Grant County, West Virginia

Mt. Storm Coal-Fired Station
Phase I Site
164 MW
5500 Acres
Phase II Site
100+ MW
~2000 Acres

Wind project site is approximately 2 miles east of Dominion’s Mt. Storm coal-fired facility
Ned Power Mt. Storm Wind Farm
Update
October 14, 2008

- Project fully permitted and authorized
- Phase I buildout - complete
- Phase I commissioning – 82 turbines – complete
- Phase II buildout – nearly complete
- Phase II commissioning – 50 turbines – Dec. 31, 2008
Preconstruction Site-Prep
Project Entrance off Grassy Ridge Road
Turbine Mast Foundation
Looking up a Mast Section
Newly Delivered Rotors
Rotor Assembly Ready to be Attached
Nacelle
Wind Energy Technology Overview

Components in the Nacelle

- Wind Sensors
- Controller
- Generator
- Gearbox
- Pitch drive
- Hub
- Main bearing
- Bed Frame
- Yaw drives
- Rotor shaft

1.5 wind turbine
52 metric ton nacelle
35 metric ton rotor
Rotor, Hub & Nacelle Attached on Mast
Ned Power Mt. Storm Wind Farm

Completed
Wind Turbine (T-2)

Turbine Dimensions:
Rotor Diameter: 262 ft
Tower Height: 256 ft
Total Height to Blade Tip: 388 ft
Distance from Bottom of Blade Tip Arc to Ground: 125 ft
Height of the Federal Reserve Bldg In Richmond: 393 ft
Ned Power Project Benefits

• Taxes Over 25 Years
  – Landlease: 17.45m
  – B&O Taxes: 3.79m
  – Schools: 1.74m
  – Property: 14.23m (county)
  – State: 6.87m

44. M Over 25 Years

– Jobs – Hundreds during construction and one dozen full time for operation
– Each 2 megawatt turbine provides electricity for 600 homes. The entire project will provide power for 79,000 homes.
– Outstanding working relationship with elected officials
Looking Further North
Deer Grazing Near the Turbines
Energy Diversity: Fossil Fuel and Renewable
Year-round Renewable Energy at NedPower
Ned Power Mt. Storm Wind Farm

Completed Wind Farm
THANK YOU
“Moving WV Natural Gas”

December 2008
Overview

• Dominion in West Virginia.

• Natural gas transportation system.

• Need for additional natural gas facilities.

• Dominion’s strategy to meet this need.

• Proposed facilities/permit requirements.
Dominion West Virginia Assets

- Electric – Mt. Storm, North Branch, MEA (335 Employees, $25 Million Payroll, $30 Million Taxes)

- Gas Distribution – Dominion Hope (118,000 Customers, 300 Employees)

- Gas Transportation – Dominion Transmission (800 Employees, $71 Million Payroll, $15 Million Taxes, 10,000 Miles of Pipe)

- Renewable Generation – 50% Ownership Ned Power (264 Megawatt)

- Gas Exploration – Dominion E&P (150 Employees, $4.5 Million Payroll, $3.2 Million Annual Taxes, Over 2,500 Wells)

- Dominion Field Services (8 Employees)
Natural Gas Transportation System

- Producing Wells
- Gathering Lines
- Processing Plant
- Transmission Lines
- Compressor Stations
- Underground Storage
- City Gate (Regulators/Meters)
- Distribution Mains (Lines)
- Regulator/Meter
- Large Volume Customer
- Residential Customers
- Commercial Customer

Dominion Environmental Services
Need for New Natural Gas Infrastructure

- West Virginia is a net exporter of natural gas.
  - On the Dominion system, local markets consume only 20 to 25% (30 Bcf out of 140 Bcf) of West Virginia production.

- All production is currently transported on an interruptible basis.

- Increased production from multiple sources makes interruptions likely.

- Everyone—producer, royalty owner, pipeline and state—loses if production is interrupted.

- Infrastructure needs exceed $1 billion and involve gathering, processing, fractionation and transmission facilities.
Dominion’s Strategy

• Preserve and upgrade existing infrastructure.

• Build new and operate existing infrastructure in an environmentally responsible manner.

• Build what producers want.
  – Dominion will build infrastructure needed to move the producers’ gas.
  – Provide option to avoid interruptions of production.

• Build when the producers want.
  – Some production is already naturally curtailed due to high line pressures.
  – Curtailment will increase until infrastructure is built.

• Be prepared to build more as producers expand.

• Add facilities to serve new load.
West Virginia Projects

• USA Storage Project
• Appalachian Gateway Project
• Gathering and Processing Projects
• H-162 Pipeline Replacement Project
• Annual Pipe Replacement Program
• Hope Gas/Longview Pipeline Project
USA Storage Project

- New compressor station in Gilmer County, WV

- Compressor stations in PA, NY, VA.

- Storage wells in PA.

- Completed Permits/Authorizations
  - Air Permit
  - Endangered species
  - Historic preservation
  - Public Lands License

- Upcoming Permits/Authorizations
  - NPDES hydrostatic test water
Appalachian Gateway Project

• Provide West Virginia Appalachian Basin natural gas supplies firm access to Northeast and Mid-Atlantic Markets.

• Allows for up to 620,000 dekatherms per day out of West Virginia.

• Project includes:
  – 120 miles of transmission line
    • 30 miles in West Virginia
    • 90 miles in Pennsylvania.
  – 54,500 hp of compression in West Virginia.
    • 7 new compressor stations.
    • 2 additional compressors at existing stations.

• Will require Federal Energy Regulatory Commission (FERC) certificate.
TL-377 to Crayne Extension

Appalachian Gateway
Preliminary Natural Gas Transmission Lines
Appalachian Gateway
Preliminary Compressor Stations
• Incremental production cannot be moved out of state unless it is first gathered and in many cases processed to make it merchantible

• Projects include:
  – 35 miles of total gathering line in West Virginia.
  – 10 new compressor stations.
  – additional horsepower at 5 existing stations.
  – 3 new extraction plants.
  – Additional fractionation capacity.
  – Clay, Doddridge, Gilmer, Lewis, Logan, Pleasants, Ritchie, & Wetzel Counties.

• Non-jurisdictional under the FERC.
Gathering & Processing
Preliminary Extraction Plants

Additional Fractionation Capacity
New Extraction Plant
New Extraction Plant
New Extraction Plant
Summary of New Natural Gas Compression Anticipated

- Appalachian Gateway Project
  - 10 new engines at greenfield locations
  - 3 new engines at existing facilities
  - 54,500 new horsepower

- Gathering & Production Projects
  - 13 new engines at greenfield locations
  - 9 new engines at existing facilities
  - 30,000 – 40,000 new horsepower in next 3 years

- Other Scheduled Maintenance
  - 210 small (< 500 hp) engines currently in service
  - Anticipated 20% replacement over next 3 years
  - 42 new engines
H-162 Replacement Project

- 26.5 miles from north of Kanawha River from near Chelyan to Cornwell Station.
- Remove existing low pressure wet transmission line H-162 and install new transmission line TL-585.
- Will require FERC certificate.
Hope Gas/Longview Pipeline

- 5 mile, 12 inch diameter pipeline to Longview Power plant in Monongalia County

Permits:
- State Water Quality certification.
- Endangered Species authorization.
- Historic Preservation consultation.
- Pipeline Crossing Licenses.

4 total State Permits/Approvals
Conclusion

• Dominion is committed to building the necessary infrastructure to deliver to market West Virginia natural gas.

• Build new and operate existing infrastructure in an environmentally responsible manner.

• Infrastructure investment represents significant benefit to producers and the state.

• Dominion will build what the producers want.

• The ability to maximize this important opportunity for producers will require close coordination with regulatory agencies.