



National Retail Call Presentation

October 17, 2017

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 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; the Corporation’s forecast gross consolidated and segmented capital expenditures for 2017, 2018 and the period 2018 through 2022; 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; and additional opportunities beyond the base plan including, without limitation, the Lake Erie Connector, and the Wataynikaneyap Project..

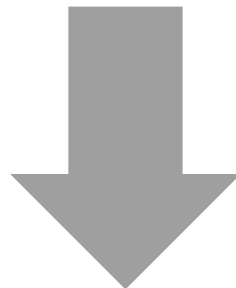
Forward-looking information involves significant risk, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding 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



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

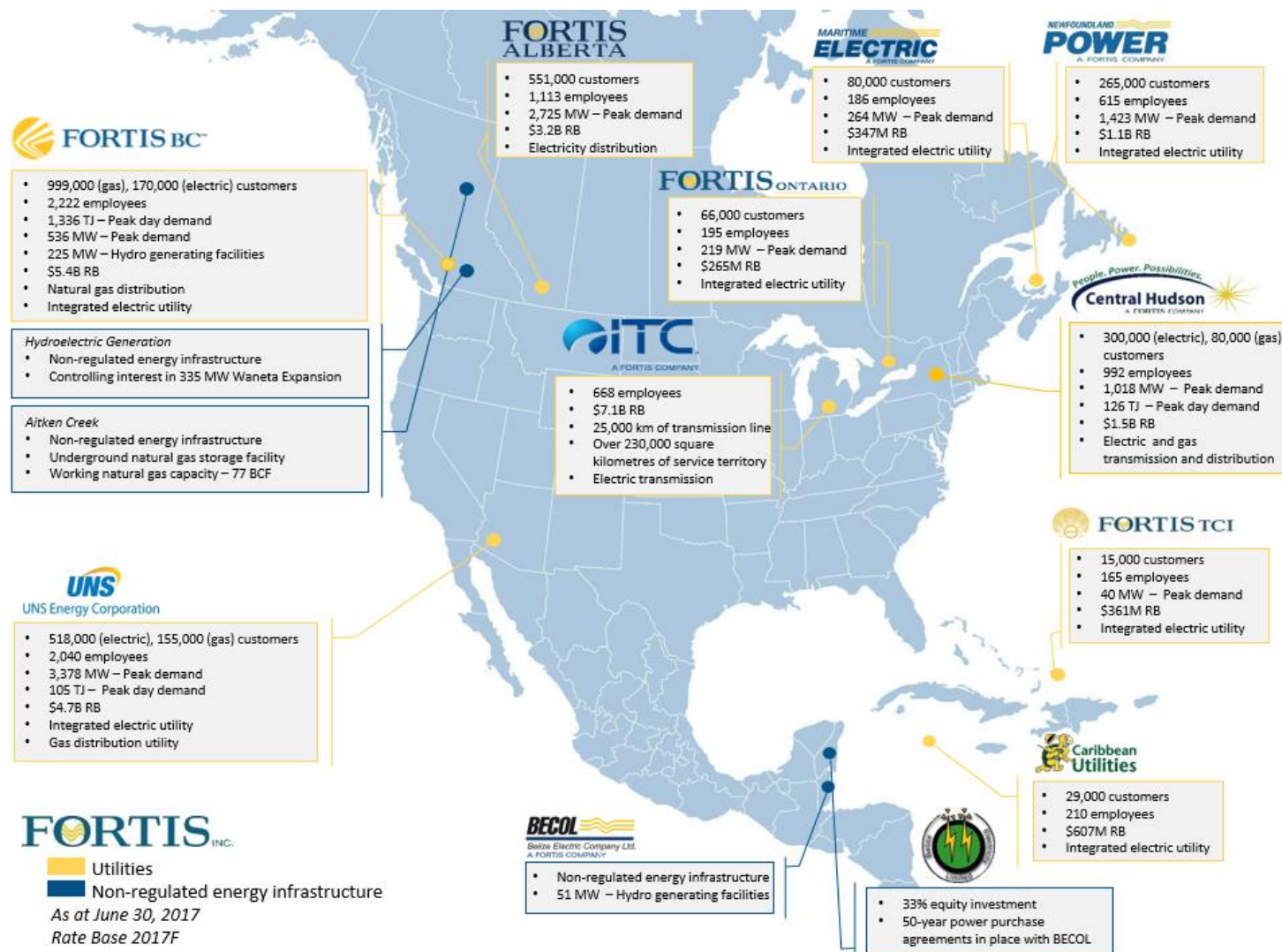


(1) As at June 30, 2017.





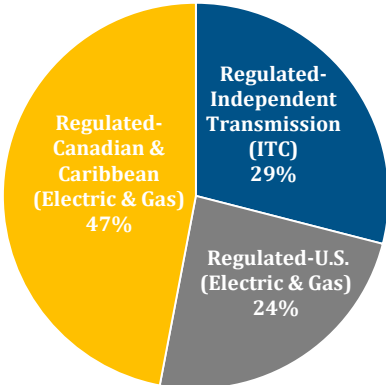

(2) As at December 31, 2016.

High quality & diverse utility portfolio

One of the lowest risk utility businesses in North America



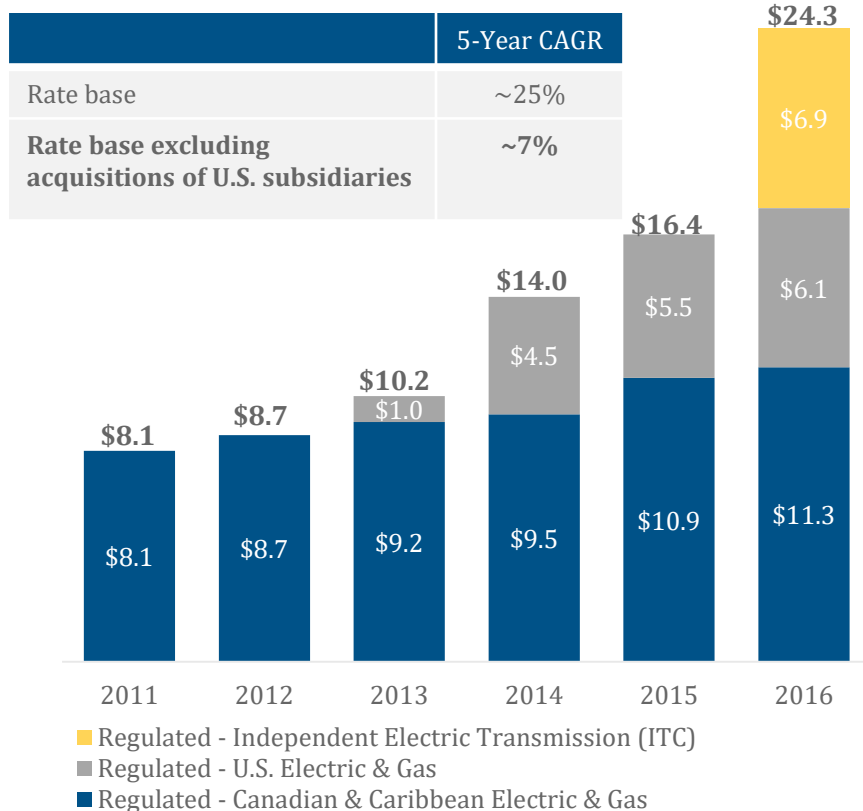
Executing well in 2017

<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

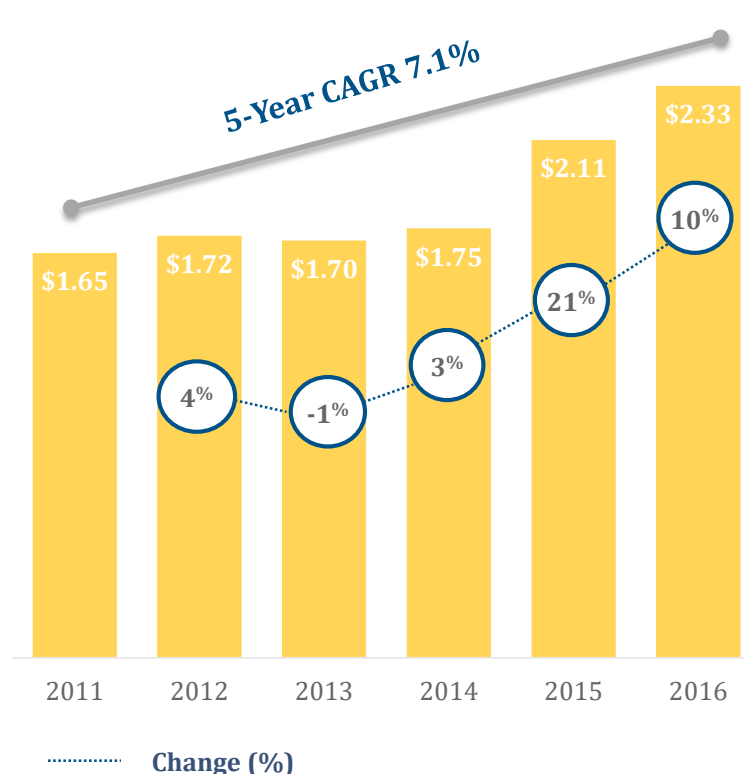
2011 – 2016 Rate Base

(\$ billions⁽¹⁾)



Adjusted Earnings Per Share

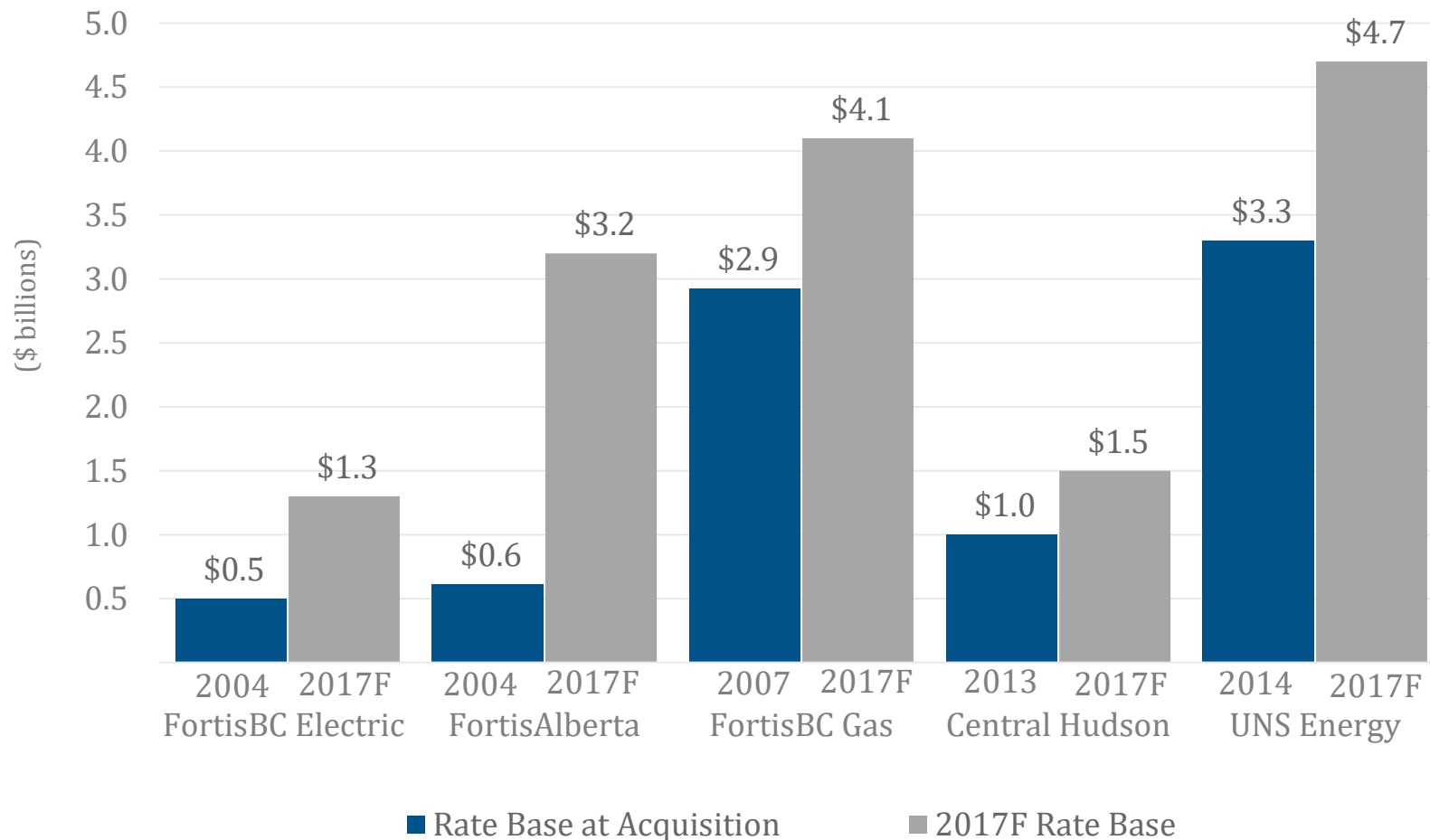
(\$ millions)



(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

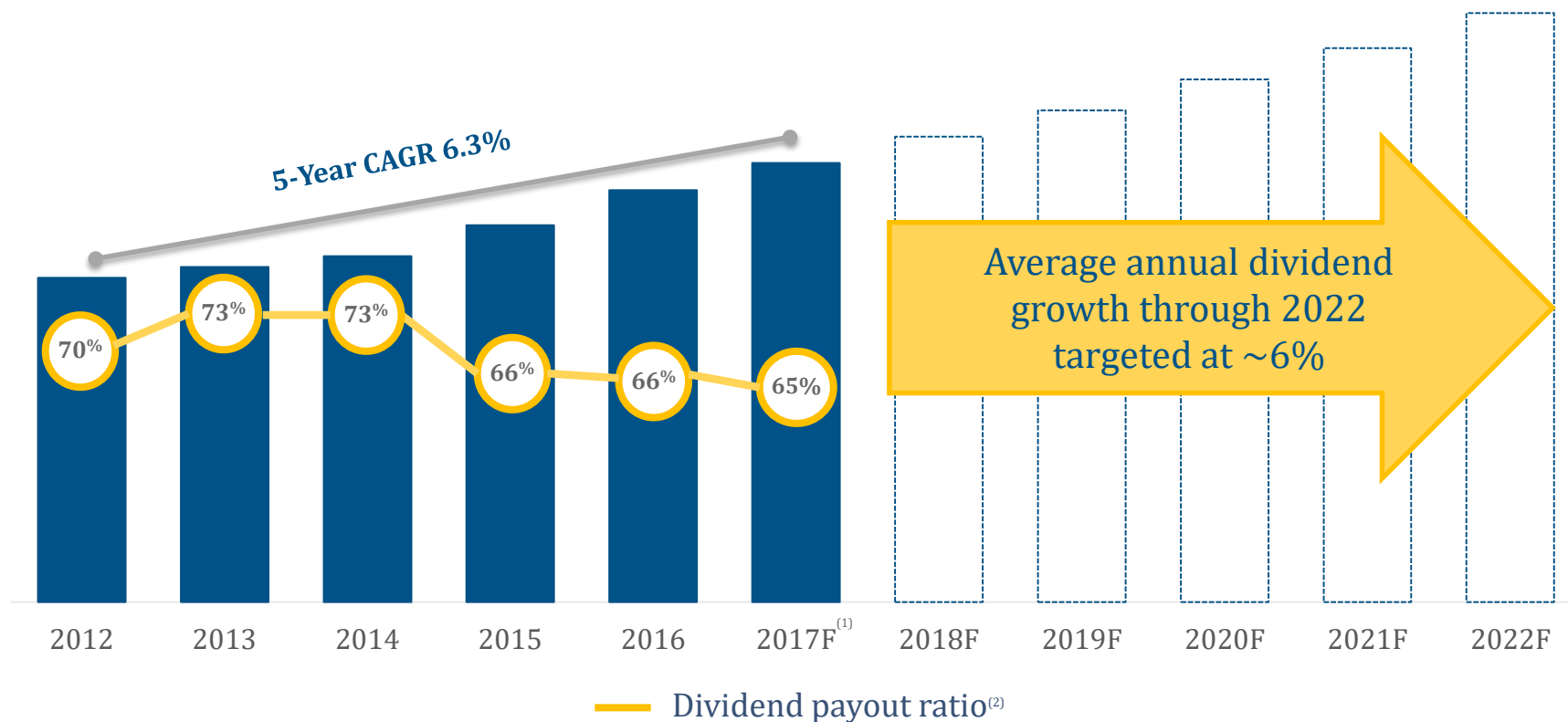
Rate Base from Acquisition to 2017F⁽¹⁾



(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

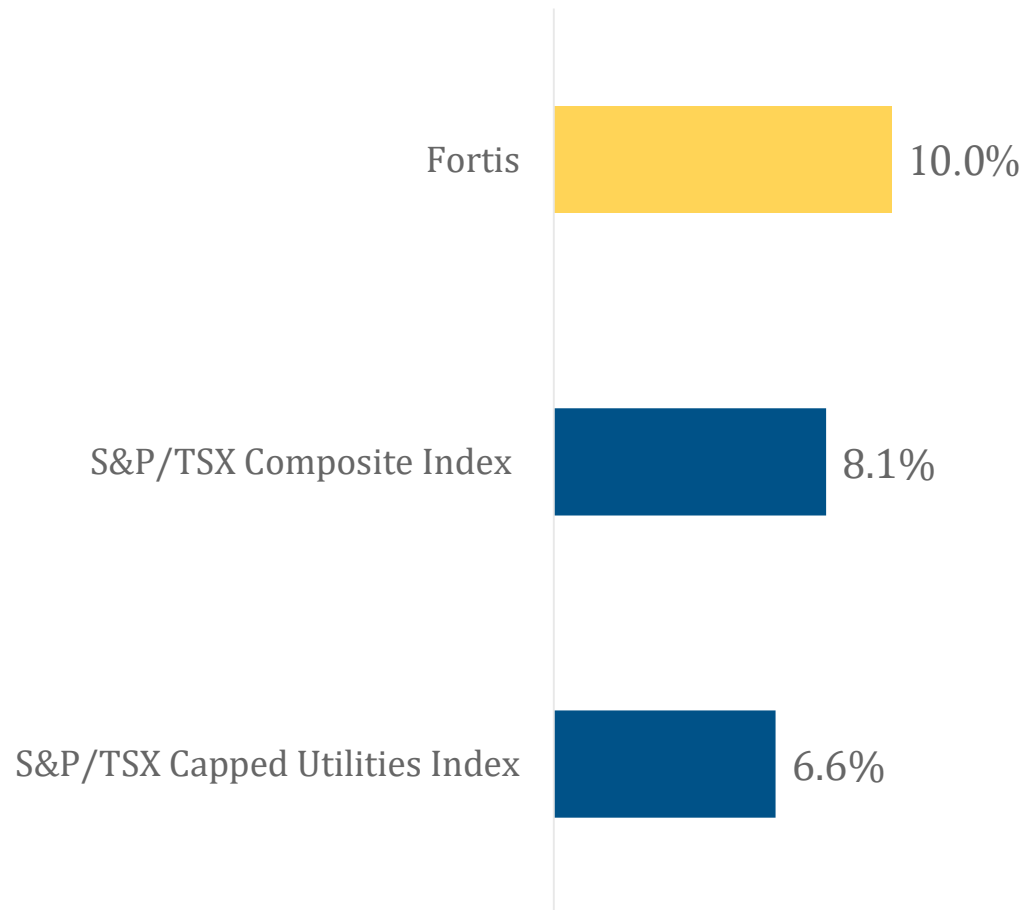


(1) 2017 forecast dividend payout ratio based on the consensus EPS estimate of \$2.50.

(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 September 29, 2017.

Credit metrics support credit ratings

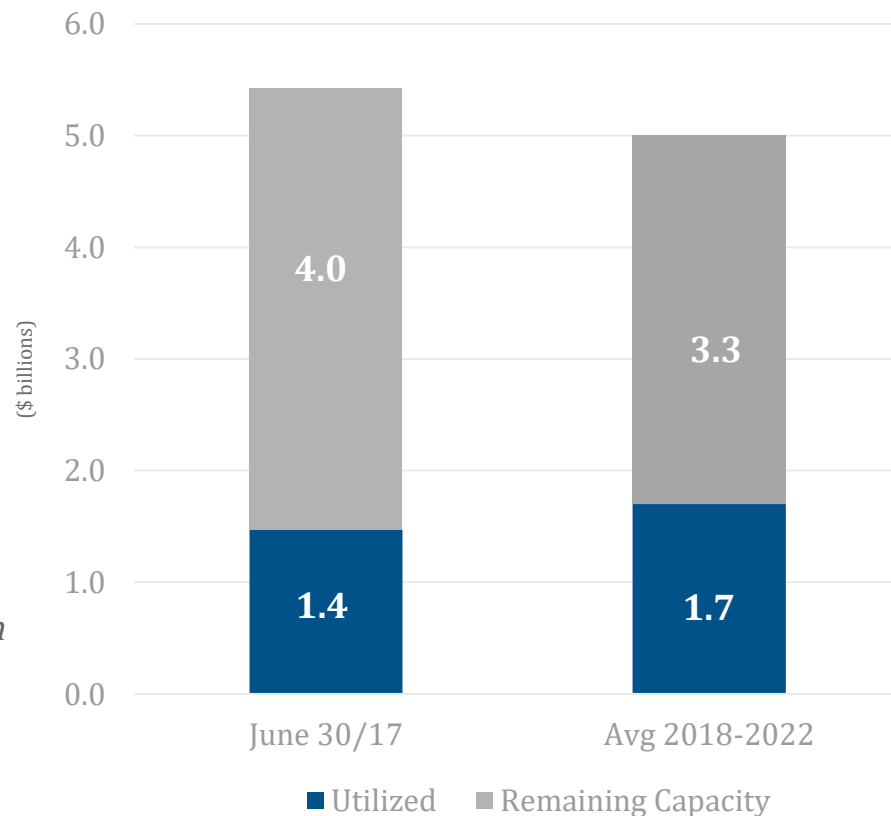
Ample liquidity through forecast period

Credit Ratings

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

Credit Facilities⁽¹⁾



(1) US dollar- denominated credit facilities are translated at an actual USD/CAD foreign exchange rate of \$1.30 as at June 30, 2017 and at a forecasted USD/CAD foreign exchange rate of \$1.28 for the 5-year forecast period 2018-2022.

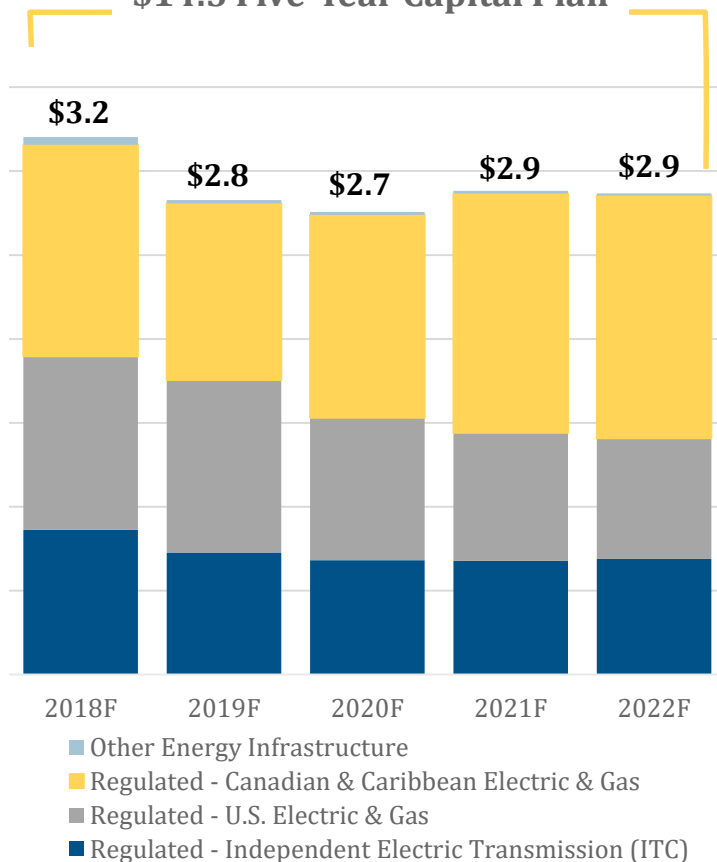
(2) Please refer to Moody’s report for the full assessment.

Strong outlook – capital program and rate base growth

Capital Expenditures⁽¹⁾

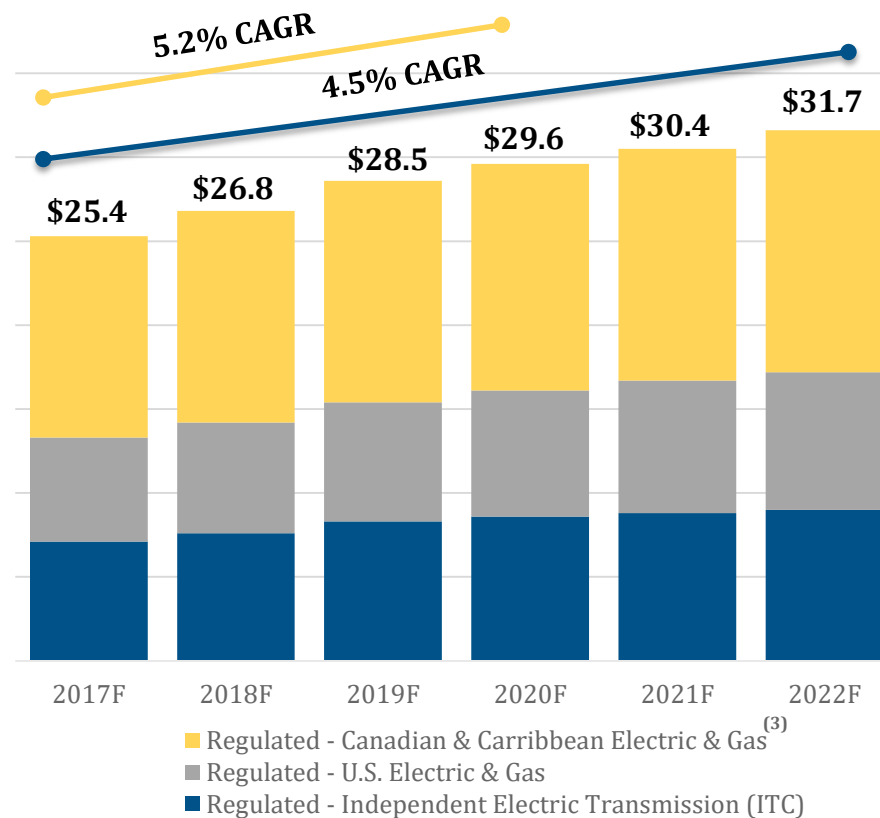
(\$ billions)

\$14.5 Five-Year Capital Plan



Rate Base⁽²⁾

(\$ billions)



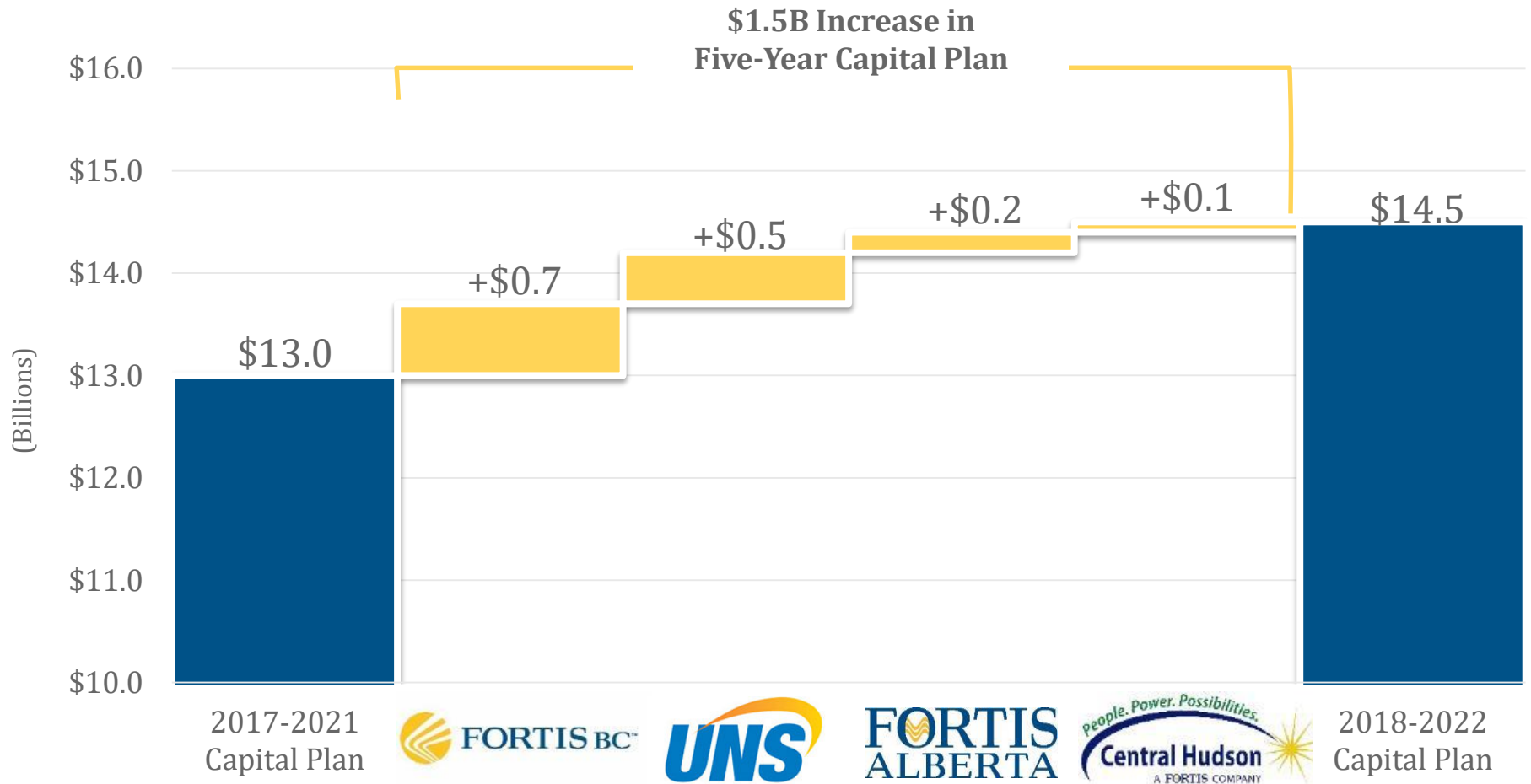
(1) US dollar-denominated capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

(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

Increase resulting from sustainable growth platform



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

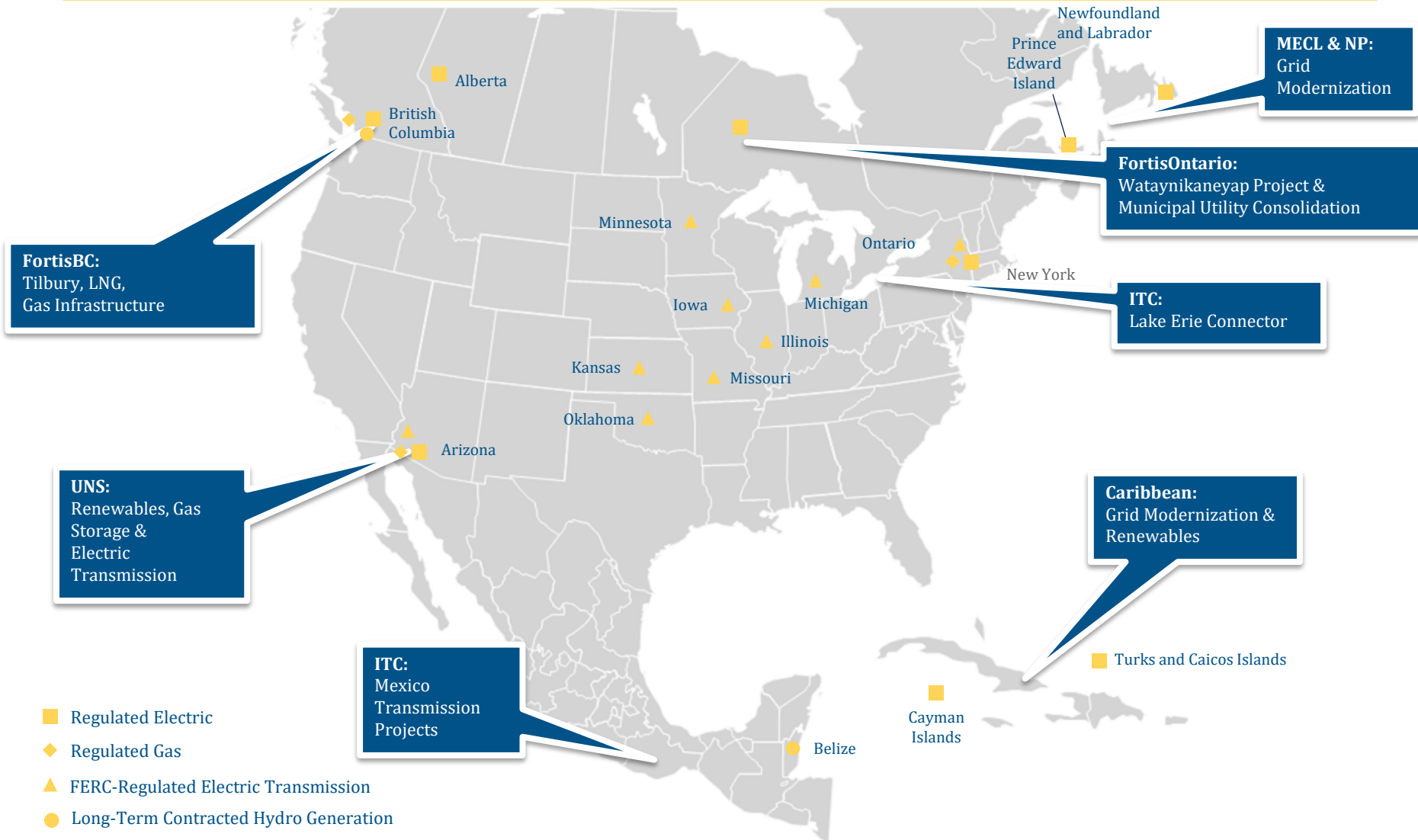
Modernizing natural gas generating resources support new base capital plan



- 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 short-term tolling agreement
 - ~\$200 million purchase
 - Replace higher cost, aging coal facilities while reducing rate pressure
 - TEP (75%) and UNS Electric (25%) jointly own Gila River Unit 3



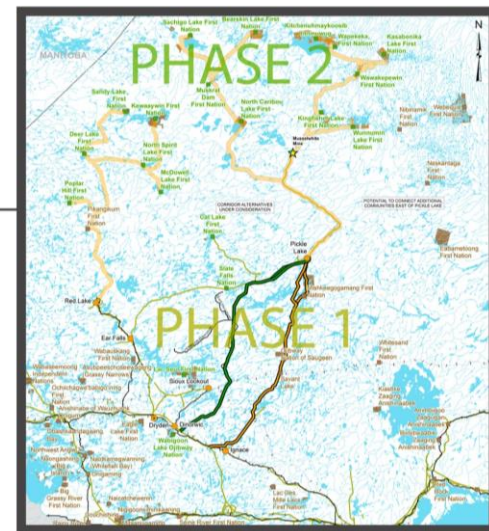
Opportunities beyond the base capital plan



Near-term projects beyond the base capital plan

Wataynikaneyap Power Project – “Line that brings light”

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

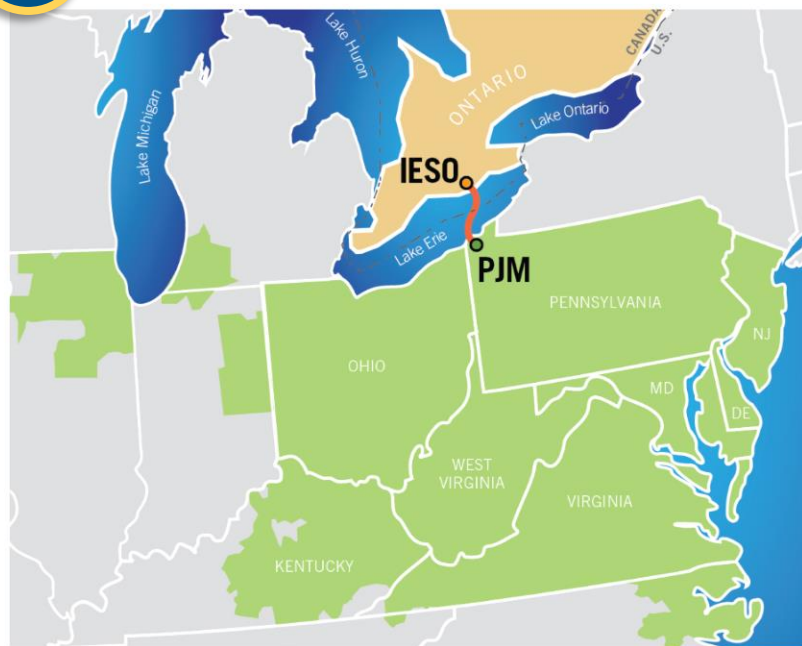
Remaining Milestones:

- 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

ITC - Lake Erie Connector

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
- Substantially all regulatory approvals obtained, currently working to secure contracts with shippers

Long-term opportunities beyond the base capital plan

ITC – Regulated Transmission U.S.

*Transmission focuses on North America “Grid of the Future”-
reliable, resilient, and efficient grid to connect energy resources to customers*

Regulated Transmission – U.S.

- Potential incremental needs within existing systems to address additional security concerns, new customer connection requests and congestion
- Expansion into new RTO and non-RTO regions through greenfield projects and value-added acquisitions/partnerships



Long-term opportunities beyond the base capital plan

ITC – Contracted Transmission and Energy Storage

*Transmission focuses on North America “Grid of the Future”-
reliable, resilient, and efficient grid to connect energy resources to customers*

Contracted Transmission

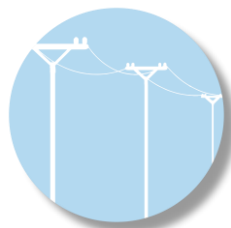
Mexico

- Evaluating government mandated infrastructure modernization efforts
- Jointly planning to pursue phase 1 with two experienced partners, consisting of over ~700 miles of 500 HVDC



Generator Interconnection Ties

- Ability to build, own and operate discrete generator interconnection ties for new generation resources
- Transfers NERC compliance requirements to ITC



Energy Storage

- Anticipated increase in energy storage needs with growth in intermittent renewable generation
- Opportunistic investment landscape given ITC's innovative approach and willingness to test new technologies



Long-term opportunities beyond the base capital plan

UNS - Delivery of cleaner energy and increased reliability

- Renewable Generation
 - Purchase existing renewable facilities
 - Purchase options in existing contracts
 - Self-build utility-scale projects
- Grid Modernization
 - Distribution automation
 - Utility-scale storage
- Infrastructure Resiliency
 - Physical security
 - System hardening



Long-term opportunities beyond the base capital plan

FortisBC - LNG infrastructure opportunities

Site of potential future marine terminal

Existing facility



Illustration of Tilbury LNG facility expansion

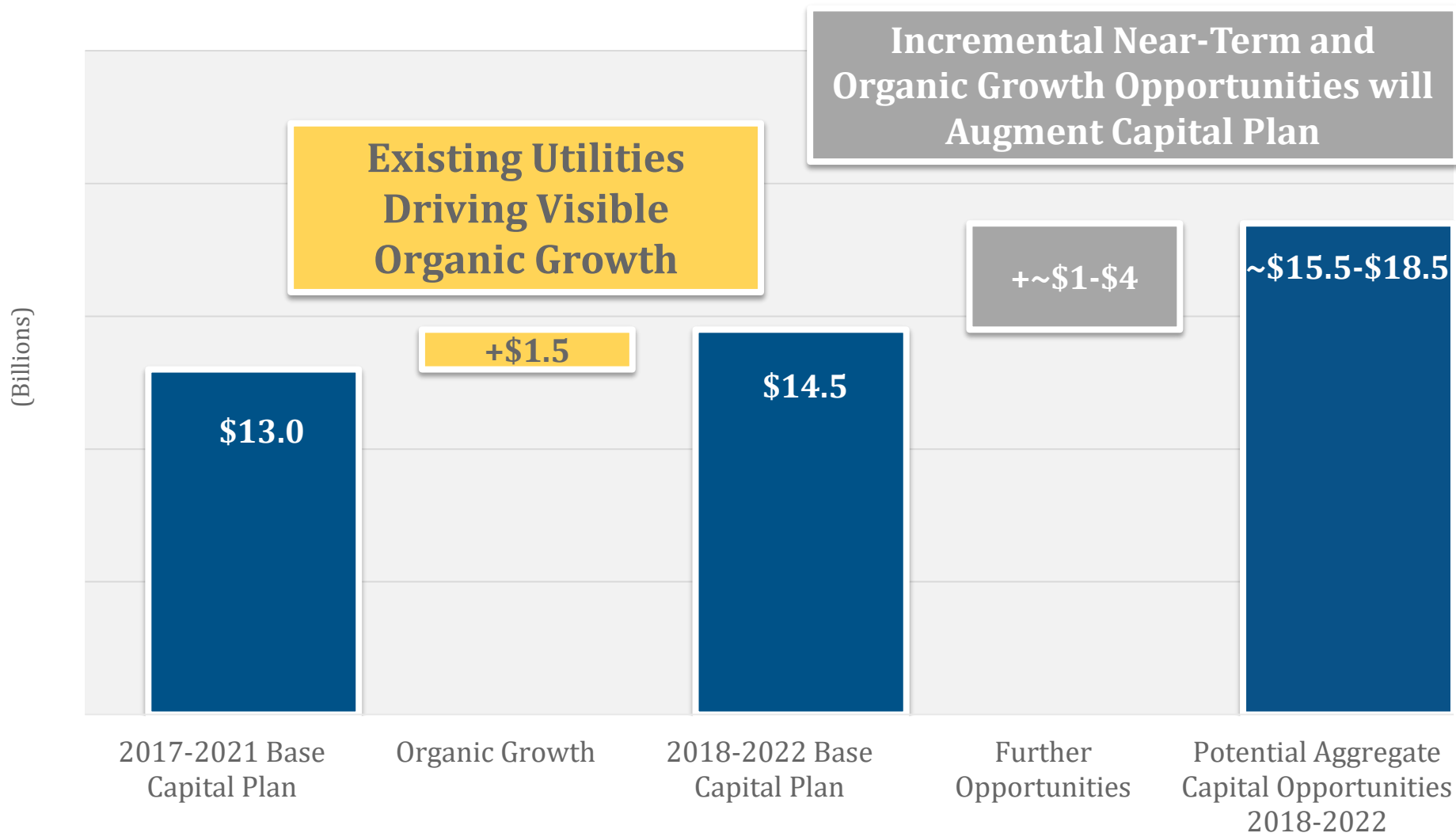
Site expansion opportunity for two more tanks

Tilbury 1A near completion

- Tilbury LNG facility
 - Site is scalable with ocean access
 - Tilbury 1B - \$400M approved for regulated expansion but not yet started
 - To serve marine bunkering, transportation and remote communities
 - Future expansion – developing new markets
 - Regional and international
 - Long-term contracted projects

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
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