

# MOODY'S

## INVESTORS SERVICE

### CREDIT OPINION

18 March 2021

#### Update

 Rate this Research

#### RATINGS

##### Dominion Energy, Inc.

Domicile	Virginia, United States
Long Term Rating	Baa2
Type	Senior Unsecured - Dom Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

#### Contacts

Ryan Wobbrock +1.212.553.7104  
 VP-Sr Credit Officer  
 ryan.wobbrock@moody's.com

Jillian Cardona +1.212.553.4351  
 Associate Analyst  
 jillian.cardona@moody's.com

Michael G. Haggarty +1.212.553.7172  
 Associate Managing Director  
 michael.haggarty@moody's.com

Jim Hempstead +1.212.553.4318  
 MD - Global Infrastructure & Cyber Risk  
 james.hempstead@moody's.com

#### CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

## Dominion Energy, Inc.

### Update to credit analysis

#### Summary

Dominion Energy Inc.'s (Dominion) credit profile is supported by: 1) its large size and diversity, with about \$42 billion of utility rate base across 5 primary states, 2) a stable business profile, with the vast majority of cash flow coming from regulated utilities and the remainder from mostly contracted operations and 3) an improved business risk profile which is now focused on growth in clean power generation assets, following the sale of its natural gas transportation and storage (T&S) segment.

Dominion's credit is constrained by: 1) a financial profile that we expect to exhibit cash flow to debt ratios around 14%, 2) structural subordination of parent level debt (40-45% of consolidated debt), and 3) a liquidity profile that depends on constant access to capital markets to meet cash requirements.

#### Recent developments

On 1 November 2020, the previously announced sale of Eastern Energy Gas Holdings, LLC (EEGH, Baa1 stable, fka Dominion Energy Gas Holdings) by Dominion was completed when Berkshire Hathaway Energy (BHE, A3 stable) paid approximately \$2.7 billion in cash and assumed around \$5.3 billion in debt. The transaction is intended to also include Dominion Energy Questar Pipeline, LLC in Q1 2021, as soon as Hart-Scott-Rodino Act approval is obtained.

The plans are credit positive for Dominion because they refocus the company on its core, lower risk utility businesses, should provide more long-term stability in cash flow metrics and provide an immediate and sizeable reduction in greenhouse gas emissions. As a result, we lowered the company's financial upgrade threshold to 17% from 18% - a level more aligned with peer multi-state utility holding companies - reflecting its reduced business risk.

#### COVID-19 considerations

The rapid spread of the coronavirus outbreak, severe global economic shock, low oil prices, and asset price volatility are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety.

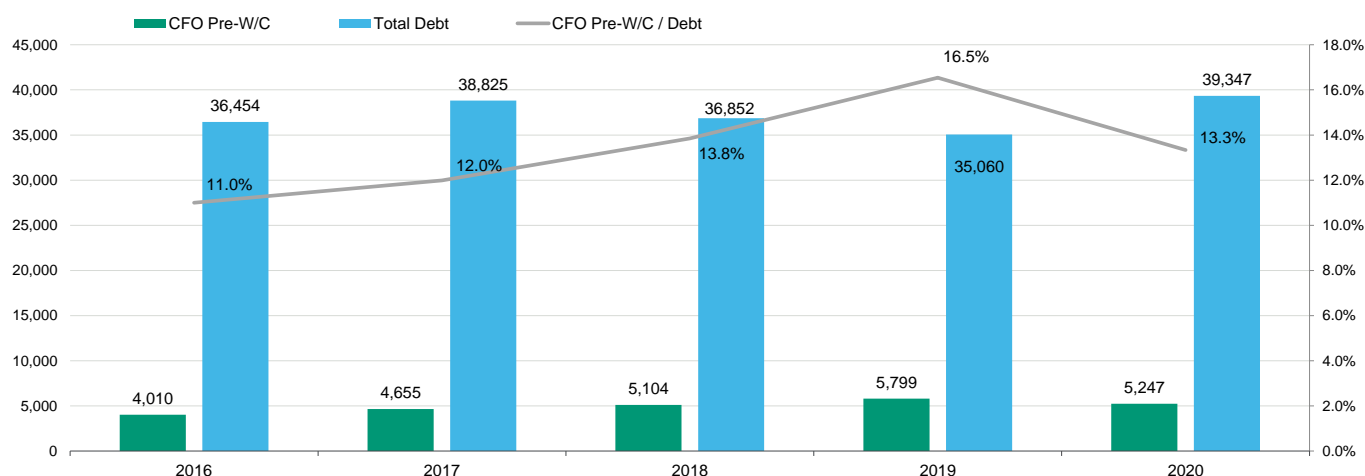
Dominion's revenue has been mostly resilient to recessionary pressures related to the coronavirus because of its rate regulated, essential service business model and cost recovery framework. The sale of its T&S segment has also reduced risks related to upstream counterparties (e.g., volatile commodity prices and weaker credit profiles) which could be under financial pressure due to the impact of the coronavirus on the oil and gas industry.

Nevertheless, we are watching for electric and gas usage declines, utility bill payment delinquency, and the regulatory response to counter these effects on earnings and cash flow. As events related to the coronavirus unfold, we are taking into consideration a wider range of potential outcomes, including more severe downside scenarios.

The effects of the pandemic could result in financial metrics that are weaker than expected; however, we see these issues as temporary and not reflective of the core operations or long term financial or credit profile of the company.

Exhibit 1

### Historical CFO Pre-WC, Total Debt and CFO Pre-WC to Debt (\$MM)



2019 metrics reflect Dominion's restated financials that exclude ownership of EEGH.

Source: Moody's Investors Service

## Credit strengths

- » Diverse holding company of mostly low business risk operations, now with an increased emphasis on state regulated utilities and clean energy investment
- » Stable and steady cash flow from utility and contracted businesses
- » Recent legislation in Virginia provides guidance for clean energy transition within the state

## Credit challenges

- » Around \$16 billion of holding company debt (roughly 43% of consolidated debt at 2020 year-end) is subordinated to debt at operating companies
- » Liquidity profile is dependent upon consistent access to capital markets
- » Ongoing, albeit waning, exposure to fossil fuels, including 5.4 gigawatts (GW) coal-fired plans and 10.8 GW of natural gas fueled generation

## Rating outlook

The stable outlook for Dominion reflects an improved business and carbon transition risk profile and its predominantly regulated utility asset profile. The stable outlook also incorporates the expectation that Dominion will exhibit a ratio of CFO pre-WC to debt of at least 14%, despite the dip in 2020 caused by one-time items.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

## Factors that could lead to an upgrade

- » Cash flow to debt metrics around 17% on a sustained basis
- » Strong regulatory support for utility operating costs and new capital spending riders
- » If holding company debt were to decline to around 30% of consolidated debt

## Factors that could lead to a downgrade

- » If cash flow to debt drops below 14% on a consistent basis
- » Business risk increases, either through less supportive regulatory treatment for cost recovery or higher execution risk for investments
- » Emergence of political or regulatory contentiousness in Virginia

## Key indicators

Exhibit 2

### Dominion Energy, Inc

	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20
CFO Pre-W/C + Interest / Interest	4.4x	4.1x	4.0x	4.5x	4.3x
CFO Pre-W/C / Debt	11.0%	12.0%	13.8%	16.5%	13.3%
CFO Pre-W/C – Dividends / Debt	6.1%	6.9%	7.8%	8.0%	6.1%
Debt / Capitalization	58.0%	61.1%	56.7%	46.7%	55.2%

All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.

2019 metrics reflect Dominion's restated financials that exclude ownership of EEGH.

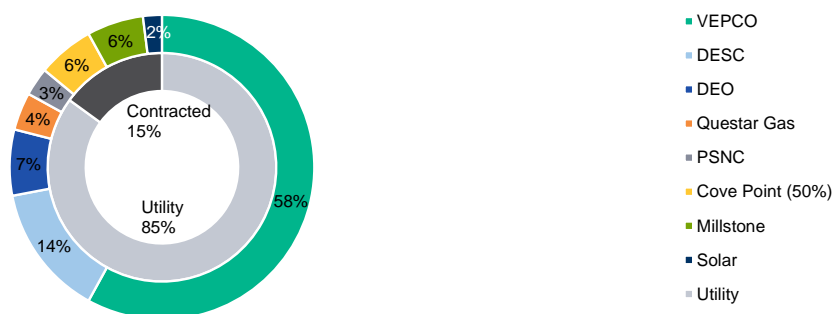
Source: Moody's Financial Metrics

## Profile

Dominion Energy, Inc. is a large and diversified energy company, with its primary holdings consisting of vertically integrated electric utilities, but also includes local gas distribution companies and contracted power generation (nuclear and solar) and a 50% economic interest in the Cove Point liquefied natural gas (LNG) terminal. Exhibit 3 shows the approximate breakdown of cash flow contribution we expect from its operating businesses going forward.

Exhibit 3

### Illustrative: Estimated source of Dominion's subsidiary cash flow in 2021



Percentages may not add up to 100% due to rounding.

Source: Moody's Investors Service

Dominion's largest and most important subsidiary is the regulated electric utility, Virginia Electric and Power Company (VEPCO, A2 stable), which will account for nearly 60% of total operating company cash flow. It is also the company that has the highest growth profile going forward due to aggressive state mandates for clean energy targets by 2045.

The company's second largest subsidiary is Dominion Energy South Carolina, Inc. (DESC Baa2 stable), should exhibit an improved financial improvement when new rates become effective, reflecting historical expenditures on its base T&D business and in fossil-fueled generation maintenance. However, we note that its rate case has been delayed and could be less robust than once envisioned, given economic pressures associated with COVID-19 and political sensitivity around higher utility bills for customers.

Dominion also owns a collection of local gas distribution companies (LDCs) in Ohio (The East Ohio Gas Company, A2 stable), Utah (Dominion Energy Questar Gas, A3 stable), North Carolina (Public Service Company of North Carolina (PSNC, Baa1 stable) and Dominion Energy West Virginia (not rated)).

Dominion's unregulated exposure consists primarily of the Millstone nuclear power plant (Dominion owns over 2,000 megawatts (MW) of capacity, roughly half of which has been contracted to state utilities under a ten year purchase power contract) in Waterford, Connecticut and the Cove Point LNG import/export facility in Maryland. After the sale of EEGH, Dominion owns a 50% unlevered interest in Cove Point, accounting for about 6% of consolidated cash flow.

Other unregulated, but contracted, assets include roughly 1,500 MW of non-utility contracted solar generation, which has long-term PPAs with utility and corporate offtakers and a retail gas marketing business serving about 1.4 million customers across 16 states.

## Detailed credit considerations

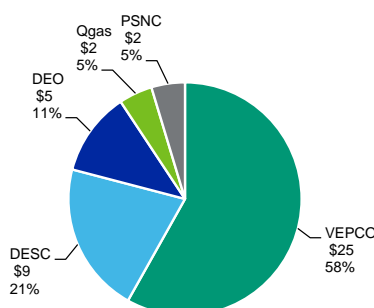
### Improved business risk profile

Dominion's sale of its gas transmission and storage assets has improved its business risk profile, since the company's asset exposure is now focused on regulated utilities serving monopoly service territories (e.g. we estimate that about 85% of aggregate subsidiary cash flow will come from utilities, up from around 70% before the sale of DEGH) and less from contracted pipelines that carry recontracting risk, have greater exposure to commodity price risk and methane emissions.

These regulated utility businesses represent approximately \$42 billion in rate base (see breakdown in Exhibit 4) with primary operations in five states which we view to have credit supportive regulation.

Exhibit 4

**Dominion's \$42 billion rate base is spread across five utilities (\$ billions)**



Source: Dominion, Moody's estimates

### Some regulatory challenges exist in Virginia and South Carolina, but longer-term regulatory treatment should remain supportive and focused on clean energy

#### Virginia

Electric utility VEPCO, which will represent nearly 60% of Dominion's cash flow, is the most important operating company to Dominion's consolidated credit. VEPCO has a favorable legislative and regulatory construct in Virginia, including special cost recovery mechanisms such as riders for all three phases of its vertically integrated assets - generation, transmission and distribution. It has the ability to earn above a 9.9% return on equity (i.e., a 9.2% allowed ROE with a 70 basis point earnings band and a sharing mechanism

beyond that - see VEPCO credit opinion for more detail) through 2024. These mechanisms help to support credit through a more timely return on investments and strong income generation.

Recent legislation should provide for a robust capital spending plan and years of investment opportunity, which we view as fitting the profile for rider treatment or at least having a high degree of prudence for future recovery. The Virginia Clean Energy Act targets aggressive renewables growth over roughly the next 15 years, including 5.2 gigawatts (GW) of offshore wind development, 16.1 GW of solar and onshore wind, and 2.7 GW of energy storage. We expect Dominion to be the forerunner of these developments within the state.

Toward the end of 2020, state peer utility, Appalachian Power Company (APCo, Baa1 stable), received an unsupportive rate order from the VSCC which will keep the company's financial metrics weaker than most peers. Beyond a lower allowed ROE (now 9.20% from 9.42%) APCo has disagreements with the order around topics such as historic earnings levels, the recovery of retired coal plant impairment charges and the opportunity to earn its authorized ROE in the future. As such, APCo requested a rehearing and is seeking clarification on certain items contained in the VSCC order.

While some of the VSCC positions identified in the APCo order could also pose challenges for VEPCO, we believe that certain agreements made in 2018 will help VEPCO to be more insulated from a cash flow perspective. For example, at the time, VEPCO agreed to customer credits of about \$200 million (these were completed in 2019) and that any rate reduction applicable to VEPCO's first triennial review of earnings in 2021 (the first review will cover the four-year period 2017-2020) is capped at \$50 million. This should keep the company's revenue requirement and cost recovery steady until the next rate review and new rates are effective in 2025.

### South Carolina

Prior to COVID-19, DESC was preparing to file its first electric general rate in the first half of 2020 with new rates effective 1 January 2021. However, this filing has been postponed twice due to Dominion and state stakeholder attention to customer bill impacts amid the COVID-19 pandemic. Since this is the first filing made under Dominion's management and is seeking to recover roughly \$3 billion of investments made since the company's last rate case in 2008, we view the measured approach to the filing as credit-positive from customer and regulatory relations standpoint. Moreover, the SCPSC ordered that stakeholders report monthly on settlement progress, the first of which occurred in February 2021.

In December 2020, the South Carolina Public Service Commission (SCPSC) ordered DESC to modify and re-file its 2020 integrated resource plan (IRP) to better conform with recently amended South Carolina law. Some of the major points of modification identified by the SCPSC include requirements to: adopt certain cost assumptions provided by specific stakeholders and industry participants; plans to achieve certain levels of demand-side management efficiencies; increase stakeholder diversity and input. Requirements were also established for later IRP processes that include implementing more lower carbon options and options for early coal retirements. DESC re-filed its IRP on 19 February 2021, which incorporates increased coal retirements, and is currently outstanding with the SCPSC.

Typically, the rejection of an IRP can be a sign of problematic communication between a utility and its regulatory commission; however, we view this circumstance differently, since DESC has filed the first IRP in the state since Act No. 62 of 2019 amended South Carolina's IRP process. Therefore, we expect that some time will be needed to establish definitions around filing specifics. Moreover, this is part of Dominion establishing more fulsome stakeholder and SCPSC relationships - an important multi-year process that we have been highlighting since Dominion's acquisition of SCANA Corp. was announced in early 2018.

### Consolidated cash flow metrics should improve

Dominion's year-end 2020 cash flow to debt ratios were around 13%, which is below our threshold for its credit profile; however, we note that 2020 included many one-time effects of asset sales accounting, project cancellations and regulatory accounts. As such there are wide variances between different cash flow measures, such as CFO and CFO pre-WC of around \$5.2 billion (or about 13% of total adjusted debt) and funds from operations (FFO, calculated as net income plus non-cash charges, excluding movement in pension and regulatory accounts) of approximately \$6.0 billion (about 15% of total adjusted debt estimates). Importantly, Dominion also continues to benefit from 50% of Cove Point cash flow, without any asset-level debt to proportionately consolidate for our on-credit metrics.

As detailed in the exhibit below, at the time of DEGH's sale announcement in July 2020, we estimated pro forma metrics to be around 14%, based on \$5.7 billion of cash flow, after the sale of DEGH.

Exhibit 5

**Illustrative: Dominion's financial profile should be maintained following the sale of DEGH (\$M)**

Dominion		2019		2020E		Asset Sale		Pro Forma
Adj. EBITDA	\$	7,900	\$	8,500	\$	(870)	\$	7,630
Adj. FFO	\$	6,100	\$	6,600	\$	(925)	\$	5,675
Capex	\$	5,300	\$	8,000	\$	(800)	\$	7,200
Dividends	\$	3,000	\$	3,300	\$	(1,300)	\$	2,000
Free Cash Flow (FCF)	\$	(2,200)	\$	(4,700)			\$	(3,525)
Adj. Debt (xcl ACP)	\$	40,700	\$	47,500	\$	(5,900)	\$	40,425
Debt to EBITDA		5.2		5.6				5.3
FFO to debt		15.0%		13.9%				14.0%
RCF to debt		7.6%		6.9%				9.1%

Funds from operations (FFO) is used as a cash flow proxy for modeling purposes. Adjusted debt excludes nearly \$1.0 billion of guaranteed debt for ACP.

Source: Moody's Financial Metrics and Moody's Investors Service projections

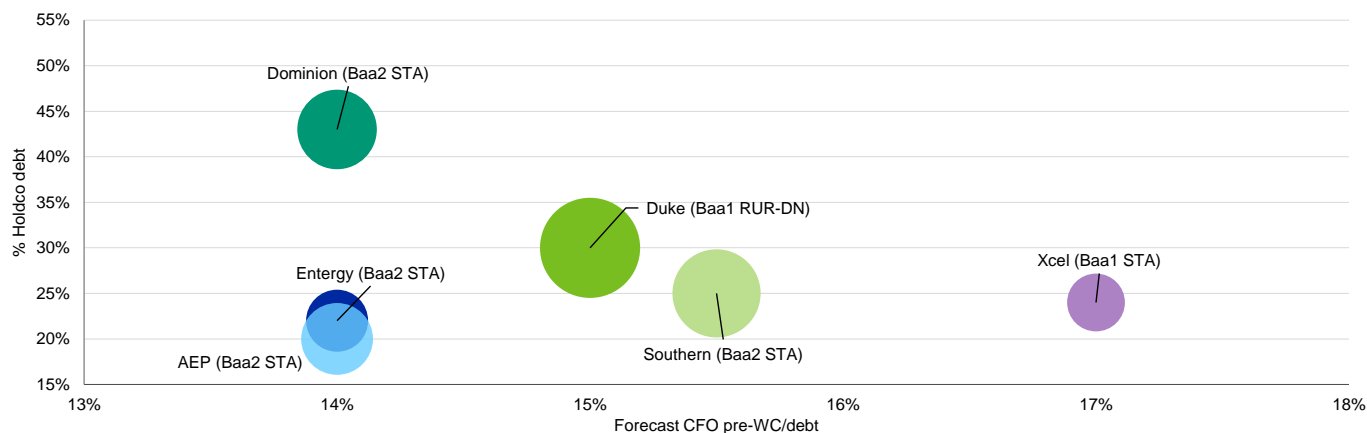
In 2021, we expect Dominion to generate \$5.5 - \$6.0 billion in consolidated cash flow, driven by new rates at DESC, incremental rider revenue at VEPCO, unlevered interests in Cove Point and Millstone, and the LDC's and greater contribution from depreciation and amortization commensurate with a growing asset base. However, any incremental holding company debt will continue to be a drag on the consolidated metrics. Currently, we estimate about \$640 million of interest expense for holding company debt.

**Holding company remains more highly levered than most utility peers**

With the DEGH sale, Dominion's parent-level debt, as a percentage of consolidated debt, is in the 40-45% range, which is higher than all multi-state utility holding company peers, as seen in the exhibit below.

Exhibit 6

**Dominion's roughly \$16 billion of holding company debt keeps it more highly levered than utility holdco peers**



Forecast CFO pre-WC/debt the midpoint of the 12-18 month forward range published in each entity's respective credit opinion. Size of circle represents amount of total consolidated debt outstanding.

Source: Moody's Investors Service

Dominion's holding company debt calculations include nearly \$1.0 billion parent obligations associated with guaranteed project-level borrowings made for the canceled Atlantic Coast Pipeline, 50% debt treatment of Dominion's preferred stock (less 25% equity treatment for Jr. Subordinated debt) and short-term borrowings that aren't directly made by utilities. We expect this amount to

slowly migrate down as consolidated debt grows via utility investment. Importantly, the company has ownership interests in sizeable unlevered assets that can help support parent level debt, such as Millstone and Cove Point, which offsets some of the disparity between Dominion and utility holding company peers.

## ESG considerations

### Environmental

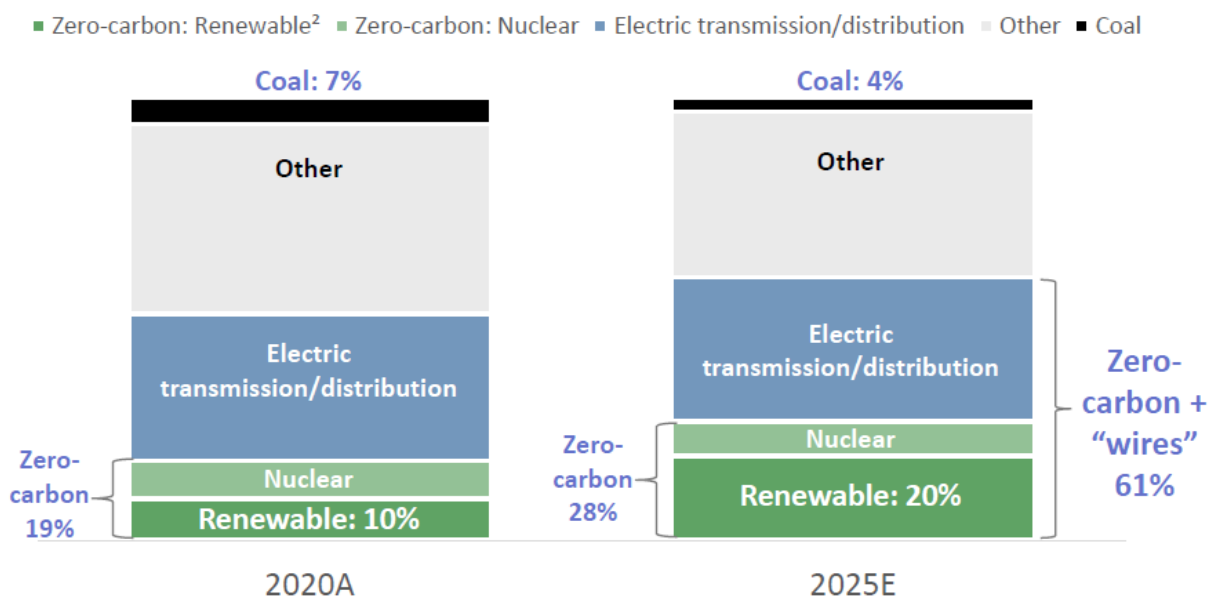
The sale of Dominion's gas T&S business immediately reduced the emissions produced by the company's gas infrastructure assets by 50%, a credit positive. While natural gas continues to be the key transition fuel as the utility sector moves toward a lower carbon future, we note that some states have made a push to limit the growth of LDCs through a push toward electrification. This trend has not yet gained great momentum in Dominion's service territories; however, if electrification is the preferred route of decarbonization, Dominion's core utilities (VEPCO and DESC) stand to benefit.

Dominion is also strongly positioned from a carbon transition perspective, helped in part due to the early retirement of 2,250 MWs of fossil-fueled generation in 2019 and 2020, as well as the aforementioned support of Virginia legislation to invest in clean energy. Over the next five years, Dominion will continue minimize its carbon resource exposure, through investment in renewable generation, as indicated in the company's figures below.

Exhibit 7

**Dominion's asset base is expected to be more heavily weighted toward clean energy in 2025**

### Percentage of total investment base<sup>1</sup>



Source: Dominion Energy, Inc.

Longer-term, Dominion has made a commitment to reach net zero carbon and methane emissions by 2050. The company is moving under the direction of state policy towards renewable and zero carbon forms of electric generation. In the latest integrated resource plan, Dominion aims to transition their electric generation portfolio to approximately 70% zero carbon by 2035.

### Social

Social risks are primarily related to health and safety, demographic and societal trends, as well as customer relations as the company works to provide reliable and affordable service to customers and safe working conditions to employees. Regarding affordability, we see the potential for rising social risks associated with the COVID-19 pandemic and its effect on DEI's service territories, should unemployment remain high, making customers less able to absorb rate increases.



We note Dominion's sensitivity to customer rates by way of its twice-delayed rate filing in South Carolina. We also acknowledge that further delays are possible, depending upon the pandemic and economic developments within the state, but that progress has been made toward convening settlement discussions.

Longer-term, it's possible that Dominion could experience some customer relations risk around ongoing rate increases in Virginia, as part of VEPCO's clean energy transition and meeting the requirements of the VCEA. While management highlights that customer rates within the state are competitively positioned, and expected bill increases will be close to inflation indexes, that may not matter to residential customers experiencing higher electric costs year-over-year.

### Governance

Dominion has strong governance practices, including alignment with credit supportive benchmarks regarding ownership, control, compliance and reporting practices.

Financial policies have generally been biased toward shareholders, with around 40-45% of consolidated debt residing at the parent level, financial metrics and liquidity management targeting minimum levels to maintain its credit profile and a \$3 billion share repurchase using EEGH sale proceeds. However, meaningful credit support has been evidenced over the last two years through equity issuance, debt reduction and sales of higher risk assets. Dominion's dividend reduction is another significant policy change, which should provide a more balanced financial policy for years to come.

### Liquidity analysis

Dominion depends upon unfettered access to the capital markets in order to fund sizeable free cash flow deficits and debt maturities. Dominion's strong market access was evidenced during the initial stages of the COVID-19 pandemic in the US, when the company added over \$2.0 billion of incremental liquidity facilities in March and April 2020.

Dominion's internal liquidity is supported by around \$5.5 - \$6.0 billion of expected cash flow from operations, which requires external sources to fund roughly \$7.0 billion of capital spending in 2021 and \$2.2 billion of dividends. We expect that most of the negative free cash flow, over \$3.0 billion, to be funded with debt, since management has announced roughly \$300 million of expected equity issuance (via its dividend reinvestment program) in 2021.

Dominion's joint revolving credit facility is \$6.0 billion (with subsidiaries VEPCO, DESC and Questar Gas as co-borrowers) and matures in March 2023. Liquidity needs of SCANA Corp. (Baa3 stable) and LDC subsidiaries in Ohio and North Carolina may be handled through short-term intercompany borrowings from Dominion.

Dominion's sub-limit under these credit facilities is currently \$3.75 billion and the full limit is \$6.0 billion. At 31 December, 2020 there was less than \$1.0 billion of short-term debt outstanding. There are no material adverse change clauses that could prevent borrowings under the facilities. There is a financial covenant requiring Dominion to maintain a consolidated debt to capitalization ratio of no more than 67.5% for Dominion and 65% for the subsidiaries. As of 31 December 2020, we understand that Dominion was compliant with this covenant.

We also note that while it is common practice for Dominion and its subsidiaries to limit CP issuances to amounts available under the revolver backstop, the program documentation has no overt language that restricts CP issuance in this manner. Moreover, although Dominion has the ability to change the revolver sub-limits up to six times every year, it requires 5 business days of advance notice to do so.

We expect Dominion to continue its practice of maintaining 100% backup, at all times, for funded commercial paper in the form of cash balances and its \$6.0 billion of committed bank credit facilities. Failure to adhere to this practice would be viewed as a material credit negative.



## Rating methodology and scorecard factors

Exhibit 8

### Rating Factors

Dominion Energy, Inc.

Regulated Electric and Gas Utilities Industry [1][2]			Current FY 12/31/2020		Moody's 12-18 Month Forward View As of Date Published [3]	
Factor 1 : Regulatory Framework (25%)	Measure	Score	Measure	Score	Measure	Score
a) Legislative and Judicial Underpinnings of the Regulatory Framework	A	A	A	A	A	A
b) Consistency and Predictability of Regulation	Aa	Aa	Aa	Aa	Aa	Aa
Factor 2 : Ability to Recover Costs and Earn Returns (25%)	Measure	Score	Measure	Score	Measure	Score
a) Timeliness of Recovery of Operating and Capital Costs	A	A	A	A	A	A
b) Sufficiency of Rates and Returns	A	A	A	A	A	A
Factor 3 : Diversification (10%)	Measure	Score	Measure	Score	Measure	Score
a) Market Position	A	A	A	A	A	A
b) Generation and Fuel Diversity	A	A	A	A	A	A
Factor 4 : Financial Strength (40%)	Measure	Score	Measure	Score	Measure	Score
a) CFO pre-WC + Interest / Interest (3 Year Avg)	4.3x	Baa	4x - 5x	A	4x - 5x	A
b) CFO pre-WC / Debt (3 Year Avg)	14.7%	Baa	13% - 15%	Baa	13% - 15%	Baa
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	7.3%	Ba	7% - 10%	Ba	7% - 10%	Ba
d) Debt / Capitalization (3 Year Avg)	52.1%	Baa	55% - 60%	Ba	55% - 60%	Ba
Rating:	Measure	Score	Measure	Score	Measure	Score
Scorecard-Indicated Outcome Before Notching Adjustment		A3		A3		A3
HoldCo Structural Subordination Notching		-2		-2		-2
a) Scorecard-Indicated Outcome		Baa2		Baa2		Baa2
b) Actual Rating Assigned		Baa2		Baa2		Baa2

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.

[2] As of 12/31/2020.

[3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures.

Source: Moody's Financial Metrics

## Appendix

Exhibit 9

### Cash Flow and Credit Metrics

CF Metrics	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20
As Adjusted					
FFO	4,586	5,183	5,017	6,090	6,032
+/- Other	-576	-528	87	-291	-785
CFO Pre-WC	4,010	4,655	5,104	5,799	5,247
+/- ΔWC	90	-246	-328	-595	-11
CFO	4,100	4,409	4,776	5,204	5,236
- Div	1,772	1,979	2,234	3,003	2,835
- Capex	6,054	5,768	4,358	5,321	6,306
FCF	-3,725	-3,338	-1,817	-3,120	-3,905
(CFO Pre-WC) / Debt	11.0%	12.0%	13.8%	16.5%	13.3%
(CFO Pre-WC - Dividends) / Debt	6.1%	6.9%	7.8%	8.0%	6.1%
FFO / Debt	12.6%	13.3%	13.6%	17.4%	15.3%
RCF / Debt	7.7%	8.3%	7.6%	8.8%	8.1%
Revenue	11,737	12,586	13,366	14,401	14,172
Interest Expense	1,191	1,486	1,692	1,642	1,600
Net Income	1,896	2,593	1,605	2,247	934
Total Assets	71,867	76,852	78,258	103,745	95,802
Total Liabilities	56,281	58,787	57,154	72,014	70,092
Total Equity	15,586	18,065	21,104	31,731	25,710

All figures and ratios are calculated using Moody's estimates and standard adjustments. Periods are Financial Year-End unless indicated. LTM = Last Twelve Months.

2019 metrics reflect Dominion's restated financials that exclude ownership of EEGH.

Source: Moody's Financial Metrics

Exhibit 10

## Peer Comparison Table

	Dominion Energy, Inc. Baa2 (Stable)			NextEra Energy, Inc. (P)Baa1 (Stable)			Duke Energy Corporation Baa1 (Rating(s) Under Review)			Southern Company (The) Baa2 (Stable)			Sempra Energy Baa2 (Stable)		
	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-18	FYE Dec-19	FYE 20	FYE Dec-18	FYE Dec-19	FYE 45020	FYE Dec-19	FYE Dec-19	FYE Pre20	FYE Dec-18	FYE Dec-19	FYE Dec-20
(In US millions)															
Revenue	13,366	14,401	14,172	16,727	19,204	18,189	24,521	25,079	24,194	23,495	21,419	20,172	10,102	10,829	11,142
CFO Pre-W/C	5,104	5,799	5,247	7,287	7,938	8,589	7,907	9,235	9,710	7,278	7,358	7,669	3,222	3,838	3,280
Total Debt	36,852	35,060	39,347	37,302	42,303	48,016	57,787	62,423	65,400	48,174	48,105	50,671	26,475	27,265	27,109
CFO Pre-W/C + Interest / Interest	4.0x	4.5x	4.3x	5.7x	4.4x	5.0x	4.4x	4.7x	5.1x	4.9x	5.1x	5.2x	4.1x	4.2x	3.7x
CFO Pre-W/C / Debt	13.8%	16.5%	13.3%	19.5%	18.8%	17.9%	13.7%	14.8%	14.8%	15.1%	15.3%	15.1%	12.2%	14.1%	12.1%
CFO Pre-W/C – Dividends / Debt	7.8%	8.0%	6.1%	13.8%	12.9%	12.2%	9.4%	10.6%	10.7%	14.9%	9.7%	9.9%	8.5%	9.7%	6.7%
Debt / Capitalization	56.7%	46.7%	55.2%	44.9%	45.4%	48.4%	52.9%	52.9%	54.2%	56.7%	53.8%	54.0%	55.5%	52.7%	49.7%

All figures & ratios calculated using Moody's estimates & standard adjustments. FYE = Financial Year-End. LTM = Last Twelve Months.

2019 metrics reflect Dominion's restated financials that exclude ownership of EEGH.

Source: Moody's Financial Metrics

## Ratings

Exhibit 11

Category	Moody's Rating
<b>DOMINION ENERGY, INC.</b>	
Outlook	Stable
Senior Unsecured	Baa2
Jr Subordinate	Baa3
Pref. Stock	Ba1
Commercial Paper	P-2
<b>VIRGINIA ELECTRIC AND POWER COMPANY</b>	
Outlook	Stable
Issuer Rating	A2
Senior Unsecured	A2
Pref. Stock	Baa1
Commercial Paper	P-1
<b>DOMINION ENERGY SOUTH CAROLINA, INC.</b>	
Outlook	Stable
Issuer Rating	Baa2
First Mortgage Bonds	A3
Commercial Paper	P-2
<b>THE EAST OHIO GAS COMPANY</b>	
Outlook	Stable
Issuer Rating	A2
Senior Unsecured	A2
<b>QUESTAR GAS COMPANY</b>	
Outlook	Stable
Senior Unsecured	A3
Commercial Paper	P-2
<b>DOMINION ENERGY QUESTAR PIPELINE, LLC</b>	
Outlook	Stable
Senior Unsecured	A3
<b>PUBLIC SERVICE CO. OF NORTH CAROLINA, INC.</b>	
Outlook	Stable
Senior Unsecured	Baa1
<b>CONSOLIDATED NATURAL GAS COMPANY</b>	
Outlook	No Outlook
Senior Unsecured	Baa2
<b>DOMINION RESOURCES CAPITAL TRUST III</b>	
Outlook	Stable
BACKED Pref. Stock	Baa3

Source: Moody's Investors Service

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