



FORTIS_{INC.}

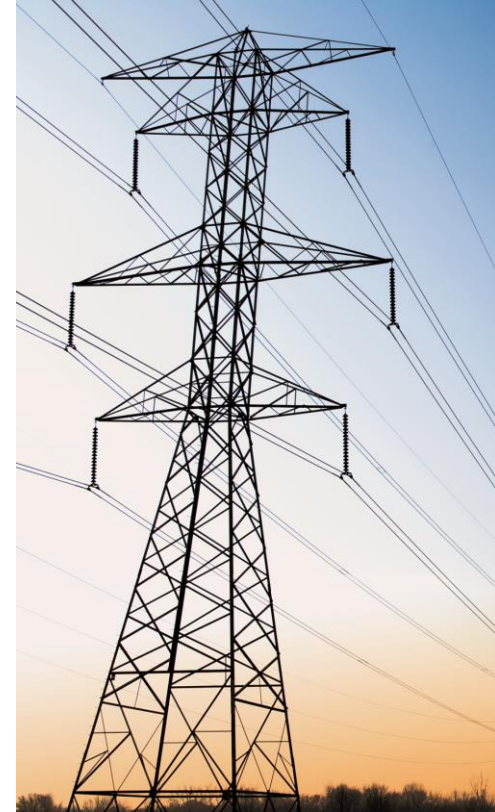
EEI 54th Financial Conference
November 2019

FORTIS INC. **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 included in this presentation reflect 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: targeted average annual dividend growth through 2024; forecast rate base for 2019 and the period from 2020 through 2024; FortisBC's 2030 GHG emission goal; TEP renewable energy target; expected expenditures related to the FortisBC energy conservation and efficiency projects; forecast capital expenditures for 2019 and the period from 2020 through 2024; forecast credit metrics for 2019 and the period from 2020 through 2024; 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 Southline Transmission Project and Oso Grande Wind Project, FortisBC Lower Intermediate Pressure System Upgrade, Eagle Mountain Woodfibre Gas Line Project, Transmission Integrity Management Capabilities Project, Inland Gas Upgrades Project and Tilbury 1B.

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 risk factors or assumptions include, but are not limited to: reasonable regulatory decisions by utility regulators and the expectation of regulatory stability; the implementation of the Corporation's five-year capital expenditure plan; no material capital project and financing cost overruns related to any of the Corporation's capital projects; sufficient human resources to deliver service and execute the capital expenditure plan; the realization of additional opportunities; the impact of fluctuations in foreign exchange; 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 mid-year rate base.





Average Annual Dividend
Growth Target through 2024

STRATEGY

Leverage the operating model,
footprint of our businesses,
operating expertise, reputation
and financial strength to execute
on growth opportunities



Focused on
Growth

AREAS OF FOCUS:

Capital
Investment Plan

Customer &
Regulatory
Relationships

Sustainability &
Delivery of
Cleaner Energy

System Resiliency,
Innovation &
Cybersecurity

Energy
Infrastructure,
LNG Expansion &
Energy Storage

Investment Grade
Credit Ratings

A Geographically Diverse Energy Delivery Business

-  Regulated Electric
-  Regulated Gas
-  FERC-Regulated Electric Transmission
-  Long-Term Contracted Hydro Generation
-  Natural Gas Storage Facility



10

OPERATIONS

Canada, U.S. & Caribbean

3.3M

CUSTOMERS

2.0M Electric & 1.3M Gas

~99%

REGULATED
UTILITY ASSETS

~93%

TRANSMISSION &
DISTRIBUTION

\$28B

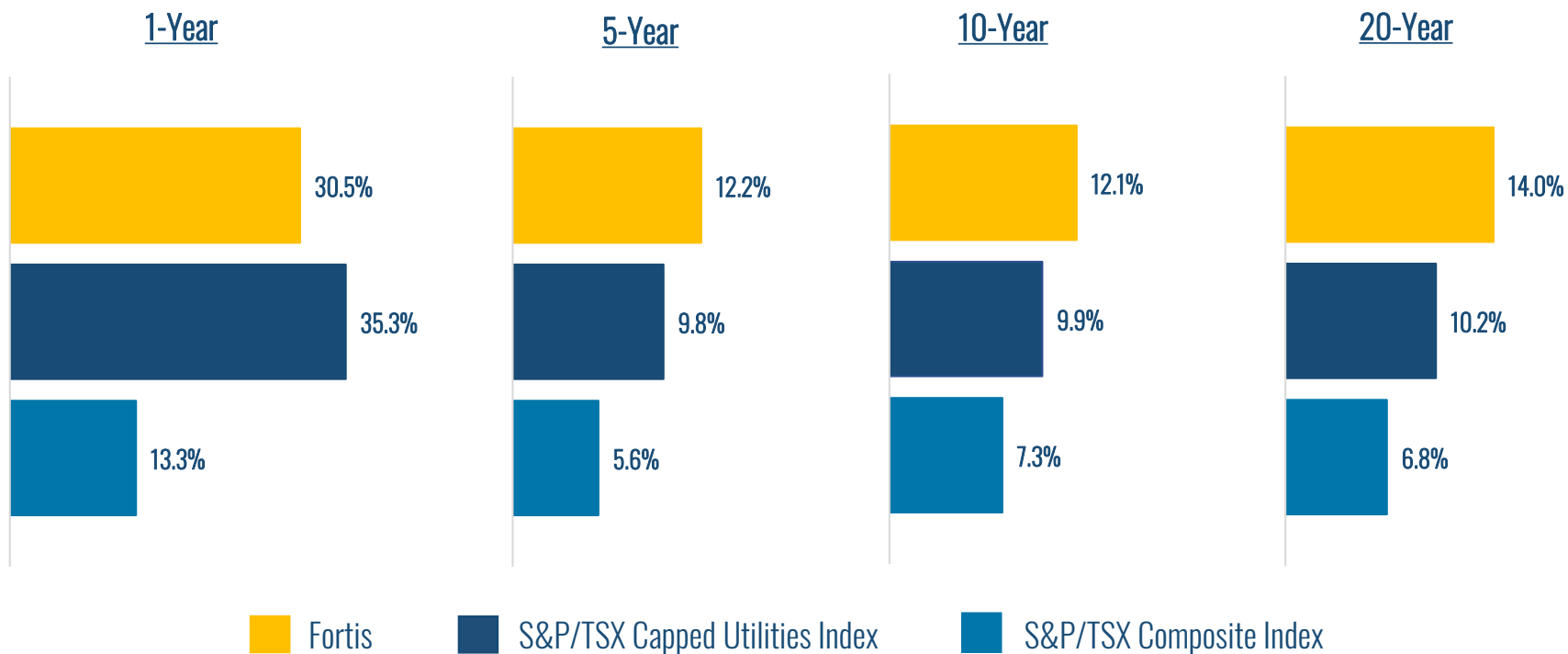
2019F RATE BASE

~65%

EARNINGS
FROM THE U.S.

Note: All information as at September 30, 2019, except earnings from the U.S. is as at December 31, 2018.

AVERAGE ANNUALIZED TOTAL SHAREHOLDER RETURNS



Note: As at October 31, 2019

FORTIS INC. **SUSTAINABILITY:**
PRIMARILY AN ENERGY DELIVERY BUSINESS



93%

of our assets relate to electricity poles, wires and natural gas lines that enable a cleaner energy future



Ranked Top Decile on Governance Matters

- Ranked in top 15 of Globe & Mail Board Games for past four years⁽¹⁾
- ISS and Glass Lewis supportive of all resolutions for past five years



Focused on Delivering Cleaner Energy

- FortisBC set a goal to reduce GHG emissions associated with customer's energy use by 30% by 2030
- TEP will reach 28% renewable power by 2021



Strong Gender Diversity

- Women represent 60% of Head Office, 42% of Board & 1/3 of Executive team
- Jocelyn Perry is 1 of 5 Female CFOs on TSX 60



Outperformed Industry Averages in Safety and Reliability Measures

⁽¹⁾ The Globe and Mail ranks over 200 Canadian corporate boards based on the quality of its governance practices in four broad subcategories: board composition, shareholding and compensation, shareholder rights and disclosure.

FORTIS INC. PATH TO CLEANER ENERGY

Generation Shifting from Fossil
Fuel to Solar and Wind Projects

Capital Investment in a
Green and Resilient Grid

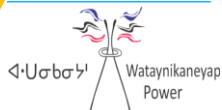
Electric Vehicle Penetration

Renewable Gas at
FortisBC

Energy Efficiency

**CLEANER
ENERGY**

PATH TO CLEANER ENERGY: DELIVERING ENERGY AS CLEAN AS WE CAN, AS FAST AS WE CAN



FORTIS ONTARIO

Connecting First Nations to
Cleaner Energy

Financial Close and Notice to
Proceed Issued in October 2019



20MW Utility-Scale
Battery Storage Project
Approved



UNS
UNS Energy Corporation
A Fortis Company

TEP Approaching 2030 Renewable
Energy Goal of 30% by 2021

Process Now Underway to
Establish New Goals



Target of 30% Reduction in
Customer GHG Emissions by 2030

PATH TO CLEANER ENERGY: FORTISBC's CLEAN GROWTH PATHWAY



Energy Efficiency

Conservation & Efficiency
Programs Increased to
~\$370M



Renewable Natural Gas

Currently Operate
Five RNG Facilities⁽¹⁾

Regulatory Approval
Received to Produce RNG
at Vancouver Landfill
FortisBC's largest RNG
project to date



LNG Bunkering

Positioning BC as a
Domestic & International
Bunkering Hub

Provincial Government
Supportive of LNG
Marine Bunkering



Zero & Low-Carbon Transportation

FortisBC Will
Own and Operate
19 Charging Stations⁽²⁾
by the End of 2019

Owns and Operates
Five Compressed
Natural Gas Stations


(1) Locations include Sea Breeze Dairy Farm, Surry Biofuel Facility, Fraser Valley Biogas, Salmon Arm Landfill (owned and operated by FortisBC) & Glenmore Landfill (own and operated by FortisBC).

(2) Includes 17 fast-charging stations and 2 level two chargers.

OUR FIVE-YEAR PLAN



\$18.3B
**CAPITAL
PLAN**

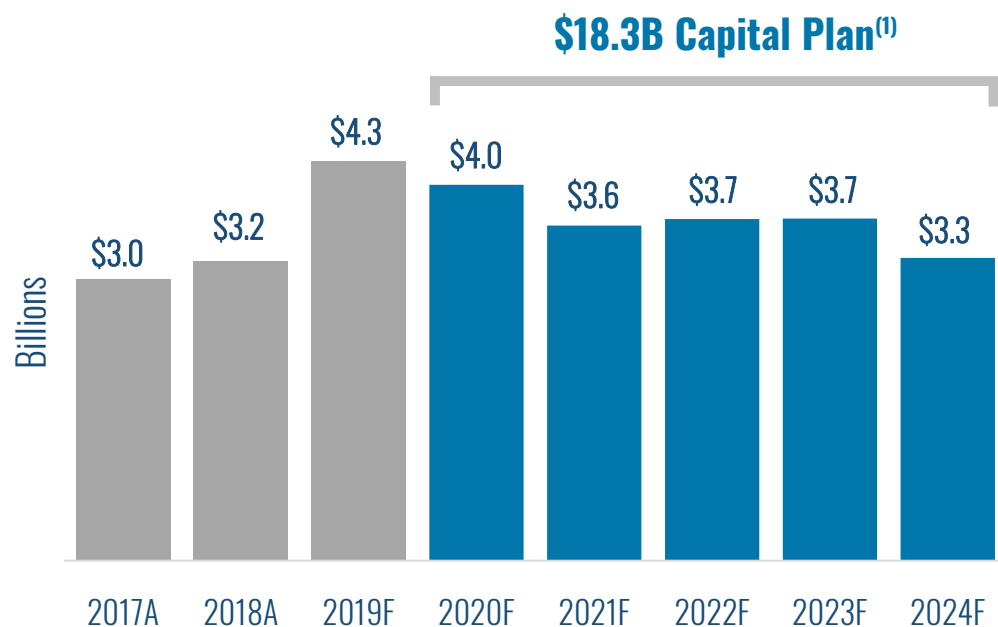


~7%
**RATE BASE
GROWTH**



~6%
**DIVIDEND
GROWTH
GUIDANCE**

2020-2024 CAPITAL PLAN



(1) Capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.32.

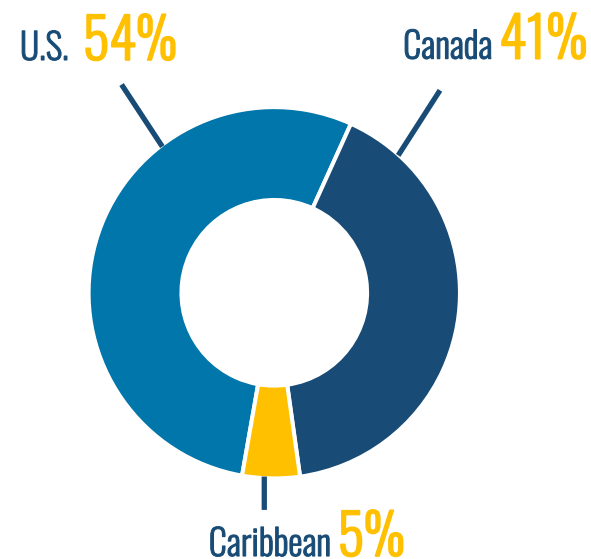
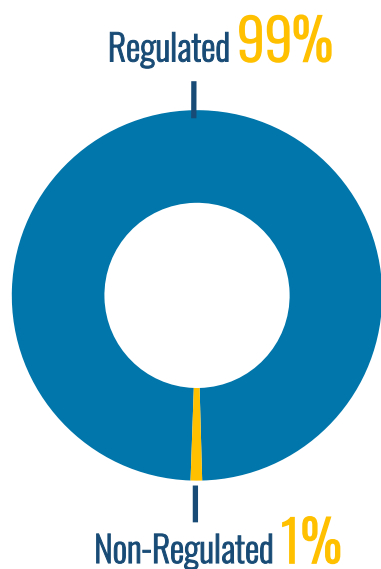
(2) Includes capital expenditures associated with Eagle Mountain Woodfibre Gas Line and Tilbury 1B projects.

FORTIS **THE SHIFT TO CLEANER ENERGY DRIVING INCREMENTAL INVESTMENTS**



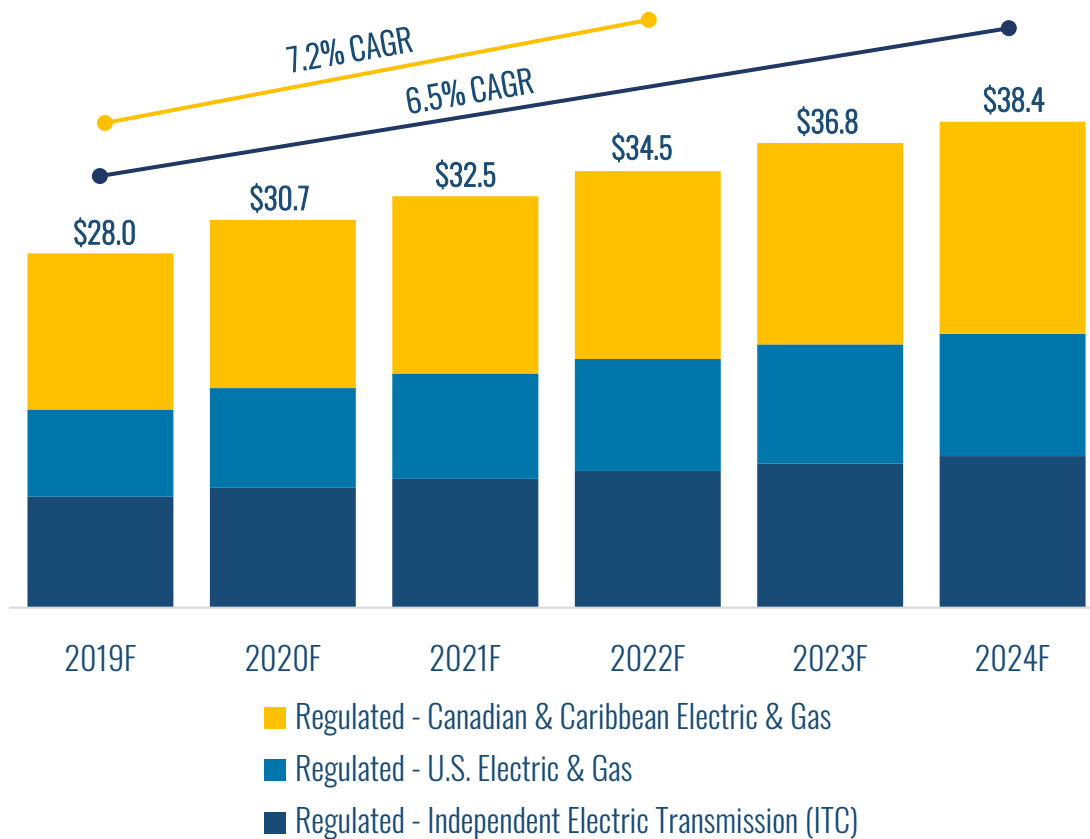
(1) Capital expenditures for 2020-2024 are translated at a forecast USD/CAD foreign exchange rate of \$1.32 compared to \$1.28 in the 2019-2023 5-year capital plan.

LOW RISK, HIGHLY EXECUTABLE \$18.3B CAPITAL PLAN



(1) Capital projects with a total project cost of \$200 million or greater and excludes ongoing capital maintenance projects.

2020-2024 RATE BASE⁽¹⁾



Rate base grows over
\$10B
to **\$38.4B**
during 5-year period

(1) Rate base is translated at a forecast USD/CAD foreign exchange rate of \$1.32.

GROWTH EXPECTED BEYOND 2024: THREE LARGEST UTILITIES ACCOUNT FOR 2/3 OF CAPITAL PLAN



TODAY'S 5-YEAR CAPITAL PLAN

\$4.9B

\$3.8B

\$3.4B

FUTURE DRIVERS OF GROWTH (Not Yet Included in Plan)

- Generation shift to renewables:
 - Significant renewable capacity and battery storage in MISO and SPP queues⁽¹⁾
 - Need for additional regional projects (MISO multi-value projects at capacity upon completion)
- Resiliency:
 - Hardening of physical assets and IT/fibre networks

- Resiliency:
 - Tilbury LNG storage
 - Southern Crossing Expansion
- Renewable gas target of 15% by 2030
- Tilbury expansion to serve Asian markets

- TEP target of 30% renewables 9 years ahead of schedule
- 2020 Integrated Resource Plan (IRP) will provide visibility on investments to further the delivery of cleaner energy

(1) Additional 82GW and 91GW of additional renewable capacity in MISO and SPP queues; 3GW and 7GW of battery storage in MISO and SPP queues

FORTIS **OUTPERFORMING HISTORICAL CAPITAL PLANS**

2016 INVESTOR DAY⁽¹⁾

2017 INVESTOR DAY

2018 INVESTOR DAY



(1) Released in conjunction with Q3 2016 earnings

FORTIS ^{INC.} CURRENT REGULATORY OUTLOOK



- Final decision pending from FERC on MISO Base ROE
- Notices of Inquiry issued by FERC in 2019 on incentive policies for transmission investment and methodology for establishing base ROEs



UNS Energy Corporation
A Fortis Company

- TEP rate case filed with the ACC on April 1, 2019 using a December 31, 2018 test year
- Requested 10.35% ROE & 53% equity thickness on US\$2.7B of rate base
- Intervenor testimony filed in October 2019



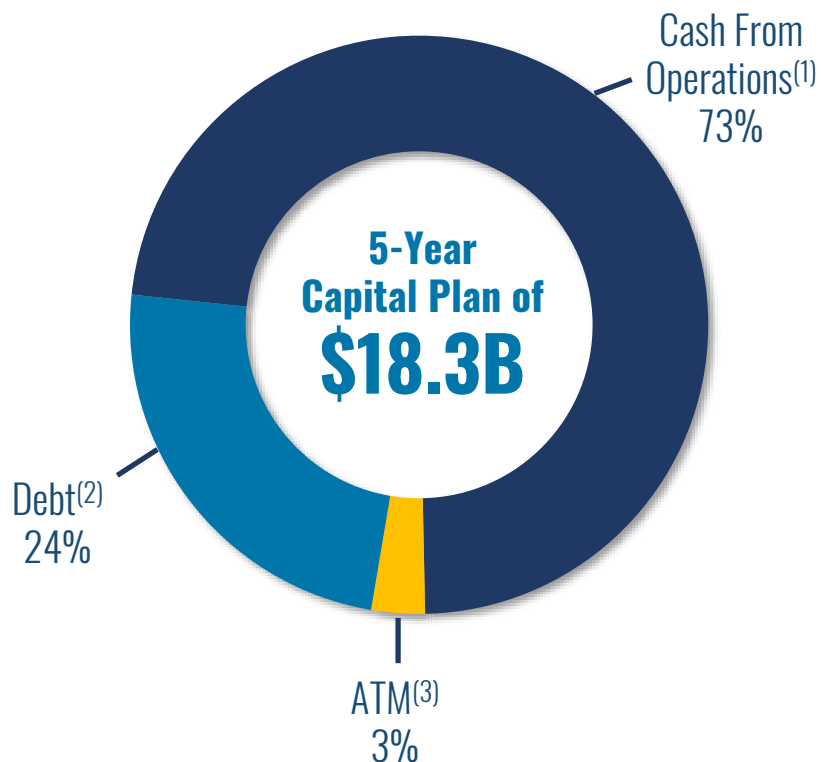
- 2020-2024 Multi-Year Rate Plan filed in March 2019
- Filed for interim rates to be effective January 1, 2020



- AUC order received in September 2019 changing AESO contribution policy
- Order prevents future transmission-related investments at Fortis Alberta and impacts ~\$400M of rate base
- Filed for a Review and Variance and filing is under review by the AUC

STRENGTHENING CREDIT METRICS

FUNDING PLAN



RECOVERING FROM U.S. TAX REFORM

	2018	2019F
CFO/Debt ⁽⁴⁾	~10.5%	~11%
Holdco Debt/Total Debt ⁽⁴⁾	~39%	~36%



2020-2024 Business Plan

Average CFO/Debt⁽⁴⁾ ~12%

2024 Holdco Debt/Total Debt⁽⁴⁾ ~32%

(1) Cash from operations after net dividends and customer contributions.

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

(3) Also includes shares issued under the Corporation's employee stock purchase plan and stock option plan.

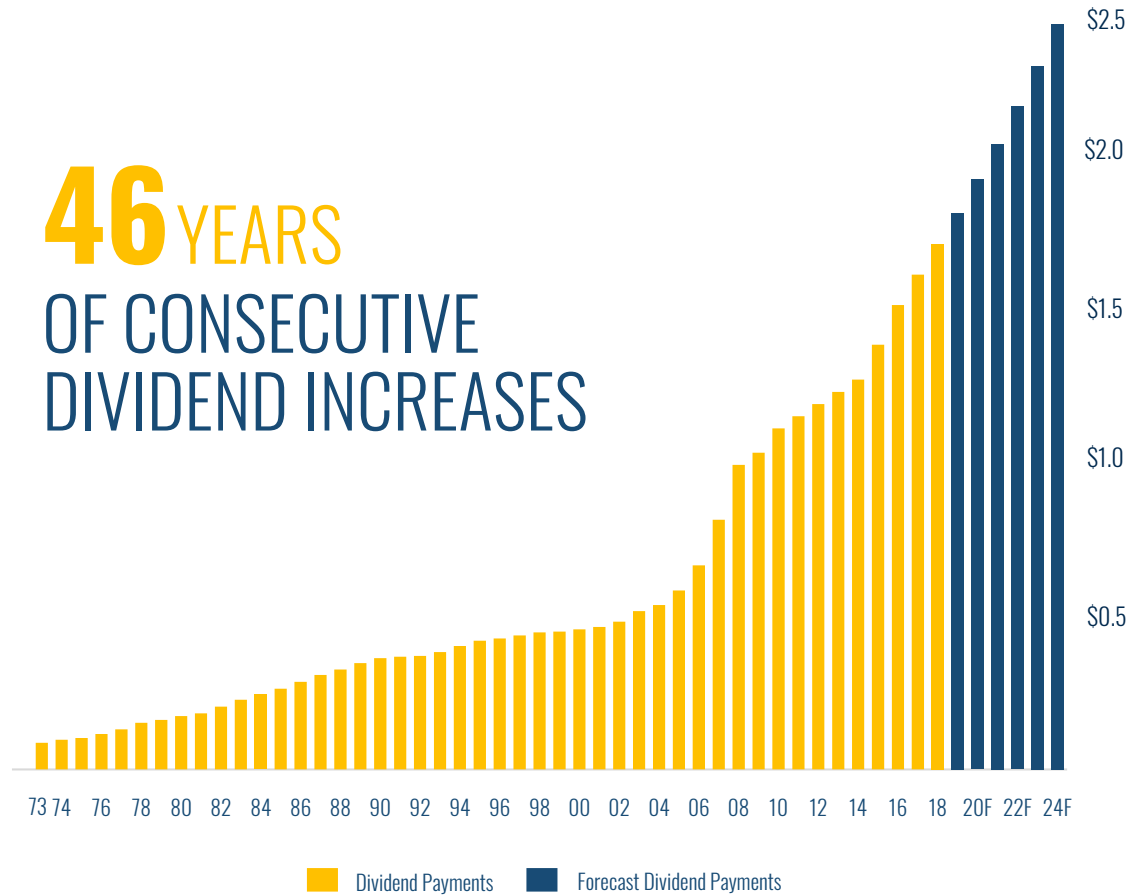
(4) Based on Moody's methodology: (i) cash from operations ("CFO") is before changes in working capital and is reduced by 50% of preference share dividends; and (ii) holdco debt and total debt reflect 50% of preference share balance and other adjustments, where applicable. Holdco debt reflects Fortis Inc. corporate debt and debt outside its regulated utilities.

DIVIDEND GUIDANCE SUPPORTED BY GROWTH STRATEGY

6%

AVERAGE ANNUAL
DIVIDEND
GROWTH GUIDANCE
EXTENDED TO 2024

46 YEARS
OF CONSECUTIVE
DIVIDEND INCREASES



FORTIS INC. WHY INVEST IN FORTIS?



WELL-RUN
BUSINESSES



HIGHLY
DIVERSIFIED



FOCUSED ON
ENERGY
DELIVERY



INNOVATIVE



STRONG
GROWTH
PROFILE



VIRTUALLY
ALL
REGULATED



SUSTAINABILITY
LEADER



6%
DIVIDEND
GUIDANCE