

2017 EEI Financial Conference

November 2017

Forward-looking information

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: targeted average annual common share dividend growth through 2022; the Corporation’s forecast gross consolidated and segmented capital expenditures for 2017 and the period 2018 through 2022; the Corporation’s consolidated and segmented forecast rate base for 2017 and the period 2018 through 2022 and associated compound annual growth rate for the period 2018 through 2022; average consolidated credit facilities for the period 2018 through 2022; 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 FortisBC Pipeline Integrity Management Program and Eagle Mountain – Woodfibre Gas Pipeline Project, UNS Flexible Generation Resource investment and Combined Cycle Generation purchase; additional opportunities beyond the base plan including, without limitation, the the Wataynikaneyap Project and the Lake Erie Connector; and potential aggregate capital opportunities for the period 2018 through 2022.

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; and currency exchange rates. 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 and references to rate base refer to mid-year rate base.

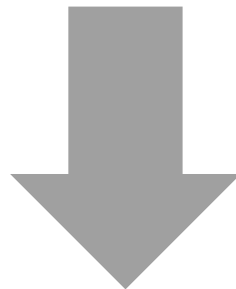
Our strategy – simple, effective, proven

Strategy

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



Dividend Growth Target:
6% Average Annual
Growth Through 2022



Investment-Grade
Credit Ratings

Strategic Initiatives

Execute
Utility
CAPEX Plan

ITC
Transmission
Growth

Deliver
Cleaner
Energy

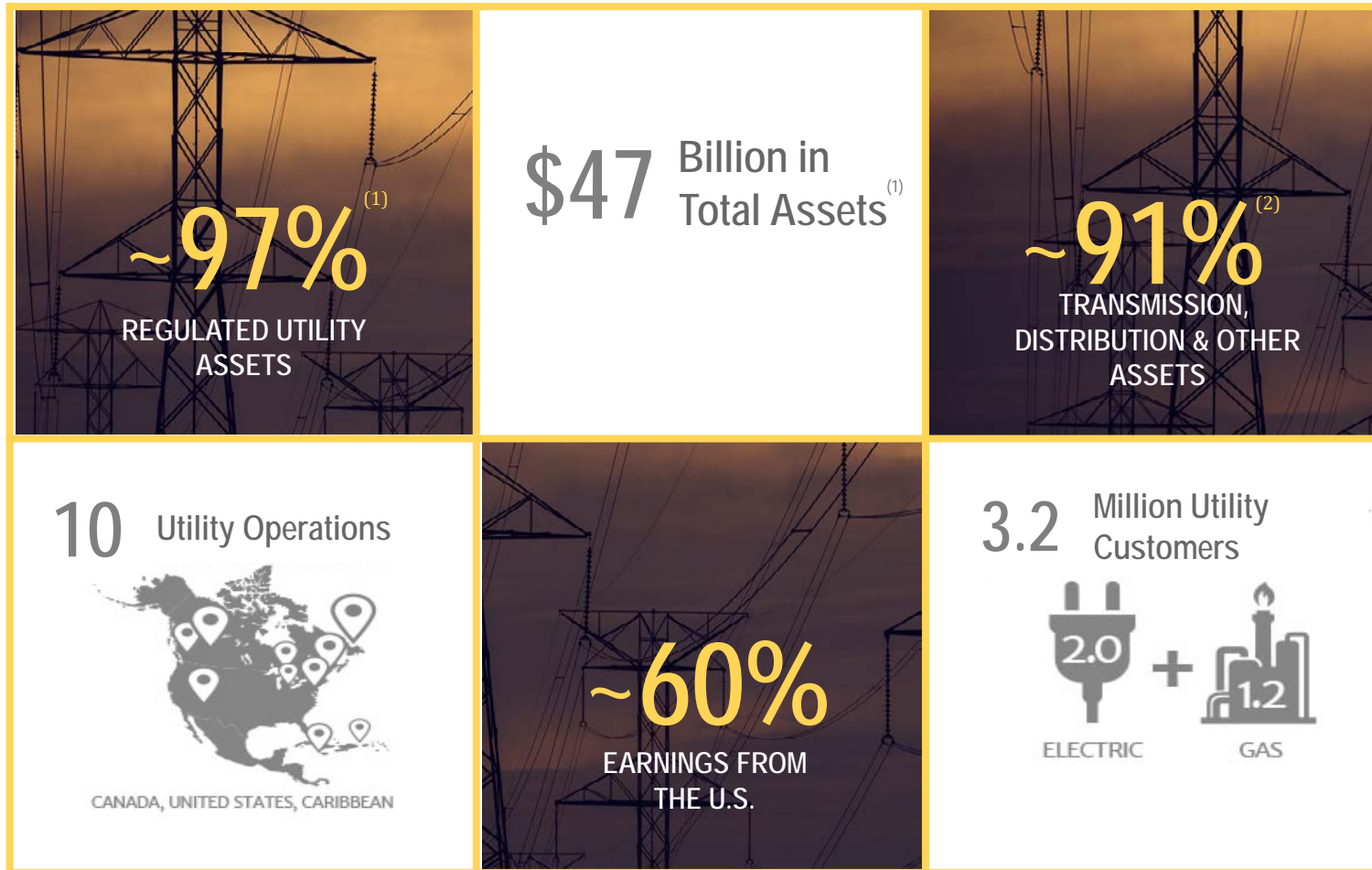
Enhance
Customer &
Regulatory
Relationships

Unlock LNG
Value

Pursue Energy
Infrastructure
in and Near
Existing Service
Territories

High quality & diverse utility portfolio

Highly regulated, predominantly wires and gas LDCs

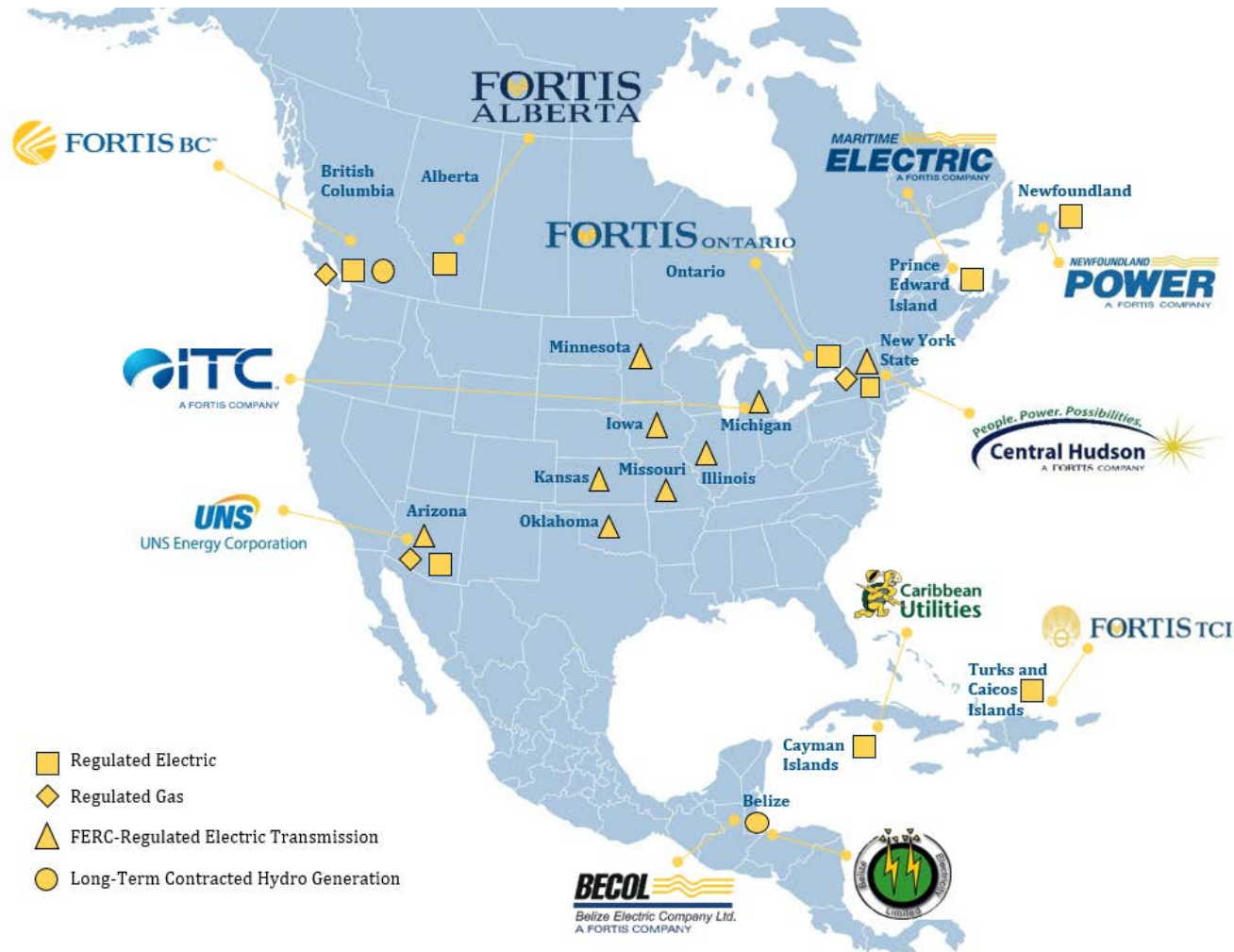


(1) As at September 30, 2017.





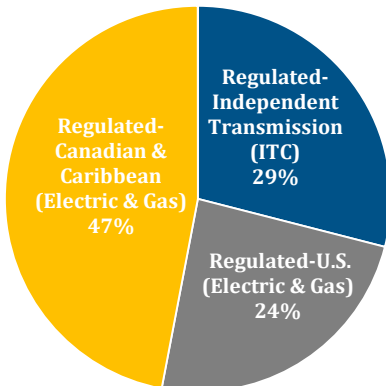

(2) As at December 31, 2016.

High quality & diverse utility portfolio

One of the lowest-risk utility businesses in North America



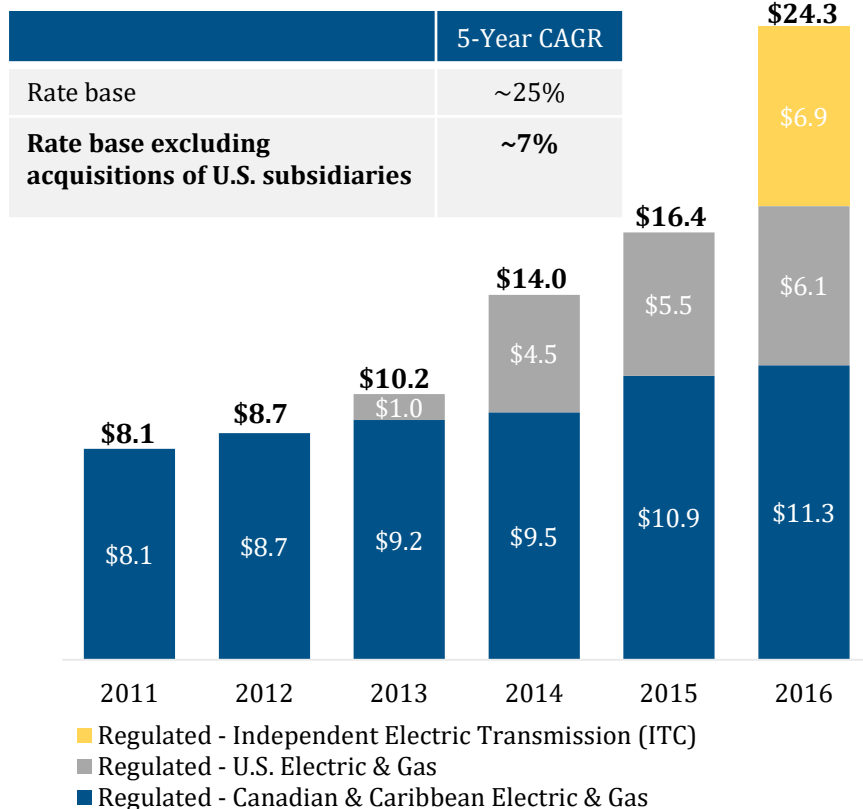
Executing well in 2017

<div><p>~6.25% <i>Dividend Increase in Q4 '17</i></p></div> <div><p>✓ <i>44th consecutive annual dividend payment increase</i></p></div>	<div></div> <div><p>✓ <i>Focused on organic growth</i></p></div>	<div><p>~\$3.1B <i>2017F Capital Plan</i></p></div> <div><p>✓ <i>On track</i></p></div>								
<div></div> <div><p>✓ <i>Constructive rate case settlements reached in Q1</i></p></div>	<div><p>Fortis 2017F Rate Base \$25.4B</p><table><tr><th>Category</th><th>Percentage</th></tr><tr><td>Regulated-Canadian & Caribbean (Electric & Gas)</td><td>47%</td></tr><tr><td>Regulated-U.S. (Electric & Gas)</td><td>24%</td></tr><tr><td>Regulated-Independent Transmission (ITC)</td><td>29%</td></tr></table></div>	Category	Percentage	Regulated-Canadian & Caribbean (Electric & Gas)	47%	Regulated-U.S. (Electric & Gas)	24%	Regulated-Independent Transmission (ITC)	29%	<div></div> <div><p>✓ <i>Integration on track</i> ✓ <i>Accretive to EPS</i></p></div>
Category	Percentage									
Regulated-Canadian & Caribbean (Electric & Gas)	47%									
Regulated-U.S. (Electric & Gas)	24%									
Regulated-Independent Transmission (ITC)	29%									

Strong track record of rate base and EPS growth

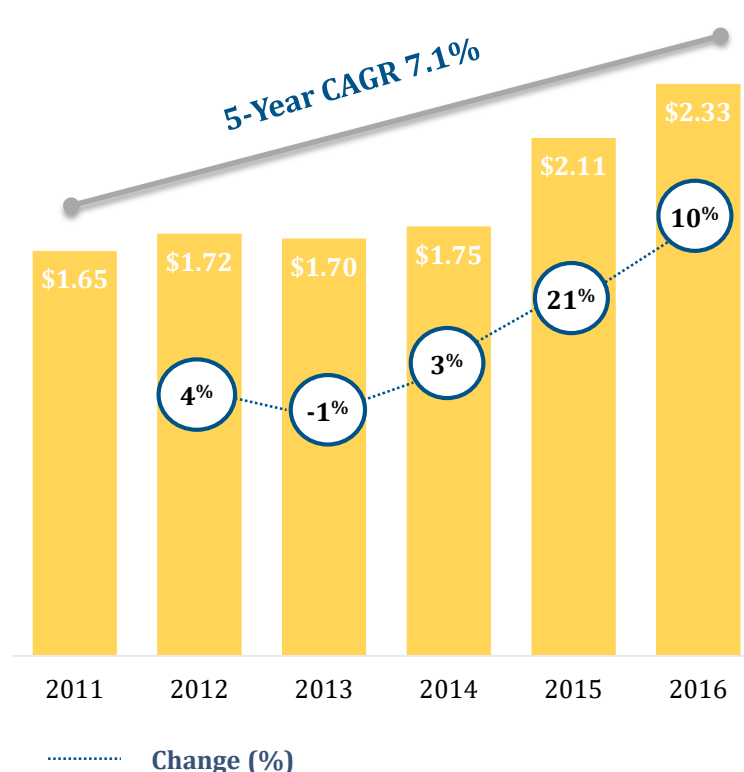
2011 – 2016 Rate Base

(\$ billions⁽¹⁾)



Adjusted Earnings Per Share

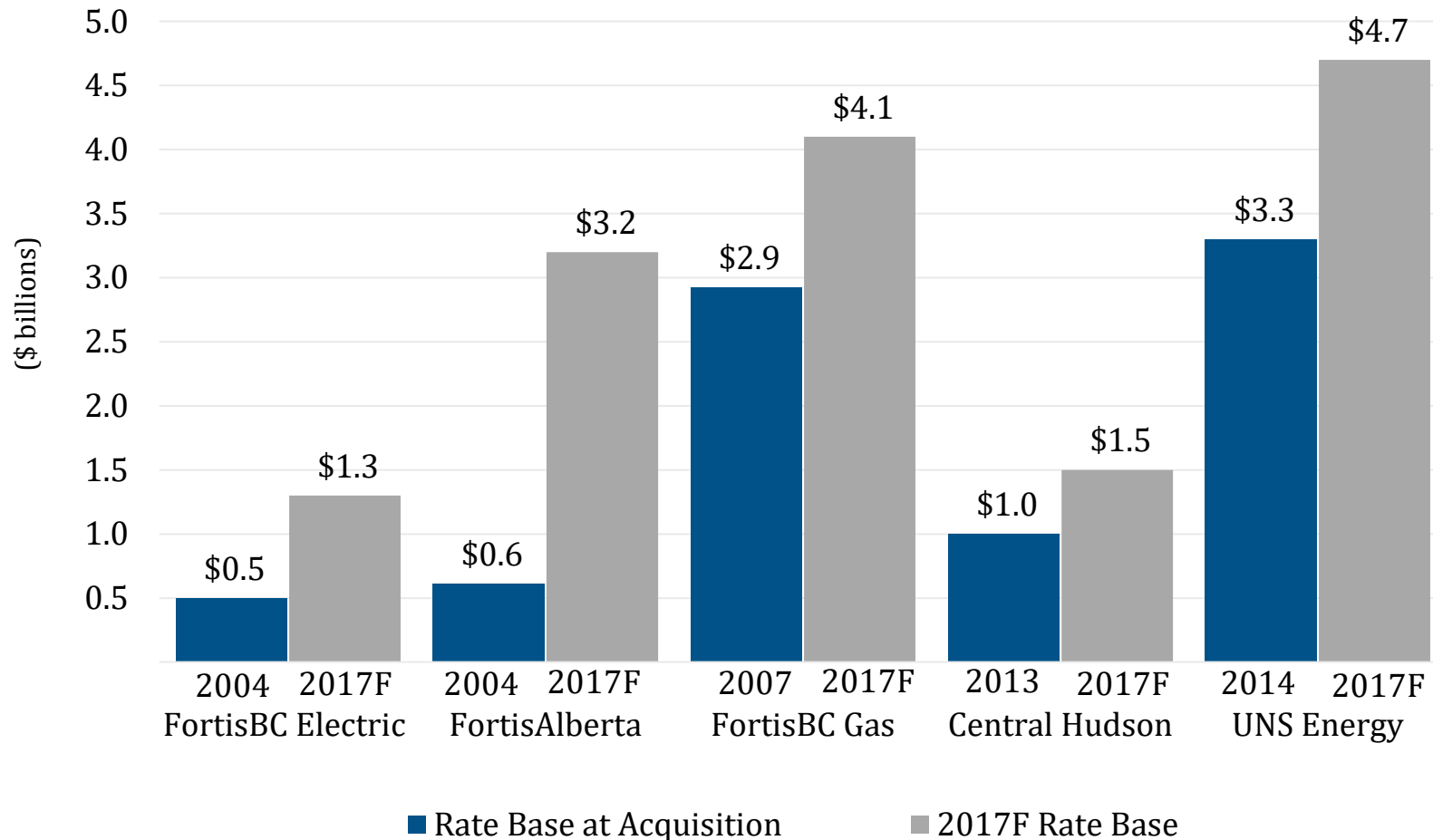
(\$ millions)



(1) US dollar-denominated rate base converted at the historical USD/CAD exchange rates as reported in the respective filed annual reports.

Past acquisition success delivers strong growth platform today

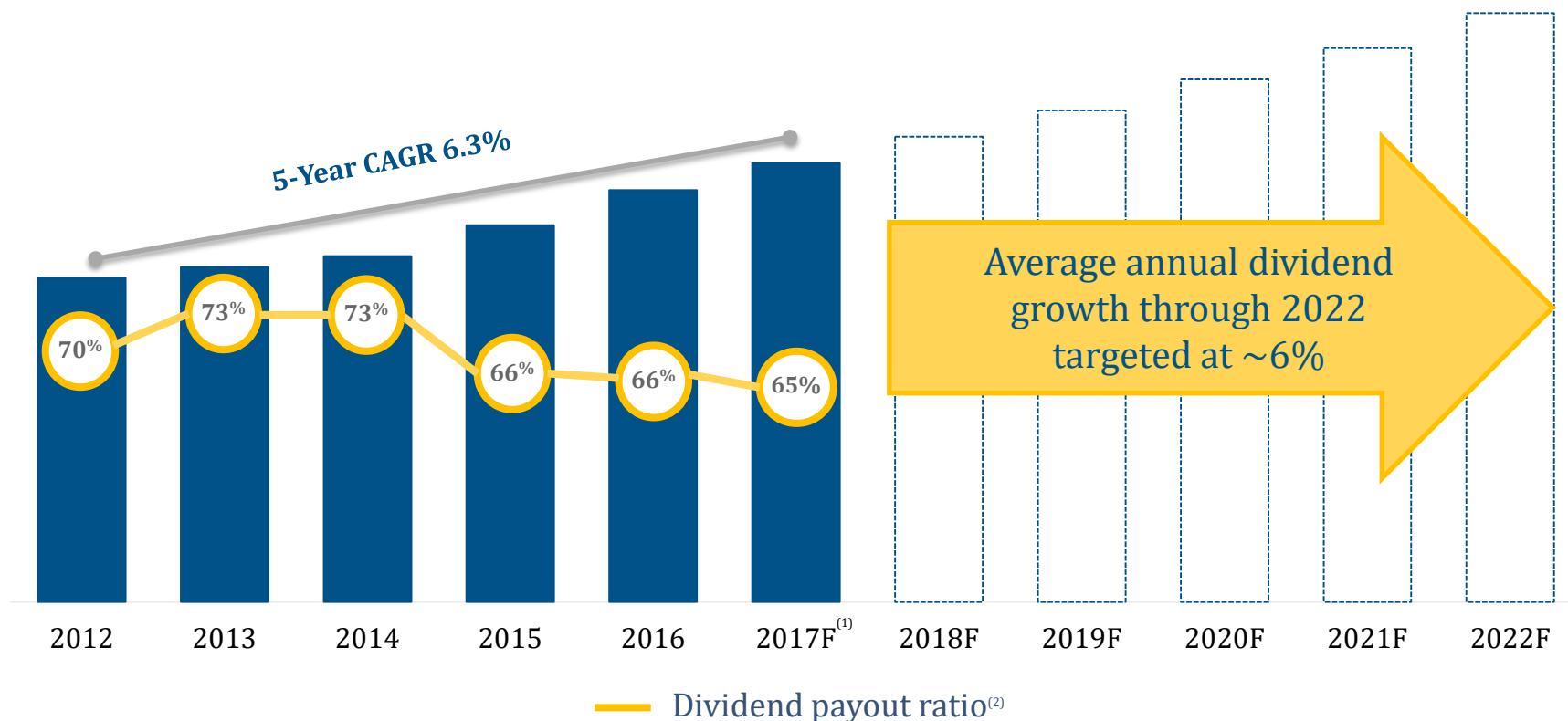
Rate Base from Acquisition to 2017F⁽¹⁾



(1) US dollar-denominated historical rate base converted at the USD/CAD exchange rates as reported in the respective filed annual reports. US dollar-denominated 2017F rate base is translated at a forecast USD/CAD foreign exchange rate of \$1.28.

44 consecutive years of annual dividend payment increases

Guidance extended through 2022

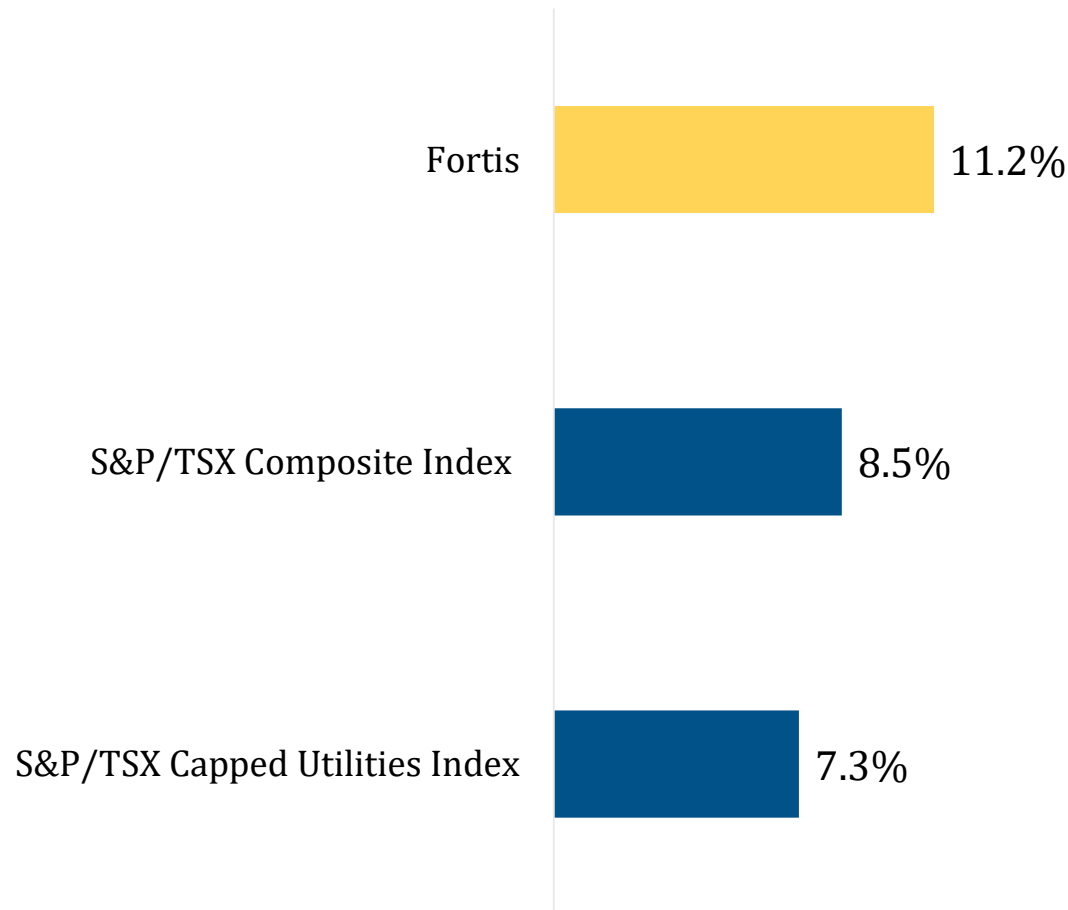


(1) 2017 forecast dividend payout ratio based on the consensus EPS estimate of \$2.49 as at October 27, 2017.

(2) Dividend payout ratio adjusted for non-operating items.

Supporting the delivery of superior total shareholder returns

- Average annualized total shareholder return over last 5 years⁽¹⁾



(1) For the 5-year period ending October 27, 2017.

Credit metrics support credit ratings

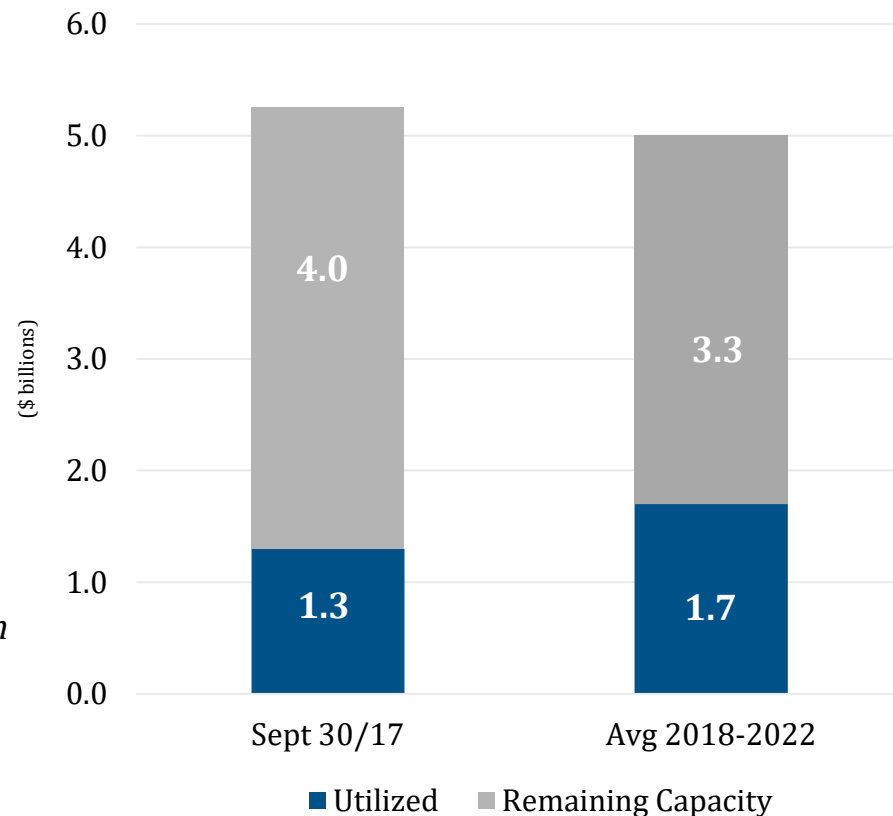
Ample liquidity through forecast period

Credit Ratings

Fortis Inc.	
S&P	A- / BBB+
DBRS	BBB (high)
Moody's ⁽²⁾	Baa3

“Fortis Inc. has a very strong business risk profile, which is a key credit strength. More than 95% of its cash flow comes from a diverse portfolio of low risk investment grade regulated utilities with an average rating of A3.” – Moody’s Credit Opinion (September 27, 2017)⁽³⁾

Consolidated Credit Facilities⁽¹⁾



(1) US dollar- denominated credit facilities are translated at an actual USD/CAD foreign exchange rate of \$1.248 as at September 30, 2017 and at a forecasted USD/CAD foreign exchange rate of \$1.28 for the 5-year forecast period 2018-2022.

(2) In September 2017, Moody’s affirmed the Corporation’s long-term issuer and unsecured debt credit ratings.

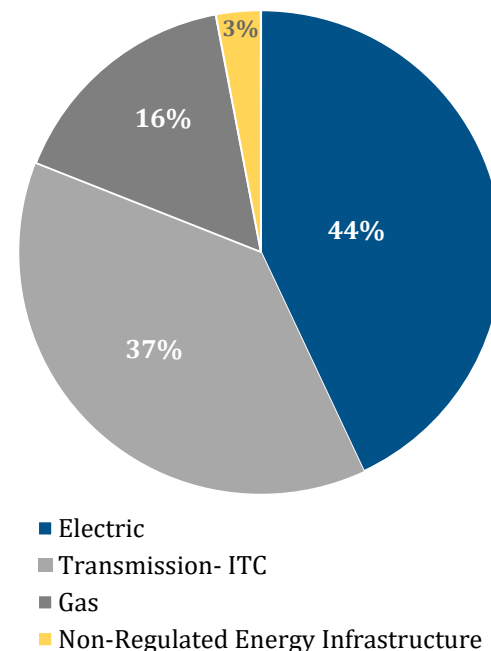
(3) Please refer to Moody’s report for the full assessment.

Regulatory Stability Supporting Highly Regulated Asset Base

Remaining Significant Regulatory Decisions

Regulated Utility	Application/Proceeding	Filing Date	Expected Decision
ITC	Second MISO Base ROE Complaint	– Not applicable	To be determined
Central Hudson	Rate case filing to request an increase in the allowed ROE to 9.5% from 9.0% and equity component of capital structure to 50% from 48%	– July 2017	July 2018

97% Regulated Utility Assets as at September 30, 2017

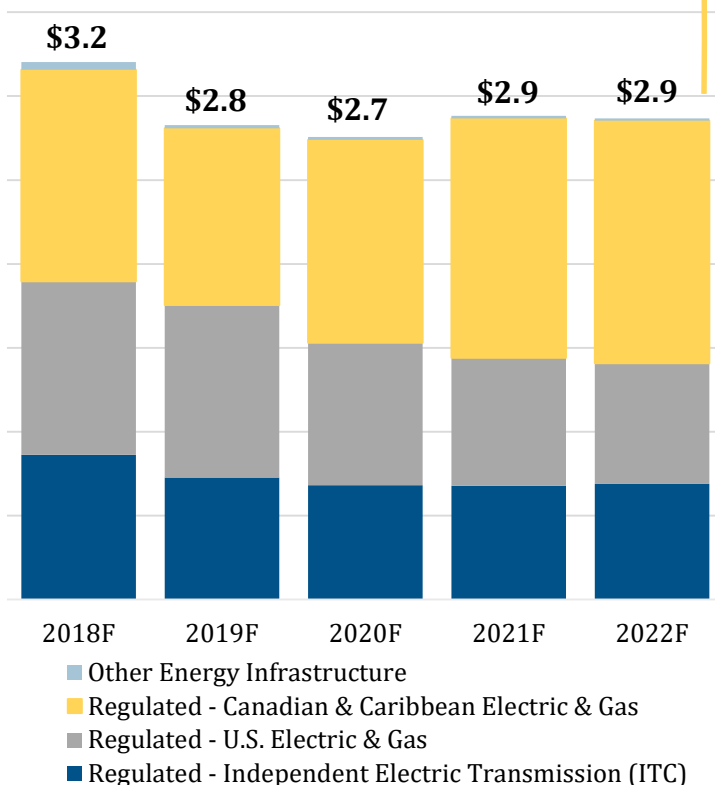


2017	
Weighted Average	
Allowed ROE	9.75%
Actual Equity Thickness	48.2%

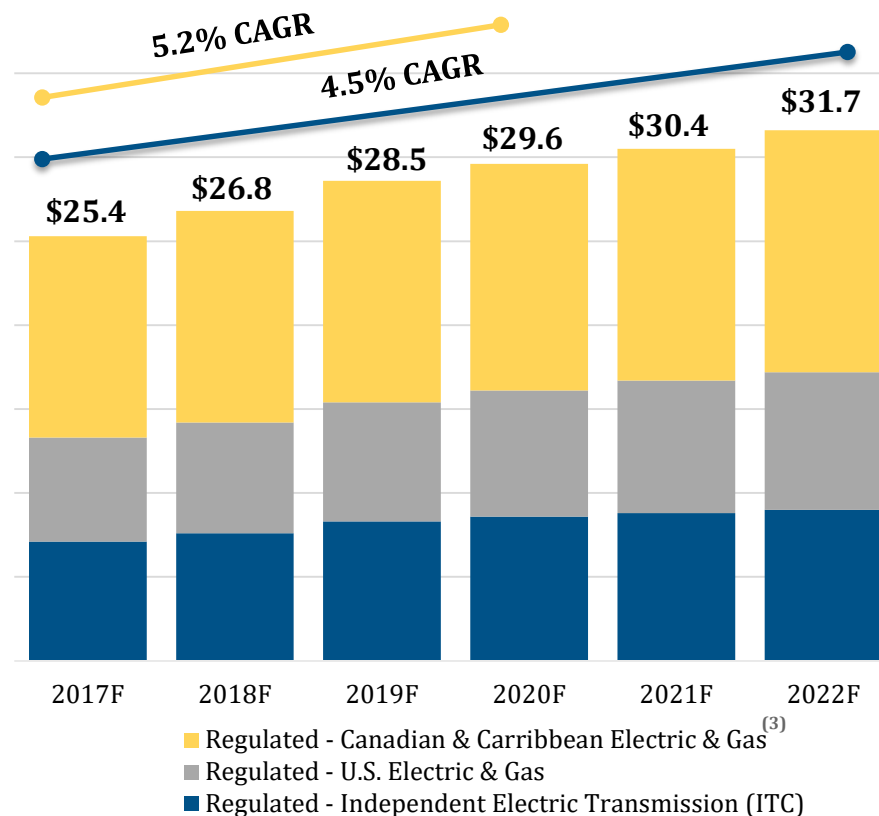
Capital Program Increases Rate Base to ~\$32B by 2022

Capital Expenditures⁽¹⁾
(billions)

\$14.5 Five-Year Capital Plan



Rate Base⁽²⁾
(billions)

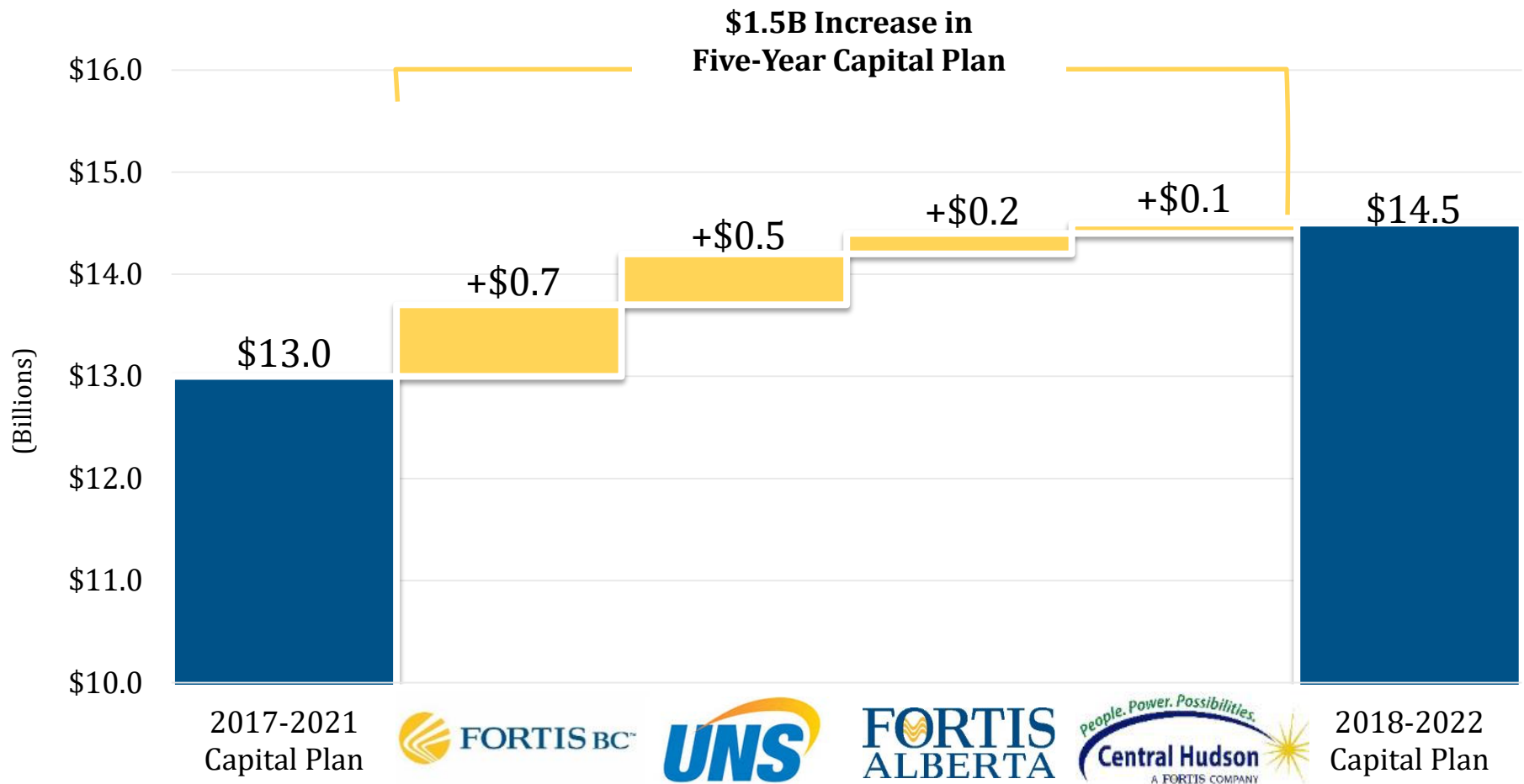


(1) US dollar-denominated capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

(2) US dollar-denominated rate base is translated at a forecast USD/CAD foreign exchange rate of \$1.28.

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

Improved Five-Year Capital Program



FortisBC 2018-2022 base capital plan

Unlocking incremental value in our gas LDC business for delivery to customers



- Pipeline Integrity Management Program
 - Program to improve pipeline safety and integrity
 - Focused on transmission pressure systems
 - Includes pipeline modifications and looping
 - Total project investment of ~\$300 million
 - Opportunity for further investment beyond 2022



- Eagle Mountain - Woodfibre Gas Pipeline Project
 - Located in Squamish, British Columbia
 - 47-kilometer gas line will service a small-scale, third-party owned, Woodfibre LNG facility for export to the Asian market
 - The project represents a ~\$350 million regulated rate base investment
 - The Woodfibre LNG facility will export up to 2.1 MTPA of LNG

UNS 2018-2022 base capital plan

Modernizing natural gas generating resources supports new base capital plan

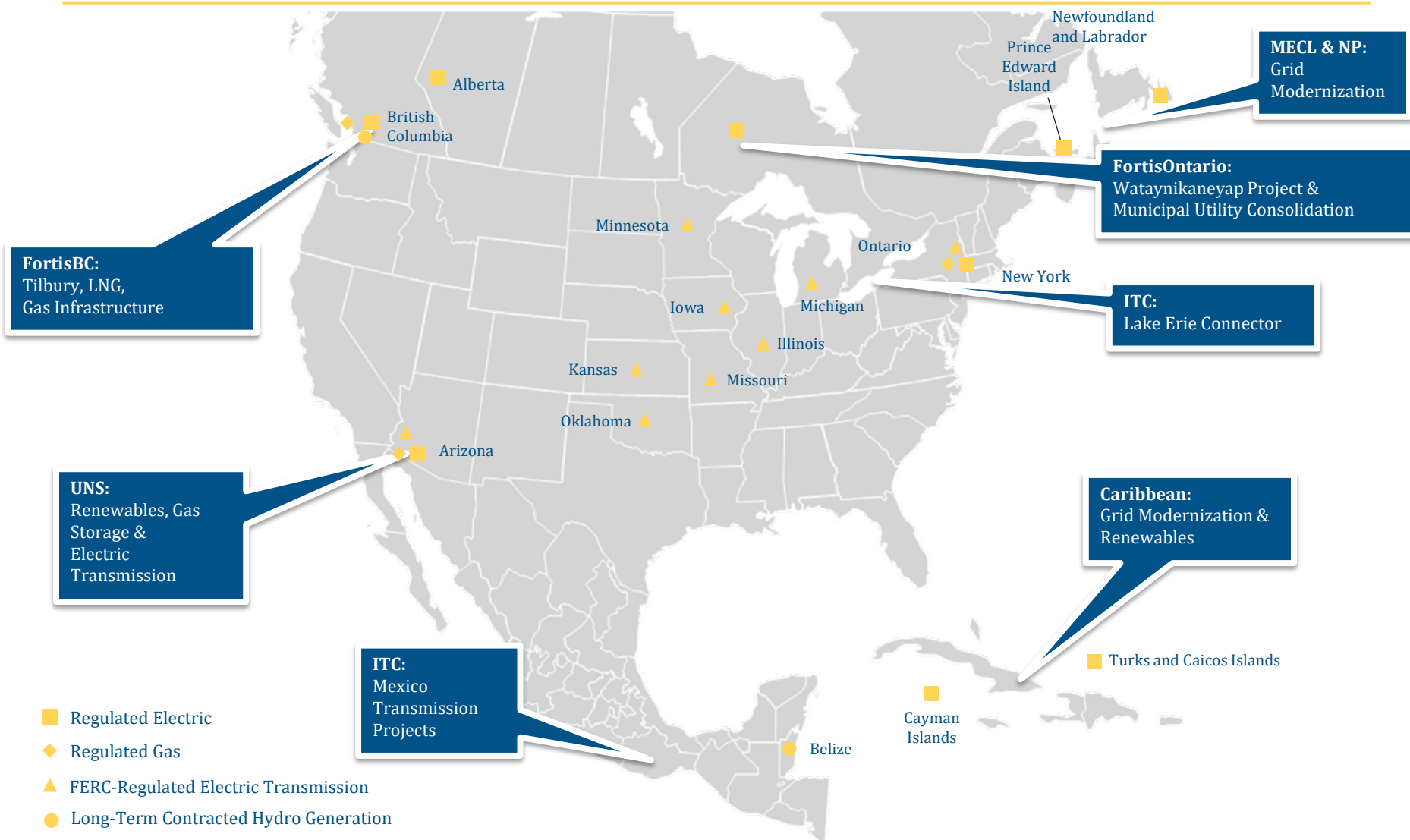


- Flexible Generation Resource
 - Facilitating renewables on the grid
 - Provide ramping and peaking requirements
 - Replace aging, less efficient combustion turbines
 - Reciprocating engines to be constructed in Tucson
 - 200 MW total capacity (10 modular units @ 20 MW each)
 - Flexible unit dispatch (4 – 20 MW)
 - In-service 2019-2020
 - Low gas pressure requirements and efficient water use
 - ~\$200 million investment over forecast period



- Modern, Efficient Baseload Combined Cycle Generation
 - Gila River Unit 2 - 550 MW
 - Initial tolling agreement
 - ~\$200 million purchase
 - Replacement of retiring coal-fired generation facilities
 - TEP (75%) and UNS Electric (25%) jointly own Gila River Unit 3

Opportunities beyond the base capital plan



Near-term projects beyond the base capital plan

Wataynikaneyap Power Project highlighted in Ontario's Long-Term Energy Plan

1



Recent Milestones:

- Ontario Energy Board (OEB) approved a deferral account in March 2017 to recover development costs incurred between November 2010 and the commencement of construction
- Federal Government announced in August 2017 up to \$60M in funding for the Pikangikum First Nation connection to grid

Remaining Milestones:

- Completion of environmental assessments
- Cost-sharing agreement with federal and provincial governments
- Filing of the Leave to Construct with the OEB, which is expected in the fourth quarter of 2017
- Final approvals, receipt of permits, and construction start by late 2018

Near-term projects beyond the base capital plan

Only contracted transmission project highlighted in Ontario's Long-Term Energy Plan

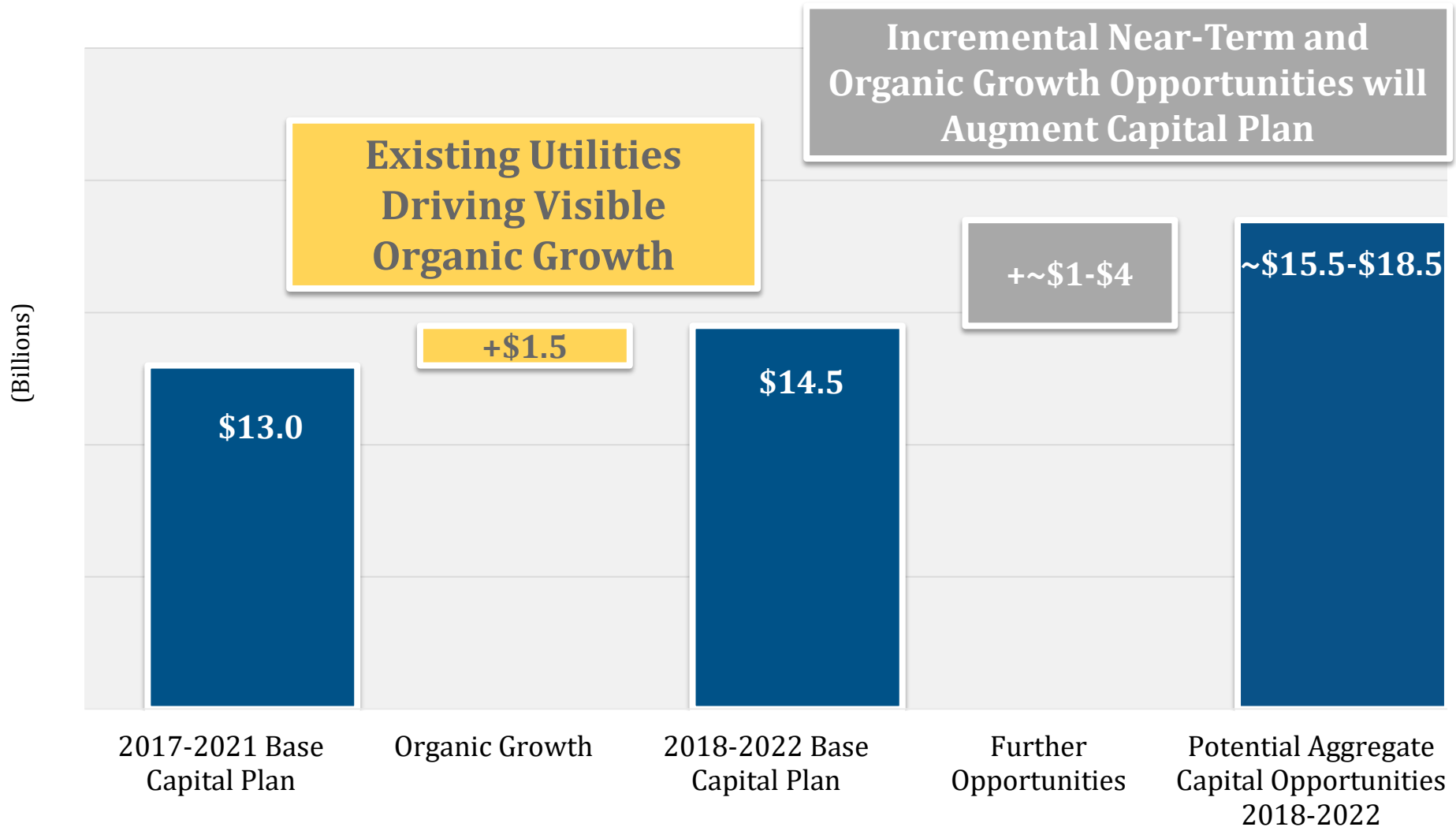
2



- 1,000 MW HVDC transmission line would connect the IESO and PJM markets for the first time
- ~73 miles – majority buried in Lake Erie
- ~ US\$1 billion capital investment opportunity
- ~ 3 full years to construct from commencement of construction
- Major permit process complete with U.S. Army Corps of Engineers approval in October 2017
- Remaining milestones include project cost refinement and securing contracts with shippers

Blueprint for growth beyond the base capital plan

Focused on capitalizing organic opportunities and business trends



Our strategy – simple, effective, proven

Strategy

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



Dividend Growth Target:
6% Average Annual
Growth Through 2022



Investment-Grade
Credit Ratings

Strategic Initiatives

Execute
Utility
CAPEX Plan

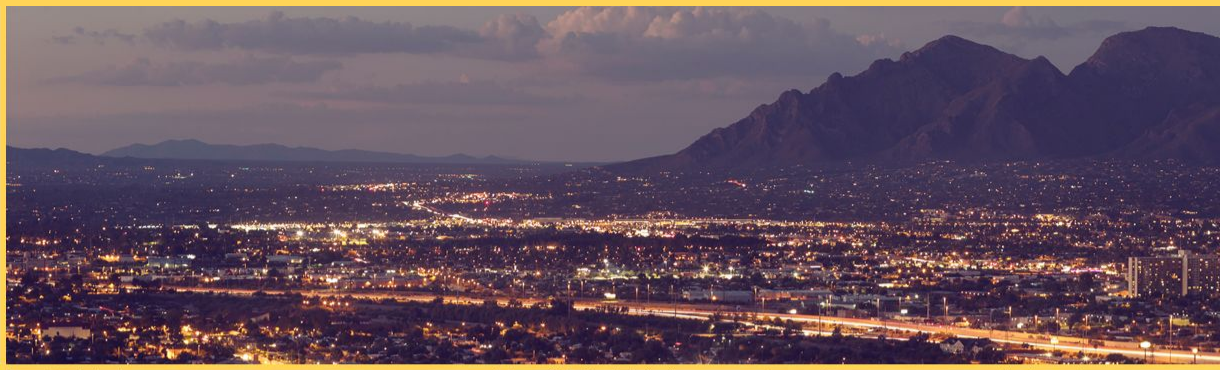
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