



# Investor Meetings

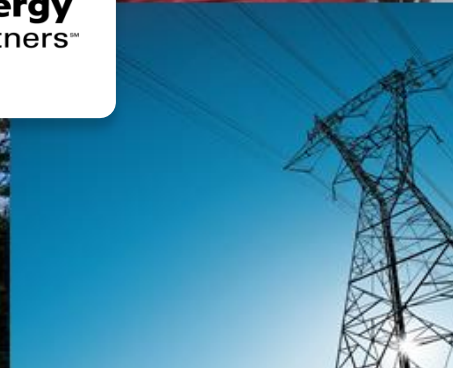
October 2018



**Dominion  
Energy**<sup>®</sup>



**Dominion Energy**  
Midstream Partners<sup>™</sup>



# Important note to investors



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

The information in this presentation was prepared as of September 25, 2018. Dominion Energy and Dominion Energy Midstream Partners undertake no obligation to update any forward-looking information statement to reflect developments after the statement is made. Projections or forecasts shown in this document are based on the assumptions listed in this document and are subject to change at any time. In addition, certain information presented in this document incorporates planned capital expenditures reviewed and endorsed by Dominion Energy's Board of Directors in late 2017. Actual capital expenditures may be subject to regulatory and/or Board of Directors' approval and may vary from these estimates.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities. Any offers, solicitations or offers to buy, or any sales of securities will be made in accordance with the requirements of the Securities Act of 1933, as amended. This presentation has been prepared primarily for security analysts and investors in the hope that it will serve as a convenient and useful reference document. The format of this document may change in the future as we continue to try to meet the needs of security analysts and investors. This document is not intended for use in connection with any sale, offer to sell, or solicitation of any offer to buy securities.

This presentation includes various estimates of EBITDA which is a non-GAAP financial measure. Please see Dominion Energy's prior earnings release kits and the Dominion Energy Midstream's prior Press Releases for a reconciliation to GAAP. Please continue to regularly check Dominion Energy's website at [www.dominionenergy.com/investors](http://www.dominionenergy.com/investors) and Dominion Energy Midstream Partners' website at [www.dominionenergymidstream.com/investors](http://www.dominionenergymidstream.com/investors).

## Compelling investment proposition

### Attractive sustainable fundamentals

- ✓ Regulated energy infrastructure in scale
- ✓ Premier assets in premium geographies
- ✓ Constructive legislative/regulatory frameworks
- ✓ Strong earnings growth (6%—8% CAGR)
- ✓ Enhanced dividend growth (6%—10%)<sup>1</sup>
- ✓ Robust programmatic capital investment
- ✓ Improving credit profile
- ✓ Track-record of successful execution



### Near-term resolution expected across multiple initiatives

- Cove Point financing
- Non-core asset sale(s)
- Dominion Energy Midstream Partners
- Greenville Power Station
- SCANA merger
- CT zero-carbon procurement (Millstone)
- Atlantic Coast Pipeline/Supply Header

<sup>1</sup> Dividend declarations are subject to Board approval

## Near-term resolution expected across multiple initiatives

Initiatives	2018				2019	
	September	October	November	December	January	February
Cove Point asset financing	✓					
Non-core asset sale(s)	✓ <i>(Announcement)</i>		(Close)			
Dominion Energy Midstream	✓ <i>(Announcement)</i>				(Close)	
Greenville Power Station				(In-service)		
SCANA merger				(SC PSC order)		
CT zero-carbon procurement			(Winning bidders selected late 2018/early 2019)			

 = Expected timeframe

Note: North Carolina Utilities Commission approval required for SCANA merger; hearings scheduled for October 2018

## Strong and timely execution across three major initiatives

	Cove Point financing	Dominion Energy Midstream	Non-core asset sales
Announce date	<ul style="list-style-type: none"> <li>September 4, 2018</li> </ul>	<ul style="list-style-type: none"> <li>September 19, 2018</li> </ul>	<ul style="list-style-type: none"> <li>September 24, 2018</li> </ul>
Key points	<ul style="list-style-type: none"> <li>\$3 billion term loan</li> <li>Three year (non-amortizing)</li> <li>Initial pricing: 3-month Libor plus 1.375%</li> <li>Pre-payable at par</li> </ul>	<ul style="list-style-type: none"> <li>Stock-for-unit exchange</li> <li>0.2468x fixed exchange rate</li> <li>EPS and credit neutral</li> <li>Dominion Energy ownership of common units and convertible preferred units sufficient to approve a merger agreement</li> </ul>	<ul style="list-style-type: none"> <li>Sale proceeds: \$1.32B (above midpoint of guidance)</li> <li>Non-core merchant generation (1.8GW):                             <ul style="list-style-type: none"> <li>Fairless, CCGT, PA</li> <li>Manchester, CCGT, RI</li> <li>Catalyst ORH, hydro, LA<sup>1</sup></li> </ul> </li> </ul>
Expected next steps	<ul style="list-style-type: none"> <li>Proceeds to reduce parent-level debt</li> </ul>	<ul style="list-style-type: none"> <li>Q3/Q4 2018: DM Board conflicts committee process</li> <li>Q4 2018: Definitive agreement</li> <li>Q1 2019: Close</li> </ul>	<ul style="list-style-type: none"> <li>Close by year-end 2018</li> <li>Proceeds to reduce parent-level debt</li> <li>Will continue to evaluate Blue Racer given strong interest though not required to achieve credit objectives</li> </ul>

### Completes credit improvement initiatives announced in March

<sup>1</sup> 25% interest

## Near-term resolution expected across multiple initiatives

Item	Future milestones	Notes
<p><b>Atlantic Coast Pipeline / Supply Header</b></p>	<ul style="list-style-type: none"> <li>▪ <b>VA DEQ E&amp;S permit</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Construction in WV and NC re-authorized by FERC; crews immediately back to work</li> <li>▪ Target in-service date: Q4 2019</li> </ul>
<p><b>CT zero-carbon procurement (Millstone)</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Late 2018/early 2019: Selection of winning bids</b></li> <li>▪ <b>Spring/Summer of 2019: Final PURA approval</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Bid submitted on September 14</li> <li>▪ Final RFP allows Millstone to earn appropriate risk-adjusted returns in the near-term (subject to regulatory approval)</li> <li>▪ Millstone is seeking “at-risk” designation which would allow its bid to be judged on both price &amp; non-price attributes</li> </ul>

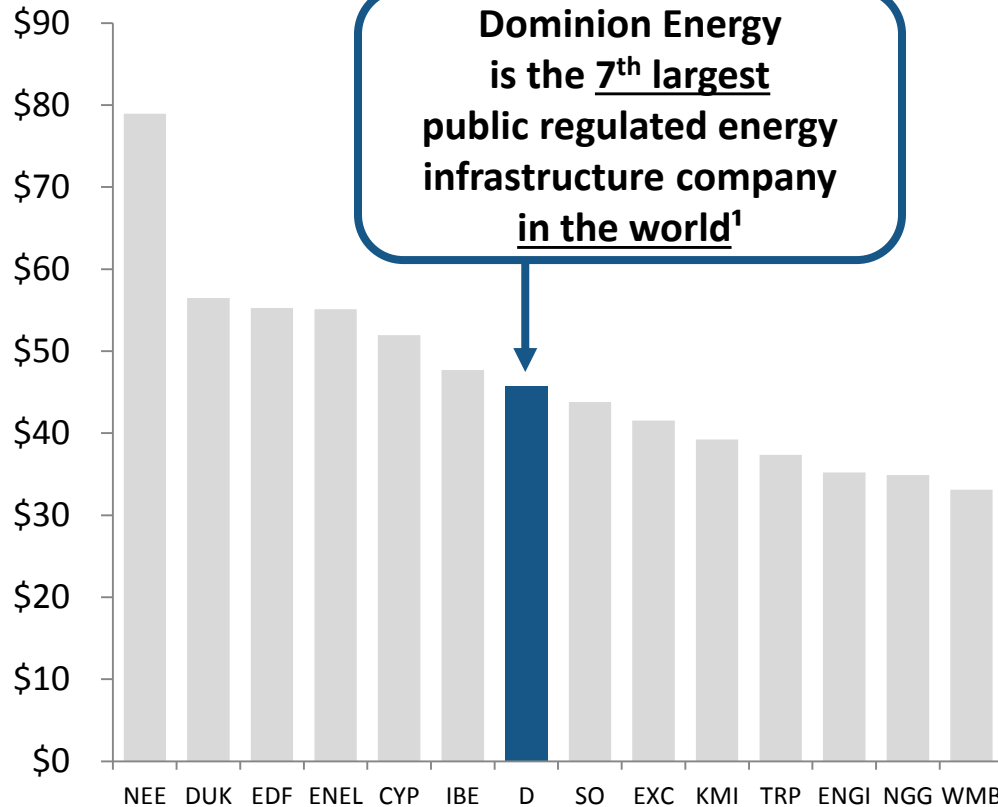
## Near-term resolution across multiple initiatives

SCANA merger: Past and future expected milestones	
FTC antitrust review	✓
Georgia Public Service Commission approval	✓
FERC approval	✓
SCANA shareholder approval	✓
NRC approval	✓
North Carolina Utilities Commission hearing	October 2018
South Carolina Public Service Commission hearing	November 2018
South Carolina Public Service Commission order	December 2018
Merger close <sup>1</sup>	YE 2018

**Dominion Energy not required to complete the merger if the final regulatory approvals materially degrade the economic terms of the proposed transaction**

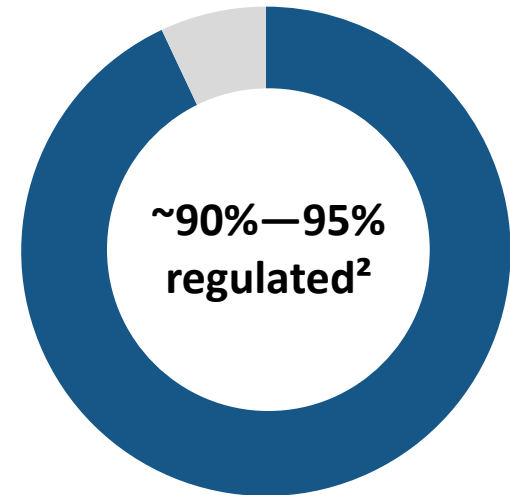
<sup>1</sup> Subject to receipt of regulatory approvals

### Public regulated energy infrastructure companies



**Dominion Energy is the 7<sup>th</sup> largest public regulated energy infrastructure company in the world<sup>1</sup>**

### Stability, scale, and diversity



- \$78+ billion in total assets**
- Operations in 19 U.S. states**
- Committed to ESG excellence<sup>3</sup>**

Source: Bloomberg  
<sup>1</sup> By market capitalization (\$B)

<sup>2</sup> Based on 2017 EBITDA per 4Q 2017 Alternate Breakdown Structure Supplement (page 4 and supporting reconciliation schedules)

<sup>3</sup> Please refer to appendix slide for additional details



# Dominion Energy



Premier assets in premium geographies

	Electric distribution	Electric transmission	Utility generation	Merchant generation <sup>2</sup>	Gas distribution	Gas transmission
States of operation						
EBITDA contribution <sup>1</sup>						
Regulated				PPAs & hedges		
Operating segment	Power Delivery		Power Generation		Gas Infrastructure	
Notes	Leading sales growth	FERC formula rates	Diverse fuel mix (~20 GW)	~5 GW including Millstone	Robust sales/leading customer growth	Includes Cove Point & ACP

<sup>1</sup> Based on 2017 EBITDA per 4Q 2017 Alternate Breakdown Structure Supplement (page 4 and supporting reconciliation schedules); <sup>2</sup> Solar assets in TN, IN, GA, SC not pictured

## Premier assets in premium geographies: Atlantic Coast Pipeline

### Southeast United States

Four states (VA, NC, SC, GA)

with 34M people

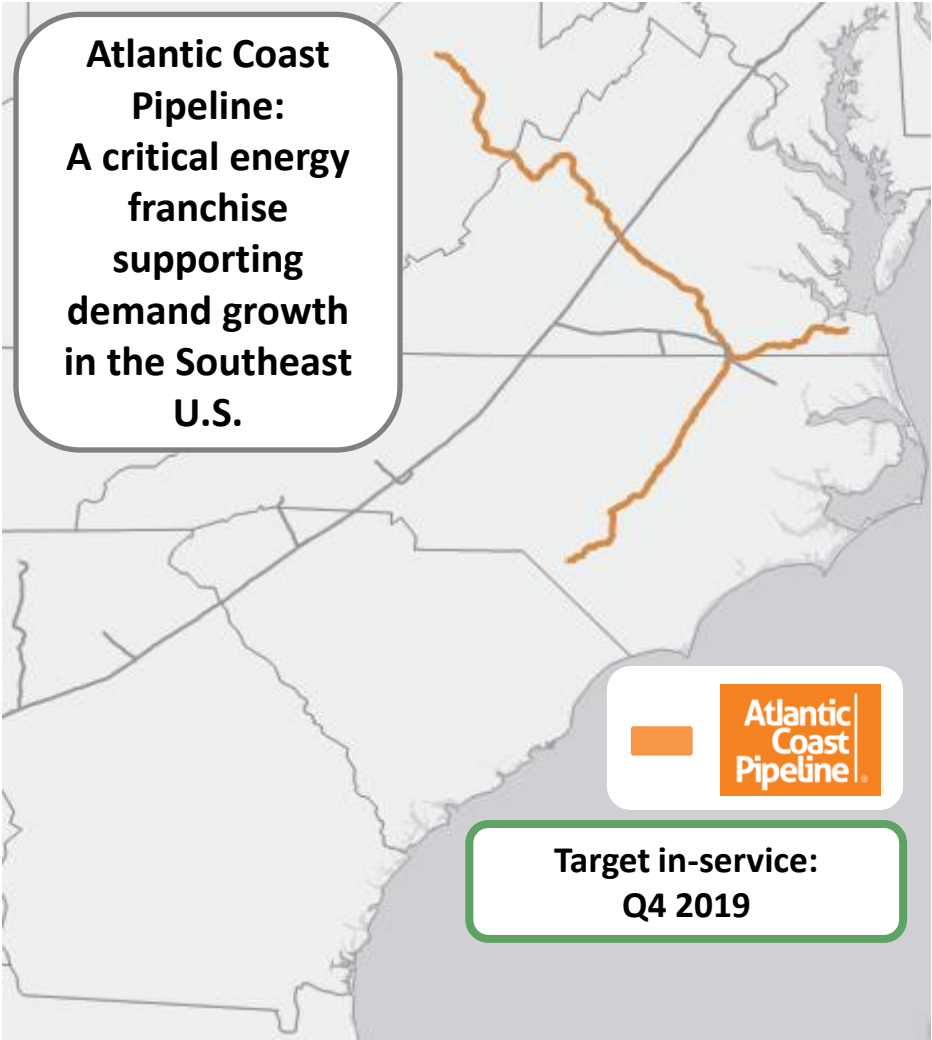
representing ~11% of U.S. population

7.5% population growth *since 2010*

6 GW of new gas-fired generation  
planned by 2025

and 29 GW of coal-fired generation  
remaining

Source(s): U.S. Census Bureau—Population growth between April 2010 and July 2017 / compared to U.S. average population growth of 5.5%; Utility integrated resource plans



**Atlantic Coast  
Pipeline:**  
A critical energy  
franchise  
supporting  
demand growth  
in the Southeast  
U.S.



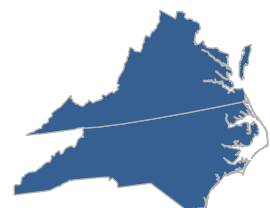
Atlantic  
Coast  
Pipeline<sup>®</sup>

**Target in-service:**  
**Q4 2019**

## Constructive state legislative/regulatory frameworks

**Legend:**

Green font = Above-average ranking



Virginia

North Carolina

S&P

“Highly credit supportive”

“Most credit supportive”

Moody’s

“supportive legislative and regulatory environments that underpin strong financial performance”

RRA

Above average

Average “plus”

EBITDA (%)<sup>1</sup>

~61%<sup>2</sup>



Utah

“Highly credit supportive”

“strong regulatory relationships”

Average “plus”

~13%<sup>3</sup>



Ohio

“Very credit supportive”

“benefits from strong regulation”

Average

**Legislative and regulatory relationships that benefit customers and reduce cost-of-capital**

~74% of total EBITDA

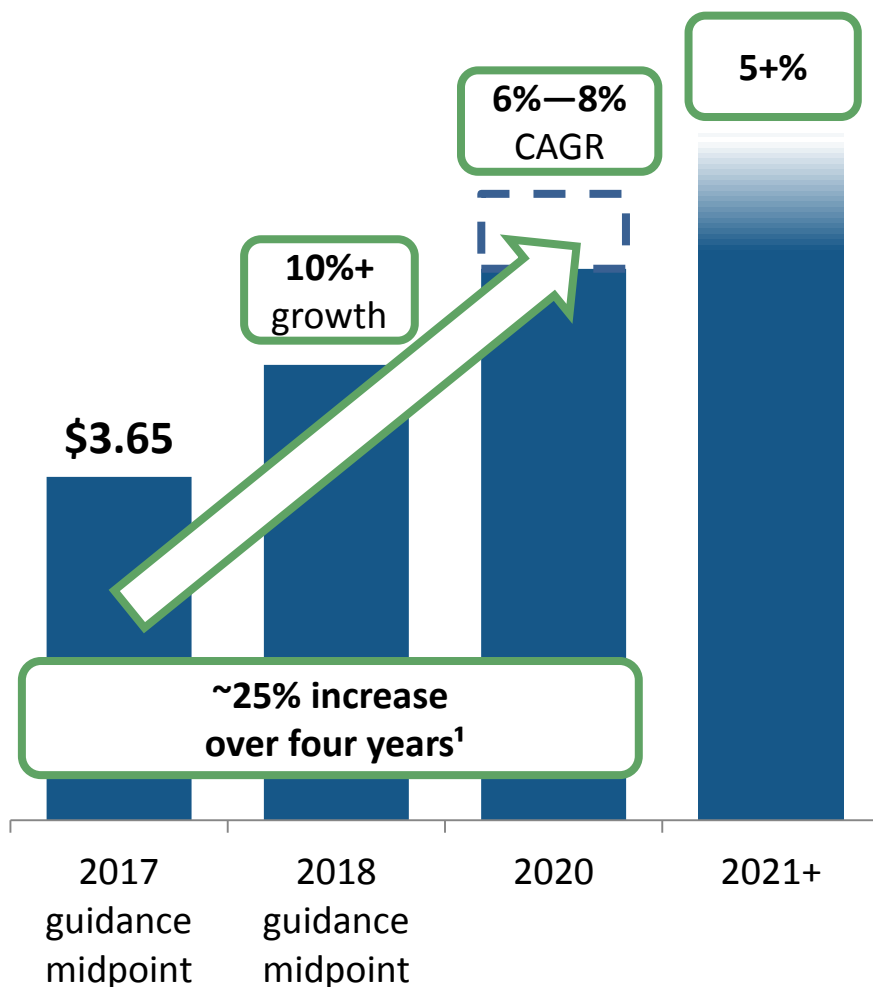
Source(s): S&P Global Ratings, “U.S. and Canadian Regulatory Jurisdictions Support Utilities’ Credit Quality—But Some More So Than Others”, June 25, 2018; S&P Global Market Intelligence, Regulatory Research Associates (RRA) Commission Rankings, August 2018; Moody’s Investors Service, Virginia Electric and Power Company Credit Opinion, April 16, 2018; Moody’s Investors Service, Dominion Energy, Inc. Credit Opinion, July 19, 2018

<sup>1</sup> Based on 2017 EBITDA per 4Q 2017 Alternate Breakdown Structure Supplement (page 4 and supporting reconciliation schedules)

<sup>2</sup> Includes Electric Transmission, Electric Distribution, and Utility Generation

<sup>3</sup> Includes Gas Distribution

## Strong earnings growth



<sup>1</sup> Based on 2017 actual operating earnings per share of \$3.60

### Key drivers through 2020

- ✓ Cove Point Liquefaction
- ✓ Atlantic Coast Pipeline & Supply Header
- ✓ Greenville Power Station
- ✓ Nuclear license extension
- ✓ Solar generation
- ✓ Leading electric sales growth
- ✓ Electric transmission
- ✓ Grid modernization
- ✓ Electric distribution undergrounding
- ✓ Gas distribution pipeline replacement
- ✓ Distribution rate case activity (OH, NC, UT)
- ✓ Tax reform
- ✓ Flat O&M<sup>2</sup>

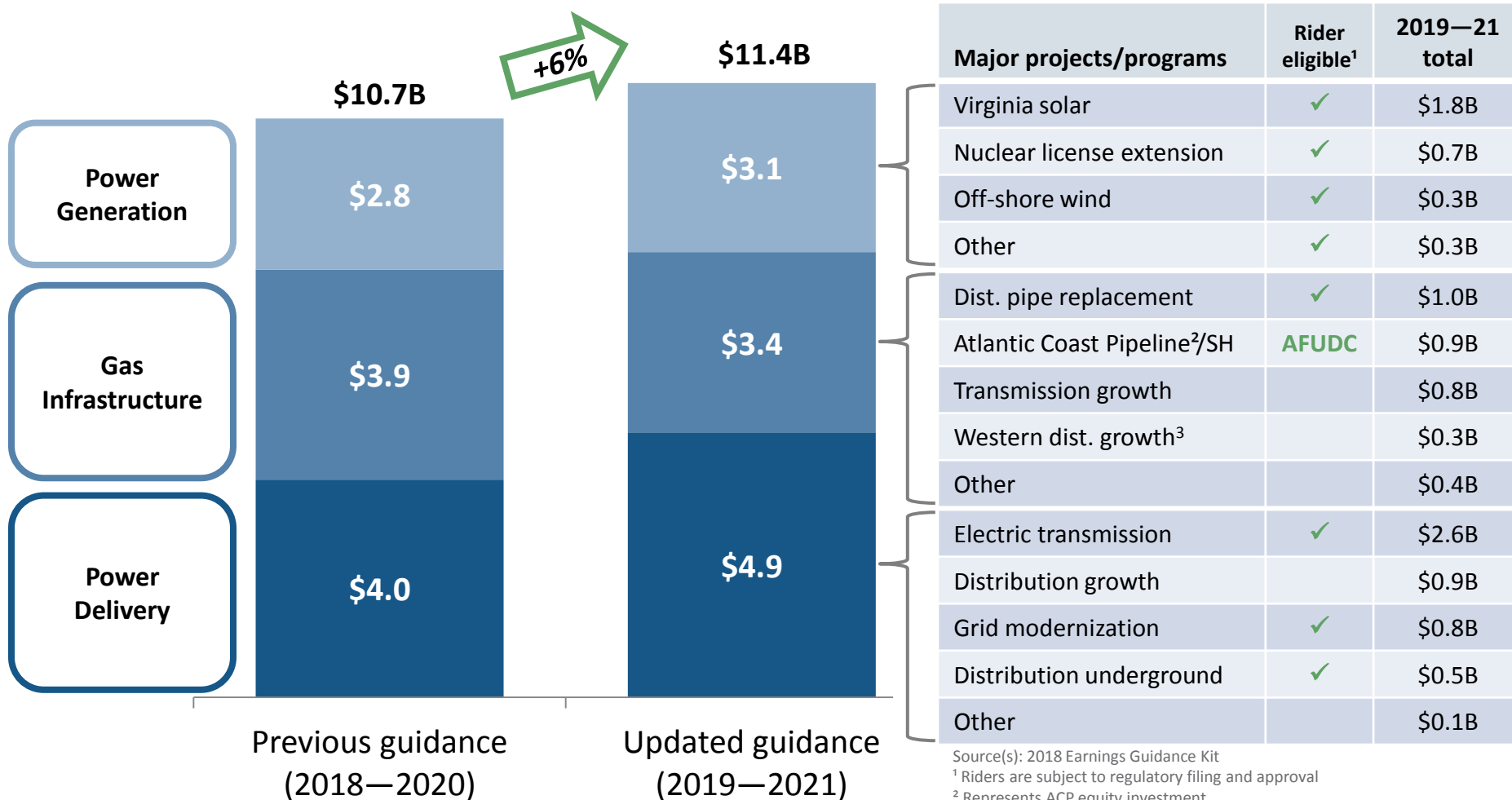
### Additional potential drivers through 2020

- SCANA merger
- CT zero-carbon procurement (Millstone)

<sup>2</sup> Excludes costs associated with second Millstone planned outage in 2020

## Robust programmatic capital investment (2019—2021)

### Three-year growth capital outlook (2019—2021)

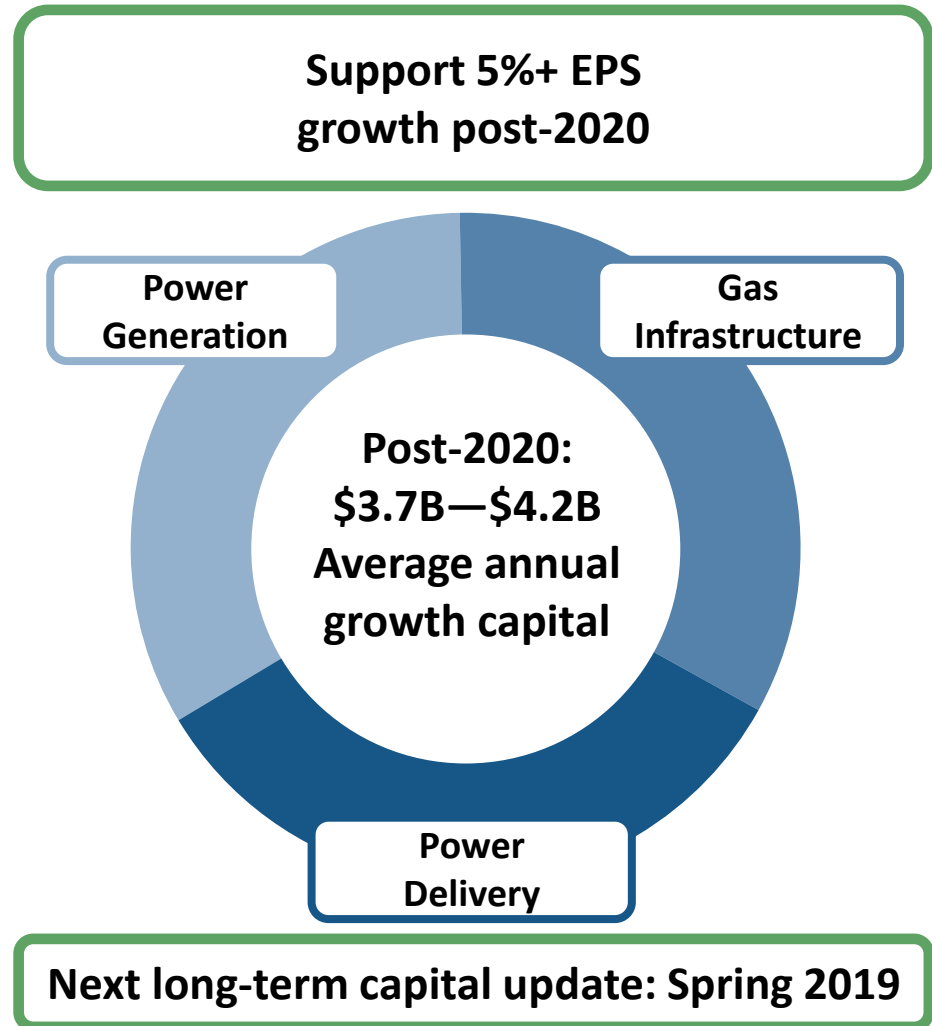


Source(s): 2018 Earnings Guidance Kit  
<sup>1</sup> Riders are subject to regulatory filing and approval  
<sup>2</sup> Represents ACP equity investment  
<sup>3</sup> Includes on-system LNG and Southern System expansion

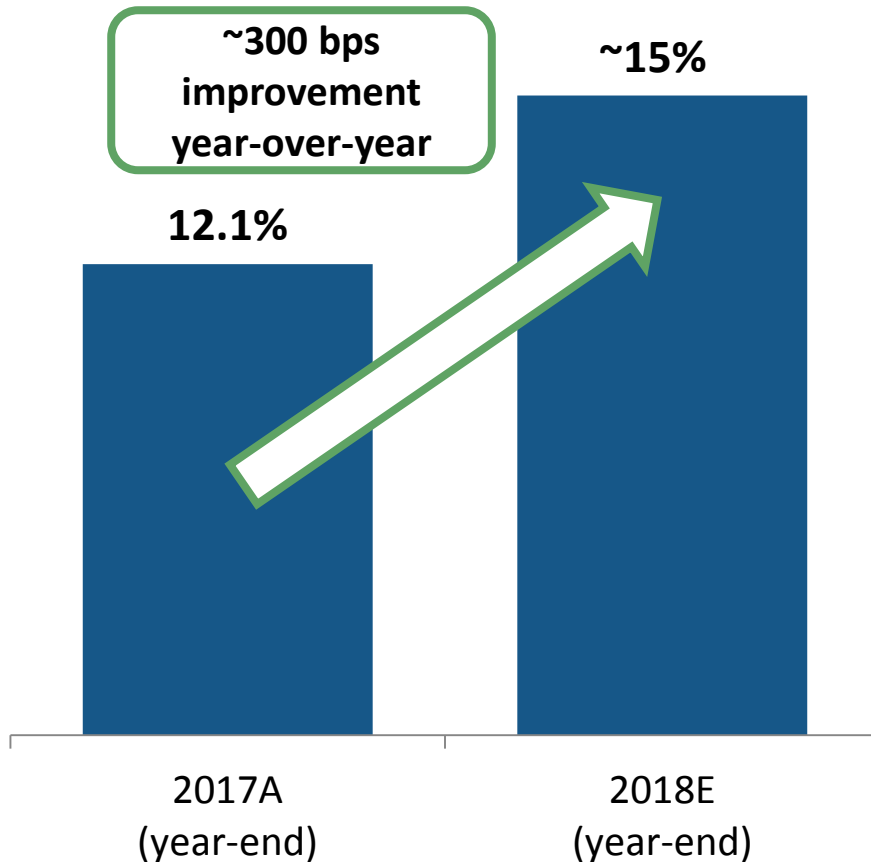
## Robust programmatic capital investment (post-2020)

### Significant capital programs

Significant capital programs	
Power generation	Virginia solar generation
	Nuclear license extension
	Off-shore wind
	Virginia dispatchable gas generation
	Pumped storage
Gas infrastructure	Distribution pipeline replacement
	Transmission pipeline expansion
	Transmission pipeline modernization
	Western gas reliability/expansion
	Customer growth
Power delivery	Electric transmission
	Grid modernization/resiliency/security
	Strategic undergrounding
	Customer growth



### Moody's CFO (pre-WC) / Debt



### Initiatives in support of credit profile

- Equity
- Capital reduction
- Cove Point financing
- Increased liquidity
- Non-core asset sales

Parent-level  
debt reduction

#### Ratings targets

- DEI: High-BBB range
- Utility OpCo: A range

#### Ratings commitments

- DEI Commercial Paper Program: A-2/P-2/F2

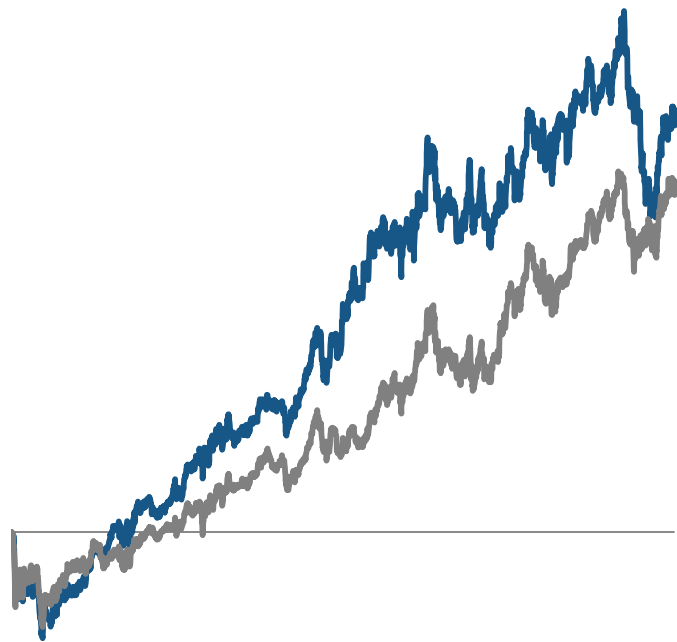
Track-record of successful execution

## Total shareholder return

— D — UTY

**D**  
**+141%**

**UTY**  
**+117%**

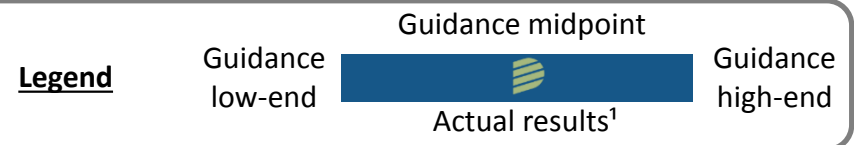
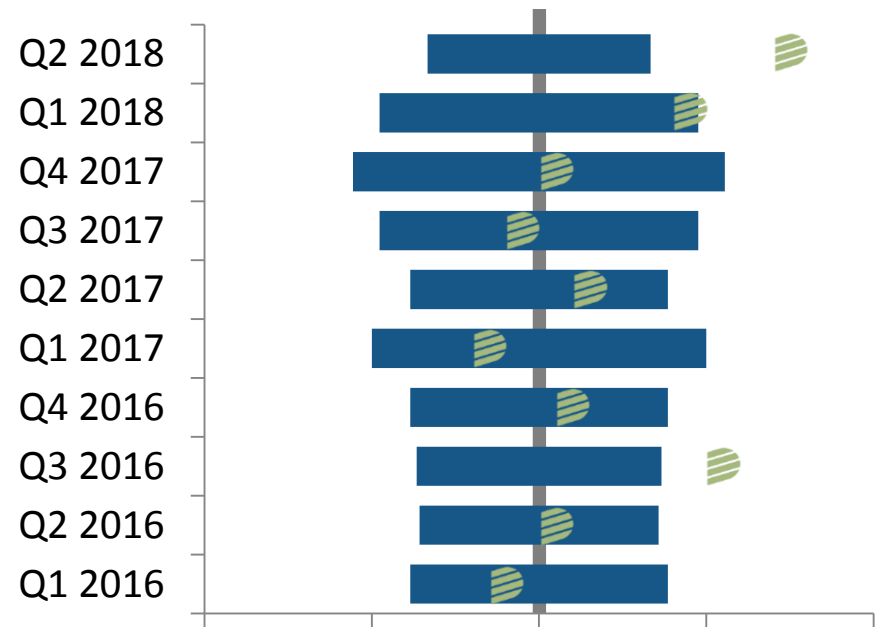


Sep 2008    Mar 2011    Sep 2013    Mar 2016    Sep 2018

**A decade of outperformance**

## Operating EPS: Actual vs. guidance

**Ten straight quarters of delivering results that meet or exceed guidance**



<sup>1</sup> Actual results are not weather-normalized



# Appendix

## Dominion Energy ESG by the numbers

50%

Reduction in carbon intensity by 2030

19 Bcf

Cumulative methane emissions reduction by 2023

~\$30M

Annual giving to more than 2,000 charitable organizations

25%

% of Board members who are women

## Enhanced disclosures

## Status



- **Dominion Energy Sustainability and Corporate Responsibility Report**

Online and available now<sup>1</sup>



- **Edison Electric Institute ESG/Sustainability reporting template**

Online and available now<sup>1</sup>



- **2018 climate, water & forest survey**

Online and available now<sup>2</sup>



- **Voluntary “two-degree” climate change assessment**

By year-end 2018



- **Dedicated ESG website**

By year-end 2018

<sup>1</sup> Please visit <https://www.dominionenergy.com/community/environment/reports-and-performance>

<sup>2</sup> Unscored survey submissions are available to CDP signatories via CDP website

## 2018 long-term financing activities excluding SCANA transaction<sup>1</sup>

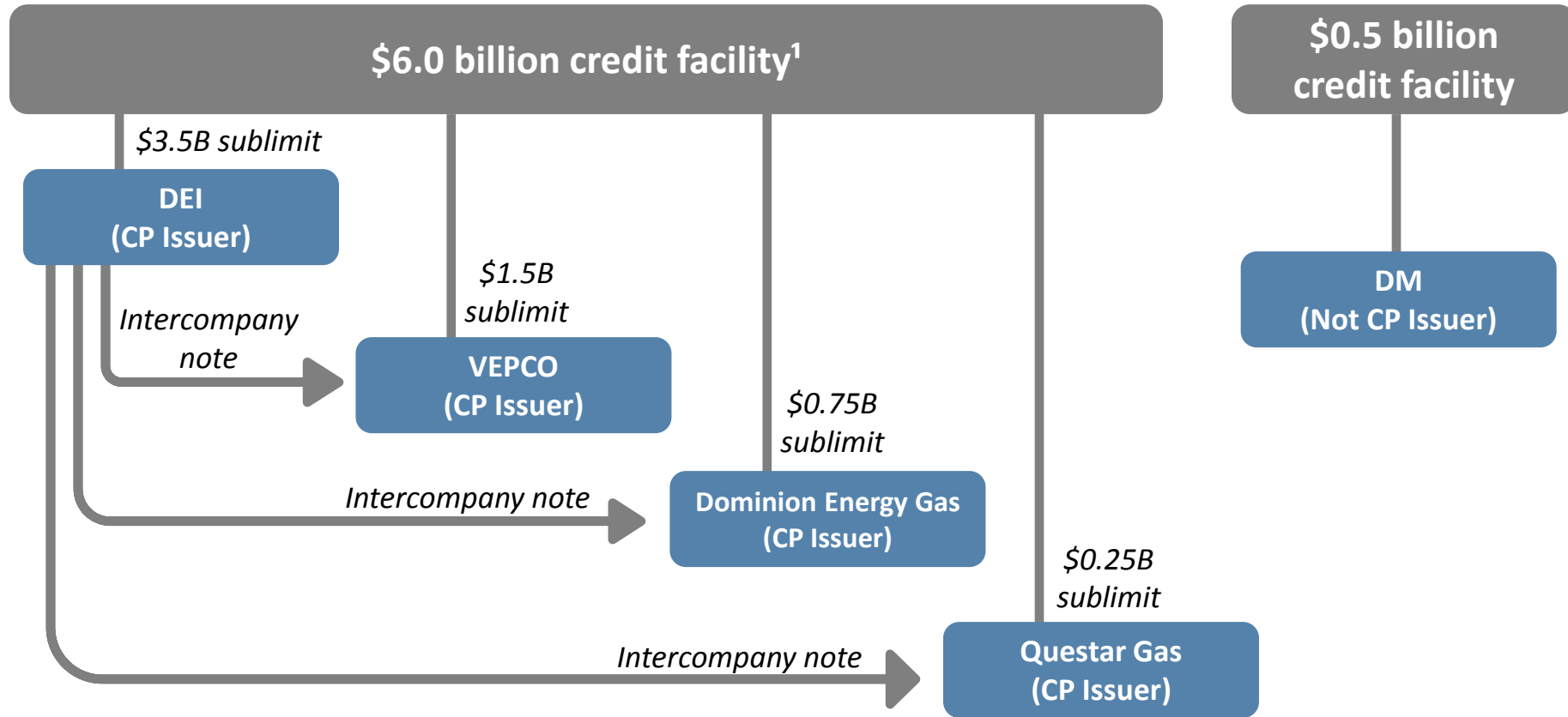
Issuer	Planned financings	Status
DEI	ATM: \$500M	Complete
	DRIP: \$300M	Complete by year-end
	Long-term debt: \$1,000M—\$1,500M	\$300M debt complete \$1.5B forward equity (complete) replaces remaining long-term debt issuance
Cove Point	\$3,000M	Complete <sup>2</sup>
VEPCO	\$1,100M—\$1,400M	\$700M complete
DEGH	\$400M—\$600M	Complete
QGC	\$150M	Complete
Solar (non-recourse)	\$0—\$400M	In process

### Legend

Dominion Energy, Inc. (DEI) Virginia Electric and Power Company (VEPCO) Dominion Energy Gas Holdings, LLC. (DEGH) Questar Gas Company (QGC)

<sup>1</sup> Excludes Atlantic Coast Pipeline, Dominion Energy Midstream and SCANA-related financing activities as well as commercial paper and other short-term debt financings

<sup>2</sup> Cove Point financing commitments complete; funding expected in late-September 2018



**Liquidity managed via sublimits and inter-company borrowing via DEI**

<sup>1</sup> Sublimits can be modified unilaterally at the Borrowers' request up to six times per year

### Website

[dominionenergy.com/investors](https://dominionenergy.com/investors)

[dominionenergymidstream.com/investors](https://dominionenergymidstream.com/investors)

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