

Background

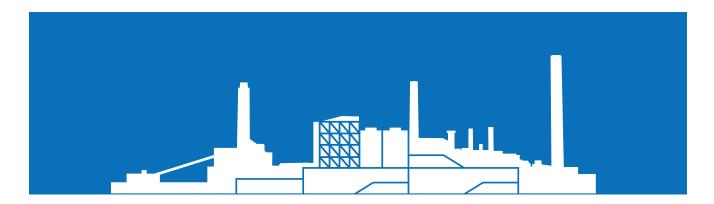
Legislation passed during the 2019 Virginia General Assembly along with existing state and federal environmental regulations require Dominion Energy to remove all coal ash currently stored in two ash ponds at Chesterfield Power Station within 15 years. The coal ash must be recycled or placed in a lined landfill.

The volume of coal ash to be removed from the Upper and Lower Ash Ponds at the station totals 14.9 million cubic yards.

This represents approximately half of the coal ash stored at the four Dominion Energy power stations in Virginia affected by the legislation.

As a result, it is anticipated that Chesterfield Power Station will face the longest timeline for coal ash pond closure. The station is also unique among Dominion Energy facilities impacted by the new law in that it is traversed by public roads and adjoins popular recreational and historical areas.





What is the purpose of the Memorandum of Understanding?

Chesterfield Power Station lies in close proximity to Chesterfield County's Henricus Historical Park, Dutch Gap Conservation Area, and the Dutch Gap Boat Launch, which attract about 500,000 visitors and 240,000 vehicles each year. Coal ash pond closure activities are likely to interrupt the flow of traffic on roads that provide access to these areas, and the legislation requires Dominion Energy to consult with the County on a plan to address various transportation-related concerns, including fugitive dust.

Given the station's unique location, Dominion Energy and Chesterfield County developed a Memorandum of Understanding that creates a framework for preserving public access to the historical and recreational areas during the closure project. The Memorandum of Understanding was finalized and signed on August 28, 2019.

The concepts outlined in the document and its attachments are subject to change as the parties complete their evaluations, and the plan must ultimately represent a prudent and cost-effective approach to managing impacts from the closure project.

What does the Memorandum of Understanding specify?

- □ Representatives from Dominion Energy and Chesterfield County will meet on a recurring basis to develop a plan that minimizes the impact of coal ash transport on adjacent property owners and the community at large.
- □ The plan will address public access via Coxendale Road, while studying and developing plans for alternative access to Henricus Historical Park and Dutch Gap Conservation Area, relocation of the Dutch Gap Boat Launch, and other improvements.
- Dominion Energy will reimburse up to \$1.1 million in costs Chesterfield County incurs by engaging third-party consultants as it undertakes a comprehensive study of potential improvements to these facilities.

- ☐ The plan is to be finalized by March 2020. It must be a prudent, reasonable, and cost-effective approach for Dominion Energy's customers and comply with the transportation requirements outlined in the landmark coal ash legislation.
- ☐ The final plan is expected to set out funding commitments for constructing certain improvements necessary to manage impacts from the pond closure project. Those costs ultimately must be approved by the Virginia State Corporation Commission.