

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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IN THE MATTER OF THE REQUEST :  
OF DOMINION ENERGY UTAH FOR :  
APPROVAL OF A VOLUNTARY : Docket No. 18-057-03  
RESOURCE DECISION TO :  
CONSTRUCT AN LNG FACILITY :

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**Office of Consumer Services (OCS) Exhibit No. 1.1**

**As referenced in OCS – 1D Vastag**

August 16, 2018

## Table of Contents

Dominion Investor Presentation – June 1, 2018.....	1
DPU 1.12.....	38
DPU 4.01.....	39
OCS 2.12 .....	40
OCS 2.17 .....	41
OCS 2.24 .....	44



# Investor Meetings

June 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 ability to obtain the requisite approvals of SCANA's shareholders and 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 report on Form 10-K filed with the Securities and Exchange Commission.

The information in this presentation was prepared as of June 1, 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 the first quarter 2018 Dominion Energy earnings release kit and the Dominion Energy Midstream Press Release 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).

# Investor Relations



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## **Dominion Energy Investor Relations**

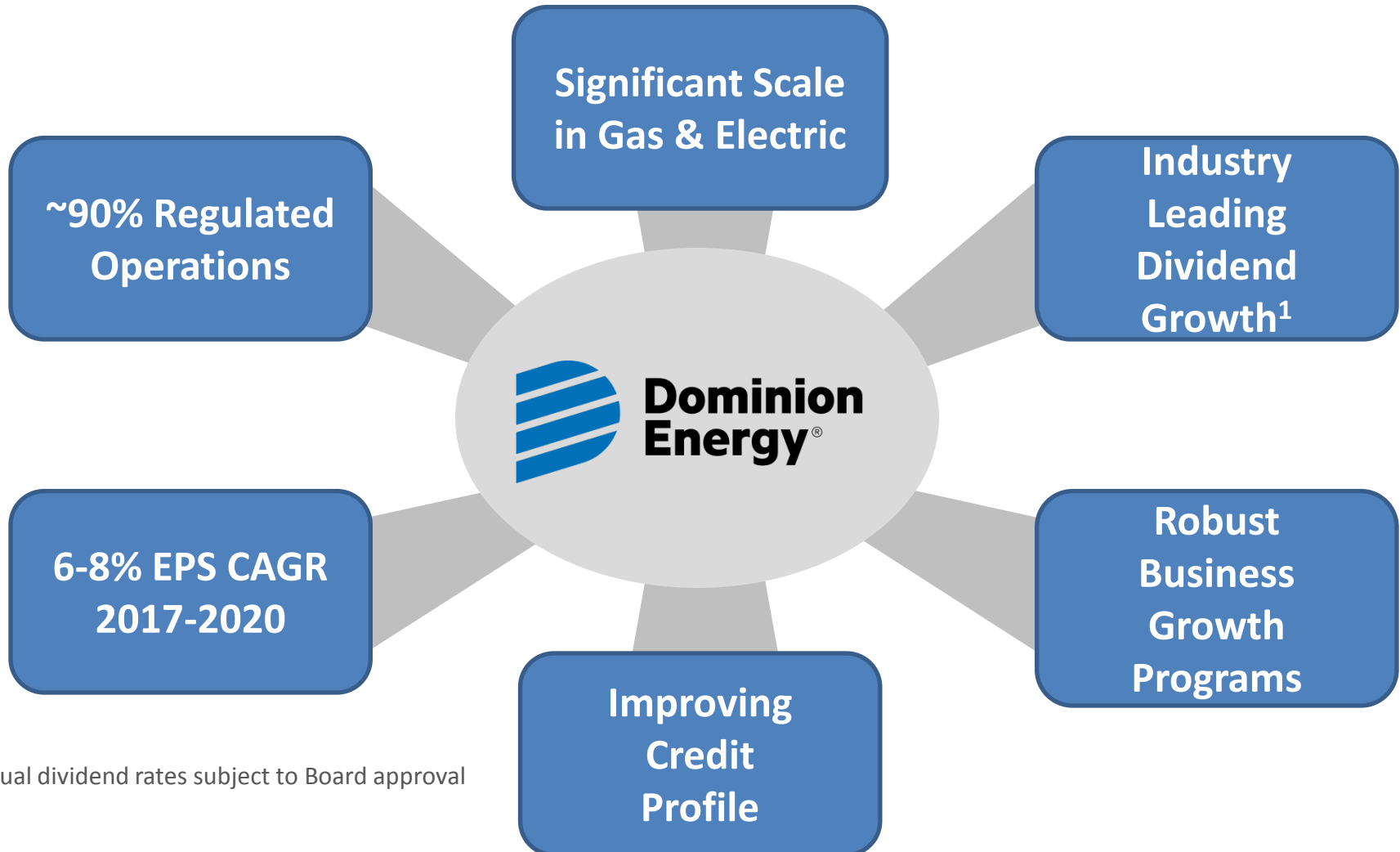
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Strategic advantages drive value for Shareholders



<sup>1</sup>Annual dividend rates subject to Board approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Financial summary



Dominion Energy and Dominion Energy Midstream Partners

- Addressing credit issues related to tax reform
- Taking aggressive steps to respond to MLP capital markets disruption
- 2018 operating earnings guidance range of **\$3.80 – \$4.25** per share<sup>1</sup>
  - Midpoint of range is **10%** higher than the midpoint of our 2017 guidance
  - Expect to produce 2018 results that are above the midpoint of our guidance range
- 2017 to 2020 operating earnings per share CAGR of 6%—8%
- Affirm **10%** annual dividend growth through 2019<sup>2</sup>
  - 2020 dividend growth between **6% and 10%** determined by MLP market<sup>2</sup>

<sup>1</sup> See pages 30 and 37 of the first quarter 2018 Earnings Release Kit for a reconciliation to GAAP.

<sup>2</sup> Dividend declarations are subject to board approval.

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

✓ **\$500 million equity issuance (at-the-market)**

- Completed in January

✓ **\$1 billion reduction in 2018 and 2019 capital investment**

✓ **\$1 billion increase in total credit facility capacity**

- \$6 billion at Dominion Energy
- \$500 million at Dominion Energy Midstream Partners

**Support balance sheet and credit profile  
particularly with regard to tax reform credit impact**

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

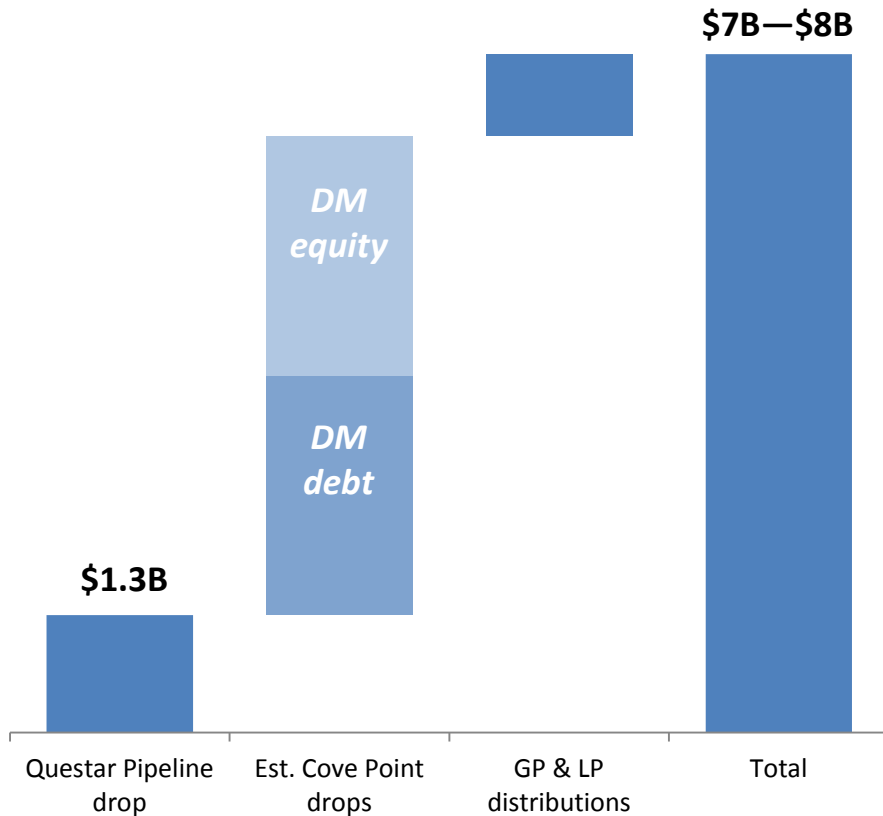


# Financing plan update

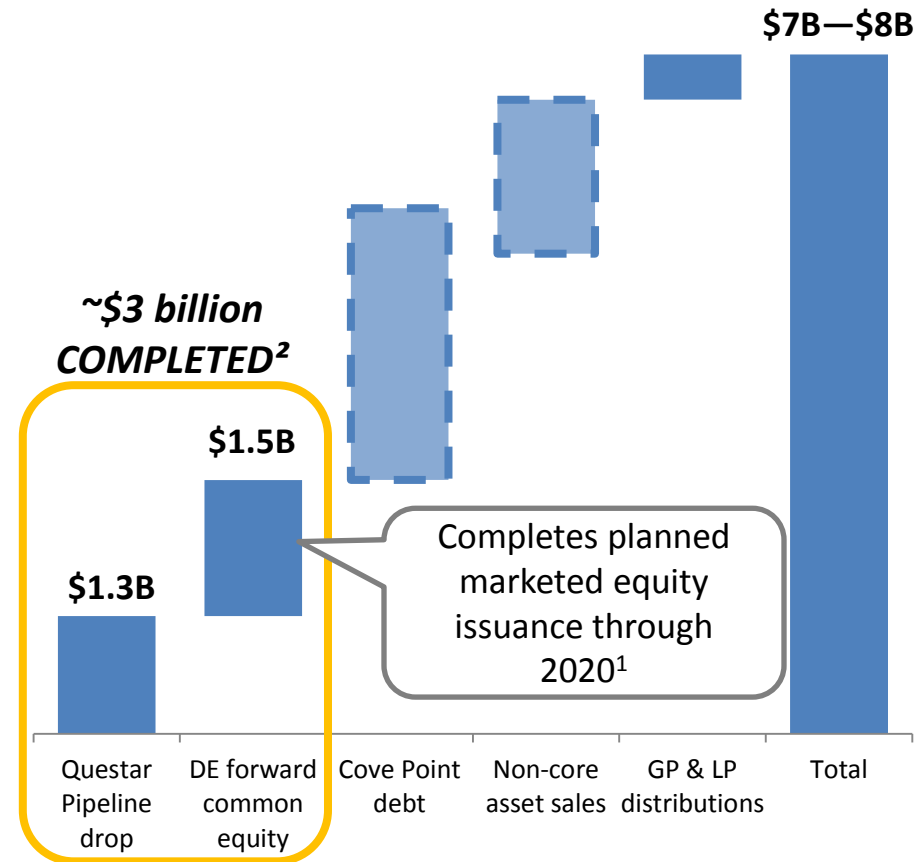


\$7—\$8 billion of cash returned to Parent between 2016 and 2020

## Original plan



## Alternative plan



<sup>1</sup> Excludes up to \$300M of annual issuance under DRIP program and potential issuance to SCANA shareholders under proposed merger terms.

<sup>2</sup> Includes LP & GP distributions received to date

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

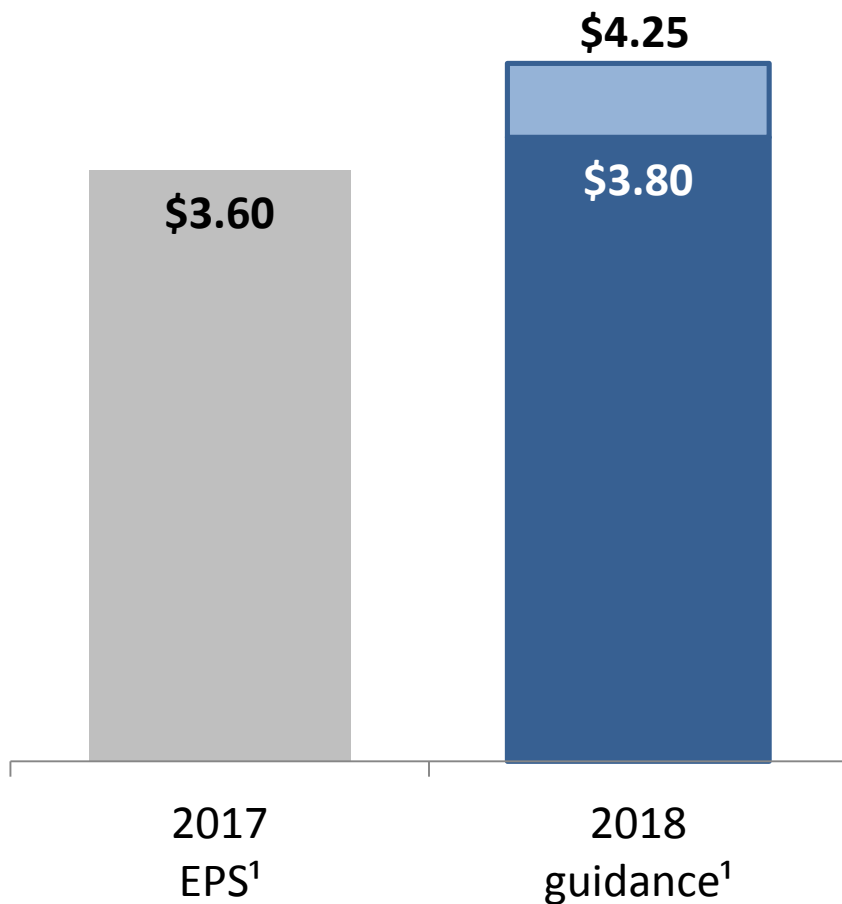
## Recent events

- **Filed for expedited rehearing with FERC regarding MLP tax allowance**
  - Will take years before any potential impact on DM distributable cash flow
  - Potential impact not material to Dominion Energy earnings
- **Cove Point and Atlantic Coast Pipeline remain MLP eligible**
  - Dominion Energy retains the ability to drop assets in the future if MLP capital markets and DM unit price provide cost-of-capital benefit
- **No planned drop-downs in 2018 absent material improvement in MLP capital market and DM unit price**
  - Will continue to recommend 5% quarterly increases in LP unit distributions subject to maintaining approximately 1.0x coverage ratio
- **Plan to restructure incentive distribution rights (IDRs) in advance of any future DM equity**

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Operating Earnings Guidance

Full-year 2018 (\$ per share)



## 2018 earnings growth drivers

- ↑ Cove Point
- ↑ Weather
- ↑ Millstone refueling outage
- ↑ Tax reform
- ↓ Solar investment tax credits

**2018 midpoint is 10% higher than midpoint of 2017 guidance**

<sup>1</sup> See pages 29 and 37 of the fourth quarter 2017 Earnings Release Kit for a reconciliation to GAAP. Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Virginia Grid Transformation and Security Act of 2018



- Restores State Corporation Commission rate reviews
  - Triennial Reviews in 2021 and 2024
  - Maximum \$50 million rate reduction from first review
  - Certain cap-ex expensed as offset to future customer refunds
- Transform the energy grid – eligible for rider recovery
  - Upgrade grid for renewable energy + protect against physical and cyber threats
  - Replace 1970s-era electric meters, detect outages easier, restore power faster
  - Bury more power lines
- Increase renewable energy – eligible for rider recovery
  - 5,000 MW of solar – up to 16 MW of offshore wind
- Reduce rates, issue refunds
  - \$200 million one-time customer credit
  - ~\$125 million rate reduction from tax reform

- Dominion Energy and SCANA Corporation to combine
  - Stock-for-stock merger
  - \$7.9 billion equity value and \$14.6 billion enterprise value
- Grows Dominion Energy’s regulated footprint
  - Adds attractive regulated utility franchises in fast-growing Southeastern U.S.
  - Enhances Dominion Energy’s EPS growth; immediately accretive
- Immediate and on-going relief to SCE&G customers
  - \$1,000 payment and 5% bill reduction for typical residential electric customer
  - Additional customer benefits that meaningfully reduce impact of New Nuclear Development costs on South Carolina families and businesses
- Termination provisions protect Dominion Energy shareholders
  - Comprehensive regulatory and legislative solution

### Construction is on-time & on-budget

#### – 1,588 MW Gas Fired Combined Cycle plant in Greenville County, VA

- Will be the largest, most efficient single combined-cycle plant in the U.S.
- 3-on-1 configuration; Duct burners, inlet air chillers, gas only

#### – Estimated cost of \$1.3 billion

#### – Major milestones

- All major equipment is set
- Expected first-fire in Q2 2018
- Expected in-service in late this year



Project is **84%** complete

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

### **Construction is complete Achieved commercial in-service early April**

- **~\$4 billion, multi-year project**
- **First commercial cargo loaded in early April**
- **20-year take-or-pay export contracts**
- **Annual Cove Point EBITDA: ~\$700M**

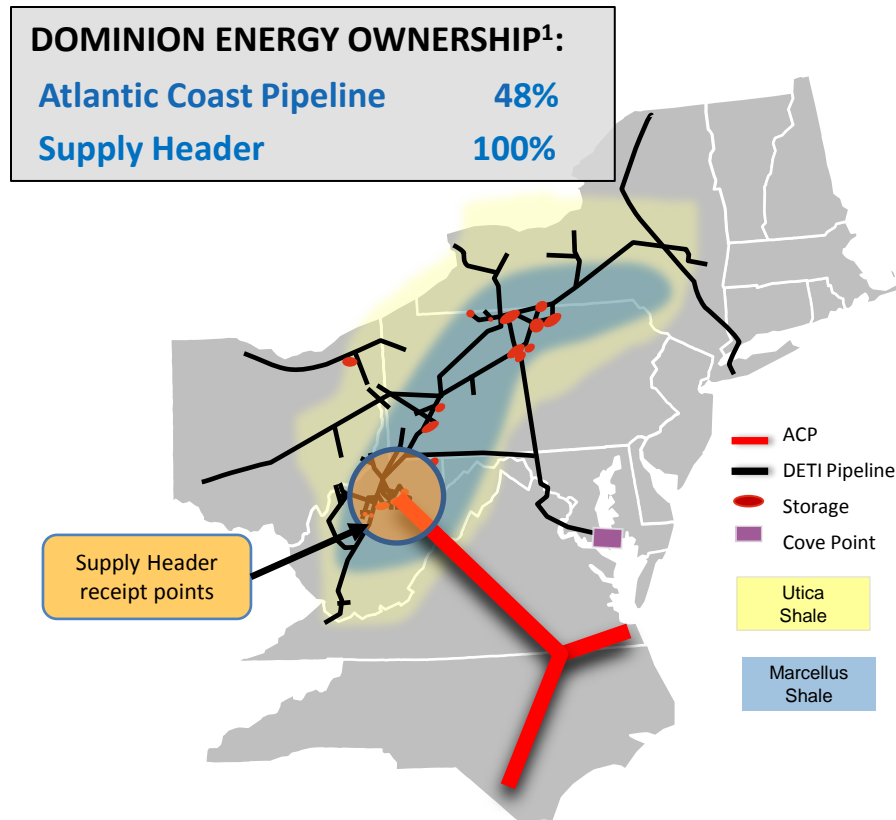


Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Gas Infrastructure

## Growth project update – Atlantic Coast Pipeline and Supply Header

- **Successful tree felling season**
  - Completed more than 200 miles
- **Construction progress**
  - Compressor stations in PA, WV, and NC underway
  - Mainline construction in WV underway
  - Filed for and awaiting FERC approval for NC mainline construction
- **Awaiting final VA E&S permit**



**Expected in-service: Q4 2019**

<sup>1</sup> Dominion Energy will construct, operate and manage the pipeline.

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.



# Dominion Energy Future Capital Growth



Reliability, Demand Driven Programs Provide Sustainable Growth

## Scale in Gas and Electric

## Sustainable Infrastructure Programs

## Annual Growth Capital<sup>1</sup>



Power Gen.

- Nuclear Life Extension
- Pumped Storage
- Coastal Offshore Wind (12 MW)
- Solar
- Dispatchable Gas Generation

~\$1.2



Power Delivery

- Electric Transmission Rebuild
- Substation Reliability
- Critical Security Upgrades
- Strategic Undergrounding
- Other Grid Modernization

~\$1.4



Gas Infrastructure

- Distribution Pipeline Replacement
- Western Gas Reliability & Expansion
- Transmission Pipeline Expansions
- DETI Infrastructure Modernization

~\$1.3

**New Annual Growth Capital \$3.7-\$4.2 billion**

**Net Plant to grow 6-7% per year**

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

<sup>1</sup>\$'s in billions

# Power Generation



# Nuclear Relicensing

Eligible for Rate Rider Recovery<sup>1</sup>

- **Nuclear life extension from 60 years to 80 years**
- **License extension requires NRC approval**
  - NRC has issued final guidance on application requirements
  - Expect to file application for Surry in Q1 2019
  - North Anna to follow
- **Eligible for rider recovery**

**Up to ~\$4  
billion of capital  
spend over  
duration of  
program**



<sup>1</sup>Subject to VA State Corporation Commission (SCC) approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# VA Pumped Storage



Eligible for Rate Rider Recovery<sup>1</sup>

- **Virginia legislation supports renewable integration through pumped storage**
  - Largest, most efficient utility-scale battery
- **Progress made toward site selection in Southwestern Virginia**
  - FERC pre-permit application filed September 6, 2017 on one site
  - Awarded a study to Virginia Tech on an additional site
  - Expect final site selection in early 2018
- **Investment expected to be up to \$2 billion<sup>1</sup>**
  - Generation of up to 1,000 MW for a minimum of 10 hours of operation per day
- **Dominion Energy already owns and operates the largest pumped-storage plant in the world<sup>2</sup>**
  - 3,000 MW facility in Bath County, Virginia – “largest battery in the world”

**Up to \$2 billion capital opportunity in public interest**

<sup>1</sup>Subject to VA SCC approval / deemed to be in the public interest – recoverable through riders.      <sup>2</sup>Dominion Energy owns 60% of facility, operates 100%

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Coastal Virginia Offshore Wind

## 12 MW Demonstration Project



### — Two 6-MW wind turbines

- Located ~27 miles off Virginia Beach
- Estimated cost of \$300 million
  - Rider eligible<sup>1</sup>

### — Major Milestones

- Signed agreement and strategic partnership with Ørsted of Denmark, a global leader in offshore wind, June 2017
- Target COD Q4-2020

### — Full deployment could lead to development of 2,000 MW of generation



<sup>1</sup>Subject to VA SCC approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Power Delivery



Eligible for Rate Rider Recovery<sup>1</sup>

## Optimizing Operational Reliability and Integrating Renewables

### — 500 kV Rebuild

- ~400 mile loop is the backbone of reliability for DomZone (40% complete)
- ~500 additional miles remaining to be updated

### — 230 kV Rebuild

- >500 miles remaining to be updated

### — 115 kV Rebuild

- ~1,300 miles remaining to be updated



### — Transmission Substation Reliability and Physical Security Upgrades

- Replace aging equipment to improve system reliability

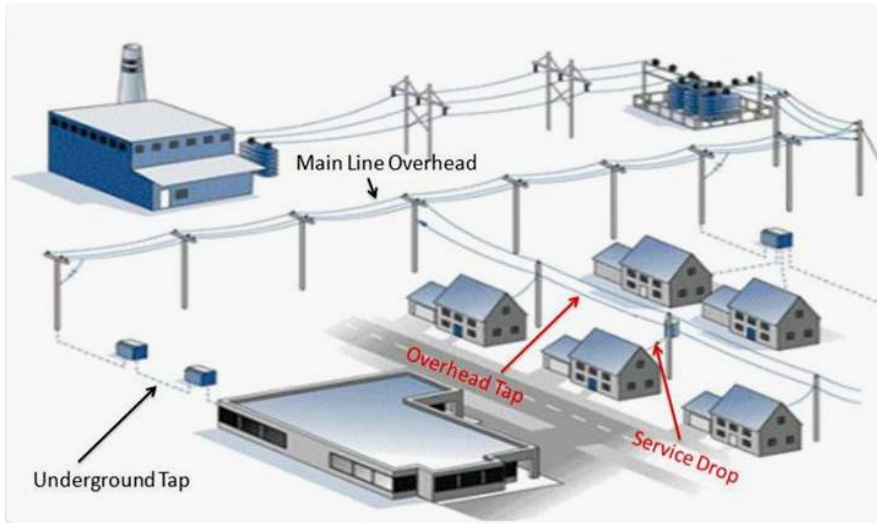
**Total capex spend of ~\$800 million per year**

<sup>1</sup>Subject to VA SCC approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Strategic Undergrounding Program

Eligible for Rate Rider Recovery<sup>1</sup>



Designed to place underground ~4,000 miles of most vulnerable distribution tap lines for improved reliability

Represents \$2 billion of rate base additions over duration of 12-year program

- A capex plan designed to ramp to \$175 million per year
  - Legislation provided clear criteria for priority
- **Program Benefits:**
  - Decreased outage time
  - Decreased outage locations
  - Potential O&M savings

<sup>1</sup>Subject to VA SCC approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

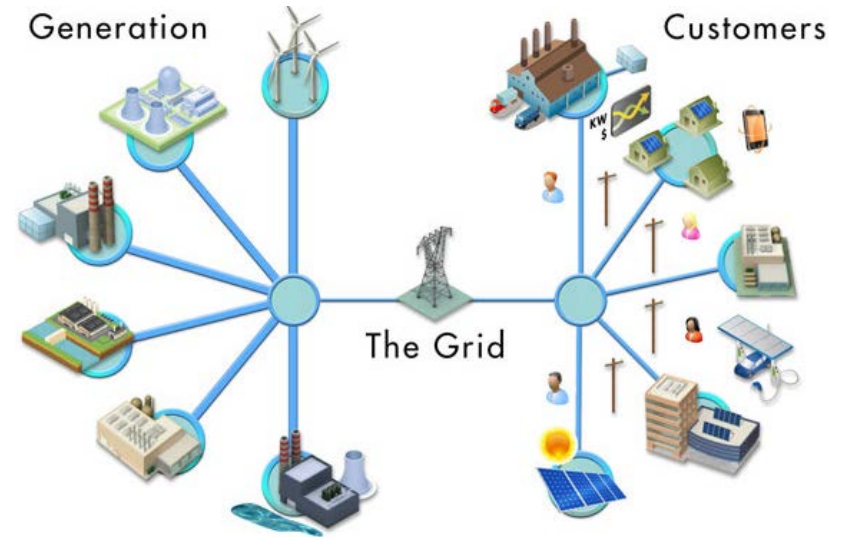


# Grid Modernization Program

Actively Developing Plan for Transformational Grid Modernization Effort

## Grid Modernization Initiatives:

- Smart meters
- Intelligent grid devices
- Automated control systems
- Communications network
- Grid resiliency
- Customer information platform



### Select Benefits

- ✓ Increase renewable integration
- ✓ Enhance customer experience
- ✓ Improve resiliency and security

**Program will enhance reliability and customer experience**

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

Achieved Industry Leading Sales Growth in 2017

## Virginia boasts an excellent business environment

- Virginia’s **3.7%** unemployment rate continues to be well below the national average of **4.2%**<sup>1</sup>
- Virginia ranked among the “Best States for Business” by Forbes (**#6 – 2016**)
- Strong data center demand
- Large governmental & military presence
- Achieved **1.7%** sales growth in 2017<sup>2</sup>

**Expect strong sales growth to continue at least ~1.5%<sup>2</sup>**

<sup>1</sup>U.S. Bureau of Labor Statistics as of September 2017.

<sup>2</sup>Reflects weather-normalized sales growth.

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Gas Infrastructure



# Gas Distribution Infrastructure Programs

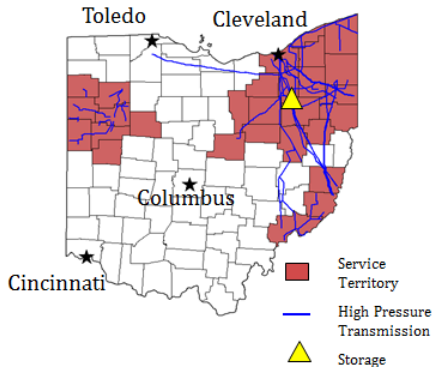


Regulatory frameworks allow for immediate return on investments

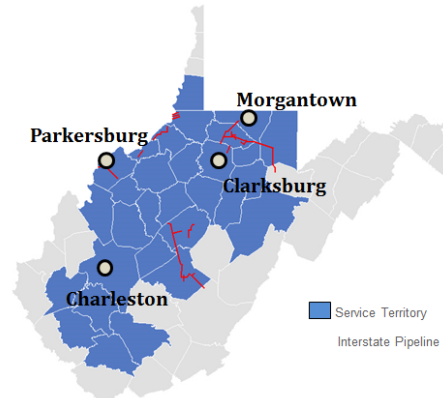
## Pipeline Infrastructure Replacement Programs

- Accelerate the replacement of aging infrastructure with pre-approved recovery of investment through rates
- Provides additional safety, environmental and service expansion benefits

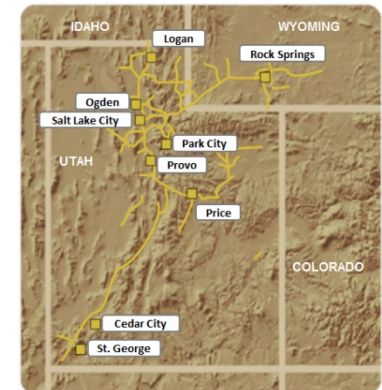
### Dominion Energy Ohio



### Dominion Energy West Virginia



### Dominion Energy UT / WY / ID



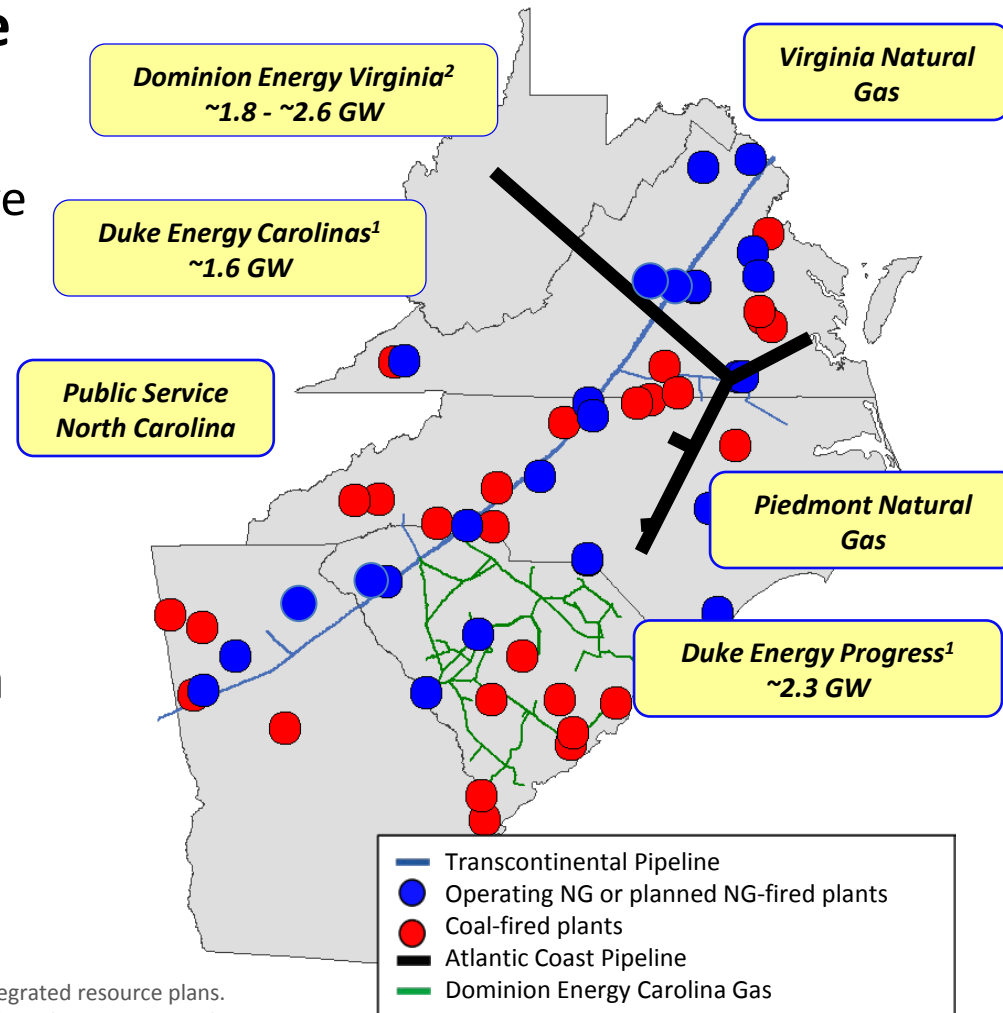
**~\$325 - \$350 million of annual capital spend**

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Demand Driven Pipeline Expansions

Economics & carbon reduction driving gas demand

- Progress on additional pipeline growth projects
  - ~\$775 million investment to move ~950 Mmcf/day
- Planned development of additional **~6 GW<sup>1</sup>** of new gas-fired generation by 2025
- **29 GW** of coal-fired generation remains in Southeast
  - ~2 GW slated for retirement by 2025



Note: GW in yellow boxes reflects planned gas generation development from company integrated resource plans.

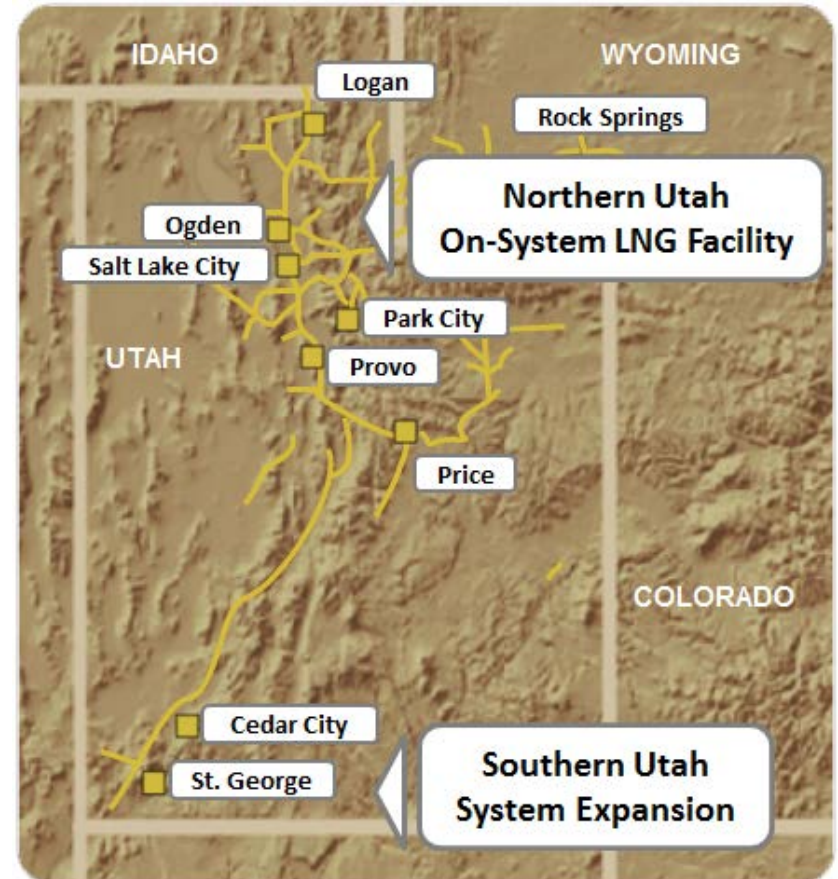
<sup>1</sup>Source: Utility integrated resource plans. <sup>2</sup>Dominion Energy May 2018 IRP-Plans B through E. Plan E ~1.8 GW. Plan D ~2.6 GW

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Western Gas Distribution Projects

## New Investments in Reliability and Capacity

- **Customer growth over 2.0% per year**
- **Northern Utah On-System LNG Facility<sup>1</sup>**
  - Ensures system reliability during critical peak-need periods for growing customer base
  - Dominion Energy brings LNG expertise to deliver best execution possible for customers
- **Southern Utah System Expansion<sup>1</sup>**
  - Provides needed capacity to fastest growing county in the Dominion Energy Utah system



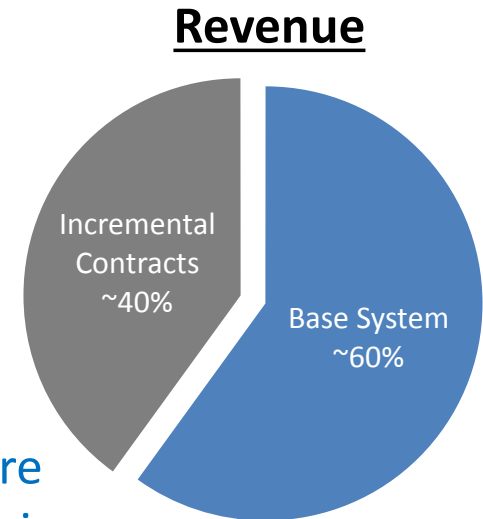
**~\$300 million of project investment**

<sup>1</sup>Subject to regulatory approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

## Dominion Energy Transmission Modernization Program<sup>1</sup>

- Preparing to file a DETI rate case
  - Base system rates have not been reset since 1994
- Recovery of modernization capital investment through FERC tracker
  - Investments in pipeline, storage and system infrastructure provide reliability, safety, regulatory compliance and service enhancements



**~\$250 million of modernization capital spend per year**

<sup>1</sup>Subject to regulatory approval

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Dominion Energy Future Capital Growth



Reliability, Demand Driven Programs Provide Sustainable Growth

## Scale in Gas and Electric

## Sustainable Infrastructure Programs

## Annual Growth Capital<sup>1</sup>



- Nuclear Life Extension
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**New Annual Growth Capital \$3.7-\$4.2 billion**

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<sup>1</sup>\$'s in billions



# Dominion Energy EPS Growth

Sustainable earnings drivers beyond 2020



**6-8% EPS CAGR 2017 – 2020<sup>1</sup>**

- ✓ **Net Plant Growth 6-7% Per Year**
- ✓ **VA Power Sales Growth**
- ✓ **Regulatory Strategy**
- ✓ **Control Expense Growth**

**Post 2020  
Annual EPS  
Growth of At  
Least 5%**

<sup>1</sup> Increases to 8+% with SCANA

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Appendix: Dominion Energy Fixed Income



# 2018 Long-term Financing Activities



Excluding SCANA transaction<sup>1</sup> (\$ millions)

Issuer	Planned financings	Status
DEI	ATM: \$500	Completed in January
	DRIP: \$300	On track
	Long-term debt: \$1,000—\$1,500	<i>Replaced with \$1,500 forward equity \$300 complete</i>
<i>Cove Point</i>	<i>\$2,500—\$3,000</i>	<i>To come</i>
VEPCO	\$1,100—\$1,400	<i>\$700 complete</i>
DEGH	\$400—\$600	To come
QGC	\$150	<i>Completed in April</i>
Solar (non-recourse)	\$0—\$400	To come

### Legend

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

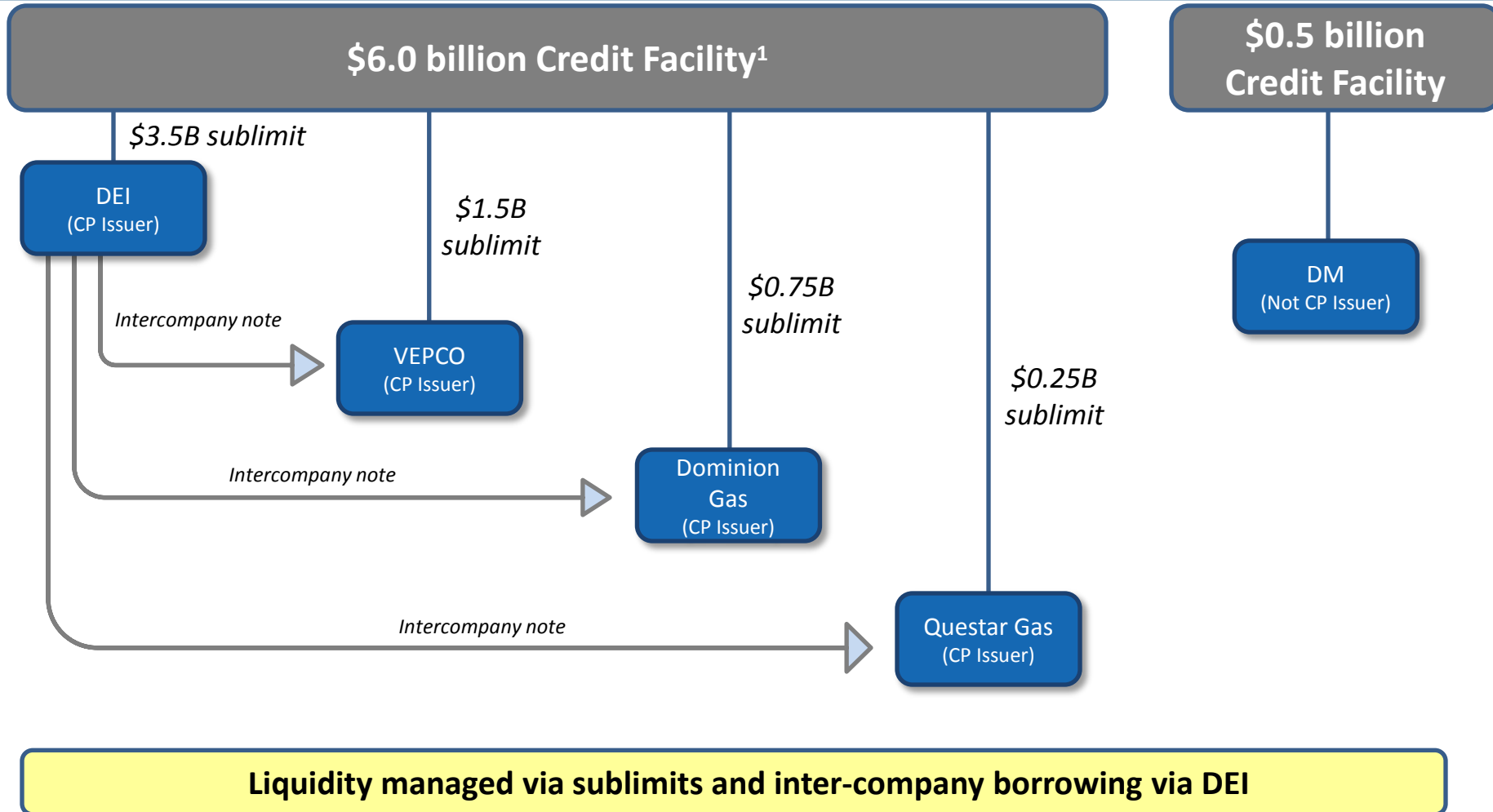
<sup>1</sup> Note: Excludes Atlantic Coast Pipeline, Dominion Midstream and SCANA-related financing activities as well as commercial paper and other short-term debt financings. Italicized text represents update from original guidance.

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Dominion Energy Liquidity



Liquidity shared across financing entities



1. Sublimits can be modified unilaterally at the Borrower's request up to six times per year.

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

- **Announced Credit Improvement initiatives in late March:**
  - Committed to near-term credit profile improvement
    - Issued \$1.5Bn of equity via forward sale in early April
    - Progressing with Capex reduction plans for 2018 and 2019
  - Plan to reduce parent-level debt with proceeds from financing at Cove Point
    - Expect to issue project-level debt in range of \$2.5-3.0Bn
    - Debt will be structured with flexibility so as to not constrain potential future drops to DM
  - Pursuing non-core asset sales to support credit profile and regulated growth capital investments
    - Could include Blue Racer Midstream

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Credit Ratings Profile



## – Target Credit Ratings:

- DEI: High Triple-B range
- Utility OpCos: Single-A range

## – Committed to A-2/P-2/F2 ratings for the Commercial Paper Program at DEI

## – Plan to achieve 30 – 40% parent-level debt by end of 2018

### Dominion Energy, Inc.

	Moody's	S&P	Fitch
Corporate/Issuer	Baa2	BBB+	BBB+
Senior Unsecured Debt Securities	Baa2	BBB	BBB+
Junior Subordinated Notes	Baa3	BBB	BBB
Enhanced Junior Subordinated Notes	Baa3	BBB-	BBB-
Short-Term/Commercial Paper	P-2	A-2	F2
Outlook	Negative	Negative	Stable

### Virginia Electric and Power Company

	Moody's	S&P	Fitch
Corporate/Issuer	A2	BBB+	A-
Senior Unsecured Debt Securities	A2	BBB+	A
Short-Term/Commercial Paper	P-1	A-2	F2
Outlook	Stable	Negative	Stable

### Dominion Energy Gas Holdings, LLC

	Moody's	S&P	Fitch
Corporate/Issuer	A2	BBB+	A-
Senior Unsecured Debt Securities	A2	BBB+	A-
Short-Term/Commercial Paper	P-1	A-2	F2
Outlook	Negative	Negative	Negative

### Questar Gas

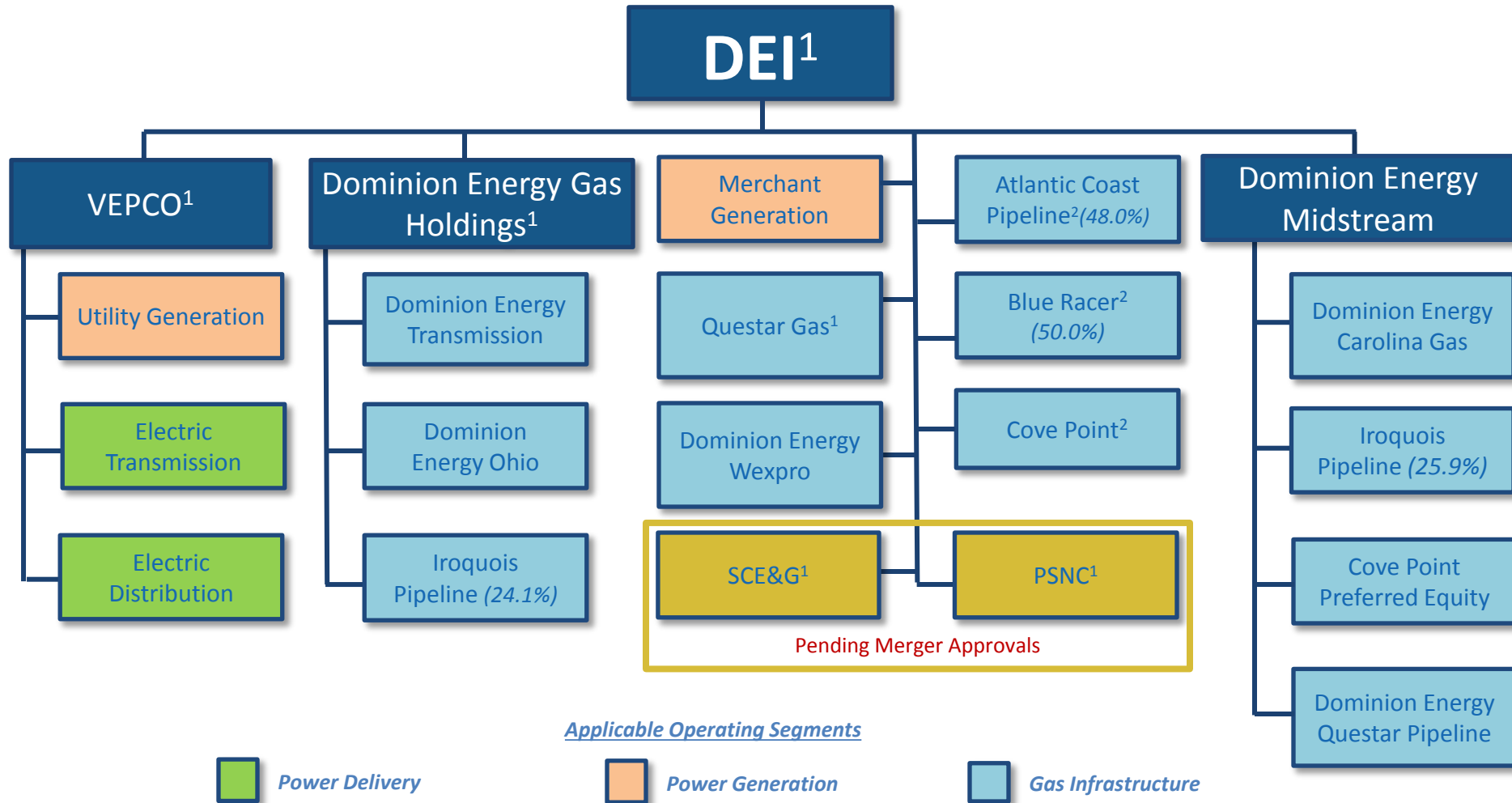
	Moody's	S&P	Fitch
Corporate/Issuer	A2	BBB+	A-
Senior Unsecured Debt Securities	A2	BBB+	A
Short-Term/Commercial Paper	P-1	A-2	F2
Outlook	Negative	Negative	Stable

### Dominion Energy Questar Pipeline, LLC

	Moody's	S&P	Fitch
Corporate/Issuer	A3	BBB	N/A
Senior Unsecured Debt Securities	A3	BBB	N/A
Short-Term/Commercial Paper	N/A	N/A	N/A
Outlook	Stable	Negative	N/A

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

# Financing Structure with Operating Segments



<sup>1</sup> Indicates current issuer of registered debt securities

<sup>2</sup>Dominion Energy's interests in ACP, Blue Racer and Dominion Energy Cove Point are subject to ROFOs which have been granted to the MLP.

Please refer to page 2 for risks and uncertainties related to projections and forward looking statements.

DPU 1.12: Regarding Mr. Platt’s testimony beginning on line 223, please provide every instance similar to the Coalville incident that the Company has had in the last 20 years and the cost to the Company for each.

Answer: The table below shows the requested data in the Company’s possession. The incidents prior to 2013 are estimated. Where data is omitted, the Company does not have the requested information.

Date	Location	Approximate Number of Customers	Approximate Cost to Restore Service
1/6/2017	Coalville	600	\$100,000
10/31/2013	Monticello	730	-
~8/8/2011	Glendale		
~12/15/2010	Saratoga		
2008	Ogden Valley		

Prepared by: Matthew Bartol, GM Engineering & Project Management  
Mike Platt, Manager, Engineering



- DPU 4.01: The following questions refer to the information presented in slide 11 of the technical conference concerning the probability of supply shortfalls on cold winter days.
- a. Please provide additional information for each instance identified. Additional information should include the date of each occurrence, the mean temperature, the amount of the shortfall or cut, the reason and duration of supply shortfall, and the applicable pipeline.
  - b. For each instance where the temperature was below 30 degrees, please provide additional information to explain what actions were taken to resolve the supply shortfall.
  - c. For each instance where the temperature was below 30 degrees, how many instances resulted in loss of service to retail customers?
  - d. If any retail customers did lose service, please provide the number of customers and the duration of the outage.

- Answer: The information provided in Slide 11 was representative of supply reductions from Dominion Energy Questar Pipeline.
- a. Additional information on each of the supply reductions are provided in DPU 4.01 Attachment 1. Column A represents the date of each cut. Column B represents the cycle the cut occurred. Columns C through I include the volume of the cuts summed by the code representing the reason for the cuts. Column J represents the total cuts per cycle. Column K represents the mean temperature for the day.
  - b. The Company does not have documentation detailing the remedy to resolve each individual occurrence. In general the issues have been resolved through the use of storage withdrawals from the Aquifers. On non-Design Peak Days, the Aquifers are held in reserve to ensure supply reliability. However, on a design peak day, the Aquifers are required as part of the Design Peak Day supply plan.
  - c. The loss of supply has not led to the loss of service to customers. However, loss of service would be expected if supply was lost on a Design Peak Day.
  - d. See c. above.

Prepared by: William Schwarzenbach, Manager, Gas Supply

OCS 2.12: Reference OCS Exhibit 1.04a Attachment. Please identify the extent to which the identified storage contracts are delivered under DEU’s DEQP T-1 contracts.

Answer: The gas from the six storage contracts with DEQP and the Spire (Ryckman Creek) storage contract are all delivered to the DEU city gate on DEQP T-1 contracts. Each of the storage facilities are primary receipt points on a DEQP T-1 contract. The firm path MDQ for each of the storage facilities is as follows:

As of July 1, 2018

MAP	Storage Facility	Total Capacity	MAP 164 WF	MAP 334 Vernal	MAP 166 Indianola
66	Clay Basin QPC WD	216,887	181,887	5,000	30,000
82	Leroy Storage WD	55,128	55,128	-	
420	Ryckman Storage Withdrawal	16,600	16,600	-	
97	Chalk Creek Storage	14,700	14,700	-	
98	Coalville Storage WD	62,500	62,500	-	

The primary delivery point for the majority of the storage contracts is MAP 164 WF (Wasatch Front). The Clay Basin capacity exceeds the anticipated withdrawal capacity on the Clay Basin contracts on a peak day. This capacity is planned to be amended to other supply points based on the availability of withdrawals on any given day.

Prepared by: Will Schwarzenbach III, PE, Manager, Gas Supply

OCS 2.17: With respect to the outages identified in response to DPU data request number 1.12, please provide:

- a. the specific location of the problem or issue that caused the outage,
- b. a description of the geographic location and extent of the outage experienced,
- c. the duration of any outage,
- d. a description of how the outage was resolved in order to return service to customers, and
- e. whether the Company's proposed LNG plant would have prevented the outage. Please explain why or why not.

Answer:

1. Coalville:

- a. The town of Coalville is primarily fed off of a tap from Questar Pipeline's Main Line 3 (CV0001). This tap included a rotary meter for measurement. Foreign material, possibly weld slag, became lodged in the meter and caused it to bind up. This effectively shut off gas to the town.
- b. Almost the entire town of Coalville.
- c. One day to relight customers.
- d. The bound-up meter was removed and replaced. Once replaced, gas flow and service was returned to the town.
- e. The proposed LNG plant in Magna would not have prevented these outages, many of which were on small isolated systems. The LNG plant is designed and located to prevent large scale outages from a supply shortfall along the Wasatch Front.

2. Monticello:

- a. The town of Monticello is fed off of a single tap from Williams Pipeline. During routine maintenance Williams Pipeline inadvertently left one of its valves partially closed. This restricted gas flow to Dominion Energy's

Feeder Line 98 and the town of Monticello. When weather turned cold, demand exceeded upstream supply (due to the closed valve) and the town was lost.

- b. The entire town of Monticello.
- c. Two days to relight customers.
- d. Williams Pipeline opened the closed valve. Once opened, gas flow and service was returned to the town.
- e. The proposed LNG plant in Magna would not have prevented these outages, many of which were on small isolated systems. The LNG plant is designed and located to prevent large scale outages from a supply shortfall along the Wasatch Front.

3. Glendale:

- a. When Dominion Energy's Feeder Line 12 was commissioned, the line was not properly purged. This resulted in nitrogen entering the distribution system. While nitrogen is inert, it displaced enough natural gas to cause outages for customers in the area.
- b. A small portion of the Glendale neighborhood in SLC.
- c. Less than one day to relight customers.
- d. The nitrogen was then purged from the system and some blended out. Customers within the affected area were relit.

The proposed LNG plant in Magna would not have prevented these outages, many of which were on small isolated systems. The LNG plant is designed and located to prevent large scale outages from a supply shortfall along the Wasatch Front.

4. Saratoga:

- a. At the time, the town of Saratoga was primarily fed off of a single regulator station (TG0001). This station included a rotary meter to measure gas off of Dominion Energy's Feeder Line 85 which serves the Lakeside Power Plant. In line with this meter was an orifice plate to limit

gas flow and protect the meter from damage. On a particularly cold day, downstream demand exceeded the orifice plate's capacity and gas flow was choked off. This caused downstream pressures to drop to the point that customers were lost.

- b. A portion of Saratoga Springs.
- c. Less than one day to relight customers.
- d. The meter was temporarily bypassed and ultimately replaced with one that had additional capacity. Once bypassed, pressures were adequate and service was restored to customers.
- e. The proposed LNG plant in Magna would not have prevented these outages, many of which were on small isolated systems. The LNG plant is designed and located to prevent large scale outages from a supply shortfall along the Wasatch Front.

5. Ogden Valley:

- a. Ogden Valley is fed off of a single tap from DEQP Main Line 3 (QPC0024 in Mtn. Green) via Dominion Energy's Feeder Line 83. Gas is delivered into Feeder Line 83 through a control valve with a pressure set point. Due to a control system failure, the set point dropped below the minimum needed to maintain service to all customers in Ogden Valley.
- b. Portions of Ogden Valley.
- c. One day to relight customers.
- d. The control valve was reset. Once reset, Feeder Line 83 was packed with gas and service restored to customers.
- e. The proposed LNG plant in Magna would not have prevented these outages, many of which were on small isolated systems. The LNG plant is designed and located to prevent large scale outages from a supply shortfall along the Wasatch Front.

Prepared by: Matt Bartol, General Manager of Operations

OCS 2.24: Please refer to the Company's response to DPU 3.14 where the Division asked the Company to demonstrate that the 150,000 Dth/day was ample supply for the Wasatch Front system during an unknown peak event. The Company responded "The question was answered during the discussion of slide 24 in the June 9th [sic] technical conference." Please provide the answer to DPU question 3.14 in writing with supporting documentation.

Answer: It was assumed that an "unknown peak event" was referring to a supply shortfall of 150,000 Dth on the system. As was explained in the technical conference, the 150,000 Dth amount is representative of the shortfalls the Company has seen on the system over the last few years. FDR 1.01 and FDR 1.03 provide system modeling results assuming this supply shortfall on various points on the system on a cold winter day. As the modeling results show, utilizing the LNG system during the modeling scenarios helps to offset the supply shortfalls and maintain adequate pressures on the system.

Prepared by: Kelly B. Mendenhall, Director, Regulatory & Pricing