

WELLS FARGO MIDSTREAM &
UTILITY SYMPOSIUM
DECEMBER 8-9, 2020



FORWARD LOOKING INFORMATION

Fortis 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 reflects expectations of Fortis management regarding future growth, results of operations, performance and 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 information, which includes, without limitation: forecast rate base for 2020 and 2021-2025; targeted average annual dividend growth through 2025; the 2035 carbon emissions reduction target and projected asset mix; TEP's carbon emissions reduction target and projected asset mix; and additional opportunities for renewable generation. forecast capital expenditures and expected funding sources for 2020 and 2021-2025; forecast debt maturities for 2021-2025; the expected timing, outcome and impacts of regulatory decisions; FortisBC's 2030 greenhouse gas emissions target; the nature, timing, benefits and costs of certain capital projects including, without limitation, the Wataynikaneyap Transmission Power Project, ITC Multi-Value Regional Transmission Projects and 34.5 to 69 kV Transmission Conversion Project, UNS Energy Vail to Tortolita Transmission Project and Oso Grande Wind Project, FortisBC Eagle Mountain Woodfibre Gas Line Project, Transmission Integrity Management Capabilities Project, Inland Gas Upgrades Project, Tilbury 1B and Tilbury Resiliency Tank and Advanced Metering Infrastructure Project; and additional opportunities beyond the capital plan.

Forward-looking information involves significant risks, 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 assumptions include, but are not limited to: no material adverse effects from the COVID-19 pandemic; reasonable regulatory decisions and the expectation of regulatory stability; the implementation of the five-year capital expenditure plan; no material capital project or financing cost overrun; sufficient human resources to deliver service and execute the capital expenditure plan; no significant variability in interest rates; and the Board exercising its discretion to declare dividends, taking into account the business performance and financial condition of the Corporation. 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 the Corporation with Canadian securities regulatory authorities and the Securities and Exchange Commission. All forward-looking information herein is given as of the date of this presentation. 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 is in Canadian dollars and rate base refers to midyear rate base.

A PREMIUM ENERGY DELIVERY BUSINESS



93% TRANSMISSION
& DISTRIBUTION ASSETS

HIGH-QUALITY PORTFOLIO:

- **10** Regulated Utility Businesses
- **3.3M** Electric & Gas Customers
- **9,000** Employees
- **99%** Regulated Utility Assets
- **\$24B** Market Capitalization⁽¹⁾
- **~14%** Average Annual 20-Year Total Shareholder Return⁽¹⁾
- **~\$30B** 2020F Rate Base

(1) As of November 30, 2020

LONG-TERM STRATEGY



DIVERSE BUSINESS MODEL SUPPORTING GROWTH STRATEGY

Leveraging our operating model, geographic and regulatory diversity, operating expertise, reputation and financial strength to execute on growth opportunities



PROVEN DIVIDEND TRACK RECORD & OUTLOOK

Q4 2020 Dividend Increases **5.8%**

6% Average Annual Dividend Growth Guidance through 2025



STRONG ESG PROFILE

Strengthening our Low-Carbon Footprint

AREAS OF FOCUS

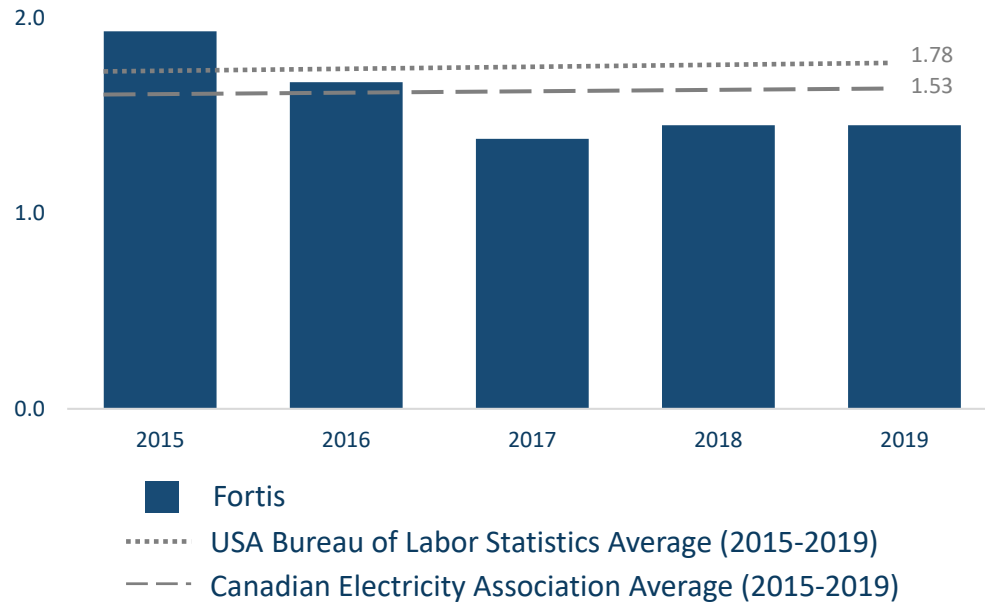
- Safe and reliable service
- Capital investment plan
- Strong customer and regulatory relationships
- Sustainability and delivery of cleaner energy
- System resiliency, innovation & cybersecurity
- Energy infrastructure, LNG expansion & storage
- Investment-grade credit ratings

STRONG OPERATIONAL PERFORMANCE



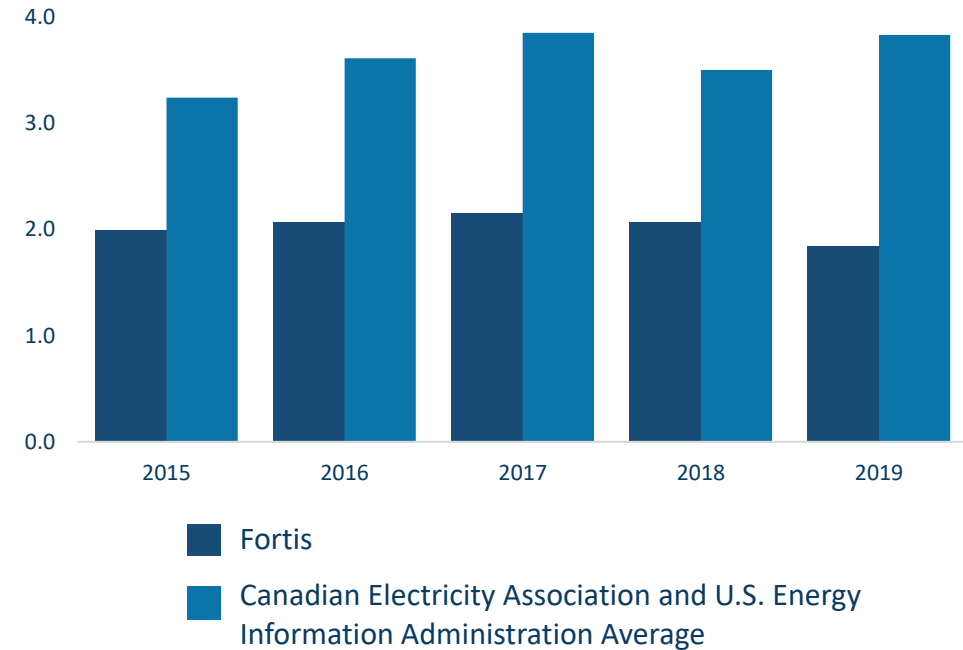
SAFETY

ALL INJURY FREQUENCY RATE⁽¹⁾



RELIABILITY

ELECTRICITY CUSTOMER AVERAGE OUTAGE DURATION⁽²⁾
(HOURS)

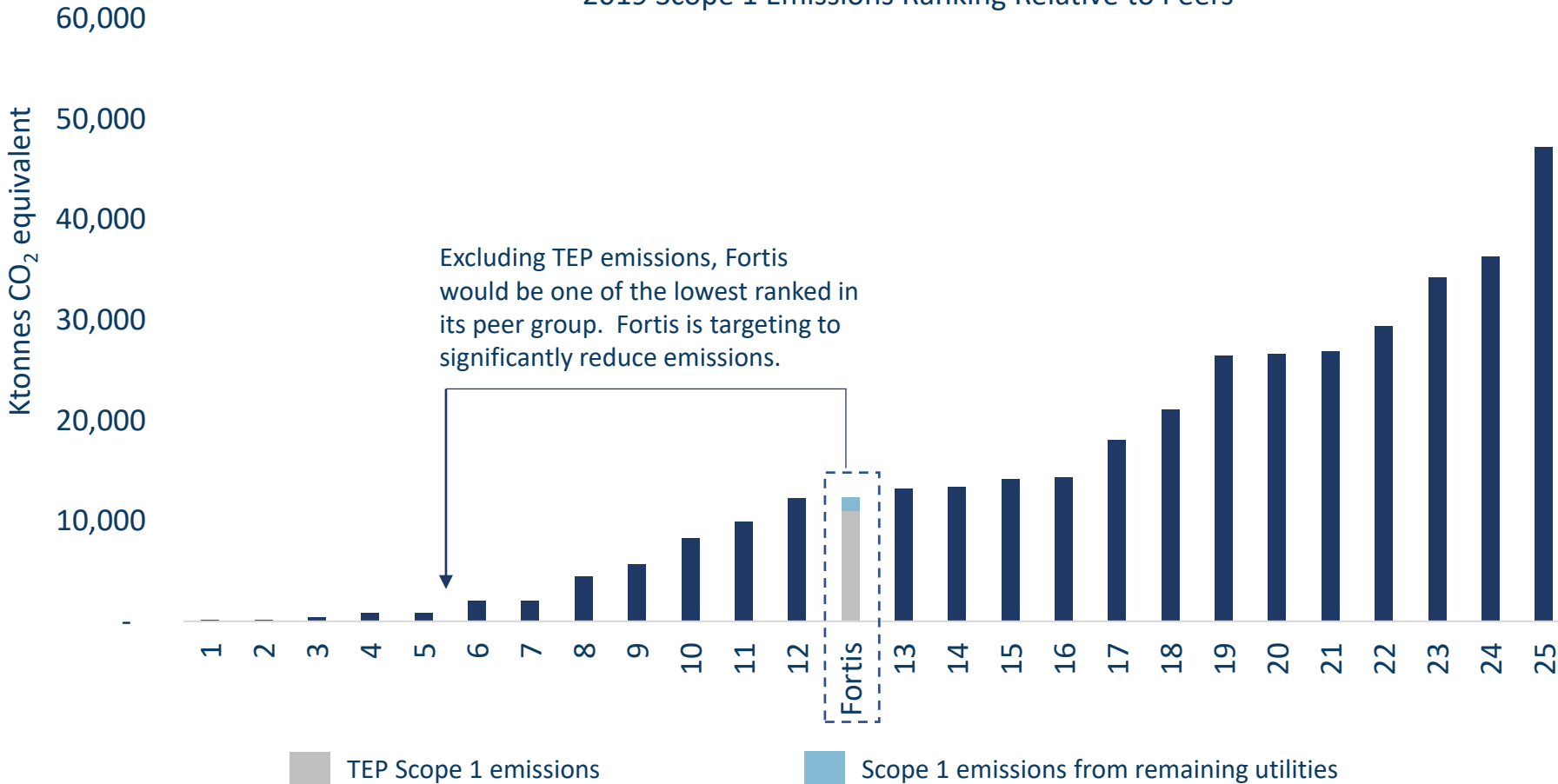


(1) Injuries per 200,000 hours worked

(2) Based on weighted average of Fortis' customer count in each jurisdiction

COMMITTED TO IMPROVING OUR LOW-CARBON EMISSIONS PROFILE

2019 Scope 1 Emissions Ranking Relative to Peers



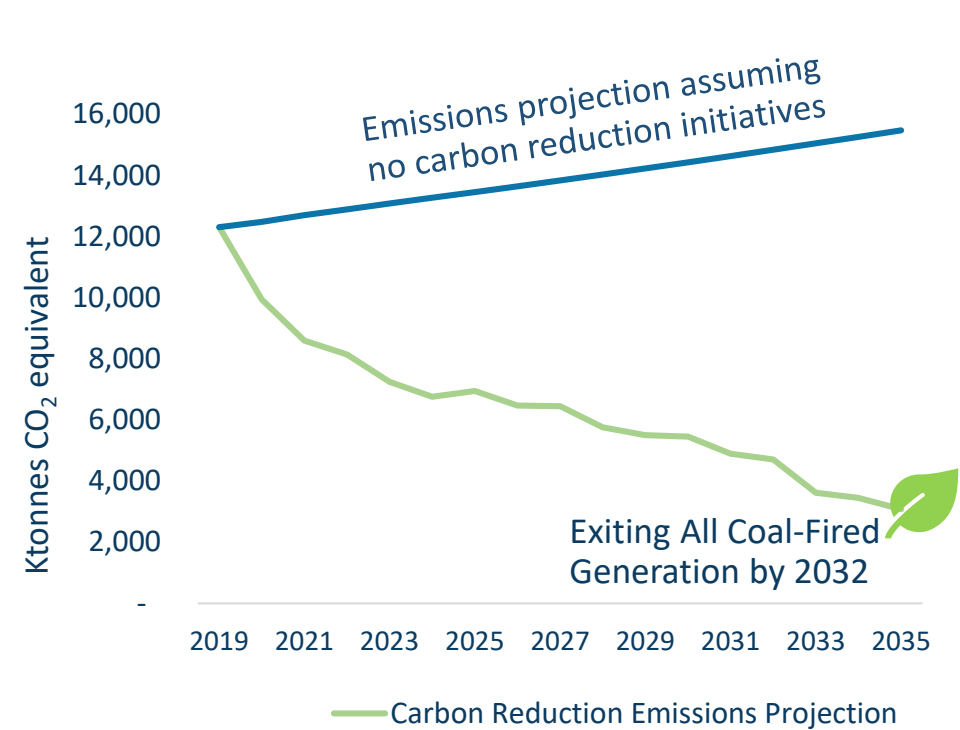
~90% OF SCOPE 1 EMISSIONS ARE CONCENTRATED IN ARIZONA AT TEP



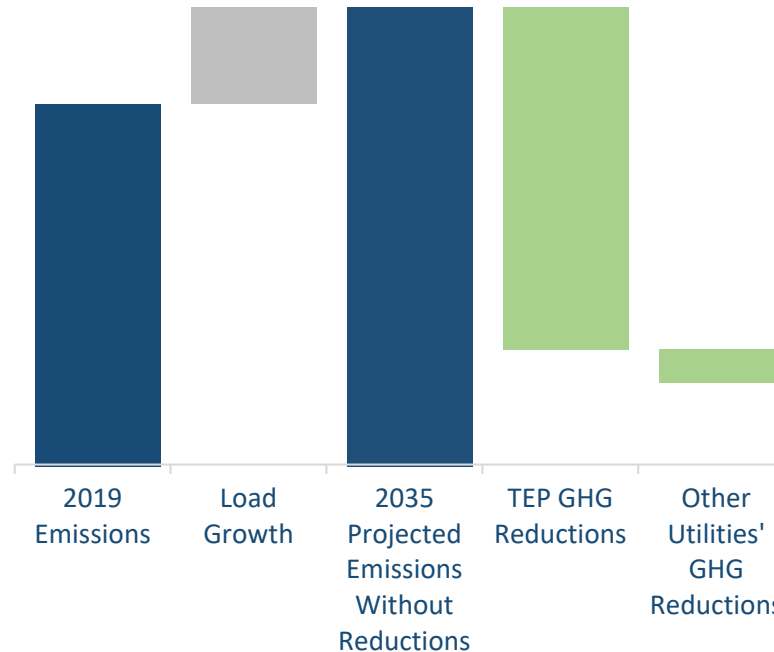
- TEP has an ambitious plan to cut emissions:
 - Exit coal-fired generation by 2032
 - Install ~2,400 MW of new wind and solar and 1,400 MW of battery storage by 2035

CORPORATE-WIDE CARBON EMISSIONS REDUCTION TARGET OF 75% BY 2035 COMPARED TO 2019 LEVELS

PROVIDES CUSTOMERS WITH CLEANER ENERGY



Reduction in Scope 1 Emissions by 2035 Using a 2019 Base Year



- Industry leader in sustainability with shorter timeframe for reduction and using current base year of 2019
- Focused on reducing Scope 1 emissions
- Target to be largely achieved through TEP's carbon emissions reduction plan
- Sustainability focus and clean energy initiatives throughout company support target

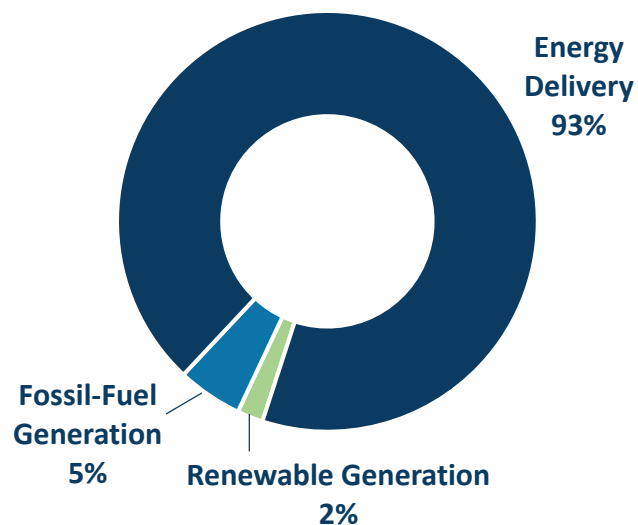


FOCUSED ON ENERGY DELIVERY ASSETS & RENEWABLE, CARBON-FREE GENERATION

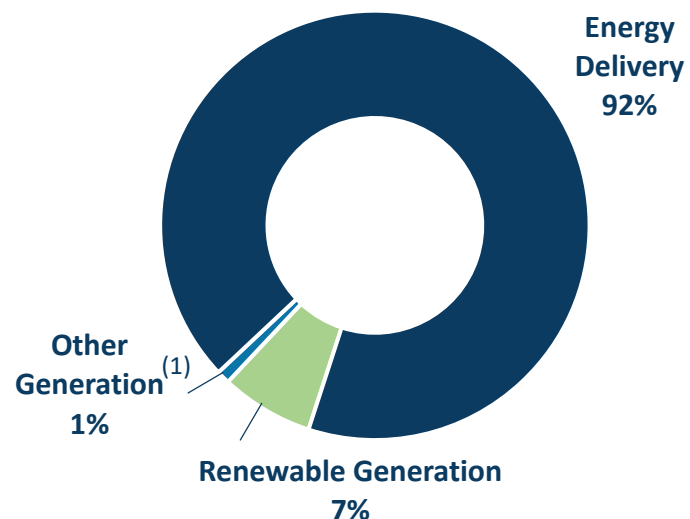
BY 2035, 99% OF FORTIS ASSETS WILL BE ENERGY DELIVERY OR RENEWABLE GENERATION

75% BY 2035 TARGET
WILL BUILD ON EXISTING
LOW-EMISSIONS PROFILE

2019 TOTAL ASSETS



PROJECTED 2035 TOTAL ASSETS



(1) Predominantly natural gas generation



Focused on initiatives beyond target to reduce Scopes 2 & 3 and global emissions as well:

- FortisBC 30BY30: reduce customer emissions & expand LNG bunkering
- ITC interconnecting renewables
- Wataynikaneyap Transmission Power Project
- Electric vehicle adoption
- Energy efficiency

SUSTAINABILITY LEADER



Continued Focus on
Energy Delivery



Carbon emissions reduction target of
75% by 2035
using a 2019 base year



Industry leader in
Safety
and **Reliability**



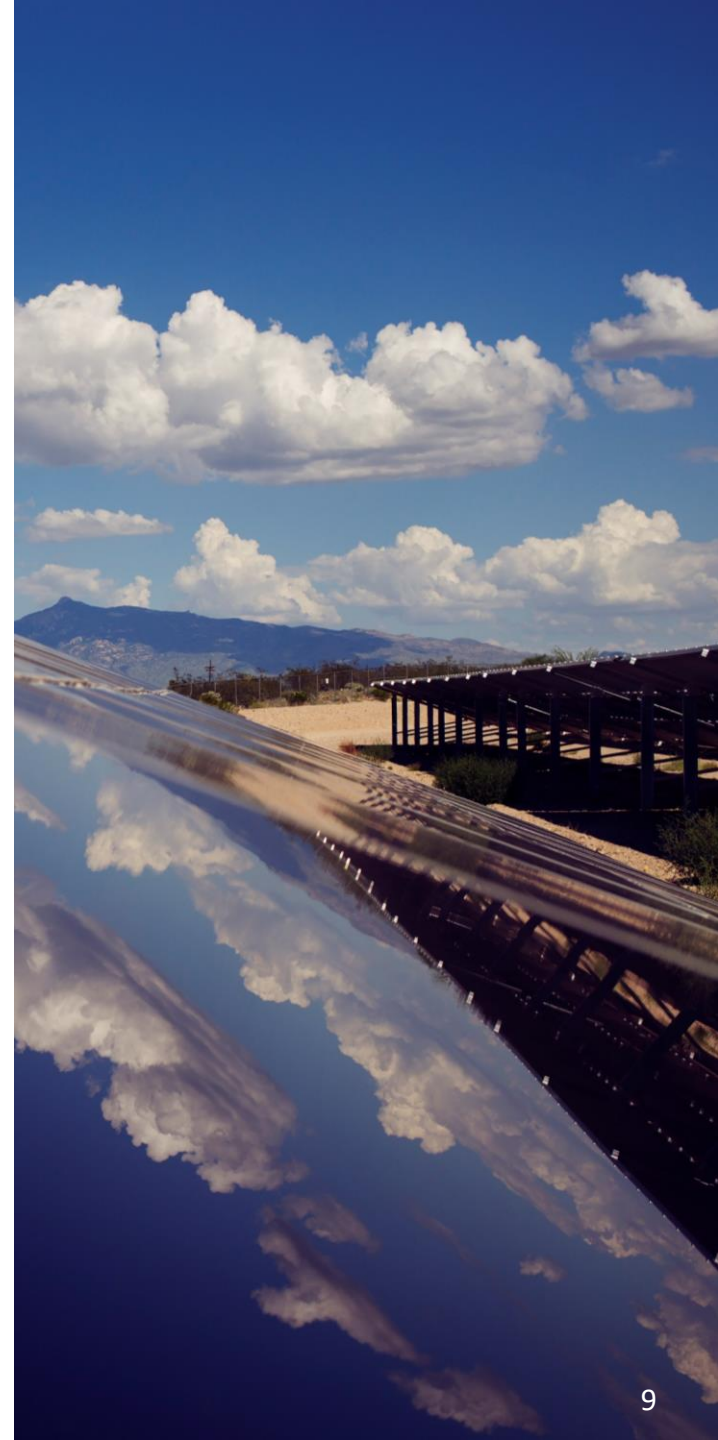
Industry recognition⁽¹⁾ for
Strong Governance
grounded in local leadership & independence

More than
\$12 million
in 2019 community investment



40%
of Fortis Inc. Directors elected in
2020 are women; inclusion and
diversity council created in 2020

(1) The Globe and Mail ranks over 200 Canadian corporate boards based on the quality of their governance practices. Fortis has been ranked Top 20 in Globe & Mail Board Games for the past five years.



STRATEGICALLY POSITIONED TO NAVIGATE THROUGH COVID-19



Operationally:

- Strong business model with seasoned leadership at 10 locally operated utilities
- Cohesive culture and relationships supporting effective communication and nimble decision-making
- Essential workers maintaining and operating electricity grids and natural gas networks
- Excellent safety performance during the pandemic period
- Limited impacts on supply chain
- Key operational employees sequestered as necessary



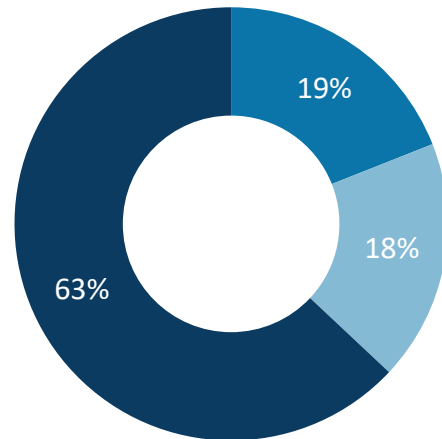
Financially:

- ~82% of revenues protected by regulatory mechanisms or from residential sales⁽¹⁾
- Strong liquidity with ~\$5 billion of credit facilities available and strong access to capital markets
- Limited pension expense exposure

(1) ~63% of annual revenues protected by regulatory mechanisms from changes in sales. Remaining ~37% of annual revenues consists of ~19% residential and ~18% commercial and industrial revenues.

~82% OF REVENUES PROTECTED BY REGULATORY MECHANISMS OR FROM RESIDENTIAL SALES

2019 REVENUES



EPS SENSITIVITY

Annual EPS Impact (\$)	UNS Energy	Other Electric
+/- 1% Residential Sales	+/- \$0.008	+/- \$0.006
+/- 1% Commercial and Industrial Sales	+/- \$0.008	+/- \$0.004

- Revenues Protected by Regulatory Mechanisms ⁽¹⁾
- Residential Revenues Not Protected by Regulatory Mechanisms ⁽²⁾
- Commercial and Industrial Revenues Not Protected by Regulatory Mechanisms ⁽³⁾

(1) Includes regulatory mechanisms at ITC, Central Hudson, FortisBC, and 85% of FortisAlberta's revenues which are based on fixed-billing determinants. Also includes wholesale/other revenues at UNS that do not have a significant impact on earnings and are primarily returned to customers through regulatory mechanisms.
 (2) Residential revenues not protected by regulatory mechanisms from change in sales with 9% at UNS and 10% at Other Electric in 2019.
 (3) Commercial and Industrial revenues not protected by regulatory mechanisms from change in sales with 9% at UNS and 9% at Other Electric in 2019.



COVID-19 Q3 SALES AND LOAD TRENDS:

SALES UP ~3% AT UTILITIES NOT PROTECTED BY REGULATORY MECHANISMS

REGULATORY MECHANISMS PROTECTING CHANGES

Q3 2020 VS. Q3 2019 SALES TRENDS



- Peak load increased ~1% including weather impacts



- Electric sales up ~3%
- Minimal exposure to commercial and industrial sales

Western Canada



- In B.C., gas sales down ~12% due to lower consumption by transportation customers, partially offset by higher residential consumption; electric sales up ~4% due to residential customers
- In Alberta sales down ~6%; ~85% of revenue based on fixed-billing determinants

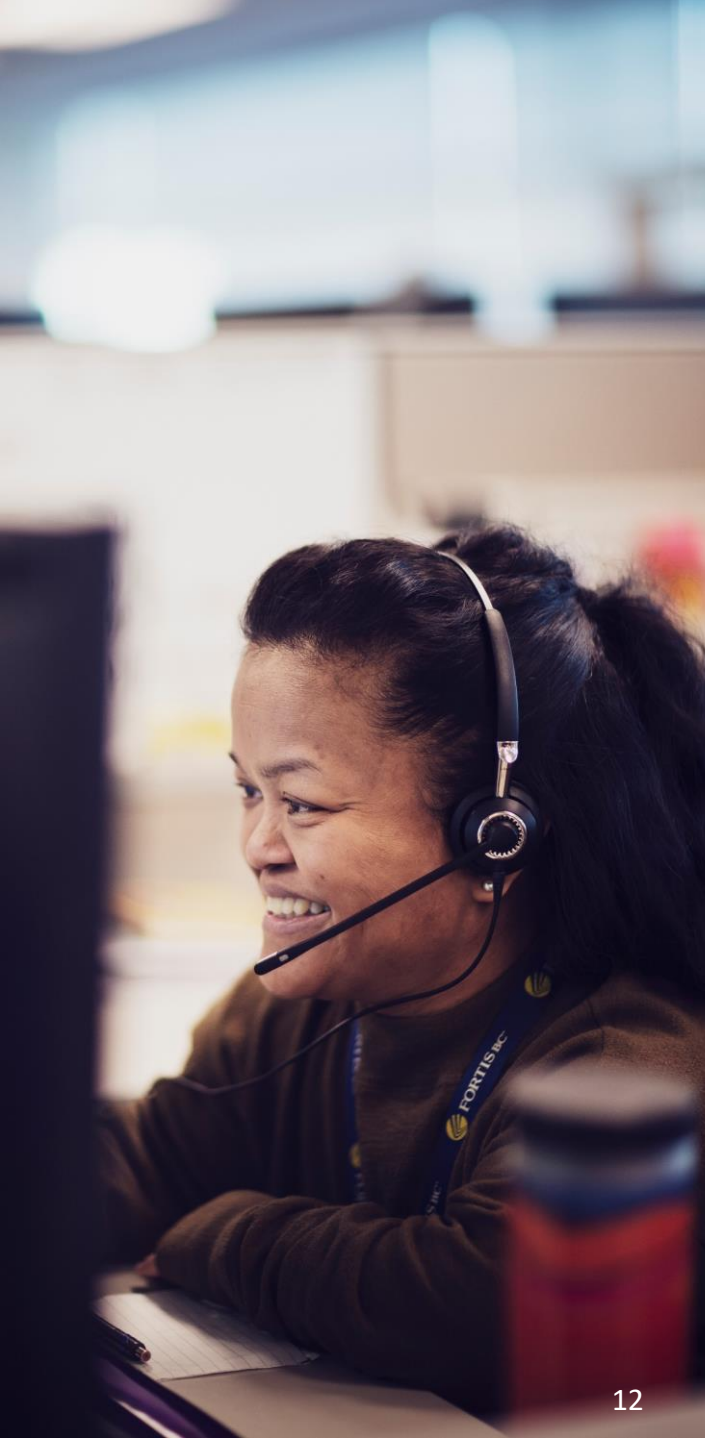


- Residential sales increased ~13% mainly due to weather
- Commercial and industrial sales down ~3%
- Overall retail sales increased ~5%, excluding weather impacts sales up ~1%

Other Electric



- No material change in Eastern Canada as residential sales increased ~6% and commercial sales decreased ~5%
- ~10% decrease in the Caribbean, reflecting a 19% decrease in commercial sales



FIVE-YEAR OUTLOOK HIGHLIGHTS

~\$19.6B
2021-2025
Capital Plan

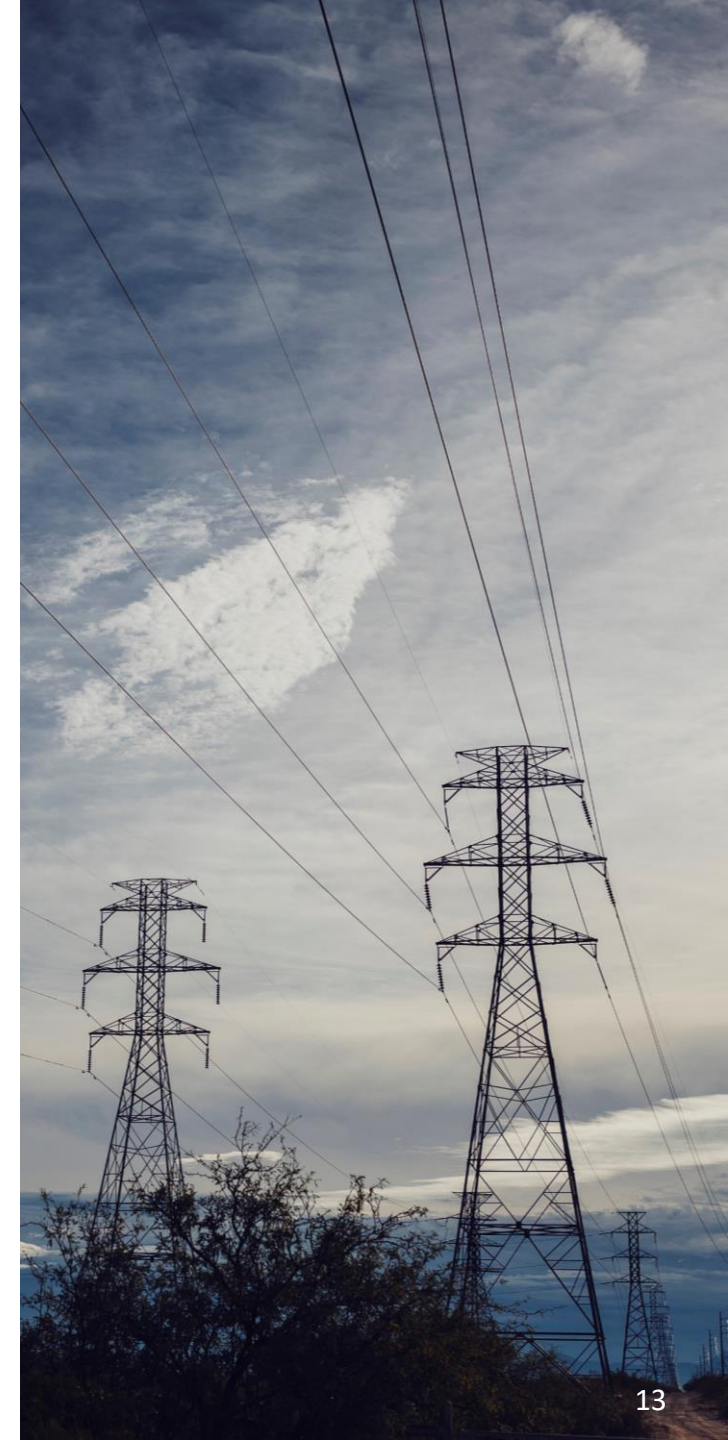
\$800M increase
over prior year
plan of \$18.8B

~6%
Rate Base
Growth

Rate base grows
~\$10B to \$40.3B
over five-year plan

~6%
Average Annual
Dividend Growth
Guidance to 2025

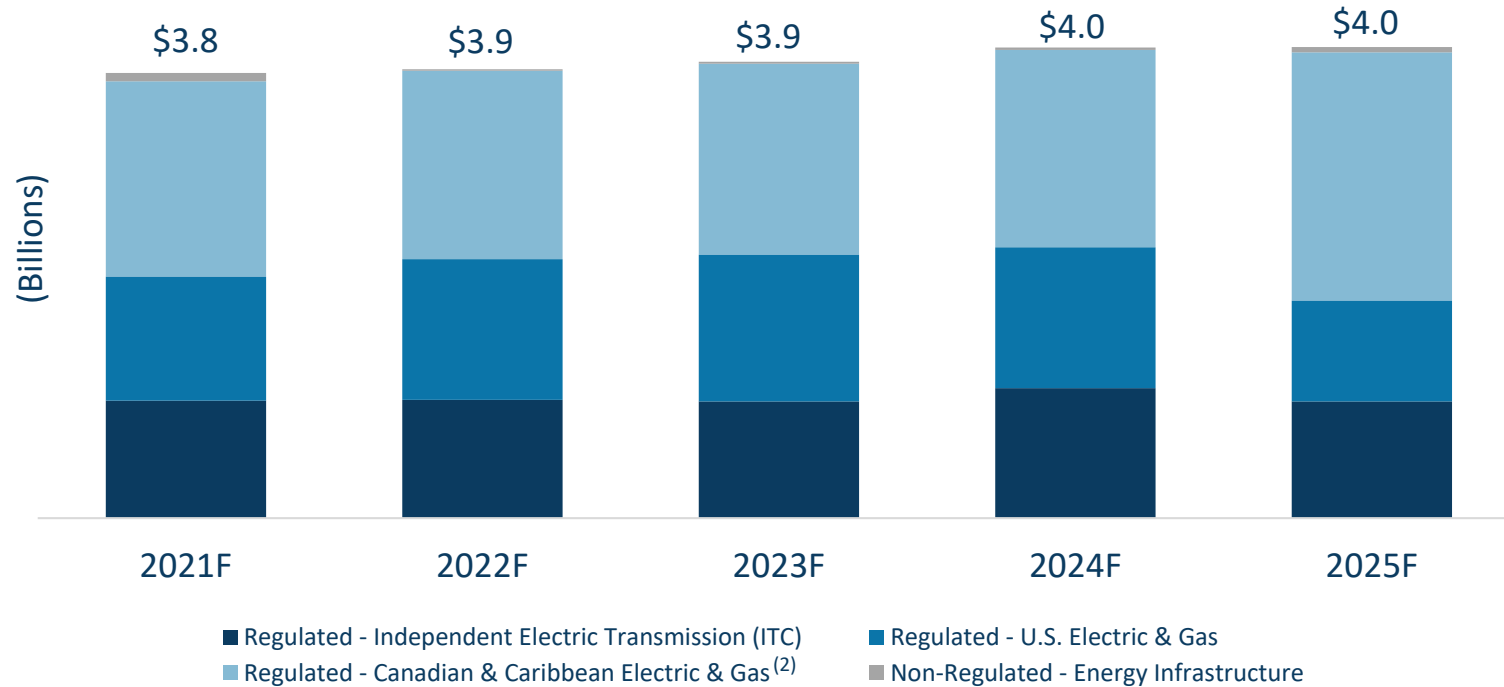
47 consecutive years
of dividend increases



\$19.6B FIVE-YEAR CAPITAL PLAN

\$800M INCREASE OVER PRIOR PLAN

BALANCED CAPITAL OVER THE FIVE-YEAR PERIOD⁽¹⁾



\$3.9B ANNUAL AVERAGE



80% Electric 20% Gas



5-Year Capital by Location:

55% U.S.

41% Canada

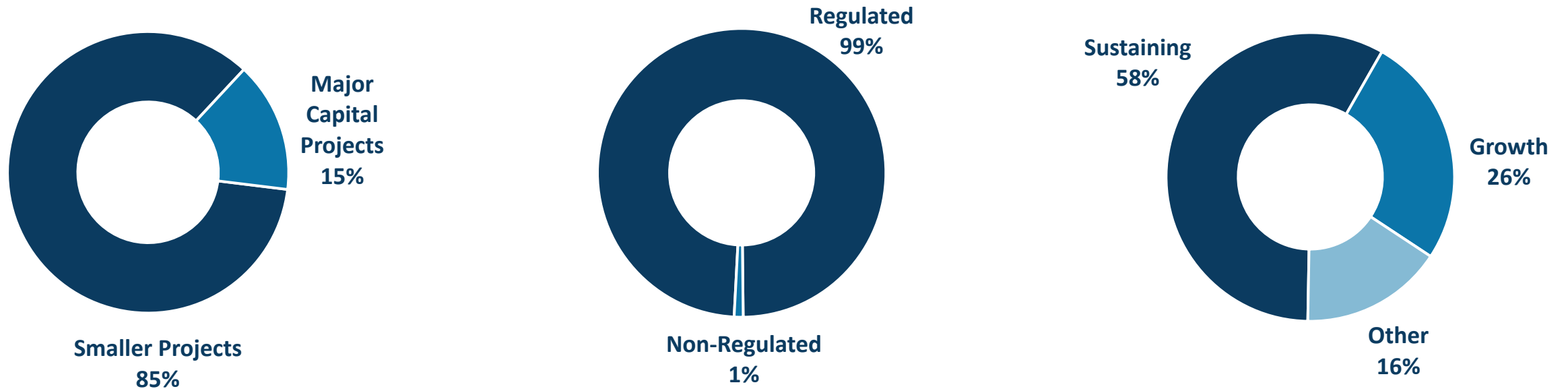
4% Caribbean

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of \$1.32.

(2) Includes Fortis' 39% share of the Wataynikaneyap Transmission Power Project.

LOW RISK, HIGHLY EXECUTABLE CAPITAL PLAN

CAPITAL PLAN IS FOCUSED ON DELIVERING SAFE, RELIABLE AND COST-EFFECTIVE SERVICE TO OUR CUSTOMERS



CAPITAL PLAN CONCENTRATED AT THREE LARGEST UTILITIES

Capital Plan by Company⁽¹⁾ (billions)

ITC	\$5.1
FortisBC	4.4
UNS Energy	3.8
Other Utilities	2.3
FortisAlberta	2.0
Central Hudson	1.8
Non-Regulated	0.2
Total 2021-2025 Capital Plan	\$19.6



- Infrastructure investments including reliability and resiliency upgrades, increased capacity, etc.
- Physical and cyber investments to enhance grid security
- Interconnections to support 2,800 MW of cleaner energy



- Major integrity projects including Inland Gas Upgrades Project and Transmission Integrity Management Capabilities Project
- Natural gas infrastructure including a new LNG storage tank
- Automated Gas Metering Infrastructure



- Distribution investments including customer meter infrastructure and grid resiliency and modernization
- Vail to Tortolita Transmission Project
- Transition to cleaner energy

(1) US dollar-denominated capital expenditures translated at a forecast USD/CAD foreign exchange rate of \$1.32.

OPPORTUNITIES TO EXPAND & EXTEND CAPITAL PLAN

ITC

- Significant renewable capacity and battery storage in MISO and SPP queues⁽¹⁾
- Need for additional regional transmission projects to facilitate renewables in queue (MISO multi-value projects at capacity)
- Hardening of physical assets and fibre networks
- Lake Erie Connector Project (~\$1B+)



UNS

- 2020 Integrated Resource Plan (IRP) filed in June outlined TEP's ambitious and realistic sustainability objectives including coal-free generation mix by 2032
 - Total opportunity of ~\$4-6B



FortisBC

- Further develop Tilbury to position BC as a marine bunkering hub
- Long-term contracted LNG export opportunities
- Southern Crossing Gas Transmission Expansion for market expansion and resiliency
- Target of 30% reduction in customer GHG emissions by 2030
- Renewable gas target of 15% by 2030



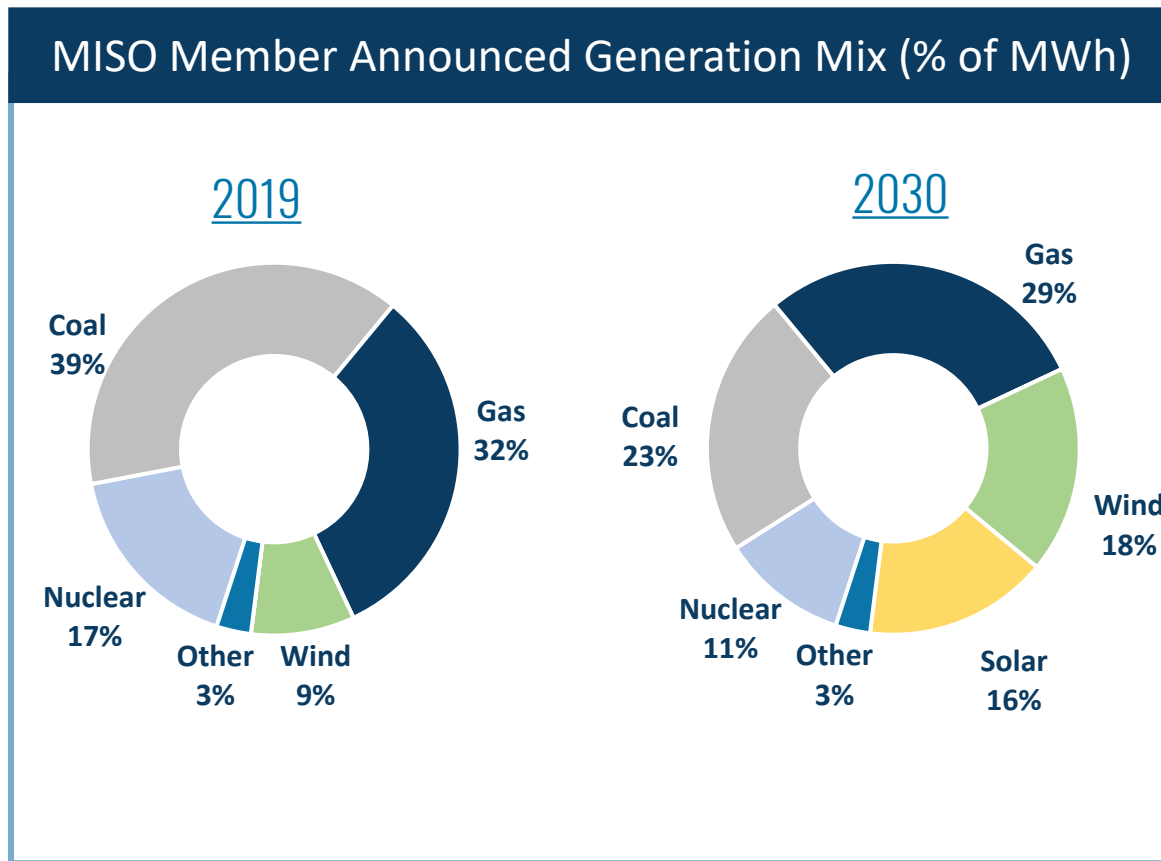
CUC

- Achieve local government goal of 70% renewable energy by 2037 through IRP

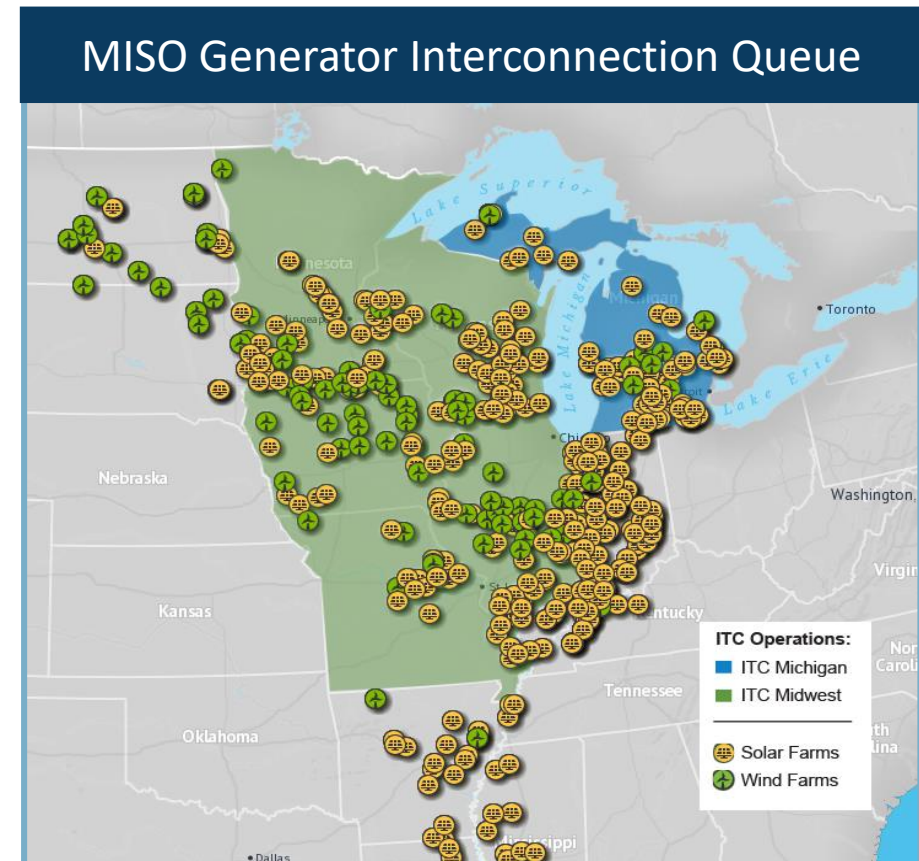


(1) 94 GW and 110 GW of additional renewable capacity in MISO and SPP queues; 4 GW and 9 GW of battery storage in MISO and SPP queues as at November 16, 2020.

GENERATION PORTFOLIO CHANGES & NEW INTERCONNECTIONS POTENTIAL INCREMENTAL OPPORTUNITIES AT ITC

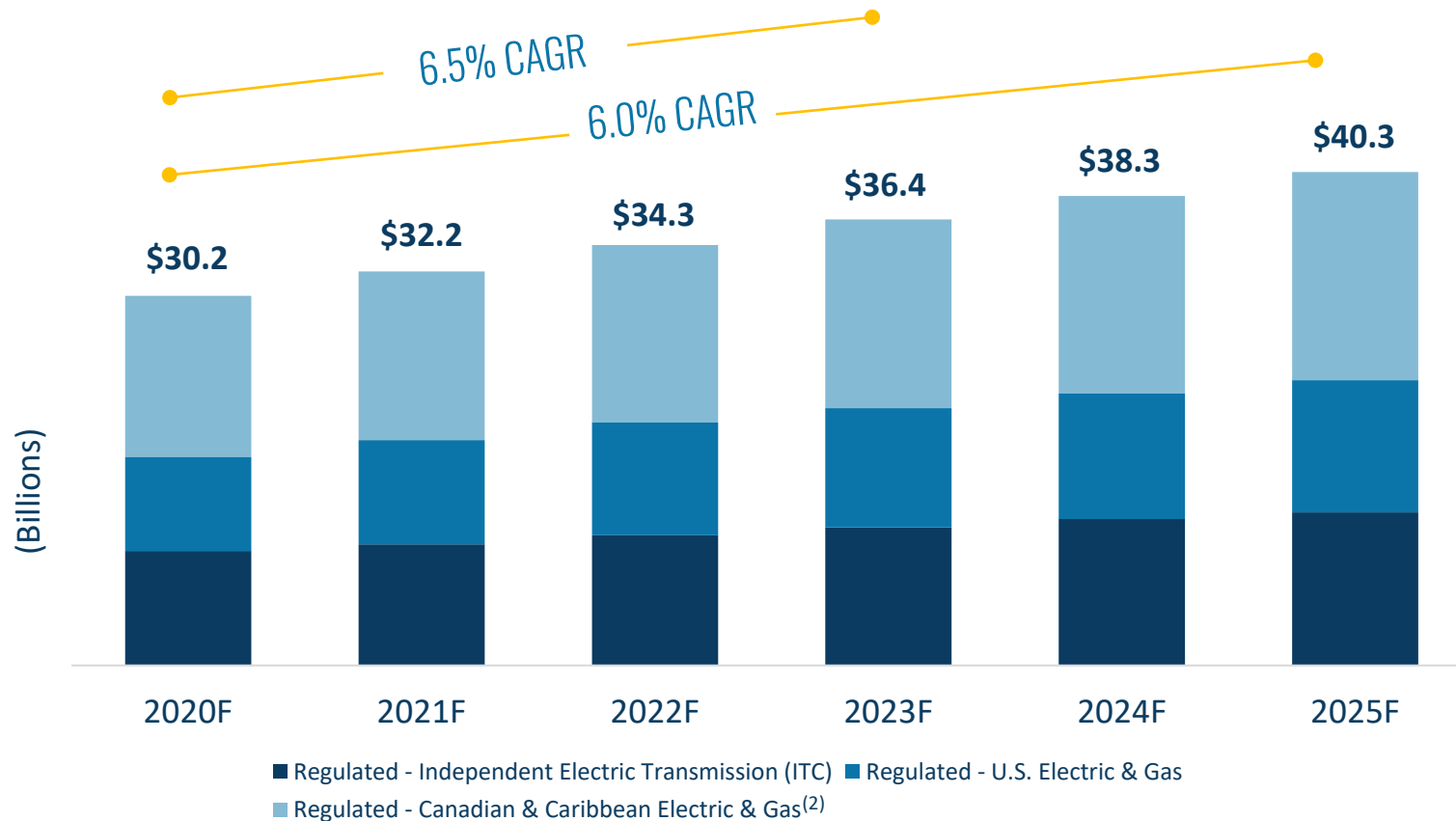


Source: MTEP20 <https://www.misoenergy.org/planning/planning/mtep20>



Source: <https://api.misoenergy.org/PublicQueueMap/index.html>

CONSOLIDATED RATE BASE



\$40.3B IN RATE BASE BY 2025⁽¹⁾

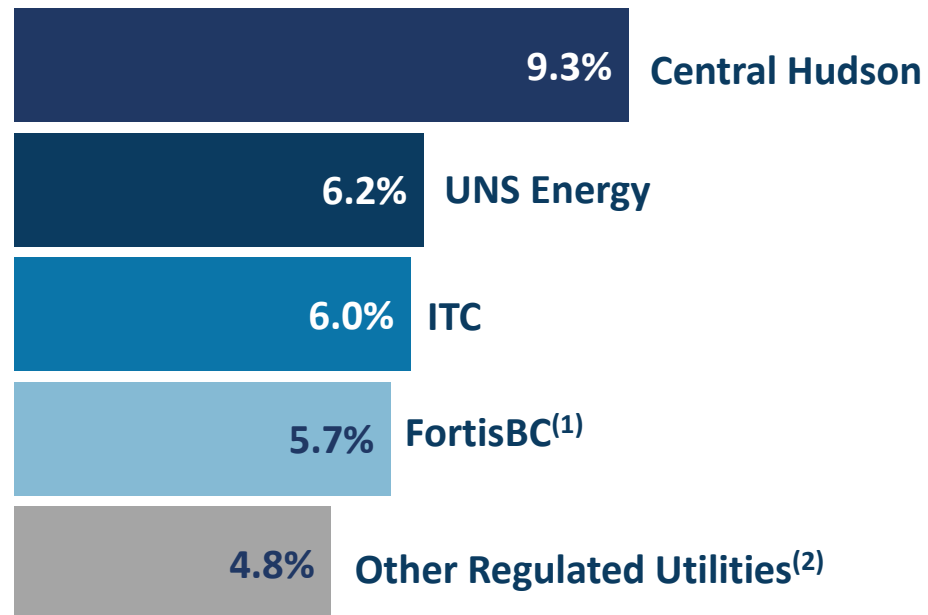
- Rate base grows by ~\$10B over the five-year period
- Growth driven by asset resiliency, modernization and cleaner energy initiatives

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.

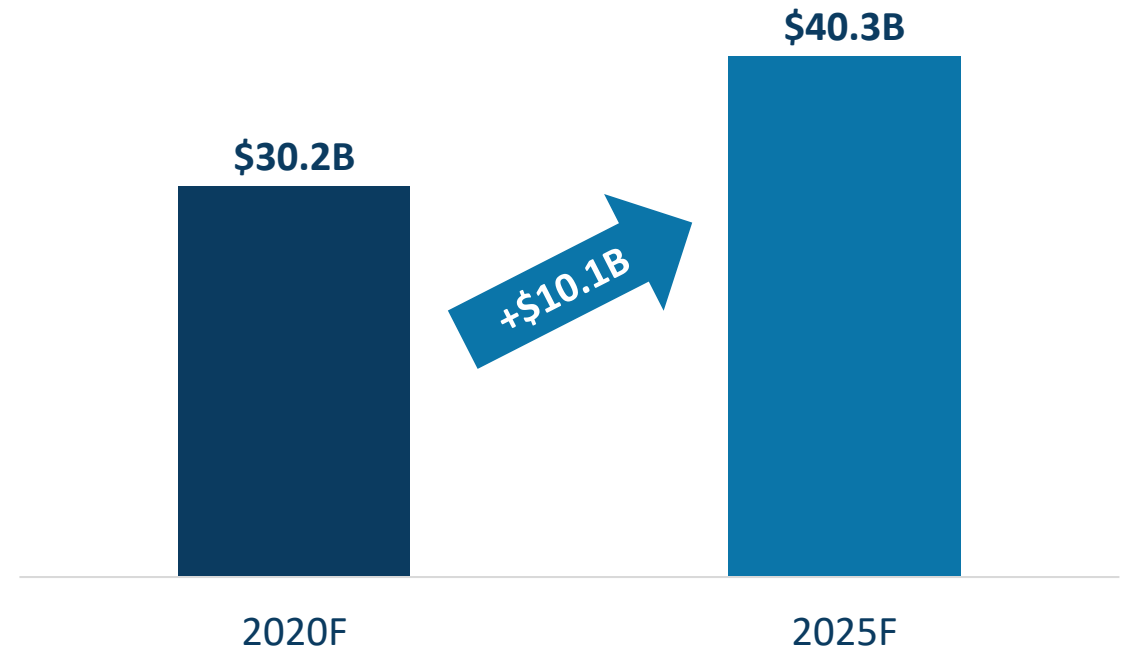
(2) Includes Fortis' share of the rate base of the Wataynikaneyap Transmission Power Project.

STRONG RATE BASE GROWTH ACROSS PORTFOLIO OF UTILITIES

5-YEAR RATE BASE CAGR OF ~6%



RATE BASE⁽³⁾



(1) Includes energy efficiency programs that are included in rate base but are not included in capital forecast.

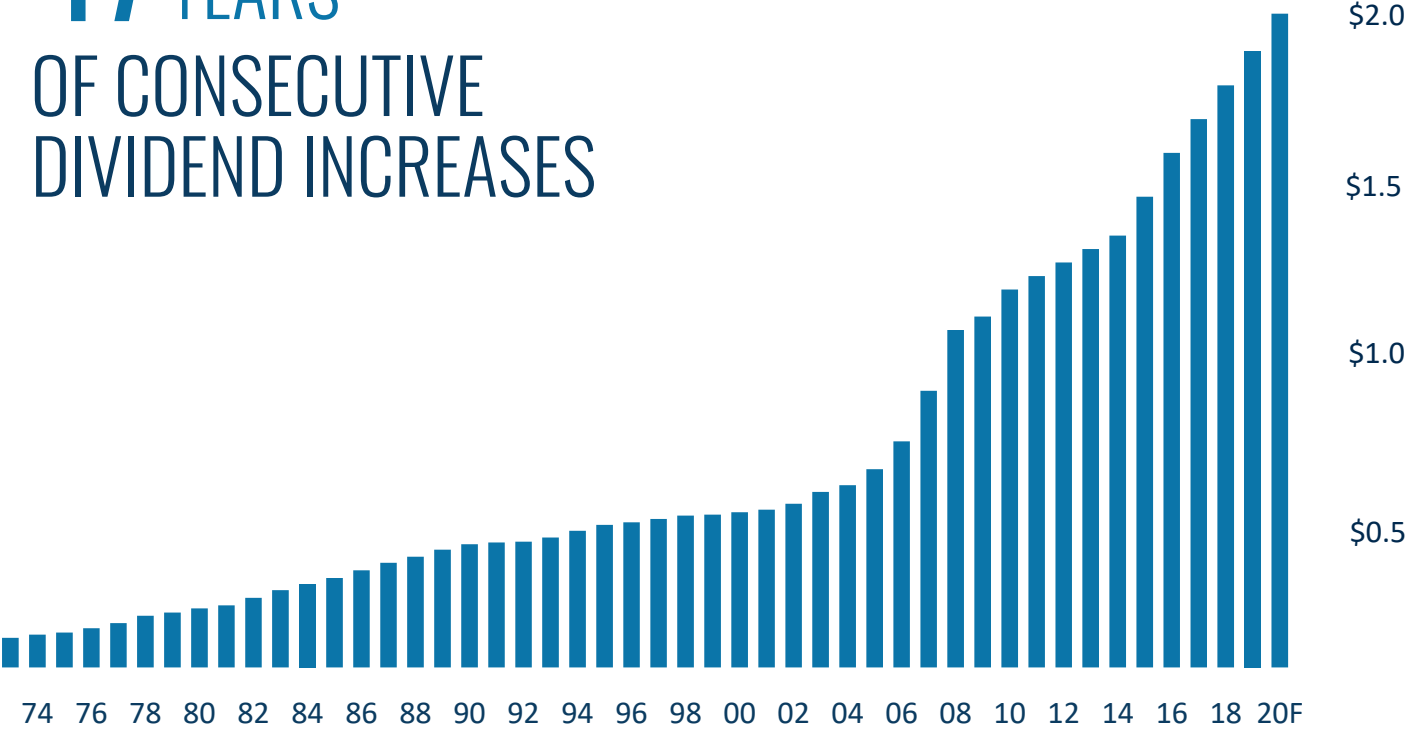
(2) Comprises FortisAlberta and Other Electric segment.

(3) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.

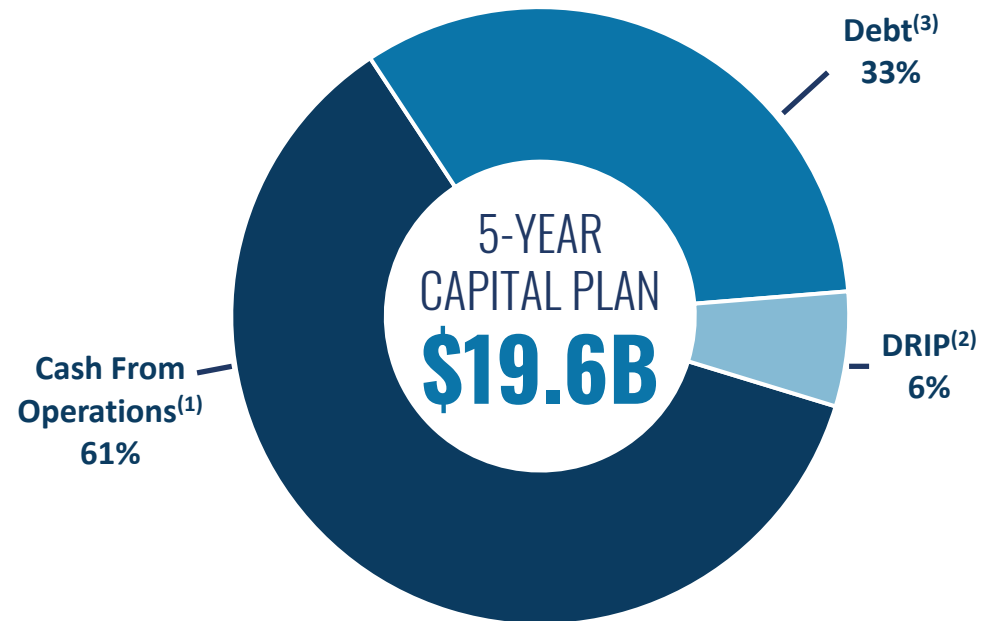
DIVIDEND GUIDANCE SUPPORTED BY LONG-TERM GROWTH STRATEGY



47 YEARS
OF CONSECUTIVE
DIVIDEND INCREASES



2021-2025 FUNDING PLAN



(1) Cash from operations after dividends and including customer contributions. This is a non-US GAAP measure.

(2) Includes funds from the Corporation's dividend reinvestment and employee stock purchase and options plans.

(3) Regulated and corporate debt issuances, net of repayments.




(4) Funding plan assumes DRIP participation of ~20% upon 2% discount being reinstated compared to current participation levels of ~5%.

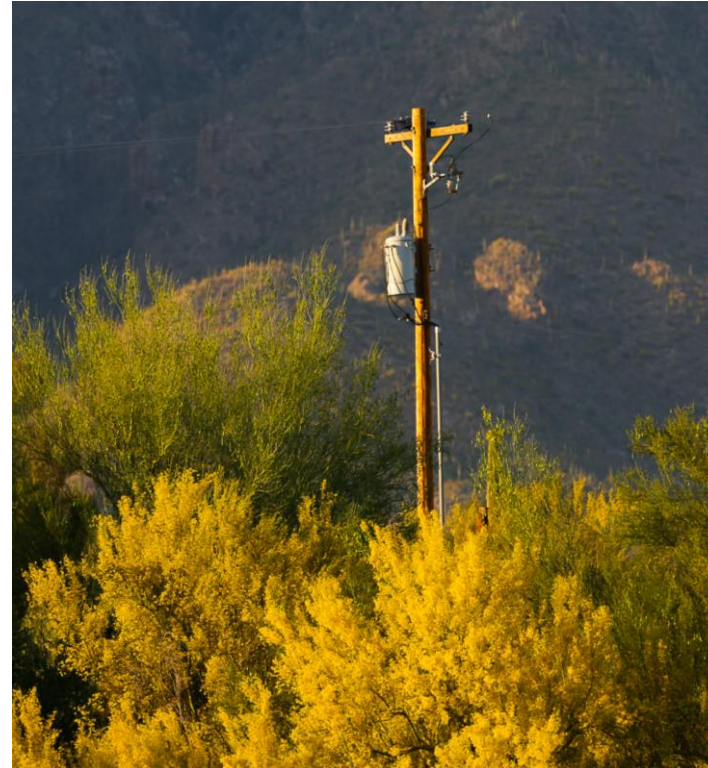
MAINTAINING INVESTMENT-GRADE CREDIT RATINGS

- Acceleration of equity funding in late 2019
- Debt primarily at operating utilities
- Subsidiary balance sheets reflect approved capital structures by regulators
- 2% DRIP discount reinstated⁽⁴⁾
- Ample liquidity

INVESTMENT-GRADE CREDIT RATINGS

CREDIT RATINGS

	A ⁻⁽¹⁾
	Baa3
	BBB (High) ⁽²⁾



“The ratings affirmation on Fortis and subsidiaries reflect the parent’s **execution of its deleveraging plan** over the past year and improved financial measures... Our view of **Fortis’ business risk profile as excellent** has not changed.”

- S&P Global Credit Opinion (March 27, 2020)



“Fortis has a very strong business risk profile, which is a key credit strength. About 99% of its cash flow comes from a **diverse portfolio of low risk investment grade regulated utilities**... Fortis has a highly diversified portfolio of utilities operating in what are largely credit supportive environments, a key credit strength... Financial or regulatory issues at any one utility in isolation would be unlikely to severely affect Fortis Inc.”

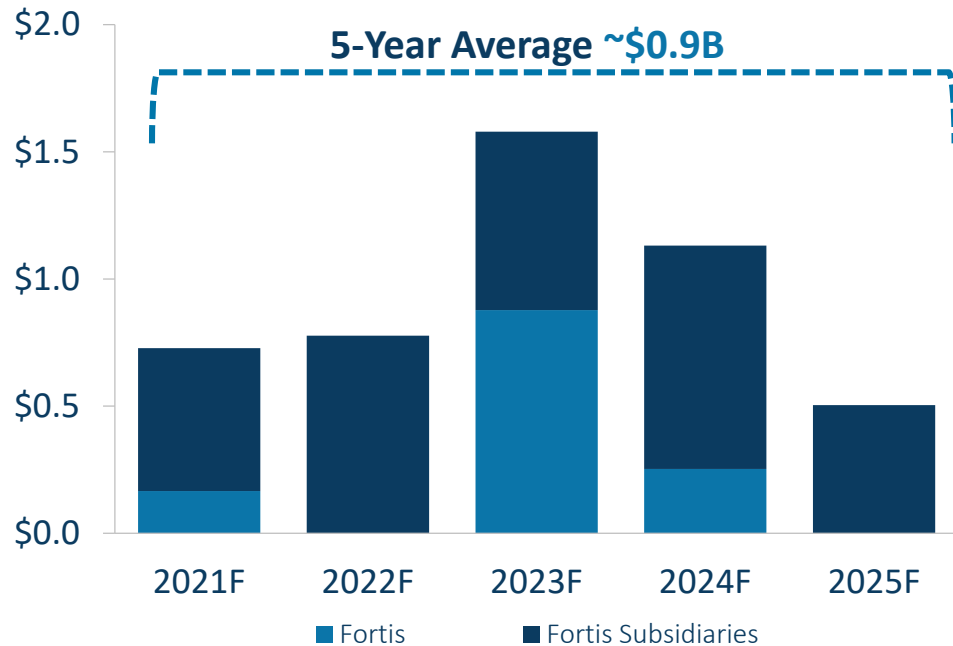
- Moody’s Credit Opinion (August 27, 2020)

(1) S&P rating reflects the issuer credit rating. Fortis’ unsecured debt rating is BBB+. In March 2020 S&P maintained the negative outlook due to COVID-19.

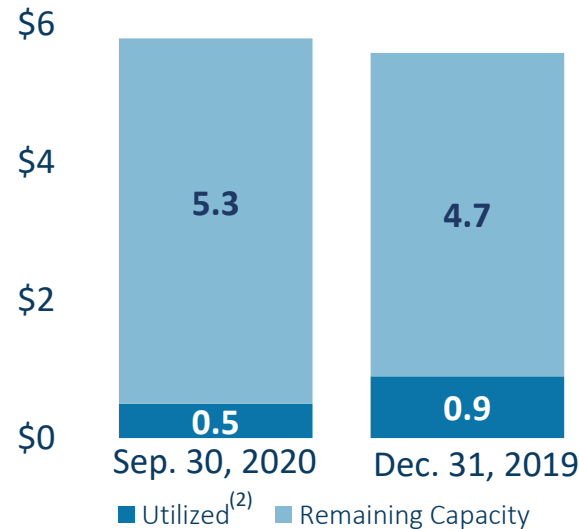
(2) In May 2020 DBRS Morningstar changed the trend to positive from stable.

MANAGEABLE DEBT MATURITIES & STRONG LIQUIDITY

CONSOLIDATED FIXED-TERM DEBT MATURITIES⁽¹⁾ (\$B)



LIQUIDITY (\$B)



\$3B+ IN LONG-TERM DEBT ISSUED YEAR-TO-DATE 2020

- Strong access to debt markets
- Highlighted by inaugural green bonds at FortisBC and TEP
 - FortisBC - \$200M 30-year 2.54%
 - TEP – US\$300M 10-year 1.50%



(1) Debt as at September 30, 2020 and excludes any new debt issuances during the forecast period. Excludes repayments of finance leases along with the current portion of credit facilities, which are assumed to be extended by one-year annually.

(2) Net of cash on hand.

UPDATE ON REGULATORY PROCEEDINGS



- **Notice of Proposed Rulemaking (NOPR) on Incentives** – Transmission Incentive NOPR issued in March 2020; comments filed in July 2020 and awaiting next steps



- **TEP General Rate Application** – Administrative Law Judge recommended order and opinion (ROO) issued in November 2020; ROO reflects rate base of US\$2.7 billion and revenue requirement increase of US\$69 million premised on 9.35% ROE and 53% equity; ROO scheduled to be considered at December ACC meeting



- **General Rate Application** – Rate case filed in August 2020 with NYPSC requesting an electric rate increase of US\$33 million and gas delivery rate increase of US\$14 million; decision expected in mid-2021



- **Generic Cost of Capital Proceeding** – Currently approved ROE and equity thickness parameters extended on a final basis for 2021; new proceeding to establish post-2021 parameters expected to commence in 2021
- **AESO Tariff Application** – AUC decision issued in November 2020 rescinding September 2019 order; FortisAlberta retains ~\$400 million in transmission investments

WHY INVEST IN FORTIS?



**Well-Run
Businesses**



**ESG
Leader**



**Highly
Diversified**



**Focused on
Energy
Delivery**



Innovative



**Strong
Growth
Profile**



**Virtually
All
Regulated**



**6%
Dividend
Guidance**

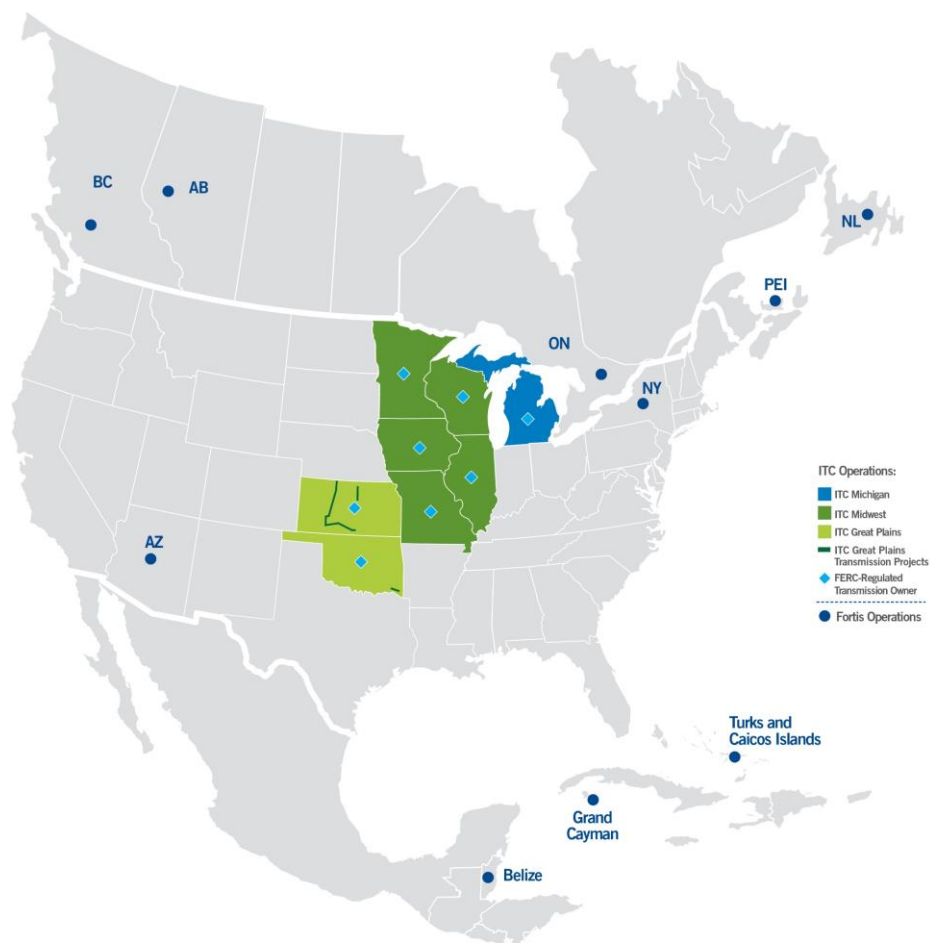
APPENDIX



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ITC HOLDINGS CORP.



Type of Utility	Transmission
Regulator	FERC
Regulatory Model	Cost of Service with FERC Formula Rates
Current Regulatory Construct	10.77-11.41% ROE on 60% equity
Significant Regulatory Features	Cost-based, forward-looking formula rates with annual true-up
2020F Rate Base ⁽¹⁾	\$9.4B
5-Year Rate Base CAGR	6.0%
2019 Assets % of Total Consolidated Regulated Assets ⁽²⁾	38%
Development Opportunities ⁽³⁾	Lake Erie Connector, Connecting Renewables & Grid Modernization
Regulatory Proceeding	Notice of Proposed Rulemaking on Incentive Policy

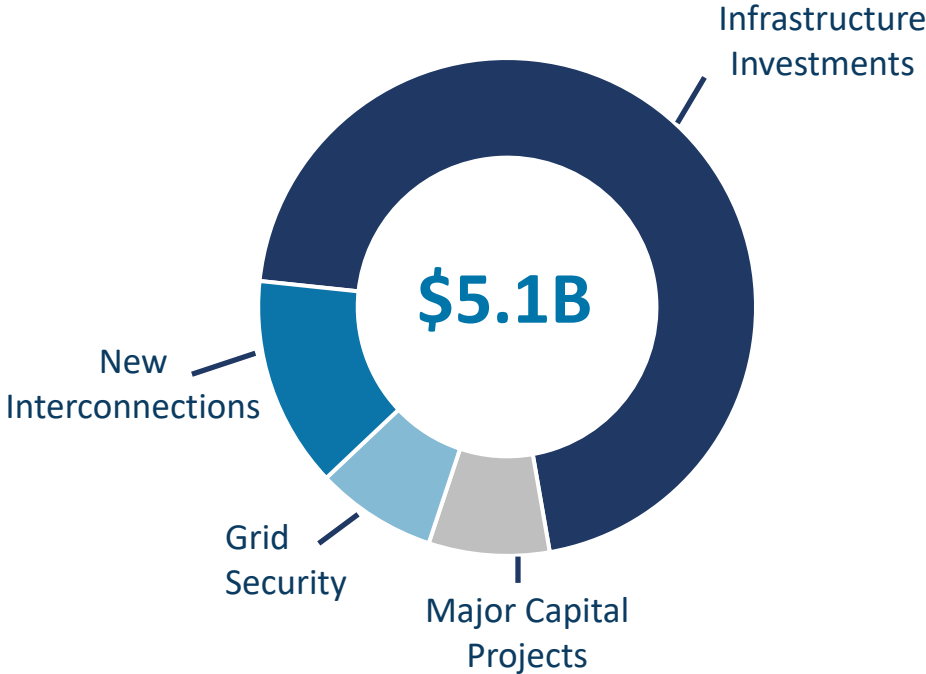
(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.

(2) Includes goodwill

(3) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

ITC CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL⁽¹⁾



\$3.6B Infrastructure Investments

Rebuild, reliability, resiliency, system efficiencies, increased capacity, circuit overloads, pocket load growth



\$700M New Interconnections

Supports economic development, load interconnection requests and changes in generation sources



\$400M Grid Security

Physical and cyber hardening along with technology upgrades



\$400M Major Capital Projects

Multi-Value Regional Transmission Projects & 34.5 to 69kV Transmission Conversion Project

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of \$1.32.

ITC BUILDING THE GRID OF THE FUTURE

OPPORTUNITIES BEYOND THE PLAN

New Technologies

4 GW and **9 GW**
of battery storage
in MISO and SPP
queues⁽¹⁾

Access to Regional Markets

Regional transmission
necessary to facilitate
increased demand for
renewables

Grid Security

Hardening of
telecommunications
networks, physical and
cybersecurity assets

Generation Shifts

94 GW and **110 GW**
additional renewable
capacity in MISO & SPP
queues⁽¹⁾

~16,000
Miles of Transmission

565
Substations

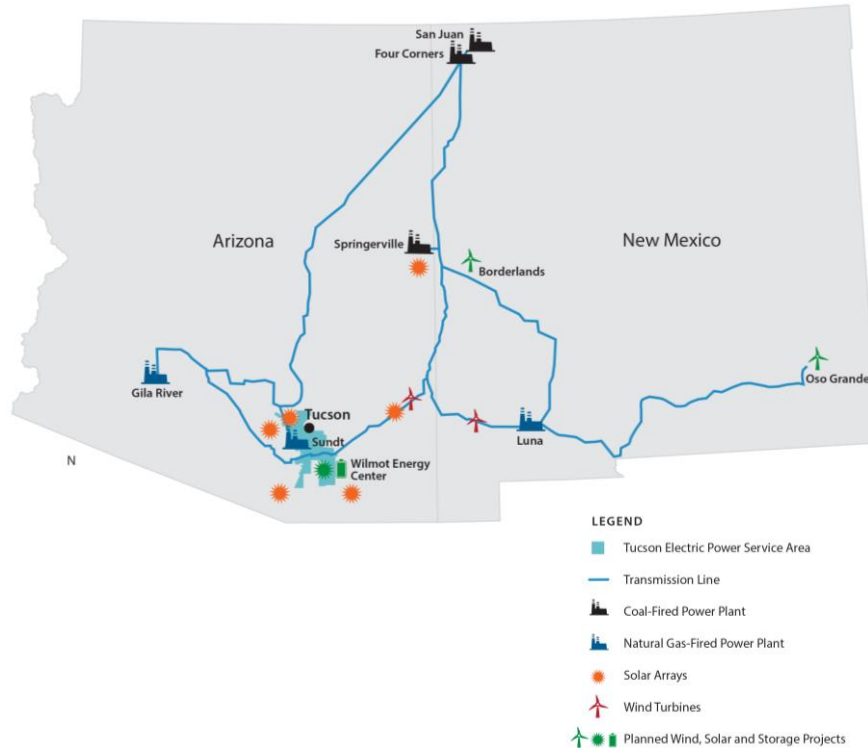
~6,800 MW
Wind Energy Connected

US \$9.4B
Invested Since Inception⁽²⁾

(1) Information as at November 16, 2020.

(2) Total invested up to September 30, 2020.

UNS ENERGY



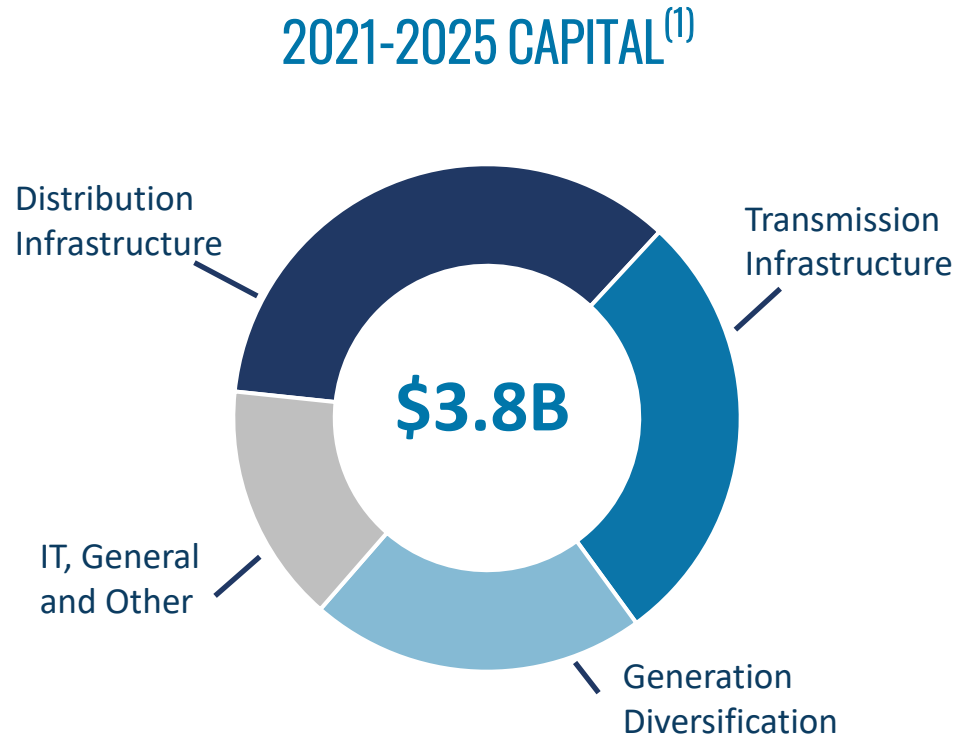
	Tucson Electric	UNS Electric	UNS Gas
Type of Utility	Electricity		Gas Distribution
Regulator	Arizona Corporation Commission & FERC		
Regulatory Model	Cost of service/historical test year & FERC formula transmission rates		
Current Regulatory Compact	9.75% ROE on 50% equity	9.5% ROE on 52.8% equity	9.75% ROE on 50.8% equity
2020F Rate Base ⁽¹⁾	\$5.6B		
5-Year Rate Base CAGR	6.2%		
2019 Assets % of Total Consolidated Regulated Assets ⁽²⁾	20%		
Development Opportunities ⁽³⁾	Renewables, Storage & Electric Transmission		
Regulatory Proceedings	TEP General Rate Application & Hearing and Settlement Procedures for FERC Formula Rate Application		

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.

(2) Includes goodwill

(3) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

UNS CAPITAL INVESTMENT OVERVIEW



\$1.3B Distribution Infrastructure

Customer meter infrastructure, grid resiliency, modernization



\$1.1B Transmission Infrastructure

Vail to Tortolita, new substations



\$800M Generation Diversification

Battery storage, solar



\$600M IT, General and Other

Supports technology, efficiency and sustainment

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of \$1.32.

ARIZONA FOCUSED ON RENEWABLES



~460 MW of New Wind,
Solar and Storage



3,400 MW Planned Additions of
Wind, Solar and Storage

2020-2021

2022-2035

1,073 MW Planned Coal Retirements
Complete Exit from Coal by 2032



-170 MW
2022

-387 MW
2027

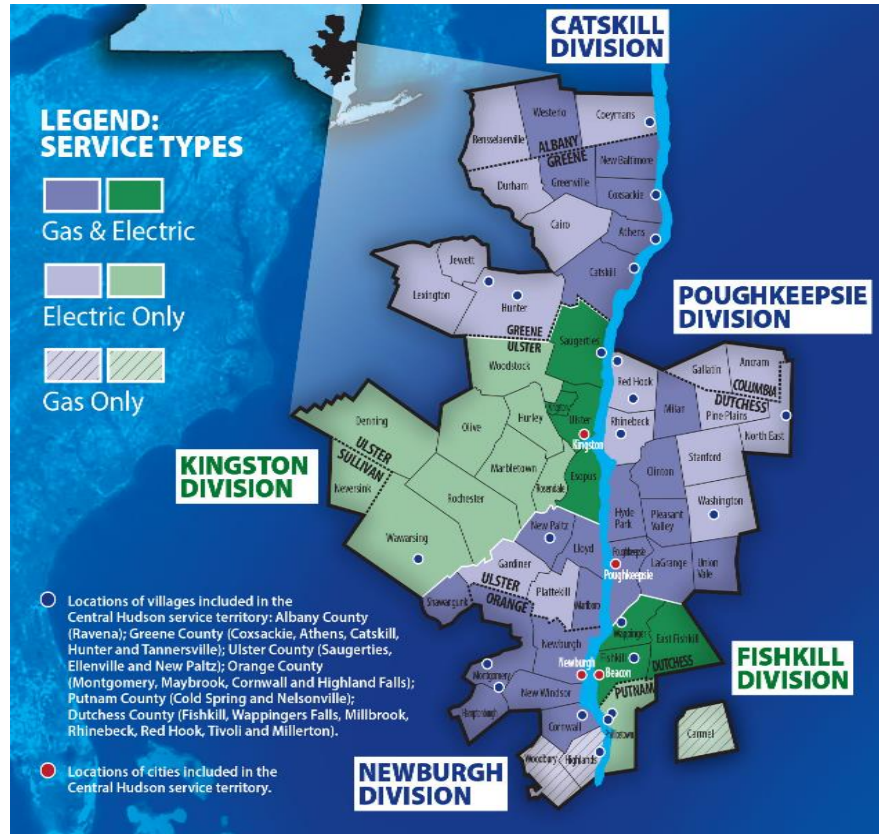
-110 MW
2031

-406 MW
2032

**TEP INTEGRATED
RESOURCE PLAN
FILED IN JUNE 2020**

- TEP expects to have coal-free generation mix by 2032
- TEP's power will be more than **70% renewable** by 2035

CENTRAL HUDSON

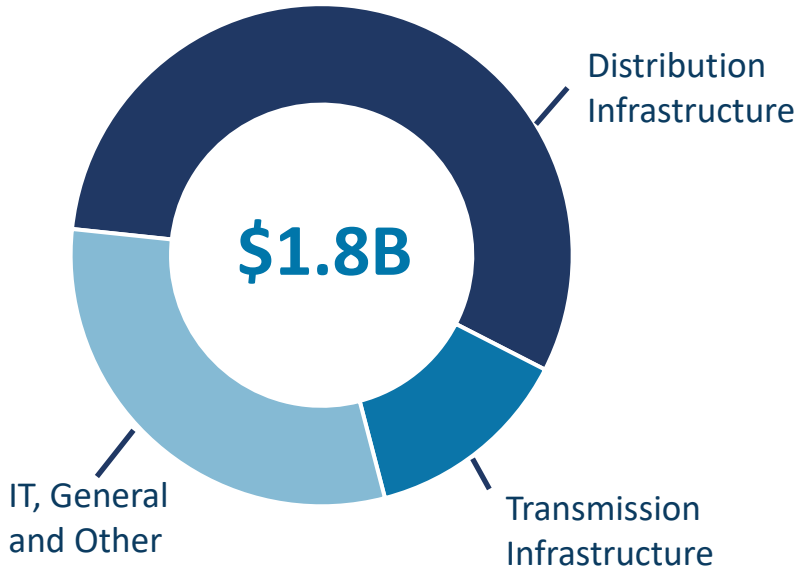


Type of Utility	Gas and Electricity
Regulator	New York State Public Service Commission
Regulatory Model	Cost of service on future test year
Current Regulatory Compact	8.8% ROE on 50% equity
Significant Regulatory Features	Revenue decoupling
2020F Rate Base ⁽¹⁾	\$2.1B
5-Year Rate Base CAGR	9.3%
2019 Assets % of Total Consolidated Regulated Assets ⁽²⁾	7%
Development Opportunities ⁽³⁾	Grid Modernization
Regulatory Proceeding	General Rate Application COVID-19 Generic Proceeding

- (1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.
- (2) Includes goodwill
- (3) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

CENTRAL HUDSON CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL⁽¹⁾



\$1.0B Distribution Infrastructure
Distribution automation and modernization



\$240M Transmission Infrastructure
Replacement of aging infrastructure



\$550M IT, General and Other Modernization
Building the Workforce of the Future

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of \$1.32.

FORTISBC



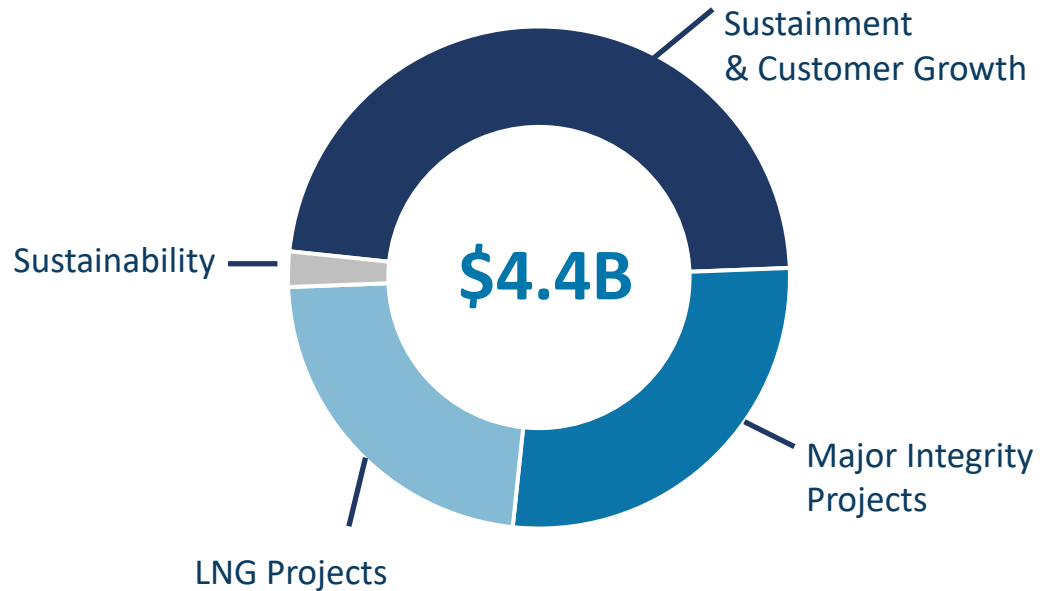
	FortisBC Gas	FortisBC Electric
Type of Utility	Gas distribution	Electricity
Regulator	British Columbia Utilities Commission	
Regulatory Model	Cost of service with incentive mechanisms	
Current Regulatory Compact	8.75% ROE on 38.5% equity	9.15% ROE on 40.0% equity
Significant Regulatory Features	Multi-year rates with revenue deferrals – changes in consumption and commodity costs do not impact earnings	
2020F Rate Base	\$5.0B	\$1.4B
5-Year Rate Base CAGR	6.2%	3.8%
2019 Assets % of Total Consolidated Regulated Assets ⁽¹⁾	14%	4%
Development Opportunities ⁽²⁾	LNG for Marine Bunkering, LNG Bulk Export & Gas Infrastructure	N/A

(1) Includes goodwill

(2) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

FORTISBC CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL



\$2.1B Sustainment & Customer Growth

Ongoing maintenance requires significant capital investment
Includes customer growth and general plant investment



\$1.2B Major Integrity Projects

Inland Gas Upgrades Project
Transmission Integrity Management Capabilities Project
Advanced Metering Infrastructure



\$1.0B LNG Projects

Eagle Mountain Woodfibre Gas Line Project
Tilbury 1B
Tilbury Resiliency Tank



\$100M Sustainability

Renewable Gas Projects
Natural gas for transportation

FORTISBC'S CLEAN GROWTH PATHWAY

30% GHG REDUCTION BY 2030



Energy Efficiency

Conservation & Efficiency Programs Increased to ~\$370M for 2019-2022



Renewable Natural Gas

Currently Utilizing Renewable Natural Gas⁽¹⁾

Regulatory Approval Received at FortisBC's largest RNG project to date⁽²⁾



LNG

Positioning BC as a Domestic & International Bunkering Hub

Exploring bulk export opportunities for Tilbury



Zero & Low-Carbon Transportation

FortisBC Owns and Operates 27 EV Charging Stations⁽³⁾

Owns and Operates 15 Compressed Natural Gas Stations

(1) Locations include Sea Breeze Dairy Farm, Surrey Biofuel Facility, Fraser Valley Biogas, Salmon Arm Landfill (owned and operated by FortisBC) & Glenmore Landfill (owned and operated by FortisBC).
 (2) Renewable Natural Gas production at Vancouver Landfill
 (3) Includes 25 fast-charging stations and 2 level-two chargers.

FORTISALBERTA

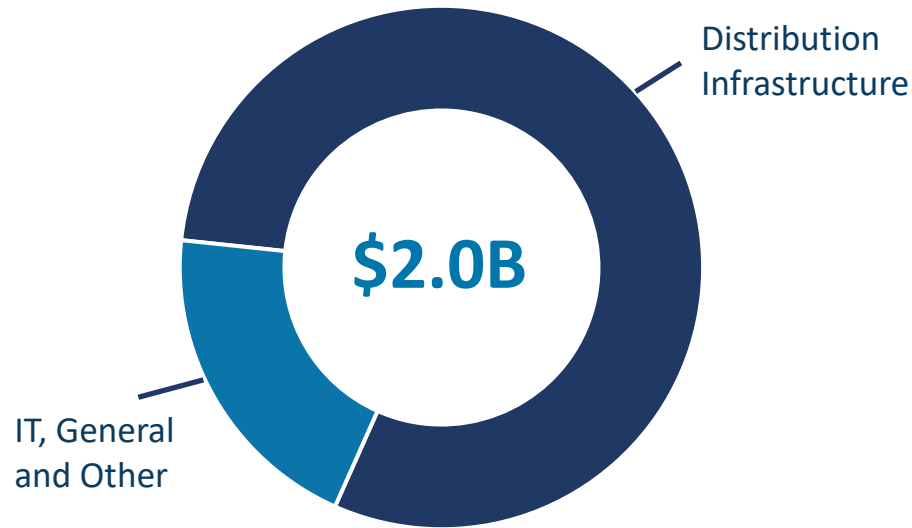


Type of Utility	Electricity distribution
Regulator	Alberta Utilities Commission
Regulatory Model	PBR
Current Regulatory Compact	8.5% ROE on 37% equity
Significant Regulatory Features	~85% of revenue derived from fixed-billing determinants
2020F Rate Base	\$3.7B
5-Year Rate Base CAGR	3.0%
2019 Assets % of Total Consolidated Regulated Assets ⁽¹⁾	9%

(1) Includes goodwill

FORTISALBERTA CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL



\$1.6B Distribution Infrastructure

Safety & reliability of distribution assets, meter upgrades, pole management program, modernization



\$400M IT, General and Other

OTHER ELECTRIC UTILITIES



Type of Utility	Electricity		
Regulator	Newfoundland and Labrador Board of Commissioners of Public Utilities	Island Regulatory and Appeals Commission	Ontario Energy Board
Regulatory Model	Cost of service on future test year	Cost of service on future test year	Cost of service with incentives
Current Regulatory Compact	8.50% ROE on 45% equity	9.35% ROE on 40% equity	8.52% - 9.30% ROE on 40% equity ⁽²⁾
2020F Rate Base	\$1.2B	\$0.4B	\$0.3B
5-Year Rate Base CAGR	3.4%	4.7%	20.5% ⁽³⁾
2019 Assets % of Total Consolidated Regulated Assets ⁽⁴⁾	3%	1%	1%
Development Opportunities ⁽⁵⁾	Grid Modernization	Grid Modernization	Municipal Utility Consolidation

(1) Includes Canadian Niagara Power, Cornwall Electric, Algoma Power and Fortis' 39% ownership of the Wataynikaneyap Transmission Power Project.

(2) Allowed ROE is 8.52% for Algoma Power, 8.78% for Canadian Niagara Power distribution and 9.30% for Canadian Niagara Power transmission. Cornwall Electric operates under a franchise agreement with a price-cap and commodity cost flow through and, therefore, is not regulated with reference to an allowed ROE.

(3) Reflects Fortis' 39% ownership of the Wataynikaneyap Transmission Power Project

(4) Includes goodwill

(5) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

OTHER ELECTRIC UTILITIES (CONTINUED)



Type of Utility	Electricity	
Regulator	Utility Regulation and Competition Office	Government of the Turks and Caicos Islands
Regulatory Model	Cost of service	Cost of service
2019 Achieved ROE	12.10%	8.00%
2020F Rate Base ⁽²⁾	\$0.7B	\$0.5B
5-Year Rate Base CAGR	8.8%	1.7%
2019 Assets % of Total Consolidated Regulated Assets ⁽³⁾	2%	1%
Development Opportunities ⁽⁴⁾	Grid Modernization, Battery Storage & Renewables	

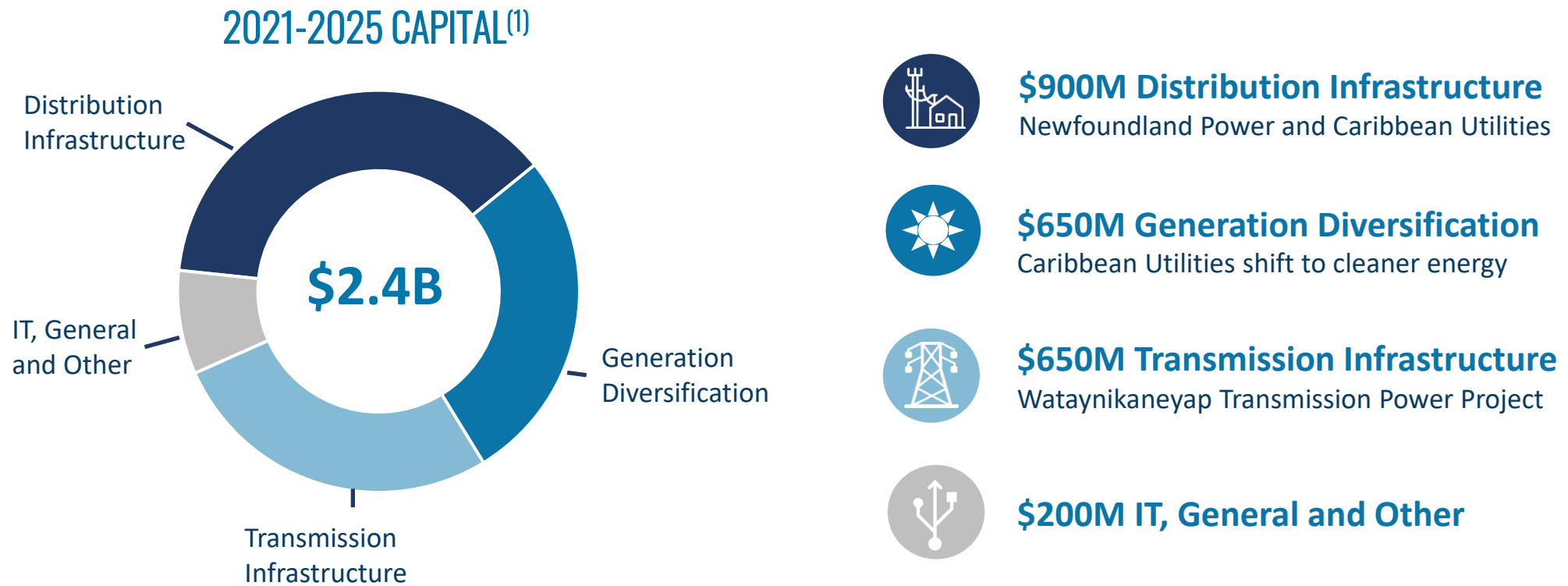
(1) Fortis has an approximate 60% controlling interest in Caribbean Utilities Company, Ltd.

(2) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.

(3) Includes goodwill

(4) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

OTHER ELECTRIC CAPITAL INVESTMENT OVERVIEW



(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of \$1.32.

2020-2025 RATE BASE BY SEGMENT

Rate Base ⁽¹⁾							
(\$billions)	2020F	2021F	2022F	2023F	2024F	2025F	5-Year CAGR to 2025
Regulated - Independent Electric Transmission							
ITC ⁽²⁾	9.4	9.9	10.6	11.3	11.9	12.5	6.0%
Regulated - US Electric & Gas							
UNS Energy	5.6	6.2	6.7	7.0	7.3	7.6	6.2%
Central Hudson	<u>2.1</u>	<u>2.3</u>	<u>2.5</u>	<u>2.7</u>	<u>3.0</u>	<u>3.2</u>	<u>9.3%</u>
Total Regulated - US Electric & Gas	7.7	8.5	9.2	9.7	10.3	10.8	7.1%
Regulated - Canadian & Caribbean Electric & Gas							
FortisBC Energy	5.0	5.2	5.4	5.7	6.2	6.8	6.2%
FortisAlberta	3.7	3.8	3.9	4.0	4.1	4.2	3.0%
FortisBC Electric	1.4	1.5	1.5	1.6	1.7	1.7	3.8%
Other Electric ⁽³⁾	<u>3.0</u>	<u>3.3</u>	<u>3.7</u>	<u>4.1</u>	<u>4.1</u>	<u>4.3</u>	<u>6.8%</u>
Total Regulated - Canadian & Caribbean Electric & Gas	13.1	13.8	14.5	15.4	16.1	17.0	5.3%
Total Rate Base Forecast	30.2	32.2	34.3	36.4	38.3	40.3	6.0%

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of \$1.32.

(2) Fortis has an 80.1% controlling ownership interest in ITC, rate base represents 100% ownership.

(3) Comprises Eastern Canadian and Caribbean electric utilities.

2021-2025 CAPITAL PLAN BY SEGMENT

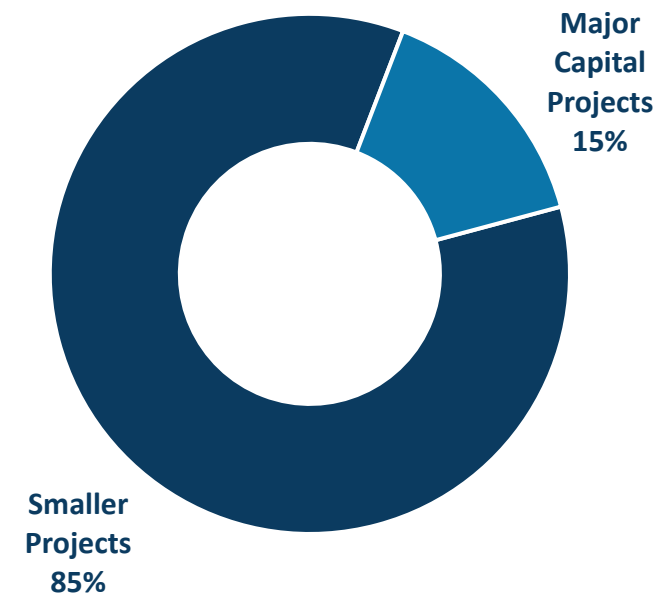
Capital Forecast ⁽¹⁾						
(\$millions)	2021F	2022F	2023F	2024F	2025F	2021-2025 TOTAL
Regulated - Independent Electric Transmission						
ITC	1,000	1,007	993	1,107	993	5,100
Regulated - US Electric & Gas						
UNS Energy	749	781	840	853	547	3,770
Central Hudson	<u>306</u>	<u>416</u>	<u>409</u>	<u>346</u>	<u>310</u>	<u>1,787</u>
Total Regulated - US Electric & Gas	1,055	1,197	1,249	1,199	857	5,557
Regulated - Canadian & Caribbean Electric & Gas						
FortisBC Energy	467	569	671	788	1,238	3,733
FortisAlberta	346	367	413	438	468	2,032
FortisBC Electric	153	130	112	111	132	638
Other Electric ⁽²⁾	<u>721</u>	<u>560</u>	<u>453</u>	<u>368</u>	<u>307</u>	<u>2,409</u>
Total Regulated - Canadian & Caribbean Electric & Gas	1,687	1,626	1,649	1,705	2,145	8,812
Non-Regulated	71	13	17	21	46	168
Total Capital Forecast	3,813	3,843	3,908	4,032	4,041	19,637

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of \$1.32.

(2) Comprises Eastern Canadian and Caribbean electric utilities.

MAJOR CAPITAL PROJECTS

(\$ Millions)	2020 Forecast ⁽¹⁾	2021-2025 Plan ⁽¹⁾	Expected Year of Completion
ITC Multi-Value Regional Transmission Projects	12	261	2023
ITC 34.5 kV to 69 kV Transmission Conversion Project	99	148	Post-2025
UNS Vail to Tortolita ⁽²⁾	-	244	2023
UNS Oso Grande ⁽³⁾	514	-	2021
FortisBC Eagle Mountain Woodfibre Gas line Project ⁽⁴⁾	-	350	2025
FortisBC Transmission Integrity Management Capabilities Project	6	441	Post-2025
FortisBC Inland Gas Upgrades Project	46	230	2025
FortisBC Tilbury 1B	1	376	2025
NEW FortisBC Tilbury Resiliency Tank	9	209	Post-2025
NEW FortisBC Advanced Metering Infrastructure	-	247	Post-2025
Wataynikaneyap Transmission Power Project ⁽⁵⁾	212	479	2023



Note: Major capital projects are defined as projects, other than ongoing maintenance projects, individually costing \$200 million or more. Total project costs include forecasted capitalized interest and non-cash equity component of allowance for funds used during construction, where applicable.

(1) U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD exchange rate of 1.36 for 2020 and 1.32 for 2021 through 2025.

(2) The Vail to Tortolita transmission project was previously disclosed as a phase of the Southline Transmission Project.

(3) Construction began in 2019 and the project is expected to be commissioned in 2021.

(4) Capital plan is net of customer contributions.

(5) Represents Fortis' 39% share of the estimated capital spending for the project, including deferred development costs.

INVESTMENT-GRADE CREDIT RATINGS

Company	S&P Global	MOODY'S	DBRS MORNINGSTAR
Fortis Inc.	A ⁻⁽¹⁾	Baa3	BBB (High)
ITC Holdings Corp.	A ⁻⁽¹⁾	Baa2	n/a
ITC Regulated Subsidiaries	A	A1	n/a
TEP	A-	A3	n/a
Central Hudson	A-	A3	n/a
FortisBC Energy	n/a	A3	A
FortisBC Electric	n/a	Baa1	A (low)
FortisAlberta	A-	Baa1	A (low)
Newfoundland Power	n/a	A2	A

(1) S&P credit ratings for Fortis Inc. and ITC Holdings Corp. reflect the issuer credit ratings. The unsecured debt rating for Fortis Inc. and ITC Holdings Corp. is BBB+.



COVID-19: OTHER FINANCIAL IMPLICATIONS

Defined Benefit Pension Plan

- ✓ ~46% of assets invested in fixed income
- ✓ ~88% of \$3.2B plan assets funded at December 31, 2019
- ✓ ~80% of pension assets subject to regulatory mechanisms
 - UNS pension plan assets (~\$0.6B) not subject to automatic regulatory mechanisms
 - Impact of asset valuation on future pension expense depends on asset valuations as of December 31st

Certain U.S. Retirement Benefits

- ✓ Certain retirement benefits funded through trusts and are subject to market volatility each quarter
 - Decline in market values in the first nine months resulted in a ~\$0.02 EPS decline year-over-year for UNS
 - Minimal impact at other utilities as assets are more heavily invested in fixed income

Foreign Exchange – Earnings & Capital Plan

- ✓ 65%⁽¹⁾ of earnings and 60% of 5-year \$19.6B capital plan from U.S. and Caribbean
- ✓ Foreign exchange sensitivity for every 5-cent change in USD:CAD exchange rate:
 - Average Annual EPS – \$0.06
 - 5-year Capital Plan – \$400M

Credit Losses

- ✓ Potential for recovery of credit losses through extraordinary riders in regulatory mechanisms
 - FortisBC received approval for recovery in June 2020
- ✓ FortisAlberta and ITC collect revenues from retail energy providers and distribution utilities reducing collection risk vs. end-use customers.
 - Together they represent ~30% of annual revenues

(1) Non-US GAAP Measure. Data as of December 31, 2019.

STRONG LEADERSHIP TEAM



Barry Perry⁽¹⁾
President & CEO

Fortis Inc.
Executives



Nora Duke
EVP, Sustainability &
CHRO



David Hutchens⁽¹⁾
COO,
CEO UNS Energy



James Laurito
EVP, Business
Development & CTO



Jocelyn Perry
EVP, CFO



Jim Reid
EVP, CLO &
Corporate Secretary



Gary Smith
EVP, Eastern Canadian &
Caribbean Operations

Utility
Presidents



Linda Apsey
President & CEO
ITC



Roger Dall'Antonia
President & CEO
FortisBC



Ruth Forbes
President & CEO
FortisTCI



Charles Freni
President & CEO
Central Hudson



Susan Gray⁽²⁾
President & COO
UNS Energy



Scott Hawkes
President & CEO
FortisOntario



Richard Hew
President & CEO
Caribbean Utilities



Gary Murray
President & CEO
Newfoundland Power



Michael Mosher⁽³⁾
President & CEO
FortisAlberta



Jason Roberts
President & CEO
Maritime Electric



Lynn Young
President & CEO
BECOL

(1) Barry Perry has announced his retirement effective December 31, 2020. David Hutchens will succeed Barry Perry as President and CEO and will join the Board effective January 1, 2021.

(2) Susan Gray will assume the role of CEO in addition to her current role as President at UNS Energy effective January 1, 2021.

(3) Janine Sullivan will assume the role of President and CEO effective January 1, 2021, following the retirement of Michael Mosher.