

South Carolina E&G, which serve 3.5 mill. customers in VA, SC, & NC. Serves 3.5 mill. gas customers in OH, WV, UT, SC, & NC. Other ops. incl. independent power production. Acq'd Questar 9/16; SCANA 1/19. Elec. rev. breakdown: residential, 47%; commercial,

25% of revs. '21 reported deprec. rates: 1.8%-3.8%. Has 17,100 employees. Chairman, President & CEO: Robert M. Blue. Inc.: VA. Address: 120 Tredegar St., P.O. Box 26532, Richmond, VA 23261-6532. Tel.: 804-819-2000. Internet: www.dominionenergy.com.

166 128 188 Fixed Charge Cov. (% ANNUAL RATES Past Past Est'd '19-'21 of change (per sh) 10 Yrs. to '25-'27 -3.5% 2.0% -1.5% Revenues -1.5% 1.0% -6.0% 4.F 'Cash Flow' 8.0% 14.0% Earnings 4.5% 8.5% 1.0% 5.0% Dividends Book Value

% Change Customers (vr-end)

NA NA NA NA

NA NA NA NA

Cal- endar	QUAR Mar.31	TERLY RE Jun.30	VENUES (Sep.30	\$ mill.) Dec.31	Full Year
2019	3858	3970	4269	4475	16572
2020	3938	3106	3607	3521	14172
2021	3870	3038	3176	3880	13964
2022	4200	3250	3350	4200	15000
2023	4300	3350	3450	4300	15400
Cal-	EARNINGS PER SHARE A Full				
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2019	d.37	.13	1.23	1.22	2.19
2020	d.57	.90	.42	.98	1.82
2021	1.19	.30	.71	.99	3.19
2022	1.10	.85	1.10	1.00	4.05
2023	1.25	.90	1.15	1.05	4.35
Cal-	QUARTERLY DIVIDENDS PAID B =				Full
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2018	.835	.835	.835	.835	3.34
2019	.9175	.9175	.9175	.9175	3.67
2020	.94	.94	.94	.63	3.45
2021	.63	.63	.63	.63	2.52
2022	.6675				

Dominion Energy's earnings will likely advance significantly in 2022. The comparison is easy due to some unusual charges that the company incurred last year. Besides this, Virginia Power benefits from recovery of certain capital expenditures through riders (surcharges) on customers' bills. The company is seeing load growth in Virginia and South Carolina, too. Dominion will also benefit from a full year's effect of general rate hikes that were granted in 2021. In September, the company received an electric rate increase in South Carolina of \$62 million, based on a 9.5% return on equity, and in November, its gas utility in North Carolina had its rates raised \$29 million, based on a 9.6% ROE. Finally, a return to normal weather patterns would add a nickel to the bottom line. Our estimate is within the company's targeted range of \$3.95-\$4.25 a share.

We expect further growth in 2023. The key factors should be volume growth and revenues resulting from continued investment at Virginia Power. Dominion's goal is average annual dividend growth of 6.5%, and our estimate would exceed this range. However, investors should note that cer-

tain things, such as mark-to-market accounting items and unrealized gains or losses on the company's nuclear decommissioning trust funds, can affect the comparisons. We include these in our earnings presentation because they are a normal part of Dominion's quarterly results.

The company has agreed to sell its gas

utility in West Virginia for \$690 million. This is Dominion's smallest utility. The price is attractive, at 26 times 2021 earnings. The proceeds will be used for debt reduction. The transaction requires the approval of the West Virginia commission and is expected to close in late 2022.

Virginia Power is proposing an offshore wind project. This requires approval of the state regulators. The utility would add 2.6 gigawatts of capacity at a cost of \$10 billion, and is scheduled for completion in late 2026. However, offshore wind entails construction risk.

The untimely stock has a dividend yield that is about equal to the industry average. Total return potential is below average for the next 18 months and the 3- to 5-year period. Paul E. Debbas, CFA May 13, 2022

(A) Dil. egs. Excl. nonrec. gains (losses): '08, 12¢; '09, (47¢); '10, \$2.18; '11, (7¢); '12, (\$1.70); '14, (76¢); '17, \$1.19; '18, 43¢; '19, (58¢); gain (losses) from disc. ops.: '10, (26¢); © 2022 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

'12, (4¢); '13, (16¢); '20, (\$2.39); '21, 79¢. '19, intang. In '21: \$20.78/sh. **(D)** In mill. **(E)** Rate '20 EPS don't add due to chg. in shs. Next egs. due early Aug. **(B)** Div'ds paid mid-Mar., June, in VA in '22: 9.35%; in SC in '21: 9.5%; earned Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. on avg. com. eq., '21: 10.9%. Reg. Clim.: Avg.

Company's Financial Strength Stock's Price Stability Price Growth Persistence **Earnings Predictability**

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