

DOMINION ENERGY INC /VA/

Form 8-K

January 31, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8 K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of report (Date of earliest event reported) January 25, 2018

Dominion Energy, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Virginia 001-08489 54-1229715
(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

120 Tredegar Street
Richmond, Virginia 23219
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code (804) 819-2000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

2018 Annual Incentive Plan

On January 25, 2018, the Dominion Energy, Inc. ("Dominion Energy") Compensation, Governance and Nominating Committee ("CGN Committee") approved the 2018 Annual Incentive Plan (the "Plan"). Under the Plan, Dominion Energy's officers are eligible for an annual performance-based cash award. Each officer has a target incentive award under the Plan based on a percentage of base salary. For 2018, the target percentages of base salary for Dominion Energy's named executive officers are as follows: Chairman, President and Chief Executive Officer – 140%; Executive Vice President and Chief Financial Officer – 110%; Executive Vice President and President & Chief Executive Officer – Power Generation Group – 90%; and Executive Vice President and Chief Innovation Officer – 90%.

The Plan is funded based on the achievement of consolidated financial operating earnings goals, with potential funding ranging from 0% to 200% of the target funding with the CGN Committee retaining negative discretion with respect to funding for current and future named executive officers. For most officers, payout of the amount funded under the Plan is subject to achievement of applicable consolidated financial, business unit financial, and operating and stewardship goals, including safety goals, diversity goals and environmental goals. For the named executive officers, payout of incentives under the Plan will be based solely on the achievement of the funding goals, subject to the CGN Committee's negative discretion.

2018 Long-Term Incentive Program

On January 25, 2018, the CGN Committee approved the 2018 Long-Term Incentive Program (the "Program") for its officers, including its named executive officers. The Program consists of two components: a restricted stock grant and a cash-based performance grant. The restricted stock is awarded pursuant to Dominion Energy's 2014 Incentive Compensation Plan. The restricted stock is subject to a three-year cliff vesting period, while payout of the performance grant will be based on the achievement of two performance metrics: total shareholder return ("TSR") relative to a group of peer companies selected by the CGN Committee (weighted 50%) and return on invested capital (weighted 50%). There is also an opportunity to earn a portion of the award based on Dominion Energy's absolute TSR and price-earnings ratio performance, regardless of relative TSR performance. The performance grant will have a performance period ending December 31, 2020, with payment made by March 15, 2021. The target value for the performance grant is equal to the grant date value of the restricted stock portion of the Program. Payout of the cash-based performance grant will vary depending on the level of achievement of the performance metrics. The CGN Committee retains authority to exercise negative discretion to lower payouts as it may deem appropriate, in its sole discretion.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DOMINION ENERGY, INC.
Registrant

/s/ Carter M. Reid
Carter M. Reid
Executive Vice President, Chief Administrative &
Compliance Officer and Corporate Secretary

Date: January 31, 2018