

Forward-Looking Information

Fortis Inc. ("Fortis" or the "Corporation") includes "forward-looking information" in this presentation within the meaning of applicable Canadian securities laws and "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (collectively referred to as "forward-looking information"). Forward-looking information included in this presentation reflects the expectations of Fortis management regarding future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "should", "target", "will", "would" and the negative of these terms and other similar terminology or expressions have been used to identify forward-looking information, which includes, without limitation: the Corporation's forecast gross consolidated and segmented capital expenditures for the period 2018 through 2022; targeted average annual dividend growth through 2022; statements relating to restoration timeline and costs at FortisTCI following the impacts of Hurricane Irma; the Corporation's consolidated and segmented forecast rate base for the period 2017 through 2022 and associated compound annual growth rate; the nature, timing and expected costs of certain capital projects including, without limitation, the FortisBC Eagle Mountain – Woodfibre Gas Pipeline Project and Pipeline Integrity Management Program, UNS Flexible Generation Resource investment and Combined Cycle Generation purchase; additional opportunities beyond the base plan including, without limitation, the Wataynikaneyap Project and the Lake Erie Connector; and the expected timing of filing of regulatory applications and receipt and outcome of regulatory decisions.

Forward-looking information involves significant risk, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time to time in the forward-looking information. Such risk factors or assumptions include, but are not limited to: uncertainty regarding the outcome of regulatory proceedings of the Corporation's utilities and the expectation of regulatory stability; no material capital project and financing cost overrun related to any of the Corporation's capital projects; sufficient human resources to deliver service and execute the capital program; the Board of Directors exercising its discretion to declare dividends, taking into account the business performance and financial conditions of the Corporation; risk associated with the impact of less favorable economic conditions on the Corporation's results of operations; no significant changes in laws and regulations that may materially negatively affect the Corporation and its subsidiaries; 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.



Barry Perry

President & CEO



Growth Strategy Delivers Strong Results

- ✓ Successful integration of ITC and constructive Arizona rate case settlement
- ✓ 5-year capital program of \$14.5 billion, up \$1.5 billion from the prior plan
- ✓ Supports average annual dividend growth target of ~6% through 2022
- ✓ Realized \$24 million after tax break fee associated with the termination of the Waneta Dam agreement



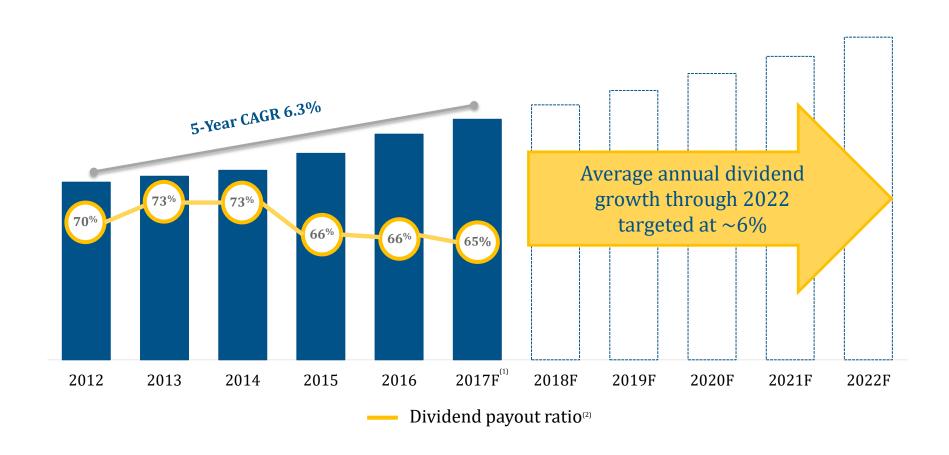
Restoration Efforts Continue Following Hurricane Irma





- ✓ Hurricane Irma caused significant damage to the electric transmission and distribution system on Turks and Caicos Islands
 - ✓ ~1,500 poles damaged
 - ✓ No generation asset losses
- ✓ Fortis responded quickly with crews from various Fortis subsidiaries on the ground within 48 hours of hurricane passing through the island
- ✓ Currently 99% of electricity service has been restored to customers able to be reconnected

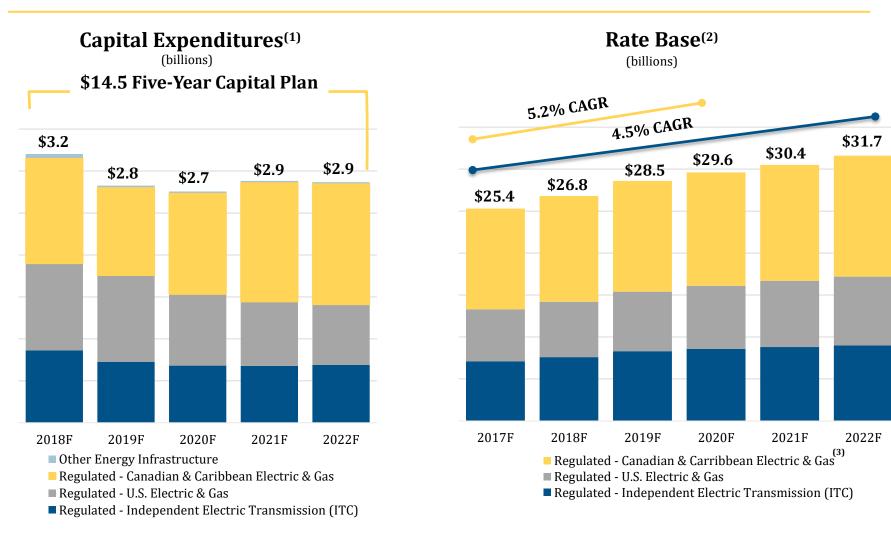
44 Consecutive Years of Annual Dividend Payment Increases



^{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.

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



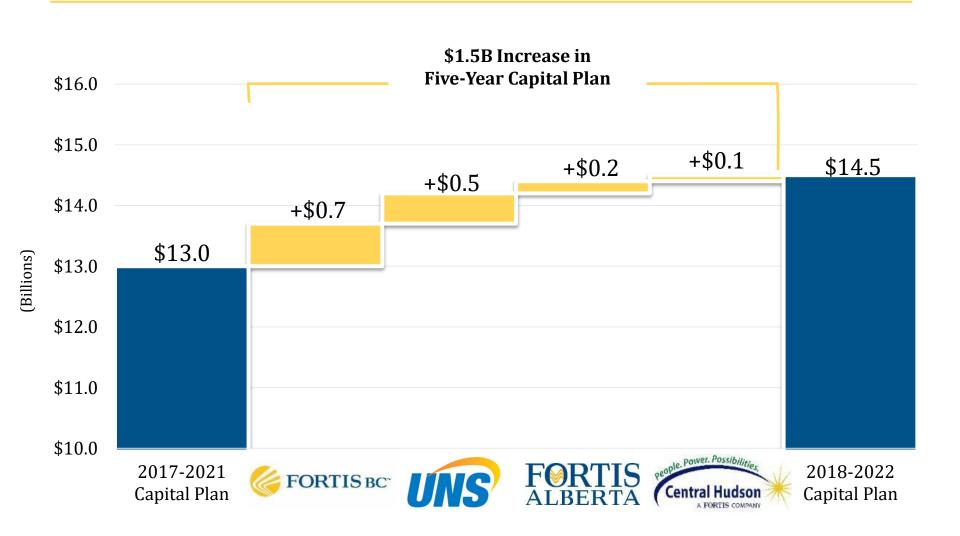
⁽¹⁾ US dollar-denominated capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

 $^{(3)\ \} Includes\ 100\%\ of\ the\ Waneta\ Expansion,\ of\ which\ For tis\ has\ a\ 51\%\ controlling\ ownership\ interest.$



 $^{(2) \} US \ dollar-denominated \ rate \ base \ is \ translated \ at \ a \ forecast \ USD/CAD \ for eign \ exchange \ rate \ of \ \$1.28.$

Improved Five-Year Capital Program



Beyond the Forecast: Development Project Update

Two near-term development projects highlighted in Ontario's Long-Term Energy Plan



- ✓ Opportunity to connect remote First Nation communities in Northern Ontario to the grid
- ✓ During Q3 the federal government announced it will fully fund, up to \$60 million, to connect the Pikangikum First Nation to Ontario's power grid
- ✓ Remaining Milestones
 - ✓ Completion of environmental approvals and permitting
 - ✓ Cost-sharing agreement with federal and provincial governments
 - ✓ Filing of the Leave to Construct with the OEB, which is expected in Q4 2017
 - ✓ Final approvals, receipt of permits, and construction start by late 2018



- ✓ Proposed 1,000 MW, bi-directional, high-voltage direct current transmission underwater line connecting the Ontario energy grid to the PJM energy market
- ✓ ITC has completed the major permit process for the project
 - ✓ October 2017 U.S. Army Corps of Engineers approval received
- ✓ Remaining Milestones
 - ✓ Completion of project cost refinements and securing favorable transmission service agreements with prospective counterparties



Karl Smith

Executive Vice President, Chief Financial Officer

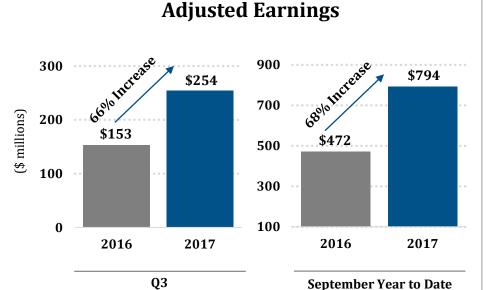


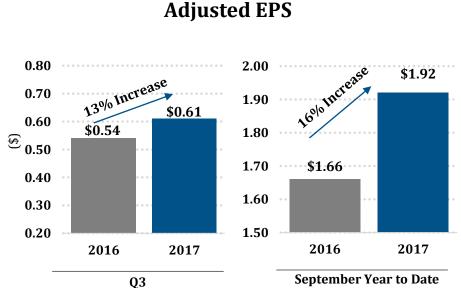




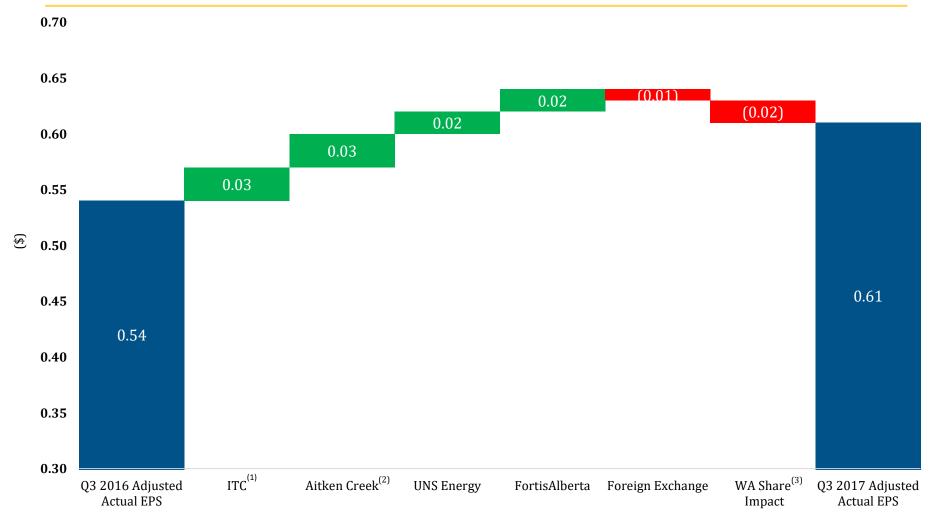


Diversified Portfolio of Utilities Delivers Strong Performance





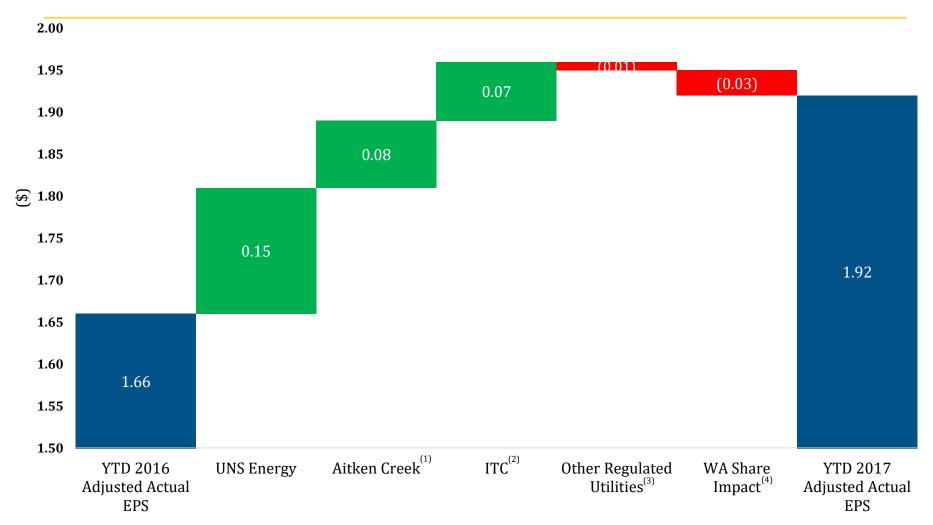
Multiple Drivers of EPS Growth – Q3



- (1) Inclusive of finance charges and increased share issuance related to ITC acquisition.
- $(2) \ \ Includes \ variance \ related \ to \ unrealized \ gains \ associated \ with \ mark-to-market \ of \ natural \ gas \ hedges.$
- (3) Reflects share impact for normal course of business activity and excludes the shares issued to finance a portion of the ITC acquisition.



Multiple Drivers of EPS Growth – September Year to Date



⁽¹⁾ Variance mainly driven by unrealized gains associated with mark-to-market of natural gas hedges.

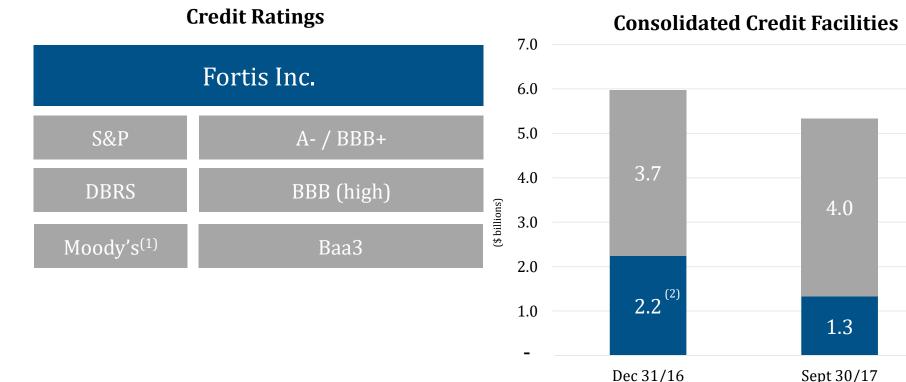
⁽⁴⁾ Reflects share impact for normal course of business activity and excludes the shares issued to finance a portion of the ITC acquisition.



⁽²⁾ Inclusive of finance charges and increased share issuance related to ITC acquisition.

⁽³⁾ Includes FortisAlberta, Central Hudson, FortisBC, Eastern Canadian and Caribbean utilities. Q3 YTD impact driven by Caribbean operations partially offset by FortisBCEnergy.

Investment-Grade Credit Ratings and Ample Liquidity



Utilized

■ Remaining Capacity



⁽¹⁾ In September 2017, Moody's affirmed the Corporation's long-term issuer and unsecured debt credit ratings.

⁽²⁾ Included \$500 million non-revolving term senior unsecured equity bridge credit facility, used to finance a portion of the cash purchase price of the acquisition of ITC, which facility was repaid in March 2017.

Regulatory Stability

Recent regulatory outcomes

Regulated Utility	Application/Proceeding	Outcome	Agreement/ Decision Timing
ITC	Initial MISO Base ROE Complaint	 10.32% base ROE with a high-end zone of reasonableness of 11.35% 	September 2016
FortisBC Energy	2016 Application: ROE and Common Equity Thickness	 Maintained ROE at 8.75% and common equity thickness of 38.5% 	August 2016
FortisAlberta	2016/2017 Generic Cost of Capital Proceeding (GCOC)	 ROE maintained for 2016 at 8.30% and increasing to 8.50% for 2017. Common equity thickness reduced from 40% to 37% for 2016 and 2017 	October 2016
ТЕР	2017 General Rate Application (GRA)	 Decision issued approving settlement agreement on revenue requirement 9.75% ROE and common equity thickness of 50% 	February 2017

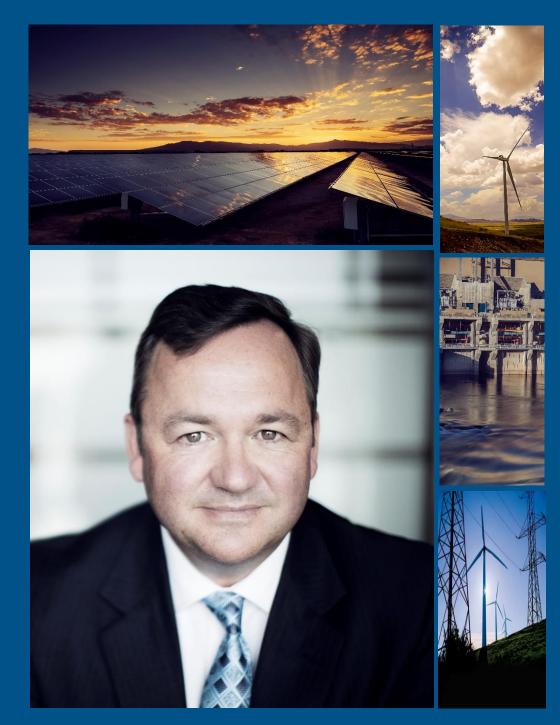
Remaining significant regulatory decisions

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



Barry Perry

President & CEO

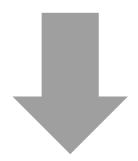


Our Strategy - Simple, Effective, Proven

Strategy

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







Strategic Initiatives

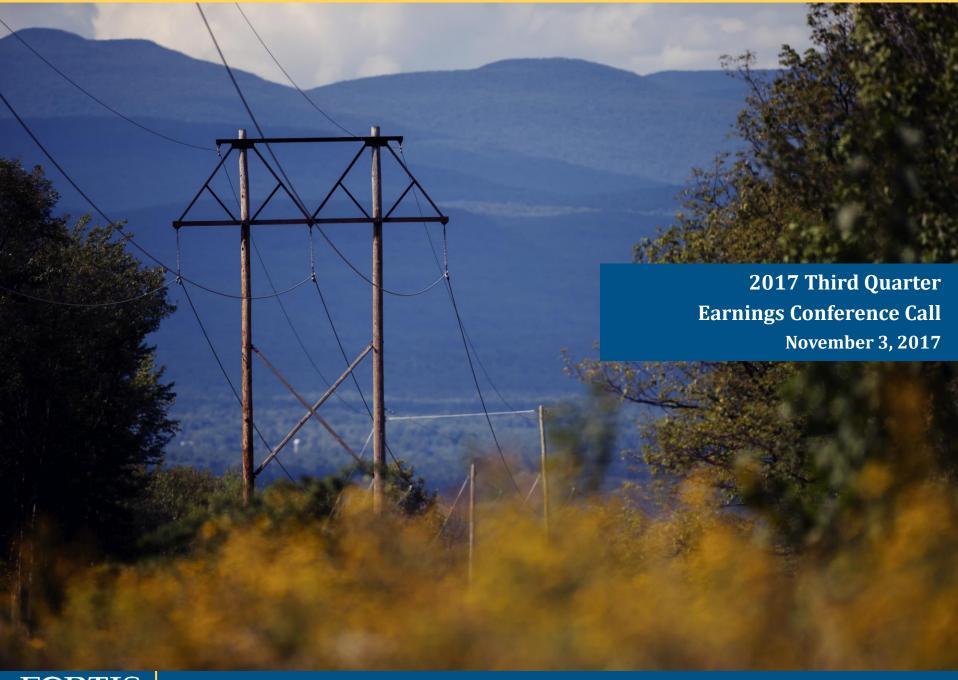
Execute Utility CAPEX Plan ITC Transmission Growth

Deliver Cleaner Energy Enhance Customer & Regulatory Relationships

Unlock LNG Value Pursue Energy
Infrastructure
in and Near
Existing Service
Territories

Expected Upcoming Events





Q3 2017 Results by Segment

Third Quarter Variance Analysis by Segment							
(\$s in millions, excluding EPS)	Q3 2017	Adjustment	<u>Q3 2017</u> (Adjusted)	<u>Q3 2016</u>	Adjustment	<u>Q3 2016</u> (Adjusted)	<u>Q3 (Adjusted)</u> <u>Variance</u>
Regulated - Independent Electric Transmission ITC Holdings Corp.	89	-	89	-	-	-	89
Regulated - US Electric & Gas UNS Energy	112	-	112	102	7	109	3
Central Hudson	<u>15</u> 127	<u>-</u>	<u>15</u> 127	<u>14</u> 116	<u>-</u> 7	<u>14</u> 123	<u>1</u> 4
Regulated Canadian & Caribbean Electric & Gas FortisBC Gas	(15)	-	(15)	(19)	_	(19)	4
FortisAlberta	35	-	35	30	-	30	5
FortisBC Electric	11	-	11	11	-	11	-
Eastern Canadian & Caribbean	<u>20</u> 51	<u>=</u> -	<u>20</u> 51	<u>27</u> 49	<u>-</u> -	<u>27</u> 49	<u>(7)</u> 2
Other Energy Infrastructure Corporate and Other	21 (10)	- (24)	21 (34)	15 (53)	- 19	15 (34)	6
Net Earnings	\$278	(\$24)	\$254	\$127	\$26	\$153	\$101
Weighted Average Shares	418.6	418.6	418.6	285.0	285.0	285.0	133.6
EPS	\$0.66	\$(0.05)	\$0.61	\$0.45	\$0.09	\$0.54	\$0.07

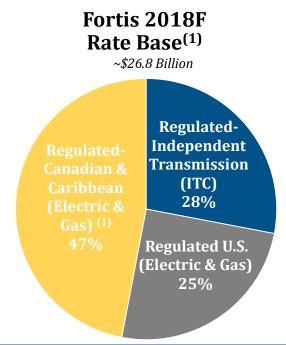
YTD September 2017 Results by Segment

September Year-to-Date Variance Analysis by Segment							
(\$s in millions, excluding EPS)	September YTD 2017	Adjustment	September YTD 2017 (Adjusted)	September YTD 2016	Adjustment	September YTD 2016 (Adjusted)	<u>September YTD</u> (Adjusted) Variance
Regulated - Independent Electric Transmission ITC Holdings Corp.	273	-	273	-	-	-	273
Regulated - US Electric & Gas							
UNS Energy	242	(11)	231	170	18	188	43
Central Hudson	<u>48</u>	Ξ	<u>48</u>	<u>50</u>	Ξ	<u>50</u>	<u>(2)</u>
	290	(11)	279	220	18	238	41
Regulated Canadian & Caribbean Electric & Gas FortisBC Gas	88	-	88	81	-	81	7
FortisAlberta	91	_	91	91	-	91	_
FortisBC Electric	42	_	42	41	_	41	1
Eastern Canadian &							_
Caribbean	<u>73</u> 294	<u>=</u> -	<u>73</u> 294	<u>82</u> 295	<u>=</u> -	<u>82</u> 295	<u>(9)</u> (1)
Other Energy Infrastructure	69	-	69	45	-	45	24
Corporate and Other	(97)	(24)	(121)	(164)	58	(106)	(15)
Net Earnings	\$829	(\$35)	\$794	\$396	\$76	\$472	\$322
Weighted Average Shares	413.9	413.9	413.9	283.7	283.7	283.7	130.2
EPS	\$2.00	(\$0.08)	\$1.92	\$1.40	\$0.26	\$1.66	\$0.26



2018-2022 Capital Forecast by Segment

2018 Capital Forecast	(\$millions)
Regulated-Independent Transmission (ITC)	
ITC	863
Regulated-U.S. Electric & Gas	
UNS Energy	759
Central Hudson	275
Regulated-Canadian & Caribbean Electric & Gas	
FortisBC Gas	462
FortisAlberta	407
FortisBC Electric	104
Eastern Canadian	152
Caribbean	135
Other Energy Infrastructure	46
Total Capital Expenditures	\$3,203



(\$millions)	2018F	2019F	2020F	2021F	2022F
Regulated - Independent Transmission (ITC)	863	727	682	677	690
Regulated – U.S. Electric & Gas	1,034	1,028	849	764	719
Regulated - Canadian & Caribbean Electric & Gas	1,260	1,053	1,208	1,427	1,444
Other Energy Infrastructure	46	20	17	15	15
Total Capital Expenditures	\$3,203	\$2,828	\$2,756	\$2,883	\$2,868

 $^{(1)\} Includes\ 100\%\ of\ the\ Waneta\ Hydroelectric\ Expansion\ of\ which\ Fortis\ has\ a\ 51\%\ controlling\ ownership\ interest.$



Highly-Executable Capital Plan

Low-risk capital plan of \$14.5 billion

Significant Capital Projects (1) (\$millions) (2)	Forecast 2018	Forecast 2019-2022	Forecast Total 2018-2022
ITC Multi-Value Regional Transmission Projects ⁽³⁾	165	192	357
ITC 34.5 kV to 69 kV Conversion Project	110	361	471
UNS Flexible Generation Resource	115	90	205
UNS Modern, Efficient Baseload Combined Cycle Generation	-	211	211
FortisBC Lower Mainland System Upgrade	177	5	182
FortisBC Eagle Mountain - Woodfibre Gas Pipeline Project	-	362	362
FortisBC Pipeline Integrity Management Program	-	312	312

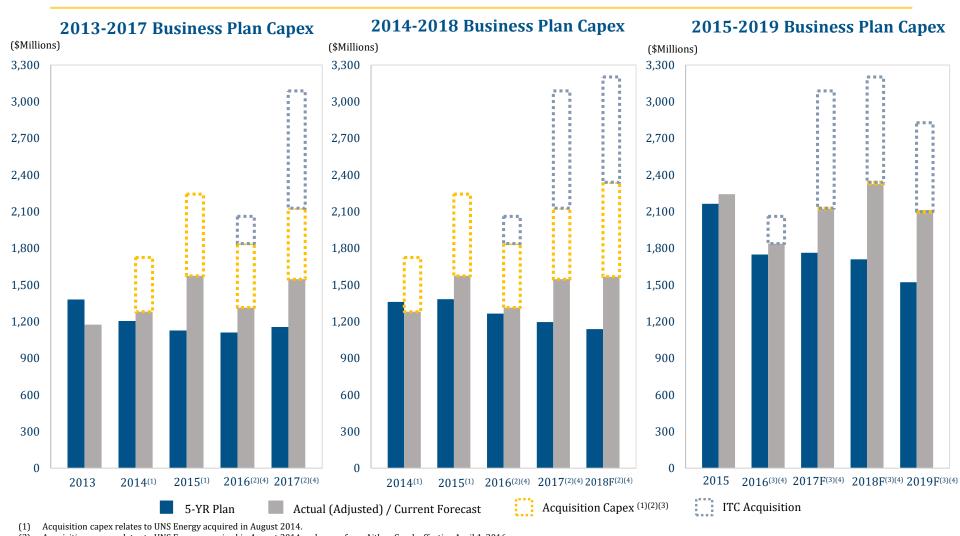
⁽¹⁾ Major capital projects are identified as those with a total project cost of \$150 million or greater and exclude ongoing capital maintenance projects. Total project costs include forecasted capitalized interest and non-cash equity component of AFUDC, where applicable.

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



⁽²⁾ US dollar denominated capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

Capital Expenditures Exceeding Expectations



- (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 acquired April 1, 2016.
- 4) ITC capex relates to capex contribution from ITC following acquisition in October 2016.



Opportunities Beyond the Base Capital Program

