

Reconciliation of Operating Earnings (non-GAAP) to Reported Earnings (GAAP)*

(Millions, Except Per Share Amounts)	2006	2007	2008	2009	2010
Operating Earnings (non-GAAP)**	\$ 1,734	\$ 1,619	\$ 1,837	\$ 1,942	\$ 1,971
Items excluded from operating earnings (after-tax):					
Net benefit related to the sale of Appalachian E&P operations	—	—	—	—	1,383
Work force reduction program	—	—	—	—	(206)
Reserve for rate refunds	—	—	—	(435)	—
Impairment of merchant generation assets	—	(270)	—	—	(127)
Income (loss) from discontinued operations	(345)	36	190	26	(155)
Impairment of gas and oil properties	—	—	—	(281)	—
Net gain on sale of U.S. non-Appalachian E&P business	—	2,080	(26)	—	—
Charges related to the E&P divestitures	(5)	(506)	—	—	—
Charges related to early retirement of debt	—	(148)	—	—	—
Net gains (losses) or impairments related to the decommissioning trusts	(15)	(19)	(109)	2	12
Extraordinary item related to the reapplication of accounting guidance for cost-based regulation	—	(158)	—	—	—
Termination of power purchase and sales contracts	—	(137)	—	—	—
Other items	11	42	(58)	33	(70)
Total after-tax items	(354)	920	(3)	(655)	837
Reported Earnings (GAAP)	\$ 1,380	\$ 2,539	\$ 1,834	\$ 1,287	\$ 2,808
Earnings per common share – diluted:					
Operating Earnings**	\$ 2.47	\$ 2.47	\$ 3.16	\$ 3.27	\$ 3.34
Items excluded from operating earnings	(0.51)	1.41	—	(1.10)	1.42
Reported Earnings	\$ 1.96	\$ 3.88	\$ 3.16	\$ 2.17	\$ 4.76

* Prior years' amounts have been recast due to the reclassification of Peoples Natural Gas Company's results to discontinued operations.

** Dominion uses operating earnings as the primary performance measurement of its earnings outlook and results for public communications with analysts and investors. Dominion management believes operating earnings provide a more meaningful representation of the company's fundamental earnings power.

Reconciliation of 2010 Segment Operating Earnings Proportion (non-GAAP) to Reported Earnings Proportion (GAAP)

	Operating Earnings*		Reported Earnings	
	Millions	%	Millions	%
Dominion Virginia Power	\$ 448	20	\$ 448	16
Dominion Generation	1,291	58	1,291	46
Dominion Energy	475	22	475	17
Primary operating segments	\$ 2,214	100	\$ 2,214	79
Corporate and Other	(243)		594	21
Consolidated*	\$ 1,971		\$ 2,808	100

* See Reconciliation of Operating Earnings to Reported Earnings

Reconciliation of Regulated and Unregulated Operating Earnings Mix (non-GAAP) to Reported Earnings Mix (GAAP)

	2006 Operating Earnings*		2006 As-Reported Earnings		2010 Operating Earnings*		2010 As-Reported Earnings	
	Millions	%	Millions	%	Millions	%	Millions	%
Regulated*	\$ 732	42	\$ 718	52	\$ 1,404	71	\$ 1,894	67
Unregulated & Other	1,002	58	662	48	567	29	914	33
Consolidated**	\$ 1,734		\$ 1,380		\$ 1,971		\$ 2,808	

* Excludes Peoples discontinued operations

** See Reconciliation of Operating Earnings to Reported Earnings

Reconciliation of Operating Dividend Payout Ratio (non-GAAP) to Reported Dividend Payout Ratio (GAAP)

	2010	
	Data per Common Share	%
Total dividends paid per common share	\$ 1.83	
Operating Earnings – Twelve months ended*	\$ 3.34	
Dividend payout ratio – operating		55%
Reported Earnings – Twelve months ended	\$ 4.76	
Dividend payout ratio – reported		38%

* See Reconciliation of Operating Earnings to Reported Earnings

GAAP Reconciliation of 2011 Operating Earnings Guidance

In providing its full-year 2011 operating earnings guidance, the company notes that there could be differences between expected reported earnings and estimated operating earnings for matters such as, but not limited to, divestitures or changes in accounting principles. At this time, Dominion management is not able to estimate the impact, if any, of these items on reported earnings. Accordingly, the company is not able to provide a corresponding GAAP equivalent for its operating earnings guidance.