



WHEREAS:

Electric Utilities are facing unprecedented changes to their business model due to climate change driven growth in low-carbon sources of electric power, and increased energy efficiency which is reducing demand for electricity. These trends are accelerating and our company's response has not been commensurate with the pace of the changes.

Distributed generation, including residential rooftop solar paired with energy storage, is expanding rapidly as costs decrease and companies such as Solar City and First Solar build their businesses. More energy efficient manufacturing, heating, cooling and lighting systems are reducing electricity demand.

To control costs by hedging against energy price volatility and in response to climate change, corporations such as Apple, Google, Wal-Mart, and IKEA are aggressively increasing their investments in energy efficiency and their production and use of renewable energy, thereby reducing the electricity they are purchasing from electric utilities. Fifty major companies globally have committed to using 100 percent renewable energy, because of concerns about climate change and for financial reasons.

Non-utility companies are entering the market of providing energy efficiency services. Google recently purchased Nest, which provides products and services to reduce residential electricity use. Comcast now provides an EcoSaver service to help customers save money on energy bills. General Electric has created a new company Current, to provide products and services in energy efficiency, renewable generation and storage to large customers like hospitals, universities, retail stores and cities.

According to PricewaterhouseCoopers "In defining future business models, utilities need to understand and challenge their company's purpose and positioning in tomorrow's markets. In the past, operating an integrated utility from generation through customer supply was well understood. Now, unbundling opportunities are extending deeper into the value chain and enabling greater participation by specialists. As a result, electric companies will need to rethink not just their roles and business models, but also their service and product offerings and approaches to customer engagement."

Shareholders of Dominion Resources are concerned about the accelerating impact climate change driven technology including distributed energy generation and energy efficiency could have on our company's revenue. They are also concerned that our company's generating facilities – both current and planned – may not be able to be used to full capacity in the future due to decreased demand. This has the potential to significantly adversely affect shareholder value.

Shareholders are also concerned that business opportunities for our company – both in distributed generation and in energy efficiency – face increasing competition from major national corporations.

BE IT RESOLVED:

Shareholders request 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, and prepare a report to shareholders that includes the company's plan to meet these challenges, protect shareholder value, and reduce the company's substantial carbon emissions. The report to shareholders should be prepared at reasonable cost and omit proprietary information and be completed by September 1st, 2016.