NEWS RELEASE

Dominion Energy Virginia Customers to Benefit from a Stronger Grid, Expansion of Renewable Energy

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RICHMOND, Va., June 22, 2021 /**PRNewswire**/ -- Dominion Energy Virginia customers will continue to experience more reliable service, new tools to manage energy usage, and greater access to clean energy sources as efforts continue on the Company's ten-year plan to transform the electric distribution grid.

With Phase I of the Grid Transformation Plan (GT Plan) currently underway, Dominion Energy Virginia is now focusing its efforts on the second phase of the plan to provide smarter, stronger and greener energy solutions to customers. A new proposal filed with the State Corporation Commission (SCC) yesterday outlines plans for Phase II and includes approximately $669 million in capital investment for the years 2022-2023.

"As a society, electricity plays a more prominent role than ever in our everyday lives, whether we're powering businesses and essential service providers, working or learning at home, or charging our electric vehicle," said Ed Baine, President of Dominion Energy Virginia. "And as we bring more renewable energy onto our distribution grid to build a cleaner future, we must modernize the way the system works, including adding new capabilities. We must act now and remain agile to deliver the reliable, affordable and increasingly clean energy that our customers want and expect."

Phase I of the GT Plan launched activities to enhance the reliability and security of the distribution grid and to develop a new customer information platform (CIP) that enhances service to customers. Phase II layers in investments needed to facilitate and optimize the integration of distributed energy resources (DERs), such as small-scale solar, wind and energy storage facilities, and electric vehicles. The current grid was not built to accommodate a significant amount of DERs which can produce a bi-directional flow of energy rather than the traditional energy flow from large power stations to homes and businesses.

To effectively integrate DERs, the Company needs more in-depth data about grid conditions, as well as the systems to process, manage, and use that data to optimize grid operations. To that end, the Company proposes:

- Continued deployment of smart metering infrastructure and intelligent grid devices that will gather and transmit data in near real-time over a secure telecommunications network.
- New investments in technology, including installation of two systems that will manage and use this influx of data, as well as a system that will leverage the capabilities of smart grid control devices to improve customer reliability.

Many of the projects proposed for Phase II, such as smart meters and intelligent grid devices, focus on facilitating the integration of DERs, while continuing to address the reality that reliability and security are vital to the Company and its customers. Recent federal and state clean energy policies such as the Virginia Clean Economy Act of 2020 (VCEA), FERC Order 2222, and commitments and incentives to speed the transition to electric vehicles have accelerated the need for a transformed energy grid capable of supporting significant volumes of renewables and DERs.

Virginia's regulatory structure encourages investments to ensure the continued reliability of the electric grid, ensures fiscal oversight to provide affordable energy to customers and facilitate the continued growth of renewables in line with both Dominion Energy's commitment to net zero carbon and methane emissions by 2050 across its footprint and the requirements set forth in the VCEA.

The bulk of investments to date in smart meters and the CIP fall within the review period for the Company's ongoing rate case before the SCC. Dominion Energy's proposed treatment of those costs ensures that customers will see no associated rate increase arising from that proceeding. In a separate upcoming filing, the company will seek recovery of other Phase I grid transformation project costs. Phase II projects, if approved by the SCC, will be subject to cost recovery at a later date.

According to a cost-benefit analysis performed by West Monroe Partners, a business consulting firm, the investments will provide a range of customer benefits, including reliability improvements, energy and demand

savings, more accurate and timelier customer information, and improved resiliency of service to critical infrastructure, among others. The analysis concluded that the proposed investments represent an overall benefit to customers and a positive business case for the Company.

About Dominion Energy

More than **7 million customers in 16 states** energize their homes and businesses with electricity or natural gas from Dominion Energy (NYSE: **D**), headquartered in Richmond, Va. The company is **committed to sustainable, reliable, affordable and safe energy** and to achieving net zero carbon dioxide and methane emissions from its power generation and gas infrastructure operations by 2050. Please visit **DominionEnergy.com** to learn more.

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