



**Barclays CEO Energy-  
Power Conference  
September 5, 2017**



# Forward-Looking Information

Fortis Inc. (“Fortis” or, the “Corporation”) includes “forward-looking information” in this presentation within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (collectively referred to as “forward-looking information”). Forward-looking information included in this presentation reflects the expectations of Fortis management regarding future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as “anticipates”, “believes”, “budgets”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “projects”, “schedule”, “should”, “target”, “will”, “would” and the negative of these terms and other similar terminology or expressions have been used to identify forward-looking information, which includes, without limitation: the expectation of regulatory stability in the near-term; the Corporation’s consolidated and segmented forecast midyear rate base for 2017 and the period 2017 through 2021 and associated compound annual growth rate; targeted average annual dividend growth through 2021; the Corporation’s forecast gross consolidated and segmented capital expenditures for 2017 and the period 2017 through 2021; the nature, timing and expected costs of certain capital projects including, without limitation, the ITC Multi-Value Regional Transmission Projects and 34.5kV to 69kV Conversion Project, the Central Hudson Gas Main Replacement Program, the FortisBC Lower Mainland System Upgrade and expansion to Tilbury 1A, the FortisAlberta Pole Management Program, and additional opportunities beyond the base plan including, without limitation, the Lake Erie Connector, the Wataynikaneyap Project and the pipeline expansion to the Woodfibre liquid natural gas site; the expectation that capital expenditures will exceed expectations; and the expected timing of filing of regulatory applications and receipt and outcome of regulatory decisions.

Forward-looking information involves significant risk, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time-to-time in the forward-looking information. Such risk factors or assumptions include, but are not limited to: uncertainty regarding the outcome of regulatory proceedings of the Corporation’s utilities and the expectation of regulatory stability; no material capital project and financing cost overrun related to any of the Corporation’s capital projects; sufficient human resources to deliver service and execute the capital program; the Board of Directors exercising its discretion to declare dividends, taking into account the business performance and financial conditions of the Corporation; risk associated with the impact of less favorable economic conditions on the Corporation’s results of operations; no significant changes in laws and regulations that may materially negatively affect the Corporation and its subsidiaries; currency exchange rates and resolution of pending litigation matters. Fortis cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors should be considered carefully and undue reliance should not be placed on the forward-looking information. For additional information with respect to certain of these risks or factors, reference should be made to the continuous disclosure materials filed from time to time by Fortis with Canadian securities regulatory authorities and the Securities and Exchange Commission. Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Unless otherwise specified, all financial information referenced is in Canadian dollars.

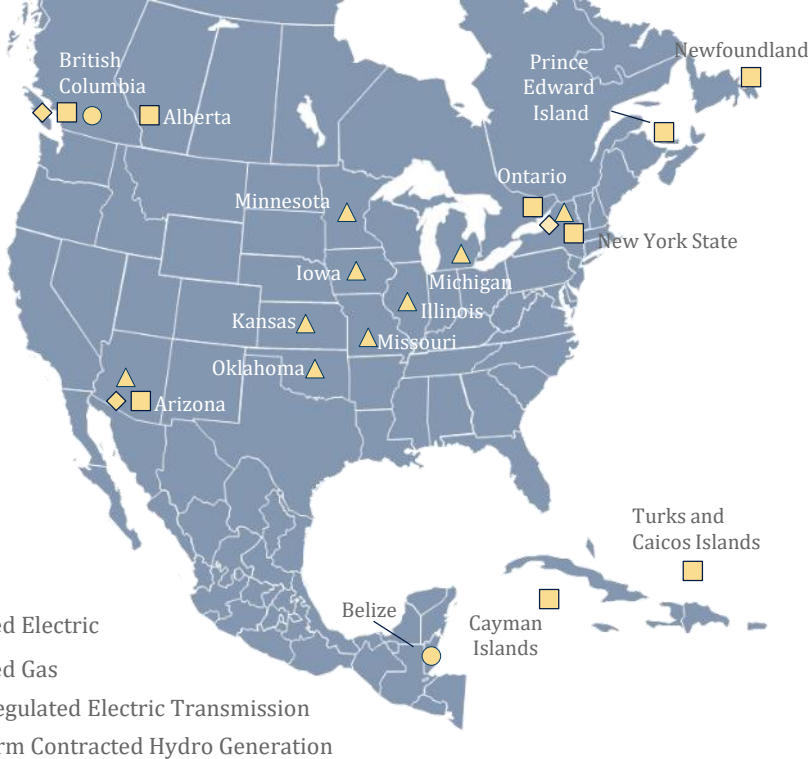
# Fortis Today

- Leader in the North American regulated electric and gas utility business
- ITC provides strong platform in electric transmission sector
- Tremendous economic, geographic and regulatory diversity
- Recent regulatory outcomes provide stability for near term
- Visible growth provided by base 5-year capital program
- Pursuing several additional energy infrastructure opportunities
- Consistent dividend growth and superior long-term returns to shareholders



# A Leader in North American Utility Industry

- Regulated utilities
  - 9 U.S. states
  - 5 Canadian provinces
  - 3 Caribbean countries
- ~8,400 employees
- 2017F midyear rate base ~\$26B
- ~30% of rate base regulated by FERC (ITC rate base)
- Market cap \$19.0B<sup>(1)</sup>
- Listed on TSX/ NYSE

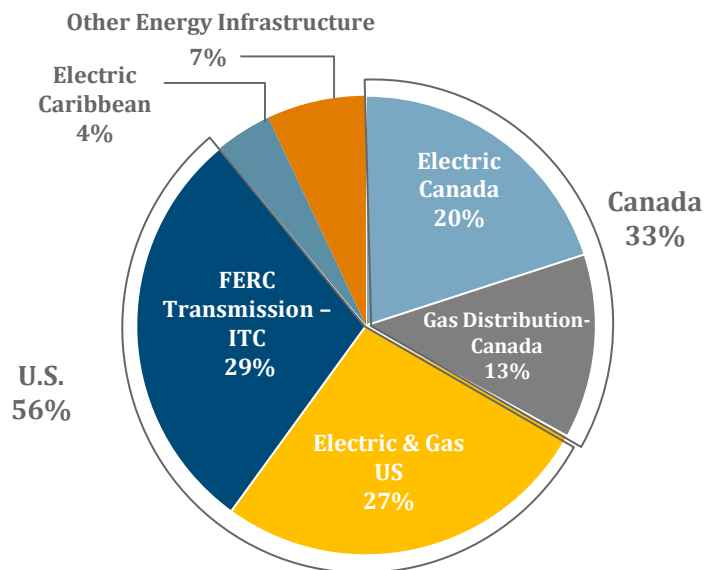


(1) Market capitalization as of July 31, 2017.


# Highly Diversified: Economic, Geographic and Regulatory Diversification

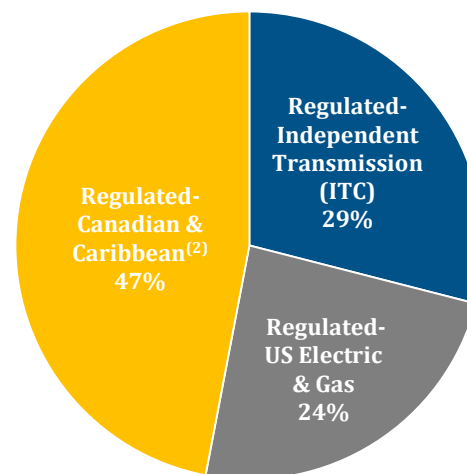
## Pro Forma Net Earnings<sup>(1)</sup>

For the Twelve Months  
Ended June 30, 2017



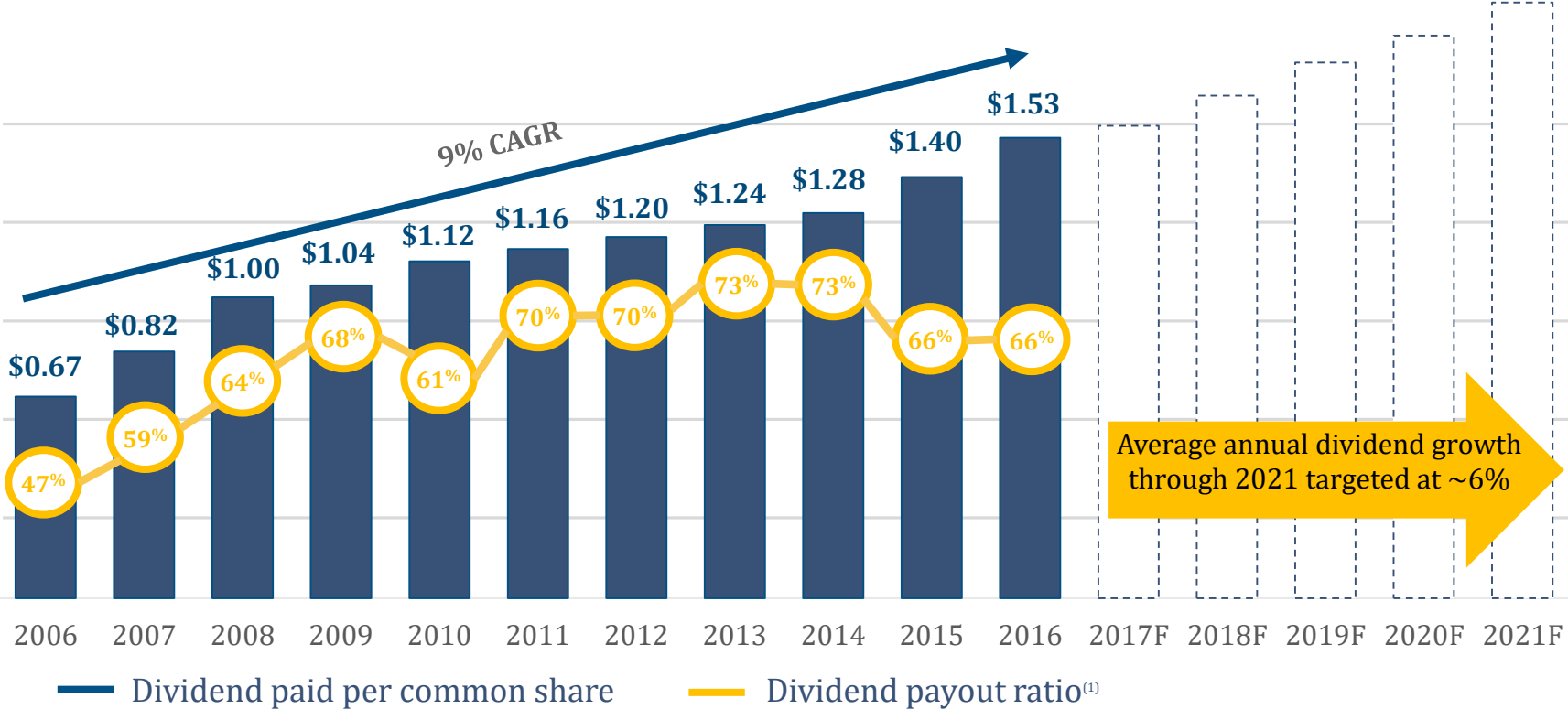
## Fortis 2017 Midyear Rate Base<sup>(2)</sup>

~\$26 Billion  
Transmission & Distribution  
represents ~86% of rate base



(1) Excluding ITC's one-time merger-related expenses, "Corporate and Other" segments and intercompany eliminations.  
 (2) Includes 100% of the Waneta Hydroelectric Expansion of which Fortis has a 51% controlling ownership interest.

# Average Annual Dividend Growth Target of ~6% through 2021



*43 Consecutive Years of Annual Dividend Payment Increases*

(1) Dividend payout ratio for 2011 through 2016 adjusted for non-recurring items

# Delivering Superior Shareholder Returns

- Average annualized total shareholder return over last 5 years <sup>(1)</sup>

<b>Fortis</b>	<b>10.34%</b>
S&P/TSX Composite Index	8.55%
S&P/TSX Capped Utilities Index	6.69%



(1) For the 5-year period ending July 31, 2017.

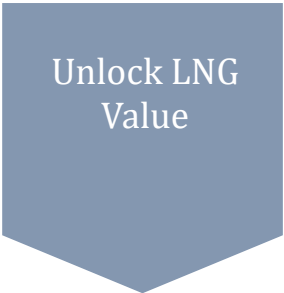
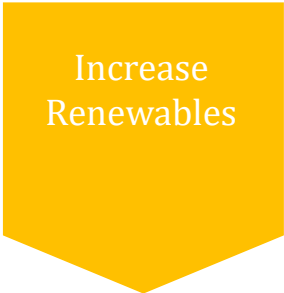
# Our Strategic Focus Delivers Results

## Strategy

*Leverage the operating model, footprint of our utilities, operating expertise, reputation and financial strength to develop growth opportunities*



## Strategic Initiatives





# ITC: Transformational Growth for Fortis

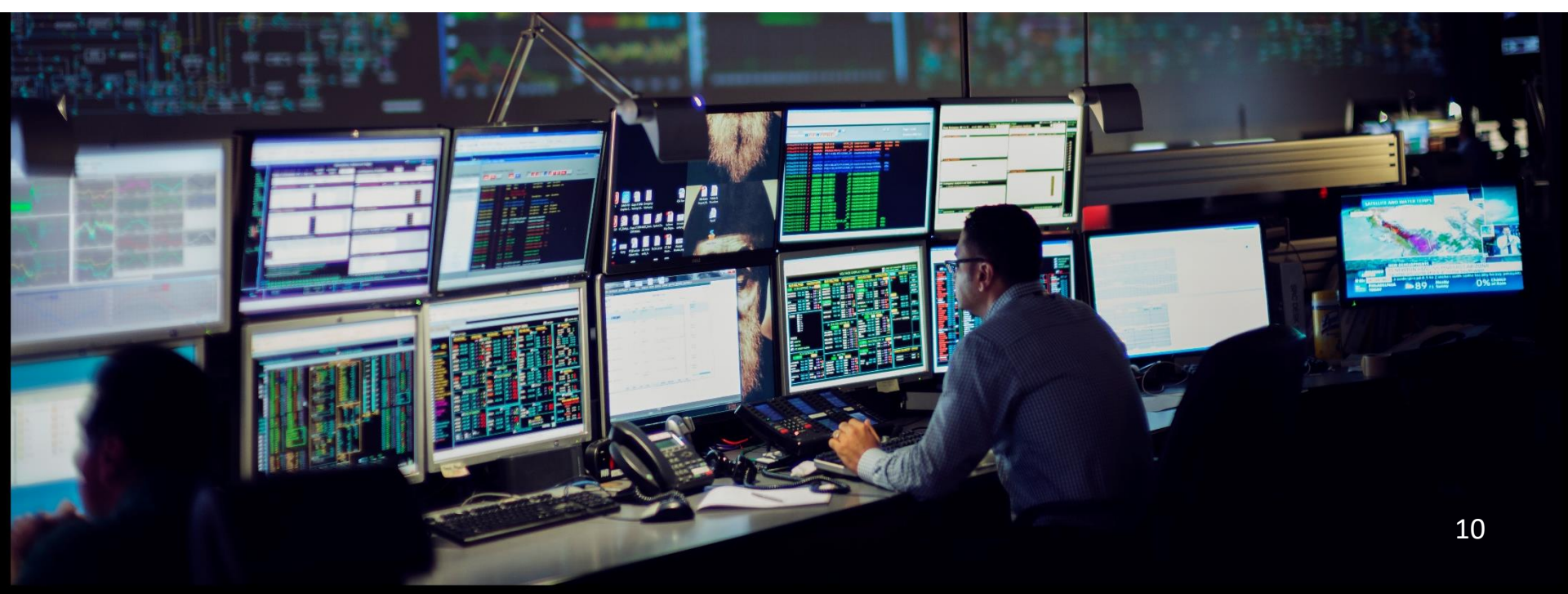


- ✓ Accretive to EPS
- ✓ Financing complete
- ✓ Integration on track
  - Minimal impact on day-to-day operations at ITC
  - ITC's new board of directors formed
  - Linda Apsey appointed President and CEO of ITC during Q4 2016
  - Joe Welch elected to Fortis' Board of Directors in 2017



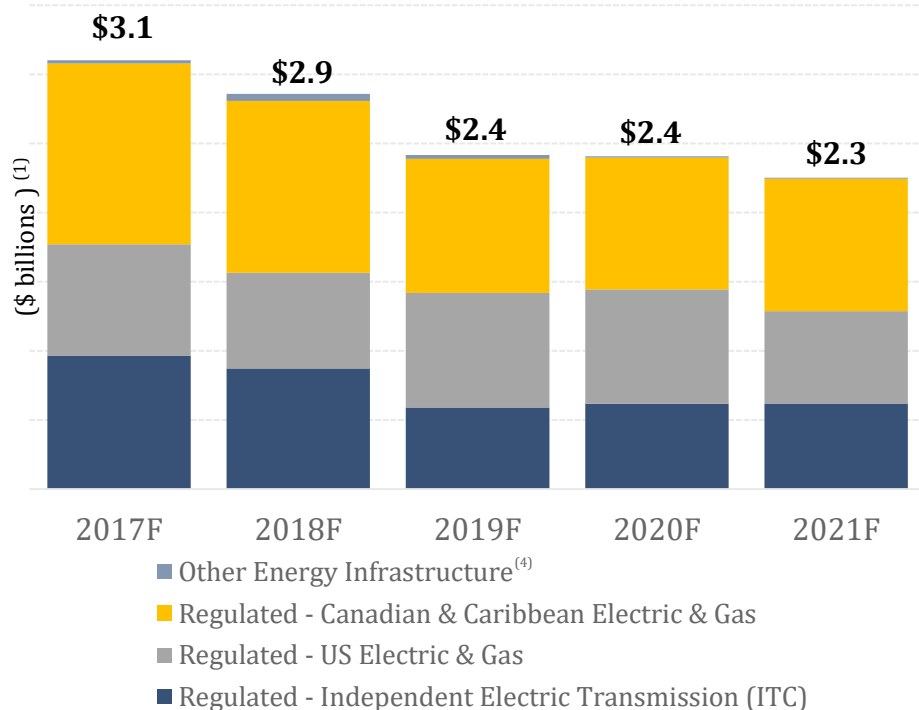
# Our Focused Strategy Continues to Yield Strong Results

- ✓ Focused on base growth while making prudent investments to provide safe, reliable and cost effective energy solutions to our customers
- ✓ Benefitting from the acquisition of ITC
- ✓ Maintaining constructive regulatory relationships:
  - UNS rate case settlement
- ✓ Highly executable, low risk capital plan remains on track

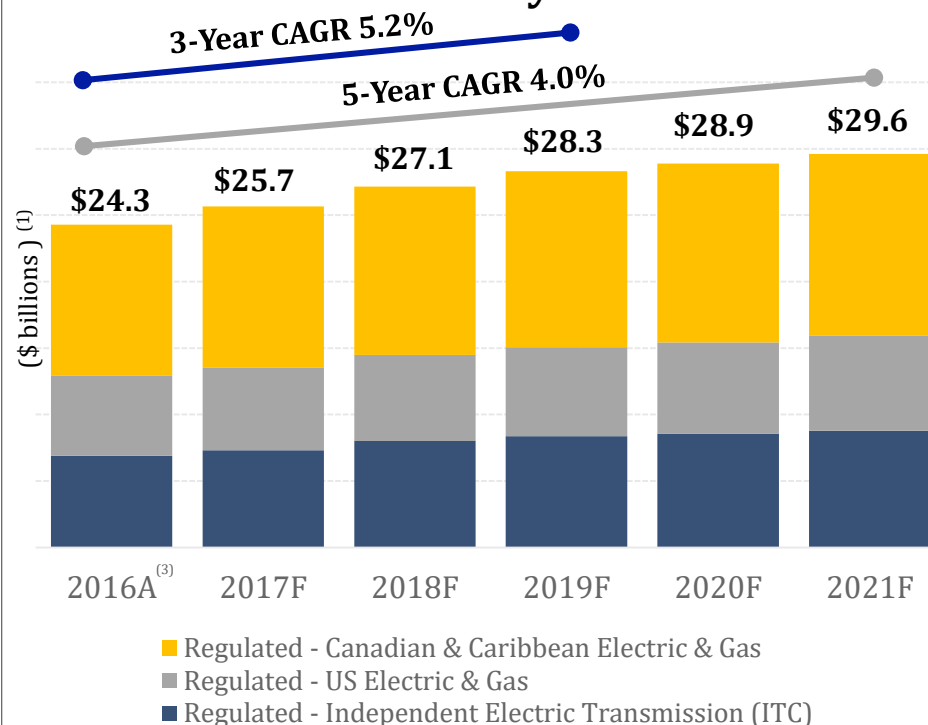


# Capital Plan Grows Rate Base to ~\$30 Billion in 2021

## ~\$13B Five-Year Capital Program



## 2016 - 2021 Midyear Rate Base<sup>(2)</sup>



### Midyear Rate Base Sensitivities

Capex at ~\$3B for all years  
 Add \$1 billion in rate base in the last year

### 3-Year CAGR to 2019

+30 bps to 5.5%  
 +130 bps to 6.5%

### 5-Year CAGR to 2021

+90 bps to 4.9%  
 +70 bps to 4.7%

(1) US Dollar-denominated CAPEX and midyear rate base converted at a USD/CAD exchange rate of 1.30 for 2017 through 2021.

(2) Includes the impact of bonus depreciation and excludes construction work in progress.

(3) Reflects actual midyear 2016 rate base compared to the November 2016 forecast of \$24.2 billion.

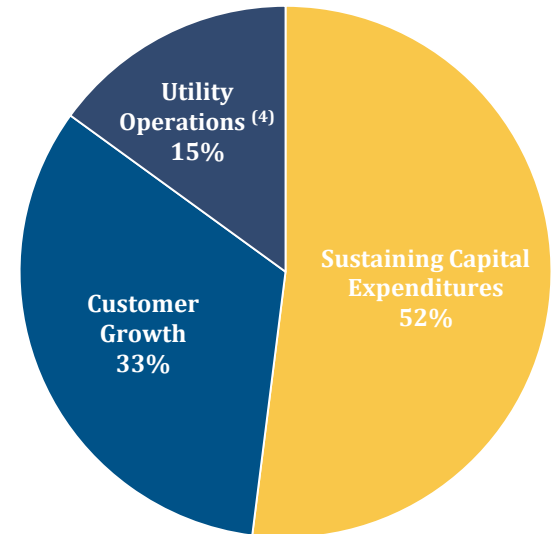
(4) Includes 100% of the Waneta Expansion, of which Fortis has a 51% controlling ownership interest.

# Highly Executable Capital Plan

## Major Capital Projects

\$millions <sup>(1) (2)</sup>	Forecast 2017	Forecast 2018-2021	Total 2017-2021 Forecast
ITC Multi-Value Regional Transmission Projects <sup>(3)</sup>	305	244	549
ITC 34.5 kV to 69 kV Conversion Project	89	369	458
FortisBC Lower Mainland System Upgrade	200	182	382
Central Hudson Gas Main Replacement Program	33	169	202
FortisAlberta Pole-Management Program	43	53	96
FortisBC Tilbury LNG Facility Expansion – Tilbury 1A	65	-	65

## 5-Year Capital Forecast Spending



(1) Represents capital asset expenditures, including both the capitalized debt and equity components of AFUDC, where applicable.

(2) US Dollar denominated CAPEX converted at a USD/CAD exchange rate of 1.30 for 2017 through 2021.

(3) Consists of four separate multi-value projects to create a stronger connection within the Midwestern United States, improve transmission capacity and to connect wind energy.

(4) Includes facilities, equipment, vehicles, information technology and other assets.

# Opportunities Beyond Base Plan

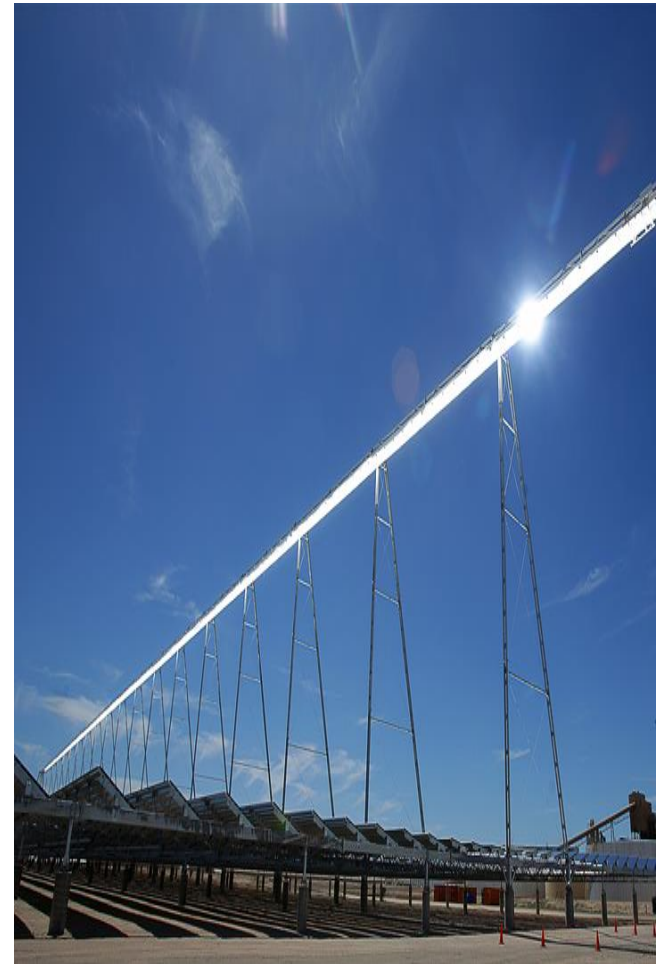


# Beyond the Forecast: Development Project Update

 <p><b>FORTIS ONTARIO</b>  <b>Wataynikaneyap Power Project</b></p>	<ul style="list-style-type: none"> <li>✓ Opportunity to connect remote First Nations communities in Northern Ontario to the grid</li> <li>✓ In Q1 2017, the Ontario Energy Board issued its deferral account approval allowing recovery of spending that occurred since November 2010</li> <li>✓ Federal Government announced in August 2017 up to \$60 million in funding to connect Pikangikum First Nation to the power grid with construction to commence in October 2017</li> <li>✓ Construction will begin following the receipt of permitting, approvals and a cost-sharing agreement between the federal and provincial governments</li> </ul>
 <p><b>FORTIS BC™</b>  <b>Woodfibre LNG</b></p>	<ul style="list-style-type: none"> <li>✓ Potential pipeline expansion to the Woodfibre LNG export site</li> <li>✓ Earliest expected in service date is late 2020</li> </ul>
 <p><b>ITC</b>  <small>A FORTIS COMPANY</small>  <b>Lake Erie Connector</b></p>	<ul style="list-style-type: none"> <li>✓ Proposed 1,000 MW, bi-directional, high-voltage direct current transmission underwater line connecting the Ontario energy grid to the PJM energy market</li> <li>✓ In May 2017, ITC completed the major permit process in Pennsylvania upon receipt of two required permits from the Pennsylvania Department of Environmental Protection, and in June approval was received from Canada's Governor in Council and the Certificate of Public Convenience and Necessity was issued by the National Energy Board</li> </ul>

# Poised to Deliver Quality Results

- On track to execute 2017 plan, supported by acquisition of ITC and reasonable rate case outcome at UNS
- Consistent dividend growth
  - 43 years of consecutive dividend increases
  - 6% average annual dividend growth guidance through 2021
- Highly diversified regulated utilities, focused on wires and gas businesses
- Highly executable, risk-adjusted base capital plan
- Regulatory stability
- Strong organic growth potential in existing businesses
- Track record of superior shareholder returns





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# Expected Upcoming Events

## Expected Earnings Release Dates

Q3 – 2017	November 3, 2017
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## Save the Date - 2017 Investor Day

Toronto	October 16, 2017
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New York	October 18, 2017
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