UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

March 10, 2022

Katherine K. DeLuca
McGuireWoods LLP

Re: Dominion Energy, Inc. (the "Company")
Incoming letter dated January 4, 2022

Dear Ms. DeLuca:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Freeda Cathcart for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the Company issue a report describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(10). Based on the information you have presented, it appears that the Company's public disclosures do not substantially implement the Proposal.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2021-2022-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Freeda Cathcart

McGUIREWOODS

January 4, 2022

VIA E-MAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F. Street, N.E.
Washington, D.C. 20549

Re: Dominion Energy, Inc. – Exclusion of Shareholder Proposal Submitted by Freeda Cathcart Pursuant to Rule 14a-8

Ladies and Gentlemen:

On behalf of our client Dominion Energy, Inc., a Virginia corporation (the "Company" or "Dominion Energy"), we hereby respectfully request that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission" or "SEC") advise the Company that it will not recommend any enforcement action to the SEC if the Company omits from its proxy materials to be distributed in connection with its 2022 annual meeting of shareholders (the "Proxy Materials") a proposal (the "2022 Proposal") and supporting statement submitted to the Company on November 24, 2021 by Freeda Cathcart (the "Proponent"). References to a "Rule" or to "Rules" in this letter refer to rules promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Commission no later than eighty (80) calendar days before the Company intends to file its definitive 2022 Proxy Materials with the Commission; and

- concurrently sent a copy of this correspondence to the Proponent.

The Company anticipates that its Proxy Materials will be available for mailing on or about March 25, 2022. We respectfully request that the Staff, to the extent possible, advise the Company with respect to the 2022 Proposal consistent with this timing.

The Company agrees to forward promptly to the Proponent any response from the Staff to this no-action request that the Staff transmits by e-mail or facsimile to the Company only.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D ("SLB 14D") provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the SEC or Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the SEC or the Staff with respect to the 2022 Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE 2022 PROPOSAL

The resolution portion of the 2022 Proposal reads as follows:

> Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

The supporting statement states that "[i]nvesting in new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal." The 2022 Proposal also claims that investors "lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with aligning with the Glasgow COP26 goals."

A copy of the 2022 Proposal and supporting statement is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

The Company believes the 2022 Proposal may be properly excluded from the Proxy Materials pursuant to Rule 14a-8(i)(10) because it has been substantially implemented by the Company, which has addressed the subject matter of the 2022 Proposal in existing reports and public disclosures.

THE 2020 PROPOSAL

The 2022 Proposal is identical to a proposal the Company received two years ago from a different proponent. Specifically, in connection with its 2020 annual meeting of shareholders and related proxy materials, As You Sow submitted an identical proposal (on behalf of The Stewart W Taggart and Rebecca W Taggart Revocable Trust and additional co-filers) with a nearly identical supporting statement (the "2020 Proposal"). The 2020 Proposal read as follows:

> Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural-gas based infrastructure and assets, as the global response to climate change intensifies.

On March 6, 2020, the Staff allowed the Company to exclude the 2020 Proposal from its 2020 proxy statement pursuant to Rule 14a-8(i)(10), stating it "concur[red] that 14a-8(i)(10) provides a basis to exclude."

A copy of the 2020 Proposal and supporting statement is attached to this letter as Exhibit B.

DISCUSSION

Rule 14a-8(i)(10) – The 2022 Proposal may be excluded because the Company continues to substantially implement the 2022 Proposal.

A. Background of Rule 14a-8(i)(10).

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The SEC's view of the purpose of this exclusion was stated with respect to the predecessor to Rule 14a-8(i)(10); the rule was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." SEC Release No. 34-12598 (Jul. 7, 1976). To be excluded, the proposal does not need to be implemented in full or exactly as presented by the proponent. Instead, the standard for exclusion is substantial implementation. (Exchange Act Release No. 34-40018 (May 21, 1998).

The Staff has stated that, in determining whether a shareholder proposal has been substantially implemented, it will consider if a company's particular policies, practices, and procedures "compare favorably with the guidelines of the proposal." See, e.g., *Oshkosh Corp.* (Nov. 4, 2016); *NetApp, Inc.* (Jun. 10, 2015); and *Peabody Energy Corp*. (Feb. 25, 2014).

The Staff has permitted companies to exclude proposals from their proxy materials pursuant to Rule 14a-8(i)(10) where a company satisfied the essential objective of the proposal, even if the company did not take the exact action requested by the proponent or implement the proposal in every detail or if the company exercised discretion in determining how to implement the proposal. See, e.g., *Comcast Corporation* (Apr. 9, 2021); *Duke Energy Corporation* (Mar. 9, 2021); *Cisco Systems, Inc*. (Sept. 27, 2016); *Walgreen Company* (Sept. 26, 2013); and *Johnson & Johnson* (Feb. 19, 2008). Further, when a company can demonstrate that it has already taken actions to address each element of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented." *Alphabet Inc.* (Apr. 16, 2021); *WD-40 Company* (Sept. 27, 2016); *Oracle Corp*. (Aug. 11, 2016); *Exxon Mobil Corp.* (Mar. 17, 2015); *Deere & Company* (Nov. 13, 2012); *Exxon Mobil Corp.* (Mar. 23, 2009); *Exxon Mobil Corp.* (Jan. 24, 2001); and *The Gap, Inc.* (Mar. 8, 1996).

In *Chevron Corporation* (Mar. 30, 2021), the Staff permitted the company to exclude a proposal requesting a report on the Scope Three emissions from its liquid natural gas operations and how the company plans to offset, pay carbon taxes on or eliminate via technology these emissions to meet post-2050 Paris Accord carbon emission reduction goals to which the company had publicly committed. In *Exxon Mobil Corp.* (Mar. 30, 2021), the Staff allowed the company to exclude a proposal that requested a report describing how it was reducing the risk of stranded assets related to the environmental impacts of its petrochemical investments. The Staff in *PNM Resources, Inc.* (Mar. 30, 2018), allowed the company to exclude a proposal that requested a report identifying generation assets that may become stranded due to global climate change. In *Hess Corp*. (Apr. 11, 2019), the Staff permitted the company to exclude a proposal requesting a report on how it could reduce its carbon footprint in alignment with greenhouse gas ("GHG") reductions necessary to achieve the Paris Agreement's goals. Similarly, in *AutoZone Inc.* (Oct. 9, 2019), the Staff permitted the company to exclude a proposal calling for a sustainability report that was prepared in consideration of certain industry targets. In addition, in *Exxon Mobil Corp.* (Mar. 23, 2018), the company was allowed to exclude a proposal that requested a report "describing how the [c]ompany could adapt its business model to align with a decarbonizing economy by altering its energy mix." In each of *Chevron Corporation*, *Exxon Mobil Corp.* (Mar. 30, 2021), *PNM Resources*, *Inc.*, *Hess Corp.*, *AutoZone Inc.* and *Exxon Mobil Corp.* (Mar. 23, 2018), the Staff agreed the companies' existing public disclosures compared favorably with the guidelines of proposals submitted by shareholders. And as mentioned above, the Staff in *Dominion Energy, Inc.* (March 6, 2020), allowed the Company to exclude the same proposal in 2020 based on the Company's disclosures.

B. The Company's recent initiatives and existing disclosures in publicly available reports continue to equate to substantial implementation of the 2022 Proposal.

The 2022 Proposal asks the Company to produce a report describing how it is responding to the risk of its planned natural gas-based infrastructure and assets becoming stranded due to global responses to climate change. Taken in its entirety, as in the 2020 Proposal, the goal of the 2022 Proposal is to have the Company describe how it is positioning its planned natural gas infrastructure and assets to avoid them becoming obsolete or underutilized in an era of increased concern about climate change, specifically in light of the goal of the Paris Agreement of keeping global warming below 1.5 degrees Celsius. This goal was recently reinforced at the Glasgow COP26 conference.[1] Since the time when the Company submitted its no action letter request to the Staff regarding the 2020 Proposal (the "2020 No Action Letter Request"), the Company has further expanded its initiatives and improved its disclosures regarding the future of natural gas for both its generation and distribution activities.

i. Recent initiatives taken by the Company to align its gas operations with the Paris Agreement and COP26.

On February 11, 2020 (after the submission of the Company's 2020 No Action Letter Request), the Company announced its Net Zero Goal, which is "a significant expansion of its greenhouse gas emissions-reduction goals, establishing a new commitment to achieve net zero emissions by 2050"[2] (the "Net Zero Goal"). The Net Zero Goal covers carbon dioxide and methane emissions from the Company's electric generation and gas infrastructure operations and aligns the Company's goals with the principal objectives of the Paris Agreement and COP26. Additionally, as part of its strategic repositioning toward pure-play state-regulated, sustainability-focused utility operations, the Company announced and completed the sale of substantially all its gas transmission and storage business in 2020 and 2021 to Berkshire Hathaway Energy and Southwest Gas Holdings, Inc.[3] These transactions involved the divestment of gas transmission operations of more than 7,700 miles of interstate gas transmission pipelines and about 900 billion cubic feet ("Bcf") of gas storage, which has the effect of advancing the Company's progress toward its Net Zero Goal. In addition, as stated by the Proponent in her supporting statement to the 2022 Proposal, on July 5, 2020 the Company and its partner announced the cancellation of the Atlantic Coast Pipeline project.[4]

Further, as set forth in its Sustainability Report (defined below), the Company has committed to invest in renewable natural gas ("RNG") projects that will capture an amount of methane from U.S. farms at least equivalent to any remaining methane and carbon dioxide emissions from the company's natural gas operations, making the Company's natural gas infrastructure business net zero 10 years before the overall Company reaches that goal. In fact, the Company has created two of the largest RNG programs in the country by working first with Smithfield Foods to create Align RNG, and then with Vanguard Renewables and the Dairy Farmers of America. These programs capture methane created through farming operations and convert it into RNG that can be used interchangeably with conventional natural gas.

[1] *See* COP26 website available at https://ukcop26.org/
[2] Available at https://news.dominionenergy.com/2020-02-11-Dominion-Energy-Sets-New-Goal-of-Net-Zero-Emissions-by-2050
[3] Available at https://news.dominionenergy.com/2021-12-31-Dominion-Energy-Announces-Closing-of-Sale-of-Questar-Pipelines-to-Southwest-Gas and at https://news.dominionenergy.com/2020-11-02-Dominion-Energy-Closes-on-Sale-of-Majority-of-Gas-Transmission-Storage-Assets
[4] Available at https://news.dominionenergy.com/2020-07-05-Dominion-Energy-and-Duke-Energy-Cancel-the-Atlantic-Coast-Pipeline

These initiatives, all of which have been implemented since the Company received the original 2020 Proposal, have significantly reduced the risk of the Company's planned natural gas-based infrastructure and assets becoming stranded.

ii. Existing disclosures in publicly available reports continue to equate to substantial implementation of the 2022 Proposal.

In her supporting statement to the 2022 Proposal, the Proponent states that "investors lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with aligning with the Glasgow COP26 goals." The Glasgow COP26 was the most recent conference of the COP26 initiative, the goal of which is to accelerate action towards the goals of the Paris Agreement and to secure participating countries' commitment of the Paris Agreement of global net zero by mid-century and keep 1.5 degrees within reach. Accordingly, COP26 goals regarding GHG emissions from natural gas power generation align with the goals of the Paris Agreement, including limiting global warming to 1.5 degrees Celsius.

As in 2020, the Company continues to make extensive disclosures regarding its commitments and initiatives to promote sustainability of its ongoing utilization of its natural gas investments and how it is aligning its business with the goals of the Paris Agreement and its Net Zero Goal. In addition to the public disclosures included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (the "2020 Annual Report")[5], the Company has also published and made publicly available on its website its 2020 Sustainability & Corporate Responsibility Report (released November 22, 2021) (the "Sustainability Report")[6], its 2021 Climate Report (released July 15, 2021) (the "Climate Report")[7], the Fall 2021 ESG Investor presentation (released November 23, 2021) (the "Investor Presentation")[8], press releases and collectively with the 2020 Annual Report, the Sustainability Report, the Climate Report and the Investor Presentation (the "Public Disclosures"), which reports, presentation, and press releases substantially implement the goals of the 2022 Proposal.

As described in the table below, the Public Disclosures substantially implement the essential objective of the 2022 Proposal:

Description of How Dominion Energy is Responding to Risk of Stranded Assets of Planned Natural Gas-Based Infrastructure and Assets	**Public Disclosures**
The Company discloses the potential financial risks to its natural gas assets and infrastructure as a result of possible emission reduction standards	• Climate Report, page 37 • 2020 Annual Report, pages 37-38
The Company is modernizing its existing natural gas infrastructure to increase its sustainability and to promote maximum utilization	• Climate Report, page 12 • Climate Report, page 17 • Climate Report, pages 42-43 • Investor Presentation, pages 26-27 • Sustainability Report, pages 91-92 • Sustainability Report, pages 99-100 • Sustainability Report, page 107
On-going utilization of the Company's natural gas infrastructure is required to provide reliable electricity and help reduce GHG emissions	• Climate Report, pages 16-17 • Climate Report, page 48 • Sustainability Report, page 91 • Sustainability Report, pages 102-104 • Sustainability Report, page 107

[5] Available at https://www.sec.gov/ix?doc=/Archives/edgar/data/0000715957/000156459021008442/d-10k_20201231.htm
[6] Available at https://sustainability.dominionenergy.com/assets/pdf/2020-Sustainability-Report.pdf.
[7] Available at https://www.dominionenergy.com/-/media/pdfs/global/company/esg/2021-climate-report.pdf.
[8] Available at https://s2.q4cdn.com/510812146/files/doc_presentations/2021/12/2021-Fall-DE-IR-ESG-engagement-presentation-vF-II.pdf

The Company is reducing emissions in the natural gas sector	• Climate Report, pages 3-4 • Climate Report, page 12 • Climate Report, pages 42-43 • Investor Presentation, page 19 • Investor Presentation, pages 21-22 • Sustainability Report, page 8 • Sustainability Report, page 86 • Sustainability Report, page 92
The Company continues to diversify its energy portfolio and to shift to a cleaner, greener generation mix	• Climate Report, page 4 • Climate Report, page 12 • Investor Presentation, pages 19-28 • Investor Presentation, page 47
The Company's support of the Paris Agreement and its efforts to align its GHG emission reduction initiatives with the 1.5-degree aim of the Paris Agreement and COP26	• Climate Report, page 3 • Climate Report, pages 8-13 • Climate Report, pages 39-40 • Investor Presentation, page 22

For example, under the heading "Investing in Infrastructure" in the Sustainability Report, the Company provides extensive disclosures about the investments the Company is making to modernize and improve its natural gas distribution system to support ongoing utilization. Further, under the heading "Reliable Energy," the Sustainability Report discloses the Company has invested "more than $1.9 billion in Ohio, to replace cast iron, bare steel, and ineffectively coated pipelines and services," and in Utah, "more than $500 million to replace all cast-iron bare steel and ineffectively coated pipe." The Sustainability Report further discloses that in 2020 the Company, through its subsidiaries Dominion Energy Ohio and Dominion Energy West Virginia, replaced a total of 165 miles of pipe, and that over the next two decades, Dominion Energy West Virginia plans to replace more than 1,000 miles of pipe in its 3,244-mile distribution system. The Climate Report describes the Company's efforts in modernizing and promoting sustainability within its natural gas business line and includes discussions of how the Company plans to reduce its methane emissions in this area over the next decade. Its key areas of focus are: (1) replacing cast-iron, bare-steel, wrought-iron, and ineffectively coated steel mains and services; (2) replacing intermittent-bleed pneumatic devices with zero-bleed electric or instrument-air devices; (3) reducing emissions from liquid unloading at production/storage wells; (4) detecting leaks and creating repair programs; and (5) reducing venting from maintenance activities. Further, as set forth in the Climate Report, the Company discloses that "Dominion Energy West Virginia has received approval to accelerate its pipeline replacement program over the next 25 years, reducing methane emissions while replacing more than 1,500 miles of pipeline." Under the section heading "Integrated Resource Plans (IRPs)" in the Climate Report, the Company describes how it is overhauling procedures to minimize and eliminate venting for maintenance and repair by adopting new technologies, as well as expanding leak detection and repair efforts. These investments have the benefit of both improving the safety and lowering the emissions intensity of the Company's natural gas infrastructure, which position the system for ongoing utilization to support the clean energy transition.

In addition to describing how the Company is modernizing its infrastructure and lowering carbon emissions, in the Climate Report, the Company provides disclosures explaining the necessary use and critical role natural gas will have in the Company's system given the intermittency of wind and solar, and to "ensure the [Company] can meet real-time customer demand fluctuations," "until carbon-free, on-demand power sources (including RNG, hydrogen, advanced nuclear power, and gas with carbon capture and storage) become commercially practicable." Further, the Sustainability Report details how the Company is using natural gas to provide on-demand back-up power, stating "[i]n the future, natural gas will continue to serve the crucial function of providing on-demand backup power that can ramp up when intermittent renewable sources such as solar and wind ramp down." The Company also discloses its efforts to ensure customer safety in connection with its use of natural gas, stating the Company can respond to all reported gas emergencies and "[i]n 98% of all cases, [the Company] is onsite within 60 minutes."

Under the heading "Natural Gas Sustainability" in the Sustainability Report, the Company discusses how natural gas plays a major role in reducing the Company's GHG emissions by enabling the Company's transition away from coal and helping to reduce coal's share of the Company's electric generation "from 52% in 2005 to 10% by the end of 2020." In disclosing the reduction of emissions in its use of natural gas under the "Climate Change Strategy" heading, the Company states that it has reduced "methane emissions 32% from our natural gas business (since 2010)." Further, the Company highlights its continued development of its RNG business and impacts on reducing GHG emissions. The Company can reduce the GHG impact of natural gas by blending RNG into its pipeline systems. For example, the Company's compressed natural gas fueling stations in Utah are being fueled almost solely with RNG. At the customer level, the Company discloses its development of the GreenTherm℠ program, which allows its customers to support the Company's GHG emissions reduction efforts by voluntarily purchasing blocks of environmental attributes from RNG. In Utah and Idaho, each $5 monthly block buys a half-dekatherm of RNG green attributes. To help its natural gas customers shrink their own GHG footprint, the Company is promoting efficiency programs − including residential rebates for weatherization and dual-fuel heating, as well as residential and commercial energy assessments and a program for homebuilders. At present, Utah has ThermWise®, an energy-efficiency program through which customers have saved more than 3,250,000 dekatherms and are on track to increase gas savings 50% by 2025. The Company anticipates "increasing funding for these efforts by as much as 45% by 2025 (subject to regulatory approval), and project they will not only lower customers' bills, but cut emissions by an aggregate 150,000 tons of CO_2e." In the Climate Report, the Company describes its commitment "to reducing carbon emissions 55 percent by 2030 from [its] power generation business (compared to 2005 levels)." In the Investor Presentation, the Company describes its goals of 65% reduction in methane emissions from gas operations by 2030, 80% reduction in methane gases from gas operations by 2040 and Net Zero methane and carbon emissions from gas operations by 2040.

Contrary to the Proponent's assertion in her supporting statement to the 2022 Proposal that the Company is insufficiently investing in clean energy technologies, in the Public Disclosures and public statements, the Company provides detailed disclosures regarding its continued efforts to diversify its energy portfolio toward a cleaner, greener generation mix. The Climate Report describes specific capital expenditures in technologies the Company plans to make and their impacts on its GHG emissions. For example, the Company outlines it capital expenditures for increased renewable energy deployment, stating that "[t]through 2035, the company expects to expand offshore wind, solar, and energy storage by roughly 24,000 megawatts" and that "[t]hrough 2035, we anticipate capital investments in offshore wind up to $17 billion to meet Virginia's mandate for up to 5,200 megawatts of offshore wind, in solar and/or onshore wind of up to $20 billion, and in renewable natural gas of up to $2 billion." Under the heading "Investing in Infrastructure" in the Sustainability Report, the Company provides extensive disclosures on green projects. Specifically, under the "Carbon Emissions Reductions" heading the Company specifies that it expects to invest up to $17 billion from 2021 through 2025 in zero-carbon generation and storage in order to assist it in meeting its Net Zero Goal. In addition, under the "Reliable Energy" heading the Company discloses an anticipated investment of $20 billion in solar power by 2035, and identifies its Coastal Virginia Offshore Wind ("CVOW") project slated to be completed in 2026. The CVOW project is expected to generate enough renewable energy to power up to 660,000 customers' homes. Offshore wind generation is a major component of the Company's comprehensive clean energy strategy to meet standards mandated in the Virginia Clean Economy Act and to achieve the Company's Net Zero Goal.[9] The Climate Report also includes a fulsome discussion of capital expenditures in battery storage technology, grid transformation and investments in energy efficient programs and RNG projects.

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[9] Available at https://news.dominionenergy.com/2021-07-01-Dominion-Energys-Coastal-Virginia-Offshore-Wind-Project-Achieves-Key-Regulatory-Milestone-Consistent-with-Project-Timeline

In addition to specifically describing how the Company plans to ensure its natural gas assets are resilient and sustainable in a changing economy (and consistent with emissions reduction goals) and how it is continuing to diversify its energy mix, the Company also makes ample disclosures regarding how it is aligning its business with the goals of the Paris Agreement. As set forth in detail above, on February 11, 2020 the Company announced the Net Zero Goal, which is "a significant expansion of its greenhouse gas emissions reduction goals, establishing a new commitment to achieve net zero emission by 2050". The Net Zero Goal covers carbon dioxide and methane emissions from the Company's electric generation and natural gas infrastructure operations, and aligns the Company with the ultimate goals of the Paris Agreement and COP26. The Climate Report, which conforms to the Task Force on Climate-related Financial Disclosures ("TCFD") framework and is consistent with 1.5-degree scenario modeling as well as the Paris Agreement, contains a variety of potential pathways to achieving the Company's Net Zero Goal for carbon and methane emissions. The Climate Report also includes a description of the Company's emissions for Scope 1, 2, and 3, its progress on reducing emissions, and its interim targets for Scope 1 emissions. In the Investor Presentation, the Company provides emissions targets set in terms of its Net Zero Goal and its Scope 1 emissions. The disclosures in the Investor Presentation clearly identify the Company's efforts to reduce emissions and identifies the technologies and capital expenditures the Company plans to make to meet those targets and initiatives. For example, regarding its Scope 1 emissions target, the Company identifies "up to a $48 billion investment in zero-carbon generation and energy storage through 2035" and "up to a $15 billion investment in electric grid transformation," both of which will help the Company achieve 99% of its electricity generation based on zero or low emitting carbon technology by 2035.

As the Staff found in its March 6, 2020 no-action response to the identical 2020 Proposal, the Public Disclosures provide precisely the information requested by the Proponent in her 2022 Proposal and display the Company's continued commitment to provide shareholders with information required to understand the Company's climate goals in relation to its natural gas operations. In addition, the Public Disclosures continue to describe how the Company views it natural gas assets and infrastructure, how the Company is working to keep those assets and infrastructure modern, reliable, and sustainable to reduce the risk of obsolescence and leaks, and how the Company and its end users' embrace of cleaner technology, in fact, goes hand-in-hand with its natural gas assets and infrastructure. Furthermore, the Public Disclosures take into account the timeframes specifically singled out by the Proponent in her supporting statement of the 2022 Proposal, which shows how the Company is aligning its goals, specifically the Net Zero Goal with that of international guidelines and goals, such as the Paris Agreement, which was reinforced by COP26.

While the Company believes that the Public Disclosures meet the essential objectives of the 2022 Proposal, we do note that the Company need not take the exact action requested by a shareholder in order to be able to exclude the proposal under Rule 14a-8(i)(10); rather, the Company must substantially implement the shareholder proposal. As the Commission described in an earlier release noting the distinction between the prior rule:

> In the past, the staff has permitted the exclusion of proposals under Rule 14a-8(c)(10) [the predecessor to current Rule 14a-8(i)(10)] only in those cases where the action requested by the proposal has been fully effected. The Commission proposed an interpretive change to permit the omission of proposals that have been 'substantially implemented by the issuer.' While the new interpretive position will add more subjectivity to the application of the provision, the Commission has determined that the previous formalistic application of this provision defeated its purpose. Accordingly, the Commission is adopting the proposed interpretive change. Amendments to Rule 14a-8 Under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders, Exchange Act Release No. 34-20091 (Aug. 16, 1983).

As it did in connection with the 2020 Proposal, the Company continues to provide in the Public Disclosures (in addition to its numerous other public reports and disclosures, some of which have been filed with the Commission in periodic reports) appropriate disclosures to its investors regarding its evaluation of risks to, and the resiliency of, its natural gas assets, within the framework envisioned under the Paris Agreement and evolving COP26 goals that more than adequately address the report requested in the 2022 Proposal. The Company continues to devote significant effort and expenditures to the production of its required and voluntary disclosures, and it does not believe that the report requested by Proponent would add any meaningful and additional disclosures to the information already publicly available. As the Commission recognized in its March 6, 2020 no-action response to the 2020 Proposal, there is still no need to present shareholders the 2022 Proposal regarding a matter on which the Company's management or Board of Directors has already acted upon favorably.

Accordingly, because the Company has substantially implemented the 2022 Proposal, the Company may properly exclude the 2022 Proposal from the Proxy Materials pursuant to Rule 14a-8(i)(10).

CONCLUSION

For the reasons stated above, we believe that the 2022 Proposal may be properly excluded from the Proxy Materials. If you have any questions or need any additional information with regard to the enclosed or the foregoing, please contact me at (804) 775-4385 or kdeluca@mcguirewoods.com or Matt Chmiel at (804) 775-7631 or mchmiel@mcguirewoods.com.

Sincerely,

Katherine K. DeLuca

Enclosures

cc: Meredith Sanderlin Thrower, Senior Assistant General Counsel – Securities, M&A and Project Development
Amanda B. Tornabene, Vice President – Governance and Assistant Corporate Secretary
Karen W. Doggett, Assistant Corporate Secretary and Director – Governance
Freeda Cathcart

Exhibit A

2022 Proposal and Supporting Statement

See attached.

Report on risk and impacts of natural gas use

Whereas:

The Intergovernmental Panel on Climate Change **released a report** finding that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming.

The energy sector has a critical role to play in mitigating climate risks. Already, the sector is undergoing a rapid transition by moving away from coal, but growing reliance on natural gas creates ongoing risk. Natural gas is a major contributor to climate change due to methane leaks and routine combustion emissions. In 2018, natural gas contributed to an **increase in power sector emissions**, thereby jeopardizing chances of achieving reductions in line with the Paris Agreement's goal of keeping global warming below 1.5 degrees Celsius.

Investing in **new gas infrastructure** may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal. While **some low-carbon scenarios** show gas use continuing, they rely on carbon removal technologies -- a risky assumption given that the technology has yet to prove economic at scale.

Existing alternatives to natural gas -- such as **renewables plus storage**, demand response, electrification, and energy efficiency -- are all increasingly cost-effective means of serving energy needs while reducing fossil fuel use and climate impacts. City governments, recognizing gas' harmful climate impacts, are setting policies prohibiting **gas hookups for new buildings** in favor of safer, healthier electric buildings. Furthermore, states, cities, and **large consumers are setting ambitious renewable energy targets**, which utilities will need to supply or risk losing business.

While Dominion (the Company) is to be commended for taking **climate conscious steps**, including setting a long term greenhouse gas target and actions to decrease methane leakage, investors lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with aligning with the Glasgow COP26 goals.

Even though the Company canceled the Atlantic Coast Pipeline, the Company signed onto a contract for capacity from the Mountain Valley Pipeline (an expensive new natural gas infrastructure project still under construction). This is incongruent with the recent pledge that over 100 countries, including the U.S. and China, made to reduce methane emissions by 30% by 2030 compared to 2020. This indicates that the Company may not be sufficiently addressing commitments for new natural gas infrastructure projects to be reconciled with climate stability goals or the existence of increasingly low cost, clean energy pathways.

Peer utilities, including **Xcel**, have demonstrated alternatives to investing in new gas infrastructure by replacing coal assets with renewables and storage, creating win-win solutions. Shareholders are concerned that the Company is **lagging behind** on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.

Resolved:

Shareholders request that Dominion issue a report at reasonable cost and omitting proprietary information describing how it is responding to the risk of stranded assets of planned natural gas based infrastructure and assets as the global response to climate change intensifies.

Exhibit B

2020 Proposal and Supporting Statement

See attached.

Whereas: The Intergovernmental Panel on Climate Change released a report finding that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming.[1]

The energy sector has a critical role to play in mitigating climate risk. Already, the sector is undergoing a rapid transition by moving away from coal, but growing reliance on natural gas creates ongoing risk. Natural gas is a major contributor to climate change due to combustion emissions and methane leaks.[2] In 2018, gas contributed to an *increase* in power sector emissions,[3] jeopardizing chances of achieving reductions in line with the Paris Agreement's goal of keeping global warming below 1.5 degrees Celsius.

Building new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal.[4] While some low-carbon scenarios show gas use continuing, they rely on carbon removal technologies -- a risky assumption given the technology has not proven economic at scale.[5]

Demand response, energy efficiency, renewables plus storage, and electrification are all increasingly cost-effective means of serving energy needs while reducing fossil fuel use and climate impacts.[6] City governments, recognizing gas' climate impacts, are setting policies prohibiting gas hookups for new buildings in favor of safer, healthier electric buildings.[7] Furthermore, states, cities, and large consumers continue to set ambitious renewable energy targets, which utilities will need to supply or risk losing business.[8] Large tech companies recently banded together to express concern regarding Dominion's proposed gas heavy plan.[9]

While Dominion is to be commended for taking climate conscious steps, including setting a long term greenhouse gas target[10] and actions to decrease methane leakage,[11] investors lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target[12] or aligning with Paris goals.

1 https://www.ipcc.ch/2018/10/08/summary-for-policymakers-of-ipcc-special-report-on-global-warming-of-1-5c-approved-by-governments/
2 https://science.sciencemag.org/content/361/6398/186
3 https://www.nytimes.com/2019/01/08/climate/greenhouse-gas-emissions-increase.html
4 https://rmi.org/a-bridge-backward-the-risky-economics-of-new-natural-gas-infrastructure-in-the-united-states/
5 https://www.ipcc.ch/sr15/chapter/chapter-2/
6 https://www.utilitydive.com/news/renewables-storage-poised-to-undercut-natural-gas-prices-increase-strande/562674/
7 https://www.houstonchronicle.com/business/energy/article/Cities-target-gas-heaters-stoves-in-new-front-of-14537156.php
8 https://www.greentechmedia.com/articles/read/facebook-and-google-voluntary-renewables-deals-wont-clean-up-the-grid?utm_medium=email&utm_source=Daily&utm_campaign=GTMDaily
9 https://www.utilitydive.com/news/tech-giants-pressure-dominion-for-more-storage-renewables-less-gas-in-vir/554692/
10 https://s2.q4cdn.com/510812146/files/doc_presentations/2019/03/2019-03-25-DE-IR-investor-meeting-ESG-session_vF.pdf
11 https://www.asyousow.org/press-releases/dominion-methane-emissions-target
12 https://www.governor.virginia.gov/newsroom/all-releases/2019/september/headline-846745-en.html

The Company's disclosures indicate Dominion is continuing to build out expensive gas infrastructure[13,14] but is not sufficiently addressing how those costly assets and their depreciation timelines reconcile with climate stability goals or the existence of increasingly low cost, clean energy pathways.

Peer utilities, including NextEra[15] and Xcel,[16] have demonstrated alternatives to investing in new gas infrastructure by replacing coal assets with renewables and storage, creating win-win solutions. Shareholders are concerned that Dominion Energy is lagging behind on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.

Resolved: Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

13 https://www.utilitydive.com/news/atlantic-coast-pipeline-delayed-to-2020-dominion-adds-1b-to-cost-estimate/547458/

14 https://www.utilitydive.com/news/dominion-virginia-plan-for-15-gw-new-peaking-capacity-will-lead-to-more-ga/566809/

15 https://www.greentechmedia.com/articles/read/nextera-inks-even-bigger-windsolarstorage-deal-with-oklahoma-cooperative

16 https://www.utilitydive.com/news/lazard-renewables-can-challenge-existing-coal-plants-on-price/541965/

Freeda Cathcart FLMI, Dominion Shareholder

February 18, 2022
VIA e-mail: shareholderproposals@sec.gov

Office of Chief Counsel Division of
Corporation Finance U.S. Securities and
Exchange Commission 100 F Street, N. E.
Washington D.C. 20549
Via email: shareholderproposals@sec.gov

Re: Dominion Energy, Inc.'s January 4th Request to Exclude Shareholder Proposal Submitted by Freeda Cathcart Pursuant to Rule 14a-8

Ladies and Gentlemen:

Based upon a review of the Proposal, the letter sent by the Company, and the relevant rules, the Proposal is not excludable and must be included in the Company's 2022 proxy materials under Rule 14a-8. A copy of this letter is being emailed concurrently to Katherine K. DeLuca, McGuireWoods LLP.

SUMMARY

The Proposal asks the Company to issue a report describing how it is responding to the risk of stranded assets of current and planned natural gas-based infrastructure and assets in the face of an intensifying global response to stabilizing climate change.

The Company asserts that it has largely implemented the Proposal by addressing its underlying concerns and satisfying its essential objective. Viewing the whereas clauses of the proposal, which summarize and critique existing Company disclosures, there are key items that investors would expect to see disclosed in response to this request:

- Sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target or aligning with COP26 goals.
- An examination of the current efforts to build out gas infrastructure, **squaring costs and depreciation timelines against climate stability goals** and against **the existence of increasingly low cost, clean energy pathways**.
- Discussion of the company's renewable energy projects and initiatives to describe specifically how those efforts are calculated to prevent stranded assets.

BACKGROUND

The As You Sow defense of the 2020 shareholder resolution wrote that the Company had noted the growing risk of climate-related asset stranding in various of its documents, but that the

Company had not adequately informed shareholders *if and how it is responding to the acknowledged and growing risk.* As You Sow also included the following information in their 2020 defense of the shareholder resolution:

> *"While the Company has issued reports on climate change, its main report contains a caveat that demonstrates that those disclosures stop precisely where the proposal begins: 'The third-party analysis* ***does not take into account stranded costs related to potential early retirements of fossil generation****, which costs would further exacerbate the customer impact of the transition in either scenario." Similarly, other disclosures in the Company's 10K acknowledge the risk of stranded assets associated with accelerated action on climate change, but do not describe a strategy for addressing the risk.'"*

It doesn't appear that "stranded assets" are mentioned in the Company's 2021 Climate Report. While the Company has touted the cancellation of the Atlantic Coast Pipeline as being on the path to their net-zero goal, that development only highlights shareholders' concerns about stranded assets that the 2020 As You Sow shareholder resolution was addressing, and a SCANA shareholder warned the Company about in 2018 before the 2019 Dominion /SCANA merger (reference Exhibit E page 28).

Recent correspondence and conversations with the Company has increased shareholder concern about the implications of stranded assets on shareholder values and dividends. After the Atlantic Coast Pipeline was canceled, the Company's dividend checks were reduced by about a third.

From the Company's January 4th letter to the SEC:

> "*the Company announced and completed the sale of substantially all its gas transmission and storage business in 2020 and 2021 to Berkshire Hathaway Energy and Southwest Gas Holdings, Inc.*[1] *These transactions involved the divestment of gas transmission operations of more than 7,700 miles of interstate gas transmission pipelines and about 900 billion cubic feet ("Bcf") of gas storage, which has the effect of advancing the Company's progress toward its Net Zero Goal. In addition, as stated by the Proponent in her supporting statement to the 2022 Proposal, on July 5, 2020 the Company and its partner announced the cancellation of the Atlantic Coast Pipeline project.*[2] "

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[1] Available at https://news.dominionenergy.com/2021-12-31-Dominion-Energy-Announces-Closing-of-Sale-of-Questar-Pipelinesto-Southwest-Gas and at https://news.dominionenergy.com/2020-11-02-Dominion-Energy-Closes-on-Sale-of-Majority-of-GasTransmission-Storage-Assets

[2] Available at https://news.dominionenergy.com/2020-07-05-Dominion-Energy-and-Duke-Energy-Cancel-the-Atlantic-CoastPipeline

Further, as set forth in its Sustainability Report (defined below), the Company has committed to invest in renewable natural gas ("RNG") projects that will capture an amount of methane from U.S. farms at least equivalent to any remaining methane and carbon dioxide emissions from the company's natural gas operations, making the Company's natural gas infrastructure business net zero 10 years before the overall Company reaches that goal. In fact, the Company has created two of the largest RNG programs in the country by working first with Smithfield Foods to create Align RNG, and then with Vanguard Renewables and the Dairy Farmers of America. These programs capture methane created through farming operations and convert it into RNG that can be used interchangeably with conventional natural gas."

The Company's statement above may lead investors and the Staff to believe that the Company is no longer investing in new gas and storage infrastructure. However, the Company is in the process of trying to build another large gas transmission line in South Carolina[3] and has almost completed another one in North Carolina[4]. Recently, the Company's project with Smithfield is under investigation with the EPA.[5] The Company appears to be presenting the expansion of RNG projects with reducing the Company's methane emissions through mitigation. However, RNG projects are being scrutinized to evaluate if they actually result in an overall reduction of methane emissions. Dominion's presentation of RNG may be overly optimistic based on this concerning April 28, 2021 report by Clean Water for North Carolina:

"The 2021 NC Farm Act, sponsored by Sen. Brent Jackson, will contain provisions promoting biogas, according to early drafts now under revision. In addition, the NC Department of Environmental Quality is receiving many applications for biogas upgrading facilities: Align RNG, a Smithfield-Dominion Energy venture would include 19 farms in Sampson and Duplin counties. Those farms would install anaerobic digesters, in effect a covered lagoon, to capture the methane.

That gas would be transported through 30 miles of underground pipeline, which would crisscross many communities of color and low-income areas. The pipeline would connect to an upgrading facility on Highway 24 near Turkey, where it would be conditioned to meet natural gas standards and then injected into a Piedmont pipeline for Duke Energy to use at its energy-generation plants.

But there has been little-to-no transparency about this project. Only four Align RNG farms have been publicly disclosed; Dominion and Smithfield have kept the identities of the rest secret, even from state regulators."[6]

[3] https://www.scelp.org/cases/dominion-pipeline
[4] https://www.sierraclub.org/north-carolina/wenoca/stop-gas-pipeline-under-blue-ridge-parkway
[5] https://www.witn.com/2022/01/26/epa-investigate-smithfield-hog-farms/
[6] https://cwfnc.org/5076-2/?utm_source=rss&utm_medium=rss&utm_campaign=5076-2

The Company's website for Natural Gas Projects has a note at the top of it that says, "*NOTICE: Some information on this page is affected by Berkshire Hathaway Energy Company's purchase of certain gas transmission and storage companies from Dominion Energy, Inc. See the news release for details."*[7] However, Berkshire Hathaway's news release shows that the sale was completed on November 2, 2020. It's been over a year since the completion of the sale and shareholders deserve to know if all the remaining projects on the Company's website are at risk of becoming stranded assets.

The Company cites the following cases in their January 4th letter to support their plea to have the proposal excluded from being considered in the proxy and annual meeting:

> "*The Staff has stated that, in determining whether a shareholder proposal has been substantially implemented, it will consider if a company's particular policies, practices, and procedures "compare favorably with the guidelines of the proposal." See, e.g., Oshkosh Corp. (Nov. 4, 2016); NetApp, Inc. (Jun. 10, 2015); and Peabody Energy Corp. (Feb. 25, 2014).*
>
> *The Staff has permitted companies to exclude proposals from their proxy materials pursuant to Rule 14a-8(i)(10) where a company satisfied the essential objective of the proposal, even if the company did not take the exact action requested by the proponent or implement the proposal in every detail or if the company exercised discretion in determining how to implement the proposal. See, e.g., Comcast Corporation (Apr. 9, 2021); Duke Energy Corporation (Mar. 9, 2021); Cisco Systems, Inc. (Sept. 27, 2016); Walgreen Company (Sept. 26, 2013); and Johnson & Johnson (Feb. 19, 2008). Further, when a company can demonstrate that it has already taken actions to address each element of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented." Alphabet Inc. (Apr. 16, 2021); WD-40 Company (Sept. 27, 2016); Oracle Corp. (Aug. 11, 2016); Exxon Mobil Corp. (Mar. 17, 2015); Deere & Company (Nov. 13, 2012); Exxon Mobil Corp. (Mar. 23, 2009); Exxon Mobil Corp. (Jan. 24, 2001); and The Gap, Inc. (Mar. 8, 1996).*

The Company provided the following information in their January 4th letter to support their request to have the proposal excluded from being considered in the 2022 proxy and annual meeting:

> *"In addition to describing how the Company is modernizing its infrastructure and lowering carbon emissions, in the Climate Report, the Company provides disclosures explaining the necessary use and critical role natural gas will have in the Company's system given the intermittency of wind and solar, and to "ensure the [Company] can meet real-time customer demand fluctuations," "until carbon-free, on demand power sources (including RNG, hydrogen, advanced nuclear power, and gas with carbon capture and storage) become commercially practicable." Further, the Sustainability Report details how the Company is using natural gas to provide on-demand back-up power, stating "[i]n the future, natural gas will continue to serve the crucial function of providing on-demand*

[7] https://www.brkenergy.com/news/berkshire-hathaway-energy-completes-acquisition-of-majority-of-dominion-energy-gas-transmission-and-storage-business

backup power that can ramp up when intermittent renewable sources such as solar and wind ramp down."

This statement ignores the evolution of energy storage that is stabilizing the deliverability of renewable energy as well as making it competitive with gas powered energy. From hydro energy storage[8], to high capacity grid scale lithium battery storage[9] and the development of new technologies like rechargeable "iron-air" battery storage technology, which is working on delivering electricity for 100 hours, for one-tenth the cost of traditional lithium-ion batteries.[10]

The IEA recognizes energy efficiency as "having a central role in tackling climate change"[11]. The development of energy efficiency large scale commercial systems Thermal Energy International offer already are helping to reduce GHG emissions.[12]

The company's net-zero emission goal appears to be focused on reducing carbon emissions while being dismissive of the immediate need to reduce the more potent GHG methane emissions that accelerate extreme weather events. From the EPA website:

"*Methane is more than 25 times as potent as carbon dioxide at trapping heat in the atmosphere. Over the last two centuries, methane concentrations in the atmosphere have more than doubled, largely due to human-related activities. Because methane is both a powerful greenhouse gas and short-lived compared to carbon dioxide, achieving significant reductions would have a rapid and significant effect on atmospheric warming potential."*[13]

Over 100 countries committed to an historic agreement at COP26 to reduce methane emissions 30% by 2030 compared to 2020. In order to meet the COP26 goals the U.S. administration released the U.S. Methane Emissions Reduction Action Plan in November 2021.[14] These developments suggest that the Company's subsidiary DENC may want to reevaluate continuing the contract for capacity on the Mountain Valley Pipeline (MVP).

PSNC contracted for capacity on the Mountain Valley Pipeline in 2017. PSNC was a subsidiary of SCANA and became DENC after the Company merged with SCANA in January 2019. During the 2021 annual meeting the CEO of the Company was asked if the contract with MVP could negatively impact the Company's shareholders. Exhibit A page 8 has the question and the transcript of the answer.The Company's answer as well as continuing dialogue through phone conversations and correspondence (Exhibit B page 10, Exhibit D page 23, Exhibit E page 28 & Exhibit F page 32**)** haven't directly answered shareholders' concerns about negative impacts to shareholders due to NG stranded assets. This includes if the MVP is completed that the Company may be obligated to pay for capacity on a pipeline for which there are either no customers or the North Carolina Utility Commission won't allow the Company to pass along

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[8] https://www.fastcompany.com/90714276/forget-batteries-this-100-year-old-technique-provides-cheap-energy-storage-for-wind-and-solar-power

[9] https://e360.yale.edu/features/in-boost-for-renewables-grid-scale-battery-storage-is-on-the-rise

[10] https://cleantechnica.com/2021/07/24/form-energy-reveals-iron-air-100-hour-storage-battery/

[11] https://www.iea.org/reports/multiple-benefits-of-energy-efficiency/emissions-savings

[12] https://www.thermalenergy.com/news/large-multinationals-look-to-tei-to-help-them-deliver-immediate-and-credible-emission-reductions-through-the-science-based-targets-initiative-sbti

[13] https://www.epa.gov/gmi/importance-methane

[14] https://www.whitehouse.gov/wp-content/uploads/2021/11/US-Methane-Emissions-Reduction-Action-Plan-1.pdf

unreasonable costs to captive customers.

Recently the FERC's Updated Policy Statement confirmed that:

> " *the Commission's existing policy that a pipeline applicant must be prepared to financially support its proposed project without relying on subsidization by its existing customers, though it will no longer characterize that as a "threshold" question. With respect to impacts on existing pipelines and their customers, the Updated Policy Statement explains that the Commission will continue to assess whether proposed new capacity could impact existing pipelines through a potential loss of market share and impact captive customers of those pipelines if they must pay for any resulting unsubscribed capacity in their rates. While noting that it is not the role of the Commission to protect existing pipelines from the effects of fair competition, the Updated Policy Statement explains that the Commission must consider the possible harm to captive customers that can result from a new pipeline, regardless of whether there is evidence of unfair competition.*"

Former gas and electric utility executive, Thomas Hadwin, filed an extensive repudiation of the Company's claim that DENC needed the gas from the MVP to meet their customers needs. Exhibit C page 15 contains an excerpt from Hadwin's June 29, 2021 filing to the FERC docket about DENC's need for MVP's gas.

During the recent dialogue with the Company regarding the proposal, the Company's reassurances did not address the main concern expressed in Exhibit B page 10:

> *"Even though the contracts for capacity to receive NG through the Mountain Valley Pipeline and MVP Southgate were created in 2017 and have undergone yearly reviews with North Carolina's Utility Commission, Dominion can't force their customers to use the NG. If Dominion can't deliver the NG to Dominion's customers or another utility, then Dominion will have to absorb the cost of those contracts to the detriment of shareholder value….*
>
> *Capitalism is responding faster than governments to address climate change.* *"More than 615 investors, responsible for over $60 trillion in assets under management, are engaging companies on improving climate change governance, cutting emissions and strengthening climate-related financial disclosures." Extreme weather events are terrible for business, and methane is an accelerant for climate change. Companies are switching to renewable energy to attract the most talented labor force."*

Exhibit G page 33 contains the defense for As You Sow's 2020 shareholder resolution that the Company cites as being identical to this Proposal. However the supporting statement for the 2022 Proposal contains important differences from the "2020 Proposal". When the Staff allowed the Company to exclude the 2020 Proposal from its 2020 proxy statement pursuant to Rule 14a-8(i)(10) shareholders were prevented from being allowed to vote on the 2020 Proposal at the Company's May 2020 annual meeting. By July 2020, the Company canceled the Atlantic Coast Pipeline project, creating a multi-billion dollar stranded asset. As You Sow's defense was prophetic in addressing the economic shifts in investments and the importance for the Company to provide a report to shareholders addressing how their investments would be protected from the inevitable shift away from NG.

CONCLUSION:

The Proposal is not excludable under Rule 14a-8(l)(10) - The Company's disclosures do not substantially implement the Proposal.

a. **Information provided by Dominion does not satisfy the "essential objective" of the proposal.**
b. **The Company Letter mischaracterizes the goal of the proposal and points to disclosures that, while recognizing the existence of related concerns, leave the Proposal's core concerns unaddressed.**

The Company has not provided the disclosures requested in the Proposal. Instead, it argues that their reports on climate and sustainability as well as recent actions they have taken toward their net-zero goal, make the implementation of the Proposal unnecessary. This completely ignores shareholder concerns about how the Company's actions and goals may result in stranded assets like the canceled multi-billion dollar Atlantic Coast Pipeline project. Instead it bases its argument on its own re-characterization of the Proposal.

This quote is from As You Sow's 2020 defense for their resolution:

> "*We have been talking about, for the last few years, gas as the bridge . . . .There is an inevitability about bridges, which is that sooner or later you get to the end of the bridge.*"[15]

The developments over the last two years support the conclusion that we have gone past the end of bridge when it comes to the development of new NG infrastructure. It is reasonable for shareholders to be concerned that the development of new NG and RNG infrastructure could result in stranded assets.

Please deny the Company's request to omit the resolution based on Rule 14a-8(i)(10) and allow the shareholders to consider and vote on the proposal.

Sincerely,

Freeda Cathcart

[15] Julia Pyper, "Where Does the Natural Gas 'Bridge' End?", GreenTech, January 27, 2020. https://www.greentechmedia.com/articles/read/natural-gas-bridge-nearing-end

Exhibit A

Question at 2021 annual shareholder meeting submitted by shareholder, Freeda Cathcart:
"After the Atlantic Coast Pipeline was canceled (around a 2.5 billion dollar loss) our dividend checks were reduced by a third. Now Dominion has contracted for 12.5 percent of the shipping capacity on the Mountain Valley Pipeline (MVP), an obligation expected to cost around 2.5 billion dollars over 20 years. PSNC, a subsidiary of Dominion, contacted the Federal Energy Regulatory Commission (FERC), claiming they need the gas from the MVP. However, gas industry and economic experts predict that there is more than enough gas at a lower cost from existing pipelines to meet the needs of PSNC's customers. If the MVP is completed and the NC Utilities Commission prevents PSNC from passing along the higher cost for MVP's gas and there's no market for Dominion's shipping capacity, then it looks like our share values and/or dividends could be negatively affected. What economic analysis was conducted for the MVP contract? Did it take into account climate risk and the market's shift away from gas because methane is an accelerant for climate change? Is there an exit clause for the MVP contract and if so, is Dominion planning on exercising it? If PSNC overestimated a need for MVP's gas, then will they contact the FERC to let them know they no longer need MVP's gas?"

The entire question wasn't read.

Answer:
CEO and President Blue's response:
“I appreciate the question. I don’t know who the experts are that are referred to. I can assure you that the experts who are actually responsible in our company for making sure that the gas is there when our customers need it have a very different view about the need for additional pipeline capacity at our North Carolina gas distributions. I just want to make clear that PSNC is not an investor of the Mountain Valley Pipeline. PSNC is a customer of the Mountain Valley Pipeline. We do extensive planning at PSNC to make sure that we understand what the need for gas is going to be so we can meet the needs of our customers reliably and affordably. Again you don’t have to go back very far to this past February in Texas to find out what happens when people don’t have reliable access to electric and gas. And the fact is that our North Carolina business has been growing. People want natural gas in that area. So we exceeded 60,000 customers recently and PSNC is growing by about 15,000 customers per year. As I mentioned in the presentation, PSNC reached an all time peak earlier this year in January. Our customers, we’re a public service company, our customers expect us to be there to serve them. That’s our mission. That’s what we’re going to do. So we need to make sure that we have sufficient capacity. We don’t at the moment have sufficient capacity to meet our future demands. That’s why we looked at the Mountain Valley Pipeline, because the sole interstate pipeline that currently serves PSNC is fully subscribed. So we had to look elsewhere. We have no reason to believe that the need was overstated. But I also want to make sure everyone understands that our net-zero, that our gas businesses are as dedicated to a net-zero future as the electric businesses are. And I talked about some of the things we’re doing in order to make sure we achieve net-zero in the gas business. Fundamentally we’re going to make sure that we have

enough gas to serve our customers. That’s what they expect and that’s what we’re going to give them.”

Exhibit B

---------- Forwarded message ---------
From: Freeda Cathcart [redacted]
Date: Mon, Jan 24, 2022 at 8:00 AM
Subject: Follow up Request Re: Dominion Energy - Freeda Cathcart Call
To: karen.doggett@dominionenergy.com <karen.doggett@dominionenergy.com>

Dear Ms. Doggett,

I very much appreciate the time Vice President Harris spent with me on last week's call. It was very reassuring to hear that Dominion has been proactive to prevent a crisis like Texas experienced last year. I appreciated his diligence to provide reliable energy to Dominion's customers.

After reflecting on the new information he provided and doing more research this past week, I respectfully request Dominion remove the No Action letter that was filed with the SEC. Having my resolution in this year's proxy would provide Dominion the opportunity to address the concerns raised in it. This would provide the shareholders with more transparency and accountability during this time of energy economic disruption.

If Dominion doesn't remove the No Action letter with the SEC, then I would appreciate a follow up conversation with you as soon as possible. I feel confident that I can defend the resolution with the SEC and would prefer instead to continue to work with you to address the remaining concerns after our last conversation.

My main concern is that based on recent developments and projections, the demand for natural gas (NG) is going to decline. As the demand goes down and the supply remains the same or increases, the price for NG will decline. While Vice President Harris isn't allowed to reveal the details of the contracts he has made for capacity, it appears that those contracts were based on the need to fulfill a growing demand for NG.

For example:

Even though the contracts for capacity to receive NG through the Mountain Valley Pipeline and MVP Southgate were created in 2017 and have undergone yearly reviews with North Carolina's Utility Commission, Dominion can't force their customers to use the NG. If Dominion can't deliver the NG to Dominion's customers or another utility, then Dominion will have to absorb the cost of those contracts to the detriment of shareholder value.

Basis for the projection of a reduction in demand for NG:

- The battery storage revolution is producing solutions for the gap in renewable energy that proposed NG peaker plants are hoping to fill. Amazon's Jeff Bezos and Bill Gates' Breakthrough Energy Ventures, along with Australia's Macquarie Capital, invested in Form Energy that has a multi-day storage battery technology – a *"rechargeable iron-air battery capable of delivering electricity for 100 hours at system costs competitive with conventional power plants and at less than 1/10th the cost of lithium-ion."*
- The future looks brighter for manure injection than renewable NG. Instead of using fossil fuel fertilizers, it's more productive for agriculture to return the organic matter to the soil. This results in fewer methane emissions while improving the soil for better crops.
- Capitalism is responding faster than governments to address climate change. *"More than 615 investors, responsible for over $60 trillion in assets under management, are engaging companies on improving climate change governance, cutting emissions and strengthening climate-related financial disclosures."* Extreme weather events are terrible for business, and methane is an accelerant for climate change. Companies are switching to renewable energy to attract the most talented labor force.

I would also appreciate the opportunity to follow up with some suggestions that may help reduce shareholder resolutions concerned about sustainability. My conversations with Berkshire Hathaway regarding my 2018 resolution resulted in the company adding the Sustainability link on the main website and the creation of the *Berkshire Hathaway Sustainability Leadership Council*. Notice that, for the 5th largest corporation in the world, Berkshire Hathaway doesn't spend much money on the website.

I look forward to hearing from you.

All the best,

Freeda Cathcart

[redacted]

---------- Forwarded message ---------
From: Freeda Cathcart [redacted]
Date: Fri, Feb 4, 2022 at 12:45 PM
Subject: Re: Dominion Energy Proposal
To: amanda.b.tornabene@dominionenergy.com <amanda.b.tornabene@dominionenergy.com>
Cc: karen.doggett@dominionenergy.com <karen.doggett@dominionenergy.com>

Hi Mandy:

Thank you for continuing to dialogue with me. All of your suggestions would be beneficial to the company and shareholder relations so I do hope you implement them. However they don't address the economic concerns that my resolution raises.
From my shareholder resolution:
"Investing in new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal. While some low-carbon scenarios show gas use continuing, they rely on carbon removal technologies -- a risky assumption given that the technology has yet to prove economic at scale.
Existing alternatives to natural gas -- such as renewables plus storage, demand response, electrification, and energy efficiency -- are all increasingly cost-effective means of serving energy needs while reducing fossil fuel use and climate impacts."

The work that DE is doing to obtain a "net-zero" carbon goal doesn't address reducing methane which is an extreme weather accelerant. Extreme weather is bad for business. The tide is quickly turning against NG as evidenced by over a 100 countries pledging to reduce methane emissions 30% by 2030 compared to 2020 (a pandemic year where methane emissions were lower than previous years). Looking at DE's website on the build out of NG infrastructure raises alarms that shareholder value may be reduced due to stranded assets. Even though some of the projects may have originally been planned to deliver NG to new developments like NC's Pratt and Whitney facility.

The movement is growing for a federal clean energy standard and NG isn't considered to be clean energy as defined by the 96 companies that included the following in their letter to Congress:
"A clean electric power grid is an essential component of America's transformation to cleaner energy throughout the economy. The electric power sector itself directly emits one-third of U.S. CO2 emissions from fossil fuel combustion. In addition, the electric power sector accounts for one-half of U.S. natural gas consumption, a major driver of upstream leaks of methane. Methane is a potent greenhouse gas 84 times more powerful than carbon dioxide in its first two decades after release. Researchers estimate that methane from human sources is responsible for at least a quarter of today's warming."

As I wrote before, I hope that DE removes the No Action to the SEC and continues to work with me to either come to an agreement that I withdraw the resolution or include it in this year's proxy to be addressed during the annual meeting. The research that I've done so far doesn't reflect well for DE and I would rather work out our differences in private than through SEC filings.

Sincerely,
Freeda Cathcart
(she/her)
--
PII

---------- Forwarded message ---------
From: Freeda Cathcart [redacted]
Date: Mon, Feb 7, 2022 at 4:21 PM
Subject: Re: Re: Dominion Energy Proposal
To: amanda.b.tornabene@dominionenergy.com <amanda.b.tornabene@dominionenergy.com>
Cc: karen.doggett@dominionenergy.com <karen.doggett@dominionenergy.com>

Dear Mandy,

I have reviewed the report and find it concerning. These are challenging times and the pressure for the energy industry to respond quickly to new technology and practices to help mitigate climate change is ramping up due to the increase in extreme weather events. It's hard to understand the resistance to remove the letter of No Action DE submitted to the SEC to not include my resolution in this year's annual meeting.

From the report:
"*We likewise expect to reduce methane emissions from our natural gas business by 65 percent by 2030 and 80 percent by 2040 (from 2010 levels). Further, the company has committed to invest in carbon-reducing renewable natural gas (RNG) projects in support of our Net Zero commitment....*

Given the intermittency of wind and solar, we also expect that dispatchable natural gas-fired generation, along with Our Integrated Resource Plans provide an informative state-specific view of plausible pathways toward meeting customer needs that incorporate applicable state law and policy. Dominion Energy Climate Report 2021 17 We have partnered with Vanguard Renewables to form the first nationwide, dairy-based RNG venture. other solutions that ensure we can meet real-time customer demand fluctuations, will continue to play a critical role in our system until carbon-free, on-demand power sources (including RNG, hydrogen, advanced nuclear power, and gas with carbon capture and storage) become commercially practicable. Renewable Natural Gas (RNG)...

Moreover, we have launched the largest swine farm-based RNG partnership in the country with Smithfield Foods. Our joint venture, Align RNG, captures waste methane from swine farms and converts it into clean, renewable energy to heat homes, power local businesses, and fuel transportation fleets. We also have partnered with Vanguard Renewables to form the first nationwide, dairy-based RNG venture. Combined, these RNG efforts should reduce U.S. agricultural emissions by more than 3,200,000 metric tons a year, the equivalent of taking more than 700,000 non-electric cars off the road for one year or planting more than 53 million trees."

First of all, using terms like Renewable Natural Gas (RNG) or Biogas doesn't mitigate the harm caused by using methane to produce energy. There are better solutions to capture the methane

that benefit the agriculture industry and reduce the reliance on fossil fuel fertilizers. There are federal and state grants incentivising manure injection:
https://www.vsdaonline.com/injection.php

Virginia Tech sheet on manure injection:
https://www.pubs.ext.vt.edu/content/dam/pubs_ext_vt_edu/3011/3011-1517/3011-1517.pdf

This report ,on Dominion's involvement in a "biogas" development in North Carolina being investigated by the EPA, is also disconcerting. It's imperative that DE listen to scientists when making investments before wasting shareholder money on projects that are destined to become stranded assets.

Building out methane infrastructure for energy use would result in stranded assets when there is more value in supporting manure injection to replace fossil fuel fertilizers. Also Technology is being developed to be able to track where the methane emissions are coming from. Pipelines and methane infrastructure leak. The energy sector will not be able to hide those leaks from public transparency and accountability.

The concerns expressed in my resolution are reasonable and deserve the attention of the board as well as the shareholders with the opportunity for them to vote on it.

Thank you for your continuing attention to this matter. I hope to receive a response that the No Action letter will be removed.

Sincerely,
Freeda Cathcart
--
PII

[redacted]

Exhibit C
From Thomas Hadwin's June 29, 2021 filing to the FERC docket:
"A back-room deal to gain political approval for gas-fired facilities in North Carolina has encountered fierce resistance; [16] including from the North Carolina Attorney General and the Governor. A 15-year development plan filed by the state's largest utility claimed it had a shortage of capacity during winter peaks. Under questioning, the company admitted it had up to 40% more capacity than needed on the coldest days in 2019.

A recently released policy in North Carolina calls for reducing carbon emissions by 70% by 2030 and attaining carbon neutrality by 2050. Developing any new gas-fired generating facilities would create a substantial amount of stranded assets, since these facilities typically require 35-40 years to pay off.

The demand for electricity in the U.S. has been stable for the past 20 years, despite growth in population and economic activity. This has resulted in a glut of planned gas-fired generation in the eastern U.S.[17]

Dominion Energy North Carolina's (PSNC) claims that it has a "confirmed need for the natural gas supply" to be provided by the MVP. However, there is no compelling evidence that has been presented to FERC or the North Carolina Utility Commission (NCUC) that more capacity is required.

PSNC reported to regulators that it was essential to obtain 100,000 Dth/d from the Atlantic Coast Pipeline (ACP) by 2018, so it could provide reliable service to its gas customers. The ACP failed to supply any of the requested capacity. Yet, during the week-long extreme cold due to the Bomb Cyclone in 2018, Transco reported that it encountered no difficulty in providing adequate supplies of gas to all of North Carolina.[18]

In testimony to the state regulator in 2018, PSNC staff reported that "no significant changes are expected" over the next ten years in "customer mix or customer market profiles" that will "impact the Company's gas supply, transportation, and storage requirements."[19]

In that same testimony, PSNC said its "estimated winter base load requirements were approximately 90,000 dekatherms per day" and that these requirements "will remain approximately the same over the next five years."

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[16] "North Carolina legislature retools Duke-backed bill after Dems, governor protest weakened oversight," Catherine Morehouse, Utility Dive, June 22, 2021, https://www.utilitydive.com/news/north-carolina-legislature-retools-duke-backed-bill-after-dems-governor-pr/602182/
[17] "Overpowered: Why a US gas building spree continues despite electricity glut," Stephanie Tsao and Richard Martin, December 2, 2019, S&P Global Market Intelligence, https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/54188928
[18] "No, cold wave doesn't show need for pipeline", Roanoke Times, February 7, 2018
[19] Annual Review of Gas Cost, Docket No. G-5, Sub 591, Provided by Public Service Company of North Carolina to the North Carolina Utility Commission, August 14, 2018

Most of PSNC's customers, 92.0 percent, are residential. Only 7.9 percent are commercial and only 0.1 percent are industrial. MVP says that the Southgate project will not be used to supply an electricity generator.[20] MVP claims that growth in demand is driven by population growth.[21]

The pipeline owner has not provided a demand history and future forecast for the market area to back up its contention. Data compiled by the North Carolina state regulator refutes this assertion.

Data reported by the NCUC shows that gas usage in North Carolina for residential and commercial customers was lower in 2017 than it was in 2013, despite considerable increases in the number of customers in both categories.[22] The Polar Vortex created high demand in 2014.

In testimony to the North Carolina regulator on June 1, 2021, PSNC said again that "no significant changes are expected" over the next ten years in "customer mix or customer market profiles" that will "impact the Company's gas supply, transportation, and storage requirements."[23] In this year's testimony, during a period when the company claimed it had an urgent need for more capacity, PSNC testified that its winter base load requirements were about "83,000 dekatherms per day"; nearly an 8% decrease in winter baseload requirements from what was identified in 2018. Despite this reduction and its statement that "no significant changes" are expected in its requirements for gas supply over the next ten years, PSNC forecasts for winter baseload requirements include "an average annual increase of approximately 2.5% for the next five years."[24]

Based on a design-day algorithm, rather than observed changes in customer demand for each rate schedule, PSNC said it now needs 250,000 Dth/d from the MVP and 300,000 Dth/d from Southgate. There is no evidence that the failure to obtain 100,000 Dth/d from the ACP affected PSNC's ability to serve its customers. A mere formula says PSNC might need more gas supply, not actual experience. Why then is PSNC more than doubling down on how much gas it claims to need to meet its firm commitments?

The U.S. Energy Information Administration gathers information provided by utilities and forecasts future gas demand. In its Annual Energy Outlook, published in February 2021, the EIA

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[20] MVP, LLC, MVP Southgate Project: Myth vs. Fact. October 2018. Available at: http://www.mvpsouthgate.com/wp-content/uploads/2018/11/MVP-Southgate-Myth-vs-FactOct2018.pdf

[21] Application of Mountain Valley Pipeline, LLC for Authorization to Construct and Operate Pipeline Facilities under the Natural Gas Act. Mountain Valley Pipeline, LLC. p.3. FERC Docket No. CP19–14–000. November 6, 2018.

[22] NCUC. 2018 NCUC Report - Volume XLIX. Major Activities through December 2018 with Statistical and Analytical Data through 2017. Available at: https://www.ncuc.net/statbook/2018report.pdf

[23] Annual Review of Gas Costs, Docket No. G-5, Sub 635, Provided by Public Service Company of North Carolina to the North Carolina Utility Commission, June 1, 2021

[24] Id.

forecasted a net decline in long-term gas usage from all sectors.[25]

In the South Atlantic region, the area presumed to be served by the MVP, natural gas consumption is projected to decline 7%, or 820,000 Dth/d, from 2019 to 2030.[26]

Other analysts agree. In a September 2020 report, Standard & Poors projected a decline of 2,000,000 Dth/d in overall U.S. gas demand from 2020 to 2035.[27]

The claim that South Carolina might need 125,000 Dth/d of new pipeline capacity appears to be more a proclamation rather than facts supported by proof.

In the past 20 years, FERC has authorized the addition of more than twice the transmission pipeline capacity needed to transport the nation's peak annual gas usage.[28]

From the outset, the MVP has been a pipeline in search of a market. In her certificate dissent, FERC Commissioner LaFleur noted that the MVP targeted markets that were being served by other pipelines and questioned the need for it. It was only because of self-dealing arrangements between pipeline owners and their affiliates, that sufficient precedent agreements were produced to gain FERC approval. Because FERC failed to exercise proper oversight and demand actual evidence of the need for this pipeline, several important U.S. energy companies are now exposed to billions in losses from this project. Some might say this is the consequence of their greed, but customers and citizens usually end up paying the price.

Plenty of Available Capacity

If some incremental capacity is needed to supply the Dominion Energy subsidiaries in North and South Carolina, additional capacity is readily available from existing pipelines. Dominion informed the Commission that Transco had at least 885,000 Dth/d of available capacity to serve customers in North Carolina that were intended to be served by the ACP.[29]

A gas industry expert testified to the South Carolina Public Service Commission (SCPSC) that

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[25] U.S. Energy Information Administration. Annual Energy Outlook 2021. February 2021, Tables 2.2, 2.5 and 2.6.

[26] EIA defines this region to include West Virginia, Maryland, Delaware, Virginia, North Carolina, South Carolina,
Georgia and Florida.

[27] S&P Global Ratings. The Energy Transition: COVID-19 Undermines the Role of Gas as a Bridge Fuel. September 24, 2020, Chart 4.

[28] Susan Tierney, Natural Gas Pipeline Certification: Policy Considerations for a Changing Industry, ANALYSIS
GROUP (Nov. 6, 2017)

[29] Dominion Energy Transmission, Inc., Matthew R. Bley to Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, August 13, 2018

his in-depth analysis showed that “South Carolina has no need for additional interstate natural gas pipeline capacity.”[30] The expert said “there is ample pipeline capacity to serve the needs of SCE&G through at least the winter of 2027-2028.” SCE&G is now doing business as Dominion Energy South Carolina (DESC). The utility has failed to provide a report of comparable depth to either FERC or the SCPSC that supplies data that would support a different conclusion.

Transco also intervened in this docket. The gas transmission company expressed concerns that if Dominion merged with SCE&G, it might result in duplicative pipeline infrastructure and could pose a threat to Transco’s current contracts with SCE&G. The industry expert noted that the Transco contracts and others “on pre-existing pipelines, offer more than adequate gas supply at substantially lower cost that any new greenfield pipeline could.”[31]

Dominion Energy South Carolina reserved 215,000 Dth/d on Transco’s Southeastern Trail expansion project. PSNC confirmed that their 60,000 Dth/d reservation on Southeastern Trail was received in full in January 2021. It is likely that the incremental Transco capacity became available to Dominion in South Carolina about that same time. But this added capacity, which is 72 percent greater than the amount DESC said it needs from the MVP, was not mentioned in Dominion’s urgent appeal to FERC claiming they had a critical need for incremental capacity from the MVP.

When the MVP was announced, Transco had a capacity of 11 million Dth/d. The Transcontinental pipeline system now has a capacity of 22.8 million Dth/d.[32] Transco has expanded its capacity by nearly 6 times more than what the MVP might provide.

When PSNC and SCE&G asked for more capacity, Transco provided it. Below are 3.1 million Dth/d of recent capacity additions to the Transco system that serve the Mid-Atlantic and Southeast:
Transco – Leidy Southeast (0.525 million Dth/d) - 2016
Transco – Atlantic Sunrise (1.700 million Dth/d) – October 2018
Transco – Southeastern Trail (0.296 million Dth/d) – November 1, 2020
Transco – Leidy South (0.582 million Dth/d) – Fall 2021
In 2016, PSNC and Piedmont Natural Gas each received 100,000 Dth/d of incremental capacity in North Carolina from Transco. PSNC also added 60,000 Dth/d from Transco in January 2021. This amount was likely contracted with Transco for some time, but was not disclosed to FERC or the North Carolina regulator while PSNC supported the need for new interstate pipeline construction.

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[30] Direct Testimony of Gregory M. Lander, South Carolina Public Service Commission, Docket Nos. 2017-370-E; 2017-305-E; 2017-207-E, September 24, 2018, p.6

[31] Id., p. 7
[32] Williams Reports Strong First-Quarter Results and Record Volumes; Raises 2021 Guidance, May 3, 2021,
https://investor.williams.com/press-releases/press-release-details/2021/Williams-Reports-Strong-First-Quarter-Results-and-Record-Volumes-Raises-2021-Guidance/default.aspx

Transco has been the primary supplier of natural gas to North Carolina and South Carolina for decades. It has abundant available capacity to continue its tradition of reliable service.

Dominion argues that the MVP provides its utility subsidiaries “with geographic diversity of supply.” Transco connects with numerous production zones from northeastern Pennsylvania to the Gulf Coast, including several connections to the production zone in West Virginia that is the sole source of supply for the MVP. Dominion Energy’s connections with existing pipelines provide a far greater diversity of supply than relying on the MVP’s very expensive connection to a single source. Transco serves the entire PSNC service territory, not just a portion of it that the MVP might supply. Additional capacity from Transco can be added in small increments, as needed, without requiring expensive and disruptive new construction associated with the Southgate project.

While supporting their own efforts to build new pipelines, Dominion and the owners of the MVP made misleading statements to regulators and to the public, saying that incremental capacity was unavailable on existing pipelines because they were “fully subscribed.” This made it appear that new pipelines would be required to provide any additional supply. The companies failed to mention that the capacity reservations on the expansions to existing pipelines were held mostly by gas producers and gas marketing companies looking for customers like them.

The MVP is fully subscribed, but Dominion was able to negotiate agreements for capacity. This might have been easy because the MVP’s major shippers have no customers and are trying to find anyone willing to take on at least some of their commitments to reduce their financial exposure.

By relying solely on precedent agreements to indicate the need for a new pipeline, FERC failed to accurately assess true market demand and authorized excess pipeline capacity to the detriment of existing pipelines, whose expansions were also approved to serve similar markets.

No Public Benefit

On occasion, even if existing capacity is plentiful, a new pipeline might provide an economic advantage if it can transport gas at a lower cost or access lower cost production zones so that the delivered price of gas is lower than existing options. This is not what the MVP provides. Because of its high cost, the MVP will add billions to the energy costs of customers throughout the region.

In its letter to FERC, Dominion Energy claims that its 250,000 Dth/d reservation on the MVP and its 300,000 Dth/d of service on the Southgate Project “will benefit customers by giving DENC additional options to select cost-effective supply sources.” Information filed with the Commission for those two dockets confirms that such a conclusion is incorrect. Using the MVP-Southgate connection rather than the existing supplier to PSNC will add billions to the energy costs of PSNC customers.

The preliminary rates established by FERC for the MVP are $0.77 /Dth for the Foundation Shipper (EQT) and $0.9766 /Dth for other shippers. These rates were calculated based on an assumed ratebase of $3.6 billion for the MVP.[33] The current estimate for the completed cost of the MVP is $6.2 billion, and climbing. The prorated rates, based on the current expected cost of the project, would be $1.32 /Dth for EQT and $1.68 /Dth for the other shippers. The published rate for Southgate is $0.62 /Dth. No revised project cost has been identified for the current two-year project delay.

The transportation costs via the MVP/Southgate system would add $1.94 to $2.30 per Dth to the cost of gas. This premium price is about 5 times the current differential between the production zone used by the MVP and current gas prices in Transco Zone 5.[34]

The build-out of takeaway pipelines from the Appalachian Basin has equalized prices between production zones. Dominion South prices have drifted a bit lower because explosions in recently built southbound pipelines constrained flows out of West Virginia and prices fell so that the stranded gas could find a market.

Dominion's plan to commit to Southgate and add MVP capacity reservations will add over $4 billion to energy costs for its customers for the first 20-year firm transportation agreement. There is no historical precedent for gas usage to rise in its service territory by 250,000 Dth/d over just a few years. Incremental additions from Transco have always been added in smaller amounts. DENC will be obligated to pay in full for the MVP/Southgate reservation regardless of how much capacity is actually needed. Gas is purchased separately.

It is an open question how the Commission could have approved the Southgate project with such a glaring lack of public benefit.

Why would Dominion impose such a heavy financial burden on its customers, if it has nothing to gain from passing through exorbitant transportation charges to its customers? The only scenario that makes sense is if Dominion plans to acquire an ownership interest in the MVP projects after it is certain they will be built. Why else would a local gas company agree to a long-term agreement for far more capacity than it needs, at a price much more expensive than could be offered by existing suppliers, if the pipelines did not benefit its parent company? This appears like an attempt to re-create the ACP all over again. Both the MVP and Southgate are projects for the private benefit of the owners rather than to serve an unmet need for more gas at a lower price. There is no net public benefit from these projects.

It is not just Dominion's customers that need protection. The high cost of transportation on the MVP will deliver gas to its connection to Transco in southern Virginia priced significantly above the ample supply of gas in Transco Zone 5. Gas prices must rise to keep U.S. gas producers profitable. We have already seen gas prices increase 50% or more in the past year. Rising prices will reduce demand. Who will be willing to pay MVP shippers a premium above a rising

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[33] Mountain Valley Pipeline Project, FERC Docket No. CP16-___-000, Exhibit P, Part I- Rates
[34] Natural Gas Intelligence, Dominion South versus Transco Zone 5, June 25, 2021

market price? The Commission failed to create the orderly development of natural gas resources with the approval of these projects.

EQT, the nation's largest gas producer, originally committed to 64.5 percent of the MVP capacity (1.29 million Dth/d). Even with its Foundation Shipper rate, the prorated rate could be about $1.32 /Dth. This would obligate EQT to pay the MVP $624 million every year for 20 years ($12.49 billion) no matter how much of its capacity reservation is actually needed.

EQT's chief executive officer told financial analysts that his company does not need the MVP in order to get its full production to market.[35] Mr. Rice noted that the Appalachian Basin is capable of producing 32 million Dth/d. There is currently 35 million Dth/d of gas transmission pipeline capacity to carry the Basin's production to market. Adding 2 million Dth/d from the MVP increases the current surplus capacity by 67 percent.

EQT's chief executive said that based on the drilling activity today, production from the Appalachian Basin "is going to decline" saying that "just looking at the amount of core inventory [of gas] that's remaining" it will be difficult to sustain 32 Bcf/day of gas production.[36] If it will be difficult, and maybe unprofitable, to sustain 32 Bcf/d of production in the Basin, there is no benefit in the MVP adding 2.0 Bcf/d more takeaway capacity to the existing surplus.

Why should the Commission rush ahead to meet Dominion's request for expedited treatment of this project when their request for capacity on the MVP is less than 19 percent of the total capacity? Even if Dominion's claims were accepted without review, EQT would still have a huge remaining obligation with the MVP for which they have no customers.

Summary

A "confirmed need" for the MVP and Southgate has failed to be demonstrated by Dominion Energy's appeal or by the original applications to FERC.

The U.S. Energy Information Administration expects gas usage in the region to decline.

Ample capacity is available in existing pipelines as confirmed by Dominion's earlier communications with the Commission and prior capacity reservations.

The MVP and the Southgate extension add billions to the energy costs of customers in the region with no offsetting benefit.

The largest U.S. gas producer is in harm's way because of its obligation to an unnecessary and overly expensive pipeline.

Dominion is not a last minute savior for the MVP. It is yet another energy company looking to

[35] EQT Corp Second Quarter 2020 Earnings Call Transcript, July 27, 2020
[36] Id.

profit at the expense of its customers. The public convenience and necessity fails to be served by the Mountain Valley Pipeline and the Southgate extension.

Dominion’s plea to expedite the completion of the MVP is unsupported by the facts.”

Exhibit D

Freeda Cathcart, FLMI (Dominion shareholder, former SCANA shareholder)
Roanoke, VA USA
via email [redacted]

Board of Directors and officers of Dominion Energy
% Corporate Secretary Karen Doggett
via email karen.doggett@dominionenergy.com

December 22, 2021

RE: Update on the Mountain Valley Pipeline Liability and Fiduciary Responsibility Concerns

Dear President & CEO Robert Blue, Director James Bennett, Director Helen Dragas, Director Admiral Ellis, Director Maybank Hagood, Director Ronald Jibson, Director Mark Kington, Director Joseph Rigby, Director Dr. Pamela Royal, Director Robert Spillman, Director Susan Story and Director Michael Szymanczyk,

Since the *Cancel MVP* movement began March 2021, it has grown from 36 organizations representing almost 155,000 members to 90 organizations representing over 2 million members. Recent international organizations that have signed onto the Cancel MVP letter include 350.org and The Climate Reality Project. As more natural gas infrastructure projects are canceled, more attention is being focused on the necessity and viability of the Mountain Valley Pipeline project.

DENC has contracted for capacity on the MVP. DENC and DESC have submitted letters of support for the completion of the MVP. Please read Thomas Hadwin's attached letter to FERC explaining why obtaining gas from the MVP would be harmful to Dominion's ratepayers.

After 105 countries (including the U.S. and China) pledged at the COP26 Climate Summit to reduce methane emissions 30% by 2030 compared to 2020, it's not fiscally prudent to continue a new methane infrastructure project destined to become a stranded asset. This article, Half world's fossil fuel assets could become worthless by 2036 in net zero transition explains how investments in extreme weather accelerants like new methane infrastructure are at high risk for failure. How much more of your shareholders' money are you willing to risk on an investment that *"Capstone, a global policy analysis firm for corporate and investor clients, recently cited the uncertainty in lowering its odds from 75% to 39% that the pipeline will be completed next year"*?

This past year's ruling by the US Court of Appeals for the District of Columbia Circuit June 22 to vacate the certificate for the Spire STL Pipeline, found that FERC refused to seriously engage arguments challenging the weight of an affiliate precedent agreement in establishing the need for the project. The MVP may suffer the same fate since the court cited "*that the commission ignored record evidence of self-dealing and failed to seriously and thoroughly conduct the interest-balancing required by its own certificate policy statement*." Attached is former electric and gas utility executive, Thomas Hadwin's, letter to FERC citing the Spire case and explaining why there's no economic necessity for the MVP.

There continues to be a lack of environmental enforcement by state and federal agencies that has led to a formal request for Virginia's *Office of the State Inspector General* to investigate why Virginia's *Department of Environmental Quality* isn't enforcing environmental laws. Below are several links to articles about the MVP’s harm to waterways including the habitat for endangered fish:

Virginia Mercury [DEQ is still failing to protect state waters from MVP (Dec. 8, 2021)]
The Register Herald [Systemic environmental injustice (Dec. 10, 2021)]
Virginia Mercury [Regulators should respect citizen water monitors and reject the pipeline permit (Dec. 14, 2021)]
Richmond Times Dispatch [Rev William Barber joins activists in Richmond challenging Mountain Valley Pipeline] [Video piece from RTD (Dec. 11, 2021)]

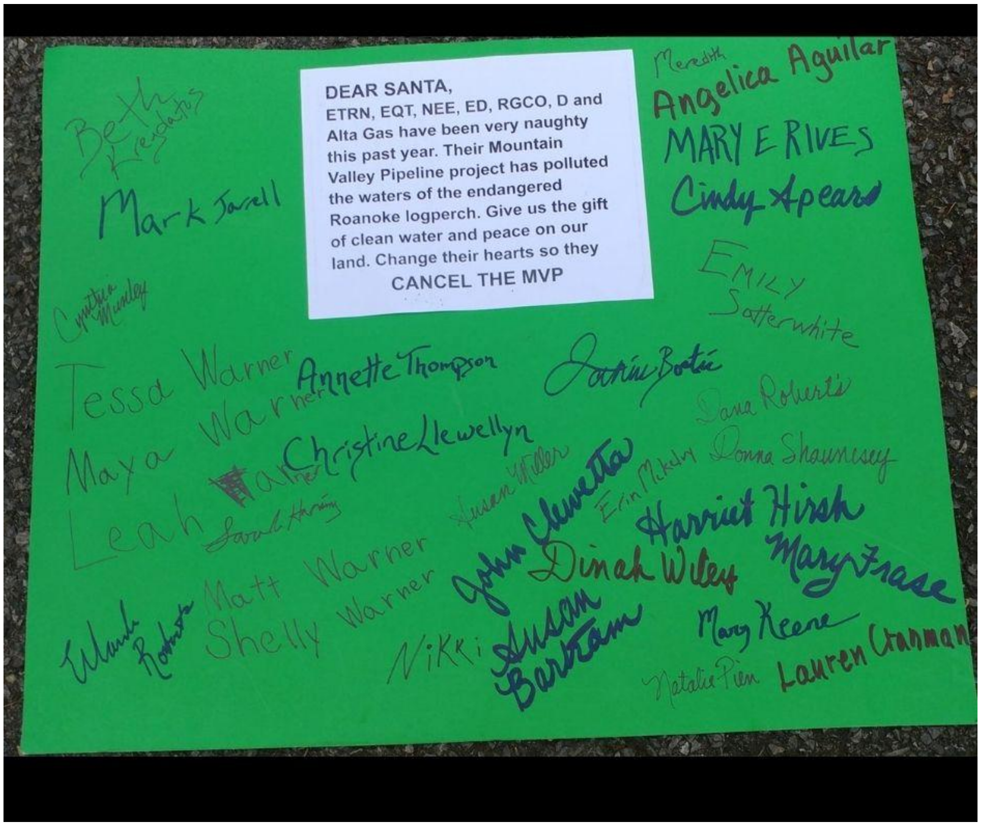
Washington Post Associated Press [Hundreds rally in Va in opposition to natural gas pipeline (Dec. 11, 2021)]

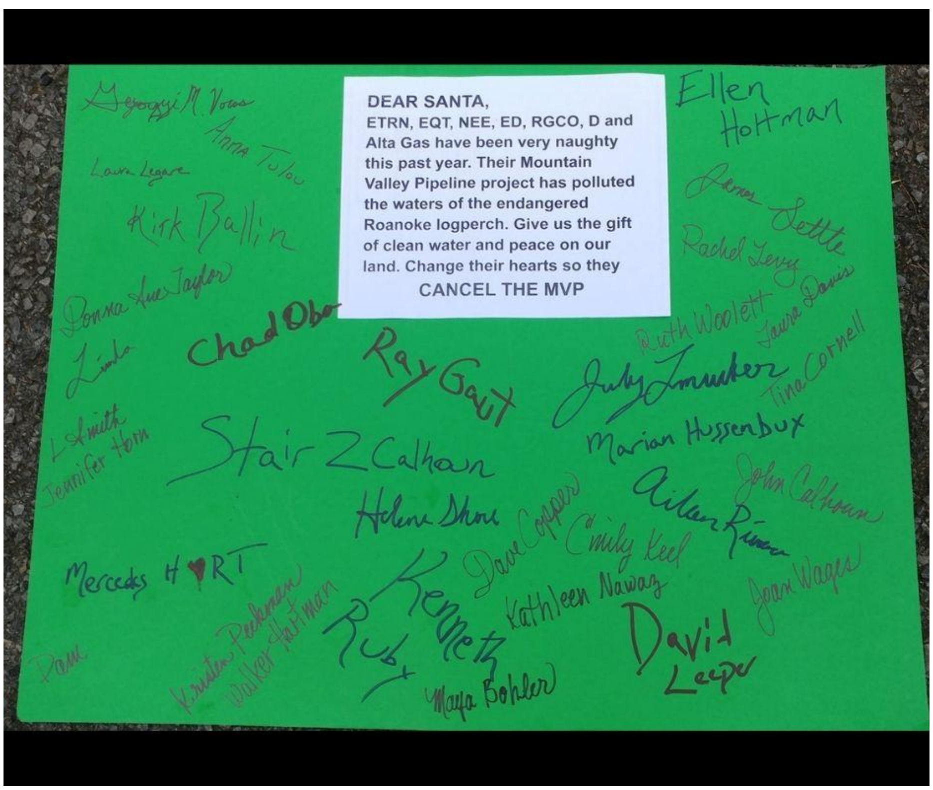
WDBJ7 [Pipeline opponents hold 'violation vigil' in Richmond (Dec. 12, 2021)]

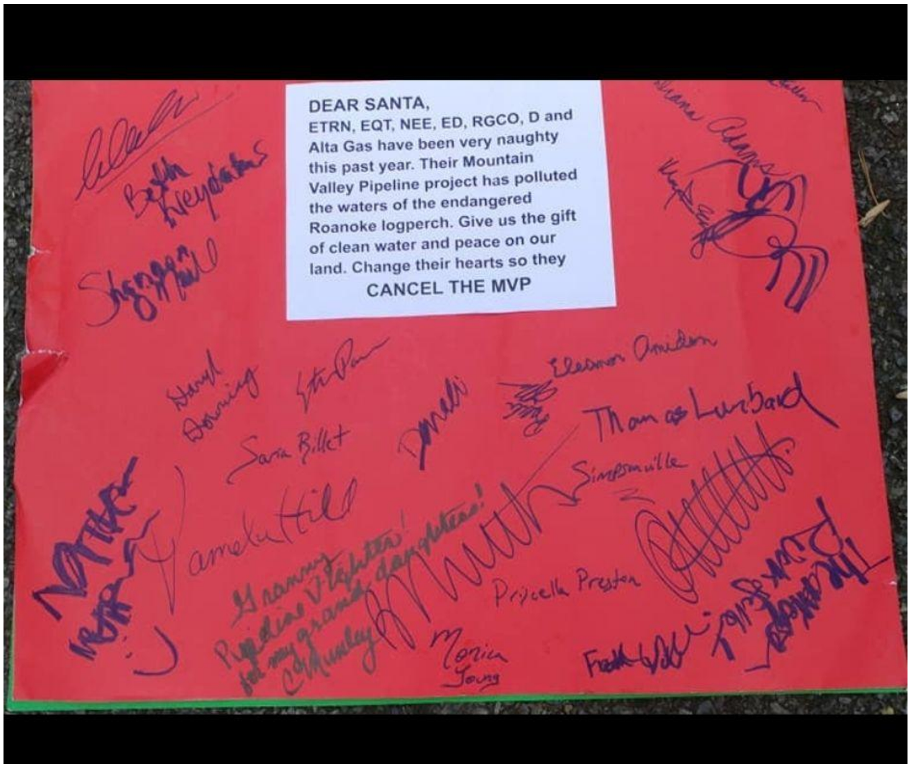
The growing movement to call on the companies behind the MVP to cancel the project is hoping that Santa Claus can deliver clean water and savings for shareholders by sending him the following request:
“Dear Santa,
Equitrans Midstream, EQT, NextEra Energy, Consolidated Edison, Alta Gas, RGC Resources and Dominion Energy have been very naughty this past year. Their Mountain Valley Pipeline project has polluted the waters of the endangered Roanoke logperch. Please change their hearts so they cancel the MVP. Give us the gift of clean water and peace on our land. #CancelMVP”

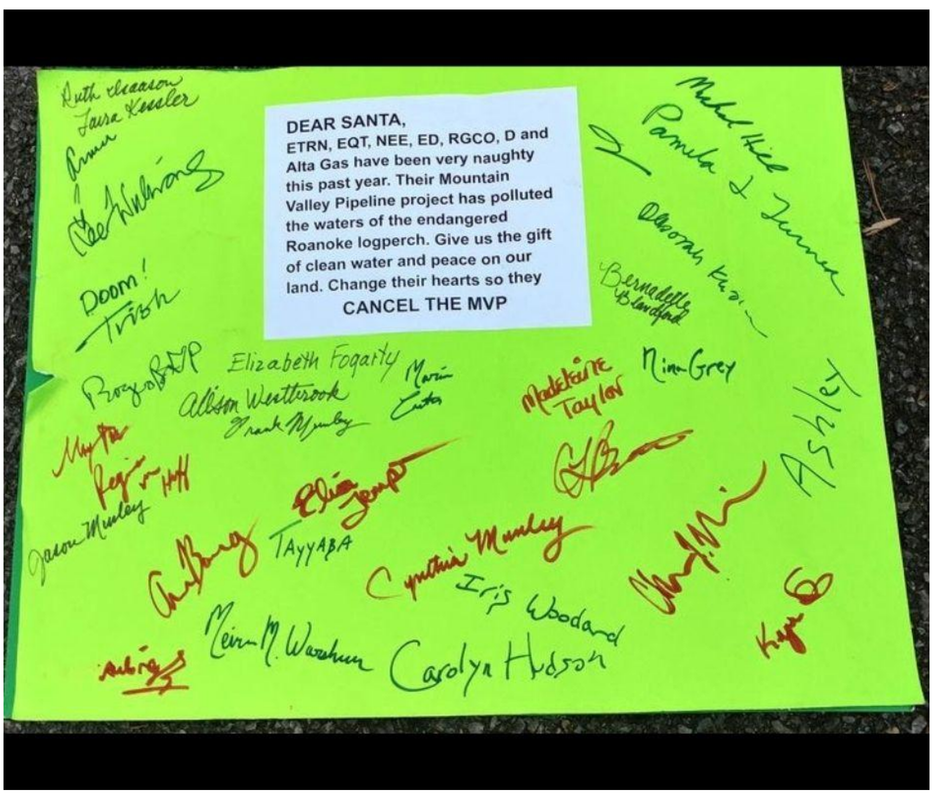

IT IS TIME TO
VIOLATION #195
NO REASONABLE ASSURANCE
NO PAST COMPLIANCE
NO MVP
NO PIPELINE
Dear SANTA


Dear SANTA
Cancel MVP!
BREWING CO
FRESH BEER HERE


DEAR SANTA,
ETRN, EQT, NEE, ED, RGCO, D and Alta Gas have been very naughty this past year. Their Mountain Valley Pipeline project has polluted the waters of the endangered Roanoke logperch. Give us the gift of clean water and peace on our land. Change their hearts so they
CANCEL THE MVP


DEAR SANTA,
ETRN, EQT, NEE, ED, RGCO, D and Alta Gas have been very naughty this past year. Their Mountain Valley Pipeline project has polluted the waters of the endangered Roanoke logperch. Give us the gift of clean water and peace on our land. Change their hearts so they
CANCEL THE MVP





Sincerely,

Freeda Cathcart

Exhibit E

Freeda Cathcart
Dominion Energy Shareholder
Roanoke, Virginia
Email [redacted]

The Board of Directors and Officers of Dominion Energy
% Karen Doggett, Assistant Corporate Secretary and Director - Governance
Email karen.doggett@dominionenergy.com

February 5, 2021

RE: Shareholder concerns about recent interventions of Dominion Energy subsidiaries in the Mountain Valley Pipeline project

Dear CEO Thomas Farrell II, Chair of Sustainability Director Helan Dragas, Director James Bennett, Director Adm. James Ellis, Director Maybank Hagood, Director Ronald Jibson, Director Mark Kington, Director Joseph Rigby, Director Pamela Royal, Director Robert Spilman, Director Susan Story, Director Michael Szymanczyk, President Robert Blue, CFO Executive VP James Chapman, COO Executive VP Diane Leopold, Executive VP Carter Reid, Senior VP Corynne Arnett, Senior VP Carlos Brown, Senior VP William Murray, President Donald Raikes Gas Distribution and VP M. Shaun Randall Gas Operations Dominion Energy NC,

As a Dominion Energy shareholder, there have been recent developments over the past five months that appear to have elevated the risk to our share values. Before the November election and the installation of the new federal administration focus on solving the climate crisis, the Mountain Valley Pipeline (MVP) and similar gas infrastructure projects were imploding.

Our last dividend check was reduced by 33% due to debt, part of which was probably caused by the Atlantic Coast Pipeline failure. I became part of the Dominion family after the merger with SCANA, precipitated by the V.C. Summer nuclear boondoggle.

While Dominion Energy isn't a partner in the MVP, what risk are shareholders exposed to if one of Dominion's subsidiaries files incorrect information regarding the project to a federal agency and/or court that might result in harm to other companies? If the subsidiary filed the information in good faith that they believed it was true at the time but then learned of extenuating circumstances, then would the subsidiary be obligated to send a correction to the federal agency and/or court?

Vice-President Shaun Randall sent a letter (attached) on September 16, 2020 to the Federal Energy Regulatory Commission (FERC) claiming that Dominion Energy's subsidiary, Dominion Energy North Carolina (DENC), required gas from the Mountain Valley Pipeline (MVP) and asking that FERC extend the time for MVP's certificate of necessity. Then Craig Collins, attorney for Public Service Company of North Carolina (PSNC) filed to be an intervenor on the Sierra Club et al v. FERC case filed in the DC Court of Appeals on February 3, 2021. Mr. Collins claimed in the filing that the completion of the MVP "is essential for PSNC to obtain needed natural gas to supply its customers."

In VP Randall's September 16, 2020 letter to FERC, she repeats MVP's claim that they have completed "approximately 92 percent of all planned construction". But according to this August 10, 2020 Virginia Mercury article, Despite company claims, only a fraction of the Mountain Valley Pipeline is complete in Virginia, "*If we are talking about the 303-mile route as a whole, barely 50 percent of construction (51.32 percent to be precise) is complete.*"

Next VP Randall informs FERC, in her September 16, 2020 letter, that DENC has subscribed to 250,000 dekatherms per day from the MVP to "meet customer demand for natural gas." She justifies this subscription by claiming DENC has a projected 40,000 dekatherm supply shortage of firm transportation for the 2021 heating season and DENC projects the need for more supply will increase by 20,000 dekatherms each year.

However S&P Global Intelligence's September 19, 2019 article Transco joins Atlantic Coast in offering alternate to Mountain Valley Southgate reported that Transco told FERC that using their existing pipeline *"would significantly reduce costs for shippers and their customers, estimating that a monthly reservation recourse rate would be "at least 40% lower." Moreover, it said… the Transco solution "would not require any changes to operation of the PSNC system as Transco would be able to make deliveries at the same PSNC receipt points to be served by MVP."*

On September 25, 2020, I filed a letter (attached) to FERC with the following information:

- Multiple sources cite Mountain Valley's completion to be 75% or less. The parts of the route left to do are the most challenging to construct with steep slopes and hundreds of stream crossings. There are valid concerns that their pipes above the ground have lost their integrity. If the project continues the pipes might have to be replaced.
- DENC (PSNC) has committed to receiving 60,000 Dth/d from Transco's Southeastern Trail project starting November 1, 2020. This is long before any supply would be available from MVP/Southgate and far cheaper too. Any extra capacity needed in the future could be obtained from the surplus capacity in Transco, in small increments, as needed, at a much lower price for customers. The Southgate project requires full payment for 20 years which requires ratepayers to pay a high price for capacity they don't need.
- Covid has set back utility demand in the region by 8-10%, although we won't know about gas demand until heating season begins. Experts say it might take years to return to previous levels. About 99% of DENC's gas customers are commercial or residential. Demand in both of these markets has been in decline in North Carolina. There is no established need that DENC has for the Southgate project that would benefit its customers. Existing capacity is much cheaper and readily available from Transco.

Recently the Sierra Club et al. v FERC January 29, 2021 filing in the U.S. Court of Appeals for the DC Circuit states:
"the original justification for allowing Mountain Valley to take private property by eminent domain—that the pipeline was needed to get gas produced in the Appalachian Basin to market—has evaporated. FERC's decision to turn a blind eye to these circumstances as it granted an extension of Mountain Valley's Certificate and authorized construction to resume along nearly the entire pipeline path was arbitrary and capricious and contrary to the Natural Gas Act and the National Environmental Policy Act ("NEPA")."

Since PSNC is a Local Distribution Company regulated by the North Carolina Utilities Commission (NCUC), wouldn't PSNC rate increases be subject for review? If the gas is more expensive gas from the MVP instead of through their established relationship with Transco causing PSNC to raise their rates, then wouldn't it be likely that the NCUC wouldn't approve the rate increase? This has already happened in Virginia when the State Corporation Commission denied Roanoke Gas's attempt to pass their MVP expenses onto their ratepayers. Has PSNC or DENC completed an updated comparative economic analysis about the need, benefits and risks between the twenty year contract with the MVP and continuing their relationship with Transco? On what premise did Mr. Collins base the claims when he recently filed on behalf of PSNC to intervene in the Sierra Club et al v FERC case?

If MVP overcomes all the current legal, regulatory and construction challenges to complete their project, then it appears DENC would be obligated to fulfill the twenty year contract of receiving 250,000 dekatherms per day. If NCUC doesn't allow a price hike to recoup the additional cost of using the MVP or there is no market for the gas then how would that affect our share values?

It's understandable that former shareholders of SCANA are concerned when they hear reports of a company they own shares in intervening in questionable projects. Unfortunately the SCANA saga continues. Recently Dominion Energy agreed to pay $25 million to the SEC to settle the case involving SCANA's $9 billion nuclear plant fiasco. On December 8, 2020 the article Dominion to pay $25-million civil penalty in SEC case reported:

"Shareholders were deceived by SCANA and robbed of millions upon millions of dollars," said U.S. Attorney Peter M. McCoy Jr. "I am hopeful that along with the criminal charges brought forward by our office, this multimillion dollar civil fine and penalty shows that no person or organization is above the law."

Justin Jeffries, associate director of the SEC's Atlanta Regional Office, said, "The securities laws require public companies and their senior executives to speak truthfully in their statements to investors. This settlement holds SCANA and SCE&G accountable for their alleged fraud and reinforces that companies must not deceive investors.""

Former SCANA officers are facing consequences. From The State article Nuclear fiasco: SCANA ex-CEO to plead guilty to fraud, get prison, pay $5 million:

“*Former SCANA CEO Kevin Marsh has agreed to plead guilty to federal conspiracy fraud charges, go to prison for at least 18 months and forfeit $5 million in connection with SCANA’s $10 billion nuclear fiasco, according to papers filed in the U.S. District Court in South Carolina.*

Marsh, 65, who now lives in North Carolina, helped lead a two-year cover-up, from 2016 to 2018, of the serious financial trouble that was jeopardizing the success of not only the ongoing Fairfield County nuclear project but also the troubled financial health of SCANA, according to records and evidence in the case.”

Please reconsider Dominion’s involvement with the MVP. Besides seven legal challenges and a request for an emergency stay from environmental groups, “Pomerantz LLP is investigating claims on behalf of investors of Equitrans Midstream Corporation … Equitrans disclosed that the Company's Mountain Valley Pipeline joint venture is under criminal investigation for possible violations of the Clean Water Act and other federal laws.”

If DENC is in need of securing additional gas for their consumers, it appears that entering into an agreement with Transco would be more beneficial for the ratepayers and offer better protection for shareholder values. I appreciated it when Dominion stopped throwing good money after bad when the ACP was canceled. Maybe the MVP partners will realize their project is not justifiable to shareholders like Dominion and Duke did with the ACP.

Thank you for your attention to this issue.

Sincerely,
Freeda Cathcart
Dominion Energy shareholder

cc
FERC
U.S. Senator Tim Kaine
U.S. Senator Mark Warner
U.S. Representative Morgan Griffith

Exhibit F
Board of Directors
Dominion Energy
Richmond, VA

Freeda Cathcart - SCANA shareholder
PII
[redacted]

December 5, 2018

Dear Chair William Barr, Ms. Helen Dragas, Adm. James Ellis, Mr. Thomas Farrell II, Mr. John Harris, Mr. Ronald Jibson, Mr. Mark Kington, Mr. Joseph Rigby, Dr. Pamela Royal, Mr. Robert Spilman Jr., Ms. Susan Story and Mr. Michael Szymanczyk

I respectfully request for you to commission a current analysis to determine if there is an economic necessity for the Atlantic Coast Pipeline. A current economic analysis would reveal how the impact of the rapid drop in cost of renewable energy would affect the demand for natural gas and if the ACP is needed as an additional transmission line.

The plans to build the ACP were made four years ago and the energy industry has changed significantly in recent years. SCANA shareholders and customers are still reeling over the abandoned V.C. Summer plant that left SCANA with $9 billion of stranded assets. Dominion shareholders and customers have valid concerns that the $6.5 billion ACP costs might continue to rise, especially since not all the necessary permits have been approved.

If the pipeline isn't completed then the shareholders will have the value of their shares decrease due to stranded assets. Another concern for shareholders is last week's report “Social Cost and Material Loss: The Dakota Access Pipeline,” concludes **the final cost of DAPL was nearly double the initial project cost. “The banks that financed DAPL incurred an additional $4.4 billion in costs in the form of account closures, not including costs related to representational damage.”**

Dominion Energy Virginia testified in front of the SCC that they have never studied the need for a new pipeline in Virginia. In 2014 when the ACP was proposed DEV had plans to build 2 large gas powered electric plants. Since then DEV has canceled their plans to build the plants and have announced they have no plans to build them in the future. Also four of the proposed six large gas powered electric plants planned in NC have also been canceled that would have been served by the ACP.

Dominion Energy has a responsibility to their shareholders to not proceed with incurring more construction costs for the ACP until they can establish an economic need for the project, all the necessary permits are in place and all the legal challenges have been resolved.

Respectfully submitted,
Freeda Cathcart

Exhibit G

SANFORD J. LEWIS, ATTORNEY

February 10, 2020
VIA e-mail: shareholderproposals@sec.gov

Office of Chief Counsel Division of Corporation
Finance U.S. Securities and Exchange
Commission 100 F Street, N. E.
Washington D.C. 20549
Via email: shareholderproposals@sec.gov

Re: Dominion Energy, Inc.'s December 30th Request to Exclude Shareholder Proposal of As You Sow regarding natural gas infrastructure asset stranding risk analysis.

Ladies and Gentlemen:

The Stewart Taggart & Rebecca W Taggart JT REV TR UAD 08/29/17 (the "Proponent") is beneficial owner of common stock of Dominion Energy, Inc.'s (the "Company"). As You Sow has submitted a shareholder proposal (the "Proposal") on behalf of the Proponent to the Company. This letter hereby responds to the letter dated December 30th, 2019 ("Company Letter") sent to the Securities and Exchange Commission by Katherine K. DeLuca, McGuireWoods LLP. In that letter, the Company contends that the Proposal may be excluded from the Company's 2020 proxy statement.

Based upon a review of the Proposal, the letter sent by the Company, and the relevant rules, the Proposal is not excludable and must be included in the Company's 2020 proxy materials under Rule 14a-8. A copy of this letter is being emailed concurrently to Katherine K. DeLuca, McGuireWoods LLP.

SUMMARY

The Proposal asks the Company to issue a report describing how it is responding to the risk of stranded assets of current and planned natural gas-based infrastructure and assets in the face of an intensifying global response to stabilizing climate change.

The Company asserts that it has largely implemented the Proposal by addressing its underlying concerns and satisfying its essential objective. Viewing the whereas clauses of the proposal, which summarize and critique existing Company disclosures, there are key items that investors would expect to see disclosed in response to this request:

• Sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target or aligning with Paris goals.

• An examination of the current efforts to build out gas infrastructure, **squaring costs and depreciation timelines against climate stability goals** and against **the existence of increasingly low cost, clean energy pathways**.

• Discussion of the company's renewable energy projects and initiatives to describe specifically how those efforts are calculated to prevent stranded assets.

The Company has noted the growing risk of climate-related asset stranding in various of its documents, but it has not adequately informed shareholders *if and how it is responding to this acknowledged and growing risk.* While the Company has issued reports on climate change, its main report contains a caveat that demonstrates that those disclosures stop precisely where the proposal begins: "The third-party analysis **does not take into account stranded costs related to potential early retirements of fossil generation**, which costs would further exacerbate the customer impact of the transition in either scenario." Similarly, other disclosures in the Company's 10K acknowledge the risk of stranded assets associated with accelerated action on climate change, but do not describe a strategy for addressing the risk.

The Company Letter also argues for exclusion on the basis of ordinary business, claiming the Proposal impermissibly delves into a complex area of the Company's day-to-day operations. To the contrary, the Proposal addresses the Company's response to the critical public policy issue of climate change, asking only that the Company provide information on its approach to mitigating climate risk for a substantial area of its business that is increasingly exposed to transition risks from climate action.

Climate change has long been recognized as a significant policy issue that transcends ordinary business, and proposals addressing specific climate risks to a company are not excludable as long as they do not micromanage. Asking the company to report on *how* it will mitigate stranded asset risks does not micromanage, and does not dictate how capital investment decisions must occur. Nor does it substitute shareholder judgment for management. Instead, it requests disclosure of information on Company practices describing how it is addressing this growing risk, including how resilient its assets will be to accelerated action on climate change.

The Proposal -- requesting details as to how the Company is responding to the impacts that climate action may have on the stranding of its natural gas assets is an appropriate and practical issue for investors to weigh in on, and of known concern to many investors. Therefore, the proposal does not micromanage and is not excludable on any of the grounds asserted pursuant to Rule 14a- 8(i)(7).

THE PROPOSAL

Whereas: The Intergovernmental Panel on Climate Change released a report finding that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming.[1]

The energy sector has a critical role to play in mitigating climate risk. Already, the sector is undergoing a rapid transition by moving away from coal, but growing reliance on natural gas creates ongoing risk. Natural gas is a major contributor to climate change due to combustion emissions and methane leaks.[37] [38] In 2018, gas contributed to an *increase* in power sector emissions,[39] jeopardizing chances of achieving reductions in line with the Paris Agreement's goal of keeping global warming below 1.5 degrees Celsius.

Building new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal.[40] While some low-carbon scenarios show gas use continuing, they rely on carbon removal technologies -- a risky assumption given the technology has not proven economic at scale.[41]

Demand response, energy efficiency, renewables plus storage, and electrification are all increasingly cost-effective means of serving energy needs while reducing fossil fuel use and climate impacts.[42] City governments, recognizing gas' climate impacts, are setting policies prohibiting gas hookups for new buildings in favor of safer, healthier electric buildings.[43] Furthermore, states, cities, and large consumers continue to set ambitious renewable energy targets, which utilities will need to supply or risk losing business.[44] Large tech companies recently banded together to express concern regarding Dominion's proposed gas heavy plan.[45]

While Dominion is to be commended for taking climate conscious steps, including setting a long term greenhouse gas target[46] [47] and actions to decrease methane leakage,[11] investors lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target[12] or aligning with Paris goals. The Company's disclosures indicate Dominion is continuing to build out expensive gas infrastructure[13,14] but is not sufficiently addressing how those costly assets and their depreciation timelines reconcile with climate stability goals or the existence of increasingly low cost, clean energy pathways.

Peer utilities, including NextEra[15] and Xcel,[16] have demonstrated alternatives to investing in new gas infrastructure by replacing coal assets with renewables and storage, creating win-win solutions. Shareholders

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37 https://www.ipcc.ch/2018/10/08/summary-for-policymakers-of-ipcc-special-report-on-global-warming-of-1-5c-approved-by-governments/

38 https://science.sciencemag.org/content/361/6398/186

39 https://www.nytimes.com/2019/01/08/climate/greenhouse-gas-emissions-increase.html

40 https://rmi.org/a-bridge-backward-the-risky-economics-of-new-natural-gas-infrastructure-in-the-united-states/

41 https://www.ipcc.ch/sr15/chapter/chapter-2/

42 https://www.utilitydive.com/news/renewables-storage-poised-to-undercut-natural-gas-prices-increase-strande/562674/

43 https://www.houstonchronide.com/business/energy/artide/Cities-target-gas-heaters-stoves-in-new-front-of-14537156.php

44 https://www.greentechmedia.com/articles/read/facebook-and-google-voluntary-renewables-deals-wont-dean-up-the-grid?utm_medium=email&utm_source=Daily&utm_campaign=GTMDaily

45 https://www.utilitydive.com/news/tech-giants-pressure-dominion-for-more-storage-renewables-less-gas-in-vir/554692/

46 https://s2.q4cdn.com/510812146/files/doc_presentations/2019/03/2019-03-25-DE-IR-investor-meeting-ESG-session_vF.pdf

47 https://www.asyousow.org/press-releases/dominion-methane-emissions-target

are concerned that Dominion Energy is lagging behind on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.

Resolved: Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

BACKGROUND

"We have been talking about, for the last few years, gas as the bridge . . . . There is an inevitability about bridges, which is that sooner or later you get to the end of the bridge."[17]

Current global scientific analysis indicates that natural gas production must decline in order to meet the goals of the Paris Agreement.[18] Peter Erickson, a senior scientist with the Stockholm Environment Institute and one of the UN Environmental Programme 2019 Report's authors, explains, "Globally, coal, oil and gas production all need to decline whether we're talking about a 2 degrees scenario or a 1.5 degree scenario.. ..So any [production] increase is without question going in the wrong direction and only increases this concept of a fossil fuel production gap."[19] *Natural gas 'position as the fossil fuel with the least emissions when burned*[48] [49] [50] [51] [52] [53] [54] [55] [56] *does not alter this result*[57] (emphasis added).

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[48] https://www.governor.virginia.gov/newsroom/all-releases/2019/september/headline-846745-en.html
[49] https://www.utilitydive.com/news/atlantic-coast-pipeline-delayed-to-2020-dominion-adds-1b-to-cost-estimate/547458/
[50] https://www.utilitydive.com/news/dominion-virginia-plan-for-15-gw-new-peaking-capacity-wiU-lead-to-more-ga/566809/
[51] https://www.greentechmedia.com/articles/read/nextera-inks-even-bigger-windsolarstorage-deal-with-oklahoma-cooperative
[52] https://www.utilitydive.com/news/lazard-renewables-can-challenge-existing-coal-plants-on-price/541965/
[53] Julia Pyper, "Where Does the Natural Gas 'Bridge' End?", GreenTech, January 27, 2020. https://www.greentechmedia.com/articles/read/natural-gas-bridge-nearing-end .
[54] As reflected in Intergovernmental Panel on Climate Change ("IPCC") research and the UN Environmental Programme 2019 Report, *The Production Gap.*
[55] Nathanial Gronewold, "Planned Fossil Fuel Extraction Would Blow Past Warming Limits" ,E&E News, Scientific American, November 22, 2019. https://www.scientificamerican.com/article/planned-fossil-fuel-extraction-would-blow-past-warming-limits/
[56] In a best case scenario, switching electricity generation from coal to natural gas only reduces carbon dioxide emissions by half, and methane leaks from the natural gas supply chain further contribute to natural gas' significant climate impact. Methane emissions across the U.S. supply chain have been found to be up to 60 percent higher than estimated by the Environmental Protection Agency (EPA), equivalent to 2.3 percent of U.S. gas production. See https://www.eia.gov/tools/faqs/faq.php?id=73&t=11; and https://science.sciencemag. org/content/361/6398/186
[57] The UNEP Report further explains that natural gas is no longer functioning as a "bridge" or "transition" fuel: "Over the past decade, some researchers — and many industry representatives — have suggested that natural gas could serve a valuable role as a "transition fuel." They argue that gas could replace more carbon-intensive coal and oil while lower-carbon technologies mature, and could help integrate more variable renewables into existing systems. Accordingly, some have seen natural gas as a potential "bridge" to a lower-carbon future.
However, **more recent studies have increasingly questioned the extent to which gas can play a bridging role**. **Research has found that increasing natural gas production, and the resulting decrease in gas prices, may instead lead to a net increase in global emissions and risk delaying the introduction of near-zero-emission energy systems.** This is due to three principal factors: methane leakage from natural gas systems is often

A December 2019 study by researchers at Stanford University found that natural gas use has grown so quickly that greenhouse gas emissions from natural gas over the past six years have surpassed the decline in emissions resulting from a reduced use of coal,[58] underscoring the need to end investment in natural gas infrastructure.

Regulators, as well as investment and economic analysts, are increasingly recognizing the need to sharply regulate and curtail carbon dioxide emissions from every sector. Since the 2015 Paris Climate Agreement, regulatory activity to tackle greenhouse gas emissions on the local, national, and international level has accelerated. Several governments have adopted policies to restrict fossil fuel production: the governments of Belize, Costa Rica, France, Denmark, and New Zealand have all enacted partial or total bans or moratoria on oil and gas exploration and extraction.[59]

In the U.S., ten states, Washington D.C., and Puerto Rico, have committed to 100 percent clean energy at or before 2050, including Virginia.[60] The Influential states of California and New York have instituted even greater ambitions to achieve net zero greenhouse gas emissions economy wide.[61] Significantly, cities are moving to restrict the use of natural gas for heating and cooking in buildings in favor of cleaner, electrification alternatives -- in California alone, 21 cities have passed legislation banning or disincentivizing gas infrastructure, with others likely to follow suit.[62] New York City[63] recently announced it will "stop any new infrastructure, such as power plant expansions, pipelines, or terminals that expands the supply of fossil fuels,"[64] including natural gas.

Natural Gas Infrastructure and Dominion

To be successful in avoiding catastrophic climate change, the consensus of climate experts is that gas production, like oil and coal production, must phase down over the next several decades. Thus, companies must begin planning for structural change, a process which requires long planning horizons and implementation timelines. Many utility companies are demonstrating such planning by announcing policies to reduce their climate footprints and instituting action to align with Paris goals, including by setting net zero by 2050 reduction targets for electricity generation and/or gas distribution, as well as by accelerating adoption of renewables paired with battery storage to replace coal.[65]

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significantly higher than estimated in inventories; lower prices and greater availability of natural gas stimulate higher overall energy use and emissions; and the rapid advance of renewable energy and battery technologies has decreased the need for a potential gas bridge. Thus, the continued rapid expansion of gas supplies and systems risks locking in a much higher gas trajectory than is consistent with a 1.5° C or 2° C future.[1]" (Emphasis added, internal citations omitted) The Production Gap: 2019 Report. UN Environmental Programme. Page 18, Box 2.2 Gas as transition fuel? https://wedocs.unep.org/bitstream/handle/20.500.11822/30822/PGR19.pdf?sequence=1&isAllowed=y

[58] R B Jackson, P Friedlingstein, R M Andrew, J G Canadell, C Le Quere, G P Peters, "Persistent fossil fuel growth threatens the Paris Agreement and planetary health", Environmental Research Letters, Vol. 14, Num. 12 (December 2019). https://iopscience.iop.org/article/10.1088/1748-9326/ab57b3

[59] The Production Gap: 2019 Report. UN Environmental Programme, p. 5. https://wedocs.unep.org/bitstream/handle/20.500.11822/30822/PGR19.pdf?sequence=1&isAllowed=y

[60] https://www.greentechmedia.com/articles/read/tracking-progress-on-100-clean-energy-targets

[61] https://www.ca.gov/archive/gov39/wp-content/uploads/2018/09/9.10.18-Executive-Order.pdf

[62] https://www.sierraclub.org/ready-for-100/commitments

[63] https://www.sierraclub.org/articles/2019/12/forward-looking-cities-lead-way-gas-free-future

[64] https://www1.nYc.gov/office-of-the-maYor/news/064-20/state-the-city-2020-maYor-de-blasio-blueprint-save-our-city#/0

[65] https://www.xcelenergy.com/carbon_free_2050, https://news.duke-energy.com/releases/duke-energy-aims-to-achieve-net-zero-carbon-emissions-by-2050, https://www.aps.com/en/About/Our-Company/Newsroom/Articles/APS-sets-course-for-100-percent-clean-energy-future

In the face of global climate change, a major strategic question faces every company that continues to deeply invest in greenhouse gas-emitting fuels: what are the risks to the company associated with remaining on a path of business and investment practices that are in opposition to established goals to dramatically reduce emissions? And how do companies plan to overcome those risks? Companies such as Dominion that operate in this quickly changing environment will either face disruption, or will undertake advanced planning that adequately addresses risks to investor capital.

Yet Dominion, one of the largest power and gas utility companies in the U.S. - with over 7 million customers split between electricity and gas distribution subsidiary businesses in 18 different states,[66] has failed to undertake and disclose this crucial planning. Headquartered in Virginia, a state whose governor has set a 100% carbon-free electricity target by 2050,[67] Dominion's gas-associated businesses include tens of thousands of miles of pipes, gathering, storage, and the development and production of gas reserves.[68] [69] [70] Dominion is a majority stakeholder in a large proposed natural gas pipeline project called the Atlantic Coast Pipeline (ACP). This controversial project has seen cost projections spiral from $5.1 billion to above $7 billion, major delays, considerable public opposition, and has been criticized as unnecessary.[33,34]
Additionally, Dominion is under direct pressure from some of its largest customers—big technology companies including Amazon, LinkedIn and Adobe with data centers in Virginia. These companies, which have set ambitious carbon reduction targets, have expressed disapproval of Dominion's level of natural gas investment and are pushing for the utility to provide more clean power.[71] Given Dominion's substantial operations in Virginia and other states, and given climate ambitions of both policy-makers and large corporate buyers, Dominion's natural gas investments face heightened risk of asset stranding.

Shareholders believe that failure to consider these risks - consideration that would include advanced planning and sufficient time to implement and guide the Company through an economy increasingly influenced by climate change - risks investor capital. This understanding of climate risk is being echoed in the uppermost echelons of finance. In a letter issued on January 14, 2020 by Larry Fink, CEO of BlackRock -- the world's largest asset manager with over $7 trillion in assets under management -- the asset manager states that "climate change has become a defining factor in companies' long-term prospects."[72]

To date, the Company has not sufficiently addressed the long term risks to its investments in natural gas infrastructure. The current Proposal offers shareholders the opportunity to understand and weigh in on this critical matter.

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[66] https://investors.dominionenergy. com/home/default.aspx
[67] https://www.governor.virginia.gov/newsroom/all-releases/2019/september/headline-846745-en.html
[68] https://www.dominionenergy.com/company/moving-energy#
[69] https://ieefa.org/wp-content/uploads/2019/01/Atlantic-Coast-Pipeline_January-2019.pdf
[70] https://thehin.com/policy/energy-environment/477199-atlantic-coast-pipeline-loses-permit-battle-with-historically-black
[71] https://www.utilitydive.com/news/tech-giants-pressure-dominion-for-more-storage-renewables-less-gas-in-vir/554692/
[72] https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter

ANALYSIS

I. The Proposal is not excludable under Rule 14a-8(i)(10) - The Company's disclosures <u>do not substantially implement the Proposal</u>.

a. Information provided by Dominion does not satisfy the "essential objective " of the proposal.

For a Company to meet its burden of proving substantial implementation pursuant to Rule 14a- 8(i)(10), the actions in question must compare favorably with the guidelines and essential purpose of the Proposal.

The resolved clause of the Proposal asks the Company to describe how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

What would investors who vote in favor of this proposal expect to be included in company disclosures? Reading through the proposal in its entirety, it is apparent as to what would constitute, and *not* constitute, substantial implementation.
In the whereas clauses, the first through third paragraphs provide background on the urgency of carbon reduction, and set the table for discussion of stranded assets, including a discussion at the end of the fourth paragraph that tech companies who are large Dominion customers but are seeking to align with global climate goals are vocally expressing their concerns about the Company's gas heavy plan.

The fifth and sixth paragraphs then set forth the Proposal's specific critique of Dominion disclosures and activities, on the one hand commending the company for setting a long-term greenhouse gas target and taking action to decrease methane leakage but noting the surfeit of information needed for investors to be able to "understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target or aligning with Paris goals."

Further, the sixth paragraph notes that from the Company's existing disclosures, Dominion is continuing to build out expensive gas infrastructure but is not sufficiently addressing how those costly assets and their depreciation timelines reconcile with climate stability goals or the existence of increasingly low cost, clean energy pathways.

The seventh paragraph describes how peers are going further than the Company to address the underlying concern of potential stranded assets, and then highlights the specific concern for investors, the degree to which the company is exposing itself to climate-related risks by investing in significant gas holdings that may become stranded.

This background thus informs the essential purpose and assessment of whether a disclosure would be responsive to the proposal. Contrary to the Company Letter, disclosures such as the Company's that talk about what it is doing to "position" and sustain its growth of natural gas infrastructure and diversifying to some degree into alternative energy sources do not satisfy the Proposal.

Specifically, based on the fifth and sixth paragraphs of the whereas clauses one would expect implementing disclosures would include:

- Sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with Virginia's carbon free by 2050 target or aligning with Paris goals.

- An examination of the current efforts to build out gas infrastructure, **squaring costs and depreciation timelines against climate stability goals** and against **the existence of increasingly low cost, clean energy pathways**.

- Discussion of the company's renewable energy projects and initiatives to describe specifically how they are actually going to substantially prevent stranded assets.

It is clear that the Company has not made such disclosures, and therefore the proposal is not excludable pursuant to R

a. ***The Company Letter mischaracterizes the goal of the proposal and points to disclosures that, while recognizing the existence of related concerns, leave the Proposal's core concerns unaddressed.***

The Company does not provide the disclosures requested in the Proposal. Instead, it argues that, collectively, its 2018 Annual Report, 2018 Sustainability & Corporate Responsibility Report, 2018 Climate Report, 2019 Methane Emissions Reduction Report, and the presentation from the Dominion Energy Investor Day ESG Session "substantially implement the goals of the proposal."[73] It bases its argument on its own re-characterization of the Proposal.

The Company Letter on page 4 states that:

> Taken in its entirety, the goal of the Proposal is to have the Company describe how it is **positioning its planned natural gas infrastructure and assets to avoid their becoming obsolete or underutilized in an era of increased concern about climate change** specifically in light of the standards set forth in the Paris Agreement and an executive order signed by the Governor of the Commonwealth of Virginia (the 'Executive Order'). [Emphasis added].

Interpreting the proposal as a request to describe the Company's "positioning" to prevent obsolete infrastructure is an important sleight of hand that allows the Company to claim it has fulfilled this recast

[73] Dominion No Action Letter

version of the proposal purpose. This becomes a critical concern because the *Company* S *existing disclosures do not* address the identified **gaps in disclosure** described in the proposal's whereas clauses. Instead, the Company tries to convert the essential purpose of the proposal to a more general "positioning" discussion. If the Company has indeed positioned itself to avoid the climate-related risks of stranded assets, shareholders would like to understand how it has done so. This is the purpose of the Proposal.

The table in the Company Letter purports to demonstrate substantial implementation, pointing to the 2018 Dominion Climate Change report, pages 12 - 13, 15-16 and the 2018 annual report risk factors pages 31 to 32, which it claims constitute its disclosure of "potential financial risks to its gas assets and infrastructure as a result of possible emission reduction standards." As discussed, this report does not address how the Company is ***responding*** to the risk of stranded assets. In fact, when you turn to the Climate Change report, one discovers buried on page 13 the important caveat discussed above which goes directly to the heart of the current Proposal's request:

> One important caveat: **The third-party analysis does not take into account stranded costs related to potential early retirements of fossil generation**, which costs would

further exacerbate the customer impact of the transition in either scenario. [Emphasis added].

Again on page 15-16 of the Climate Change Report, the company acknowledges the risk of stranded assets without providing the disclosures that go to the heart of the Proposal. Reading this statement in context it is congruent with the above noted failure to consider the increased early-retirement requirements. The Company outlines the risks:

> Natural gas- fired units could see their capacity factor fall from a peak of over 80 percent by the mid-2030s to 40 or 50 percent by 2050 for the most efficient combined-cycle plants. This possibility follows from the expansion of renewable energy, which could lead natural gas-fired generation to become a balancing energy source to backstop them, rather than a source of baseload generation.
>
> There is also a broader risk that governmental efforts to mitigate climate change or its effects could outstrip the company's own efforts, obliging it to close productive facilities before the end of their useful life or adopt expensive new technology such as carbon capture and sequestration.

But the Report does not describe to shareholders how it is fully addressing these risks.

Finally, the company's 10K further recognizes the type of risk for which the proposal seeks better disclosure:

> *Climate Change*
> In December 2015, the Paris Agreement was formally adopted under the United Nations Framework Convention on Climate Change. A key element of the initial U.S. commitment to the agreement was the implementation of the Clean Power Plan, which the EPA has proposed to repeal. In June 2017, the Administration announced that the U.S. intends to file to withdraw from the Paris Agreement in 2019. **Several states, including Virginia, subsequently announced a commitment to achieving the carbon reduction goals of the Paris Agreement.** It is not possible at this time to predict the timing and impact of this withdrawal, or how any legal requirements in the U.S. at the federal, state or local levels pursuant to the Paris Agreement could impact the Companies' customers or the business. [Emphasis added].

Each of these disclosures demonstrate quite the opposite of substantial implementation of the proposal. They demonstrate that the Company may indeed face exposure to the carbon reduction goals of the Paris agreement in its home territory, which could lead to the early retirement of fossil generation units, and therefore the types of risks for which the proposal is asking for additional disclosure. Yet, the Company does not list the assets at risk or what it proposes to do to limit that risk.

a. The Company's disclosures regarding its various sustainability efforts and projects are not responsive to the Proposal's inquiry regarding Company response to the risk of stranded natural gas assets. Disclosures demonstrate a continued expansion of natural gas assets, despite growing risks.

The Company's letter states it has "commitments and initiatives to promote sustainability and the ongoing utilization of its natural gas investments and how it is aligning its business with the goal of the Paris Agreement." Such a statement does not explain how "utilization of gas investments" reconciles with aligning its business with the goal of the Paris Agreement. While natural gas may result in fewer carbon emissions than coal when burned, it has a significant climate impact[38] and was in fact deemed a significant factor as to why U.S. emissions in the power sector rose in 2018.[39] Natural gas may have a short-term role to play in smoothing integration of clean energy resources; however, clean energy and legislation trends indicate that early retirement is increasingly likely to occur ahead of the decades-long planned life of such assets. Investors lack information about how the climate impacts of Dominion's assets reconcile with climate goals over the planned depreciation timeline of those assets.

The Company claims that it has provided "disclosures regarding how it is aligning its business with the goals of the Paris Agreement and how it has used the Agreement's two degree framework to guide its analysis." The cited information, however, does not provide the requested information. Specifically, the 2018 Climate Report caveat that: **"The third-party analysis does not take into account stranded costs related to potential early retirements of fossil generation, which costs would further exacerbate the customer impact of the transition in either scenario.**"[40]

Furthermore, while Dominion has analyzed scenarios including one where the company's *electric generation emissions* are reduced 80% by 2050, the Proposal is asking the Company to describe how it is addressing the concern that *gas assets companywide* could be stranded if demand is reduced due to market and political responses to climate change accelerating to achieve Paris-aligned **net-zero targets**.

Dominion has yet to answer this concern. Already legislation and pledges disruptive to its gas infrastructure are unfolding in areas where Dominion has significant business such as Virginia.[41] Dominion has not set long-term targets for its businesses outside of electricity generation nor has it otherwise explained how it is addressing risk to all gas assets. Dominion's gas distribution business is sizeable, with millions of customers and thousands of miles of pipelines that require continued investment and management.

The Company argues that its Sustainability Report has provided "extensive disclosures" about [74] [75] [76] [77] investments it is making to "modernize and improve" its natural gas system to "support ongoing utilization." Specifically, it details how it has plans to invest $450 million over two years to "expand its natural gas transmission and distribution network." However, given the greenhouse- gas emitting nature of natural gas, these disclosures describing expansion of natural gas assets do not answer the question of how the Company is preparing for asset stranding risk to its natural gas infrastructure.

Although the climate impacts of natural gas are lower than other fossil fuels, this does not explain how the company will address the potential that natural gas infrastructure will also become stranded as the world pursues Paris-aligned, zero carbon energy solutions. The Company states that there is opportunity "of replacing

[74] https://www.cnbc.com/2019/10/01/methane-is-achilles-heel-of-fracking-and-the-booming-us-gas-industry.html
[75] https://rhg.com/research/preliminary-us-emissions-estimates-for-2018/
[76] https://www.dominionenergy.com/library/domcom/media/community/environment/reports-performance/2018-dominion-energy-climate-report.pdf?modified=20190524164236
[77] https://www.governor.virginia.gov/newsroom/all-releases/2019/september/headline-846745-en.html

certain homeowners' use of heating oil with natural gas as a more sustainable heating option," but this again necessitates an increasing buildout of natural gas infrastructure and ignores alternative heating options like electrification. This comes at a moment when states and localities are enacting legislation and incentivizing electrification instead of gas as a means to decarbonize buildings.[78] Economical clean-technology solutions exist,[79] and gas distribution system costs are rising fast.[80]

Dominion further refers to the fact that it is regulated and has long-term agreements in place. However, the Company's forecasts for gas demand have been criticized for being too high and lacking in justification, and local regulatory commissions may increasingly scrutinize and reject Dominion's gas assumptions as they have begun to do.[81] Furthermore, contract terms and lengths may be insufficient to assure demand, especially as large corporate clients and local governments set increasingly ambitious greenhouse gas reduction targets that must be achieved; given the growing move to address climate change, demand is likely to decline before assets reach their expected depreciation timelines.

The Proposal seeks transparency regarding these risks and how the Company is responding to the Paris Agreement and state and national policy trends. In order to decarbonize in line with Paris goals and policy demands, clear planning is needed now, particularly to address the role that natural gas -- as a greenhouse gas-emitting fuel - will have in this transition as it competes with economic and clean alternatives.

The Company does state that it is "increasing investments in carbon-free generation" while arguing that "natural gas generation is still indispensable to backstop intermittent renewable resources." Arguing that there is a short-term need for some natural gas to smooth out intermittent resources does not address the Proposal's request for transparency on long-term natural gas asset stranding over the lifespan of those proposed assets. Furthermore, while the Company claims natural gas is 'indispensable' to support renewable resources, the Company's current and proposed renewable generation levels are comparatively low (it currently has only 4% of its energy mix coming from renewable sources compared to 37% from natural gas), seemingly putting this justification into question.[82] Limited reliability concerns could also be met with clean alternatives, a potential direction that could reduce investing in more strandable assets.

The Company also points to how it is "modernizing and promoting sustainability within its natural gas business line" through reducing methane emissions by implementing best practices, investing in resiliency, and using modular liquified natural gas (LNG) and renewable natural gas (RNG) to reduce end users' carbon footprints. While such steps can indeed be important in the short term to minimize impacts and risks, this response by the Company is appears, on its face, insufficient since it details no meaningful assessment of how these actions help protect the natural gas assets from being stranded. Dominion provides no context for how such practices compare or reconcile with the long term need to achieve reductions in line with climate goals. Furthermore, marginal actions to improve the emissions profile of assets do not protect assets from early retirement.

Similarly, the Company's argument for the use of RNG as a means of containing its risk from asset stranding

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78 https://www.sierraclub.org/articles/2019/12/forward-looking-cities-lead-way-gas-free-future
79 https://rmi.org/insight/the-economics-of-electritVing-buildings/
80 https://rmi.org/insight/the-impact-of-fossil-fuels-in-buildings/
81 https://www.utilitydive.com/news/in-first-virginia-regulators-reiect-dominion-integrated-resource-plan/543988/
82 https://www.dominionenergy.com/library/domcom/media/community/environment/reports-performance/2018-dominion-energv-climate-report.pdf?modified=20190524164236, p.13

has multiple shortcomings. Research shows that some RNG processes involving sources such as farm waste and landfills can be beneficial to the climate, especially in harder to decarbonize sectors such as industry and transportation.[83] However, use of RNG for distribution applications for rate-paying customers or for electricity generation may not prove cost-effective or achieve the long-term climate targets sought locally and globally.[84] Dominion has not shown or described whether and how RNG is scalable and cost effective enough to avoid stranding of its natural gas infrastructure, or to what degree it might be.

A full analysis of the risk of replacement by economic, carbon-free technology and an analysis of legislation explicitly geared toward reducing greenhouse gas emissions in line with global goals as described in the Paris Agreement is necessary to understand how gas assets could be affected. Quantification and disclosure of how the above actions might reduce future stranding is also needed. Investors seek to understand the Company's analysis and decision-making regarding the risks and opportunities that a low-carbon future holds for the business.

Dominion's allusion to its "aggressive" 2030 and 2050 emissions targets (which are limited to Dominion's electricity generation emissions, not its gas distribution) and how these timeframes are "envisioned by both the Executive Order and the Paris Agreement" falls shorts and in fact undermines itself. The Paris Agreement and Executive Order indeed focus on similar timeframes, but require substantially more emissions reductions than committed to by the Company. The Paris Agreement requires net-zero emissions economy-wide by 2050 and the Executive Order requires 100% carbon-free electricity by 2050 - both of which would present immense existential risk for Dominion's natural gas investments. The Company's 50% methane intensity target by 2030 is similarly insufficient, especially as intensity targets still allow absolute emissions to grow as operations expand. As described, the Company's public disclosures do not in fact provide the Company's "investors with more than sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 or aligning with the Paris goals." Available disclosures indicate that it has not sufficiently planned for disruption of natural gas investments and has emissions targets that do not apply to all assets nor align with the Paris Agreement or Virginian legislative pledges.

In sum, while the Company argues that "it does not believe that the report requested by the Proponent would add any meaningful and additional disclosures to the information already publicly available," such a report would in fact significantly help the Company's investors to understand whether the Company is sufficiently addressing the core concern of the Proposal. The Proposal asks for a report on Company-level risk regarding natural gas assets and the strategic response to that risk in an evolving global and national economy where climate change is playing an increasingly pivotal role. While Dominion touches upon the subject of climate change and natural gas in a broad sense in its response to the Proposal, the Company's response and solutions do not address the "essential objective" of the Proposal - a report "describing how it is responding to the risk of stranded assets of current and planned natural gas-based infrastructure and assets."

Put simply, shareholders lack critical information on how depreciation timelines and carbon emissions for Dominion's gas assets reconcile with medium and long-term climate goals, and how Dominion could respond to a scenario in which demand for natural gas is dramatically limited by additional climate actions and new

[83] https://energynews.us/2019/02/14/west/analysis-why-utilities-arent-doing-more-with-renewable-natural-gas/
[84] https://ww2.energy.ca.gov/2019publications/CEC-500-2019-055/CEC-500-2019-055-D.pdf■ p.iii, p.1, p.4

technologies.

d SEC Precedents do not support exclusion of the present proposal as substantially implemented.

The Company notes that at times the Staff has found the company to have engaged in substantial implementation of proposals including a proposal on coal ash management in *Dominion Resources, Inc.* (Feb. 19, 2015), plans for wind turbines in *Dominion Resources, Inc.* (Feb. 5, 2013), and on increasing energy efficiency in *Dominion Resources, Inc.* (Jan. 24, 2013). But, in each of those instances, the disclosures that had already been mandated by regulators fulfilled the essential purpose of the proposal. This is not the case in the present instance.

The Company Letter neglects to highlight the many instances in which the Company pursued a claim of substantial implementation on proposals similar to the present one, and the Staff denied no action relief. For instance, in 2014, a proposal requested that the company issue a report describing the financial risks to the company posed by climate change. At that time, similar to the present instance, the Company pointed to its numerous publications on climate change, but had not made disclosures on the financial risks, as requested in the proposal "describing the financial risks to Dominion Resources posed by climate change and resulting impacts on share value, specifically including the impact of more frequent and more intense storms, as well as any actions
the Board plans to address these risks." *Dominion Resources* (February 10, 2014). In 2016 the Company sought to exclude a proposal on substantial implementation requesting that a committee of the Board of Directors oversee a study of the potential future threats and opportunities presented by climate change driven technology changes in the electric utility industry. Again the staff was unable to concur that the Company had substantially implemented the request.
Dominion Resources Inc. (February 16, 2016).

The pattern repeats itself in the current 2020 proposal: when the Company is asked to disclose financial risks, its disclosures tend to fall short.

- ***PNM Resources: A Stranded Asset Proposal Cited by the Company Supports Proponent's Position that Dominion's Various Reports Do Not Compare Favorably with the Proposal***

The Company cites prior Staff decisions finding substantial implementation at a series of energy companies. Those cases are inapposite here. Most notably, the company cites *PNM Resources, Inc.*
(avail. Mar. 30, 2018), where a proposal requested that PNM "prepare a public report identifying all generation assets that might become stranded due to global climate change within the next fifteen years, quantifying low, medium, and high financial risk associated with each asset." At issue in PNM was coal, rather than natural gas, but the focus on stranded assets was similar to the current proposal. As the Company Letter notes, the Staff agreed that various company public disclosures made available on its sustainability website "compare[d] favorably with the guidelines of the Proposal" despite being in a different format than contemplated by the Proposal." While the PNM disclosures were similar to the Company's in describing elements of its transition plan, contrary to the case here, the

report directly responded to the issue of stranded assets:

> The Generation Portfolio Report details information regarding PNM's generation portfolio, and **includes a discussion about the manner in which a generation asset may be deemed to be a stranded asset in light of the regulatory and other factors that impact such a determination**. **The Generation Portfolio Report also includes, for each generation facility, the fuel type and book value associated with such generation asset.** The Company notes that because the Generation Portfolio Report identifies all owned generation assets, such document provides even more information than the guidelines of the Proposal. [emphasis added]

No such claim can be made in the present instance. Dominion's various reports do not include a discussion of stranded assets, nor does it provide data or analysis of the specific value at risk of its assets, as was done in PNM. To the contrary existing disclosures verify that the risk is plausible, and then the Company declines to provide discussion of assets that could be at risk.

- ***Other Recent Decisions Show that General Statements about an Issue Area Are Insufficient to Demonstrate Substantial Compliance with a Proponent's Specific Request***

Review of other recent energy sector decisions in which a claim of substantial implementation was denied demonstrates similarities to the present instance. In *Exelon Corporation* (March 12, 2019), shareholders requested that the company publish an annual report of "actually incurred Company costs and associated actual/significant benefits accruing to shareholders, public health and the environment from the Company's environment-related activities that are voluntary and exceed federal/state regulatory requirements." Existing company disclosures demonstrated that the company had voluntarily reduced greenhouse gas emissions, had long-term greenhouse gas reduction goals, had divested from coal and invested in nuclear, wind, solar and hydro-generating capacity. Importantly, the company's Corporate Sustainability Report also detailed how the company's utilities:

> "had invested almost $5.3 billion in 2017 in electric transmission, electric distribution and gas distribution systems, which had brought about a wide range of system and customer benefits, such as providing enhanced information to help identify and respond to power outages and better monitor circuit voltage, saving customers money and avoiding excess greenhouse gas emissions. These investments helped customers save over 19.2 million megawatt-hours, which equates to almost 8.7 million metric tons of CO_2 emissions avoided."

The proponent argued that the company's disclosures did not present the type of *assessment* requested in the proposal. Staff agreed. The disclosures, including reporting via the Carbon Disclosure Project and other certification agencies, was not deemed sufficient to substantially implement the proposal's request for assessment of costs and benefits accruing to shareholders. Accordingly, the Staff did not permit exclusion on the basis of Rule 14a-8(i)(10).

An identical proposal was brought in *Duke Energy Corporation* (March 12, 2019). There, Duke, like *Exelon,* argued that the proposal had been substantially implemented because the company discussed costs and benefits in its annual Sustainability Report, in its 2017 Climate Report[1] and, most significantly, in the Integrated Resource Plans (IRPs) publicly filed by its utility subsidiaries. Duke added that the company's IRPs included detailed cost analyses and assumptions used in scenario planning, which addressed the proposal's inquiries relative to costs. As with Exelon, the staff denied exclusion on the basis of Rule 14a-8(i)(10).

In *Exxon Mobil* (April 2, 2019), Staff similarly did not agree that similar or generally related actions were adequate to address the Proponent's specific request. In that case, the company sought exclusion, on the basis of Rule 14a-8(i)(10), of a proposal requesting that the board charter a new board committee on climate change. The company argued that an existing board committee, the Public Issues and Contributions Committee ("PICC"), already addressed the objective of the Proposal to have independent board members directly responsible for review and oversight of climate strategy and the impact of climate change. The company explained that it considered climate-related matters to already be integrated into multiple aspects of the Company's business and board oversight responsibilities and that 'climate change' need not be treated as a "discrete specialty topic to be separately addressed [by a unique committee]." The company further argued that it already had a "focused board committee on climate change," and therefore had substantially implemented the Proposal. The proponents countered that establishing the committee would clarify the fiduciary duties of committee members, and further that the existing committee structure and agenda left little room for focus on climate change, and thus did not satisfy the proposals request for a focused committee, in which climate change would be the sole priority. The Staff concurred with the proponents, declining to find exclusion on the basis of Rule 14a-8(i)(10).
Another Exxon proposal requested assessment of public health risks related to the company's expanding petrochemical operations and investments in areas increasingly prone to climate change-induced storms, flooding, and sea level rise. *Exxon Mobil Corporation* (March 28, 2019). The company argued that existing reporting in its 2018 Energy & Carbon Summary ("ECS"), its Sustainability Report, the company's Form 10-K and other material made available by the Company on its website, substantially implemented the essential objective of the proposal.

The proponents argued in response that the company's safety-related and other disclosures described in the company letter did not meet the objectives of the Proposal.

> "Reported actions do not appear to have prevented the Company's facilities from harming or endangering nearby communities. In fact, community risk appears to be increasing. Since the impacts of climate change are escalating, Exxon Mobil Corporation has a clear responsibility to shareholders to account for whether and how it might improve measures to mitigate public health consequences from chemical releases during extreme weather events. Disclosures provided to date have yet to satisfy this Proposal."

Thus, in spite of extensive disclosure on related topics, the company's actions failed to substantially implement the proposal. The Staff did not concur with the company's request for exclusion on the basis of Rule 14a-8(i)(10).

The same type of failure to meet the essential purpose and guidelines of the proposal has resulted in a lack of substantial implementation in many proposals outside the energy sector. In one recent example, *PepsiCo, Inc.* (March 8, 2019), shareholders requested that the Company disclose quantitative metrics demonstrating measurable progress toward the reduction of synthetic chemical pesticide use in the Company's supply chain. The proposal's supporting statement suggested that disclosure include information on the percentage of supply chain use of pesticides in supply-chain crops, an assessment of the operational and reputational risks posed to the Company by use of pesticides in its supply chain, and metrics demonstrating success in increasing the portion of supply chain crops grown with integrated pest management practices.

The Company argued that it had substantially implemented the proposal because it had already reported metrics on increased uptake of integrated pest management. Proponents replied that this disclosure did not satisfy the proposal's core request for quantitative indicators correlating with reducing pesticide use. Nor had the Company published an assessment of related operational and reputational risks. Accordingly, the Proposal was not considered substantially implemented by the Staff, and not excludable under Rule 14a-8(i)(10).

As demonstrated by these precedents, a request for a report on stranded assets is not fulfilled by disclosing some information that is generally relevant to the request, nor is it adequate that some related information may be obtainable in a variety of publicly available sources if shareholders were to undertake a research project and attempt to correlate that research with the company's resources, plans, costs, operations, etc. Access to partial information in scattered locations does not fulfill the request for a Company report assessing the potential that its current and future natural gas infrastructure may become stranded, and what the Company's likely business response to such vulnerability may be. Only the Company can offer an adequate assessment to shareholders, as requested by the Proposal.

II. <u>The Proposal is not excludable under Rule 14a-8(i)(7)</u>

The Company Letter also asserts that the proposal is excludable as relating to ordinary business matters pursuant to Rule 14a-8(i)(7). However, here the proposal is not excludable under rule 14a-8(i)(7) because it exclusively addresses matters related to the significant policy issue of climate change and does not micromanage.

The proposal addresses a significant policy issue that is not too complex for shareholder oversight

The Proposal is not excludable under Rule 14a-8(i)(7) because it directly and solely focuses on a significant policy issue facing the Company and the economy: climate change. The proposal focuses on an essential aspect of this issue for shareholders - whether the Company is addressing the risk of asset stranding for investments in greenhouse gas-emitting natural gas as global and state responses to climate change accelerate.

It is well settled in Staff determinations that proposals addressing the subject matter of climate change fall within a significant policy issue that transcends ordinary business. Numerous prior Staff decisions at energy companies have made it clear that the kind of analysis sought in the Proposal is appropriate and not excludable based on the doctrine of micromanagement. The Staff has previously concluded that a wide array of shareholder interventions at energy companies, asking them to explain their alignment with global climate goals, are not excludable as ordinary business or as micromanaging.

As the prior Staff decisions demonstrate, matters related to how a company is addressing the risk of stranded assets and other items of similar complexity are not too complex for shareholder consideration. At *Hess Corporation* (February 29, 2016) the proposal requested that the company prepare and publish a report disclosing the financial risks to the company of stranded assets related to climate change and associated demand reductions. The Staff rejected arguments for exclusion under Rule 14a-8(i)(7). Many other proposals involving similar levels of complexity, including relating to planned investments and mix of energy sources were found by the staff to be not too complex for shareholder oversight. In *Chevron Corporation* (March 28, 2018) the Staff did not allow the Company to exclude under Rule 14a-8(i)(7) a proposal that requested a report describing how the Company could adapt its business model to align with a decarbonizing economy by altering its energy mix to substantially reduce dependence on fossil fuels, including options such as buying, or merging with, companies with assets or technologies in renewable energy, and/or internally expanding its own renewable energy portfolio, as a means to reduce societal greenhouse gas emissions and protect shareholder value. At *Spectra Energy Corp.* (February 21, 2013) the proposal requested that the board publish a report on how the company is measuring mitigating and disclosing methane emissions. *Exxon Mobil Corp.* (March 23, 2007)(proposal asking board to adopt quantitative goals to reduce GHG emissions from the company's products and operations not excludable as ordinary business); *Exxon Mobil Corp.* (March 12, 2007)(proposal asking board to adopt policy significantly increasing renewable energy sourcing globally not excludable as ordinary business). These decisions follow a wide array of other climate related decisions by the Staff, finding a significant policy issue and denying exclusion on climate proposals.[85]

The Company incorrectly characterizes the issues raised in the Proposal here as ordinary business and asserts that the request would impermissibly interfere with central matters involving the Company's complex day-to-day operations. This argument holds no water; the Staff has made the standard for evaluating the relationship between a "subject matter" such as climate change, and business matters very clear.[86] A proposal which is squarely focused on a significant policy issue, and for which there is a clear nexus to the Company, will not be found to be excludable under Rule 14a-8(i)(7).

Further, Staff Legal Bulletin 14H has made it clear that if a proposal addresses in its entirety a significant policy issue like climate change, it can certainly request information about "nitty- gritty" business matters that are directly related, *such as strategic financial and investment decisions, etc.* Indeed, any proposal addressing a complex policy issue like climate change necessarily must delve into such issues if it is to be meaningful to the company and its investors.

[85] See, e.g., *DTE Energy Company* (January 26, 2015), *J.B. Hunt Transport Services, Inc.* (January 12, 2015), *FirstEnergy Corp.* (March 4, 2015)(proposals not excludable as ordinary business because they focused on reducing GHG and did not seek to micromanage the company); *Dominion Resources* (February 27, 2014), *Devon Energy Corp.* (March 19, 2014), *PNC Financial Services Group, Inc.* (February 13, 2013), *Goldman Sachs Group, Inc.* (February 7, 2011)(proposals not excludable as ordinary business because they focused on significant policy issue of climate change); *NRG Inc.* (March 12, 2009)(proposal seeking carbon principles report not excludable as ordinary business); *General Electric Co.* (January 31, 2007)(proposal asking board to prepare a global warming report not excludable as ordinary business).

[86] *See,* Staff Legal Bulletin 14E, Oct. 27, 2009. "On a going-forward basis, rather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk. The fact that a proposal would require an evaluation of risk will not be dispositive of whether the proposal may be excluded under Rule 14a-8(i)(7). Instead, similar to the way in which we analyze proposals asking for the preparation of a report, the formation of a committee or the inclusion of disclosure in a Commission-prescribed document — where we look to the underlying subject matter of the report, committee or disclosure to determine whether the proposal relates to ordinary business — we will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company. In those cases in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company. Conversely, in those cases in which a proposal's underlying subject matter involves an ordinary business matter to the company, the proposal generally will be excludable under Rule 14a-8(i)(7). In determining whether the subject matter raises significant policy issues and has a sufficient nexus to the company, as described above, we will apply the same standards that we apply to other types of proposals under Rule 14a-8(i)(7)."

The proposal is not excludable as relating to products offered for sale by the company

The Company Letter goes on to assert that the Proposal relates to "products offered for sale by the Company," because it relates to the product/service mix to its customers. As demonstrated in ordinary business citations above, proposals on climate risk often delve into the product/service mix without being excludable. The present proposal delves into that mix far less than many prior proposals that asked about the impact of specific competing energy sources without being excludable as relating to "sale of a specific product." To cite a few examples: *Dominion Resources, Inc.* (February 27, 2014), where the Company asked for exclusion of a proposal seeking a report evaluating the environmental and climate change impacts of the company using biomass as a key renewable energy and climate mitigation strategy. *Chevron Corporation* (March 28, 2018) asking the company to explore how it could alter its energy mix in light of climate change, and *Entergy Corporation* (March 14, 2018) where the non-excludable proposal asked the company to prepare a report describing how the Company could adapt its enterprisewide business model to significantly increase deployment of distributed-scale non-carbon- emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.[87]

In contrast, the excluded examples cited by the Company involved very specific projects outside of the range of investor consideration, *J.P. Morgan Chase & Co.* (March 19, 2019) construction of a sea-based canal through the Tehuantepec isthmus of Mexico" or micromanagement of financial or other complex internal management decisions, e.g. (choice to purchase RECs) *Dominion Resources* (February 19, 2014).

The proposal is not overly prescriptive

The Company Letter attempts to read in "time bound targets" to claim that the proposal is too prescriptive. However, the request is stated a level of flexibility that does not lend itself to this interpretation. The resolve clause asks for a report from the company on "how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies." This is not overly prescriptive.

The focus of the Proposal is on the significant policy issue, not on ordinary business

The Company Letter also asserts that "even though the proposal touches upon a significant policy issue, its primary focus is ordinary business matters." To the contrary, the Proposal is entirely focused on the risk of stranded assets as the global response to climate change intensifies. As such, no aspect of the Proposal goes beyond the significant policy issue to address excludable ordinary business. It is not excludable on the basis of Rule 14a-8(i)(7).

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[87] See also *Exxon Mobil Corp.* (March 12, 2007) (adopt policy to increase percentage of renewables in generation portfolio); *PNC Financial Services Group, Inc.* (February 13, 2013) (proposal requesting report to shareholders assessing GHG emissions resulting from the Company's lending portfolio and its exposure to climate risk in its lending, investing and financing activities not excludable as ordinary business). *Pacific Gas and Electric Co.* (February 2, 1983) (proposal requesting establishment of a wind power advisory board to research and make recommendations regarding the development of wind power); *Kansas Gas and Electric Co.* (March 27, 1980) (proposal recommending significant capital investment in energy conservation in the use of alternative energy sources).

CONCLUSION

The Company has provided no basis for the conclusion that the Proposal is excludable from the 2020 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the company that it is denying the no action letter request.

Sincerely,

Sanford Lewis

Cc: Katherine K DeLuca
Danielle Fugere

McGUIREWOODS

December 30, 2019

VIA E-MAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance Office of Chief
Counsel 100 F. Street, N.E.
Washington, D.C. 20549

Re: Dominion Energy, Inc. - Exclusion of Shareholder Proposal Submitted by As You Sow Pursuant to Rule 14a-8

Ladies and Gentlemen:

On behalf of our client Dominion Energy, Inc., a Virginia corporation (the "Company" or "Dominion Energy"), we hereby respectfully request that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission" or "SEC") advise the Company that it will not recommend any enforcement action to the SEC if the Company omits from its proxy materials to be distributed in connection with its 2020 annual meeting of shareholders (the "Proxy Materials") a proposal (the "Proposal") and supporting statement submitted to the Company on November 20, 2019 by As You Sow ("As You Sow") on behalf of The Stewart W Taggart and Rebecca W Taggart Revocable Trust (together with As You Sow, the "Proponent") and the additional co-filers listed on Exhibit A. References to a "Rule" or to "Rules" in this letter refer to rules promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Commission no later than eighty (80) calendar days before the Company intends to file its definitive 2020 Proxy Materials with the Commission; and

- concurrently sent a copy of this correspondence to the Proponent.

The Company anticipates that its Proxy Materials will be available for mailing on or about March 19, 2020. We respectfully request that the Staff, to the extent possible, advise the Company with respect to the Proposal consistent with this timing.

The Company agrees to forward promptly to the Proponent any response from the Staff to this noaction request that the Staff transmits by e-mail or facsimile to the Company only.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D ("SLB 14D") provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the SEC or Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the SEC or the Staff with respect to the Proposal, a copy of that

correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to

Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The resolution portion of the Proposal reads as follows: “Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.”

The supporting statement states that “[b]uilding new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal.” It also points to certain peer utilities, stating that they have “demonstrated alternatives to investing in new gas infrastructure by replacing coal assets with renewables and storage,” while the Company is “increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.”

The Proposal also claims that investors “lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia’s 100% carbon-free by 2050 target or aligning with Paris goals.”

A copy of the Proposal and supporting statement, as well as the related correspondence regarding the share ownership of the Proponent, is attached to this letter as Exhibit B.

BASIS FOR EXCLUSION

The Company believes that the Proposal may be properly excluded from the Proxy Materials pursuant to:

- Rule 14a-8(i)(10) because the Proposal has been substantially implemented by the Company, which has addressed the subject matter of the Proposal in existing reports and public disclosures; and

- Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company’s ordinary business operations.

DISCUSSION

I. Rule 14a-8(i)(10) - The Proposal may be excluded because the Company has already substantially implemented the Proposal.

A. Background

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The SEC’s view of the purpose of this exclusion was stated with respect to the predecessor to Rule 14a-8(i)(10); the rule was “designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management.” SEC Release No. 34-12598 (July 7, 1976). To be excluded, the proposal does not need to be implemented in full or exactly as presented by the proponent. Instead, the standard for exclusion is substantial implementation. Exchange Act Release No. 40018 (May 21, 1998) (the “1998 Release”).

The Staff has stated that, in determining whether a shareholder proposal has been substantially implemented, it will consider if a company's particular policies, practices, and procedures "compare favorably with the guidelines of the proposal." See, e.g., *Oshkosh Corp.* (Nov. 4, 2016); *NetApp, Inc.* (June 10, 2015); and *Peabody Energy Corp.* (Feb. 25, 2014).

The Staff has permitted companies to exclude proposals from their proxy materials pursuant to Rule 14a-8(i)(10) where a company satisfied the essential objective of the proposal, even if the company did not take the exact action requested by the proponent or implement the proposal in every detail or if the company exercised discretion in determining how to implement the proposal. See, e.g., *Cisco Systems, Inc.* (Sept. 27, 2016); *Walgreen Co.* (Sept. 26, 2013); and *Johnson & Johnson* (Feb. 19, 2008). Further, when a company can demonstrate that it has already taken actions to address each element of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented." See, e.g., *WD- 40 Co.* (Sept. 27, 2016); *Oracle Corp.* (Aug. 11, 2016); *Exxon Mobil Corp.* (March 17, 2015); *Deere & Company* (Nov. 13, 2012); *Exxon Mobil Corp.* (March 23, 2009); *Exxon Mobil Corp.* (Jan. 24, 2001); and *The Gap, Inc.* (March 8, 1996).

Specific to Dominion Energy, the Staff has previously allowed the Company to exclude proposals calling for reports where it could show that it had already made similar public disclosures, even where those disclosures were not as readily accessible to investors as reports it posts to its website today. See *Dominion Resources, Inc.* (Feb. 19, 2015) (allowing the Company to exclude a proposal requesting a report on the Company's efforts to reduce environmental hazards associated with its coal ash disposal and storage operations because the Company already produced a publicly available Coal Ash Management Report that made similar disclosures to the proposal); *Dominion Resources, Inc.* (Feb. 5, 2013) (allowing the Company to exclude a proposal requesting a report on the Company's plans for deploying wind turbines for utility scale power generation off the Virginia and North Carolina coasts because the Company already made similar disclosures pursuant to state regulatory reporting requirements); and *Dominion Resources, Inc.* (Jan. 24, 2013) (allowing the Company to exclude a shareholder proposal seeking a report on increasing energy efficiency based on disclosures made in annual reports filed with state regulatory authorities).

More recently, in *PNMResources, Inc.* (March 30, 2018), the Staff allowed the company to exclude a proposal that requested a report identifying generation assets that may become stranded due to global climate change. In *Hess Corp.* (April 11, 2019), the Staff permitted the company to exclude a proposal requesting a report on how it could reduce its carbon footprint in alignment with greenhouse gas reductions necessary to achieve the Paris Agreement's goals. Similarly in *AutoZone Inc.* (Oct. 9, 2019), the Staff permitted the company to exclude a proposal calling for a sustainability report that was prepared in consideration of certain industry targets. And in *Exxon Mobil Corporation* (March 23, 2018), the company was allowed to exclude a proposal that requested a report "describing how the [c]ompany could adapt its business model to align with a decarbonizing economy by altering its energy mix." In each of *PNM Resources, Inc., Hess Corp., AutoZone Inc.* and *Exxon Mobil Corporation,* the Staff agreed the companies' existing public disclosures compared favorably with the guidelines of proposals submitted by stockholders.

B. The Company's existing disclosures in publicly available reports equate to substantial implementation of the Proposal.

As described above, the Proposal asks the Company to produce a report describing how it is responding to the risk of its planned natural gas-based infrastructure and assets becoming stranded due to global responses to climate change. Taken in its entirety, the goal of the Proposal is to have the Company describe how it is positioning its planned natural gas infrastructure and assets to avoid their becoming obsolete or underutilized in an era of increased concern about climate change, specifically in light of the standards set forth in the Paris Agreement and an executive order signed by the Governor of the Commonwealth of Virginia (the "Executive Order").[1]

The Company already makes extensive disclosures regarding its commitments and initiatives to promote sustainability and the ongoing utilization of its natural gas investments and how it is aligning its business with the goals of the Paris Agreement. In addition to the public disclosures included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (the "2018 Annual Report"), the Company has also published and made publicly available on its website its 2018 Sustainability & Corporate Responsibility Report (released October 10, 2019) (the "Sustainability Report")[88] [89], its 2018 Climate Report (released November 2018) (the "Climate Report")[90], its 2019 Methane Emissions Reduction Report (released May 2019) (the "Methane Report")[91] and the presentation from the Dominion Energy Investor Day ESG Session (on March 25, 2019) (the "Investor Day Presentation"[92], and collectively with the 2018 Annual Report, the Sustainability Report, the Climate Report and the Methane Report, the "Public Disclosures"), which reports and presentation substantially implement the goals of the Proposal.

As described in the table below, the Public Disclosures substantially implement the essential objective of the Proposal:

Description of How Dominion is Responding to Risk of Stranded Assets of Planned Natural Gas-Based Infrastructure and Assets	**Public Disclosures**
The Company discloses the potential financial risks to its gas assets and infrastructure as a result of possible emission reduction standards	• Climate Report, pages 12-13 • Climate Report, pages 15 - 16 • 2018 Annual Report, Risk Factors, pages 31-32
The Company is modernizing its existing natural gas infrastructure to increase its sustainability and to promote maximum utilization	• Sustainability Report, pages 91 - 95 • Sustainability Report, pages 101 - 103 • Sustainability Report, pages 145 - 150 • Sustainability Report, pages 157 - 158 • Climate Report, page 3 • Climate Report, page 19 • Methane Report, pages 17-20 • Investor Day Presentation, pages 24 - 25 • Investor Day Presentation, pages 30 - 32

[88] See Exec. Order No. 43 (2019), Office of the Governor of the Commonwealth of Virginia, "Expanding Access to Clean Energy and Growing the Clean Energy Jobs of the Future." Available at https://www.governor.vireinia.gov/media/governorvireiniagov/executive-actions/EO-43-Expanding-Access-to-Clean-Energv-and-Growing-the-Clean-Energy-Jobs-of-the-Future.pdf

[89] Available at https://sustainabilitv.dominionenergv.com/downloads/.

[90] Available at https://www.dominionenergv.com/librarv/domcom/media/communitv/environment/reports-performance/2018-dominion-energy-climate-report.pdf?modified=20190524164236.

[91] Available at https://www.dominionenergv.com/librarv/domcom/media/communitv/environment/reports-performance/2019-methane-emissions-reduction-report.pdf?modified=20190620155522. The Company will be posting an updated Methane Emissions Reduction Report on its website later this month with similar, updated disclosures as compared to the version of the report referenced herein.

[92] Available at https://s2.q4cdn.com/510812146/files/doc presentations/2019/03/2019-03-25-DE-IR-investor-meeting-ESG-session-vTCII.pdf.

On-going utilization of the Company's natural gas infrastructure is enhanced because it is generally regulated and also supported by long-term customer agreements	• 2018 Annual Report, Item 1. Business - General, page 8 • 2018 Annual Report, Item 1. Business - Operating Segments - Gas Infrastructure, pages 16-19
The Company is reducing emissions in the natural gas sector	• Sustainability Report, pages 119 - 122 • Methane Report (full report) • Investor Day Presentation, page 26
The Company continues to diversify its energy portfolio and to shift to a cleaner, greener generation mix	• Sustainability Report, pages 93 - 98 • Sustainability Report, pages 116 - 117 • Climate Report, pages 5-9
The Company's goals are aligning with the Paris Agreement	• Sustainability Report, page 116 • Climate Report, pages 12 - 14 • Investor Day Presentation, pages 23 - 26

For example, under the heading "Grid and Gas Transformation" in the Sustainability Report, the Company provides extensive disclosures about the investments the Company is making to modernize and improve its natural gas transmission system in order to support ongoing utilization. Specifically, the Sustainability Report discloses that the Company plans to invest up to $450 million over two years to expand its natural gas transmission and distribution network to "add flexibility and ensure maximum utilization of existing pipeline and storage infrastructure...." Furthermore, in the Climate Report under the heading "Grid Modernization," the Company describes how it plans to update its existing electric grid in order to accommodate the increased use of renewable energy sources.

In addition to describing how the Company is modernizing its existing natural gas infrastructure and assets as pressures to address climate change intensify, in the Climate Report, the Company also provides disclosures about how it is increasing its investments in carbon-free generation while at the same time recognizing that "natural gas units.. .are crucial to supporting renewable power sources such as solar and wind. [because] natural gas generation is still indispensable to backstop intermittent renewable resources. Supporting renewables, however, requires adequate natural gas infrastructure, most notably robust pipeline capacity.." The Climate Report details how the Company plans to leverage its existing natural gas assets to promote benefits in cleaner energy sources. Additionally, in the Sustainability Report under the heading "Clean Energy Diversity & Security/Natural Gas Diversity", the Company describes how it is working on new services to make its natural gas storage capacity even more flexible so that its "natural gas reserves, together with quick-start power generation, can act as a large-scale utility battery to provide reliable, on-demand power at any time," which "will allow more renewables to be added to the grid."

Also, under the heading "Sustainable Natural Gas" in the Sustainability Report, the Company discusses how it is modernizing and promoting sustainability within its natural gas business line. This includes discussions of how the Company will be reducing its methane emissions in this area over the next decade. Its three key areas of focus are (1) implementing best management practices and investing in new technology to reduce methane emissions by 50% in ten years; (2) investing in resiliency programs; and (3) using modular liquefied natural gas ("LNG") service and renewable natural gas ("RNG") processes to reduce the carbon footprint of end users. The Investor Day Presentation further notes that modernizing the Company's infrastructure across electric and natural gas operations to support additional renewable capacity is an important part of the Company's strategy to reduce both carbon intensity and carbon emissions. In addition to the investments described in the Sustainability Report, since its publication, the Company has announced an additional $700 million joint investment in carbon beneficial RNG projects.

Under the heading "Clean Energy Diversity & Security/Natural Gas Diversity" in the Sustainability Report, the Company also details how it continues to diversify its energy portfolio by employing a variety of energy sources, including renewable sources, with increasing investments in solar, wind, hydropower and storage. For example, the Company notes that it ranked fourth in the country among utility holding companies for ownership of solar facilities in 2018, and that it currently operates the world's largest rechargeable battery: a 3,003-megawatt pumped-storage power station in Bath County, Virginia.

In addition to specifically describing how the Company plans to ensure its natural gas assets are resilient and sustainable in a changing economy (and consistent with emissions reduction goals) and how it is continuing to diversify its energy mix, the Company also makes ample disclosures regarding how it is aligning its business with the goals of the Paris Agreement and how it has used the Agreement's "two degree" framework to guide its analysis. The Climate Report includes a scenario analysis conducted with the assistance of an independent consultant, which scenario analysis was created under a "two degree" framework set forth in the Paris Agreement. This analysis notes that to reach the Paris Agreement emission reduction targets, the Company will need to invest in large amounts of renewable generation, and also recognizes various opportunities for the Company's natural gas assets to support those targets, including "repurposing [of] our strong natural gas fleet as balancing units for the more intermittent renewable resources [such as solar and wind energy]." In addition, the Climate Report describes the business opportunity of replacing certain homeowners' use of heating oil with natural gas as a more sustainable heating option. As noted in the table above, the Climate Report also includes a discussion of potential risks to existing infrastructure and generation assets caused by emission reductions.

In the Investor Day Presentation, the Company provided disclosures regarding its emissions targets set in terms of the 2030 and 2050 timeframes envisioned by both the Executive Order and the Paris Agreement. The disclosures in the Investor Day Presentation make clear that the Company is setting aggressive targets for 2030 and 2050 across its various groups. The Investor Day Presentation, for instance, provides insight into the Company's strategy for reducing methane and carbon emissions, which strategy has already put the power generation assets in Virginia on the path to a 57% reduction in fossil steam capacity and an 83% increase in renewable build-outs, all of which has led to a 34% carbon reduction forecast since 2017.

The Public Disclosures, therefore, provide precisely the information requested by the Proponent. The Public Disclosures describe how the Company views it natural gas assets and infrastructure, how the Company is working to keep those assets and infrastructure modern, reliable, and sustainable to reduce the risk of obsolescence, and how the Company's and its end users' embrace of cleaner technology, in fact, goes hand-in-hand with its natural gas assets and infrastructure. Furthermore, the Public Disclosures take into account the timeframes specifically singled out by the Proponent in its supporting statement of the Proposal, which shows how the Company is aligning its goals with that of, for example, the Paris Agreement. In sum, the Public Disclosures provide the Company's investors with more than "sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target or aligning with Paris goals."

While the Company believes that the Public Disclosures meet the essential objectives of the Proposal, we do note that the Company need not take the exact action requested by a shareholder in order to be able to exclude the proposal under Rule 14a-8(i)(10); rather, the Company must substantially implement the shareholder proposal. As the Commission described in an earlier release noting the distinction between the prior rule:

> In the past, the staff has permitted the exclusion of proposals under Rule 14a-8(c)(10) [the predecessor to current Rule 14a-8(i)(10)] only in those cases where the action requested by the proposal has been fully effected. The Commission proposed an interpretive change to permit the omission of proposals that have been 'substantially implemented by the issuer.' While the new interpretive position will add

> more subjectivity to the application of the provision, the Commission has determined that the previous formalistic application of this provision defeated its purpose. Accordingly, the Commission is adopting the proposed interpretive change. Amendments to Rule 14a-8 Under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders, Exchange Act Release No. 34-20091 (Aug. 16, 1983).

The Company believes it has provided in the Public Disclosures (in addition to its numerous other public reports and disclosures, some of which have been filed with the Commission in periodic reports) appropriate disclosures to its investors regarding its evaluation of risks to, and the resiliency of, its natural gas assets, within the framework envisioned under the Paris Agreement. The Company devotes significant effort and expenditures to the production of its required and voluntary disclosures, and it does not believe that the report requested by Proponent would add any meaningful and additional disclosures to the information already publicly available. As the Commission has recognized, there is no need to present shareholders a Proposal regarding a matter on which the Company's management or Board of Directors ("Board") has already acted upon favorably.

Accordingly, because the Company has substantially implemented the Proposal, the Company may properly exclude the Proposal from the Proxy Materials pursuant to Rule 14a-8(i)(10).

II. Rule 14a-8(i)(7) - the Proposal may be excluded because it deals with matters relating to the Company's ordinary business operations.

Rule 14a-8(i)(7) permits a company to exclude from its proxy materials a shareholder proposal that relates to the company's "ordinary business operations." According to the SEC release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" refers to matters that are not necessarily "ordinary" in the common meaning of the word, but instead the term "is rooted in the corporate law concept of providing management with the flexibility in directing certain core matters involving the company's business and operations." (Exchange Act Release No. 34-40018 (May 21, 1998)) (the "<u>1998 Release</u>").

In Staff Legal Bulletin No. 14J (CF) (Oct. 23, 2018) ("<u>SLB 14J</u>"), the Staff provided additional insight into its analysis of ordinary business exclusion requests. SLB 14J describes the Commission's two central conditions underlying the ordinary business exception as relating to (i) the subject matter of the proposal and (ii) the degree to which the proposal seeks to micromanage. Under the subject matter prong, the Staff looks to whether a proposal relates to the company's ordinary business. Beyond that, even if the proposal involves a matter that might otherwise be thought to relate to a company's ordinary business, the Staff has declined to provide no action relief if the proposal involves an issue that transcends ordinary business matters, *i.e.,* a significant social policy issue. However, as is relevant here, under the second consideration, a proposal that attempts to micromanage the company is excludable even if it touches upon a significant social policy issue. "Unlike the first consideration, which looks to a proposal's subject matter, the second consideration looks only to the degree to which a proposal seeks to micromanage. Thus, a proposal that may not be excludable under the first consideration may be excludable under the second if it micromanages the company." (SLB 14J).

The Staff has also explained that presenting a proposal as a request for a report does not change the framework of the analysis under Rule 14a-8(i)(7):

> This framework also applies to proposals that call for a study or a report. For example, a proposal that seeks an intricately detailed study or report may be excluded on micromanagement grounds. Additionally, the staff would, consistent with Commission guidance, consider the underlying substance of the matters addressed by the study or report. Thus, for example, a proposal calling for a report may be excludable if the substance of the report relates to the imposition or assumption of

specific timeframes or methods for implementing complex policies. (SLB 14J)

In its most recent guidance on the topic, the Staff has stated that, in evaluating whether a shareholder proposal may be excluded under the micromanagement prong of Rule 14a-8(i)(7), the Staff will "look to whether the proposal seeks intricate detail or imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board." Staff Legal Bulletin No. 14K (CF) (Oct. 16, 2019) ("SLB 14K"). Thus, the micromanagement analysis focuses not on the subject matter of the proposal but upon the approach to that subject matter requested by the shareholder proponent.

The Staff also noted in SLB 14K that "if the method or strategy for implementing the action requested by the proposal is overly prescriptive, thereby potentially limiting the judgment and discretion of the board and management, the proposal may be viewed as micromanaging the company," and would, therefore, be excludable under Rule 14a-8(i)(7).

The Company believes the Proposal may be excluded under Rule 14a-8(i)(7) because it (a) seeks a report on matters of day-to-day operations that are too complex for direct shareholder oversight, (b) relates to the products offered for sale by the Company, (c) is overly prescriptive and thereby seeks to supplant the judgment of management and the Board, and (d) even though it touches upon a significant social policy issue, its primary focus is ordinary business matters.

A. The Proposal seeks a report on matters of day-to-day operations that are too complex for direct shareholder oversight.

The Proposal requests a report explaining the Company's response to the risk that its planned investments in natural gas infrastructure and assets may become stranded as the global response to climate change intensifies. The Company's strategic plans regarding its natural gas assets and investments involves ordinary business matters that are central to the Board's oversight and management's conduct of the Company's day-to-day operations. These matters include the Company's capital investment decisions and strategies, short- and long-term financial planning, and the valuation of its assets in light of potential carbon emission restrictions and various other expected and unknown developments. Contrary to the Proposal's singular focus on emissions reduction considerations, these decisions involve an interwoven complex of assessments, including, but not limited to, regulatory requirements and approvals, hedging models and forecasts, projection of market demand, domestic and international policy, enterprise risk management analyses, the impact of related evolving technologies such as wind and solar, negotiation of contracts, identification and access to financing resources and other business relationships, as well as a variety of market conditions. However, the Proposal seeks to limit the Company's analysis of the value of its natural gas infrastructure and assets and future investment decisions excluding all other business considerations outside the goal of reducing emissions.

Two recent Staff responses to no-action letter requests highlight why the Proposal is therefore excludable. In *Apple Inc.* (Dec. 21, 2017), the Staff found that a shareholder proposal was excludable that sought a report that: evaluates the potential for the Company to achieve, by a fixed date, "net-zero" emissions of greenhouse gases relative to operations directly owned by the Company and major suppliers." Apple, Inc. argued that the proposal would require it to develop complex processes and policies to comply with the proposal, and that it would "involve replacing management's judgment on complex operational and business decisions and strategies with those favored by the Proponent." These matters included "choices regarding processes, technologies and materials and the terms of the Company's relationships with its major suppliers." As such, the proposal "fundamentally interfere with management's ability to run the Company and operate its business on a day-to-day basis."

In *McDonalds Corp.* (March 22, 2019), the Staff permitted the company to exclude a proposal that requested that it disclose economic risks it faces as a result of campaigns targeting the company over concerns about the treatment of chickens. McDonalds successfully argued that "the sale of chicken products and the management of the economic challenges related to those products is part of its ordinary business operations." It stated that in addition to the proposal "addressing the potential economic consequences of consumer campaigns concerning [its] products, implementation... [it] would necessarily involve shareholders in the [c]ompany's operations involving customer relations."

As in these two no-action letter responses, the current Proposal delves into a complex area of the Company's day-to-day operations involving the deployment of capital investment and related risk assessment and mitigation, an area that is so fundamental to management's ability to run the Company and the Board's oversight thereof that it should not be subject to direct shareholder oversight. Like *Apple, Inc.,* the Proposal seeks to insert shareholder oversight into a complex matter, at the complicated nexus of capital investment and risk management. Similar to *McDonalds Corp,* the current Proposal aims to make the Company focus on a specific category of risk as it makes complex business decisions. In short, the level of involvement sought by the Proposal with respect to this aspect of the Company's business constitutes micromanagement and the Proposal is, therefore, excludable.

B. The Proposal relates to the products offered for sale by the Company.

The Proposal's primary focus is on how the Company chooses to invest its capital and whether or not to offer a different product/service mix to its customers. The assessment requested by the Proponent ultimately involves the same issues that the management of any company must consider when making decisions regarding its choice of technology as well as the products and services offered by the company.

In the supporting statement, the Proposal states that "[d]emand response, energy efficiency, renewables plus storage, and electrification are all increasingly cost-effective means of serving energy needs while reducing fossil fuel use and climate impacts." It also alleges that peer utilities are replacing coal assets with renewables and storage, "creating win-win solutions" and that "[shareholders are concerned that Dominion Energy is lagging behind on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings." This is, in essence, an attempt to direct the Company's management to change the Company's focus from the services ("products") it currently offers (relating to natural gas) to services and products the Proponent would rather them offer (such as less carbonintensive energy sources). The Proponent is requesting that the Company's management—rather than relying on their good faith business judgment of the Company's best interest (consistent with the standard of conduct applicable to them under Virginia law)—instead defer to the Proponent as to the relative mix of products that the Company should offer (less natural gas, more wind and solar).

The Staff recognizes that the products or services offered by a company are ordinary business matters and, therefore, has frequently allowed companies to exclude shareholder proposals relating to such products or services. The recent Staff no-action response to *JPMorgan Chase & Co.* (March 19, 2019) is instructive. In that instance, the Company sought no-action relief from a shareholder proposal requesting a report "examining the politics, economics and engineering for the construction of a sea-based canal through the Tehuantepec isthmus of Mexico." As the company argued, however, the report was an attempt to have the company finance a certain project (a sea-based canal in Mexico), and which projects the company finances (or to whom it offers products and services) is an ordinary business matter. The Staff agreed and allowed the proposal to be excluded.

Similarly, the Staff previously permitted the Company to exclude a shareholder proposal concerning its choice to purchase its renewable energy credits ("RECs") from biomass power generating facilities rather than solar power facilities. In effect, the proponent of this proposal wanted the Company to increase its purchases of RECs from solar power generating facilities and to decrease purchases of RECs from biomass power generating facilities *(see Dominion Resources, Inc.* (Feb. 19, 2014)). The Staff agreed that the Company's choice to purchase RECs from biomass facilities versus solar power facilities related to the products and services of the Company.

More recently, the Staff found that a request to prepare a report on the impact of overdraft fees on low-income customers was excludable on this rationale (see *JPMorgan Chase & Co.* (Feb. 21, 2019), as was a proposal requesting a report on a company's progress to providing internet to low-income customers (see *AT&T Inc.* (Jan. 4, 2017)).

Because the report requested by the Proponent is an attempt to direct the Company to move away from one "product" (its offerings related to natural gas) in the direction of others (renewables and storage), the Proposal may be excluded as relating to the products or services offered by the Company.

C. The Proposal is overly prescriptive and therefore seeks to supplant the judgment of management and the Board.

The Staff has noted that, in considering whether a shareholder proposal may be excluded under Rule 14a-8(i)(7), it will consider if "the proposal.. .imposes a specific strategy, method...or timeline for addressing an issue." (SLB 14K). Although the Proposal is styled as a request for a report from Company's management, taken in its entirety, it seeks to impose a specific strategy and timeline under which the Company is to evaluate its capital investments.

The report requested by the Proponent would effectively require the adoption oftime-bound targets. By specifically referencing the Paris Agreement's emission reduction standards and the carbon-free by 2050 target set forth in the Executive Order, the Proposal incorporates the assumption of these specific timeframes and emission goals into the Company's analysis of the valuation risk to its existing and future natural gas capital investments. Far from deferring to "management's discretion to consider if and how the Company plans to reduce its carbon footprint," (SLB 14K) the Proposal in effect requires the Company to utilize the Proposal's limited criteria for risk evaluation.

The Staff has allowed the exclusion of shareholder proposals, when such proposals micromanage the affairs of the company by requesting action that is overly prescriptive and could potentially limit the judgment and discretion of the board of directors and management. In *Devon Energy Corporation* (March 4, 2019), the Staff permitted the company to exclude a shareholder proposal that requested the company's board of directors to include with its 2020 annual reporting a "disclosure of short-, medium- and long-term greenhouse gas targets aligned with the greenhouse gas reduction goals established by the Paris Climate Agreement to keep the increase in global average temperature to well below 2°C and to pursue efforts to limit the increase to 1.5°C."

The Staff noted in SLB 14K that the proposal at issue in the *Devon Energy Corporation* no-action letter request would "effectively requir[e] the adoption of time-bound targets...that the company would measure itself against and changes in operations to meet those goals, thereby imposing a specific method for implementing a complex policy." *(See* SLB 14K).

Like the excludable proposal in *Devon Energy Corporation,* the Proposal would require that the Company adopt time-bound targets by explicitly linking the requested report with the 2030 and 2050 targets in the Paris Agreement and the 2050 target in the Executive Order. The Proposal also imposes specific methods for implementing complex policies; specifically, it directs management to take a narrow, and heavily prescribed, view of the potential risks to its natural gas investments. Risk evaluation and management—especially on an asset-by-asset or business-line basis—of the Company requires ongoing judgments by management and the Proposal (like the proposal in *Devon Energy Corporation)* impermissibly seeks to dictate the strategies, methods and timelines by which this fundamental matter is measured and evaluated. The Proposal, therefore, properly excludable under Rule 14a-8(i)(7).

D. Even though the Proposal touches upon a significant social policy issue, its primary focus is ordinary business matters.

Although the Proposal is drafted in reference to climate change, at its core it is an attempt to influence the ordinary business operations of the Company. It would require management to adopt a single view on how risk should be evaluated and managed, how it makes capital expenditure decisions and what products and services the Company should offer. Thus, under the standards articulated in SLB 14J and SLB 14K described above, the Proposal attempts to micromanage the Company by probing too deeply into a complex topic not suitable for shareholder oversight and by supplanting the judgment of management. Therefore, notwithstanding its connection to a social policy issue (climate change), the Proposal is appropriately excludable.

CONCLUSION

For the reasons stated above, we believe that the Proposal may be properly excluded from the Proxy Materials. If you have any questions or need any additional information with regard to the enclosed or the foregoing, please contact me at (804)775-4385 or kdeluca@mcguirewoods.com or Meredith Sanderlin Thrower, the Company's Senior Assistant General Counsel - Securities, M&A and Project Development at (804)819-2139 or meredith.s.thrower@dominionenergy.com.

Sincerely,

Katherine K DeLuca

Katherine K. DeLuca

Enclosures

cc: Meredith Sanderlin Thrower, Senior Assistant General Counsel - Securities, M&A and Project Development
Karen W. Doggett, Assistant Corporate Secretary and Director - Governance
Jane Whitt Sellers, Esquire, McGuireWoods LLP
Lila Holzman, As You Sow
Stewart Taggart, The Stewart W Taggart and Rebecca W Taggart Revocable Trust
Sister Patricia Regan, Congregation of Divine Providence Sister Ramona Bezner, Providence Trust

Exhibit A Co-Filers

1. Congregation of Divine Providence
   515 SW 24th Street
   San Antonio, Texas 78207
   (210) 434-1866

2. Providence Trust
   515 SW 24th Street
   San Antonio, Texas 78207
   (210)587-1102

Exhibit. B
Proposal Submission and Related Correspondence

From:	Kwan Hong Teoh <Kwan@asyousow.org>
Sent:	Wednesday, November 20, 2019 8:03 PM
To:	lnvestor.Relations@dominionenergy.com
Cc:	karen.doggett@dominionenergy.com; carter.reid@dominionenergy.com; Lila Hoizman; Shareholder Engagement
Subject:	[External] D - Shareholder Resolution Filing
Attachments:	20.D.1 Filing Letter - CoFiler.pdf; 20.D.1 Filing Letter - Lead.pdf; ATT00001.txt

Dear Investor Relations,

Please find enclosed filing letters submitting a shareholder resolution for inclusion in the company's 2020 proxy statement. If you can please forward these electronic copies to Mr. Carter Reid, corporate secretary, it would be appreciated. We have also sent a paper copy via FedEx.

Receipt confirmation of this email would also be appreciated. Thank you

Best,
Kwan

Teoh, Kwan Hong (he/him)
Environmental Health Program Research Manager As You Sow
2150 Kittredge St., Suite 450 Berkeley, CA 94704
(510) 735-8147 (direct line) | (605) 651-5517 (cell) kwan@asyousow.org J www.asvousow.org

'■'Building a Safe, Just and Sustainable World since 1992~

www.asyou AS YOU SOW 2150 Kittredge St. Suite 450 Berkeley, CA 94704

BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

VIA USPS& EMAIL

November 20, 2019 Carter M. Reid

Executive Vice President, Chief Administrative &
Compliance Officer and Corporate Secretary
Dominion Energy, Inc.
120 Tredegar Street Richmond, Virginia 23219

Dear Carter Reid,

The Stewart W Taggart & Rebecca W Taggart JT REV TR UAD 08/29/17 is a shareholder of Dominion Energy, Inc, We submit the enclosed shareholder proposal on behalf of The Stewart W Taggart & Rebecca W Taggart JT REV TR UAD 08/29/17 (Proponent) for inclusion in the company's 2020 proxy statement, and for consideration by shareholders in accordance with Rule 14a~8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

A letter from the Proponent authorizing As *You Sow* to act on its behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such a discussion could resuit in resolution of the Proponent's concerns. To schedule a dialogue, please contact Lila Holzman, Energy Program Manager at lhoizman@asvousow.org. Please send all correspondence to Ms, Holzman with a copy to shareholderengagement@asvousow.org. Also, please note that our address has changed, Our new address is set forth above.

Sincerely,
Lila Holzman
Energy Program Manager

Enclosures

- Shareholder Proposal
- Shareholder Authorization

Whereas: The Intergovernmental Pane! on Climate Change released a report finding that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming.[1]

The energy sector has a critical role to play in mitigating climate risk. Already, the sector is undergoing a rapid transition by moving away from coal, but growing reliance on natural gas creates ongoing risk. Natural gas is a major contributor to climate change due to combustion emissions and methane leaks.[2] In 2018, gas contributed to an *increase* in power sector emissions,[3] jeopardizing chances of achieving reductions in line with the Paris Agreement's goal of keeping global warming below 1.5 degrees Celsius,

Building new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal.[4] While some low-carbon scenarios show gas use continuing, they rely on carbon removal technologies - a risky assumption given the technology has not proven economic at scale,[5]

Demand response, energy efficiency, renewables plus storage, and electrification are all increasingly cost-effective means of serving energy needs while reducing fossil fuel use and climate impacts.[6] City governments, recognizing gas' climate impacts, are setting policies prohibiting gas hookups for new buildings in favor of safer, healthier electric buildings.[7] Furthermore, states, cities, and large consumers continue to set ambitious renewable energy targets, which utilities will need to supply or risk losing business.[8] Large tech companies recently banded together to express concern regarding Dominion's proposed gas heavy plan.[9]

While Dominion is to be commended for taking climate conscious steps, including setting a long term greenhouse gas target[10] and actions to decrease methane leakage,[11] investors lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target[12] or aligning with Paris goals.

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2 https://science.sciencemag.org/content/361/6398/186

3 https://www.nytimes.com/2019/01/08/climate/greenhouse-gas-emissions-increase.html

4 https://rmi.org/a-bridge-backward-the-risky-economics-of-new-natural-gas-infrastructure-in-the-united-states/

5 https://www.ipcc.ch/sr15/chapter/chapter-2/

6 https://www.utilitydive.com/news/renewables-storage-poised-to-undercut-natural-gas-prices-increase-strande/562674/

7 https://www.houstonchronicle.com/business/energy/article/Cities-target-gas-heat ci-s-slnves-in-new-front-of -
14537156.php

8 https://www.greentechmedia.com/articles/read/facebook-and-google-voluntary -renewable s- -u p-
the-grid?utm_medium=email&utn

HYPERLINK "https://www.iitilityflivR.com/news/tech-giants-pressure-dominion-for-mQre-storage-reiiewables-less-gas-in-" https://www.iitilityflivR.com/news/tech-giants-pressure-dominion-for-mQre-storage-reiiewables-less-gas-in-vir/5Md92/

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The Company's disclosures indicate Dominion is continuing to build out expensive gas infrastructure[13,14] but is not sufficiently addressing how those costly assets and their depreciation timelines reconcile with climate stability goals or the existence of increasingly low cost, clean energy pathways.

Peer utilities, including NextEra[15] and Xcel,[16] have demonstrated alternatives to investing in new gas infrastructure by replacing coal assets with renewables and storage, creating win-win solutions. Shareholders are concerned that Dominion Energy is lagging behind on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.

Resolved: Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

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November 14, 2019

Andrew Behar CEO
As You Sow
2150 Kittredge St., Suite 450 Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution Dear

Mr. Behar,

The undersigned ("Stockholder") authorizes As *You* Sow to file or co-file a shareholder resolution on Stockholder's behalf with the named Company for inclusion in the Company's 2020 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. The resolution at issue relates to the below described subject.

Stockholder: The Stewart w Taggart & Rebecca W Taggart JT REV TR UAD 08/29/17 Company: Dominion Energy, Inc.

Subject: climate change risk reporting

The Stockholder has continuously owned over $2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2020.

The Stockholder gives *As You Sow* the authority to address, on the Stockholder's behalf, any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name in relation to the resolution.

The shareholder alternatively authorizes As *You* Sow to send a letter of support of the resolution on Stockholder's behalf.

Sincerely,

Stewart Taggart

Trustee
The Stewart w Taggart & Rebecca w Taggart IT REV TR UAD 08/29/17

From:	karen.doggett@dominionenergy.com Monday, November 25, 2019 5:53 PM Lila Holzman;
Sent:	shareholderengagement@asyousow.org
To:	morenike.k.miles@dominionenergy.com; Jordan.C.Saltzberg@dominionenergy.com;
Cc:	Meredith.S.Thrower@dominionenergy.com
	Dominion Energy, Inc. Shareholder Proposal
Subject:	2019-11-25 Marisa Messina RevTr Deficiency Letter.pdf; 2019-11-25 Shanahan Family Revocable Trust Deficiency
Attachments:	Letter.pdf; 2019-11-25 Stewart W Taggert & Rebecca W Taggert Deficency Letter.pdf; Rule 14a-8.pdf; SLB 14F.pdf; SLB 14G.pdf; ATT00001.txt

Dear Lila,

Please find attached letters regarding the proposal submitted by As You Sow on behalf of Stewart W Taggart & Rebecca W Taggart JT REVTR UAD, Shanahan Family Revocable Trust and Marisa Messina RevTr for inclusion in Dominion Energy, Inc.'s Proxy Statement for the 2020 Annual Meeting of Shareholders. These letters pertain to ownership requirements under Rule 14a-8, Also attached for your reference are copies of Rule 14a-8 of the Securities Exchange Act of 1934 and Staff Legal Bulletins 14F and 14G issued by the Securities and Exchange Commission. A printed copy of each of the attached documents has also been sent to you via overnight mail.

As mentioned in your earlier email, we wouid aiso welcome the opportunity to speak with you regarding the proposal, I will be in touch tomorrow with some possible dates and times for a call.

If you have any questions, I can be reached at the email address and phone number below.
With regards,

Karen

Karen W. Doggett
Assistant Corporate Secretary and Director-Governance Dominion Energy Services, Inc.
600 East Canal Street, Richmond, VA 23219 **Office:** 804.819.2123 | **Mobile:** 804.337.0826 karen.doaaett@dominionenerav.com

Dominion Energy Services, Inc.

Dominion

Energy[93]

600 East Canal Street, Richmond, VA 23219 DominionEnergy.com

November 21, 2019

Sent via Electronic and Overnight Mail

Stewart W Taggart & Rebecca W Taggart JT REV TR UAD 8/29/17

c/o As You Sow Attn: Lila Holzman 2150 Kittredge Street, Suite 450 Berkeley, CA 94704

Dear Ms, Holzman:

This letter confirms receipt on November 20, 2019, via email, of the shareholder proposal submitted on behalf of Stewart W Taggart & Rebecca W Taggart JT REV TR UAD 8/29/17 by As You Sow for inclusion in Dominion Energy, Inc.'s (Dominion Energy) proxy statement for the 2020 Annual Meeting of Shareholders (2020 Annual Meeting).

In accordance with Securities and Exchange Commission (SEC) regulations, we are required to notify you of any eligibility or procedural deficiencies related to your proposal. Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended, states that in order to be eligible to submit your proposal, you must submit proof of continuous ownership of at least $2,000 in market value, or 1%, of Dominion Energy's common stock for the one-year period preceding and including the date you submitted your proposal.

As of the date of this letter, we have not received your proof of ownership of Dominion Energy common stock.

According to Dominion Energy's records, you are not a registered holder of Dominion Energy common stock. As explained in Rule 14a-8(b), if you are not a registered holder of Dominion Energy common stock, you may provide proof of ownership by submitting either:

- a written statement from the record holder of your Dominion Energy common stock (usually a bank or broker that is a Depository Trust Company (DTC) participant) verifying that, at the time you submitted your proposal, you continuously held the requisite number of shares of Dominion Energy common stock for at least one year; or

[93] if you have filed a Schedule 13D, Schedule 13G, Form 3, Form 4 and/or Form 5 with the SEC, or amendments to those documents or updated forms, reflecting your ownership of the shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in your ownership level and your written statement that you continuously held the required number of shares for the one-year period as of the date of the statement.

Please note that, pursuant to Staff Legal Bulletins 14F and 14G issued by the SEC (SLB 14F and SLB 14G), only DTC participants or affiliated DTC participants should be viewed as record holders of the securities deposited at DTC,

In order for your proposal to be eligible, you must provide proof of beneficial ownership of Dominion Energy common stock from the record holder of your shares verifying continuous ownership of at least $2,000 in market value, or 1%, of Dominion Energy's common stock for the one-year period preceding and including November 20, 2019, the date you submitted your proposal.

The SEC's Rule 14a-8 requires that your proof of ownership that satisfies the requirements of Rule 14a-8 must be postmarked or transmitted electronically to Dominion Energy no later than 14 calendar days from the date on which you receive this letter. Your documentation and/or response may be sent to me at Dominion Energy, inc., 600 East Cana! Street, 20th Floor, Richmond, VA 23219 or via electronic mail at karen.doggett@dominionenergy.com.

Finally, please note that in addition to the eligibility deficiencies cited above, Dominion Energy reserves the right in the future to raise any further bases upon which the proposal may be properly excluded under Rule 14a-8 of the Securities Exchange Act of 1934.

If you should have any questions regarding this matter, I can be reached at (804) 819-2123.
For your reference, I have enclosed a copy of Rule 14a-8, SLB 14F and SLB 14G,

Sincerely,

Karen W. Doggett Assistant Corporate Secretary

Enclosures

From: Kwan Hong Ieoh <Kwan@asyousow.org>
Sent: Thursday, December 5, 2019 4:32 PM
To: karen.doggett@dominionenergy.com
Cc: Lila Holzman; Danielle Fugere; Shareholder Engagement
Subject: [External] D - Dominion Energy - Deficiency Notice Reply
Attachments: 20.D.1 Proof of Ownership - Stewart.pdf; ATT00001.txt

Dear Karen,

We received your letter issued on November 21, 2019 alleging notice of a deficiency in our November 20, 2019 letter transmitting a proposal for inclusion on the Company's 2020 proxy. In response to the cited deficiency, we enclose a proof of ownership letter establishing the proponent's ownership of the Company's common stock in the requisite amount and in the time frame necessary to meet eligibility requirements.

Thank you and please let us know that you have received the attached.

Best,
Kwan

Teoh, Kwan Hong (he/him)
Environmental Health Program Research Manager As You Sow
2150 Kittredge St., Suite 450 Berkeley, CA 94704
(510) 735-8147 (direct line) [(605) 651-5517 (cell) kwan@asyousow.org | www.asyousow.org

"Building a Safe, Just and Sustainable World since 1992"

Pershing

One Pershing Plaza Jersey
Cily, New Jersey 07399
pershing.com

November 27, 2019

RE: Dominion Energy, Inc.

To Whom It May Concern:

Pershing LLC, a DTC participant with a DTC number of 0443, acts as the custodian for The Stewart W Taggart & Rebecca W Taggart JT REV TR UAD 08/29/17. As of the date of this letter, The Stewart W Taggart & Rebecca W Taggart JT REV TR UAD 08/29/17 held, and has held continuously for at least 395 days, 40 shares of Dominion Energy, Inc. common stock, CUSIP #25746U)09.

Regards,

Authorized Signature

SIGNATURE GUARANTEED
MEDALLION GUARANTEED
PERSHING LLC
(4110)
AUTHORIZED SIGNATURE
Z0004432
NYSE, INC. MEDALLION SIGNATURE PROGRAM

Joseph LaVara
Vice President

From: Patricia Regan <PRegan@CDPTexas.org>
Sent: Tuesday, November 26, 2019 1:53:35 PM .
To: Carter Reid (Services - 6) <carter.reid@dominionenergy.com>
Subject: [External] resolution

Please see attached resolutions filed for Providence Trust and Congregation of Divine Providence

Sister Patricia Regan, CDP
General Treasurer

P: (210) 587-1150 F:
(210)431-9965 E;
pre.qan@cdptexas.org

CONGREGATION OF DIVINE PROVIDENCE
— ——™ **’$AN ANTONIO, TEXAS**

Abandonment to Divine Providence * Simplicity Pov erty

CONGREGATION OF DIVINE PROVIDENCE

SAN ANTONIO, TEXAS

November 26, 2019

Carter M. Reid Corporate Secretary Dominion Energy 120 Tredegar Street 6th Floor Richmond, VA 23219

Email: carter.reid@dom.com Fax: 804-819-2638

Dear Ms. Reid:

I am writing you on behalf of Congregation of Divine Providence to co-file the stockholder resolution on Report on Reducing GHG. In brief, the proposal states: RESOLVED, Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary Information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

I am hereby authorized to notify you of our intention to co-file this shareholder proposal with As You Sow. I submit it for inclusion In the 2020 proxy statement for consideration and action by the shareholders at the 2020 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of $2,000 worth of the shares,

We have been a continuous shareholder for one year of $2,000 in market value of Dominion Energy stock and will continue to hold at least $2,000 of Dominion Energy stock through the next annual meeting. Verification of our ownership position will be sent by our custodian. A representative of the filers will attend the stockholders' meeting to move the resolution as required by SEC rules.

We truly hope that the company will be willing to dialogue with the filers about this proposal. We consider As You Sow the lead flier of this resolution. As such, As You Sow, serving as the primary filer, is authorized to act on our behalf in ali aspects of the resolution, including negotiation and deputize them to withdraw the resolution on our behalf If an agreement is reached. Please note that the contact person for this resolution/proposal will be Lila Holzman, of As You Sow who may be reached by email: lholzman@asvousow.ora,

As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy,

Sincerely,

Sister Patricia Regan

Sister Patricia Regan General Treasurer

Finance • 615 SW 24th Street * San Antonio, Texas 78207-4619 • Phone (210) 434-1866 • Fax (210) 431-9965
pregan@cdptexas.org * www.cdptexas.org

2020 Dominion Energy

Report on Reducing GHG

Whereas: The Intergovernmental Panel on Climate Change released a report finding that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming.[94]

[94]https://www.lpcc.ch/2018/l0/08/summary-far-pollcymakers-of-lpcc-special-report-on-gtobat-warming-of-1-5c-approved-by-governments/

2 https://science.sciencemag.Org/content/36l/6398/186

3 https://www.nytimes.com/2019/01/08/climate/greenhouse-gas-emlssions-increase.html

4 https://rmi.org/a-bridge-backward-the-risky-economics-of-new-natural-gas-infrastructure-in-the-united-states/

6 **https://WAVw.lpcc.ch/sr15/chapter/chapter~2/**

The energy sector has a critical role to play in mitigating climate risk. Already, the sector is undergoing a rapid transition by moving away from coal, but growing reliance on natural gas creates ongoing risk. Natural gas is a major contributor to climate change due to combustion emissions and methane leaks.[2] In 2018, gas contributed to an increase in power sector emissions,[3] jeopardizing chances of achieving reductions in line with the Paris Agreement's goal of keeping global warming below 1.5 degrees Celsius.

Building new gas Infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal.[4] While some low-carbon scenarios show gas use continuing, they rely on carbon removal technologies -- a risky assumption given the technology has not proven economic at scale.[5]

Demand response, energy efficiency, renewables plus storage, and electrification are all Increasingly cost- effective means of serving energy needs while reducing fossil fue! use and climate impacts.[3] City governments, recognizing gas' climate impacts, are setting policies prohibiting gas hookups for new buildings in favor of safer, healthier electric buildings.[7] Furthermore, states, cities, and large consumers continue to set ambitious renewable energy targets, which utilities will need to supply or risk losing business.[8] Large tech companies recently banded together to express concern regarding Dominion's proposed gas heavy plan.[9]

While Dominion Is to be commended for taking climate conscious steps, including setting a long term greenhouse gas target[10] and actions to decrease methane leakage,[95] investors lack sufficient information to understand if or how the Company can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target[12] or aligning with Paris goals.

The Company's disclosures indicate Dominion is continuing to build out expensive gas infrastructure[13],[14] but is not sufficiently addressing how those costly assets and their depreciation timelines reconcile with climate stability goals or the existence of increasingly low cost, clean energy pathways.

Peer utilities, including NextEra[16] and Xcel,[16] have demonstrated alternatives to investing in new gas infrastructure by replacing coal assets with renewables and storage, creating win-win solutions. Shareholders are concerned that Dominion Energy is lagging behind on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.

Resolved: Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based Infrastructure and assets, as the global response to climate change intensifies.

PROVIDENCE TRUST

SAN ANTONIO, TEXAS

November 26, 2019

Carter M. Reid Corporate Secretary
Dominion Enefgy 120 Tredegar
Street 6th Floor Richmond, VA
23219

Email: carterreid@dom.com Fax:
804-819-2638

Dear Ms. Reid:

I am writing you on behalf of Providence Trust to co-file the stockholder resoiution on Report on Reducing GHG. In brief, the proposal states: **RESOLVED,** Shareholders request that Dominion issue a report, at reasonable cost and

6 https://www.utilitydive.com/news/renewabfes-storage-poised-to-undercut-natural-gas-prices-increase-strande/562674/
7 https://www.houstonchronlde.com/business/energy/ar1ide/Cities-target-gas-heaters-stoves-in-new-front-of-14537156.php
8 https://www.greentechmedia.com/articles/read/facebook-and-google-voluntary-renewables-deais-wont-ciean-up-the-grid?utm„medium=email&utm_source=bai!y&ulrn_campaign=GTMDaily
9 https://www.utilitydive.com/news/tech-giants-pressure-dominion-for-more-storage-renewabies-Iess-gas-in-vir/554692/
10 https://s2.q4cdn.com/510812146/fites/doojiresentations/2019/03/2019-03-25-DE-IR-investor-meetlng-ESG-session_vF.pdf
95 htips://www.asyousow.org/press-re!eases/domlnion-methane-emissions-target
12 **https://www.govemor.virglnia,gov/newsroom/ali-reieases/2019/$eptember/headlIne-846745-en.html**
13 htlps://www.utilitydive.com/news/attantic-coast-pipe!ine-delayed-to-202G-domlnlon-adds-1b-to-cost-estimate/547458/
14 https://www.utiittydlve.com/news/domlnion-virginia-pian-for-15-gw-new-peaklng-capadty-wili-lead-to-more-ga/566809/
15 https://www.greentechmedla.com/articles/read/nextera-inks-8ven-bigger-windsolafstorage-deai-with-oklahorna-cooperative
16 https://www,uti!itydive.com/news/lazard-renewables-can-challenge-existing-coal-plants-on-price/541965/

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1 am hereby authorized to notify you of our intention to co-file this shareholder proposal with As You Sow. I submit it for inclusion in the 2020 proxy statement for consideration and action by the shareholders at the 2020 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of $2,000 worth of the shares.

We have been a continuous shareholder for one year of $2,000 in market value of Dominion Energy stock and will continue to hold at least $2,000 of Dominion Energy stock through the next annual meeting. Verification of our ownership position will be sent by our custodian. A representative of the filers will attend the stockholders' meeting to move the resolution as required by SEC rules.

We truly hope that the company will be wiiling to dialogue with the filers about this proposal. We consider As You Sow the lead filer of this resoiution. As such, As You Sow, serving as the primary filer, is authorized to act on our behalf in all aspects of the resolution, including negotiation and deputize them to withdraw the resolution on our behalf if an agreement is reached. Please note that the contact person for this resolution/proposal will be Lila Holzman, of As You Sow who may be reached by email: lho)zman@asvousow.ora.

As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy.

Sincerely,

'CL ;

Sister Ramona Bezner Trustee

Providence Trust 515 SW24lh Street San Antonio, TX 78207 210-587-1102 210-431-9965 (fax)

2020 Dominion Energy

Report on Reducing GHG

Whereas: The Intergovernmental Panel on Climate Change released a report finding that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming,[96]

The energy sector has a critical role to play in mitigating climate risk. Already, the sector is undergoing a rapid transition by moving away from coal, but growing reliance on natural gas creates ongoing risk. Natural gas is a major contributor to climate change due to combustion emissions and methane leaks.[2] In 2018, gas contributed to an increase in power seotor emissions,3 jeopardizing chances of achieving reductions in line with the Paris Agreement’s goal of keeping global warming below 1.5 degrees Celsius.

Building new gas infrastructure may be uneconomic and result in costly stranded assets comparable to early retirements now occurring for coal.[4] While some low-carbon scenarios show gas use continuing, they rely on carbon removal technologies - a risky assumption given the technology has not proven economic at scale,[6]

Demand response, energy efficiency, renewables plus storage, and electrification are all increasingly cost- effective means of serving energy needs while reducing fossil fuel use and climate impacts.[6] City governments, recognizing gas' climate impacts, are setting policies prohibiting gas hookups for new buildings in favor of safer, healthier electric buildings.[7] Furthermore, states, cities, and large consumers continue to set ambitious renewable energy targets, which utilities will need

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96 https://www.ipco.ch/2018/10/08/summary-for-poiicynnakers-of-ipcc-spedal-report-on-global-warming-oM-5c~approved-by- governments/
2 hltps://sdence.sciencemag,org/content/361/6398/186
3 https://www.nytimes.com/2019/01/08/dimate/greenhouse-gas-emissions-increase.html
4 https://rmi.org/a-bridge-backward-the-risky-economics-of-new-natural-gas-lnfrastructure-in-the-uni1ed-states/
6 https://www.ipcc,ch/sr16/chapter/chapter-2/
8 https://www,utiiitydive.com/news/renewables-storage-poised-to-undercut-natural-gas-prices-lncrease-str0nde/562674/
I htlps://www.houstonchronide,com/bustness/energy/artic!e/Cities-target-gas-heaters-stoves-in-new-front-of-14637156.php
8 https://www.greentechmedla.com/artlcles/read/facebook-and-google-voluntary-renewabies-deals-wont-dean-up-the-grid?ufmjnediurn=amall&uim_source=Daily&utm_campaign=GTMDaily
9 https://www.utllilydive.com/news/tech-giants-pressure-dominlon-for-more-storage-renewables-less-gas-in-vir/554692/
10 https://s2.q4cdn.com/510812146/files/docj3resentations/2019/03/2019-03-26-DE-IR-investor-meeting-ESG-session_vF.pdf

to supply or risk losing business.[8] Large tech companies recently banded together to express concern regarding Dominion's proposed gas heavy plan.[9]

While Dominion is to be commended for taking climate conscious steps, including setting a long term greenhouse gas target[10] and actions to decrease methane leakage,[97] investors lack sufficient information to understand if or how the Gompany can reconcile its growing reliance on natural gas with achieving Virginia's 100% carbon-free by 2050 target[12] or aligning with Paris goals.

The Company's disclosures Indicate Dominion is continuing to build out expensive gas infrastructure[13],[14] but is not sufficiently addressing how those costly assets and their depreciation timelines reconcile with climate stability goals of the existence of increasingly low cost, clean energy pathways.

Peer utilities, including NextEra[15] and Xcel,[16] have demonstrated alternatives to investing In new gas infrastructure by replacing coal assets with renewables and storage, creating win-win solutions. Shareholders are concerned that Dominion Energy is lagging behind on such opportunities and increasing its exposure to climate-related risks by investing in significant gas holdings that may become stranded.

Resolved; Shareholders request that Dominion issue a report, at reasonable cost and omitting proprietary information, describing how it is responding to the risk of stranded assets of planned natural gas-based infrastructure and assets, as the global response to climate change intensifies.

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97 https://www.asyousow.org/press-releases/dqmlnion-methane-emissions-target
12 **https://WWW.gpvernor.virginia.gov/newsroom/ait-reieases/2019/september/headllne-846745-en.html**
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November 26, 2019

Carter M. Reid Corporate Secretary Dominion Energy 120 Tredegar Street 6th Floor
Richmond, VA 23219

Sent by Email: carter,reid@dom.com

Re: Co-filing of shareholder resolution: Report of Measuring GHG.

As of November 26, 2019, Congregation of the Divine Providence and Providence Trust held, and has held continuously for at least one year, 273 shares and 306 shares of Dominion Energy (D) common stock. These shares have been held with Morgan Stanley, DTC 0015.

If you need further information please contact us at 1-800-733-3041,

Sincerely,

Heidi Siller s

Registered Associate

The Quantitative Group at Graystone Consulting A Business of Morgan Stanley 755 E Mulberry Ave., Ste 300 San Antonio, TX 78212-9953 Direct; 210.366.6660 eFax:210.775-5349 Toll Free: 1-800.733.3041

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