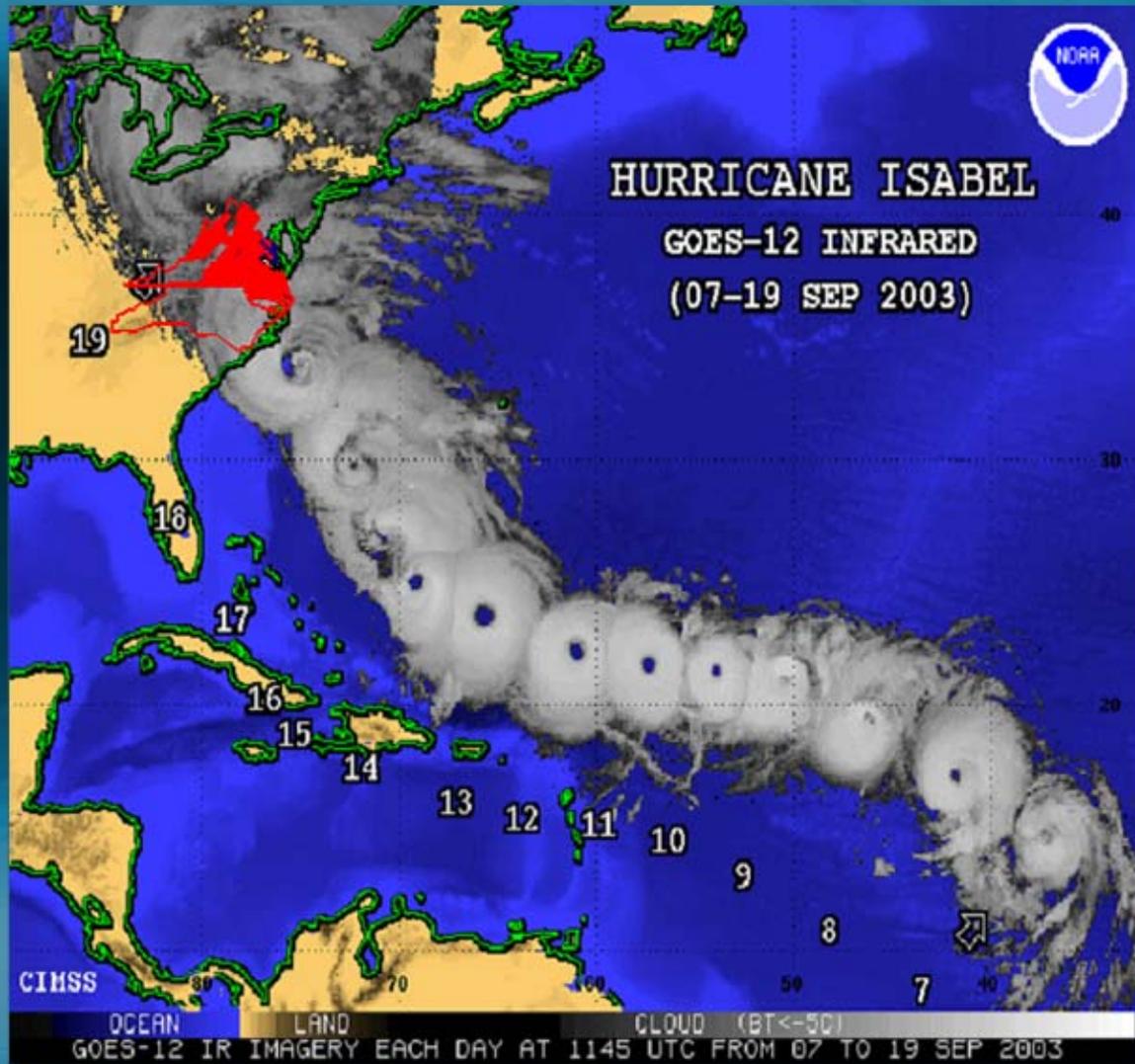


Hurricane Isabel



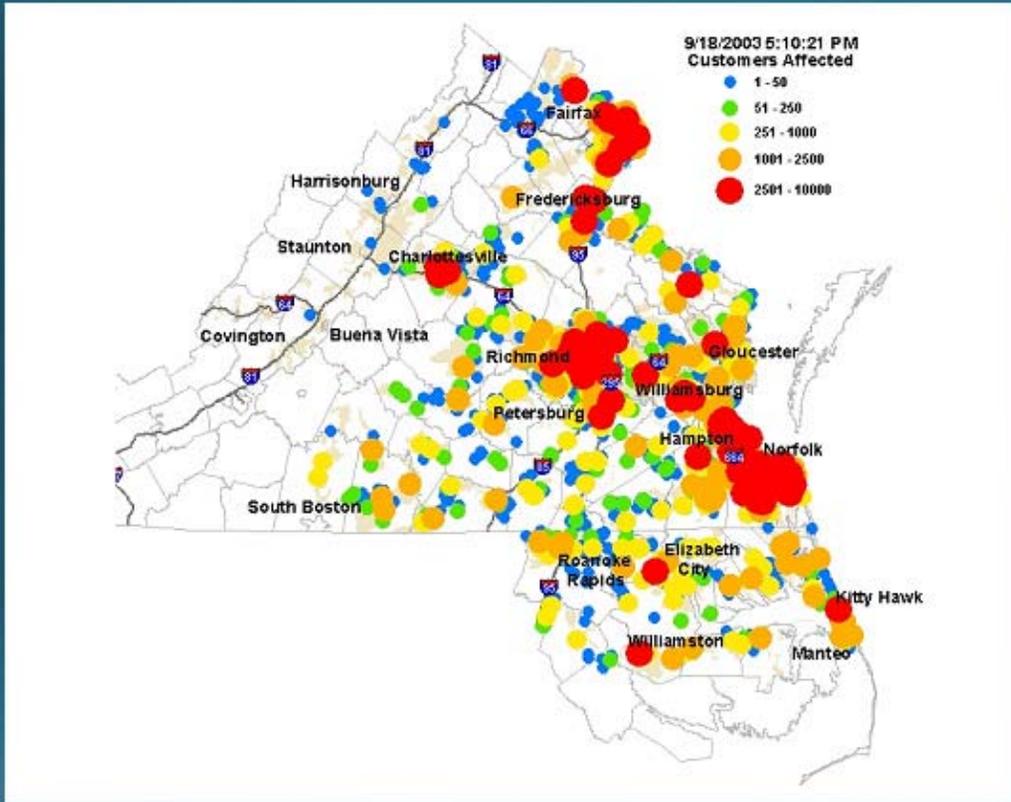
Dominion

Isabel's Impact



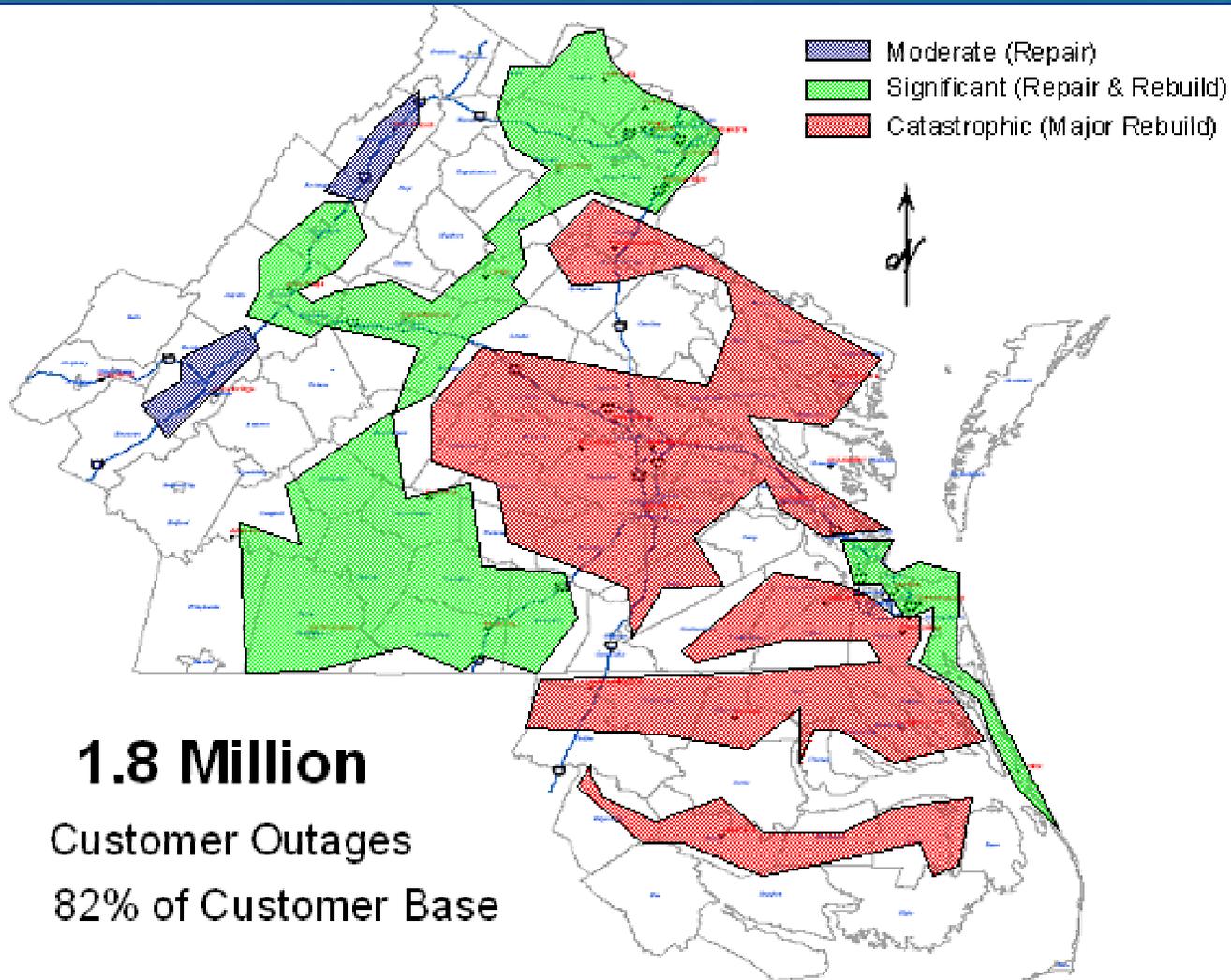
- “A storm of historic proportions”
- Covered an area the size of Colorado
- Cut through heart of Dominion service area
- Hurricane-force gusts ranging from 74 to 107 mph

Isabel's Impact



- Knocked out power to 1.8 million customers - more than 80 percent of those we serve
- Almost all communities in service area suffered major damage, outages
- Dominion workforce responded in outstanding manner
- First three days of restoration
 - Most public safety infrastructure restored
 - More than 900,000 customers returned to service

Catastrophic Damage



Isabel: “A Storm of Trees”



- Massive, widespread damage caused by trees falling from along and outside rights-of-way
- Unprecedented combination of weather events left trees vulnerable to Isabel’s winds
 - Drought
 - Record rainfall

Isabel: “A Storm of Trees”



Isabel “wreaked havoc on the forest of urban and suburban trees... Many of them are so big that, when blown over by tropical storm-force winds, they’re likely to find a power line that was once thought safely distant.”

- Pat Michaels
Virginia State Climatologist

Catastrophic Damage



- More than 10,700 power poles destroyed
- More than 14,600 pole cross arms broken
- Approximately 7,900 transformers destroyed
- More than 13,000 spans of wire brought down
- More than 60% of primary distribution circuits affected

Preparations for Isabel



- Initially mobilized a workforce of 7,000 - which grew to more than 12,000
- Secured supplies, including poles, cross arms, wire, transformers
- Issued radio, print and electronic communications as Isabel neared the coast

Communications with Customers



- Company posted crew work locations daily on Internet (dom.com)
- Company purchased radio time in all markets to convey critical messages
- Other communications included
 - press & government briefings
 - 1.7 million customer calls

Service Restoration: Initial Phase



- Assigned highest priority to restoring critical public health and safety facilities
- Most hospitals restored by Sunday night, September 21, along with most critical water treatment facilities
- School restoration another high priority
- More than 50 percent of all affected customers restored by Sunday, September 21

Service Restoration: The Next Phase



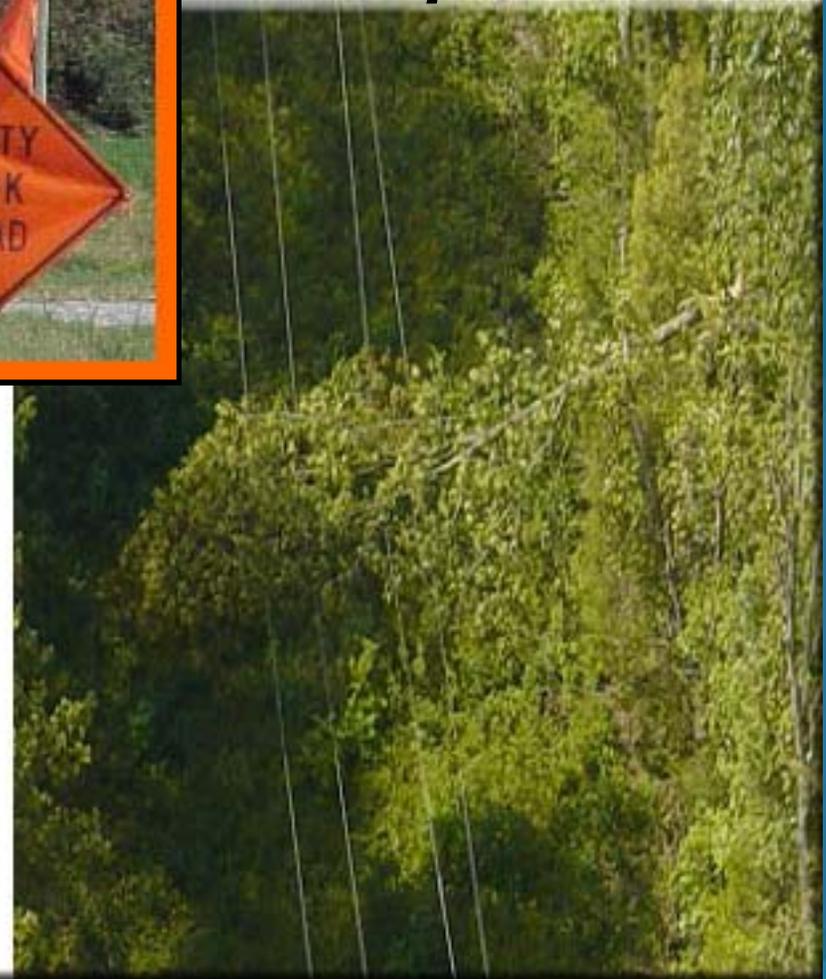
- Attention then turned to primary distribution circuits affecting homes and businesses
- Crews reported critical levels of devastation:
 - broken trees
 - downed limbs
 - storm debris
- Repair work often impossible until tree cutters cleared way
- Damage often in hard-to-reach places, such as backs of lots

Hurricane Isabel - “Rebuild” versus “Repair”

Rebuild



Repair



Service Restoration: Record Workforce



- Record workforce of more than 12,000 mobilized to restore service
- Included more than 9,000 tree trimmers, line workers from 24 contractors and 18 other utilities
- Help from as far away as Quebec, Oklahoma, Texas

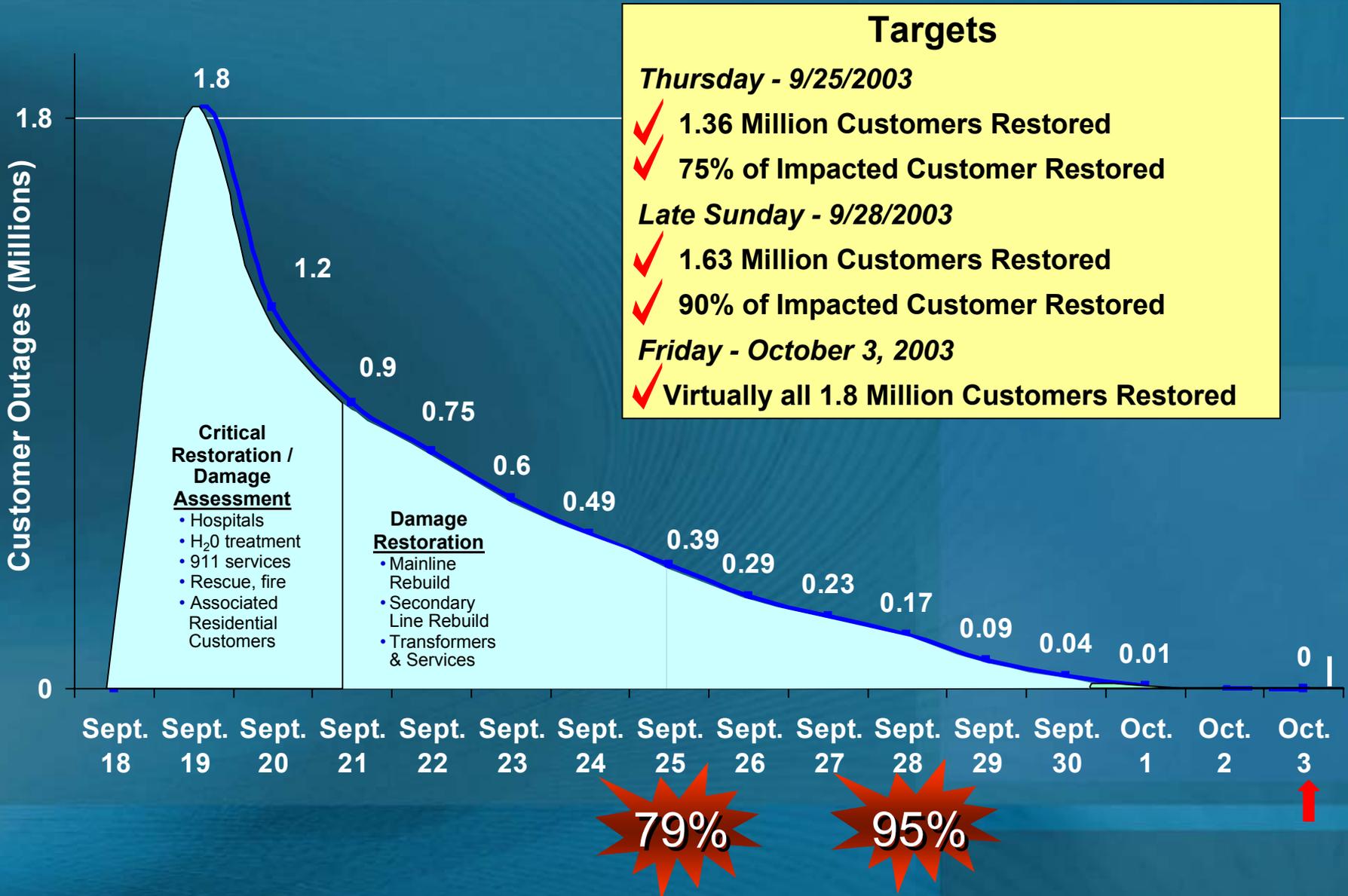
Service Restoration: Sources of Help

Includes:

- Texas
- Oklahoma
- Louisiana
- Arkansas
- Alabama
- Georgia
- Florida
- South Carolina
- North Carolina
- Virginia
- Kentucky
- West Virginia
- Ohio
- Indiana
- Wisconsin
- Pennsylvania
- Michigan
- Massachusetts
- New York
- Tennessee
- Mississippi
- Quebec, CAN



Service Restoration: Restoration Curve



Restoration Time



- Dominion averaged 121,000 restorations per day, far more than any other affected utility
- Dominion's Isabel restoration pace exceeded its own response to previous storms
 - Hurricane Fran (1996): 69,000 restored per day
 - Super Bowl Ice Storm (2000): 95,000 restored

Service Restoration: The Cost



- After-tax system damage: \$128 million
- In just 10 days we:
 - used a year's supply of poles, cross arms, and transformers
 - neared four years' worth of secondary wire and insulators
- The significant operations and maintenance costs will not result in higher bills for our customers - due to capped rates

Building on Our Response



- Dominion employees - as well as contractors, workers from other utilities - mounted outstanding response to devastating storm
- Review will include assessments of our:
 - planning
 - implementation
 - materials management
 - communications

“There is no education like adversity.”

- Benjamin Disraeli

A Storm of Historic Proportions





Dominion