliance items is complete for 2018. To reinforce our commitment to a workplace free from any form of harassment, leaders are participating in an extensive interactive training on detecting and preventing harassment in the workplace.





## Our Culture

# Values, Ethics & Compliance

*Continued*

## Core Values

### Where We're Headed:

Annual training is underway in ethics and compliance for our employees. Employee certification to identify any potential compliance items is complete for 2018. To reinforce our commitment to a workplace free from any form of harassment, leaders are participating in extensive interactive training on detecting and preventing harassment in the workplace.

### Our Commitments:

To continue to reinforce the importance of ethics, our intention is that employees will complete annual training in ethics and compliance. In addition, employees will certify annually that any potential compliance items have been reported or are already being addressed.

## Our Moral Compass

Five core values guide the people of Dominion Energy: Safety, Ethics, Excellence, Embrace Change and One Dominion Energy — our term for teamwork. New employees learn them on day one. They are continually reinforced throughout the company and throughout everyone's career. They are part of who we are as a company.

### Safety

Safety is our highest priority — in the workplace and in the community. The work we do can be dangerous. So our first and fundamental goal is to send every employee home safe and sound, every day. That is the only acceptable standard of performance.

### Ethics

Integrity, individual responsibility and accountability go hand-in-hand with bottom-line results. We cannot and will not take shortcuts to achieve our goals and fulfill our obligations to stakeholders. Ethical behavior matters, and our reputation depends on it.

### Excellence

We set high performance standards and are committed to continuous improvement in all areas of our business. The

### Dominion Energy Five Core Values



Safety



Ethics



Excellence



Embrace  
Change



One Dominion  
Energy

## Our Culture

# Values, Ethics & Compliance

*Continued*

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## Core Values

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odds of long-term success improve when we go beyond “good” and strive for “great.” Our aim is not to be the biggest energy company, just the best.

### **Embrace Change**

Transformation and growth are the keys to long-term prosperity. A culture of receptivity to change and ardor for innovation propels our company forward, ensuring that our stakeholders will continue to flourish and that our best days still lie ahead.

### **One Dominion Energy**

It’s about teamwork. It is a unifying outlook that transcends organizational boundaries and focuses on our shared mission and purpose. We know that strong, sustainable performance depends on how well we support one another in executing our business plan.

Each of these values plays an integral role in sustainability – by safeguarding the health and welfare of our employees and communities, the bond of trust between Dominion Energy and others, the company’s adaptability to new circumstances and the standard of execution necessary to ensure the well-being of all our stakeholders, today and long into the future.

## Our Culture

# Values, Ethics & Compliance

*Continued*

## Core Values

### Embrace Change

This year Dominion Energy added a fifth core value to guide our company: embrace change.

This embrace has re-shaped our company from the beginning. The company's corporate predecessors developed canals, made ice, and operated mule-drawn streetcars. Today, we conduct vastly different enterprises — and we retain our eagerness to shape the future. This embrace explains why roughly one-fourth of this report is devoted to Our Business for the Future. It shows why we place so much emphasis on innovation. And it accounts for our shift away from coal to cleaner natural gas and to zero-carbon energy sources such as solar, wind and nuclear power.

We embrace this change, while holding fast to a desire to sustain: to sustain the profitability of our business, to sustain the well-being of our customers and stakeholders, and to sustain the environmental health of the planet we all share.



## Our Culture

# Values, Ethics & Compliance

*Continued*

## Ethics and Compliance

We understand that we earn trust through our actions. That's one reason ethics is one of our company's core values. At Dominion Energy, keeping our trust with shareholders, customers, regulators and other stakeholders is crucial.

## Fostering Ethical Behavior

Trust rests on the foundation of strong ethical conduct. Our commitment is to always comply with laws and regulations, and to act consistently with our core values. To reinforce that commitment, employees complete annual training in ethics and compliance. Employees also certify annually that any potential compliance items have been reported or are being addressed.

How do we reinforce good values? We operate a comprehensive Ethics and Compliance group to support our expectation that our leaders, employees and suppliers act with integrity, respect and good judgment – and in compliance with the law. Our Ethics and Compliance Program defines responsibilities, provides resources and, when necessary, requires disciplinary action. The program has the following key elements.

### Management Oversight

The Board of Directors oversees ethics and compliance through its Audit Committee. To address ethics issues on a day-to-day basis, the company's chief compliance officer has established a Compliance Council. Its members are senior officers representing our business units and key areas of responsibility. Additionally, our compliance attorneys work to ensure that Dominion Energy follows all applicable laws, regulations, and company policies, and maintains high ethical standards in its business activities.

### Training

All employees, officers and board members receive comprehensive annual training on the company's Code of Ethics and Business Conduct. New hires also must receive this training. Other types of interactive ethics and compliance training sessions are held regularly at different company



Ethical behavior provides the foundation for everything we do.

## Our Culture

# Values, Ethics & Compliance

*Continued*

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## Ethics and Compliance

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locations. The code requires employees to know and comply with all regulatory requirements that apply to their business areas. Those affected by various regulatory requirements receive training on federal and state codes and standards of conduct, electric reliability standards and other applicable regulations.

### Advice and Guidance

The Ethics and Compliance Program receives numerous questions from employees seeking advice on ethical matters. Since a variety of scenarios can implicate questions of ethical conduct, we encourage employees to ask whenever they are unsure about a situation, to avoid even the perception of a conflict of interest. Employees may use a dedicated e-mail account to ask questions or seek guidance about ethical concerns and compliance issues.

### Reporting and Addressing Concerns

Employees have a duty to report any concerns whenever they suspect misconduct or illegality. In all cases, retaliation for good-faith reporting is strictly prohibited. We provide a variety of reporting options. A dedicated, confidential compliance telephone line and website allow employees to remain anonymous, if they wish. Employees also may report concerns by contacting the ethics and compliance staff and other appropriate personnel. Each year, we distribute a survey to employees to help identify and address potential compliance concerns. In addition, employees must certify annually that any potential compliance items have been reported or are being addressed.

Dominion Energy stakeholders can report concerns by contacting the compliance line or by communicating directly with independent members of the board of directors through the company's website or the U.S. mail. We categorize reported concerns by type of allegation to facilitate investigation by appropriate company representatives and review every question and concern to determine if it is covered under the Ethics and Compliance Program. This also promotes our ability to identify, monitor and address any trends by category of allegation. A compliance attorney oversees all ethics and compliance investigations. Questions and concerns that raise ethical or compliance issues are investigated and resolved under the guidance of the program.

### Supplier Code of Ethics and Business Conduct

Dominion Energy expects all suppliers to share our commitment to ethics and compliance. Our Supplier Code of Ethics and Business Conduct outlines these minimum expectations. Its purpose is to promote lawful and ethical behavior in all of our business dealings.

In 2017, the company revised the Supplier Code of Ethics and Business Conduct to clarify and reinforce its expectations of suppliers with regard to (1) human labor practices; (2) responsible sourcing; and (3) the health and safety of suppliers' employees.

## Our Culture

# Values, Ethics & Compliance

*Continued*

## Political Participation

Because government decisions can profoundly affect our company, we give our employees the freedom to participate in the political process through our political action committee (PAC). In the interests of transparency, we scrupulously report our political giving.

## Devoted to Openness

Dominion Energy bears a responsibility to a wide range of stakeholders. Those include our shareholders – the company's owners – as well as its employees, customers, contractors, retirees and the countless individual investors who rely on Dominion Energy for income after their working years are done.

These and other stakeholders depend on the company's long-term stability for their financial security. The decisions of local, state and federal policy-makers can affect our company's operations immensely, so we owe it to them to stay abreast of political and policy developments that could affect the company's fiscal health, and to exercise the constitutional right to petition government on our own and their behalf.

Some of the company's employees feel called to do even more. So Dominion Energy also operates a political action committee, or PAC. Participation is strictly voluntary and nonpartisan. Membership is open to employees and the Board of Directors. The PAC aims to articulate the company's views at all levels of the political process.

In the interest of transparency, every year we [voluntarily report](#) the corporate political contributions we make to tax-exempt 527 organizations, as well as the lobbying portion of trade association payments and dues. In addition, we disclose our political contributions on the website of the Federal Election Commission and the electoral board website of the states in which we contribute to state and local elections. Because of such efforts, the Center for Political Accountability recognized Dominion Energy as a trendsetter for transparency and disclosure with regard to political contributions in 2018.

[2017 Dominion Energy Political Contributions and Lobbying Expenses \(PDF\)](#)



In 2018 the Center for Political Accountability recognized Dominion Energy for the transparency of its political activity.



## Our Culture

# Corporate & Sustainability Governance

Most of what goes right with an enterprise – and most of what goes wrong with it – can be traced back to decisions made at the top. For an organization to flourish and help others flourish, it must have solid leadership. In the business world, the term for that is good corporate governance.

## Governance Structure

Good corporate governance ensures that Dominion Energy remains a proficient and trustworthy steward of the resources entrusted to our care.

This accountability goes hand-in-hand with our core values of safety, excellence, ethics and teamwork, and is essential in preserving the long-term value and sustainability of Dominion Energy for our shareholders, employees, customers, the communities in which we work, the natural environment in which we operate and other constituencies.

### Our Strategy:

To ensure strong and ethical leadership at every level of the organization, and to oversee and manage risk.

### How We Performed:

We review our governance documents and policies regularly and propose changes whenever new rules or regulations are introduced; or whenever changes are consistent with good governance practice and in the best interests of our company and our shareholders.

#### 2018 TARGETS

#### STATUS

The Board of Directors will receive an annual report on our sustainability targets, strategy and progress.

The report to the Board of Directors is planned for December 2018.



The Board of Directors has a separate committee devoted to sustainability and corporate responsibility.

## Our Culture

# Corporate Sustainability Governance

Continued

## Governance Structure

### Where We're Headed:

The Board has continued to engage on Environmental, Social & Governance (ESG) matters during each regularly scheduled Board meeting. Later this year the board of directors will receive an annual report on our sustainability targets, strategy and progress. In October 2018, the Board of Directors established a new Sustainability and Corporate Responsibility Committee to further assist of oversight of these matters. The committee will review Dominion Energy's approach to environmental, social, economic and reputational issues that affect the company's business and performance as well as our communities and stakeholder groups. The strategies and initiatives within the committee's scope include (1) the company's protection and improvement of the quality of the environment, its climate change program and its broader environmental policies and program; (2) diversity, inclusion, talent management and supplier engagement; and (3) community and stakeholder engagement.

### Our Commitments:

Engagement with directors on ESG matters will continue at each regularly scheduled Board of Directors' meeting. We will continue to improve our communications channels and transparency on ESG matters with stakeholders.

## Board of Directors

At the top of the leadership pyramid sits the Board of Directors. It has a fiduciary duty to oversee the management of the company's business and uphold shareholder interests. Accordingly, our Board of Directors has oversight of the company's environmental performance and sustainability initiatives, along with our long-term growth strategy — which addresses the interests of shareholders and stakeholders, including customers, employees, suppliers, our neighbors in the communities we serve and the environment.

We have a well-rounded and diverse board in the broadest sense — one that reflects a diversity of gender, age, board tenure, professional experience, community involvement, skills and other attributes. In accordance with our Corporate Governance Guidelines, the Compensation, Governance and Nominating (CGN) Committee recommends director

candidates who represent a mix of backgrounds and experiences that will enhance the quality of the board's deliberations and decisions. We have always provided biographical information, including key experience and qualifications, for each of our directors in our proxy statement. In continuation of transparency of disclosure, we have provided a summary of key attributes and skills of the full board [on our website](#). The board operates through four committees: Audit, CGN, Sustainability and Corporate Responsibility, Finance and Risk Oversight. All four committees are composed entirely of independent directors, and we also have an independent lead director who leads the executive session of our independent, non-management directors at each regularly scheduled board meeting.

As of December 31, 2017

11

**INDEPENDENT DIRECTORS**  
plus our Chairman,  
President and CEO

25

**PERCENT**  
of our Board Members are  
Woman

63

**AVERAGE AGE**

7.1

**YEARS**  
of average tenure, ranging  
from newly elected in 2017  
in 19 years

### Lead Director

who is independent and  
elected annually by the Board

### Majority Vote

is a standard for uncontested  
elections—all Directors are  
elected annually

### Independent Directors

make the entirety of all Board  
Committees

### Self-Assessments

are conducted annually  
by all the Board and its  
Committees

## Our Culture

# Corporate Sustainability Governance

*Continued*

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## Governance Structure

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The Board's structure and responsibilities are outlined in its Corporate Governance Guidelines, which also include the duties and responsibilities of our lead director and our director independence standards.

We review our governance documents and policies regularly and propose changes whenever new rules or regulations are introduced; or whenever changes are consistent with good governance practice and in the best interests of our company and our shareholders.

The Corporate Governance Guidelines, each committee's charter, and other governance policies can be [found on our Governance webpage](#).

Stakeholders may contact our non-management directors by [clicking here](#)

OR at

Board of Directors  
c/o Corporate Secretary  
Dominion Energy, Inc.  
P.O. Box 26532  
Richmond, VA 23261

## Corporate Sustainability Governance

*Continued*

### Human Rights

Dominion Energy believes every person has a right to be treated with dignity and respect; to exercise autonomy and self-determination; to receive fair and equal treatment; and to work in a safe and supportive workplace regardless of individual attributes or membership in a demographic class. This commitment to human rights is consistent with our company's core values and cuts across all of our operations.

### Workplace Expectations

Dominion Energy demands a humane workplace free from discrimination, harassment, physical coercion, hazing and any form of violence. Our values include promoting an inclusive, productive and ethical work environment. This means that everyone should always act in a professional manner and treat one another with respect, honesty and decency. Respect in the workplace includes fostering a culture of diversity and inclusion, and that is everyone's responsibility. An inclusive environment encourages the coming together of different talents, thoughts and energies.

Under no circumstance should any employee, contractor or other agent or job applicant be treated less favorably because of race, color, ancestry, sex, gender, religion (including religious dress and grooming practices), national origin, age, actual or perceived physical or mental disability, medical condition, genetic information, sexual orientation, gender identity or expression, military or veteran status, marital status, status as a victim of domestic violence, or any other classification protected by state, federal or local law.

As part of our commitment to safety, we will not tolerate any form of workplace violence. Violence includes any verbal or physical conduct that causes someone to fear for his or her personal safety, the safety of coworkers, or the safety of company property.

Supervisors have an additional responsibility to set an example through their own conduct. Leaders are expected to keep lines of communication open so that employees feel comfortable asking questions and reporting concerns. Leaders must ensure that employees are fully trained about the company's policies regarding individual rights, non-discrimination, diversity and inclusion.

Employees who have concerns can contact the Dominion Energy Compliance Line (1-800-628-1798) 24 hours a day, seven days a week or go online to [www.DConcern.com](http://www.DConcern.com). Employees who know of workplace violence or suspect it might be imminent should contact corporate security.

Dominion Energy values openness and respects the contributions of employees who help enforce its code of business conduct. The company does not tolerate retaliation against any employee who in good faith reports suspected unethical conduct or violation of laws, rules, regulations or company policies, or anyone who cooperates with the investigation of a concern.



Our workplace culture requires inclusion, respect, honesty and decency.



## Our Culture

# Corporate Sustainability Governance

*Continued*

## Human Rights

### Supplier Expectations

Dominion Energy contracts with hundreds of suppliers. Where we can, we use local suppliers and small, minority, and women-owned businesses. For more details, see the “Supplier Diversity” section of our chapter on Community Development.

We hold all our suppliers to the same expectations, beginning with full adherence to all applicable legal and regulatory obligations, including those governing consumer and environmental protection, labor relations and employee welfare. In addition, we have our own Supplier Code of Ethics and Business Conduct. It outlines our standards and expectations with regard to safety, workplace conduct, supplier diversity, conflicts of interest, environmental stewardship, antitrust and privacy.

Suppliers must comply with Dominion Energy’s commitment to a humane workplace free from discrimination, harassment, physical coercion, and any form of workplace violence. Suppliers have a responsibility to uphold Dominion Energy’s commitment and report any acts of harassment, intimidation or coercion related to race, color, ancestry, sex, gender, religion (including religious dress and grooming practices), national origin, age, actual or perceived physical or mental disability, medical condition, genetic information, sexual orientation, gender identity or expression, military or veteran status, marital status, status as a victim of domestic violence or any other classification protected by law.

Dominion Energy’s suppliers shall support and respect internationally recognized human rights. Suppliers shall not use, or participate in, the exploitation of workers, forced or involuntary labor. Child labor is not acceptable. Suppliers shall not employ any person under the minimum legal age for employment as prescribed by the local authority, and no workforce members under the age of 18 shall perform work that may expose them to inappropriate hazards. Suppliers are expected to ensure that wages, benefits and hours of work comply with all applicable laws and regulations.

Dominion Energy has a responsibility to safeguard the personal information of its stakeholders, and it expects

its suppliers to do the same. Suppliers who are provided with confidential information regarding Dominion Energy’s customers, shareholders or employees have an ethical and legal responsibility to preserve the privacy, confidentiality and security of this information, and use it only for appropriate business reasons and in compliance with applicable privacy laws and contractual requirements. At Dominion Energy, privacy is an important part of how we do business, and we expect our suppliers with access to personal information to protect it and collect, maintain and transmit such information securely.

If a supplier becomes aware of any violation of legal requirements, Dominion Energy policies or the Supplier Code of Ethics and Business Conduct, the supplier should notify Dominion Energy’s Supply Chain Management by calling the Dominion Energy Compliance Line at 1-800-628-1798 or by using the [Dominion Compliance Line](#) online.



We hold our suppliers to the same high standards we set for ourselves.

## Our Culture

# Corporate Sustainability Governance

*Continued*

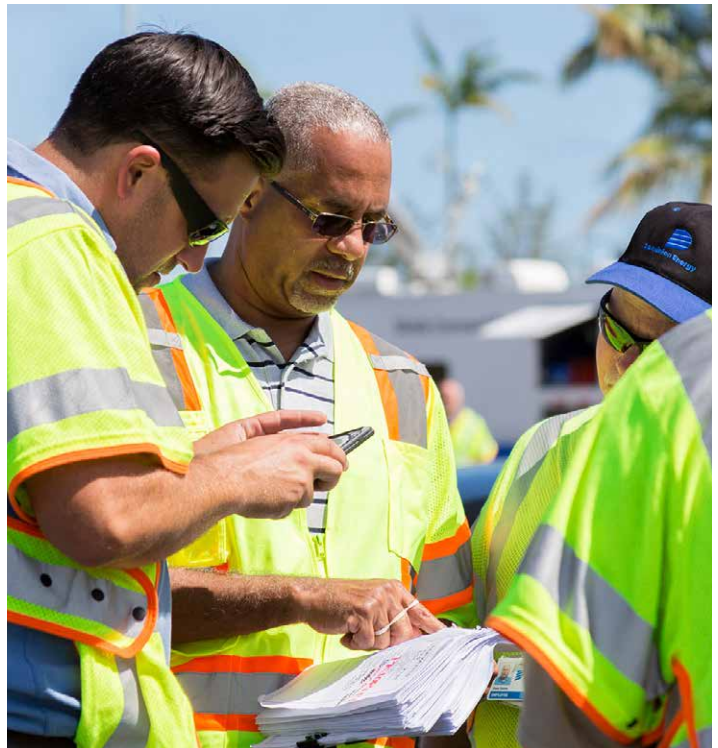
## Risk Oversight

At Dominion Energy, we recognize that no enterprise can ever be entirely free of risk – it's a fact of life. So we are dedicated to minimizing and managing risk through careful analysis, prudent foresight, and strict internal controls.

## Risk Management

Dominion Energy's Board oversees the company's management, business, environmental and all other affairs on behalf of shareholders. The Board and management both recognize that the company's interests are advanced by responsibly addressing concerns about perceived risks, no matter who raises them — employees, customers, the communities in which Dominion Energy operates or external observers such as non-governmental organizations (NGOs) and advocacy groups. The value of diversity lies in the varied and distinct perspectives that are brought to bear on an issue from different vantage points. Dominion Energy's Board and management rely on input from a multiplicity of frames of reference to inform their understanding of the various risks facing the company.

While the Board and its committees oversee risk policies, company management carries them out. The company has robust internal processes and an effective internal-control environment that help identify and manage risk. The Board and its committees regularly receive and discuss reports from members of management, including the chief risk officer, chief information officer and chief environmental officer, who are involved in risk assessment and risk management on a daily basis. These reports cover a wide range of topics including safety; environmental, employee, customer and social issues; and financial performance, economic issues and long-term strategy.



We take concerns about perceived risks seriously, no matter who raises them.



## Our Culture

# Corporate Sustainability Governance

*Continued*

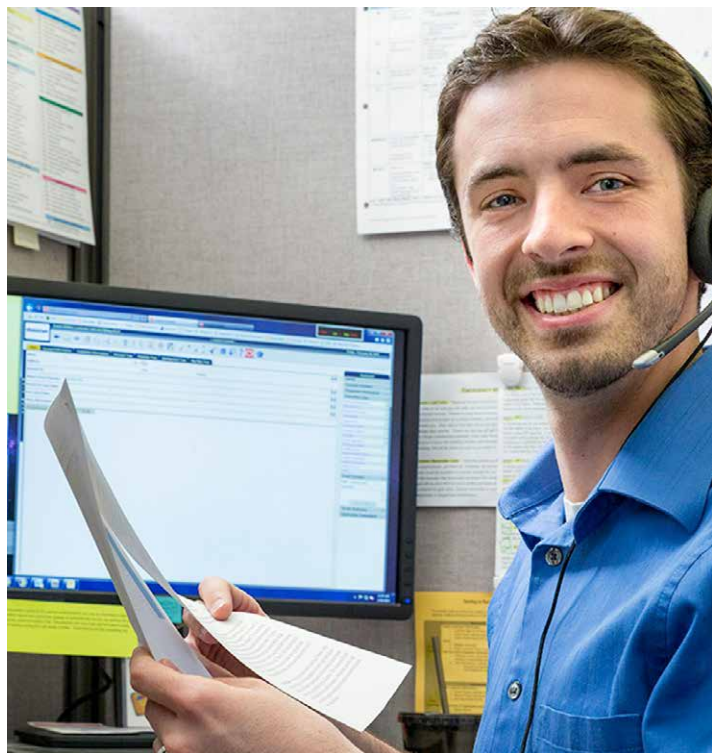
## Risk Oversight

### The Precautionary Principle

Dominion Energy takes all of these potential risks extremely seriously. The company also recognizes that it cannot foresee every conceivable eventuality. The company identifies and assesses, at least annually, major risks associated with each of its key business units (Gas Infrastructure, Power Delivery, and Power Generation). Risk assessments also are conducted for Dominion Energy, Inc.

Risk assessments consider future risk trends; direction and pace of movement; and unknown and uncertainty elements. A key focus of these annual risk assessments entails using mitigation measures to address threats. For many – if not most – of the major risks, it is challenging to predict potential eventualities. Therefore, the company’s approach has always been to employ the Precautionary Principle – which is to minimize known risks and mitigate risks that are not yet fully understood, but for which “road signs” provide some indication of a possible future event or outcome.

When a new development is required based on customer needs and/or expectations, Dominion Energy has a long history of working well in advance of the development with environmental agencies to find the best solution. Although future risks are not always known, Dominion Energy and agencies discuss potential threats and strive to mitigate potential impacts.



## Our Culture

# Attracting, Developing & Retaining Talent

We want to hire diverse employees who represent the communities we serve, then help them develop to their full potential so that they enjoy long, healthy and fruitful careers with us.

## Talent Strategy

A company that hopes to have a successful future must attract strong candidates and retain talented employees. The more than 16,000 Dominion Energy employees who provide energy to our customers and communities make up one of our greatest strengths. To ensure that we sustain that excellent work force, we continue to improve how we attract new talent, develop employees and future leaders and ensure that the work environment is diverse and inclusive.

### Our Strategy:

To continually craft a vibrant, forward-looking company that attracts the best people for the job no matter who they are, that welcomes diverse candidates and that is inclusive of everyone.

### How We Performed:

We hired a diverse group from our 2017 intern class, increased the reimbursement amount of our Education Assistance Program by 30 percent, overhauled our performance-assessment system and upgraded work spaces for hundreds of employees.

To provide a positive work environment for employees, we will strive for Leadership in Energy & Environmental Design (LEED) construction standards in all new office spaces.

Construction is underway for a number of buildings designed for LEED standards: 600 Canal Place in Richmond, Virginia; Oakford, Pennsylvania; Petersburg, Virginia, District Office; and the Greenville, Virginia Power Station administrative building. Our Summersville, West Virginia building is complete and LEED certification is expected.

#### 2018 TARGETS

#### STATUS

Leaders and employees will complete training in diversity and inclusion.

Training on diversity and inclusion is underway for employees and leaders.

## Our Culture

# Attracting, Developing & Retaining Talent

Continued

## Talent Strategy

### Where We're Headed:

In the fall of 2018 we began conducting our biannual employee survey, which proved to be a fruitful source of ideas for change in 2016. We will continue to diversify our workforce to better reflect the changing demographics of the communities in which we do business. We will continue to seek out top diverse candidates and veterans, and to train and educate current employees for advancement. In 2019 we intend to expand our teacher externship program.

### Our Commitments:

We aim to have 100 percent of staffing and hiring managers of interns complete a series on unconscious bias in our online development platform by the end of 2019.

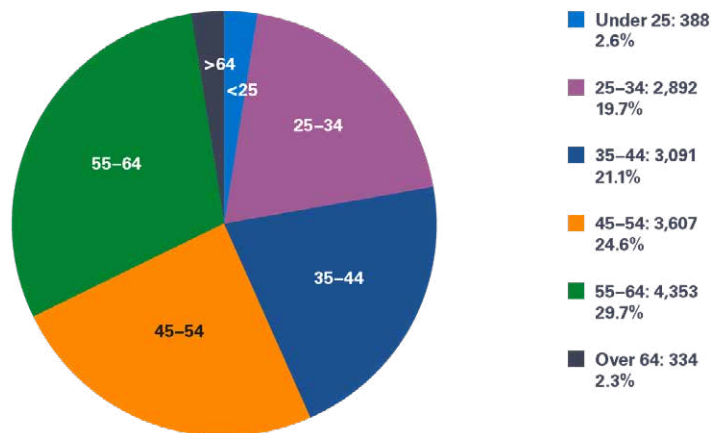
Our target for recruitment is to match the representation of the communities we serve. We have a multi-year strategy to support meeting this goal.

To assist with the recruitment of skilled workers, we intend to host 10 teachers across the company for teacher externships in 2019.

We aim to increase the training provided to employees by 10 percent or more in 2019 over 2017 levels.

We expect to have more than 100 graduates or graduates-in-training of the Emerging Leader program by the end of 2019.

Workforce by Age, 2017



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Attracting Talent

We're interested in capable individuals from all walks of life.

#### Recruitment

Dominion Energy has always sought out top performers. But while excellence is a necessary condition, it is not sufficient. A Dominion Energy workforce that reflects the communities we serve is critical for the sustainability of both our company and society at large.

The United States is seeing a major shift in the generational, gender and cultural makeup of our national workforce. Our company is seeing the same changes. Nearly one-third of our workforce is above age 55 — and therefore eligible to retire soon. Today's minority populations will become the majority around the year 2030, according to the U.S. Census Bureau. By 2043, today's minority will become the majority of all adults. This means that changing demographics and skilled-labor shortages could have an even greater effect on our long-term success than technology, commodity prices or competitive pressures.

The demographic makeup of our work force must change as well. This requires us to be intentional with our hiring and retention strategies, and to focus on recruiting and retaining top diverse talent.

#### Diversity Recruitment

Dominion Energy aims to hire and retain millennial talent and promote minorities and females within the utility industry by awarding \$5,000 scholarships to up to 50 diverse students each year. Recipients take part in additional opportunities, including innovation and leadership development events, a formal mentoring program, and Dominion Energy Scholarship Days.

#### Military Recruitment

We make a special effort to recruit veterans and people with military experience. Dominion Energy has established relationships with state departments of veterans' affairs and services, military installations, representatives of the National Guard and Reserves and other veteran-service organizations.



Dominion Energy has been recognized as one of the country's Best Employers for Diversity.



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

As a result, several publications that serve the military – including *GI Jobs*, *Military Times* and *U.S. Veterans* – repeatedly have recognized our company as one of the nation’s leading private employers for veterans. Dominion Energy also has received numerous [awards \(PDF\)](#) for its support of veterans and service-member employees, including the 2017 Triumph Award from the Virginia Department of Veterans’ Services.

From 2010 to 2017, Dominion Energy hired nearly 1,100 veterans — almost 20 percent of all new hires during that period. As of April 2018, we employed 1,729 veterans. That’s more than 10 percent of our total workforce and is aligned with industry norms for veterans in the workforce.

### Technical Recruitment

More than half the positions we need to fill do not require college degrees. So we are partnering with career and technical education high schools to create a pipeline for many of those jobs. In 2018, we launched a Teacher Externship pilot program, bringing in three teachers for the summer to learn about our positions and the day-to-day roles of our employees. Our goal for 2019 is to host 10 teachers for similar externships across the company. We also are working with community colleges, and community organizations such as Goodwill, to help develop trained individuals from the communities we serve. The main objective is to ensure that high school students understand they have alternative paths to rewarding careers in the energy industry.

### Interns

Dominion Energy hires hundreds of students each year to participate in paid internships. In 2018, our intern cohort represented 81 majors at 75 universities in 24 states.

Our internships involve more than a few weeks on the job and a project or two. Over the course of the summer, interns gain practical experience in their chosen field, test classroom theories in real-world settings, and develop their professional skills.

The intern program provides a strong pipeline for entry-level professional roles. More than 70 percent of our interns return

for multiple summers, and 75 percent of our seniors receive offers of employment. In 2017, we made offers to 83 percent of students, and 53 percent of those offers were to diverse candidates.

Dominion Energy also seeks opportunities to expand the internship program throughout the company. For example, Dominion Energy Ohio, in partnership with Utility Workers Union of America Local G555, developed an internship program specifically for an area of the business with positions that do not require a bachelor’s degree.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Developing Talent

We want people to achieve and advance at Dominion Energy, so we devote considerable resources to employee and leader development.

#### Directed Learning

To help employees hone their skills, Dominion Energy also offers – and sometimes requires – substantial training. Across the company, Dominion Energy employees and leaders received more than 300,000 hours of training in 2017. Our goal is to increase this by 10 percent or more in 2019.

In 2018 we increased the reimbursement amount of our Education Assistance Program — thanks to polling feedback from participating employees. The annual reimbursement for non-union employees is rising from \$5,250 to \$7,500. All regular active, full-time and part-time non-union employees who work at least 1,000 hours a year are eligible to take advantage of this benefit.

In 2017 we revamped employee performance reviews, replacing an older system that relied heavily on documentation and numeric ratings, and adopting a more forward-looking model called “Performance Connections.” The new approach focuses on quarterly discussions between employees and their supervisors about accomplishments, strengths, growth opportunities and action plans to create a sense of shared accountability for timely feedback and progress toward established career and skill development targets and team business goals.

A Learning and Development group oversees the company’s approach to talent development, along with a Training Council that includes representatives from each business unit’s training organization. The goal is to provide a consistent and progressive approach to training that engages the workforce and fosters a culture of learning company-wide. The Training Council implemented an Emerging Leaders program in September 2018. The intent is to prepare future leaders before they are promoted.



Training and education provide employees with many opportunities for advancement.



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Self-Guided Learning

In addition to traditional programmatic training, a new and creative approach to engage employees in their own development launched in all locations and at all levels of the company in June 2018. Employees are encouraged to access this unprecedented training platform through an on-line tool that offers unique and relevant topics and learning methods designed to enhance employees' knowledge in a variety of areas. Over 75 percent of employees accessed this platform within the first month of its implementation. Our goal is to increase the access rate to 85 percent by mid-2019.

Employees can make use of the Dominion Energy Career Center, which encourages them to take an active role in planning their careers by assessing their skill sets and interests, while enhancing their awareness of positions in the company for which they are qualified. The Career Center offers career counseling, interview coaching, goal setting, résumé development and more. The company also provides workshops on request covering topics such as interview preparation, résumé building and personal branding.

All business groups work to identify and develop candidates for positions of leadership. As employees advance, they participate in a sequence of training modules to develop a consistent understanding of fundamental leadership principles. As they advance to higher levels in the company, leaders participate in a multi-month journey focused on even higher levels of learning and exposure to broader Dominion Energy strategies.



The company encourages employees to take an active role in their career development.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Retaining Talent

In 2016 we conducted a biannual, company-wide survey of all employees – union and non-union alike – to hear what they think and feel about working at Dominion Energy. More than 7,000 employees participated.

Their responses revealed strong support for the company's core values. Employees feel a general sense of pride in working for Dominion Energy. They also pointed out several opportunities for improvement, such as more training opportunities and frequent, clear communications from senior leadership.

Based on that feedback, we made several changes. We revised our hiring policy and promotion process and created "Dominion Energy Town Hall Meetings" with company executives. The 2018 survey was conducted in the fourth quarter of 2018.



Employee survey results show a general sense of pride in working for Dominion Energy.

### Accommodating Families

#### Parental Leave

At Dominion Energy we understand the value of providing the opportunity for new mothers and fathers to bond with their newborn or newly adopted child without worrying about work. The company offers up to 120 hours of paid parental leave for eligible full-time employees and up to 60 hours of paid parental leave for eligible part-time employees.

#### Flexible Work Schedules

The company understands the importance of work/life balance by offering a wide range of flexible work schedules in business areas that are able to accommodate diverse schedules that are unlike the traditional workweek (five eight-hour days).



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Talent Strategy

### Improving Workspaces

Modernizing the workplace also helps attract and retain talent, ensuring that we remain a strong, successful company for many years to come. The Dominion Energy Workplace Plan is a company-wide effort to modernize workspaces to best meet the needs of employees, customers and communities — now and in the future.

Planning and research for this transformative effort began in 2014. New workplace standards were developed through research, testing and employee feedback.

Through either new construction or renovation of existing properties, Dominion Energy upgraded the work spaces of 190 employees in 2017. By the end of 2018, we will have upgraded the work spaces of 760 more – and will follow that up by upgrading work spaces for 1,360 employees in 2019.

At the same time, as we build new offices we are reducing our environmental footprint by producing more energy-efficient, healthy and cost-effective buildings that will allow us to seek LEED (Leadership in Energy and Environmental Design) certification.



Employee feedback is helping us design new workspaces.

## Our Culture

# Attracting, Developing & Retaining Talent

Continued

## Diversity and Inclusion

Diversity is about making sure our company reflects the communities we serve. Diversity and inclusion have *intrinsic* value: They do not require external justification. But they also have *instrumental* value to any company that cares about sustainability.

## Why It Matters

Companies in the top quartile for gender or racial and ethnic diversity are 21 percent to 33 percent more likely to produce profits higher than their industry norms. That's according to "[Delivering Through Diversity](#)," a report by the management-consulting firm McKinsey & Company that shows a clear connection between diversity and the bottom line.

Yet the importance of diversity and inclusion extends well beyond the income statement. A diverse workforce increases the likelihood that business decisions will be filtered through a rich variety of perspectives — raising internal awareness of how Dominion Energy's activities could affect communities of color, the elderly, veterans, indigenous peoples, low-income individuals, persons with disabilities and many others.

### Our Strategy:

To create a diverse and inclusive workplace that reflects the communities we serve.

### How We Performed:

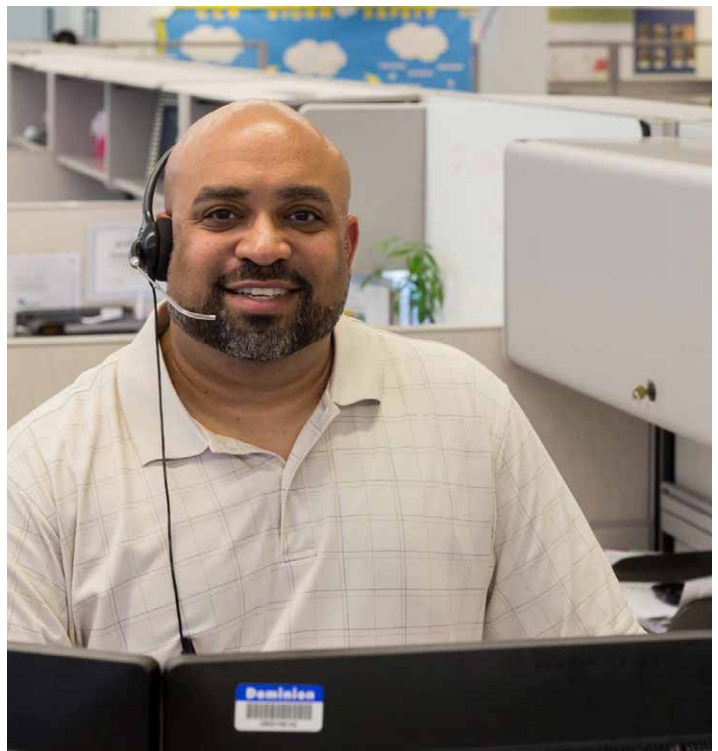
Recognized by *Forbes* in 2018 as one of the best places to work for women and one of the best employers for diversity. In 2017, we made offers to 83 percent of student interns, and 53 percent of those offers were to diverse candidates. The Defense Department recognized Dominion Energy's efforts by bestowing its "Employer Support of the Guard and Reserve" Patriots Award on the company.

### Where We're Headed:

100 percent of staffing and hiring managers of interns will complete a series on unconscious bias by the end of 2019. We will conduct periodic surveys with employees to measure engagement, and track employee hours committed to Employee Resource Group (ERG) efforts, and add an innovation focus area to each group.

### Our Commitment:

Leaders and employees will complete training in diversity and inclusion.



A diverse workforce increases the likelihood that business decisions will be filtered through a rich variety of perspectives.



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

### Our Diverse Culture

Our customers, and the world, are becoming increasingly more diverse. It is important to Dominion Energy that our customers know we are committed to having a diverse and inclusive company culture. Our customers are watching us and they hold us to high standards. Our customers are part of the reason we support diversity through our charitable giving, educational programs and volunteer outreach. Our philanthropy helps our communities thrive because it fosters an appreciation of diversity, revitalizes neighborhoods and ensures vibrant community life through the support of cultural endeavors.

When we seek diversity in our supply chain we help small businesses, minority- or women-owned businesses, and other traditionally disadvantaged businesses prosper. This is smart business — and the right thing to do. We have a responsibility to develop diverse suppliers to be able to provide the best products and services at low prices. We support continued economic growth in our communities, and our partnerships with diverse suppliers translate into economic growth and increased employment opportunities. We set supplier diversity goals to lead to improved supplier performance, competitive pricing, creativity and innovation. Our communities invest in us and we hold ourselves accountable to returning some of that investment to allow all to prosper.

The company promotes diversity at every level within the organization through diversity councils at both the executive and business-unit level. Those efforts have received national recognition; in August of 2018 *Forbes* magazine [listed Dominion Energy](#) among the top 300 companies considered the best places to work for women, as measured by employee voting and the diversity of both “boards [of directors] and executive ranks.” In September, *Forbes* listed the company among the best 200 companies for diversity.



The country is growing more diverse, and so are we.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

### Bringing People Together

Dominion Energy enables numerous Employee Resource Groups that bring together employees with shared backgrounds, interests or perspectives, to create a sense of community and “make a small place out of a big place.” The resource groups – for women, African-Americans, Latinos, LGBTQIA employees, veterans and young professionals – focus on community outreach, recruitment, networking, professional development, education, the exchange of ideas and support. They also improve employee engagement and raise awareness of potential barriers to creating a diverse workplace.

The Executive Diversity Council is a management committee whose members represent each business unit and are appointed by the CEO of Dominion Energy. It designs and oversees the company’s diversity and inclusion strategy, and monitors corporate performance against marketplace benchmarks and best practices.

Making our workforce reflect the communities it serves is vital, and we expect all leaders to get involved. To that end, annual bonus plans for all leaders have been updated to include diversity awareness and training goals. Our 2017 annual incentive program also included a diversity goal requirement that 95 percent of all our leaders participate in an awareness session on the business case for diversity and inclusion. In 2017 all leaders — beginning with the executive team — had an opportunity to participate in a live, facilitated leadership training and awareness session on that topic.

Diversity in our supply chain helps minority- or women-owned businesses and other traditionally disadvantaged businesses prosper. That enhances the prosperity of their communities as well.



Dominion Energy employees participated in the Utah Pride Festival in June, 2018.



## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

Our strategic plan includes three core components:

1. *Workforce Diversity.* We will reflect the communities we serve.
2. *Workforce Inclusion.* We will create a workplace environment where all employees are respected and valued.
3. *Culture of Inclusivity.* We will foster an environment where employees can utilize their unique strengths, skills, passions, attitudes, personalities and life experiences.

To further demonstrate and reinforce our commitment to diversity and inclusion, Tom Farrell, chairman, president and chief executive officer, became one of 400 CEOs of the world's leading companies to join the [CEO Action for Diversity & Inclusion Initiative](#).

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**"The CEO Action Pledge aligns perfectly with our core values, and we are proud to share our experience of being 'One Dominion Energy' with all participating companies."**  
— Thomas F. Farrell II,  
Chairman, President and Chief Executive Officer

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Some actions taken to date to promote workforce diversity and attract qualified, diverse talent include targeted recruitment activities at conferences, colleges and community events such as BEYA (Black Engineer of the Year Awards), the University of Puerto Rico and PRIDE festivals.

Dominion Energy also joined industry leaders by becoming a signatory on the Edison Electric Institute's (EEI) Diversity and Inclusion Commitment. This three-year plan aims to incorporate initiatives and metrics to improve the industry's overall representation results. As part of this initiative, Dominion Energy will work to enhance the electric power industry by helping to transform the workforce through our dedication to attracting, recruiting and retaining diverse, highly-skilled talent. Our goal is to better represent the communities we serve, which will further ignite an energized work environment filled with innovative ideas, collaboration and impactful actions.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Diversity and Inclusion

### Into Action

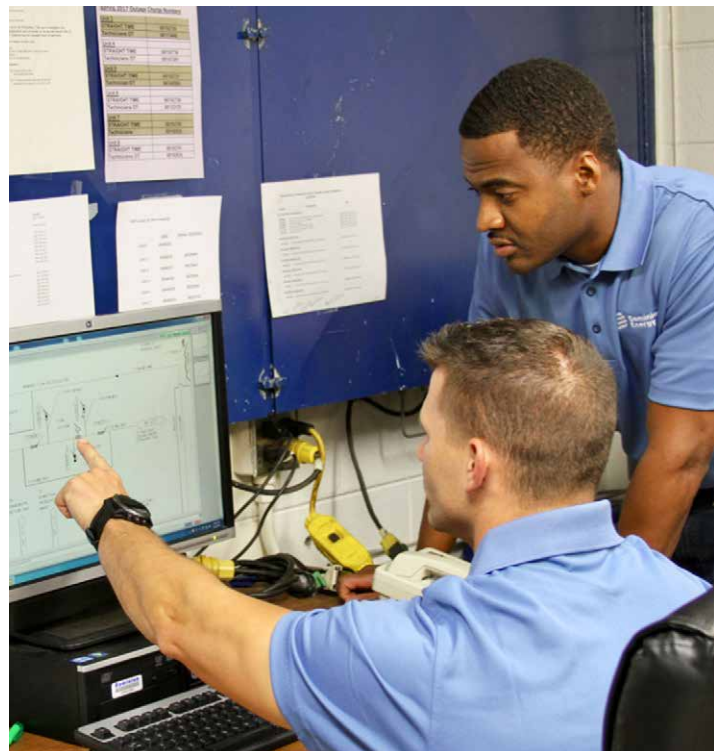
In addition to the Executive Diversity Council, each of Dominion Energy's business units established its own diversity council. While each business-unit council has its own approach, they all share a mission to ensure consistency and align with the corporate diversity and inclusion strategy.

The efforts and actions of the diversity councils led to the formation of our Employee Resource Groups (ERGs). These are self-governed groups composed of employees who come together based on similar experiences, interests or demographics. Employee participation in ERGs improves engagement, increases awareness of barriers to creating an inclusive workplace, and provides assistance with recruiting and community outreach. The groups also enable employees to feel a sense of belonging and enjoy increased opportunities for networking, professional development and education. For 2019, we will conduct periodic pulse surveys with employees to gauge engagement levels across the enterprise. Engaged employees are best able to provide honest feedback and help us identify business programs that address the needs of diverse consumers on new ideas and initiatives.

Dominion Energy has six ERGs, which are open to all employees: We3 (women), Veterans Resource Group, African- American Resource Group (AARG), iHOLA!, Young Professionals and PRIDE. For 2019, we will track employee hours committed to ERG efforts and add an innovation focus area to each group.

All leaders and employees must undergo diversity and inclusion training. In addition, the company's business-unit diversity councils and ERGs participate in or sponsor a host of diversity and inclusion initiatives.

These extensive initiatives include an annual "A Taste of Diversity" event, a student art contest, panel discussions on the female perspective of successfully operating on a predominantly male team, benefit seminars for veterans, workshops on youth leadership and personal branding, networking opportunities through business socials and athletic events, and sponsorship of diversity-related community events.



Everyone at Dominion Energy undergoes diversity and inclusion training.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Employee Health & Wellness

Sustainability is often thought of in systemic terms: companies, communities and ecosystems. But systems are made up of their constituent parts. The most basic part of any company is the individual employee. Dominion Energy wants to do what it can to help every employee lead a long and fruitful life.

## A Proactive Approach

### Our Strategy:

To promote a culture of wellness and professional development.

### How We Performed:

We provide a robust wellness program that encourages employees to improve their physical, emotional and financial health. In 2018 we added supplementary offerings to our benefits package.

### Where We're Headed:

Dominion Energy has implemented a 15 percent increase in adoption assistance reimbursement, from \$11,650 to \$13,810 per child. This amount is much higher than that offered by some of our industry peers. The change will take place on January 1, 2019.

No single approach will fit every employee's needs. As our workforce changes and grows more diverse, our wellness programs must evolve over time to serve and promote our company's culture.

Our "Well On Your Way" wellness program focuses on physical, emotional and financial health. We provide employees and their dependents a wide range of wellness offerings and health management services to encourage preventive care and to support work/life balance. The program provides support for employees with health and work/life issues, including coaching programs offered by StayWell Health Management and The Life Resources Center partner Beacon Health Options.

In 2016 we added some friendly competition, including a "10K a Day" challenge, in which employees were encouraged



Dominion Energy's wellness program focuses on emotional and financial health as well as physical health.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

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## Employee Health & Wellness

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to walk at least 10,000 steps each day to promote physical activity and wellness. More than 2,700 employees and 270 spouses participated. In 2017 we added “Slam Dunk,” linked to the NCAA March Madness basketball tournament. Employees created teams and earned prizes for engaging in health- and wellness-related activities.

In 2018 we are offering supplemental voluntary benefits, including critical illness and accident insurance, ID theft protection and home and auto insurance. We also offer employees a telemedicine service that provides access to medical professionals on mobile devices. Employees can chat at any time with board-certified physicians who are qualified to answer questions, make diagnoses, and even prescribe basic medications as permitted by state law. The program includes behavioral health and support for new mothers.

Dominion Energy’s benefits package includes other health benefits as well – such as free seasonal influenza shots to employees, discounted shots for dependents and contractors and access to fitness centers at many company locations.

## Our Culture

# Attracting, Developing & Retaining Talent

*Continued*

## Labor Relations

Dominion Energy respects and recognizes the right of its employees to bargain collectively through representatives of their own choosing for rates of pay, wages, hours of employment, working conditions and other employment-related issues.

## Good-Faith Bargaining

Nearly one-third of our employees are union members, and we are committed to building and maintaining relationships with the local unions in eight states that represent them. The company bargains collectively and in good faith with the following locals in accordance with the National Labor Relations Act and consistent with the highest ethical standards:

- International Brotherhood of Electrical Workers – Local Union 50
- Utility Workers Union of America (Gas Workers Union), Local G-555, AFL-CIO
- Utility Workers Union of America (United Gas Workers' Union), Local 69, AFL-CIO
- Utility Workers Union of America, Local 310, AFL-CIO

In late 2017 the Atlantic Coast Pipeline (ACP) signed Project Labor Agreements with the nation's four leading building-and-construction trade unions. The agreements reaffirm the ACP project's commitment to hiring skilled union workers. Under the agreement, the four trade unions are responsible for hiring and training the 13,000 workers needed to build the pipeline. The unions have committed to hiring at least half of the construction workforce through local union membership in West Virginia, Virginia and North Carolina, and to hire at least 25 percent of new hires (persons joining the trade unions for the first time) from local communities along the pipeline route.

The four trade unions are:

- The Laborers' International Union of North America (LIUNA)
- Teamsters National Pipeline
- International Union of Operating Engineers; and
- United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States.



Nearly one-third of the company's employees belong to a union.



Our Business For the Future

## Innovation

We want to be the driver of change – not its passenger. We have put together a strategy to accelerate the evolution of Dominion Energy on multiple fronts that will provide better service for customers, a strong future for investors, and a sustainable future for the environment.

## Creating Change

We are determined to create changes that improve our customers' experience, exceed our stakeholders' expectations and position our company for sustainable, agile and long-term success. We need not only to foresee technological advancements, but to develop them in order to find new and better ways of serving our customers and bringing them value.

### Our Strategy:

We are aggressively seeking ways to foster an even more innovative culture, grow and transform the business and enhance the performance of existing assets while highlighting and rewarding the successes we've already had.

### How We Performed:

In 2017, we created the position of Chief Innovation Officer. In 2018, we created the position of Vice President — Innovation. We also enhanced our innovation capability by forming a beachhead team consisting of strategists, designers and coaches to foster innovation mindsets and skills. We also created opportunities for innovation through a series of immersive field experiences, employee summits and our first innovation expo. We expanded our innovation tools by launching a company-wide crowdsourcing platform for ideas and began to create environments for rapid testing, prototyping and experimentation.

#### 2018 TARGETS

We will continue to reward innovation to create a culture in which employees are encouraged to experiment. Retaining the attributes that have made us successful, we will place even more emphasis on innovation and customer focus. We are committed to looking out for disruptions to our industry and partnering with start-ups to infuse energy into our employees and processes.

#### STATUS

In 2018 we enhanced our innovation capability by forming a beachhead team consisting of strategists, designers and coaches to foster innovation mindsets and skills. We also created opportunities for innovation through a series of immersive field experiences, employee summits and our first innovation expo. We expanded our innovation tools by launching a company-wide crowdsourcing platform for ideas and began to create environments for rapid testing, prototyping and experimentation.



## Our Business For the Future

# Innovation

*Continued*

## Our Strategy

### Where We're Headed:

We will place even more emphasis on innovation and customer focus, and are committed to looking out for disruptions to our industry and partnering with startups to infuse energy into our organization. We will continue to reward innovation and build out our innovation capability by involving customers and employees in experimentation, learning by doing, and fostering high-velocity collaboration and knowledge sharing.

### Our Commitment:

Dominion Energy is accelerating its innovation strategy even further in 2019, and the employees continue to embrace change. This effort includes doubling the number of crowdsourced business and technical solutions in 2019 (compared to prior year), expanding its innovation accelerator program from the pilot program in one organization to all business units, collaborating with university faculty and students in the states where we operate, and deploying technologies such as data analytics, edge devices, and mixed reality. We are also planning to substantially increase the number of pitch sessions across the company, where employees can present their ideas to broader audiences, and gain exposure to others in the company to bring ideas through the implementation stage. Dominion Energy is committed to seeking out disruptions to our industry and partnering with start-ups to infuse energy into our employees and business processes.



We promote innovation at our company and in our communities by supporting startup accelerators, working with innovation councils, hosting corporate roundtables and partnering with colleges and universities to embrace cutting-edge technologies and ideas developed from their research.

Our Business For the Future

## Innovation

*Continued*

## Our Strategy

### Driving Change

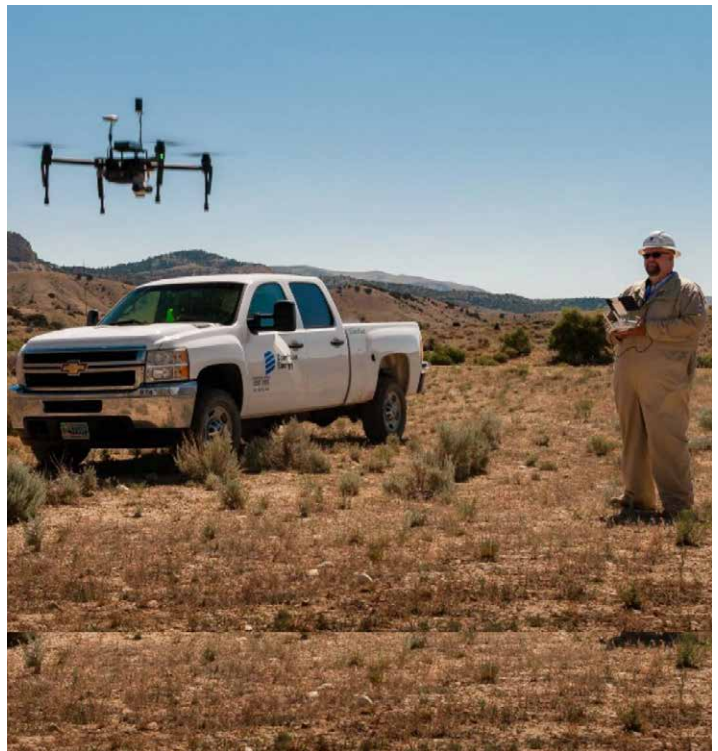
In 1955, *Fortune* magazine [debuted](#) its list of the 500 largest companies in America. By 2017, [only 60 members](#) of the original list remained. The rest had been replaced by competitors, swallowed up by rivals or rendered obsolete by emerging technology.

A company cannot stand still and hope to remain successful; it must evolve to stay abreast with the changing times. At Dominion Energy, we do more than stay abreast — we drive change forward.

Our [corporate ancestry \(PDF\)](#) includes companies involved in everything from canal navigation and horse-shoe manufacture to streetcar and railway operation. Today we are a leader in the delivery of electricity and natural gas. But changing customer behavior, lower barriers to entry and new technologies and marketplaces are disrupting or upending traditional business models.

While Dominion Energy currently enjoys success, we know a proud history will not guarantee a prosperous future. Progress in the years ahead will not be shaped by the strength of our legacy, but by how well we embrace innovation.

Changes in technology, customer expectations, and competition instill a sense of urgency. Now is the time to embrace new ideas, to improve asset performance, and to create new business opportunities. Our company is moving aggressively to foster innovation: We are developing new platforms to share and implement new ideas, and giving our employees the tools they need to quickly develop solutions to problems or develop new market opportunities. We aim to become nothing less than the energy company of the future.



Drone technology now is used in some areas to help inspect infrastructure.

## Innovation

*Continued*

## Our Strategy

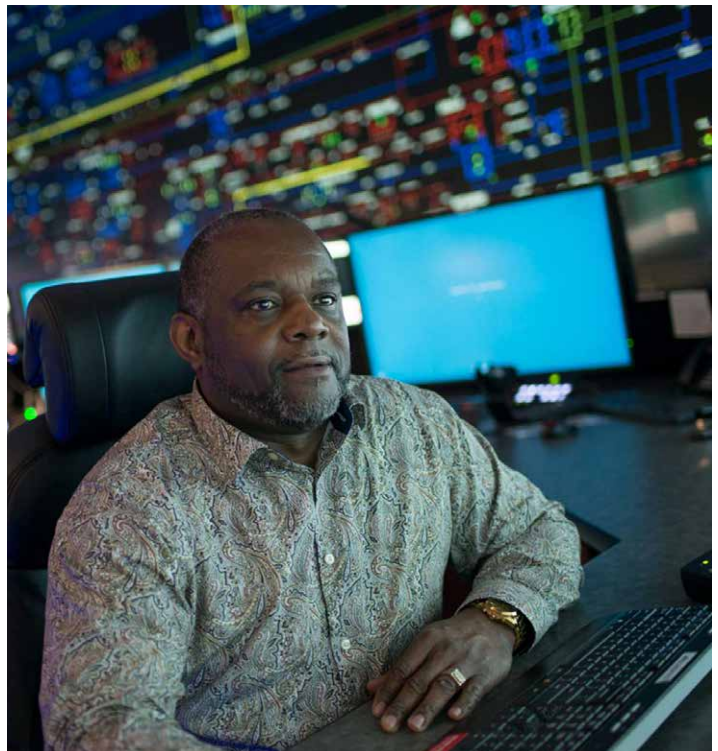
### Performance, Growth & Culture

Our approach to innovation has three components: performance, growth and culture.

We want to use innovation to drive excellence. We call this *incremental innovation* — making improvements to existing operations. For example, we can use emerging technologies to drive down costs, improve efficiency and enhance safety. The performance strategy also seeks to simplify and streamline operations, reduce cognitive load and minimize waste. And as new technological threats emerge, performance innovation allows us to respond nimbly and effectively.

The growth aspect of our innovation strategy focuses on creating new and greater value in the face of changing markets. We do this through adjacent innovation (expanding existing products, services and expertise into new spaces) and transformational innovation (developing entirely new products, services and business models). We constantly monitor social, technological, policy and market trends to see threats and opportunities and invest strategically. This growth strategy seeks to create new customer offerings, develop new value chains and potentially foster new revenue models.

The performance and growth innovation strategies require innovative mindsets and behaviors across the entire company. An innovation culture is key. We aim to build permanent innovation capabilities into the organization that allow the company to act with agility and speed to capitalize on new opportunities. We support innovation with collaborative and inspiring work environments, and provide the tools and skills to harness ingenuity.



At Dominion Energy, innovation is key to our culture.

Our Business For the Future

## Innovation

*Continued*

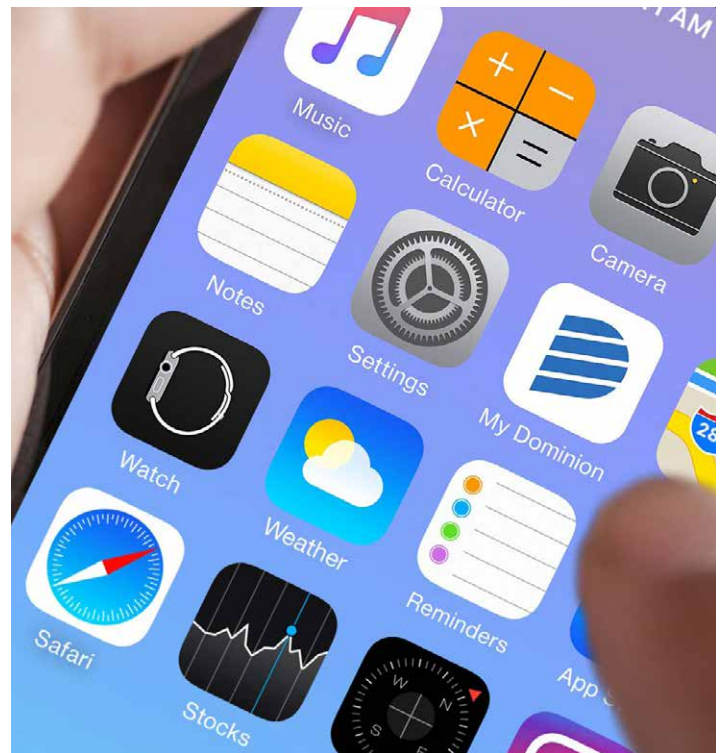
### Our Strategy

## Getting Down to Work

In 2016 we launched the Chairman's Excellence Award, which encourages employees to advance innovative ideas. In 2017 we welcomed the company's first Chief Innovation Officer to lead the cultural change needed to drive innovation. We also evaluated our innovation ecosystem and benchmarked our performance against our peers.

In 2018 Dominion Energy expanded its innovation program by forming a small beachhead team consisting of strategists, designers and four Innovation Guides — one representing each of our four business groups. The team reports to the Vice President — Innovation, a new position. Together, the group fosters a culture of innovation and creative thinking. It does so through workshops where employees are exposed to new mindsets, tools and techniques enabling them to explore and execute upon ideas and concepts, along with events such as Innovation Expos and the 2nd annual Innovation Summit held in June, 2018. The summit provided employees the opportunity to learn about exponential technologies and the effects they might have on our business.

In partnership with the Gas Infrastructure group, the Innovation Guides are piloting an ambassador program through which employees will receive training and exposure to innovative ecosystems so that they can advocate for our program and support their peers' innovations. The innovation ambassador program is expected to roll out companywide.



Technology helps drive change and innovation at Dominion Energy.



Our Business For the Future

## Innovation

*Continued*

## Our Strategy

### The Power of the Crowd

#### Crowdsourcing

In 2017 we launched a new crowdsourcing tool to help collect ideas from our 16,000 employees and build them into workable solutions to business challenges. In 2018 we've expanded this tool across our business groups and continue to find solutions from the crowd.

We are also deploying sprint teams — small groups with focused assignments and dedicated time and resources to develop solutions to specific problems. And we are working with external partners to develop our innovation and knowledge-management platforms.

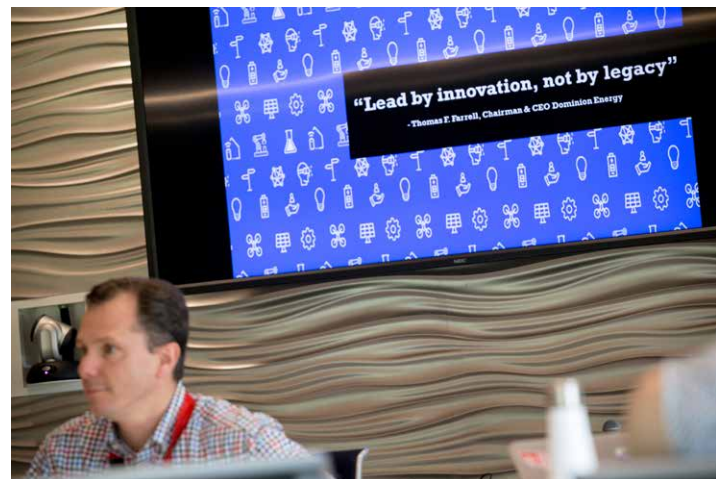
The Power Generation Group has launched Generation Forward, a continuous-improvement initiative that identifies significant efficiency and process improvements to increase flexibility and competitiveness. In its first year alone, Generation Forward identified and implemented more than 225 work processes, leading to sustained savings of more than \$100 million per year.

#### The Ecosystem

Dominion Energy recognizes that innovation happens not only within our organization, but all around us as well.

The company has teamed up with two other utilities in a venture-capital fund that targets innovation and late-stage startups in the energy sector. Participation in the fund keeps us abreast of technological advances that could benefit our customers or improve our operational efficiency. The fund has successfully supported the development and commercialization of clean-energy technologies, including equipment that boosts the productivity of renewable resources, energy management systems, smart-grid data analytics and cyber and physical security.

We maintain a presence in local innovation communities by supporting startup accelerators, working with innovation councils, and hosting corporate roundtables where we interact with business partners and peers to share insights on



We are shaping our future now by embracing innovation.



## Our Business For the Future

# Innovation

*Continued*

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## Our Strategy

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innovative culture and growth. We also partner with colleges and universities to embrace cutting-edge technologies and ideas developed from their research.

We continue to benchmark our customers, partners and peers and their innovation efforts. This allows us to gather insights and intelligence about the changing environment and better prepare ourselves to meet the needs of all the stakeholders in our business. The innovation team regularly meets with outside organizations to learn from their experiences — including peer utilities, technology development organizations both large and small, universities, startup accelerators and utility-excellence organizations. We also collaborate with the U.S. Department of Energy, NASA and government-backed national labs to stay current with the latest research and development initiatives in the energy industry.

### Incubating Businesses

Entrepreneurship and business incubation often provide the key to the next big idea. We are continually looking for new ways to shape the future and delight customers. Dominion Energy is a founder of an advanced-technology business incubator that provides startup companies with collaborative workspaces, mentoring, guidance on business strategy and other support services.

The Innovation Center — located north of Richmond in Ashland, Virginia — offers entrepreneurs access to teams of people and resources to develop early-stage concepts into financially viable, freestanding ventures. It also hosts special events and classes to foster creativity and entrepreneurship in the community.

The incubator has helped launch nearly 15 new companies. These include a developer of cutting-edge electric motors and generators; a solar-energy development company; and a biotechnology startup creating new products based on a novel recycling technology.

Our Business For the Future

## Investing in Infrastructure

We work around the clock to deliver safe, dependable, affordable and clean energy. The new infrastructure we are building to do so is more advanced, more reliable and more environmentally friendly – to reduce our carbon footprint and that of our customers.

## New Projects

Since 2007, Dominion Energy has spent nearly \$30 billion to improve our production, storage and delivery systems, increasing the dependability of the energy flowing to our customers. We will continue investing up to \$4.2 billion annually through the middle of the next decade to provide cleaner energy to our customers over a more robust, secure system of natural gas and electric wires.

### Our Strategy:

To construct infrastructure to produce and deliver energy, with a special emphasis on renewable energy projects such as solar generation and offshore wind, smart-grid technology and to continue providing low-carbon natural gas and carbon-free nuclear energy.

### How We Performed:

In April, 2018, we brought online the Cove Point liquefaction project in Maryland, which will export natural gas to Japan and India, where it will replace the use of other high-carbon fuels. In August, we sought permission to construct a pilot offshore wind project in the Atlantic. We are investing up to \$4.2 billion annually through the middle of the next decade to provide cleaner energy to our customers over a more robust, secure system of natural gas pipelines and electric wires. And we have begun construction of the 600-mile Atlantic Coast Pipeline in parts of West Virginia and North Carolina to bring American natural gas to people and businesses in new markets that need more of it to support growing populations and economies, to replace higher-carbon fuels and to support intermittent renewable energy from solar and wind.



Cove Point LNG Facility.

## Our Business For the Future

# Investing in Infrastructure

*Continued*

## New Projects

### 2018 TARGETS

We plan to begin construction of the 600-mile Atlantic Coast Pipeline, pursue re-licensing of our carbon-free nuclear fleet, fully operationalize the Cove Point liquefaction project in Maryland, and continue investing in renewable energy. We plan to rebuild 120 miles of electric transmission lines.

### STATUS

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And we have begun construction of the 600-mile Atlantic Coast Pipeline in parts of West Virginia and North Carolina to bring American natural gas to people and businesses in new markets that need more of it to support growing populations and economies, to replace higher-carbon fuels and to support intermittent renewable energy from solar and wind. In October 2018 we submitted an application to renew the license for Surry Power Station and are working to submit a similar application for North Anna Power Station in 2020. As of mid-year 101 miles of transmission lines have been rebuilt.

## Where We're Headed:

We will begin construction of the 600-mile Atlantic Coast Pipeline, re-license our carbon-free nuclear fleet, rebuild 120 miles of electric transmission lines, and continue investing in renewable energy. Through the Virginia Grid Transformation & Security Act, we will harden our electric grid and modernize it with smart-energy technology.

## Our Commitments:

Dominion Energy is seeking concurrence from the State Corporation Commission of Virginia with the infrastructure programs including the deployment of 2.1 million smart meters to streamline integration of renewables while ensuring safe, secure and reliable service to customers.

We intend to continue to enhance reliability and resiliency in 2019 by placing approximately 260-290 miles of the most outage-prone overhead distribution tap lines underground.

We anticipate continuing construction of the Atlantic Coast Pipeline to provide reliable natural gas to the region and pursue license extensions for our carbon-free nuclear fleet.

To ensure reliability, we plan to rebuild 90 miles of electric transmission line in 2019.

Our Business For the Future

## Investing in Infrastructure

*Continued*

### New Projects

## State-of-the-Art Systems

Our approach is exemplified by projects like the \$1.2 billion, 1,376-megawatt Brunswick Power Station that entered service in 2016. It quickly became one of the workhorses of the Dominion Energy stable, and will help limit greenhouse-gas emissions.

We are also building state-of-the-art natural-gas pipelines and compressor stations that help pressurize and move gas to customers with fewer emissions that contribute to climate change. Much of Dominion Energy's new and planned gas infrastructure provides our customers, gas utilities and power producers a clean, reliable source of energy that both serves their needs and meets environmental goals.

In April, 2018, we brought online the Cove Point liquefaction project in Lusby, Maryland, which has long-term contracts to ship liquefied American natural gas to Japan and India – helping the latter, in particular, reduce its emissions of greenhouse gases.

We are continuing work to complete the 600-mile Atlantic Coast Pipeline, re-license our carbon-free nuclear fleet, rebuild 120 miles of electric transmission lines, and continue investing in renewable energy.

In 2017, we opened a new Systems Operation Center to enable safe, reliable and continuous operation of the electric transmission grid across Virginia and North Carolina.

We have invested \$3.5 billion in renewable generation over the past five years, creating more than 10,000 construction jobs, and we expect to invest \$4 billion over the next decade.



Brunswick Power Station



Our Business For the Future

## Investing in Infrastructure

*Continued*

### New Projects

## Natural Gas: A Cleaner Source of Energy

### Atlantic Coast Pipeline

In late 2019, the 600-mile Atlantic Coast Pipeline is expected to begin transporting natural gas to electric and gas utilities for key segments. For a region facing pipeline constraints, economic challenges, and the ongoing transition to cleaner energy, the project is essential to the energy security, economic vitality and environmental health of the region.

The new infrastructure of the ACP would draw from low-cost supply basins, including the Appalachians, thereby enhancing the reliability of electric and gas utility service and significantly lowering costs for consumers. It also would help alleviate constraints and expand access to gas in underserved communities, and attract manufacturing and other new industries — building a foundation for long-term job creation and economic growth. In fact, the ACP is expected to create 17,240 jobs during construction and support thousands more with new industries.

Electric utilities in the region also are replacing conventional power plants with efficient, cleaner-burning units. The pipeline would support this ongoing transition to cleaner energy, lowering emissions and promoting cleaner air across the region. Natural gas is an ideal partner for renewable energy, providing around-the-clock backup power.

A project of this scope must be sustainable over the long term — for Dominion Energy, for consumers and for communities and the environment. So the ACP will employ an industry-leading, best-in-class program for construction, emissions controls and methane-reduction measures. Other precautions include:

- a program to avoid landslides on steep slopes;
- X-ray inspection of every single weld;
- hydrostatic pressure tests prior to operation;
- 24/7/365 monitoring from Dominion Energy's gas control center; and
- remote-controlled shutoff valves.



The Atlantic Coast Pipeline will provide the natural gas necessary for backup power to support renewable energy sources.



Our Business For the Future

## Investing in Infrastructure

*Continued*

### New Projects

## Cove Point

In 2014, construction began on a \$4 billion facility to liquefy natural gas at Dominion Energy's Cove Point on the western shore of the Chesapeake Bay. The liquefaction process involves super-cooling gas to shrink it to 1/600th of its original volume so that it can be piped to a pier a mile offshore and loaded onto supertankers for distribution to American allies around the world.

Cove Point's footprint has not expanded to accommodate the project, and the project maintains a surrounding nature preserve. It also uses only pre-existing storage tanks, pipelines and the offshore pier.

In addition to the nearly 3,000 construction jobs created when Cove Point was built, the project also has produced nearly 100 permanent jobs at the site and is expected to contribute \$40 million in new annual revenue to Calvert County, Maryland – nearly 13 percent of the county's total expected revenue in 2020.

Besides shoring up the economic sustainability of the immediate region, Cove Point also contributes to the environmental sustainability of energy production worldwide. Cove Point is providing American allies in Japan and India with a new source of natural gas for the next two decades or more. This can help these countries reduce their carbon footprint while improving the reliability of their gas and electric utilities. In recent years India has pursued an ambitious program of rural electrification. Despite those efforts, rural areas still face considerable challenges with regard to both quality and reliability – a problem that disproportionately affects impoverished populations. LNG from Cove Point can help alleviate that disparity.



Cove Point LNG Facility.

Our Business For the Future

## Investing in Infrastructure

*Continued*

### New Projects

## Greensville Power Station

Finished in December, 2018, the \$1.3 billion, 1,588-megawatt combined-cycle natural gas station in Greensville, Va., operates as one of the largest and most environmentally friendly generating facilities of its kind in the world. The station's air permit is the most stringent in the nation in terms of carbon dioxide emissions, according to the Virginia Department of Environmental Quality. Construction at the station created more than 1,000 jobs and it supports about 166 jobs, including 49 full-time employees.

In its first year of operation, the station is expected to provide as much as \$8 million in property taxes for Greensville County, near the North Carolina border in Virginia's rural Southside region. The station will have low carbon intensity because it uses clean-burning natural gas, combined-cycle technology and the best available control technology to reduce emissions. It also will use less water, minimizing the impact to rivers and streams.



Greensville Power Station.

Our Business For the Future

## Investing in Infrastructure

*Continued*

### New Projects

## Nuclear Relicensing

Dominion Energy Virginia has notified the federal Nuclear Regulatory Commission of its intent to relicense the Surry and North Anna power stations for additional 20-year terms, ensuring that Virginia customers will continue to benefit from the safe, reliable and carbon-free electricity the stations produce for decades to come. We filed the Surry application in October of 2018 and expect to file the North Anna application in 2020.

Our nuclear power stations have proven to be among the most efficient and most reliable sources of electricity in our fleet. The operation of North Anna and Surry directly supports more than 2,000 high-paying jobs in Virginia and produces additional economic and tax benefits. Their continued operation will go a long way toward maintaining low carbon-emission rates in the commonwealth.

The company expects to invest up to \$3.5 billion in upgrades as part of the re-licensing process. Like all U.S. nuclear units, the North Anna and Surry units were originally licensed to operate for 40 years. In 2003, licenses for all four units were renewed for 20 additional years of operation, following a stringent review process required by federal law. An additional extension would extend carbon-free energy until the 2050s. Extending the life of our nuclear stations rather than mothballing them and building new ones conserves natural space and natural resources and enables these units to continue to provide carbon free generation.



Surry Nuclear Power Station.

## Our Business For the Future

# Investing in Infrastructure

*Continued*

## New Projects

### Looking to the Future

The power grid is a critical component of public infrastructure vital to the safety, comfort, and prosperity of the public.

We are taking steps to make it even stronger. We expect that the reliability and resiliency improvements of the smart energy grid will result in fewer power outages and a faster response to those that do occur. It also means a grid that can be even more environmentally friendly: Our customers will have the flexibility to choose clean, renewable energy like solar and wind, thereby exercising greater control over their own carbon footprint.

This translates to an overall improvement in the customer experience. A smart energy grid will provide customers with new tools to access timely, accurate information about their energy use, and create additional pricing options and service enhancements.

In 2018, Virginia passed the Grid Transformation & Security Act; the law went into effect in July. Dominion Energy supported this landmark legislation alongside a broad spectrum of environmental, consumer and business groups during the 2018 General Assembly.

In addition to declaring 5,000 megawatts of additional solar generation to be in the public interest, the law also directs utilities to submit proposals for revamping our electric system to meet modern standards. Dominion Energy's plan includes self-healing grid technology that can predict and prevent outages before they occur, isolate them when they do, and restore power more quickly.

Our plan includes placing more outage-prone power lines underground to improve system reliability. And it entails a vast expansion of energy conservation, equivalent to \$870 million in such programs over the next decade. Energy conservation promotes sustainability in two ways: by reducing the amount of natural resources consumers use, and by reducing the strain on the power grid, especially during peak-usage hours, thereby lowering the risk of outages.



The power grid is a critical component of public infrastructure that is vital to the safety, comfort and prosperity of the public.

We are also seeking concurrence from the Virginia State Corporation Commission on:

- Increasing comprehensive customer insights and consumer availability of energy usage data;
- Establishing remote capabilities and reducing the number of truck rolls and the amount of overall time to complete service orders;
- Improving outage and restoration-management capabilities, including proactive customer communications; and
- Focusing on opportunities to increase access to electric-vehicle charging infrastructure.



Our Business For the Future

## Energy Diversity & Security

Diversifying our energy mix lies at the center of our approach to sustainability. Our approach places particular emphasis on the clean, reliable and renewable energy our customers want. Strengthening our delivery networks will ensure that customers continue to receive superior service around the clock.

## Low- and No-Carbon

At the most basic level, diversifying our energy mix reflects simple prudence: The adage about not putting all your eggs in one basket applies here. Supply disruptions can create uncertainty for traditional fuel sources; clouds can render solar generation intermittent. To remain sustainable for the long term, Dominion Energy is making sure it can supply clean energy without interruption, and with minimal exposure to sudden energy price swings, no matter what.

But our commitment to sustainability extends beyond protecting the continuity of our own operations. We are committed to lowering our greenhouse-gas emissions as a matter of principle. We already have achieved much, cutting the amount of carbon dioxide we emit per unit of energy in half. Now we're focused on cutting even further.

### Our Strategy:

To invest more in renewable solar and wind generation, along with cleaner natural gas, to serve the need for around-the-clock reliable generation of electricity, to extend the life of our carbon-free nuclear facilities, and to use innovation to drive excellence.

### How We Performed:

In the past five years we have invested \$3.5 billion in renewable generation and grown our solar fleet in Virginia and North Carolina from zero to approximately 1,700 megawatts in service, in construction, or under development. In November 2018, we received approval of an offshore wind pilot project – the second such project in the United States and the first to be owned by an electric utility.



Amazon Solar Farm, Buckingham County, Va.



**Our Business For the Future**

## Energy Diversity & Security

*Continued*

### Low- and No-Carbon

**2018 TARGETS****STATUS**

The company announced plans to continue to increase our reliance on cleaner generation technologies.

In the past five years we have invested \$3.5 billion in renewable generation and grown our solar fleet from zero to approximately 1,700 megawatts in service, in construction, or under development. In 2018 we filed for approval of an offshore wind pilot project – the second such project in the United States and the first to be owned by an electric utility.

### Where We're Headed:

Dominion Energy is committing to having 3,000 megawatts of new solar and wind under development or in operation by the beginning of 2022. We will bring online our Greenville power station — one of the largest and most environmentally friendly stations of its kind in the world in 2018 — and proceed with our Coastal Virginia Offshore Wind pilot project. We will continue to invest in natural gas and in making the electric grid smarter and harder.

### Our Commitments:

The self-healing and grid hardening activities in the company's proposed Grid Transformation Plan should reduce outages by 25 percent over the next 10 years.

Dominion Energy is committing to having 3,000 megawatts of new solar and wind under development or in operation by the beginning of 2022.

As part of the 2018 Grid Transformation Plan, the company is seeking Virginia State Corporation Commission concurrence with infrastructure programs including the initial three years of a five-year plan to complete the Smart Meter deployment of 2.1 million smart meters to streamline integration of renewables while ensuring safe and reliable service to customers.

## Our Business For the Future

# Energy Diversity & Security

*Continued*

## Low- and No-Carbon

### Rapid Evolution

The way we provide energy to our customers is rapidly changing. Evolving economics and better technology are coming together to advance renewable and low-carbon energy, enabling us to reduce a legacy of reliance on fossil fuels. Our strategy for the future depends on using a diverse and balanced mix of resources to deliver reliable and affordable energy to customers. We focus especially on balancing our portfolio to meet our customers' future energy needs in the most reliable, affordable and environmentally sustainable manner possible.

#### Solar

Backed by an ongoing \$1 billion investment, Dominion Energy has grown its solar fleet in Virginia and North Carolina over the past several years from near zero to approximately 1,700 megawatts in service, in construction or under development. That is enough clean energy to power nearly 425,000 homes during peak sunshine.

Nationally, Dominion Energy is ranked 4th in the nation among utility holding companies for ownership of solar facilities, either operational or under development. The company has nearly 2,600 megawatts of solar generating capacity in operation or under development in nine states, including offtake agreements for the company's utility customers.

Dominion Energy has committed to having another 3,000 megawatts of new solar and wind generation – enough to power 750,000 homes – under development or in operation in Virginia by the beginning of 2022.

The company also is seeking regulatory approval in Virginia for a 100 percent renewable-energy option for residential and small commercial and industrial customers, as well as an option for business customers to purchase renewable generation equal to a specific portion of their energy usage.

#### Offshore Wind

As part of our ongoing commitment to bring cleaner energy to customers, we are moving forward on the Mid-Atlantic's



Bath County Pumped Storage Facility

Our Business For the Future

## Energy Diversity & Security

*Continued*

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### Low- and No-Carbon

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first offshore wind project in a federal lease area. We have signed an agreement and strategic partnership with Ørsted Energy of Denmark, a global leader in offshore wind development, to build two 6-megawatt turbines off the coast of Virginia Beach. This project — the first of its kind owned by an electric utility company — has received approval from Virginia's State Corporation Commission. It will be located about 27 miles off the coast of Virginia Beach, beyond the coastal viewshed.

#### Pumped Storage

Dominion Energy operates a 3,003-megawatt [pumped-storage power station](#) in Bath County, Virginia. Pumped storage operates much like a giant battery: When electricity demand is low, the company pumps water from the lower of two reservoirs to the upper one. When demand spikes, valves open to let water run back to the lower reservoir at a rate of 13.5 million gallons per minute. The station powers 750,000 homes and provides a reliable backup source of energy if other sources go offline. We are also exploring the potential for another pumped-storage facility in the coalfields of Southwest Virginia to provide additional energy storage capacity to help balance future renewable resources.

#### A Lower Carbon Footprint

Dominion Energy has invested in reliable natural gas generation as well. This includes the \$1.2 billion Brunswick Power Station that entered service in April 2016. This highly efficient workhorse plant is expected to provide energy savings of more than \$1 billion to our customers over its life — and help limit greenhouse gas emissions. From 2007, the portion of our generation supplied by natural gas has grown from 8 percent in 2007 to 32 percent in 2017. Natural gas and nuclear generation will play an important role in our transition to cleaner energy.

Because of this hard work, Dominion Energy has reduced its carbon emission rate by 50 percent over the past 15 years.

#### Natural Gas

Dominion Energy has 11 power stations fueled by natural gas.

## Energy Diversity & Security

*Continued*

### Zero-Carbon Nuclear

Every day, Dominion Energy's three nuclear power stations — Millstone in Connecticut, and Surry and North Anna in Virginia — generate enough low-carbon energy to power roughly 3 million homes. They provide base-load generation that backs up renewable sources when the sun doesn't shine and the wind doesn't blow. Nuclear power is by far the largest source of energy that emits no air pollution, and the only one that can provide energy around the clock.

#### Millstone

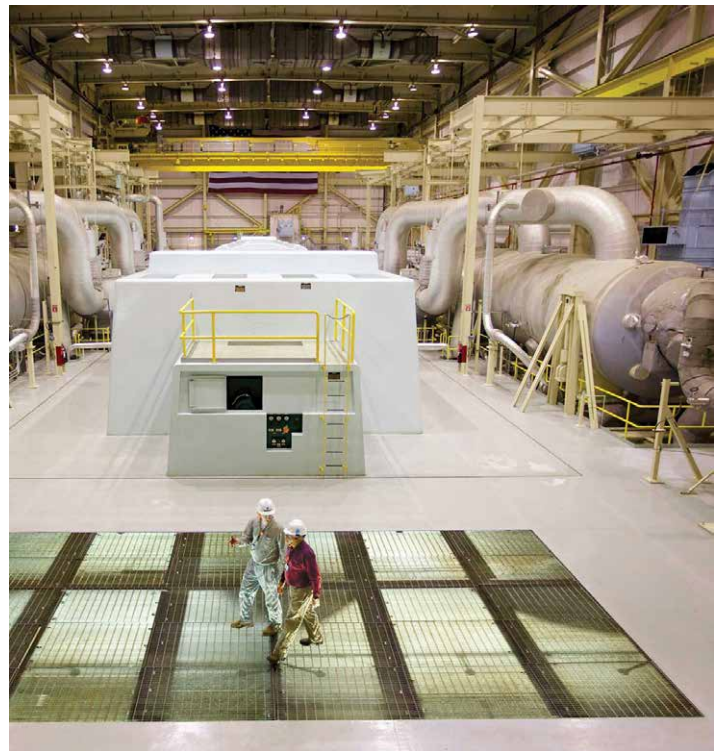
Each day Millstone Power Station — New England's largest source of carbon-free energy — provides abundant, low-cost power to New England. [The station](#) produces enough electricity to power 2 million homes. The operation of the Millstone Power Station produces over \$1.5 billion in annual economic benefits to Connecticut, supports more than 3,900 jobs, and generates the equivalent of over half the electricity consumed in Connecticut, and 98 percent of the state's low-carbon electricity.

#### North Anna

With an economic impact of more than \$700 million and a workforce of 900, [North Anna](#) supplies 17 percent of Virginia's electricity — powering 450,000 homes in the process. The 17-mile-long, 1.5-mile-wide [Lake Anna](#), created by Dominion Energy to provide cooling water to the power station, has become a hugely popular source of outdoor recreation for fishermen, campers, hikers, picnickers and nature-lovers.

#### Surry

Employing 900 people in southeastern Virginia, [Surry Nuclear Power Station](#) generates 14 percent of the state's electricity, supplies energy to 420,000 homes, and sits adjacent to the 3,900-acre [Hog Island](#) Wildlife Management Area, which includes pine forests, tidal marshes, and ponds supporting a vast array of wildlife.



Millstone Nuclear Power Station

## Energy Diversity & Security

*Continued*

### Clean Natural Gas

We are re-orienting our business model around sustainability. We will remain a best-in-class operator and developer of safe, reliable, and clean assets while creating profitable growth through sustainable new businesses that will reshape our social contract. We will do so by using new technologies to create innovative customer solutions that minimize energy use, reduce harmful emissions, and increase public safety.

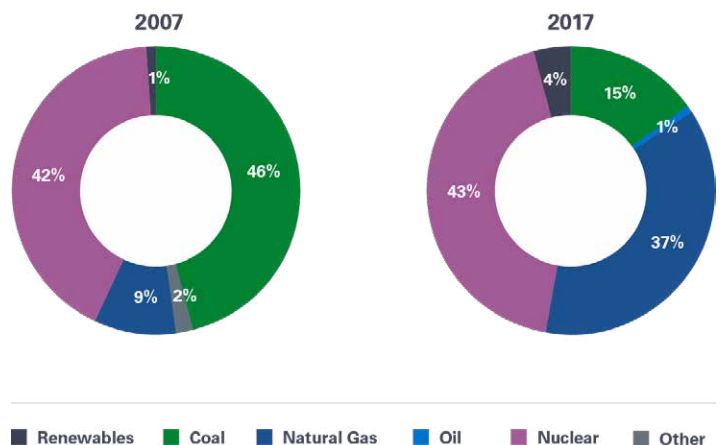
### Low-Carbon Reliability

Converting coal-fired power plants to natural gas already has helped Dominion Energy cut its carbon intensity by half. Natural gas-fired generation also provides rapidly dispatchable baseload generation to ensure reliability when zero-carbon but intermittent renewable energy sources such as solar and wind power are not available.

Dominion Energy has 11 power stations fueled by natural gas.

#### Output by Fuel 2007 - 2017

Electric Output by Fuel (Total Fleet, by Percent)





Our Business For the Future

## Energy Diversity & Security

*Continued*

### Grid Hardening

As new threats emerge in a complex world, simply improving reliability is no longer enough. That's why we aim to harden and modernize the energy grid even further.

### A New Approach

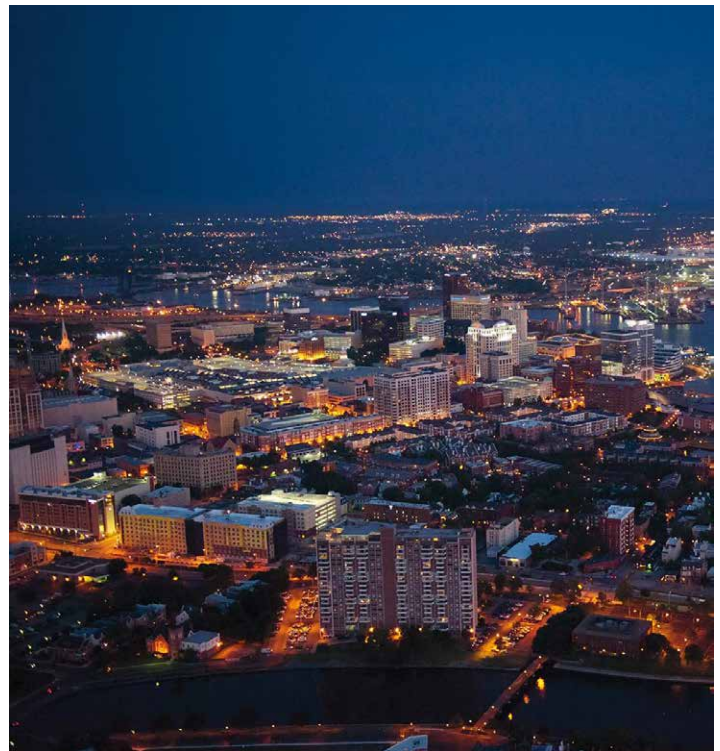
Historically, Dominion Energy's infrastructure investment strategy has centered around improving reliability — ensuring that customers maintain access to energy in bad weather, and that we restore it quickly after an outage, including storms. But as new threats emerge in a complex and dangerous world, we know we have to do more.

That's why we aim to harden and modernize the energy grid much further. Like bridges and roads, the grid is a critical component of public infrastructure vital to the safety, comfort, and prosperity of the public. The grid and its many components must be equipped to meet modern reliability demands, and become more resilient and adaptable to changing physical and cybersecurity challenges.

Our energy grid must become even more reliable and resilient, even more capable of harnessing clean, renewable energy.

A smart energy grid uses digital technologies to be more efficient, reliable and secure, and better able to accommodate renewable energy by adapting to expanding solar and wind power. It means progress toward our goal of always-on power.

As part of the 2018 Grid Transformation Plan the company is seeking concurrence from the Virginia State Corporation Commission on the initial three years of a five-year plan to complete the Smart Meter deployment of 2.1 million smart meters, as well as streamlining integration of renewables while ensuring safe and reliable service to all customers.



Modernizing our electric grid is a top priority.

Our Business For the Future

## Cybersecurity

We take our responsibility to protect the energy grid and the privacy of our customers' personal information very seriously. Our customers deserve that – and America's national security depends on it.

## Defense-in-Depth

Dominion Energy is resolved to make sure this never happens to us – or to you:

Two days before Christmas, 2015, hackers wormed their way into the Ukrainian power grid. That afternoon an operator in the control center of a western Ukrainian power company [watched the pointer](#) on his computer monitor begin moving, seemingly of its own volition. It clicked on a box to take a substation offline, and clicked again on a dialogue box to confirm the decision. Then it turned off another substation, and another.

Soon more than 230,000 residents found themselves without power in the dead of a cold Ukrainian winter. It was the first successful cyberattack on an electric grid.

### Our Strategy:

To stretch beyond simply complying with security regulations. We have one goal: to protect the critical infrastructure that our customers rely on for their health and safety, that our country relies on for national security and that our economy relies on to drive business operations and growth. If the energy grid goes down, people can lose their livelihoods. That's why we have an exhaustive system of rigorous security protocols, overseen by experts who work directly in protecting against cyberattacks.

### How We Performed:

We deploy technical controls using a defense-in-depth approach, continuously strengthening our defenses to identify and prevent external attacks as well as insider threats. We revise the cybersecurity strategic plan at least annually, with status updates and performance metrics



## Our Business For the Future

# Cybersecurity

Continued

## Defense-in-Depth

provided to the board of directors and senior management team. Employees have completed Information Protection and Phishing training. The company has participated in cyber exercises with the National Guard, conducted vulnerability scans and conducted penetration tests with more planned before the end of the year. NERC CIP Cyber Vulnerability Assessments are underway.

### 2018 TARGETS

### STATUS

Employees will complete annual training to educate them in their role as the first defense in cybersecurity. In addition, internal and third party-led exercises to evaluate cybersecurity defenses will be performed. We will conduct four cybersecurity drills in 2018. These are conducted with both internal resources and external parties, including other utilities, regulatory agencies and law enforcement. We will conduct four Independent Vulnerability Scans in 2018. These scans are conducted by third parties to identify any public facing cyber vulnerabilities. We will conduct six Penetration Tests in 2018. These tests are targeted testing of vulnerabilities of our external and internal systems. We target enterprise and industrial control systems, with remediation of any issues found as a high priority. We will conduct North American Electric Reliability Critical Infrastructure Protection (NERC CIP) program Cyber Vulnerability

We revised the cyber security strategic plan and prioritize cyber security investments based on these external assessments, threat intelligence and our assessment of risk. Employees have completed Information Protection and Phishing training. The company has participated in National Guard cyber exercises, completed vulnerability scans, penetration tests and NERC CIP Cyber Vulnerability assessments.

Assessments at 65 locations in 2018. We aim to remain in the top quartile of BitSight assessments, a third-party organization that conducts external cyber assessment and scoring of major companies. We revise the cybersecurity strategic plan and prioritize cybersecurity investments based on these external assessments, threat intelligence and our assessment of risk.

### Where We're Headed:

We will continue to enhance cybersecurity for systems that generate and move energy. We will heighten user awareness training with a focus on current and emerging threats. We will augment programs to monitor and detect malicious activities in the organization.

### Our Commitment:

In 2019 we plan to conduct four cybersecurity drills, four independent vulnerability scans and eight penetration tests, and plan to perform NERC CIP Cyber Vulnerability Assessments at multiple locations.



## Cybersecurity

*Continued*

### Defense-in-Depth

## Managing Threats

We prioritize cybersecurity investments based on three primary components:

### Threat Management

We partner with information-sharing organizations in the energy sector — as well as local, state and federal agencies — to gain insight into and actionable intelligence about cyber threats.

### Security Controls

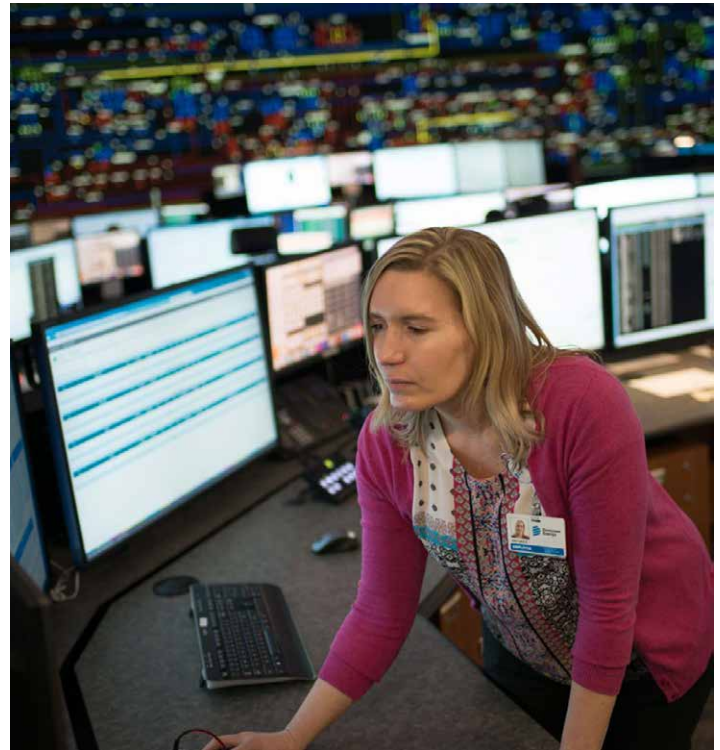
We deploy technical controls using a defense-in-depth approach, continuously strengthening our defenses to identify and prevent external attacks as well as insider threats. We realize that our people provide the first and last line of defense. That's why we continue to educate and train our users to help identify threats and malicious activities.

### Assessments

We use internal and external vulnerability assessments, penetration tests, drills and simulations to search continuously for gaps and opportunities for improvement. Both Dominion Energy and third parties that specialize in security services perform the assessments. We conduct drills with other utilities, regulatory agencies and law enforcement, and perform vulnerability scans to identify public-facing cyber vulnerabilities. Whether through annual tabletop exercises or actual restoration operations, we validate recovery procedures and system resiliency to ensure we can return critical systems to normal operating levels in a timely manner.

The threat landscape is constantly changing. As we deploy more intelligent devices to modernize the grid and improve reliability and efficiency, our risk profile changes.

We have implemented additional monitoring and protections to help make sure that sensitive data, such as customer personal information, remains secure. We have deployed solutions to further strengthen perimeter defenses, secure critical system-to-system communications against



Our people provide our first and last line of defense.

unauthorized access and increase the resiliency of business operations. We continue to improve awareness training to help our users better identify malicious emails. We performed multiple assessments and penetration tests, remediating critical findings and closing any gaps we identify.

For example: In 2019 we will conduct four cybersecurity drills, four independent vulnerability scans and eight penetration tests, and will perform North American Electric Reliability Corporation critical-infrastructure protection Cyber Vulnerability Assessments at multiple locations.

Our nation's way of life depends upon energy. Protecting critical infrastructure and maintaining industry-leading security posture will remain a top priority.