



**Dominion<sup>®</sup>**

**Alternate Breakdown  
Structure (ABS)  
Supplement**

**July 30, 2014**

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## Important Notes to Investors

This supplement contains certain forward-looking statements, including our forecasted operating earnings for the third-quarter and full-year 2014 which are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations may include factors that are beyond the company's ability to control or estimate precisely, including fluctuations in energy-related commodity prices, estimates of future market conditions, additional competition in our industries, changes in the demand for Dominion's services, access to and costs of capital, fluctuations in the value of our pension assets and assets held in our decommissioning trusts, impacts of acquisitions, divestitures, transfers of assets to joint ventures or an MLP and retirements of assets based on asset portfolio reviews, the receipt of regulatory approvals for, and timing of, planned projects, acquisitions and divestitures, the timing and execution of our MLP strategy, and the ability to complete planned construction or expansion projects at all or within the terms and timeframes initially anticipated. Other factors include, but are not limited to, weather conditions and other events, including the effects of hurricanes, earthquakes, high winds, major storms and changes in water temperatures on operations, the risk associated with the operation of nuclear facilities, unplanned outages at facilities in which Dominion has an ownership interest, the impact of operational hazards and catastrophic events, state and federal legislative and regulatory developments, including changes in federal and state tax laws and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gases and other emissions to which we are subject, political and economic conditions, industrial, commercial and residential growth or decline in Dominion's service area, risks of operating businesses in regulated industries that are subject to changing regulatory structures, changes to regulated gas and electric rates collected by Dominion, changes to rating agency requirements and ratings, changing financial accounting standards, fluctuations in interest rates, employee workforce factors, including collective bargaining, counter-party credit and performance risks, adverse outcomes in litigation matters or regulatory proceedings, the risk of hostile cyber intrusions and other uncertainties. Other risk factors are detailed from time to time in Dominion's quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.

## Alternate Breakdown Structure Supplement

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

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

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

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

## Guidance Reconciliations

### Reconciliation of 2Q14 Operating Earnings to Guidance

#### Unaudited, Alternate Breakdown Structure

(millions, except per share amounts)

Description	2Q13 Actual	Range of 2Q14		2Q14 Actual
		Low	High	
<b>Virginia Electric &amp; Power Co. EBIT</b>				
Electric Distribution	\$121	\$130	\$145	\$133
Electric Transmission	98	110	115	111
Utility Generation	283	265	290	267
Virginia Power - Corporate Adjusted	0	0	0	0
Subtotal VEPCO Adjusted EBIT	502	505	550	511
<b>Gas Operations EBIT</b>				
Gas Distribution	50	40	45	56
Gas Transmission <sup>1</sup>	151	150	175	159
Subtotal Regulated Gas Operations EBIT	201	190	220	215
<b>Merchant Generation EBIT</b>	16	30	50	28
<b>Dominion Retail EBIT</b>	34	(5)	5	11
<b>Corporate and Other &amp; Eliminations Adjusted EBIT</b>	(13)	(20)	(10)	(13)
<b>Total Adjusted EBIT</b>	740	700	815	752
<b>Consolidated Interest</b>	201	235	225	226
<b>Consolidated Income Taxes</b>	178	155	190	163
<b>Noncontrolling Interests</b>	6	5	5	2
<b>Operating Earnings</b>	\$355	\$305	\$395	\$361
Average Diluted Shares Outstanding	578.9	585	583	583.9
<b>Operating EPS Range</b>	\$0.62	\$0.52	\$0.68	\$0.62

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

<b>2Q14 Operating EPS Actual &gt;&gt;&gt;</b>	<b>\$0.62</b>
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<sup>1</sup> Includes Producer Services Business.

Please refer to pages 6 and 7 of this Alternate Breakdown Structure Supplement for details related to *Items excluded from operating earnings* for 2Q13 and 2Q14.

**3Q14 Operating Earnings Guidance****Unaudited, Alternate Breakdown Structure***(millions, except per share amounts)*

Description	3Q13 Actual	Range of 3Q14 Low High	
<b>Virginia Electric &amp; Power Co. EBIT</b>			
Electric Distribution	\$137	\$140	\$150
Electric Transmission	100	115	120
Utility Generation	460	480	520
Virginia Power - Corporate Adjusted	0	0	0
Subtotal VEPCO Adjusted EBIT	697	735	790
<b>Regulated Gas Operations EBIT</b>			
Gas Distribution	39	30	40
Gas Transmission <sup>1</sup>	250	165	175
Subtotal Regulated Gas Operations EBIT	289	195	215
<b>Merchant Generation EBIT</b>	116	120	145
<b>Dominion Retail EBIT</b>	8	0	5
<b>Corporate and Other &amp; Eliminations Adjusted EBIT</b>	(11)	(15)	(10)
<b>Total Adjusted EBIT</b>	1,099	1,035	1,145
<b>Consolidated Interest</b>	217	240	230
<b>Consolidated Income Taxes</b>	293	265	295
<b>Noncontrolling Interests</b>	6	5	5
<b>Operating Earnings</b>	\$583	\$525	\$615
Average Diluted Shares Outstanding	580.1	586	584
<b>Operating EPS Range</b>	\$1.00	\$0.90	\$1.05
<b>3Q14 Operating EPS Guidance Range</b>		<b>\$0.90</b>	<b>\$1.05</b>

**Note: Figures may not add due to rounding**<sup>1</sup> Includes Producer Services Business.

Please refer to page 8 of this Alternate Breakdown Structure Supplement for details related to *Items excluded from operating earnings* for 3Q13.

## GAAP Reconciliations

### Reconciliation of 2Q14 Operating Earnings to GAAP

#### Unaudited, Alternate Breakdown Structure<sup>1</sup>

(millions, except per share amounts)

Description	2Q14 Operating	Adjustments	2Q14 GAAP
<b>Virginia Electric &amp; Power Co. EBIT</b>			
Electric Distribution	\$133		\$133
Electric Transmission	111		111
Utility Generation	267		267
Virginia Power - Corporate	0	(285)	(285)
Subtotal VEPCO EBIT	511	(285)	226
<b>Gas Operations EBIT</b>			
Gas Distribution	56		56
Gas Transmission	159		159
Subtotal Gas Operations EBIT	215		215
<b>Merchant Generation Operations EBIT</b>	28		28
<b>Dominion Retail EBIT</b>	11		11
<b>Corporate, Other &amp; Eliminations</b>	(13)	(16)	(29)
<b>Total EBIT</b>	\$752	(\$301)	\$451
<b>Consolidated Interest</b>	226	1	227
<b>Consolidated Income Taxes</b>	163	(100)	63
<b>Noncontrolling Interests</b>	2		2
<b>Income(loss) from Discontinued Operations Earnings</b>	0	0	0
	\$361	(\$202)	\$159
Average Diluted Shares Outstanding	583.9	583.9	583.9
<b>Operating EPS</b>	\$0.62		
<b>Adjustments</b>		(\$0.35)	
<b>Reported EPS</b>			\$0.27

#### Adjustments to Operating:

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

<sup>1</sup> There are certain differences between segment reporting and the alternate breakdown structure.

## Reconciliation of 2Q13 Operating Earnings to GAAP

### Unaudited, Alternate Breakdown Structure<sup>1</sup>

(millions, except per share amounts)

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

#### Adjustments to Operating:

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

<sup>1</sup> There are certain differences between segment reporting and the alternate breakdown structure.

<sup>2</sup> Includes Producer Services business.

## Reconciliation of 3Q13 Operating Earnings to GAAP

### Unaudited, Alternate Breakdown Structure<sup>1</sup>

(millions, except per share amounts)

Description	3Q13 Operating	Adjustments	3Q13 GAAP
<b>Virginia Electric &amp; Power Co. EBIT</b>			
Electric Distribution	\$137		\$137
Electric Transmission	100		100
Utility Generation	460		460
Virginia Power - Corporate	0	1	1
Subtotal VEPCO EBIT	\$697	1	\$698
<b>Gas Operations EBIT</b>			
Gas Distribution	39		39
Gas Transmission <sup>2</sup>	250		250
Subtotal Gas Operations EBIT	289		289
<b>Merchant Generation Operations EBIT</b>	116		116
<b>Dominion Retail EBIT</b>	8		8
<b>Corporate, Other &amp; Eliminations</b>	(11)	20	9
<b>Total EBIT</b>	\$1,099	\$21	\$1,120
<b>Consolidated Interest</b>	217	0	217
<b>Consolidated Income Taxes</b>	293	12	305
<b>Noncontrolling Interests</b>	6		6
<b>Income(loss) from Discontinued Operations</b>	0	(23)	(23)
<b>Earnings</b>	\$583	(\$14)	\$569
Average Diluted Shares Outstanding	580.1	580.1	580.1
<b>Operating EPS</b>	\$1.00		
<b>Adjustments</b>		(\$0.02)	
<b>Reported EPS</b>			\$0.98

#### Adjustments to Operating:

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items related to our gas infrastructure and repositioning strategies.
- (c) Income tax effects for items excluded from operating results.
- (d) Items related to Brayton Point and Kincaid discontinued operations.
- (e) Items related to our equity method investment in Elwood.

<sup>1</sup> There are certain differences between segment reporting and the alternate breakdown structure.

<sup>2</sup> Includes Producer Services business.



## VEPCO GAAP Reconciliations

### Reconciliation of 2Q14 Operating Earnings to GAAP

#### Virginia Electric & Power Company

#### Reconciliation of 2Q14 Operating Results to 2Q14 GAAP Results (Unaudited)

(millions)

Description	2Q14 Operating Adjustments			2Q14 GAAP
<b>EBIT</b>				
Electric Distribution	\$133			\$133
Electric Transmission	111			111
Utility Generation	267			267
Virginia Power - Corporate	0	(285)	(a), (b)	(285)
<b>Total EBIT</b>	<b>\$511</b>	<b>(285)</b>		<b>\$226</b>
<b>Consolidated Interest</b>	102	1	(b)	103
<b>Consolidated Income Taxes</b>	158	(104)	(c)	54
<b>Net Income</b>	251	(182)		69
<b>Preferred Dividends</b>	2			2
<b>Balance Available for Common Stock</b>	<b>\$249</b>	<b>(182)</b>		<b>\$67</b>

#### Adjustments to Operating:

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

### Reconciliation of 2Q13 Operating Earnings to GAAP

#### Virginia Electric & Power Company

#### Reconciliation of 2Q13 Operating Results to 2Q13 GAAP Results (Unaudited)

(millions)

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

#### Adjustments to Operating:

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

**Reconciliation of 3Q13 Operating Earnings to GAAP****Virginia Electric & Power Company****Reconciliation of 3Q13 Operating Results to 3Q13 GAAP Results (Unaudited)***(millions)*

Description	3Q13 Operating Adjustments		3Q13 GAAP
<b>EBIT</b>			
Electric Distribution	\$137		\$137
Electric Transmission	100		100
Utility Generation	460		460
Virginia Power - Corporate	0	1 (a)	1
<b>Total EBIT</b>	<b>\$697</b>	<b>1</b>	<b>\$698</b>
<b>Consolidated Interest</b>	93		93
<b>Consolidated Income Taxes</b>	217	1 (b)	218
<b>Net Income</b>	<b>387</b>	<b>0</b>	<b>387</b>
<b>Preferred Dividends</b>	4		4
<b>Balance Available for Common Stock</b>	<b>\$383</b>	<b>0</b>	<b>\$383</b>

**Adjustments to Operating:**

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

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

## 2014 Earnings Expectations

### Earnings Per Share (diluted)

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

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

1. In providing its third-quarter and full-year 2014 operating earnings guidance the company notes that there could be differences between expected reported earnings and estimated operating earnings for matters such as, but not limited to, divestitures or changes in accounting principles. At this time, Dominion management is not able to estimate the aggregate impact of these items on reported earnings. However, Dominion anticipates recording additional pre-tax charges of approximately \$44 million in each of the third and fourth quarters of 2014 associated with the North Anna and offshore wind legislation.

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

*Dominion's estimates of third-quarter and full-year 2014 earnings are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations may include factors that are beyond the company's ability to control or estimate precisely, including fluctuations in energy-related commodity prices, estimates of future market conditions, additional competition in our industries, changes in the demand for Dominion's services, access to and costs of capital, fluctuations in the value of our pension assets and assets held in our decommissioning trusts, impacts of acquisitions, divestitures, transfers of assets to joint ventures or an MLP and retirements of assets based on asset portfolio reviews, the receipt of regulatory approvals for, and timing of, planned projects, acquisitions and divestitures, the timing and execution of our MLP strategy and the ability to complete planned construction or expansion projects at all or within the terms and timeframes initially anticipated. Other factors include, but are not limited to, weather conditions and other events, including the effects of hurricanes, earthquakes, high winds, major storms and changes in water temperatures on operations, the risk associated with the operation of nuclear facilities, unplanned outages at facilities in which Dominion has an ownership interest, the impact of operational hazards and catastrophic events, state and federal legislative and regulatory developments, including changes in federal and state tax laws and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gases and other emissions to which we are subject, political and economic conditions, industrial, commercial and residential growth or decline in Dominion's service area, risks of operating businesses in regulated industries that are subject to changing regulatory structures, changes to regulated gas and electric rates collected by Dominion, changes to rating agency requirements and ratings, changing financial accounting standards, fluctuations in interest rates, employee workforce factors, including collective bargaining, counter-party credit and performance risks, adverse outcomes in litigation matters or regulatory proceedings, the risk of hostile cyber intrusions and other uncertainties. Other risk factors are detailed from time to time in Dominion's quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.*