



Dominion[®]

**3rd Quarter 2016
Earnings Release
Kit**

November 9, 2016

Table of Contents

IMPORTANT NOTES TO INVESTORS	3
EARNINGS RELEASE AND ACCOMPANYING SCHEDULES	4
CONSOLIDATED FINANCIAL STATEMENTS (GAAP).....	7
SCHEDULE 1 - SEGMENT OPERATING EARNINGS	8
SCHEDULE 2 - RECONCILIATION OF 2016 REPORTED EARNINGS TO OPERATING EARNINGS.....	9
SCHEDULE 3 - RECONCILIATION OF 2015 REPORTED EARNINGS TO OPERATING EARNINGS.....	10
SCHEDULE 4 - RECONCILIATION OF 2Q16 EARNINGS TO 2Q15	11
FINANCIALS	12
CONSOLIDATED FINANCIAL STATEMENTS (GAAP).....	12
SEGMENT EARNINGS RESULTS.....	15
OPERATING STATISTICS.....	20
2016 WEATHER VARIANCE	22
FINANCE & LIQUIDITY.....	23
SCHEDULE OF LONG-TERM DEBT	23
SCHEDULE OF DEBT MATURITIES	24
SCHEDULE OF LIQUIDITY POSITION	25
SCHEDULE OF CHANGE IN CAPITALIZATION	26
HEDGING.....	27
RECONCILIATION OF FORECAST AND OUTLOOK	28
RECONCILIATION OF OPERATING EARNINGS GUIDANCE.....	28
GAAP RECONCILIATION	30
RECONCILIATION OF 2016 CONSOLIDATED REPORTED EARNINGS TO OPERATING EARNINGS	30
RECONCILIATION OF 2015 CONSOLIDATED REPORTED EARNINGS TO OPERATING EARNINGS	31
RECONCILIATION OF 2016 CORPORATE AND OTHER REPORTED EARNINGS TO OPERATING EARNINGS.....	32
RECONCILIATION OF 2015 CORPORATE AND OTHER REPORTED EARNINGS TO OPERATING EARNINGS.....	33
RECONCILIATION OF 2Q16 REPORTED EARNINGS TO 2Q16 OPERATING EARNINGS.....	34
RECONCILIATION OF 2Q15 REPORTED EARNINGS TO 2Q15 OPERATING EARNINGS.....	35
RECONCILIATION OF 3Q15 REPORTED EARNINGS TO 3Q15 OPERATING EARNINGS.....	36
2016 EARNINGS EXPECTATIONS.....	37

Important Notes to Investors

This 3Q16 Earnings Release Kit contains certain forward-looking statements, including our forecasted operating earnings for the fourth-quarter and full-year 2016 which are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations may include factors that are beyond the company's ability to control or estimate precisely, including fluctuations in energy-related commodity prices, estimates of future market conditions, additional competition in our industries, changes in the demand for Dominion's services, access to and costs of capital, fluctuations in the value of our pension assets and assets held in our decommissioning trusts, impacts of acquisitions, divestitures, transfers of assets to joint ventures or Dominion Midstream and retirements of assets based on asset portfolio reviews, the receipt of approvals for, and timing of, closing dates for acquisitions and divestitures, the timing and execution of Dominion Midstream's growth strategy, and the ability to complete planned construction or expansion projects at all or within the terms and timeframes initially anticipated. Other factors include, but are not limited to, weather conditions and other events, including the effects of hurricanes, earthquakes, high winds, major storms and changes in water temperatures on operations, the risk associated with the operation of nuclear facilities, unplanned outages at facilities in which Dominion has an ownership interest, the impact of operational hazards and catastrophic events, state and federal legislative and regulatory developments, including changes in federal and state tax laws and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gases and other emissions to which we are subject, changes in enforcement practices of regulators relating to environmental standards and litigation exposure for remedial activities, political and economic conditions, industrial, commercial and residential growth or decline in Dominion's service area, risks of operating businesses in regulated industries that are subject to changing regulatory structures, changes to regulated gas and electric rates collected by Dominion, changes to rating agency requirements and ratings, changing financial accounting standards, fluctuations in interest rates, employee workforce factors, including collective bargaining, counter-party credit and performance risks, adverse outcomes in litigation matters or regulatory proceedings, the risk of hostile cyber intrusions and other uncertainties. Other risk factors are detailed from time to time in Dominion's quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.

Certain information provided in this 3Q16 Earnings Release Kit includes financial measures that are not required by, or presented in accordance with generally accepted accounting principles (GAAP), including operating earnings before interest and taxes (Adjusted EBIT) and operating earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA). These non-GAAP financial measures should not be considered as alternatives to GAAP measures, such as net income, operating income, or earnings per share, and may be calculated differently from, and therefore may not be comparable to, similarly titled measures used at other companies. Dominion has included reconciliations to the most directly comparable financial measures it is able to calculate and report in accordance with GAAP.

The consolidated financial data and statistics in this 3Q16 Earnings Release Kit and its individual components reflect the financial position and operating results of Dominion and its primary operating segments through September 30, 2016. Independent auditors have not audited any of the financial and operating statements. Projections or forecasts shown in this document are based on the assumptions listed in this document and are subject to change at any time. Dominion undertakes no obligation to update any forward-looking information statement to reflect developments after the statement is made.

This 3Q16 Earnings Release Kit has been prepared primarily for securities analysts and investors in the hope that it will serve as a convenient and useful reference document. The format of this release kit may change in the future as we continue to try to meet the needs of securities analysts and investors. This 3Q16 Earnings Release Kit is not intended for use in connection with any sale, offer to sell, or solicitation of any offer to buy securities.

Please continue to check our website regularly at www.dom.com/investors.

Earnings Release and Accompanying Schedules

October 31, 2016

Dominion Announces Third-Quarter Earnings

- *Third-quarter 2016 GAAP earnings of \$1.10 per share*
- *Third-quarter 2016 operating earnings of \$1.14 per share compared to guidance of \$0.95 to \$1.10 per share*

RICHMOND, Va. – Dominion Resources (NYSE: D) today announced unaudited reported earnings determined in accordance with Generally Accepted Accounting Principles (reported earnings) for the three months ended Sept. 30, 2016, of \$690 million (\$1.10 per share) compared with earnings of \$593 million (\$1.00 per share) for the same period in 2015.

Operating earnings for the three months ended Sept. 30, 2016, amounted to \$716 million (\$1.14 per share), compared to operating earnings of \$611 million (\$1.03 per share) for the same period in 2015. Operating earnings are defined as reported earnings adjusted for certain items.

The principal difference between reported earnings and operating earnings for the quarter is related to transaction costs associated with the Dominion Questar combination and our investments in nuclear decommissioning trust funds.

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.

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

"We are very pleased with our strong third-quarter results that came in well above our guidance range partially as a result of warmer weather in our service territory. Our integrated system of power stations and transmission lines were able to meet the increased demand reliably and effectively.

"We continue to execute on our growth projects including starting construction of the 1,588-megawatt Greenville County combined cycle power station. The project is on-time and on-budget.

"Our large contracted solar farms, Four Brothers and Three Cedars in Utah, were completed last month, on time and on budget. We have a number of solar projects under development in Virginia and North Carolina and continue to see demand for renewables from our customers.

DOMINION - 3Q16 EARNINGS RELEASE KIT

“Our Cove Point Liquefaction project is now 75 percent complete and the facility continues on time and on budget for a late 2017 in-service date. We continue to work toward the construction of the Atlantic Coast Pipeline and the related Supply Header project. We expect completion of these projects in late 2019.”

THIRD-QUARTER 2016 REPORTED AND OPERATING EARNINGS COMPARED TO 2015

Reported earnings increased 10 cents per share as compared to third-quarter 2015. Business segment results and detailed descriptions of items included in 2016 and 2015 reported earnings but excluded from operating earnings can be found on Schedules 1, 2 and 3 of this release.

Operating earnings increased 11 cents per share as compared to third-quarter 2015 operating earnings. The increase in operating earnings was primarily attributable to an increase in electric sales from warmer weather, lower capacity expenses, revenues from our regulated growth projects, and a lower tax rate. Factors offsetting the increase include the absence of a farmout transaction and share dilution. Details of third-quarter 2016 operating earnings as compared to the same period in 2015 may be found on Schedule 4 of this release.

FOURTH-QUARTER 2016 OPERATING EARNINGS GUIDANCE

Dominion expects fourth-quarter 2016 operating earnings in the range of \$0.90-\$1.05 per share, compared to fourth-quarter 2015 operating earnings of \$0.70 per share. Positive drivers include a return to normal weather, increased revenues from our growth projects, the addition of Dominion Questar, lower capacity expenses and the absence of a Millstone refueling outage. Reconciliation of reported and operating earnings for the fourth quarter of 2015 can be found on Schedule 3 of this release.

The company is maintaining its previously issued 2016 operating earnings guidance of \$3.60-\$4.00 per share.

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

CONFERENCE CALL TODAY

Dominion will host its third-quarter earnings conference call at 1 p.m. ET on Monday, Oct. 31, 2016. Management will discuss third-quarter financial results and other matters of interest to the financial community.

Domestic callers should dial (877) 410-5657. International callers should dial (334) 323-9872. The passcode for the conference call is “Dominion.” Participants should dial in 10 to 15 minutes prior to the scheduled start time. Members of the media also are invited to listen.

A live webcast of the conference call, including accompanying slides, and other financial information will be available on the investor information pages at www.dom.com/investors and www.dommidstream.com/investors.

DOMINION - 3Q16 EARNINGS RELEASE KIT

A replay of the conference call will be available beginning about 4 p.m. ET Oct. 31, 2016 and lasting until 11 p.m. ET Nov. 7, 2016. Domestic callers may access the recording by dialing (877) 919-4059. International callers should dial (334) 323-0140. The PIN for the replay is 85471176. Additionally, a replay of the webcast will be available on the investor information pages by the end of the day Oct. 31, 2016.

Dominion is one of the nation's largest producers and transporters of energy, with a portfolio of approximately 26,000 megawatts of generation, 14,400 miles of natural gas transmission, gathering and storage pipeline, and 6,500 miles of electric transmission lines. Dominion operates one of the nation's largest natural gas storage systems with 1 trillion cubic feet of storage capacity and serves more than 6 million utility and retail energy customers. For more information about Dominion, visit the company's website at www.dom.com.

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CONTACTS: Media: Ryan Frazier, (804) 819-2521 or C.Ryan.Frazier@dom.com
Financial analysts: Kristy Babcock, (804) 819-2492 or Kristy.R.Babcock@dom.com

Consolidated Financial Statements (GAAP)

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2016	2015	2016	2015
Operating Revenue	\$ 3,132	\$ 2,971	\$ 8,651	\$ 9,127
Operating Expenses				
Electric fuel and other energy-related purchases	606	636	1,791	2,180
Purchased (excess) electric capacity	(6)	75	107	259
Purchased gas	77	85	252	446
Other operations and maintenance	765	564	2,133	1,875
Depreciation, depletion and amortization	400	355	1,112	1,037
Other taxes	145	133	448	432
Total operating expenses	1,987	1,848	5,843	6,229
Income from operations	1,145	1,123	2,808	2,898
Other income	63	11	189	127
Interest and related charges	250	230	715	674
Income from operations including noncontrolling interests before income tax expense	958	904	2,282	2,351
Income tax expense	230	305	561	794
Net Income Including Noncontrolling Interests	728	599	1,721	1,557
Noncontrolling Interests	38	6	55	15
Net Income Attributable to Dominion	\$ 690	\$ 593	\$ 1,666	\$ 1,542
Earnings Per Common Share – Basic				
Net Income Attributable to Dominion	\$ 1.10	\$ 1.00	\$ 2.72	\$ 2.61
Earnings Per Common Share – Diluted				
Net Income Attributable to Dominion	\$ 1.10	\$ 1.00	\$ 2.71	\$ 2.60
Dividends declared per common share	\$ 0.7000	\$ 0.6475	\$ 2.1000	\$ 1.9425

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

DOMINION - 3Q16 EARNINGS RELEASE KIT

Schedule 1 - Segment Operating Earnings

Preliminary, Unaudited

(millions, except earnings per share)

	Three months ended September 30,		
	2016	2015	Change
REPORTED EARNINGS ¹	\$ 690	\$ 593	\$ 97
Pre-tax loss (income) ²	48	19	29
Income tax ²	(22)	(1)	(21)
Adjustments to reported earnings	26	18	8
OPERATING EARNINGS	\$ 716	\$ 611	\$ 105
<i>By segment:</i>			
Dominion Virginia Power	139	125	14
Dominion Energy ^{3,4}	135	153	(18)
Dominion Generation ³	650	390	260
Corporate and Other	(208)	(57)	(151)
	\$ 716	\$ 611	\$ 105
Earnings Per Share (EPS):			
REPORTED EARNINGS ¹	\$ 1.10	\$ 1.00	\$ 0.10
Adjustments to reported earnings (after tax)	0.04	0.03	0.01
OPERATING EARNINGS	\$ 1.14	\$ 1.03	\$ 0.11
<i>By segment:</i>			
Dominion Virginia Power	0.22	0.21	0.01
Dominion Energy ^{3,4}	0.21	0.26	(0.05)
Dominion Generation ³	1.04	0.66	0.38
Corporate and Other	(0.33)	(0.10)	(0.23)
	\$ 1.14	\$ 1.03	\$ 0.11
Common Shares Outstanding (average, diluted)	626.0	595.5	

(millions, except earnings per share)

	Nine months ended September 30,		
	2016	2015	Change
REPORTED EARNINGS ¹	\$ 1,666	\$ 1,542	\$ 124
Pre-tax loss (income) ²	103	122	(19)
Income tax ²	(40)	(40)	-
Adjustments to reported earnings	63	82	(19)
OPERATING EARNINGS	\$ 1,729	\$ 1,624	\$ 105
<i>By segment:</i>			
Dominion Virginia Power	363	382	(19)
Dominion Energy ^{3,4}	483	509	(26)
Dominion Generation ³	1,066	902	164
Corporate and Other	(183)	(169)	(14)
	\$ 1,729	\$ 1,624	\$ 105
Earnings Per Share (EPS):			
REPORTED EARNINGS ¹	\$ 2.71	\$ 2.60	\$ 0.11
Adjustments to reported earnings (after tax)	0.10	0.14	(0.04)
OPERATING EARNINGS	\$ 2.81	\$ 2.74	\$ 0.07
<i>By segment:</i>			
Dominion Virginia Power	0.59	0.64	(0.05)
Dominion Energy ^{3,4}	0.78	0.86	(0.08)
Dominion Generation ³	1.74	1.52	0.22
Corporate and Other	(0.30)	(0.28)	(0.02)
	\$ 2.81	\$ 2.74	\$ 0.07
Common Shares Outstanding (average, diluted)	613.8	592.7	

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

²⁾ Adjustments to reported earnings are included in Corporate and Other segment reported GAAP earnings.

Refer to Schedules 2 and 3 for details, or find "GAAP Reconciliation" in the Earnings Release Kit on Dominion's website at www.dom.com/investors.

³⁾ 2015 amounts have been recast to reflect non-regulated retail energy marketing operations in the Dominion Energy segment.

⁴⁾ 2016 amounts include Dominion Questar operations for partial month September.

Schedule 2 - Reconciliation of 2016 Reported Earnings to Operating Earnings**2016 Earnings (Nine months ended September 30, 2016)**

The \$103 million pre-tax net effect of the adjustments included in 2016 reported earnings, but excluded from operating earnings, is primarily related to the following items:

- \$65 million charge associated with an organizational design initiative and primarily comprised of employee severance benefits.
- \$60 million of transaction and transition costs associated with the Dominion Questar combination, which was completed in September 2016.
- \$29 million net gain related to our investments in nuclear decommissioning trust funds.

<i>(millions, except per share amounts)</i>	1Q16	2Q16	3Q16	4Q16	YTD 2016 ²
Reported earnings	\$524	\$452	\$690		\$1,666
Adjustments to reported earnings ¹ :					
Pre-tax loss (income)	67	(12)	48		103
Income tax	(19)	1	(22)		(40)
	48	(11)	26		63
Operating earnings	\$572	\$441	\$716		\$1,729
Common shares outstanding (average, diluted)	598.2	617.0	626.0		613.8
Reported earnings per share	\$0.88	\$0.73	\$1.10		\$2.71
Adjustments to reported earnings (after-tax)	0.08	(0.02)	0.04		0.10
Operating earnings per share	\$0.96	\$0.71	\$1.14		\$2.81

1) Adjustments to reported earnings are reflected in the following table:

	1Q16	2Q16	3Q16	4Q16	YTD 2016
<u>Pre-tax loss (income):</u>					
Organizational design initiative	70	(5)			65
Questar transaction and transition costs	2	5	53		60
Net gain in nuclear decommissioning trust funds	(2)	(11)	(16)		(29)
Other items	(3)	(1)	11		7
	\$67	(\$12)	\$48		\$103
<u>Income tax expense (benefit):</u>					
Tax effect of above adjustments to reported earnings *	(19)	1	(10)		(28)
Divestiture tax settlement			(12)		(12)
	(\$19)	\$1	(\$22)		(\$40)

* Income taxes for individual pre-tax items include current and deferred taxes using a transactional effective tax rate. For interim reporting purposes, such amounts may be adjusted in connection with the calculation of the Company's year-to-date income tax provision based on its estimated annual effective tax rate.

2) YTD EPS may not equal sum of quarters due to share count differences

Schedule 3 - Reconciliation of 2015 Reported Earnings to Operating Earnings**2015 Earnings (Twelve months ended December 31, 2015)**

The \$220 million pre-tax net effect of the adjustments included in 2015 reported earnings, but excluded from operating earnings, is primarily related to the following items:

- \$85 million charge associated with Virginia legislation enacted in February that required the write-off of Virginia Power prior-period deferred fuel costs during the first quarter of 2015.
- \$99 million charge associated with the asset retirement obligations for ash ponds and landfills at certain utility generation facilities in connection with the enactment of EPA coal combustion residuals rules in the second quarter of 2015.
- \$28 million net charge in connection with the Virginia Commission's final ruling associated with its biennial review of Virginia Power's base rates for 2013-2014 test years.

<i>(millions, except per share amounts)</i>	1Q15	2Q15	3Q15	4Q15	YTD 2015 ²
Reported earnings	\$536	\$413	\$593	\$357	\$1,899
Adjustments to reported earnings ¹ :					
Pre-tax loss (income)	76	27	19	98	220
Income tax	(28)	(11)	(1)	(39)	(79)
	48	16	18	59	141
Operating earnings	\$584	\$429	\$611	\$416	\$2,040
Common shares outstanding (average, diluted)	589.9	592.5	595.5	596.7	593.7
Reported earnings per share	\$0.91	\$0.70	\$1.00	\$0.60	\$3.20
Adjustments to reported earnings (after-tax)	0.08	0.03	0.03	0.10	0.24
Operating earnings per share	\$0.99	\$0.73	\$1.03	\$0.70	\$3.44

1) Adjustments to reported earnings are reflected in the following table:

	1Q15	2Q15	3Q15	4Q15	YTD 2015
<u>Pre-tax loss (income):</u>					
Write-off of deferred fuel costs	85				85
Future ash pond and landfill closure costs		45		54	99
Impact of Virginia Power biennial review				28	28
Other items	(9)	(18)	19	16	8
	\$76	\$27	\$19	\$98	\$220
<u>Income tax expense (benefit):</u>					
Tax effect of above adjustments to reported earnings *	(28)	(11)	(7)	(39)	(85)
Deferred taxes refundable to utility customers			6		6
	(\$28)	(\$11)	(\$1)	(\$39)	(\$79)

* Income taxes for individual pre-tax items include current and deferred taxes using a transactional effective tax rate. For interim reporting purposes, such amounts may be adjusted in connection with the calculation of the Company's year-to-date income tax provision based on its estimated annual effective tax rate.

2) YTD EPS may not equal sum of quarters due to share count differences

Schedule 4 - Reconciliation of 3Q16 Earnings to 3Q15

Preliminary, unaudited

(millions, except EPS)

Three Months Ended

September 30,

2016 vs. 2015

Increase / (Decrease)

	<u>Amount</u>	<u>EPS</u>
Change in reported earnings (GAAP)	\$97	\$0.10
Change in Pre-tax loss (income) ¹	29	
Change in Income tax ¹	(21)	
Adjustments to reported earnings	8	0.01
Change in consolidated operating earnings	\$105	\$0.11
<u>Reconciling Items</u>		
<i>Dominion Virginia Power</i>		
Regulated electric sales:		
Weather	\$12	\$0.02
Other	5	0.01
FERC transmission equity return	9	0.01
Storm damage and service restoration	(5)	(0.01)
Other	(7)	(0.01)
Share dilution	-	(0.01)
Change in contribution to reported and operating earnings	\$14	\$0.01
<i>Dominion Energy</i>		
Gas Distribution margin	\$5	\$0.01
Farmout transaction	(27)	(0.06)
Dominion Questar combination	5	0.01
Other	(1)	-
Share dilution	-	(0.01)
Change in contribution to reported and operating earnings	(\$18)	(\$0.05)
<i>Dominion Generation</i>		
Regulated electric sales:		
Weather	\$32	\$0.05
Other	10	0.02
Renewable energy investment tax credits	212	0.35
Noncontrolling interest related to solar partnerships	(20)	(0.03)
Merchant generation margin	(14)	(0.02)
Capacity related expenses	49	0.08
Other	(9)	(0.02)
Share dilution	-	(0.05)
Change in contribution to reported and operating earnings	\$260	\$0.38
<i>Corporate and Other</i>		
Renewable energy investment tax credits	(\$148)	(\$0.23)
Other	(3)	-
Change in contribution to operating earnings	(\$151)	(\$0.23)
Change in consolidated operating earnings	\$105	\$0.11
Change in adjustments included in reported earnings ¹	(8)	(0.01)
Change in consolidated reported earnings	\$97	\$0.10

¹ Adjustments to reported earnings are included in Corporate and Other segment reported GAAP earnings.

Refer to Schedules 2 and 3 for details, or find "GAAP Reconciliation" in the Earnings Release Kit on Dominion's website at www.dom.com/investors.
Note: Figures may not add due to rounding.

Financials

Consolidated Financial Statements (GAAP)

DOMINION RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS*
Unaudited

	September 30, 2016	December 31, 2015 ¹
(millions)		
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 251	\$ 607
Customer receivables (less allowance for doubtful accounts of \$18 and \$32)	1,259	1,200
Other receivables (less allowance for doubtful accounts of \$3 and \$2)	133	169
Inventories	1,516	1,348
Prepayments	147	198
Other	493	667
Total current assets	3,799	4,189
Investments		
Nuclear decommissioning trust funds	4,427	4,183
Investment in equity method affiliates	1,498	1,320
Other	299	271
Total investments	6,224	5,774
Property, Plant and Equipment		
Property, plant and equipment	68,282	57,776
Accumulated depreciation, depletion and amortization	(19,394)	(16,222)
Total property, plant and equipment, net	48,888	41,554
Deferred Charges and Other Assets		
Goodwill	6,405	3,294
Pension and other postretirement benefit assets	1,095	943
Regulatory assets	2,143	1,865
Other	1,045	1,029
Total deferred charges and other assets	10,688	7,131
Total assets	\$ 69,599	\$ 58,648

¹⁾ Dominion's Consolidated Balance Sheet at December 31, 2015 has been derived from the audited Consolidated Financial Statements at that date.

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

DOMINION RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS*
Unaudited

	September 30, 2016	December 31, 2015 ¹
(millions)		
LIABILITIES AND EQUITY		
Current Liabilities		
Securities due within one year	\$ 2,931	\$ 1,825
Short-term debt	3,097	3,509
Accounts payable	685	726
Accrued interest, payroll and taxes	800	515
Other ²	1,514	1,544
Total current liabilities	9,027	8,119
Long-Term Debt		
Long-term debt	23,356	20,048
Junior subordinated notes	2,980	1,340
Remarketable subordinated notes	2,371	2,080
Total long-term debt	28,707	23,468
Deferred Credits and Other Liabilities		
Deferred income taxes and investment tax credits	8,675	7,414
Asset retirement obligations	2,153	1,887
Regulatory liabilities	2,597	2,285
Other	2,248	1,873
Total deferred credits and other liabilities	15,673	13,459
Total liabilities	53,407	45,046
Commitments and Contingencies		
Equity		
Common stock – no par ³	8,592	6,680
Retained earnings	6,837	6,458
Accumulated other comprehensive loss	(471)	(474)
Total common shareholders' equity	14,958	12,664
Noncontrolling interests	1,234	938
Total equity	16,192	13,602
Total liabilities and equity	\$ 69,599	\$ 58,648

¹⁾ Dominion's Consolidated Balance Sheet at December 31, 2015 has been derived from the audited Consolidated Financial Statements at that date.

²⁾ See Note 3 in the most recent quarterly report on Form 10-Q for amounts attributable to related parties.

³⁾ 1 billion shares authorized; 627 million shares and 596 million shares outstanding at September 30, 2016 and December 31, 2015, respectively.

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

DOMINION - 3Q16 EARNINGS RELEASE KIT

**DOMINION RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS***

Unaudited

Nine Months Ended September 30,	2016	2015
(millions)		
Operating Activities		
Net income including noncontrolling interests	\$ 1,721	\$ 1,557
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operating activities:		
Depreciation, depletion and amortization (including nuclear fuel)	1,325	1,250
Deferred income taxes and investment tax credits	481	703
Gains on the sales of assets and equity method investment in Iroquois	(50)	(123)
Other adjustments	(78)	(1)
Changes in:		
Accounts receivable	19	229
Inventories	(10)	(3)
Deferred fuel and purchased gas costs, net	84	70
Prepayments	71	45
Accounts payable	(89)	(222)
Accrued interest, payroll and taxes	205	(13)
Margin deposit assets and liabilities	1	205
Other operating assets and liabilities	(294)	(244)
Net cash provided by operating activities	3,386	3,453
Investing Activities		
Plant construction and other property additions (including nuclear fuel)	(4,536)	(3,632)
Acquisition of Dominion Questar, net of cash acquired	(4,372)	-
Acquisition of solar development projects	(21)	(278)
Acquisition of DCG	-	(497)
Proceeds from sale of securities	1,009	937
Purchases of securities	(1,065)	(921)
Proceeds from assignments of shale development rights	10	80
Other	(54)	(39)
Net cash used in investing activities	(9,029)	(4,350)
Financing Activities		
Repayment of short-term debt, net	(713)	(220)
Issuance of short-term notes	1,200	-
Repayment and repurchase of short-term notes	(600)	-
Issuance and remarketing of long-term debt	5,730	2,262
Repayment and repurchase of long-term debt	(1,169)	(675)
Proceeds from sale of interest in merchant solar projects	117	-
Contributions from SunEdison to Four Brothers and Three Cedars	178	-
Issuance of common stock	2,079	717
Common dividend payments	(1,287)	(1,150)
Other	(248)	(117)
Net cash provided by financing activities	5,287	817
Decrease in cash and cash equivalents	(356)	(80)
Cash and cash equivalents at beginning of period	607	318
Cash and cash equivalents at end of period	\$ 251	\$ 238
Supplemental Cash Flow Information		
Significant noncash investing and financing activities: ^{1,2}		
Accrued capital expenditures	\$ 341	\$ 389
Dominion Midstream's acquisition of a noncontrolling partnership interest in Iroquois in exchange for issuance of Dominion Midstream common units	-	216

¹⁾See Note 3 in the most recent quarterly report on Form 10-Q for noncash activities related to the acquisitions of Four Brothers and Three Cedars in 2015.

²⁾See Note 14 in the most recent quarterly report on Form 10-Q for noncash activities related to the remarketing of RSNs in 2016.

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

Segment Earnings Results

Dominion Consolidated Reported and Operating Results¹

Unaudited Summary (\$mm except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Operating Revenue	\$ 3,132	\$ 2,971	\$ 8,651	\$ 9,127
Operating Expenses				
Electric fuel and other energy-related purchases	606	636	1,791	2,180
Purchased (excess) electric capacity	(6)	75	107	259
Purchased gas	77	85	252	446
Other operations and maintenance	765	564	2,133	1,875
Depreciation, depletion and amortization	400	355	1,112	1,037
Other taxes	145	133	448	432
Total operating expenses	1,987	1,848	5,843	6,229
Income from operations	1,145	1,123	2,808	2,898
Other income	63	11	189	127
Income including noncontrolling interests before interest and income taxes	1,208	1,134	2,997	3,025
Interest and related charges	250	230	715	674
Income including noncontrolling interests before income taxes	958	904	2,282	2,351
Income taxes	230	305	561	794
Income including noncontrolling interests	728	599	1,721	1,557
Noncontrolling interests	38	6	55	15
Reported Earnings	\$ 690	\$ 593	\$ 1,666	\$ 1,542
Reported Earnings Per Share	\$ 1.10	\$ 1.00	\$ 2.71	\$ 2.60
Adjustments to reported earnings:				
Pre-tax Loss (Income) ²	48	19	103	122
Income Tax ²	(22)	(1)	(40)	(40)
	26	18	63	82
Operating Earnings	\$ 716	\$ 611	\$ 1,729	\$ 1,624
Operating Earnings Per Share	1.14	1.03	2.81	2.74
Average shares outstanding, diluted	626.0	595.5	613.8	592.7
Adjusted EBIT Reconciliation				
Reported Earnings	\$ 690	\$ 593	\$ 1,666	\$ 1,542
Noncontrolling interest	38	6	55	15
Income taxes	230	305	561	794
Interest and related charges	250	230	715	674
	\$ 1,208	\$ 1,134	\$ 2,997	\$ 3,025
Adjustments ²	35	16	88	119
Adjusted EBIT	\$ 1,243	\$ 1,150	\$ 3,085	\$ 3,144

¹) Dominion Consolidated Income Statement reflects the impact of segment eliminations and adjustments.

²) For additional details on adjustments to reporting earnings and to EBIT see the GAAP Reconciliation schedules on pages 30-35.

Dominion Virginia Power Reported and Operating Results

Unaudited Summary (\$mm except per share amounts)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2016	2015	2016	2015
Operating Revenue	\$ 620	\$ 543	\$ 1,699	\$ 1,617
Operating Expenses				
Electric fuel and other energy-related purchases	1	1	3	3
Purchased electric capacity	-	-	-	-
Purchased gas	-	-	-	-
Other operations and maintenance	163	127	430	374
Depreciation, depletion and amortization	135	126	398	370
Other taxes	40	37	119	112
Total operating expenses	<u>339</u>	<u>291</u>	<u>950</u>	<u>859</u>
Income from operations	<u>281</u>	<u>252</u>	<u>749</u>	<u>758</u>
Other income	<u>7</u>	<u>10</u>	<u>24</u>	<u>36</u>
Income including noncontrolling interests before interest and income taxes	288	262	773	794
Interest and related charges	<u>60</u>	<u>58</u>	<u>180</u>	<u>172</u>
Income including noncontrolling interests before income taxes	228	204	593	622
Income taxes	<u>89</u>	<u>79</u>	<u>230</u>	<u>240</u>
Income including noncontrolling interests	139	125	363	382
Noncontrolling interests	-	-	-	-
Reported and Operating Earnings Contribution	<u>\$ 139</u>	<u>\$ 125</u>	<u>\$ 363</u>	<u>\$ 382</u>
Reported and Operating Earnings Per Share Contribution	<u>\$ 0.22</u>	<u>\$ 0.21</u>	<u>\$ 0.59</u>	<u>\$ 0.64</u>
Average shares outstanding, diluted	626.0	595.5	613.8	592.7
Adjusted EBIT and EBITDA Reconciliation				
Reported Earnings	\$ 139	\$ 125	\$ 363	\$ 382
Noncontrolling interest	-	-	-	-
Income taxes	89	79	230	240
Interest and related charges	60	58	180	172
Adjusted EBIT	<u>\$ 288</u>	<u>\$ 262</u>	<u>\$ 773</u>	<u>\$ 794</u>
Depreciation, depletion and amortization	135	126	398	370
Adjusted EBITDA	<u>\$ 423</u>	<u>\$ 388</u>	<u>\$ 1,171</u>	<u>\$ 1,164</u>

Dominion Energy Reported and Operating Results^{1, 2}

Unaudited Summary (\$mm except per share amounts)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2016	2015	2016	2015
Operating Revenue	\$ 564	\$ 536	\$ 1,742	\$ 1,960
Operating Expenses				
Electric fuel and other energy-related purchases	4	4	8	17
Purchased electric capacity	-	-	-	-
Purchased gas	73	79	240	424
Other operations and maintenance	166	96	418	352
Depreciation, depletion and amortization	77	65	206	194
Other taxes	48	44	155	156
Total operating expenses	368	288	1,027	1,143
Income from operations	196	248	715	817
Other income	37	21	102	55
Income including noncontrolling interests before interest and income taxes	233	269	817	872
Interest and related charges	6	6	16	21
Income including noncontrolling interests before income taxes	227	263	801	851
Income taxes	84	104	294	327
Income including noncontrolling interests	143	159	507	524
Noncontrolling interests	8	6	24	15
Reported and Operating Earnings Contribution	\$ 135	\$ 153	\$ 483	\$ 509
Reported and Operating Earnings Per Share Contribution	\$ 0.21	\$ 0.26	\$ 0.78	\$ 0.86
Average shares outstanding, diluted	626.0	595.5	613.8	592.7
Adjusted EBIT and EBITDA Reconciliation				
Reported Earnings	\$ 135	\$ 153	\$ 483	\$ 509
Noncontrolling interest	8	6	24	15
Income taxes	84	104	294	327
Interest and related charges	6	6	16	21
Adjusted EBIT	\$ 233	\$ 269	\$ 817	\$ 872
Depreciation, depletion and amortization	77	65	206	194
Adjusted EBITDA	\$ 310	\$ 334	\$ 1,023	\$ 1,066

¹⁾ Includes non-regulated retail energy marketing operations.

²⁾ 2016 amounts include Dominion Questar operations for partial month September.

Dominion Generation Reported and Operational Results¹

Unaudited Summary (\$mm except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Operating Revenue	<u>\$ 1,949</u>	<u>\$ 1,894</u>	<u>\$ 5,211</u>	<u>\$ 5,544</u>
Operating Expenses				
Electric fuel and other energy-related purchases	598	630	1,771	2,054
Purchased (excess) electric capacity	(6)	75	107	259
Purchased gas	-	-	-	-
Other operations and maintenance	390	354	1,192	1,135
Depreciation, depletion and amortization	177	154	488	444
Other taxes	51	46	148	142
Total operating expenses	<u>1,210</u>	<u>1,259</u>	<u>3,706</u>	<u>4,034</u>
Income from operations	<u>739</u>	<u>635</u>	<u>1,505</u>	<u>1,510</u>
Other income	<u>5</u>	<u>5</u>	<u>47</u>	<u>28</u>
Income including noncontrolling interests before interest and income taxes	<u>744</u>	<u>640</u>	<u>1,552</u>	<u>1,538</u>
Interest and related charges	<u>77</u>	<u>69</u>	<u>214</u>	<u>198</u>
Income including noncontrolling interests before income taxes	<u>667</u>	<u>571</u>	<u>1,338</u>	<u>1,340</u>
Income taxes	<u>(13)</u>	<u>181</u>	<u>241</u>	<u>438</u>
Income including noncontrolling interests	<u>680</u>	<u>390</u>	<u>1,097</u>	<u>902</u>
Noncontrolling interests	<u>30</u>	<u>-</u>	<u>31</u>	<u>-</u>
Reported and Operating Earnings Contribution	<u>\$ 650</u>	<u>\$ 390</u>	<u>\$ 1,066</u>	<u>\$ 902</u>
Reported and Operating Earnings Per Share Contribution	<u>\$ 1.04</u>	<u>\$ 0.66</u>	<u>\$ 1.74</u>	<u>\$ 1.52</u>
Average shares outstanding, diluted	<u>626.0</u>	<u>595.5</u>	<u>613.8</u>	<u>592.7</u>
Adjusted EBIT Reconciliation				
Reported Earnings	\$ 650	\$ 390	\$ 1,066	\$ 902
Noncontrolling interest	30	-	31	-
Income taxes	(13)	181	241	438
Interest and related charges	77	69	214	198
Adjusted EBIT	<u>\$ 744</u>	<u>\$ 640</u>	<u>\$ 1,552</u>	<u>\$ 1,538</u>
Depreciation, depletion and amortization	<u>177</u>	<u>154</u>	<u>488</u>	<u>444</u>
Adjusted EBITDA	<u>\$ 921</u>	<u>\$ 794</u>	<u>\$ 2,040</u>	<u>\$ 1,982</u>

¹⁾ Excludes non-regulated retail energy marketing operations, which are reported in Dominion Energy.

Corporate and Other Reported and Operating Results

Unaudited Summary (\$mm except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Operating Revenue	<u>\$ 146</u>	<u>\$ 128</u>	<u>\$ 477</u>	<u>\$ 405</u>
Operating Expenses				
Electric fuel and other energy-related purchases	-	-	-	85
Purchased electric capacity	-	-	-	-
Purchased gas	1	2	2	3
Other operations and maintenance	199	123	590	454
Depreciation, depletion and amortization	11	10	20	29
Other taxes	6	6	26	22
Total operating expenses	<u>217</u>	<u>141</u>	<u>638</u>	<u>593</u>
Income from operations	<u>(71)</u>	<u>(13)</u>	<u>(161)</u>	<u>(188)</u>
Other income	<u>33</u>	<u>(12)</u>	<u>70</u>	<u>38</u>
Income including noncontrolling interests before interest and income taxes	(38)	(25)	(91)	(150)
Interest and related charges	<u>126</u>	<u>109</u>	<u>359</u>	<u>312</u>
Income including noncontrolling interests before income taxes	(164)	(134)	(450)	(462)
Income taxes	<u>70</u>	<u>(59)</u>	<u>(204)</u>	<u>(211)</u>
Income including noncontrolling interests	(234)	(75)	(246)	(251)
Noncontrolling interests	-	-	-	-
Reported Earnings (Loss) Contribution	<u>\$ (234)</u>	<u>\$ (75)</u>	<u>\$ (246)</u>	<u>\$ (251)</u>
Reported Earnings (Loss) Per Share Contribution	<u>\$ (0.37)</u>	<u>\$ (0.13)</u>	<u>\$ (0.40)</u>	<u>\$ (0.42)</u>
Adjustments to reported earnings:				
Pre-tax Loss (Income) ¹	48	19	103	122
Income Tax ¹	(22)	(1)	(40)	(40)
	<u>26</u>	<u>18</u>	<u>63</u>	<u>82</u>
Operating Earnings (Loss) Contribution	<u>\$ (208)</u>	<u>\$ (57)</u>	<u>\$ (183)</u>	<u>\$ (169)</u>
Operating Earnings (Loss) Share Contribution	<u>(0.33)</u>	<u>\$ (0.10)</u>	<u>\$ (0.30)</u>	<u>\$ (0.28)</u>
Average shares outstanding, diluted	626.0	595.5	613.8	592.7
Adjusted EBIT Reconciliation				
Reported Earnings	\$ (234)	\$ (75)	\$ (246)	\$ (251)
Noncontrolling interest	-	-	-	-
Income taxes	70	(59)	(204)	(211)
Interest and related charges	126	109	359	312
	<u>\$ (38)</u>	<u>\$ (25)</u>	<u>\$ (91)</u>	<u>\$ (150)</u>
Adjustments ¹	35	5	88	119
Adjusted EBIT	<u>\$ (3)</u>	<u>\$ (20)</u>	<u>\$ (3)</u>	<u>\$ (31)</u>

¹⁾ For additional details on adjustments to reporting earnings and to EBIT see the GAAP Reconciliation schedules on pages 30-35.

Operating Statistics

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Dominion Consolidated				
Regulated Electric Sales Revenue (\$mm)				
Residential	\$ 1,063	\$ 959	\$ 2,656	\$ 2,753
Commercial	667	651	1,843	1,873
Industrial ¹	137	141	387	413
Governmental and other ¹	221	207	607	637
Regulated retail revenue	2,087	1,958	5,493	5,676
Wholesale - sales for resale	29	38	85	121
Other revenue	30	24	129	114
Total	\$ 2,147	\$ 2,020	\$ 5,707	\$ 5,911
Dominion Virginia Power				
Degree Days (Electric service area)				
Cooling				
Actual	1,326	1,174	1,755	1,819
Normal	1,081	1,080	1,570	1,558
Heating				
Actual	-	-	2,247	2,578
Normal	9	10	2,334	2,296
Electric Delivery Customers (at period end)				
Residential	2,280,083	2,255,881	2,280,083	2,255,881
Commercial	241,084	240,055	241,084	240,055
Industrial	652	660	652	660
Governmental	33,054	32,758	33,054	32,758
Total Retail	2,554,873	2,529,354	2,554,873	2,529,354
Wholesale - sales for resale	5	5	5	5
Total	2,554,878	2,529,359	2,554,878	2,529,359
Electricity Delivered (GWh)				
Residential	9,186	8,349	23,508	24,908
Commercial	8,838	8,242	23,762	23,336
Industrial ¹	2,294	2,317	6,439	6,650
Governmental and other ¹	2,988	2,835	8,189	8,140
Total Retail	23,307	21,743	61,898	63,033
Wholesale - sales for resale	758	891	2,253	2,567
Total	24,065	22,634	64,151	65,600
Dominion Generation				
Merchant Generation				
Total Electric Sales (GWh)				
NEPOOL Merchant Fleet ²	4,908	5,072	13,148	14,604
PJM Merchant Fleet ³	2,415	2,113	6,427	4,733

¹⁾ Reflects customer reclassification based on ruling by VA SCC in 2015 Biennial Review.

²⁾ Comprised of Millstone and Manchester generating stations.

³⁾ Comprised of Fairless generating station.

Note: Figures may not add due to rounding

DOMINION - 3Q16 EARNINGS RELEASE KIT

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Dominion Energy				
Gas Distribution				
Regulated Gas Revenue (\$mm)				
Gas sales revenue				
Residential	\$ 16	\$ 18	\$ 91	\$ 132
Commercial	2	3	17	25
Industrial	0	-	1	1
Other	-	-	1	3
Total	<u>\$ 18</u>	<u>\$ 21</u>	<u>\$ 110</u>	<u>\$ 161</u>
Regulated Gas Transportation and Storage Revenue (\$mm)				
Gas transportation revenue				
Residential	\$ 83	\$ 78	\$ 259	\$ 273
Commercial	15	14	70	88
Industrial	14	12	45	46
Other	10	9	30	25
Total transportation revenue	<u>122</u>	<u>113</u>	<u>404</u>	<u>432</u>
Storage revenue	<u>6</u>	<u>5</u>	<u>14</u>	<u>12</u>
Total	<u>\$ 128</u>	<u>\$ 118</u>	<u>\$ 418</u>	<u>\$ 444</u>
Degree Days				
Heating				
Actual	22	48	3,435	4,191
Normal	90	89	3,617	3,558
LDC Natural Gas Customers (Average)				
Total LDC natural gas customers				
Residential	1,197,366	1,191,295	1,206,554	1,203,245
Commercial	91,540	90,925	92,726	92,319
Industrial	1,491	1,481	1,497	1,497
Other	22	23	22	23
Total	<u>1,290,419</u>	<u>1,283,724</u>	<u>1,300,799</u>	<u>1,297,084</u>
LDC Natural Gas Delivery (mmcf)				
Total LDC natural gas throughput				
Residential	5,589	6,153	74,263	88,127
Commercial	4,848	5,125	40,542	47,052
Industrial	34,153	28,974	102,241	96,507
Other	62,581	49,765	164,313	130,152
Total	<u>107,171</u>	<u>90,017</u>	<u>381,359</u>	<u>361,838</u>
Gas Transmission				
Natural Gas Liquids sales (million gallons)	22.8	30.8	66.5	88.9
Average Realized NGL Price with Hedging (\$/gal)	\$0.45	\$0.48	\$0.52	\$0.56
Dominion Retail				
Unregulated Energy Customer Accounts (Average)				
Natural Gas	327,600	315,205	326,179	299,057
Products and Services	1,049,275	1,003,529	1,041,347	985,700
Total	<u>1,376,876</u>	<u>1,318,735</u>	<u>1,367,526</u>	<u>1,284,757</u>
Volumes Sold				
Natural Gas (mmcf)	7,206	7,867	43,543	48,150

Note: Figures may not add due to rounding. Does not include Dominion Questar operating statistics due to transaction close on September 16, 2016

2016 Weather VarianceDominion - Effect of weather compared to normal ¹

Description	Pre-tax Impact (\$millions)				
	1Q16	2Q16	3Q16	4Q16	FY2016
Gas Distribution ²	(\$3)	\$1	(\$1)	-	(\$3)
Electric Distribution ³	(8)	(14)	18	-	(4)
Electric Transmission ³	(0)	(0)	0	-	0
Utility Generation ⁴	(17)	(29)	48	-	1
Earnings Impact (pre-tax)	(\$29)	(\$42)	\$65	-	(\$6)

Description	After-tax Impact (\$millions)				
	1Q16	2Q16	3Q16	4Q16	FY2016
Gas Distribution ²	(\$2)	\$1	(\$1)	-	(\$2)
Electric Distribution ³	(5)	(8)	11	-	(2)
Electric Transmission ³	(0)	(0)	0	-	0
Utility Generation ⁴	(11)	(18)	29	-	1
Earnings Impact (after-tax)	(\$18)	(\$26)	\$40	-	(\$3)

Dominion - Effect of weather compared to prior period ¹

Description	Pre-tax Impact (\$millions)				
	1Q16 v. '15	2Q16 v. '15	3Q16 v. '15	4Q16 v. '15	FY16 v. '15
Gas Distribution ²	(\$13)	\$2	(\$0)	-	(\$11)
Electric Distribution ³	(24)	(18)	20	-	(22)
Electric Transmission ³	(0)	(0)	0	-	(0)
Utility Generation ⁴	(50)	(38)	53	-	(36)
Earnings Impact (pre-tax)	(\$87)	(\$55)	\$73	-	(\$69)

Description	After-tax Impact (\$millions)				
	1Q16 v. '15	2Q16 v. '15	3Q16 v. '15	4Q16 v. '15	FY16 v. '15
Gas Distribution ²	(\$8)	\$1	(\$0)	-	(\$7)
Electric Distribution ³	(15)	(11)	12	-	(13)
Electric Transmission ³	(0)	(0)	0	-	(0)
Utility Generation ⁴	(31)	(23)	32	-	(22)
Earnings Impact (after-tax)	(\$53)	(\$33)	\$44	-	(\$42)

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

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

3) Reported in the Dominion Virginia Power segment.

4) Reported in the Dominion Generation segment.

Note: Figures may not add due to rounding

Finance & Liquidity

Schedule of Long-Term Debt

Preliminary & Unaudited (\$ in millions)

	At 9/30 2015	At 12/31 2015	At 03/31 2016	At 06/30 2016	At 09/30 2016
Dominion Resources, Inc.					
Term Loan, variable rate, due 2017	\$ -	\$ -	\$ -	\$ -	\$ 1,200
Unsecured Senior Notes:					
Variable rates, due 2015 and 2016 ¹	\$ 400	\$ 600	\$ 500	\$ -	\$ -
1.25% to 6.4%, due 2016 to 2019	\$ 3,400	\$ 3,400	\$ 3,900	\$ 3,900	\$ 4,250
2.0% to 7.0%, due 2021 to 2044	\$ 5,099	\$ 5,099	\$ 5,099	\$ 5,099	\$ 5,899
Unsecured Debentures and Senior Notes (previously issued by CNG):					
6.8% and 6.875%, due 2026 and 2027	\$ 89	\$ 89	\$ 89	\$ 89	\$ 89
Tax-Exempt Financing, variable rate, due 2041	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
Unsecured Junior Subordinated Notes:					
2.962% and 4.104%, due 2019 and 2021 ²	\$ -	\$ -	\$ 550	\$ 1,100	\$ 1,100
Payable to Affiliated Trust, 8.4% due 2031	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
Enhanced Junior Subordinated Notes:					
5.25% to 7.5%, due 2054 and 2076 ³	\$ 982	\$ 971	\$ 933	\$ 685	\$ 1,485
Variable rates, due 2066 ^{3,4}	\$ 379	\$ 377	\$ 373	\$ 621	\$ 422
Remarketable Subordinated Notes, 1.07% to 2.0%, due 2019 to 2024 ²	\$ 2,100	\$ 2,100	\$ 1,550	\$ 1,000	\$ 2,400
Virginia Electric and Power Company					
Unsecured Senior Notes:					
1.2% to 8.625%, due 2015 to 2019	\$ 2,465	\$ 2,261	\$ 1,810	\$ 1,807	\$ 1,807
2.75% to 8.875%, due 2022 to 2045	\$ 6,292	\$ 6,292	\$ 7,042	\$ 7,042	\$ 7,040
Tax-Exempt Financings:					
Variable rates, due 2016 to 2027	\$ 194	\$ 194	\$ 194	\$ 194	\$ 175
.70% to 5.6%, due 2023 to 2041	\$ 678	\$ 678	\$ 678	\$ 678	\$ 678
Dominion Gas Holdings, LLC					
Unsecured Senior Notes:					
1.05% to 2.8%, due 2016 to 2020	\$ 850	\$ 1,550	\$ 1,550	\$ 1,550	\$ 1,550
2.875% to 4.8%, due 2023 to 2044 ⁵	\$ 1,750	\$ 1,750	\$ 1,750	\$ 2,428	\$ 2,431
Dominion Questar Corporation					
Term Loan, variable rate, due 2017 ⁶	\$ -	\$ -	\$ -	\$ -	\$ 250
Unsecured Senior Notes: ⁶					
5.31% to 6.85%, due 2017 and 2018	\$ -	\$ -	\$ -	\$ -	\$ 390
2.98% to 7.2%, due 2024 to 2048	\$ -	\$ -	\$ -	\$ -	\$ 580
Dominion Energy, Inc.					
Tax-Exempt Financing, 2.375%, due 2033	\$ 27	\$ 27	\$ 27	\$ 27	\$ 27
Total Principal Amount	\$ 24,790	\$ 25,473	\$ 26,130	\$ 26,305	\$ 31,858
Fair Value Hedge Valuation	19	7	19	21	14
Amounts Due Within One Year ⁷	(1,527)	(1,825)	(1,774)	(1,348)	(2,931)
Unamortized Discount, Premium and Debt Issuance Costs, net ⁷	(184)	(187)	(189)	(191)	(234)
Total Long-Term Debt⁷	\$ 23,098	\$ 23,468	\$ 24,186	\$ 24,787	\$ 28,707

¹ \$100 million of the variable rate short-term notes due May 2016 were purchased and cancelled in the first quarter of 2016.

² In March 2016 and May 2016, the 2013 Series A Remarketable Subordinated Notes due 2021 and the 2013 Series B Remarketable Subordinated Notes due 2019 were remarketed, respectively, as Junior Subordinated Notes pursuant to the terms of the related equity units. In connection with the each remarketing, the interest rate was reset and Dominion ceased to have the ability to redeem the notes at its option or defer interest payments.

³ \$11 million, 38 million and \$125 million of the 2006 Series A Enhanced Junior Subordinated Notes due 2066 were purchased and cancelled in the fourth quarter of 2015 and the first and third quarters of 2016, respectively. Also beginning June 30, 2016, the Notes bear interest at the three-month LIBOR plus 2.825%, reset quarterly.

⁴ \$2 million, \$4 million and \$74 million of the 2006 Series B Enhanced Junior Subordinated Notes due 2066 were purchased and cancelled in the fourth quarter of 2015 and the first and third quarters of 2016, respectively.

⁵ Beginning June 30, 2016, amount includes foreign currency remeasurement adjustments.

⁶ Represents debt assumed by Dominion in September 2016 from the Dominion Questar Combination.

⁷ Effective January 2016, deferred debt issuance costs were recorded as a reduction in long-term debt in the Consolidated Balance Sheets. As a result, the 2015 balances have been recast to reflect this change.

Schedule of Debt Maturities

As of September 30, 2016 (in \$ millions)

	<u>Due Date</u>	<u>DRI</u>	<u>VEPCO</u>	<u>DGH</u> ¹	<u>DQC</u> ²	<u>Total</u>
2016						
7.25% Mecklenburg Senior Bonds	10/17/16	-	3.0	-	-	3.0
1.05% 2013 Series A Senior Notes	11/01/16	-	-	400.0	-	400.0
7.25% Ft Story, Ft Eustis and Ft Lee Promissory Notes	multiple	-	0.1	-	-	0.1
2016 Total		-	3.1	400.0	-	403.1
2017						
2016 Private Placement Term Loan (variable)	02/23/17	-	-	-	250.0	250.0
1.25% 2014 Series A Senior Notes	03/15/17	400.0	-	-	-	400.0
2011 Series A EDA Chesterfield County (variable)	06/01/17	-	75.0	-	-	75.0
1.4% 2012 Series A Senior Notes	09/15/17	350.0	-	-	-	350.0
5.95% 2007 Series B Senior Notes	09/15/17	-	600.0	-	-	600.0
2016 Private Placement Term Loan (variable)	09/15/17	1,200.0	-	-	-	1,200.0
6.85% Series C Medium-term Notes	10/10/17	-	-	-	14.5	14.5
7.25% Mecklenburg Senior Bonds	multiple	-	3.4	-	-	3.4
7.25% Ft Story, Ft Eustis and Ft Lee Promissory Notes	multiple	-	0.2	-	-	0.2
2017 Total		1,950.0	678.6	-	264.5	2,893.1
2018						
1.2% 2013 Series A Senior Notes	01/15/18	-	250.0	-	-	250.0
5.83% Senior Notes	02/01/18	-	-	-	250.0	250.0
2.125% 2016 Series A Private Placement Senior Notes	02/15/18	500.0	-	-	-	500.0
5.31% Series E Medium-term Notes	03/15/18	-	-	-	70.0	70.0
6.30% Senior Notes	04/01/18	-	-	-	50.0	50.0
5.4% 2008 Series A Senior Notes	04/30/18	-	600.0	-	-	600.0
6.4% 2008 Series A Senior Notes	06/15/18	500.0	-	-	-	500.0
1.9% 2015 Series A Senior Notes	06/15/18	500.0	-	-	-	500.0
1.5% 2016 Series E Private Placement Senior Notes	09/30/18	300.0	-	-	-	300.0
6.48% Series A Medium-term Notes	12/11/18	-	-	-	5.0	5.0
7.25% Ft Story, Ft Eustis and Ft Lee Promissory Notes	multiple	-	0.2	-	-	0.2
2018 Total		1,800.0	850.2	-	375.0	3,025.2
2019						
5.0% 2009 Series A Senior Notes	06/30/19	-	350.0	-	-	350.0
2.962% Junior Subordinated Notes	07/01/19	550.0	-	-	-	550.0
5.2% 2009 Series A Senior Notes	08/15/19	500.0	-	-	-	500.0
1.6% 2016 Series B Senior Notes	08/15/19	500.0	-	-	-	500.0
2.5% 2014 Series B Senior Notes	12/01/19	700.0	-	-	-	700.0
2.5% 2014 Series A Senior Notes	12/15/19	-	-	450.0	-	450.0
7.25% Ft Story, Ft Eustis and Ft Lee Promissory Notes	multiple	-	0.2	-	-	0.2
2019 Total		2,250.0	350.2	450.0	-	3,050.2
2020						
1.5% 2014 Series A Remarketable Subordinated Notes	07/01/20	1,000.0	-	-	-	1,000.0
2.8% 2015 Series A Senior Notes	11/15/20	-	-	700.0	-	700.0
7.25% Ft Story, Ft Eustis and Ft Lee Promissory Notes	multiple	-	0.3	-	-	0.3
2020 Total		1,000.0	0.3	700.0	-	1,700.3
Total		\$7,000.0	\$1,882.4	\$1,550.0	\$ 639.5	\$ 11,071.9

1) Dominion Gas Holdings, LLC (DGH)

2) Dominion Questar Corporation (DQC)

Schedule of Liquidity Position

As of September 30, 2016 (in \$ millions)

Total Committed Bank Lines ¹	\$	5,500
Less:		
Commercial Paper Outstanding ¹	\$	3,073
Letters of Credit Issued	\$	60
Funded Loans	\$	-
Total Available Capacity	\$	2,367
Cash & Short-Term Investments On Hand*	\$	182
Total Liquidity Available¹	\$	2,549

*Represents aggregate collected cash balances; not ledger balances per financial statements, which totaled \$251 million at 9/30/2016.

¹ Excludes Dominion Questar credit facilities and Commercial Paper Outstanding totaling \$750 million and \$24 million, respectively. Effective October 11, 2016, these facilities were terminated. The \$24 million Commercial Paper balance was paid off prior to termination.

Totals may not add due to rounding

Committed bank lines consist of the following:

A \$4.0 billion revolving credit facility entered into by Dominion Resources, Inc. ("DRI"), Virginia Electric and Power Company ("VEPCO"), and Dominion Gas Holdings, LLC ("DGH") on May 19, 2014. On January 19, 2016, this facility was increased to \$5.0 billion. On May 19, 2016, the maturity of the facility was extended from April 2019 to April 2020.

A \$500 million revolving credit facility entered into by DRI, VEPCO, and DGH on May 30, 2014. On May 19, 2016, the maturity of the facility was extended from April 2019 to April 2020.

Additionally, VEPCO maintains a \$120 million revolving credit facility (not reflected in table above) that was amended and restated on May 19, 2016 in order to extend the maturity date of the facility to April 2020. This facility is dedicated to certain tax-exempt bond issuances by VEPCO. On October 4, 2016, this facility was reduced from \$120 million to \$100 million.

Two Dominion Questar facilities totaling \$750 million are not included in the above calculation. These facilities expired upon a change of control with the Dominion Questar Combination on September 16, 2016. However, Questar amended the facilities to allow for the continuation of the facilities for 30 days after the completion of the combination. Effective October 11, 2016, these facilities were terminated.

DOMINION - 3Q16 EARNINGS RELEASE KIT

Schedule of Change in Capitalization

From December 31, 2015 to September 30, 2016 (in \$ millions)

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

Balance as of December 31, 2015		\$ 25,293 ¹
Issuances:		
DRI 2016 Private Placement (variable) Term Loan due 2017	1,200	
DRI 2016 Series A 2.125% Private Placement Senior Notes due 2018	500	
DRI 2016 Series A 5.25% Enhanced Jr Subordinated Notes due 2076	800	
DRI 2016 Series A-1 2.0% Remarketable Subordinated Notes due 2021	700	
DRI 2016 Series A-2 2.0% Remarketable Subordinated Notes due 2024	700	
DRI 2016 Series B 1.6% Senior Notes Due 2019	500	
DRI 2016 Series C 2.0% Senior Notes Due 2021	400	
DRI 2016 Series D 2.85% Senior Notes Due 2026	400	
DRI 2016 Series E 1.5% Private Placement Senior Notes Due 2018	300	
VEPCO 2016 Series A 3.15% Senior Notes due 2026	750	
DGH 2016 Series A 3.8% Private Placement Senior Notes due 2031	150	
DGH 2016 Series B 1.45% €250 Private Placement Senior Notes due 2026	281 ²	
DGH 2016 Series C 2.875% Private Placement Senior Notes due 2023	250	
	<u>6,931 ³</u>	
Maturities:		
DRI 2015 Private Placement (variable) Short-term Notes due 2016	(600)	
DRI 2011 Series D 1.95% Senior Notes due 2016	(450)	
DRI 2006 Series A (variable) Enhanced Jr Subordinated Notes due 2066 ⁴	(163)	
DRI 2006 Series B (variable) Enhanced Jr Subordinated Notes due 2066 ⁵	(78)	
VEPCO 2006 Series A 5.4% Senior Notes due 2016	(450)	
VEPCO 1986 Series IDA of Prince William (variable) Money Market Municipals	(11)	
VEPCO 1986 Series Grant County (variable) Money Market Municipals	(8)	
Other	(6)	
	<u>(1,766) ³</u>	
Other:		
DQC 2016 Private Placement (variable) Term Loan due 2017 ⁶	250	
DQC Senior and Medium-term Notes, 2.98% to 7.2%, due 2017 to 2048 ⁶	970	
Change in Fair Value Hedges, Net Discount/Premium and Debt Issuance Costs	(40)	
	<u>1,180</u>	
Balance as of September 30, 2016		\$ 31,638

Change in Shareholders' Equity

Balance as of December 31, 2015		\$ 13,602
Issuance of Common Stock, Net		1,912
Changes in AOCI:		
Net Other Comprehensive Gain (Loss) associated with effective portion of changes in fair value of derivatives designated as cash flow hedges, net of taxes and amounts reclassified to earnings:		
Interest Rate	(53)	
Electricity	(32)	
Gas	5	
NGL and Other	(7)	
Foreign currency	2	
	<u>(85)</u>	
Other changes in Net Other Comprehensive Income ⁷	88	
Net change in AOCI		3
Change in Retained Earnings		<u>379</u>
Net change in Common Shareholder's Equity		2,294
Noncontrolling Interests ⁸		296
Net change in Equity		<u>2,590</u>
Balance as of September 30, 2016		\$ 16,192

¹⁾ Effective January 2016, deferred debt issuance costs were recorded as a reduction in long-term debt in the Consolidated Balance Sheets. As a result, the December 31, 2015 balance has been recast to reflect this change.

²⁾ U.S. dollar amount at September 30, 2016 after foreign currency remeasurement adjustment.

³⁾ Excludes the \$550 million 2013 Series A and the \$550 million 2013 Series B Remarketable Subordinated Notes that were remarketed as Junior Subordinated Notes in March and May 2016, respectively. At September 30, 2016, these securities are included in junior subordinated notes in Dominion's Consolidated Balance Sheets.

⁴⁾ \$163 million of the 2006 Series A Enhanced Junior Subordinated Notes due 2066 were purchased and cancelled in 2016.

⁵⁾ \$78 million of the 2006 Series B Enhanced Junior Subordinated Notes due 2066 were purchased and cancelled in 2016.

⁶⁾ Represents debt assumed by Dominion in September 2016 from the Dominion Questar Combination.

⁷⁾ Primarily reflects a net increase in unrealized gains on investments held in nuclear decommissioning trusts, and changes related to pension and OPEB benefit plans.

⁸⁾ Primarily reflects the sale of interest in merchant solar projects and contributions from SunEdison to Four Brothers Holding, LLC and Three Cedars.

Hedging

Power, Capacity and NGL Hedge Positions

As of October 18th, 2016

Merchant Generation Power & Fuel	Net Summer Capacity (MW)	2016	2017
Hedge Positions ¹			
Millstone	2,001	97%	8%
Manchester	461	85%	33%
Fairless	1,196	86%	13%
Total Merchant Generation ²	3,658	92%	13%
Power Pricing			
NEPOOL Baseload - Average Hedge Price (\$/MWh) ³		\$51.51	\$25.64
Merchant Generation Capacity (EFOR Adjusted)			
Millstone & Manchester (MW)		2,469	2,467
Average Capacity Hedge Price (\$/KW - month)		\$3.08	\$5.29
Fairless (MW)		1,191	1,193
Average Capacity Hedge Price (\$/KW - month)		\$4.46	\$4.39
NGL			
Estimated annual NGL sales (in million gallons) ⁴		90 - 110	90 - 110
Amount hedged (in million gallons)		79.1	15.8
Average hedge price per gallon ⁵		\$0.67	\$0.67

- 1) Hedge percentages are calculated based on the weighted-average of:
 - 1) actual results which are considered to be 100% hedged, and 2) balance of year hedge percentages. Capacity shown is net summer capacity. Assume capacity remains constant in all periods shown.
- 2) Annual percentage calculations are capacity-weighted. Excludes renewable assets.
- 3) NEPOOL Baseload Average Hedge Price in 2016 includes all on-peak, off-peak, around-the-clock, and seasonal hedges for Millstone Power Station. For 2017, we have hedged only off-peak Millstone capacity at a NEPOOL Baseload Average Hedge Price of \$25.64.
- 4) Represents Dominion's production interest primarily from the Hastings plant.
- 5) Average hedge price is based on a basket of liquids products at Mt. Belvieu hub: propane (52%), normal butane (17%), iso-butane (10%) and natural gasoline (21%).

Reconciliation of Forecast and Outlook

Reconciliation of Operating Earnings Guidance

3Q16 Operating Earnings Summary

(millions, except per share amounts)

Description	3Q15	Range of 3Q16		3Q16
	Actual	Low	High	Actual
Dominion Virginia Power EBITDA	\$388	\$395	\$430	\$423
Depreciation, Depletion and Amortization	126	130	130	135
Dominion Virginia Power EBIT	262	265	300	288
Dominion Energy EBITDA ¹	\$334	\$275	\$295	\$310
Depreciation, Depletion and Amortization	65	70	70	77
Dominion Energy EBIT	269	205	225	233
Dominion Generation EBITDA ¹	\$794	\$840	\$905	\$921
Depreciation, Depletion and Amortization	154	175	175	177
Dominion Generation EBIT	640	665	730	744
Corporate and Other & Eliminations Adjusted EBIT	(21)	(15)	(10)	(22)
Total Adjusted EBIT	\$1,150	\$1,120	\$1,245	\$1,243
Consolidated Interest	227	235	225	237
Consolidated Income Taxes	306	230	245	252
Noncontrolling Interests	6	80	75	38
Operating Earnings	\$611	\$575	\$700	\$716
Average Diluted Shares Outstanding	595.5	627	625	626.0
Operating EPS Range	\$1.03	\$0.92	\$1.12	\$1.14

3Q16 Operating EPS Guidance Range

\$0.95

\$1.10

3Q16 Operating EPS Actual >>>

\$1.14

¹) Amounts have been recast to reflect non-regulated retail marketing operations in Dominion Energy.

Notes:

For additional detail on items excluded from operating earnings see the GAAP Reconciliation schedules on pages 34-36.

For additional detail on Adjusted EBIT and Adjusted EBITDA see Segment Results on pages 15-19

Adjusted EBITDA is defined as Reported Earnings excluding any adjustments to reported earnings (Operating Earnings) before interest and related charges, income taxes, noncontrolling interests and depreciation, depletion and amortization.

Adjusted EBIT is defined as Reported Earnings excluding any adjustments to reported earnings (Operating Earnings) before interest and related charges, income taxes, and noncontrolling interests.

Figures may not add due to rounding

4Q16 Operating Earnings Guidance

(millions, except per share amounts)

Description	4Q15	Range of 4Q16	
	Actual	Low	High
Dominion Virginia Power EBITDA	\$361	\$390	\$425
Depreciation, Depletion and Amortization	128	130	140
Dominion Virginia Power EBIT	233	260	285
Dominion Energy EBITDA ¹	\$350	\$535	\$565
Depreciation, Depletion and Amortization	68	125	125
Dominion Energy EBIT	282	410	440
Dominion Generation EBITDA	\$456	\$595	\$665
Depreciation, Depletion and Amortization	147	170	175
Dominion Generation EBIT	309	425	490
Corporate and Other & Eliminations Adjusted EBIT	(22)	(20)	(15)
Total Adjusted EBIT	\$802	\$1,075	\$1,200
Consolidated Interest	227	295	285
Consolidated Income Taxes	150	205	220
Noncontrolling Interests	9	30	20
Operating Earnings	\$416	\$545	\$675
Average Diluted Shares Outstanding	596.7	628	626
Operating EPS Range	\$0.70	\$0.87	\$1.08
4Q16 Operating EPS Guidance Range		\$0.90	\$1.05

¹⁾ 2016 amounts include Dominion Questar operations.

Notes:

For additional detail on items excluded from operating earnings see the GAAP Reconciliation schedules on pages 34-36.

For additional detail on Adjusted EBIT and Adjusted EBITDA see Segment Results on pages 15-19

Adjusted EBITDA is defined as Reported Earnings excluding any adjustments to reported earnings (Operating Earnings) before interest and related charges, income taxes, noncontrolling interests and depreciation, depletion and amortization.

Adjusted EBIT is defined as Reported Earnings excluding any adjustments to reported earnings (Operating Earnings) before interest and related charges, income taxes, and noncontrolling interests.

Figures may not add due to rounding

GAAP Reconciliation

Reconciliation of 2016 Consolidated Reported Earnings to Operating Earnings

Unaudited Income Statements
(millions, except per share amounts)

	Three Months Ended September 30, 2016			Nine Months Ended September 30, 2016		
	GAAP	Adjustments	Operating	GAAP	Adjustments	Operating
Operating Revenue	\$ 3,132	\$ -	\$ 3,132	\$ 8,651	\$ -	\$ 8,651
Operating Expenses						
Electric fuel and other energy-related purchases	606	-	606	1,791	-	1,791
Purchased (excess) electric capacity	(6)	-	(6)	107	-	107
Purchased gas	77	-	77	252	-	252
Other operations and maintenance	765	(52) (b), (e)	713	2,133	(122) (a), (b), (e)	2,011
Depreciation, depletion and amortization	400	-	400	1,112	9 (b)	1,121
Other taxes	145	-	145	448	(5) (a), (b)	443
Total operating expenses	<u>1,987</u>	<u>(52)</u>	<u>1,935</u>	<u>5,843</u>	<u>(118)</u>	<u>5,725</u>
Income from operations	<u>1,145</u>	<u>52</u>	<u>1,197</u>	<u>2,808</u>	<u>118</u>	<u>2,926</u>
Other income (loss)	<u>63</u>	<u>(17) (d)</u>	<u>46</u>	<u>189</u>	<u>(30) (d)</u>	<u>159</u>
Income including noncontrolling interests before interest and income taxes	1,208	35	1,243	2,997	88	3,085
Interest and related charges	<u>250</u>	<u>(13) (e)</u>	<u>237</u>	<u>715</u>	<u>(15) (b), (e)</u>	<u>700</u>
Income including noncontrolling interests before income taxes	958	48	1,006	2,282	103	2,385
Income taxes	230	22 (c)	252	561	40 (c)	601
Income from continuing operations including noncontrolling interests	728	26	754	1,721	63	1,784
Income (loss) from discontinued operations, net of tax	-	-	-	-	-	-
Noncontrolling interests	<u>38</u>	<u>-</u>	<u>38</u>	<u>55</u>	<u>-</u>	<u>55</u>
Earnings	<u>\$ 690</u>	<u>\$ 26</u>	<u>\$ 716</u>	<u>\$ 1,666</u>	<u>\$ 63</u>	<u>\$ 1,729</u>
Earnings Per Share - Diluted	<u>\$ 1.10</u>	<u>\$ 0.04</u>	<u>\$ 1.14</u>	<u>\$ 2.71</u>	<u>\$ 0.10</u>	<u>\$ 2.81</u>
Average shares outstanding, diluted	626.0		626.0	613.8		613.8

Adjustments to Reported Earnings

- (a) Items associated with the organizational design initiative.
(b) Other miscellaneous items.
(c) Income tax provisions associated with adjustments to reported earnings.
(d) Net gain/loss of our investment in nuclear decommissioning trust funds.
(e) Transaction and transition costs associated with Dominion Questar combination.

Note: Figures may not add due to rounding

Reconciliation of 2015 Consolidated Reported Earnings to Operating Earnings

Unaudited Income Statements
(millions, except per share amounts)

	Three Months Ended September 30, 2015			Nine Months Ended September 30, 2015		
	GAAP	Adjustments	Operating	GAAP	Adjustments	Operating
Operating Revenue	\$ 2,971	\$ 5 (f)	\$ 2,976	\$ 9,127	\$ 23 (a), (f)	\$ 9,150
Operating Expenses						
Electric fuel and other energy-related purchases	636	-	636	2,180	(85) (b)	2,095
Purchased electric capacity	75	-	75	259	-	259
Purchased gas	85	-	85	446	-	446
Other operations and maintenance	564	(2) (f)	562	1,875	(47) (e), (f)	1,828
Depreciation, depletion and amortization	355	(1) (f)	354	1,037	(1) (f)	1,036
Other taxes	133	-	133	432	-	432
Total operating expenses	1,848	(3)	1,845	6,229	(133)	6,096
Income from operations	1,123	8	1,131	2,898	156	3,054
Other income (loss)	11	8 (c), (f)	19	127	(37) (c), (f)	90
Income including noncontrolling interests before interest and income taxes	1,134	16	1,150	3,025	119	3,144
Interest and related charges	230	(3) (f)	227	674	(3) (f)	671
Income including noncontrolling interests before income taxes	904	19	923	2,351	122	2,473
Income taxes	305	1 (d), (g)	306	794	40 (d), (g)	834
Income from continuing operations including noncontrolling interests	599	18	617	1,557	82	1,639
Noncontrolling interests	6	-	6	15	-	15
Earnings	\$ 593	\$ 18	\$ 611	\$ 1,542	\$ 82	\$ 1,624
Earnings Per Share - Diluted	\$ 1.00	\$ 0.03	\$ 1.03	\$ 2.60	\$ 0.14	\$ 2.74
Average shares outstanding, diluted	595.5		595.5	592.7		592.7

Adjustments to Reported Earnings

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

Note: Figures may not add due to rounding

Reconciliation of 2016 Corporate and Other Reported Earnings to Operating Earnings

Unaudited Income Statements
(millions, except per share amounts)

	Three Months Ended September 30, 2016			Nine Months Ended September 30, 2016		
	GAAP	Adjustments	Operating	GAAP	Adjustments	Operating
Operating Revenue	\$ 146	\$ -	\$ 146	\$ 477	\$ -	\$ 477
Operating Expenses						
Electric fuel and other energy-related purchases	-	-	-	-	-	-
Purchased electric capacity	-	-	-	-	-	-
Purchased gas	1	-	1	2	-	2
Other operations and maintenance	199	(52) (b), (e)	147	590	(122) (a), (b), (e)	468
Depreciation, depletion and amortization	11	-	11	20	9 (b)	29
Other taxes	6	-	6	26	(5) (a), (b)	21
Total operating expenses	217	(52)	165	638	(118)	520
Income from operations	(71)	52	(19)	(161)	118	(43)
Other income (loss)	33	(17) (d)	16	70	(30) (d)	40
Income including noncontrolling interests before interest and income taxes	(38)	35	(3)	(91)	88	(3)
Interest and related charges	126	(13) (e)	113	359	(15) (b), (e)	344
Income including noncontrolling interests before income taxes	(164)	48	(116)	(450)	103	(347)
Income taxes	70	22 (c)	92	(204)	40 (c)	(164)
Income from continuing operations including noncontrolling interests	(234)	26	(208)	(246)	63	(183)
Noncontrolling interests	-	-	-	-	-	-
Earnings (Loss) Contribution	\$ (234)	\$ 26	\$ (208)	\$ (246)	\$ 63	\$ (183)
Earnings Per Share	\$ (0.37)	\$ 0.04	\$ (0.33)	\$ (0.40)	\$ 0.10	\$ (0.30)
Average shares outstanding, diluted	626.0		626.0	613.8		613.8

Adjustments to Reported Earnings

- (a) Items associated with the organizational design initiative.
- (b) Other miscellaneous items.
- (c) Income tax provisions associated with adjustments to reported earnings.
- (d) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (e) Transaction and transition costs associated with Dominion Questar combination.

Note: Figures may not add due to rounding

Reconciliation of 2015 Corporate and Other Reported Earnings to Operating Earnings

Unaudited Income Statements
(millions, except per share amounts)

	Three Months Ended September 30, 2015			Nine Months Ended September 30, 2015		
	GAAP	Adjustments	Operating	GAAP	Adjustments	Operating
Operating Revenue	\$ 128	\$ 5 (f)	\$ 133	\$ 405	\$ 23 (a), (f)	\$ 428
Operating Expenses						
Electric fuel and other energy-related purchases	-	-	-	85	(85) (b)	-
Purchased electric capacity	-	-	-	-	-	-
Purchased gas	2	-	2	3	-	3
Other operations and maintenance	123	(2) (f)	121	454	(47) (e), (f)	407
Depreciation, depletion and amortization	10	(1) (f)	9	29	(1) (f)	28
Other taxes	6	-	6	22	-	22
Total operating expenses	141	(3)	138	593	(133)	460
Income from operations	(13)	8	(5)	(188)	156	(32)
Other income (loss)	(12)	8 (c), (f)	(4)	38	(37) (c), (f)	1
Income including noncontrolling interests before interest and income taxes	(25)	16	(9)	(150)	119	(31)
Interest and related charges	109	(3) (f)	106	312	(3) (f)	309
Income including noncontrolling interests before income taxes	(134)	19	(115)	(462)	122	(340)
Income taxes	(59)	1 (d), (g)	(58)	(211)	40 (d), (g)	(171)
Income from continuing operations including noncontrolling interests	(75)	18	(57)	(251)	82	(169)
Noncontrolling interests	-	-	-	-	-	-
Earnings (Loss) Contribution	\$ (75)	\$ 18	\$ (57)	\$ (251)	\$ 82	\$ (169)
Earnings Per Share	\$ (0.13)	\$ 0.03	\$ (0.10)	\$ (0.42)	\$ 0.14	\$ (0.28)
Average shares outstanding, diluted	595.5		595.5	592.7		592.7

Adjustments to Reported Earnings

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

Note: Figures may not add due to rounding

Reconciliation of 3Q16 Reported Earnings to 3Q16 Operating Earnings**Unaudited, Operating Segments***(millions, except per share amounts)*

Description	3Q16 Reported	Adjustments	3Q16 Operating
Dominion Virginia Power Adjusted EBITDA	\$423		\$423
DD&A	135		135
Dominion Virginia Power Adjusted EBIT	288		288
Dominion Energy Adjusted EBITDA	310		310
DD&A	77		77
Dominion Energy Adjusted EBIT	233		233
Dominion Generation Adjusted EBITDA	921		921
DD&A	177		177
Dominion Generation Adjusted EBIT	744		744
Corporate and Other & Eliminations Adjusted EBIT	(57)	35 (a),(b),(c)	(22)
Total Adjusted EBIT	\$1,208	\$35	\$1,243
Consolidated Interest	250	(13) (b)	237
Consolidated Income Taxes	230	22 (d)	252
Noncontrolling Interests	38		38
Earnings	\$690	\$26	\$716
Average Diluted Shares Outstanding	626.0	626.0	626.0
Reported EPS	1.10	---	---
Adjustments to reported earnings	---	0.04	---
Operating EPS	---	---	1.14

Note: Totals may not add due to rounding**Adjustments to Reported Earnings**

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Transaction and transition costs associated with Dominion Questar combination.
- (c) Other miscellaneous items.
- (d) Income tax provisions associated with adjustments to reported earnings.

Reconciliation of 3Q15 Reported Earnings to 3Q15 Operating Earnings**Unaudited, Operating Segments***(millions, except per share amounts)*

Description	3Q15 Reported	Adjustments	3Q15 Operating
Dominion Virginia Power Adjusted EBITDA	\$388		\$388
DD&A	126		126
Dominion Virginia Power Adjusted EBIT	262		262
Dominion Energy Adjusted EBITDA	334		334
DD&A	65		65
Dominion Energy Adjusted EBIT	269		269
Dominion Generation Adjusted EBITDA	794		794
DD&A	154		154
Dominion Generation Adjusted EBIT	640		640
Corporate and Other & Eliminations Adjusted EBIT	(37)	16 (a),(b)	(21)
Total Adjusted EBIT	\$1,134	\$16	\$1,150
Consolidated Interest	230	(3) (b)	227
Consolidated Income Taxes	305	1 (c), (d)	306
Noncontrolling Interests	6		6
Earnings	\$593	\$18	\$611
Average Diluted Shares Outstanding	595.5	595.5	595.5
Reported EPS	1.00	---	---
Adjustments to reported earnings	---	0.03	---
Operating EPS	---	---	1.03

Note: Totals may not add due to rounding**Adjustments to Reported Earnings**

- (a) Net gain/loss of our investment in nuclear decommissioning trust funds.
- (b) Items associated with rate adjustment clauses.
- (c) Item associated with North Carolina Public Utility Commission order.
- (d) Income tax provisions associated with adjustments to reported earnings

Reconciliation of 4Q15 Reported Earnings to 4Q15 Operating Earnings**Unaudited, Operating Segments***(millions, except per share amounts)*

Description	4Q15 Reported	Adjustments	4Q15 Operating
Dominion Virginia Power Adjusted EBITDA	\$361		\$361
DD&A	128		128
Dominion Virginia Power Adjusted EBIT	233		233
Dominion Energy Adjusted EBITDA	350		350
DD&A	68		68
Dominion Energy Adjusted EBIT	282		282
Dominion Generation Adjusted EBITDA	456		456
DD&A	147		147
Dominion Generation Adjusted EBIT	309		309
Corporate and Other & Eliminations Adjusted EBIT	(117)	95 (a),(b),(c),(d)	(22)
Total Adjusted EBIT	\$707	\$95	\$802
Consolidated Interest	230	(3) (b),(d)	227
Consolidated Income Taxes	111	39 (e)	150
Noncontrolling Interests	9		9
Earnings	\$357	\$59	\$416
Average Diluted Shares Outstanding	596.7	596.7	596.7
Reported EPS	0.60	---	---
Adjustments to reported earnings	---	0.10	---
Operating EPS	---	---	0.70

Note: Totals may not add due to rounding**Adjustments to Reported Earnings**

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

2016 Earnings Expectations

Earnings Per Share (diluted)

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

4Q 2016 Operating Earnings (estimate): \$0.90 - \$1.05

FY 2016 Operating Earnings (estimate): \$3.60 - \$4.00

4Q 2016 Reported Earnings (estimate): See Note 1 below

FY 2016 Reported Earnings (estimate): See Note 1 below

1. In providing its fourth-quarter and full-year 2016 operating earnings guidance, the company notes that there could be differences between expected reported earnings and estimated operating earnings for matters such as, but not limited to, acquisitions, divestitures or changes in accounting principles. At this time, Dominion management is not able to estimate the aggregate impact, if any, of these items on future period reported earnings. Accordingly, Dominion is not able to provide a corresponding GAAP equivalent for its operating earnings guidance.

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

Dominion's estimates of fourth-quarter and full-year 2016 earnings are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations may include factors that are beyond the company's ability to control or estimate precisely, including fluctuations in energy-related commodity prices, estimates of future market conditions, additional competition in our industries, changes in the demand for Dominion's services, access to and costs of capital, fluctuations in the value of our pension assets and assets held in our decommissioning trusts, impacts of acquisitions, divestitures, transfers of assets to joint ventures or Dominion Midstream and retirements of assets based on asset portfolio reviews, the receipt of approvals for, and timing of, closing dates for acquisitions and divestitures, the timing and execution of Dominion Midstream's growth strategy, and the ability to complete planned construction or expansion projects at all or within the terms and timeframes initially anticipated. Other factors include, but are not limited to, weather conditions and other events, including the effects of hurricanes, earthquakes, high winds, major storms and changes in water temperatures on operations, the risk associated with the operation of nuclear facilities, unplanned outages at facilities in which Dominion has an ownership interest, the impact of operational hazards and catastrophic events, state and federal legislative and regulatory developments, including changes in federal and state tax laws and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gases and other emissions to which we are subject, changes in enforcement practices of regulators relating to environmental standards and litigation exposure for remedial activities, political and economic conditions, industrial, commercial and residential growth or decline in Dominion's service area, risks of operating businesses in regulated industries that are subject to changing regulatory structures, changes to regulated gas and electric rates collected by Dominion, changes to rating agency requirements and ratings, changing financial accounting standards, fluctuations in interest rates, employee workforce factors, including collective bargaining, counter-party credit and performance risks, adverse outcomes in litigation matters or regulatory proceedings, the risk of hostile cyber intrusions and other uncertainties. Other risk factors are detailed from time to time in Dominion's quarterly reports on Form 10-Q or most recent annual report on Form 10-K filed with the Securities and Exchange Commission.