



CIBC 20th Annual Whistler
Institutional Investor Conference
January 2017

Forward-Looking Statement



Fortis Inc. (“Fortis” or, the “Corporation”) includes forward-looking statements in this presentation within the meaning of applicable securities laws including the Private Securities Litigation Reform Act of 1995. Forward-looking statements included in this presentation reflect 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 the forward-looking statements, which include, without limitation: the Corporation’s forecast consolidated midyear rate base for 2017 and forecast consolidated and segmented midyear rate base for the period 2016 through 2021; the expectation that the acquisition of ITC Holdings will be accretive to earnings per share in the first full year following close; targeted annual dividend growth through 2021; the Corporation’s forecast gross capital expenditures for 2017 and forecast consolidated and segmented capital expenditures for the period 2017 through 2021; the expected timing of filing of regulatory applications and receipt and outcome of regulatory decisions; the nature, timing and expected costs of certain capital projects including, without limitation, the Woodfibre LNG facility.

Forward-looking statements involve significant risk, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. 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 statements. 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; risk associated with the impact of less favorable economic conditions on the Corporation’s results of operations; 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 statements. These factors should be considered carefully and undue reliance should not be placed on the forward-looking statements. 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 statements, whether as a result of new information, future events or otherwise.

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

Fortis Today

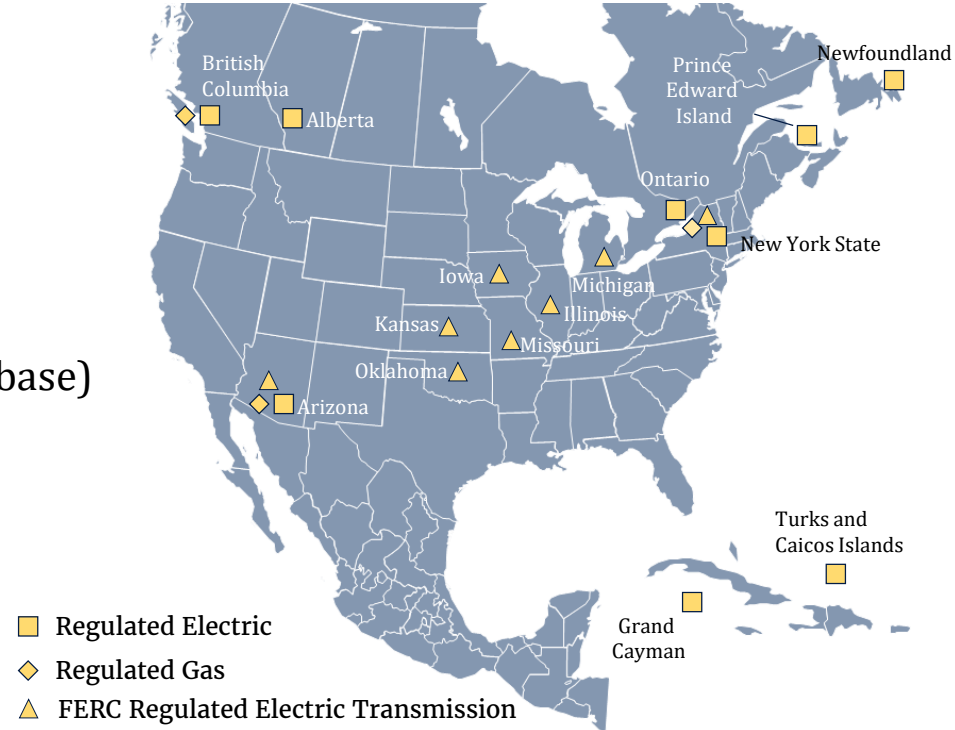
- Leader in the North American regulated electric and gas utility business
 - ITC provides strong platform in electric transmission sector
 - Successful utility acquisition track record
 - Tremendous economic, geographic and regulatory diversity
 - Regulatory outcomes provide stability for near term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



A Leader in North American Utility Industry



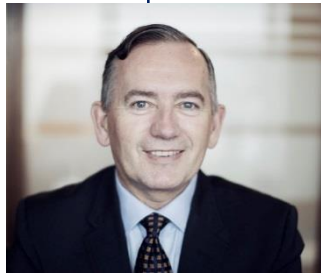
- Regulated utilities
 - 9 U.S. states
 - 5 Canadian provinces
 - 3 Caribbean countries
- 8,000 employees
- 2017F pro forma midyear rate base ~\$26B
- ~30% of rate base regulated by FERC (ITC rate base)
- Market cap \$16.6B¹
- Listed on TSX/ NYSE



(1) Market capitalization as of December 30, 2016.



Barry Perry
President & CEO



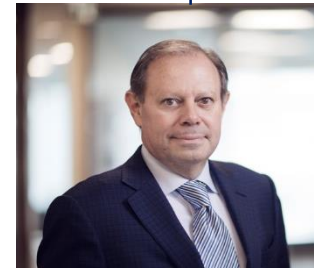
Karl Smith
EVP, CFO



Nora Duke
EVP, Corporate Services & CHRO



Earl Ludlow
EVP, Eastern Canadian & Caribbean Operations



James Laurito
EVP, Business Development



David Bennett
EVP, Chief Legal Officer & Corporate Secretary



David Hutchens
*President & CEO
UNS Energy*



Michael Mosher
*President & CEO
Central Hudson*



Linda Blair
*President & CEO
ITC Holdings Corp.*



Michael Mulcahy
*President & CEO
FortisBC*



Phonse Delaney
*President & CEO
FortisAlberta*

ITC Acquisition Closed

Secured minority investor with GIC Private Limited to acquire a 19.9% equity interest in ITC for US\$1.228B. The process was completed in just over 70 days in April 2016.



Received Fortis shareholder approval on May 5, 2016



Received ITC shareholder approval on June 22, 2016



The transaction review by the Committee on Foreign Investment in the United States was completed in July 2016



Federal and state regulatory applications filed



Obtained federal and state regulatory approvals. All regulatory approvals received within 245 days of deal announcement or 132 days after all state regulatory filings were made.



Raised US\$2.0B in debt associated with transaction on October 4, 2016



Fortis shares listed on NYSE on October 14, 2016



Closed transaction on October 14, 2016; 248 days after deal announcement



Completed

How Does ITC Fit With Fortis?

ITC Acquisition Strategic Rationale

**Premier Electric
Transmission Utility**

Accretive to EPS

**Increases
Diversification**

**Supportive FERC
Regulation**

**Long-Term Rate Base
Growth Prospects**

**Proven Management
Team**

Fortis now among the top 15 North American investor-owned utilities ranked by enterprise value ⁽¹⁾



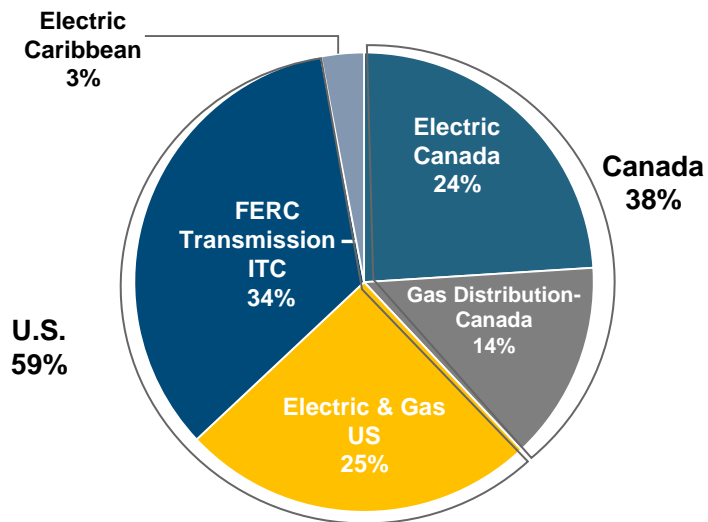
Source: CapitalIQ and Fortis public filings

(1) Includes integrated electric utilities and gas distribution utilities per CapitalIQ. Enterprise values based on market close as of November 30, 2016. Pro forma Fortis adjusted for ITC acquisition value.

(2) Based on US\$ / C\$ foreign exchange rate of 1.35 as of November 30, 2016.

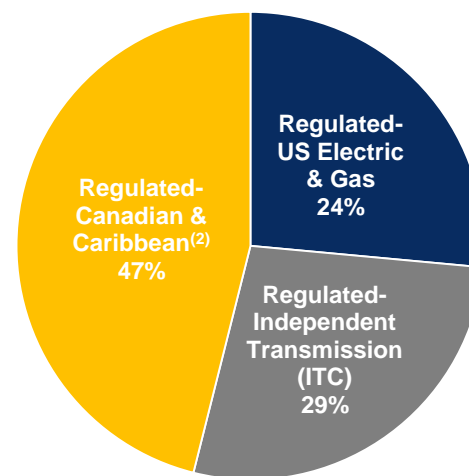
Pro Forma Operating Earnings ⁽¹⁾

For the Twelve Months Ended December 31, 2015



Fortis Pro Forma 2017 Midyear Rate Base ⁽²⁾

\$26 Billion

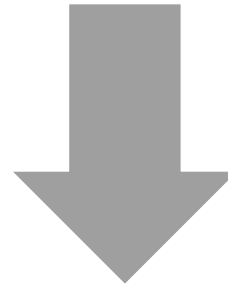


(1) Excluding one-time acquisition-related expenses, "Non-Utility" and "Corporate and Other" segments, ITC's "ITC Holdings and other" segment and intercompany eliminations.

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

Strategy

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



Strategic Initiatives

Execute
Utility CAPEX
Plan

Target
Additional
Energy
Infrastructure

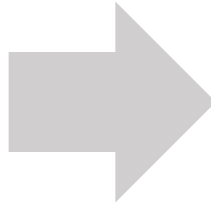
Increase
Renewables

Enhance
Customer &
Regulatory
Relationships

Unlock LNG
Value

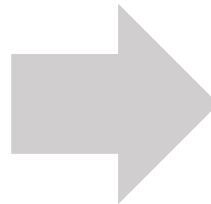
Utility
Acquisitions

*SUBSTANTIALLY
AUTONOMOUS*
Operating Companies



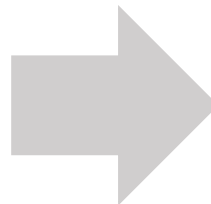
Local teams empowered to maximize the value of utility operations

LEAN and EFFICIENT
Corporate Model



Small management group able to focus and execute on opportunities quickly

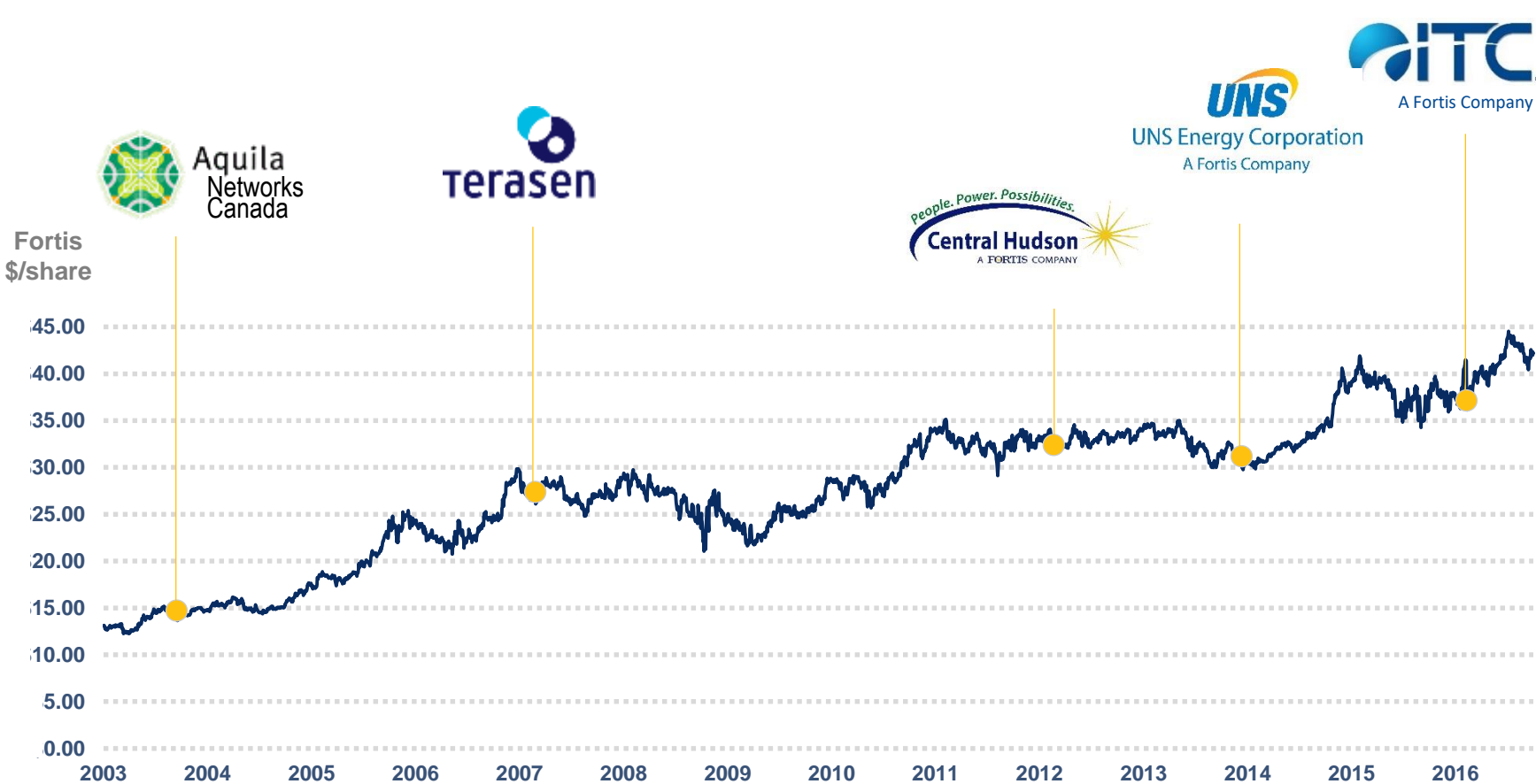
ADAPTABLE
Operating Model



From a set of independent operations to leveraging the expertise and competencies across businesses

Proven Acquisition Track Record

Accelerating growth through strategic utility acquisitions



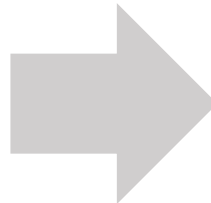
(1) Indicates date of announcement by Fortis that it had entered into an agreement to acquire ITC.

Acquisitions Have Added Value



\$1.5B

September 30, 2016 Total Assets

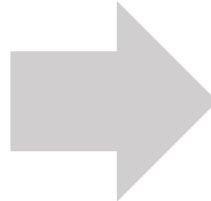


\$47B

September 30, 2016 Pro Forma Total Assets

\$1.1B

2016F Midyear Rate Base

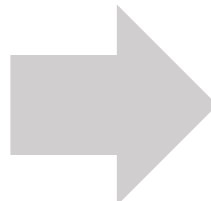


\$26B

2017 Pro Forma Midyear Rate Base

\$115M

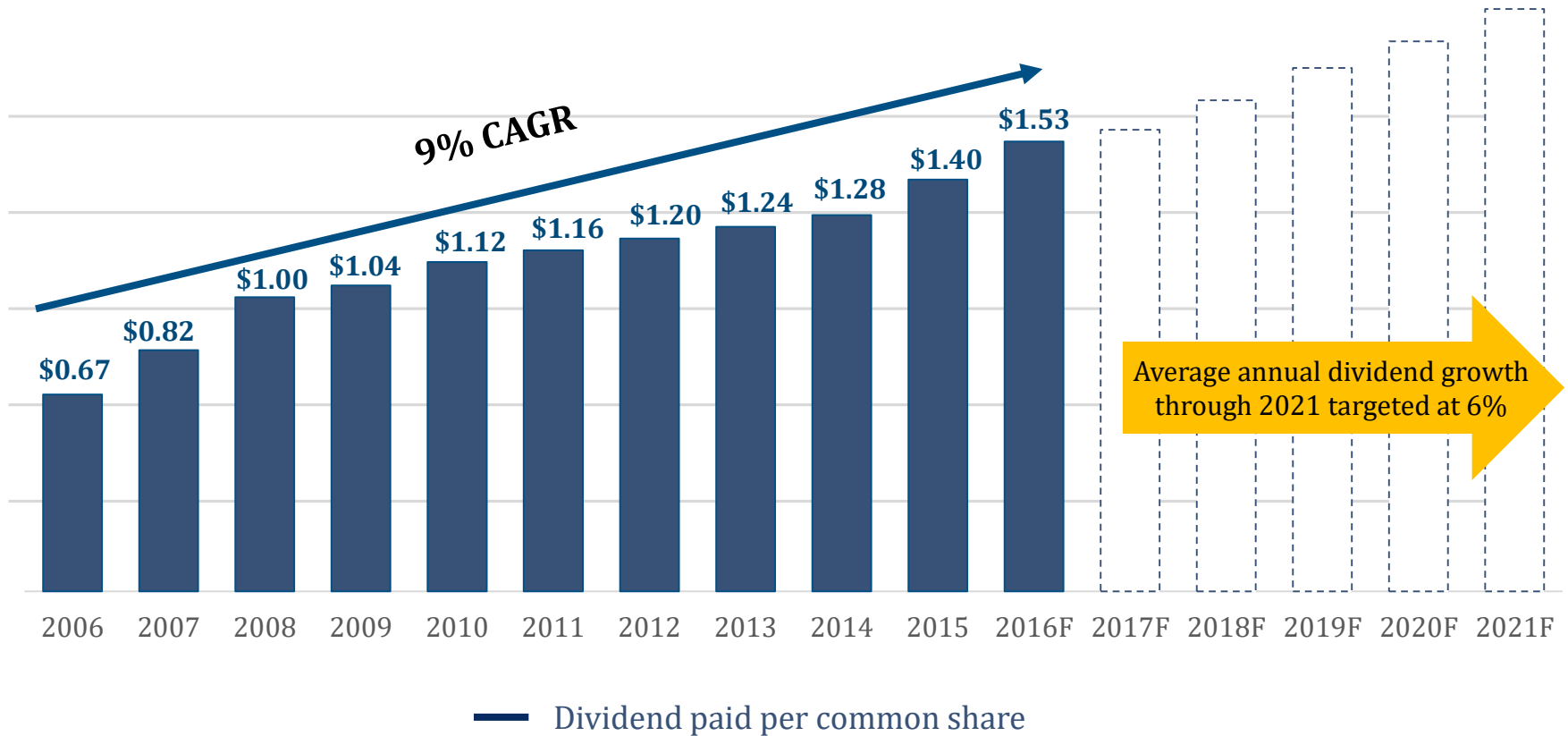
2016F CapEx



\$2.9B

2017 Pro Forma CapEx

43 Consecutive Years of Annual Dividend Increases



Longest record of any public corporation in Canada

Average annualized total shareholder return over last 10 years⁽¹⁾

Fortis	7.27%
S&P 500 Utility Sector	6.97%
S&P/TSX Capped Utilities Index	5.67%
S&P/TSX Composite Index	4.71%

(1) For the 10-year period ending December 31, 2016.

Commencing Period of Regulatory Stability

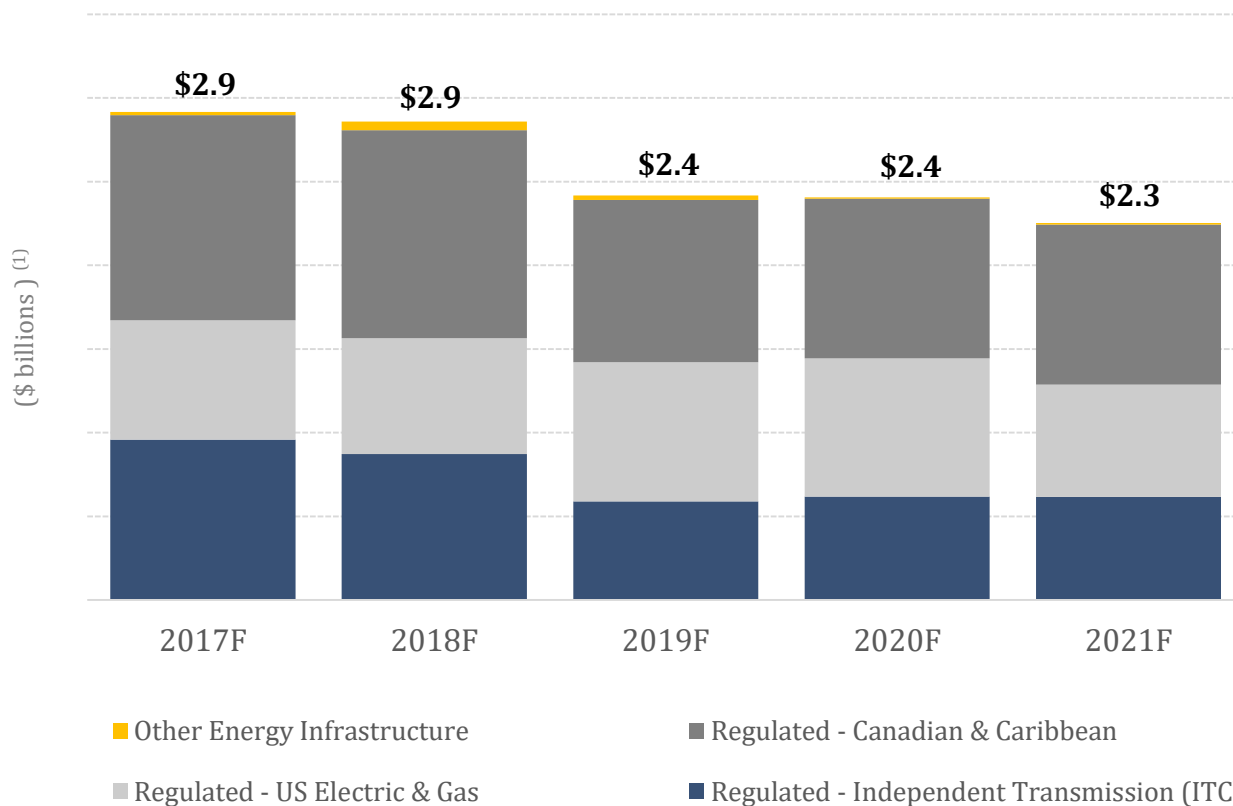
Summary of Recent Regulatory Outcomes

Regulated Utility	Application/Proceeding	Outcome	Agreement/Decision Timing
TEP	2017 General Rate Application (GRA)	<ul style="list-style-type: none"> – Settlement agreement reached on revenue requirement – 9.75% ROE and common equity thickness of 50% 	August 2016
FortisBC	2016 Generic Cost of Capital Proceeding (GCOC)	<ul style="list-style-type: none"> – ROE maintained at 8.75% and common equity thickness of 38.5% 	August 2016
ITC	Initial MISO Base ROE Complaint	<ul style="list-style-type: none"> – 10.32% base ROE with a high-end zone of reasonableness of 11.35% 	September 2016
FortisAlberta	2016/2017 Generic Cost of Capital Proceedings (GCOC)	<ul style="list-style-type: none"> – 2016 ROE maintained at 8.30% and increasing to 8.50% for 2017. Common equity thickness reduced from 40% to 37% 	October 2016
FortisAlberta	Next Generation PBR Proceeding	<ul style="list-style-type: none"> – PBR confirmed for next generation regulatory period (2018-2022) – Revenue requirement application to be filed in 2017 to set 2018 ROE 	December 2016

Remaining Regulatory Decisions

Regulated Utility	Application/Proceeding	Filing Date	Expected Decision
TEP	2017 General Rate Application	November 2015	Q1 2017
Central Hudson	Reforming the Energy Vision	Not applicable	TBD
ITC	Second MISO Base ROE Complaint	Not applicable	2017

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



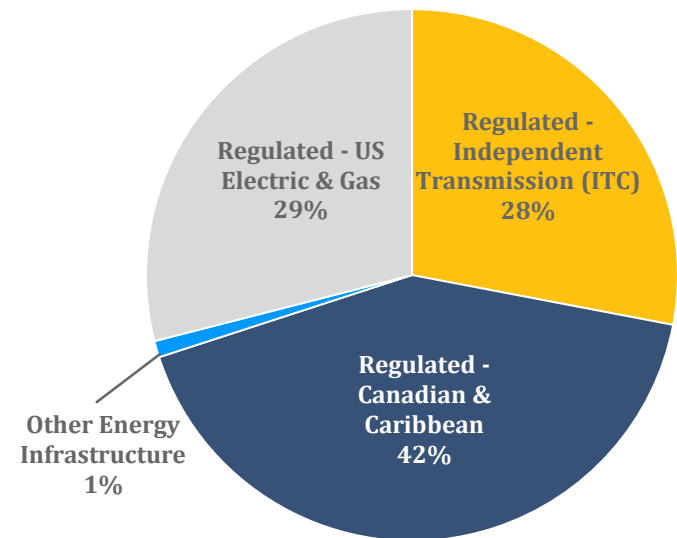
(1) US Dollar denominated CAPEX converted at a USD/CAD exchange rate of 1.30 for 2017 through 2021.

2017-2021 Five Year Capital Program by Segment

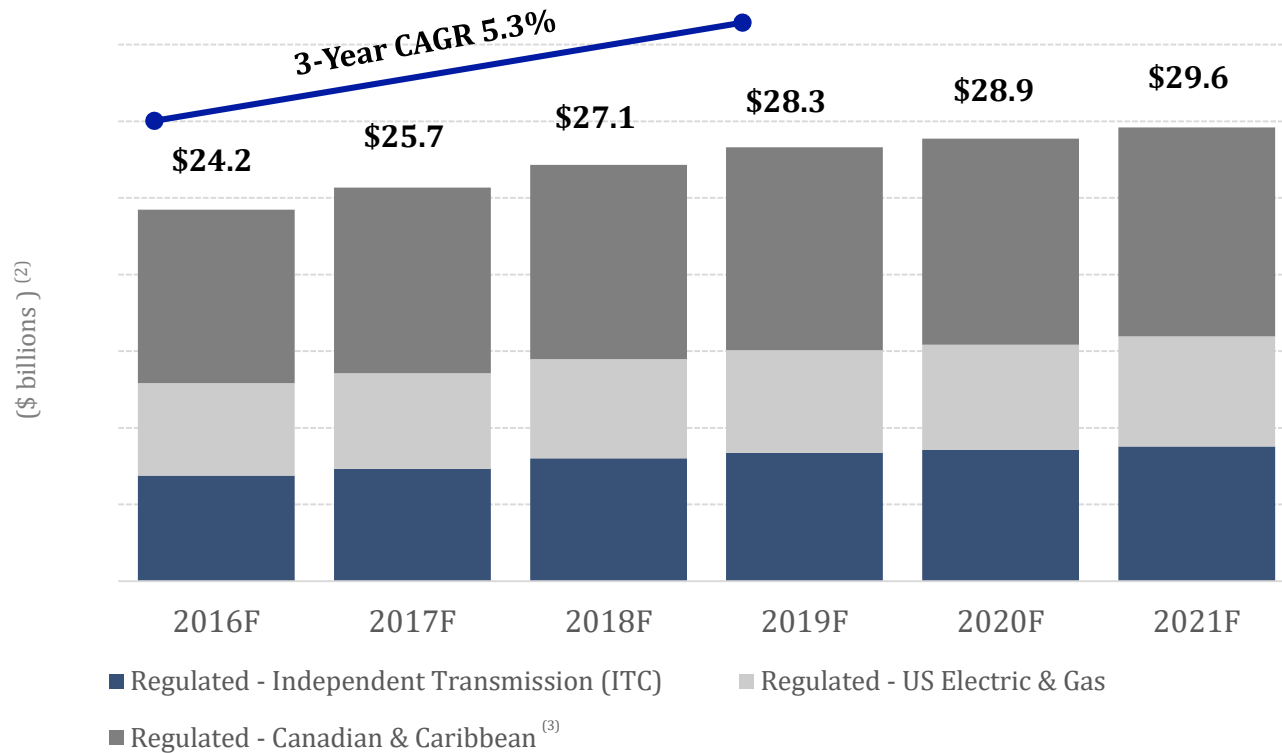
<i>\$millions</i>	2017	2018	2019	2020	2021	Total
Regulated – Independent Transmission (ITC)	\$ 958	\$872	\$590	\$619	\$616	\$3,655
Regulated – US Electric & Gas	742	693	830	825	671	3,761
Regulated – Canadian & Caribbean	1,225	1,244	970	955	958	5,352
Other Energy Infrastructure	18	50	27	8	8	111
Total Capital Expenditures	\$2,943	\$2,859	\$2,417	\$2,407	\$2,253	\$12,879

5-Year Capital Program by Segment

2017 Capital Program	(\$millions)
Regulated-Independent Transmission (ITC)	
ITC	958
Regulated-US Electric & Gas	
UNS Energy	520
Central Hudson	222
Regulated-Canadian & Caribbean	
FortisBC Gas	443
FortisAlberta	419
FortisBC Electric	111
Eastern Canadian	153
Caribbean	99
Other Energy Infrastructure	18
Total Capital	2,943



2016 - 2021 Midyear Rate Base ⁽¹⁾



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

(2) US Dollar denominated Midyear Rate Base converted at a USD/CAD exchange rate of 1.32 for 2016 and 1.30 for 2017 through 2021.

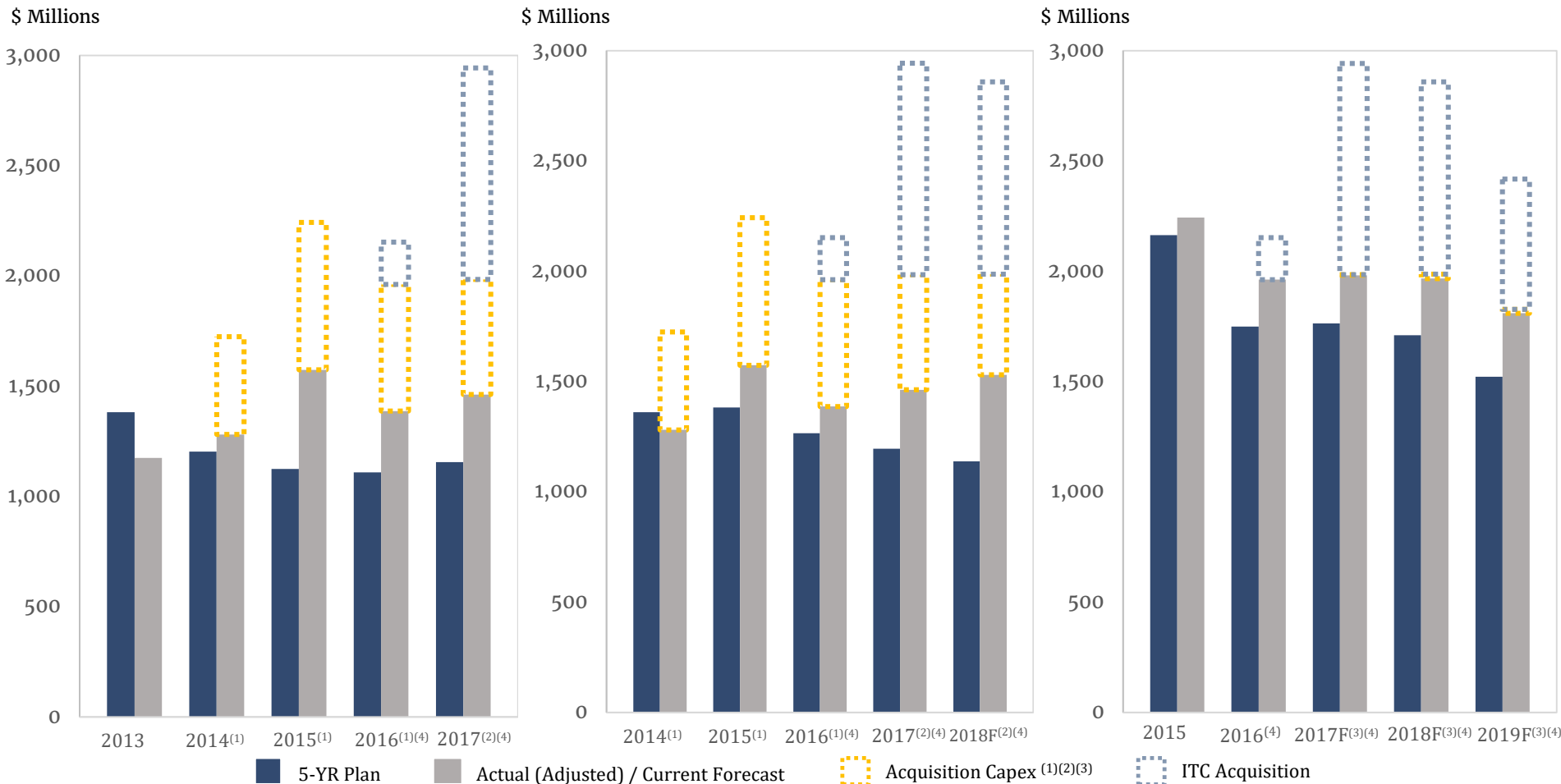
(3) Includes 100% of the Waneta Expansion, of which Fortis has a 51% controlling ownership interest.

Capital Expenditures Exceeding Expectations

2013-2017 Business Plan Capex

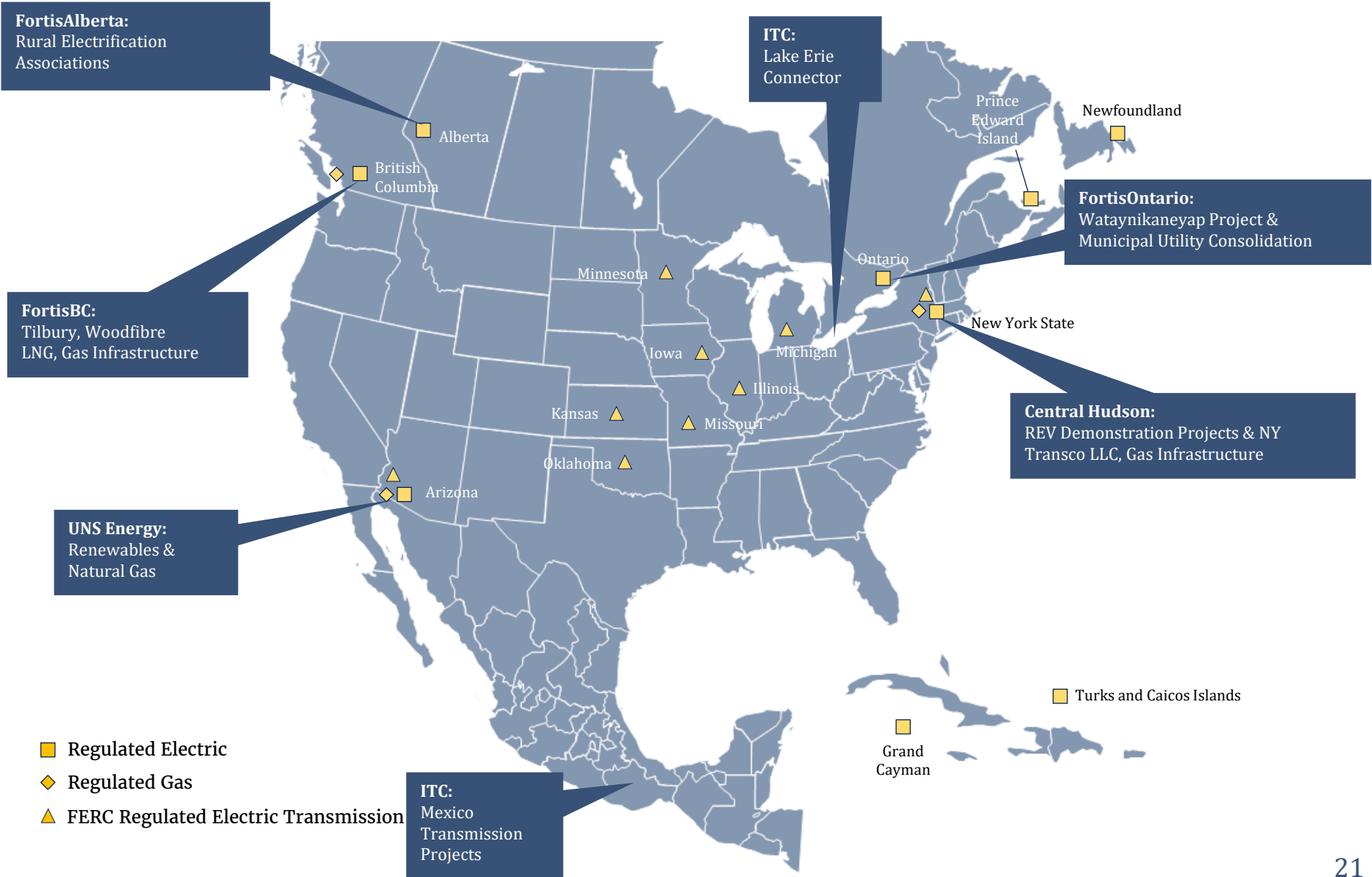
2014-2018 Business Plan Capex

2015-2019 Business Plan Capex



- (1) Acquisition capex relates to UNS Energy acquired in August 2014.
- (2) Acquisition capex relates to UNS Energy acquired in August 2014 and capex from Aitken Creek effective April 1, 2016.
- (3) Acquisition capex relates to Aitken Creek effective April 1, 2016.
- (4) ITC acquisition capex relates to capex contribution from ITC following acquisition in October 2016.

Opportunities Beyond Base Plan



In Infancy of Multi-Decade Transmission Investment Cycle – Projected System Needs Require US\$120 - US\$160 billion of Transmission Investment per Decade Through 2030⁽¹⁾



Historical Underinvestment

Aged infrastructure remains prevalent



Power Market Dynamics

Price differential between power regions



Reliability

NERC requirements, FERC enforcement activities and storm hardening



Changing Generation Fleet

EPA and coal plant implications, nuclear closures and plant outages



RPS Mandates & Intermittent Resource Integration

Individual State needs

(1) The Brattle Group, Investment Trends and Fundamentals in US Transmission and Electricity Infrastructure, July 2015.



- Massive amounts of natural gas discovered in BC
- FortisBC owns substantial natural gas infrastructure in BC
- FortisBC has constructive First Nations relationships
- Tilbury LNG site has ocean access that can be expanded
- Favourable alignment with provincial goals regarding local LNG markets and greenhouse gas reductions
- Opportunity to invest in regulated gas infrastructure as well as low-risk LNG facilities operating under a tolling model with no commodity exposure
- Woodfibre LNG
 - Pipeline to service new LNG export terminal known as Woodfibre LNG
 - Woodfibre LNG announced intention to proceed with facility in November
 - \$600 million opportunity – upside to plan presented on Nov. 4th

- Highly diversified; virtually all regulated electric and gas assets
- Highly executable base capital plan
- Focus on transmission & distribution
- Regulatory stability
- Consistent dividend growth
 - 43 years of consecutive dividend increases
 - 6% average annual dividend growth guidance through 2021
- Strong M&A track record & upside growth potential
 - Integrate ITC
 - Pursue additional growth opportunities
- Track record of superior shareholder returns





Appendix

2017-2021 Forecast Highlights

Capital Expenditures	<ul style="list-style-type: none"> - ~\$13B base capital program - Highly executable, low-risk, capital projects
Opportunities Beyond Base Plan	<ul style="list-style-type: none"> - Woodfibre – Potential ~\$600 million LNG opportunity - ITC Lake Erie Connector – 1,000 MW, bi-directional, HDVC line connecting PJM and IESO - Various infrastructure opportunities across North America
Midyear Rate Base	<ul style="list-style-type: none"> - ~\$30B midyear rate base by 2021 - 3-year rate base CAGR 5.3% - Holding current base capital at \$2.9B annually increases 3-year CAGR = ~40 basis points - 5-year rate base CAGR 4.1% - Holding current base capital at \$2.9B annually increases 5-year CAGR = ~100 basis points - Rate base reflects ITC bonus depreciation impacts
Dividend Strategy	<ul style="list-style-type: none"> - 6% average annual dividend growth target through 2021 - Q4 2016 dividend growth of 6.7% to \$0.40 per share equivalent to annualized dividend of \$1.60 - 43 consecutive years of annual dividend increases
Liquidity	<ul style="list-style-type: none"> - Consolidated unused credit facilities averaging \$3.4 billion over forecast period - Consolidated fixed-term debt maturities and repayments averaging \$450 million annually - Capital structure supportive of the Corporation’s investment-grade credit ratings with equity averaging 36%
FX Assumptions	<ul style="list-style-type: none"> - US\$1.00:CAD\$1.30 assumed over forecast period - 5 cent change in the US dollar to Canadian dollar exchange rate would impact earnings per common share by approximately 7 cents
Regulatory Stability	<ul style="list-style-type: none"> - Regulatory stability in the near term with recent rate case settlement agreement or decisions at Tuscon Electric Power, FortisBC, FortisAlberta and FERC’s recent ROE decision at ITC

- Focus on core utility business with sale of non-core assets
- Successful integration of UNS Energy
- Introduction of dividend guidance and two dividend increases
- Successful execution of \$2.2 billion capital plan; largest annual plan to date and completion of Waneta Hydroelectric Expansion project
- Continued pursuit of opportunities in existing franchise areas, including LNG and Aitken Creek

\$589M ▲ **50%**
Adjusted earnings⁽¹⁾

\$2.11 ▲ **21%**
Adjusted EPS⁽²⁾

\$1.7B ▲ **70%**
CFFO⁽³⁾

(1) Earnings adjusted for non-recurring and non-operating items.

(2) Basic earnings per common share adjusted for non-recurring and non-operating items.

(3) Cash flow from operations.

Diversified Portfolio of Utilities Continues to Deliver Strong Performance in 2016

- Successful completion of ITC transaction on October 14, 2016
 - Issued US\$2 billion unsecured notes to finance a portion of the acquisition
 - Listed shares on the NYSE
- Significant progress on key regulatory proceedings
 - TEP revenue requirement settlement agreement
 - GCOC decisions received in BC and Alberta
 - FERC issued order affirming ALJ ROE recommendation for the initial refund period at ITC
 - Regulatory outcomes provide stability for near term
- Capital investments on track
 - \$1.4 billion invested to date in 2016
 - Annual 2016 capital spend expected to increase \$200 million to \$2.1 billion due to investments at ITC from date of transaction

\$475M

▲ 6%

YTD Q3 2016
Adjusted earnings⁽¹⁾

\$1.67

▲ 4%

YTD Q3
Adjusted EPS⁽²⁾

\$1.4B

▲ 10%

YTD Q3 CFFO⁽³⁾

(1) Earnings adjusted for non-recurring and non-operating items.

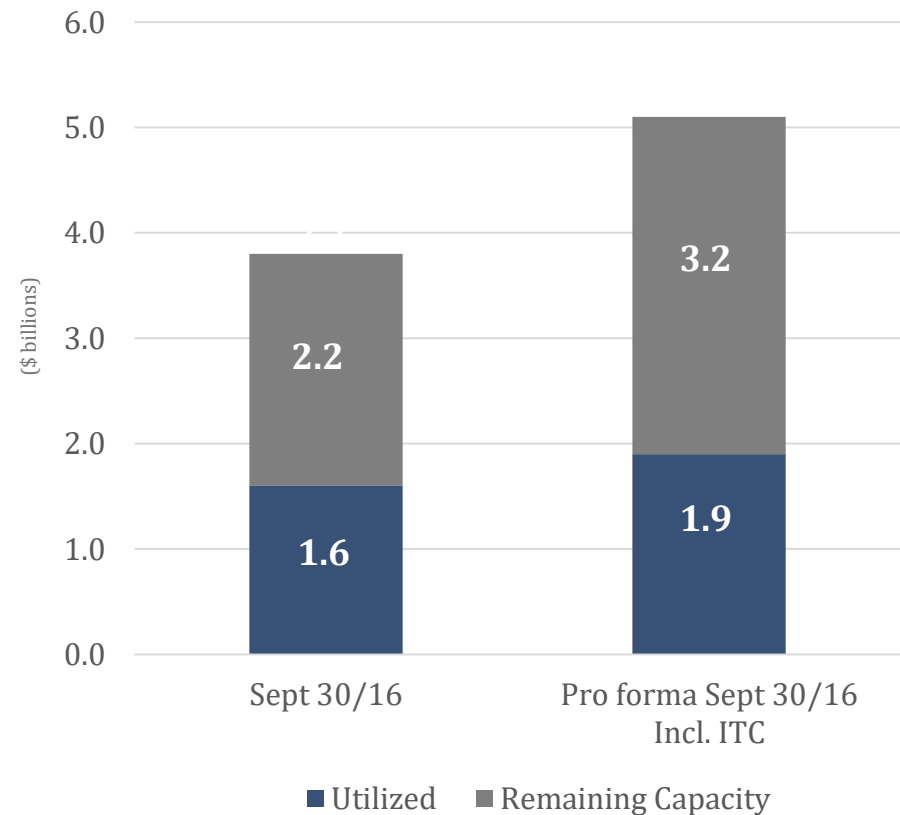
(2) Basic earnings per common share adjusted for non-recurring and non-operating items.

(3) Cash flow from operations.

Credit Ratings⁽¹⁾

Fortis Inc.	
S&P	A- / BBB+
DBRS	BBB (high)
Moody's	Baa3

Credit Facilities



(1) In October 2016, following the completion of the acquisition of ITC, DBRS revised the Corporation's unsecured debt credit rating to BBB(high) from A(low) and revised its outlook to stable from under review with negative implications and S&P affirmed the Corporation's long-term corporate and unsecured debt credit ratings. In September 2016, Moody's assigned a Baa3 issuer rating to Fortis Inc. and a Baa3 senior unsecured rating to an outstanding Fortis Inc. debenture, with both ratings given a stable outlook.

Utility Credit Ratings

Company	S&P	DBRS	Moody's
Tucson Electric Power	BBB+	n/a	A3
Central Hudson	A-	n/a	A2
FortisBC (Gas)	n/a	A	A3
FortisAlberta	A-	A (low)	n/a
FortisBC (Electric)	n/a	A (low)	Baa1
Newfoundland Power	n/a	A	A2
ITC <i>Transmission</i>	A	n/a	A1
Michigan Electric Transmission Company (METC)	A	n/a	A1
ITC Midwest	A	n/a	A1
ITC Great Plains	A	n/a	A1

Operational Highlights



Regulated

UTILITY	(as at September 30, 2016)				2015			2016F			
	Customers			Total Assets (\$B)	Peak Demand		Volumes Gas (PJ)	Sales Electric (GWh)	Operating Earnings (\$M)	Midyear Rate Base (\$B)	Capital Program (\$M)
	Electric (#)	Gas (#)	Employees (#)		Gas (TJ)	Electric (MW)					
UNS Energy	514,426	153,275	2,020	8.6	109	3,267	13	15,366	195	4.5	554
Central Hudson	300,000	79,000	998	3.1	140	1,059	24	5,132	58	1.5	241
FortisBC	167,600	985,768	2,137	8.1	1,074	624	186	3,116	190	5.0	425
FortisAlberta	544,000	-	1,136	4.0	-	2,733	-	17,132	138	2.9	399
Newfoundland Power	263,453	-	639	1.5	-	1,359	-	5,957	39	1.1	115
Maritime Electric	79,261	-	187	0.5	-	264	-	1,189	12	0.3	32
FortisOntario	65,139	-	196	0.3	-	260	-	1,257	11	0.3	25
Caribbean Utilities	28,498	-	206	0.8	-	101	-	582	17	0.6	71
Fortis Turks and Caicos	14,303	-	165	0.4	-	38	-	220	17	0.4	46
Total Regulated	1,976,680	1,218,043	7,684	27.3	1,323	9,705	223	49,951	677	16.6	1929

⁽¹⁾ UNS Energy Corporation ("UNS Energy") was acquired by Fortis on August 15, 2014. Electric sales, gas volumes and earnings are from August 15, 2014, the date of acquisition.

⁽²⁾ Data represents 100% of Caribbean Utilities' operations except for earnings, which represent Caribbean Utilities' contribution to consolidated earnings of Fortis based on the Corporation's approximate 60% ownership interest.

Energy Infrastructure

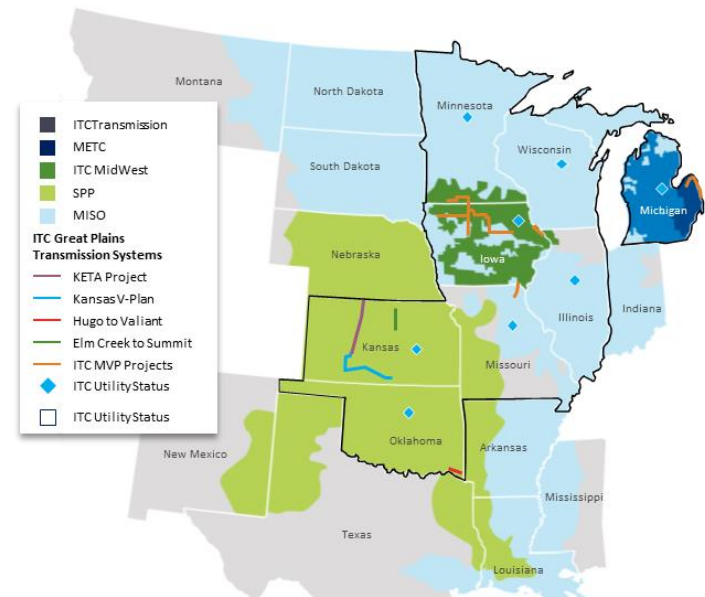
Energy Infrastructure	(as at September 30, 2016)		2015		2016F
	Generating Capacity (MW)	Total Assets (\$B)	Energy Sales (GWh)	Operating Earnings (\$M)	Capital Program (\$M)
Energy Infrastructure	391	1.5	844	77	23

ITC Holdings Corp. overview

Largest US independent transmission company

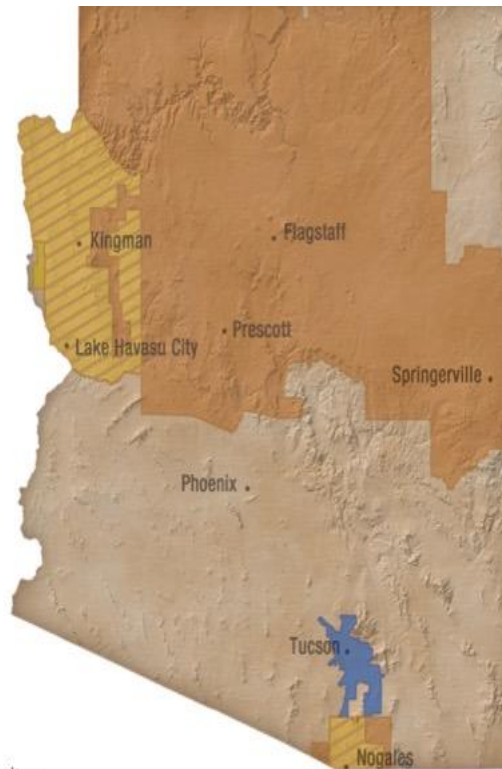


- ITC's business model creates a unique, structurally advantaged infrastructure portfolio
- Rate construct supports efficient capitalization of needed investment and timely return of capital
 - Forward-looking rates
 - Supportive rate structure
- Actively developing electrical infrastructure required for increasing system demands through:
 - Investing in existing systems
 - Regional projects
 - Development / M&A



Assets	~US\$8.1 billion
Annual Capital Investments:	~US\$700-\$800 million
Line Miles	~15,700
Stations / Substations:	~560
States:	Seven

Note: ITC is authorized to do business in eight states. ITC Midwest maintains utility status in Wisconsin. Statistics reflect June 30, 2016.

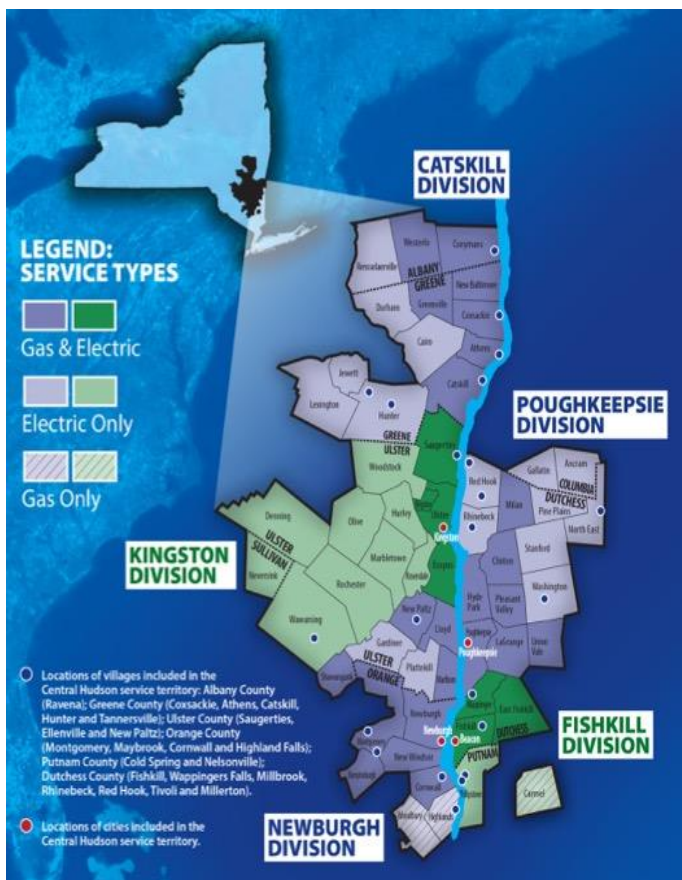


- TEP Service Territory
- UNS Gas Service Territory
- UNS Electric Service Territory
- Shared UNS Gas and UNS Electric Service Territory

	Tucson Electric	UNS Electric	UNS Gas
Type of utility	Electricity	Electricity	Gas distribution
Regulator	Arizona Corporation Commission		
Regulatory model	Cost of service/Historical Test Year		
2016 formula	10% ROE on 43.5% equity ⁽¹⁾	9.5% ROE on 52.8% equity	9.75% ROE on 50.8% equity
2015 Assets % of total regulated assets ⁽²⁾	32%		
2015 Earnings (\$millions)	195		
2015 Earnings % of total regulated operating earnings	29%		

(1) In August 2016, TEP entered into a partial settlement agreement related to the GRA filed in 2015. The settlement included a 9.75% ROE and a common equity component of 50% to be effective upon ACC approval. The ACC is expected to make a decision on the 2017 General Rate Application in Q1 2017.

(2) Includes goodwill.



Central Hudson Gas and Electric	
Type of utility	Gas and electricity
Regulator	NY State Public Service Commission
Regulatory model	Cost of service on future test year
2016 formula	9% ROE on 48% equity
2015 Assets % of total regulated assets ⁽¹⁾	12%
2015 Earnings (\$millions)	58
2015 Earnings % of total regulated operating earnings	9%

⁽¹⁾ Includes goodwill.



FortisBC		
Type of utility	Gas distribution	Electricity
Regulator	BC Utilities Commission	BC Utilities Commission
Regulatory model	Cost of service + PBR	Cost of service + PBR
2016 formula	8.75% ROE on 38.5% equity	9.15% ROE on 40.0% equity
2015 Assets % of total regulated assets⁽¹⁾	22%	8%
2015 Earnings (\$millions)	140	50
2015 Earnings % of total regulated operating earnings	21%	7%

⁽¹⁾ Includes goodwill.

	FortisOntario ⁽¹⁾	Maritime Electric	Newfoundland Power
Type of utility	Electricity	Electricity	Electricity
Regulator	Ontario Energy Board	Island Regulatory and Appeals Commission	Newfoundland and Labrador Board of Commissioners of Public Utilities
Regulatory model	Cost of service with incentives	Cost of service on future test year	Cost of service on future test year
2016 formula	8.93% - 9.30% on 40% equity	9.35% ROE on 40% equity	8.50% ROE +/- 50 bp on 45% equity
2015 Assets % of total regulated assets	1%	2%	5%
2015 Earnings (\$millions)	11	12	39
2015 Earnings % of total regulated operating earnings	2%	2%	6%

(1) Includes three electric utilities: Canadian Niagara Power, Cornwall Electric and Algoma Power.

	Caribbean Utilities ⁽¹⁾	Fortis Turks & Caicos
Type of utility	Electricity	Electricity
Regulator	Electricity Regulatory Authority	Government of the Turks and Caicos Islands
Regulatory model	Cost of service with historical test year	Cost of service with historical test year
2016 formula	6.75-8.75% Return on Assets	15-17.50% Return on Assets
2015 Assets % of total regulated assets	3%	1%
2015 Earnings (\$millions)	17	17
2015 Earnings % of total regulated operating earnings	3%	3%

(1) Fortis has an approximate 60% controlling interest in Caribbean Utilities Company, Ltd.

Predictable returns from highly regulated asset base

PBR through 2019
 Allowed/Achieved 2015 ROE (%):
 8.75/9.19 (gas) 9.15/9.26 (electric)
 Allowed 2016 ROE (%): 8.75-9.15
 Allowed Equity in Capital (%): 38.5-40

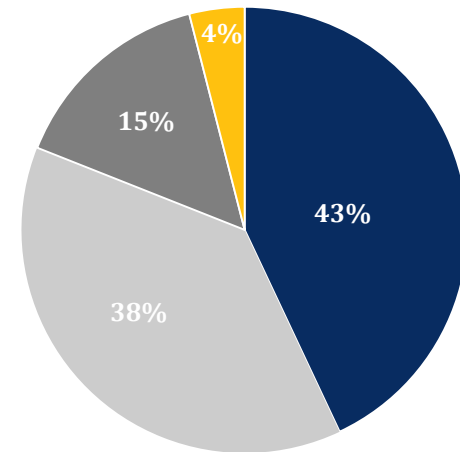
Historic Test Year
 Allowed/Achieved 2015 ROE (%): 10.0/9.50 (TEP)
 Allowed 2016 ROE (%): 9.50⁽¹⁾-10.0
 Allowed Equity in Capital (%): 43.5-52.83⁽¹⁾

PBR through 2022
 Allowed/Achieved 2015 ROE (%): 8.30/11.0
 Allowed 2016 ROE (%): 8.30
 Allowed Equity in Capital (%): 37

Future Test Year
 Allowed/Achieved 2015 ROE (%): 9.50/8.19
 Allowed 2016 ROE (%): 9.00
 Allowed Equity in Capital (%): 48

FERC Regulated
 Forward Looking Rate Construct with True-Up
 Allowed 2016 ROE (%): 11.32-12.16
 Allowed Equity in Capital (%): 60

96% Regulated Assets
 Pro Forma as at Sept 30, 2016



- Electric
- Transmission- ITC
- Gas
- Non-Regulated Energy Infrastructure

	2016		
Weighted Average	Canada	U.S.	Combined
Allowed ROE	8.68	10.59	9.77
Actual Equity Thickness	39.1	52.8	46.9

(1) Reflects ROE and equity in capital for UNS Electric as approved by regulator in 2016 general rate case decision.