

Investor Presentation

January 2024



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: the target of maintaining controllable operating costs in line with historical levels; the forecast benefits of additional funding flexibility associated with the sale of Aitken Creek; planned coal retirements and the expectation to exit coal by 2032; TEP's 2023 IRP and UNS Electric's 2023 IRP, including planned additions of wind, solar, energy storage and hydrogen ready natural gas, and the related expected timing of ACC review, expected impact on UNS' five-year capital plan and forecast valuation of incremental investment opportunity through 2038; the expectation that UNS will rely more on lower-carbon generation from 2028-2032 and the forecasted impact on Scope 1 emissions; the 2030 GHG emissions reduction target; the 2035 GHG emissions reduction target; the 2050 net-zero GHG emissions target; the expected timing of the issuance of the Corporation's second climate assessment report and plans to further assess financial impacts of climate risks and opportunities; forecast rate base and rate base growth for 2023 through 2028; forecast capital expenditures for 2023 and 2024-2028, including cleaner energy investments; expected sources of funding for the Corporation's Capital Plan; expected sources of common equity proceeds and the expected uses of proceeds from the ATM; the expectation of a consistent capital structure over the planning period; dividend growth guidance through 2028; the expectation that the long-term dividend guidance will provide flexibility to fund more capital internally and support reduction in dividend payout ratio over time in line with historical levels; forecast credit metrics through 2028; the nature, timing, benefits and expected costs of certain capital projects, including ITC's transmission projects associated with the MISO LRTP, UNS Energy Vail-to-Tortolita Transmission Project, UNS Energy Renewable Generation projects, UNS Energy Battery Storage investments, including the Roadrunner Reserve project, FortisBC Tilbury LNG Storage Expansion, FortisBC AMI Project; FortisBC Eagle Mountain Woodfibre Gas Line Project, FortisBC Tilbury 1B Project, FortisBC Okanagan Capacity Upgrade, Wataynikaneyap Transmission Power Project, and additional opportunities beyond the Capital Plan, including investments related to the IRA, climate adaptation and grid resiliency, and renewable fuel solutions and LNG infrastructure and resources in British Columbia; forecast rate base by business unit for 2023 through 2028; FortisBC's 2030 RNG supply target; the expected timing, outcome and impact of regulatory proceedings and decisions; forecast debt maturities for 2024 through 2033; and future scheduled preferred share dividend rate resets.

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, including, without limitation: no material impact from energy price volatility, global supply chain constraints and inflation; no material changes in the assumed U.S. dollar to Canadian dollar exchange rate; no significant variability in interest rates; the successful execution of the Capital Plan; no material capital project or financing cost overrun; sufficient human resources to deliver service and execute the Capital Plan; the realization of additional opportunities beyond the Capital Plan; the Board exercising its discretion to declare dividends, taking into account the business performance and financial condition of the Corporation; and reasonable regulatory decisions and the expectation of regulatory stability. 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.

FORTIS AT A GLANCE



93%
transmission &
distribution assets



10 regulated utilities
in Canada, the U.S. &
Caribbean



3.4 million
electric and gas customers



9,200
dedicated employees



99%
regulated utility assets



\$38 billion
2024F rate base



~10% average annual⁽¹⁾
10-year total shareholder return



82% of Fortis utilities
have female CEO or Board Chair

(1) As at December 31, 2023.

OUR VISION & STRATEGY

A Premium North American Utility
Delivering a Cleaner Energy Future



SUSTAINABLE GROWTH

- Operational Excellence
- Financial Strength
- Diversified Regulated Portfolio
- Local Business Model
- Strong Governance



Clean Energy
Transition



Innovation
& Technology



People
& Culture



Regulatory
Relations



Customer
& Community



OUR COMMON GROUND



PROVISION OF SAFE & RELIABLE SERVICE

Priority #1

- Health and safety of our employees, customers and contractors
- Doing whatever it takes to ensure safe and reliable service to our 3.4M customers
- Consistently outperforming industry averages in both Canada and the U.S.



GOOD GOVERNANCE

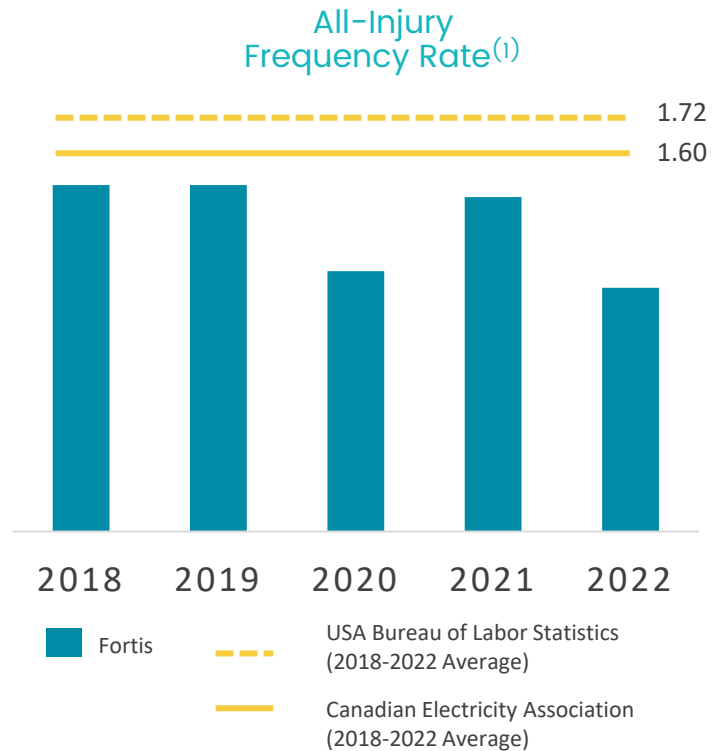
Fortis Ranked #2 out of 219 S&P/TSX companies in The Globe & Mail 2023 Board Games

- Utilities operate within the parameters of common policies and best practices
- Local business model with subsidiary boards comprised of a majority independent local directors
- Subsidiary boards provide effective independent oversight and administration of their governance and operations

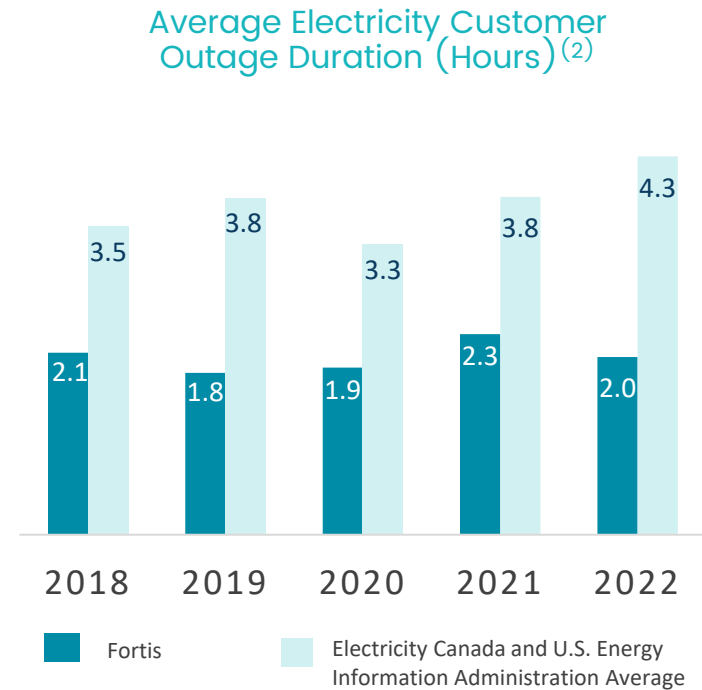
ENSURING SAFE & RELIABLE SERVICE



SAFE OPERATIONS



RELIABLE SERVICE



(1) All injury frequency rate = (# injuries x 200,000) / hours worked.

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

MAINTAINING CUSTOMER AFFORDABILITY

KEY AREAS OF FOCUS

Targeting controllable operating costs in line with historical levels

Focused on preventative maintenance and innovation to reduce operating costs

Cleaner energy investments with fuel savings for customers

Helping customers manage their energy costs

- Energy efficiency programs
- Economic electrification
- Bill assistance programs

IRA tax credits for renewable generation in the U.S.

Other initiatives

- Energy Imbalance Market
- Hedging programs



(1) Controllable operating cost per customer is a financial measure used by management to evaluate operating efficiency. May not be comparable with measures used by other entities and excludes costs that are considered largely outside of management's control (e.g., purchased power, generation fuel expense).

RECENT REGULATORY DECISIONS



Iowa Transmission ROFR

- In December 2023, the Iowa District Court ruled that the Iowa ROFR legislation is unconstitutional
- The District Court granted an injunction enjoining further action under or in reliance on the ROFR legislation, preventing any action on MISO LRTP Tranche 1 projects in Iowa that depends on ROFR
- ITC has filed a motion for reconsideration with the District Court



General Rate Application

- ACC issued a decision in August 2023
- Non-fuel revenue increase of US\$100M
- ROE of 9.55%, 54.32% common equity ratio
- US\$3.6B rate base approved
- Rates effective September 1, 2023



GCOC Proceeding

- BCUC issued a decision in September 2023
- ROE of 9.65%
- 45% common equity ratio for FortisBC Energy; 41% for FortisBC Electric
- Decision retroactive to January 2023



GCOC & Third PBR Term Proceedings

- AUC decisions reached in October 2023
- GCOC decision adopts formulaic approach to set ROE; 2024 allowed ROE of 9.28%; ROE to be reset annually in Q4
- 37% common equity ratio maintained
- PBR decision establishes parameters for third PBR term for 2024-2028
- Decisions effective January 2024

SALE OF AITKEN CREEK COMPLETED

▶ TRANSACTION OVERVIEW

- On November 1, 2023, Fortis completed the sale of the Aitken Creek natural gas storage facilities⁽¹⁾ in British Columbia to Enbridge for ~\$400M⁽²⁾
- Sale of Aitken Creek strengthens Fortis' balance sheet and provides additional funding flexibility to support its regulated utility businesses across North America

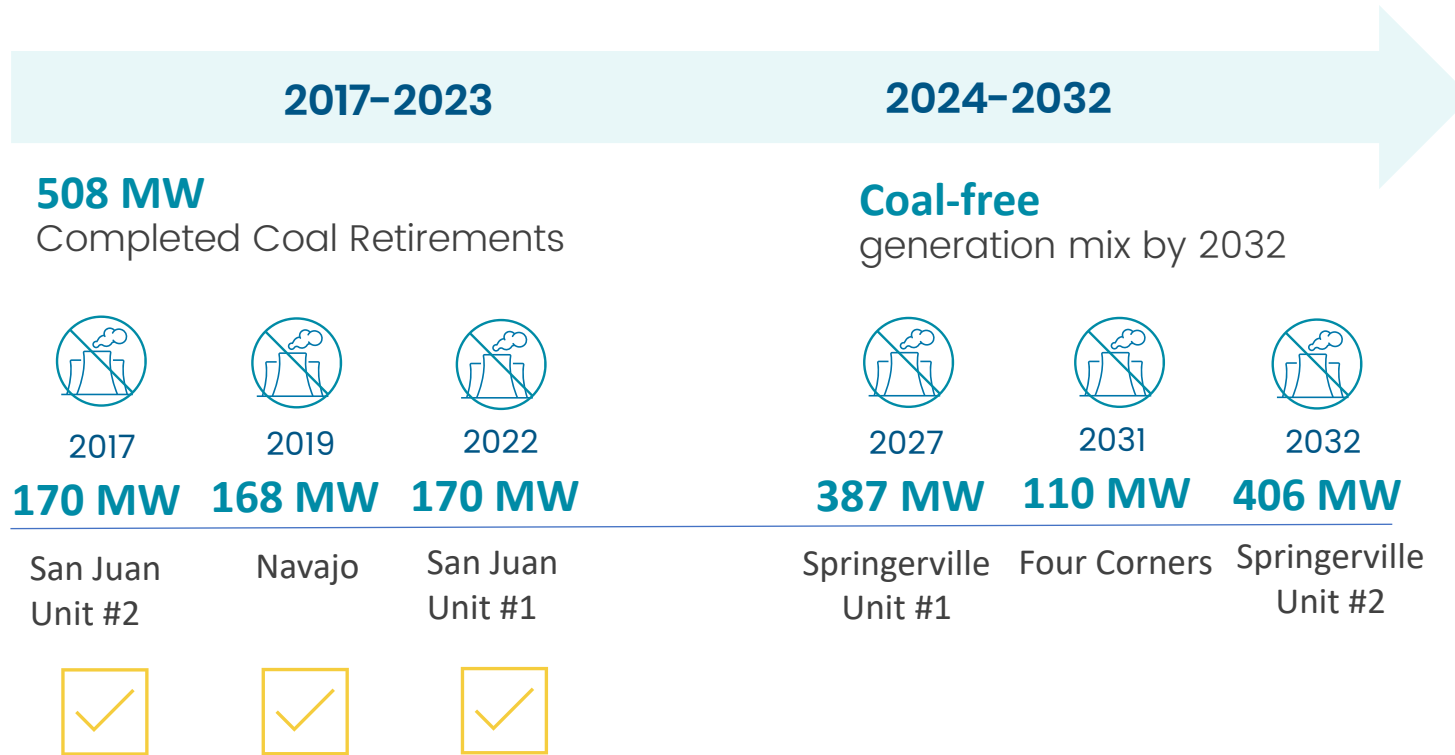
(1) Fortis owns 93.8% of the Aitken Creek Natural Gas Storage Facility and 100% of the Aitken Creek North Gas Storage Facility through an indirect, wholly owned subsidiary.

(2) Total expected proceeds of ~\$470M including working gas inventory, other working capital and closing adjustments.



2023 TEP IRP SUPPORTS EXIT FROM COAL

Exit from Coal On Track



Delivering reliable, cleaner energy that is lower risk and affordable for customers

TEP 2023 IRP Highlights (3,970 MW)

- ✓ 2,240 MW of wind and solar generation
- ✓ 1,330 MW of energy storage
- ✓ 400 MW hydrogen ready natural gas
- ✓ Fully exiting coal by 2032

UNS Electric 2023 IRP Highlights (775 MW)

- ✓ 350 MW of wind and solar generation
- ✓ 225 MW of energy storage
- ✓ 200 MW hydrogen ready natural gas
- ✓ IRP supports reducing wholesale market exposure

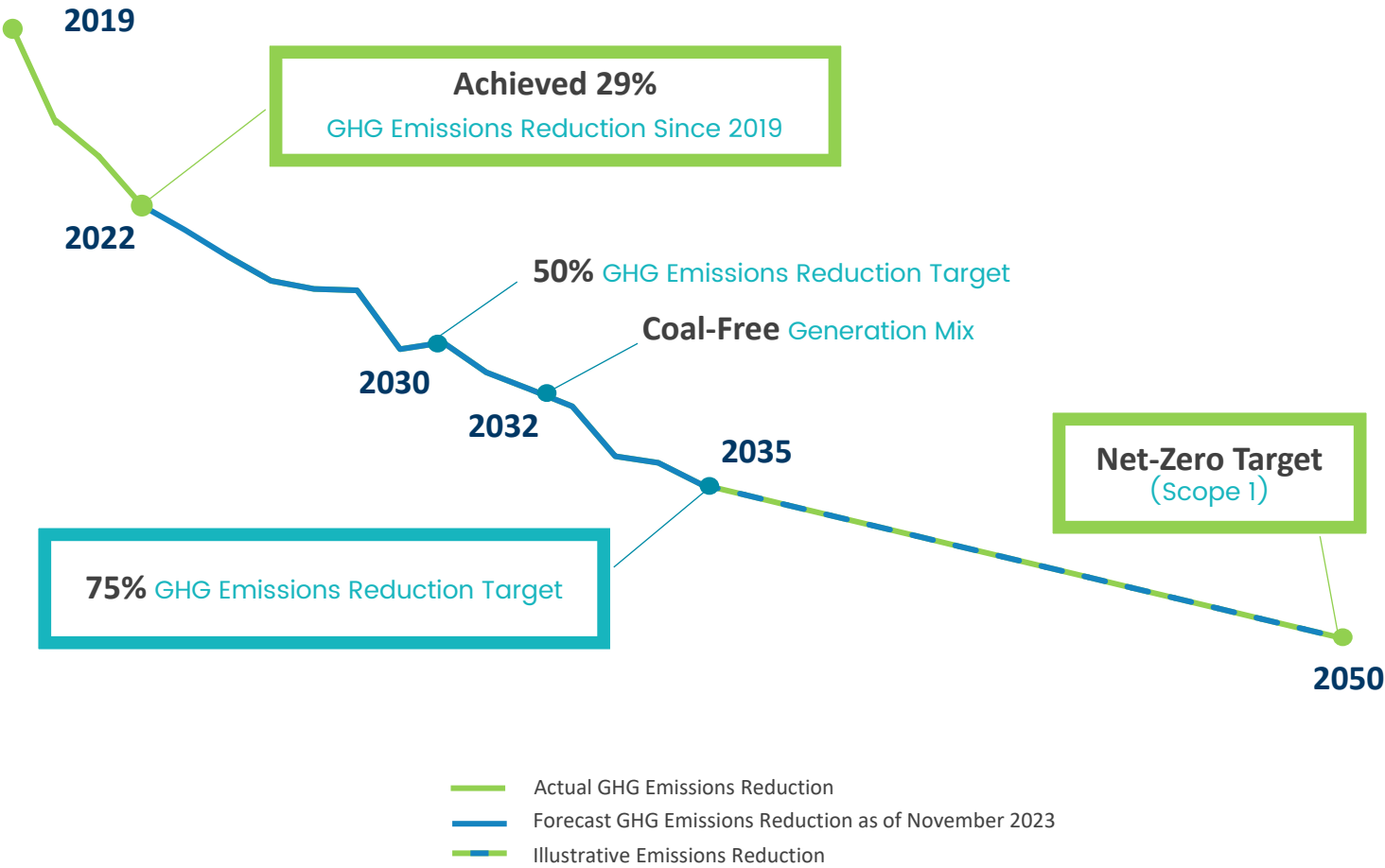
Next Steps and Expected Impacts

- ✓ ACC review process expected to conclude in fall of 2024
- ✓ No significant changes expected to five-year capital plan
- ✓ Incremental investment opportunity of ~US\$2.5-5.0B through 2038⁽¹⁾
- ✓ By ramping up renewable energy and natural gas capacity, UNS will rely even less on coal from 2028-2032, reducing cumulative forecasted Scope 1 emissions

(1) Incremental opportunity of ~US\$2.0-4.0 billion at TEP and \$0.5-1.0 billion at UNS Electric through 2038.

REDUCING CARBON EMISSIONS

Committed to Targets



BUILDING CLIMATE RESILIENCY



It is no longer enough to design our systems based on historical weather, we are planning for future climate scenarios

Key focus areas: **Industry climate partnerships**

- EPRI Climate READi
- Energy Impact Partners

Active in design standards

- Canadian Standards Association

Operating with best practices in mind

- Situational awareness and forecasting
- Risk assessment and mapping
- Emergency response and recovery drills
- Grid operations and protocols
- Grid design and system hardening
- Asset inspection and vegetation management

2021

- Committed as a TCFD supporter
- Identified risks and opportunities under four climate scenarios at five largest utilities

2022

- Inaugural TCFD and Climate Assessment Report issued
- Climate scenario analysis completed at remaining utilities
- Identified high-risk physical impacts of climate change across utilities
- Aging infrastructure assessment

2023

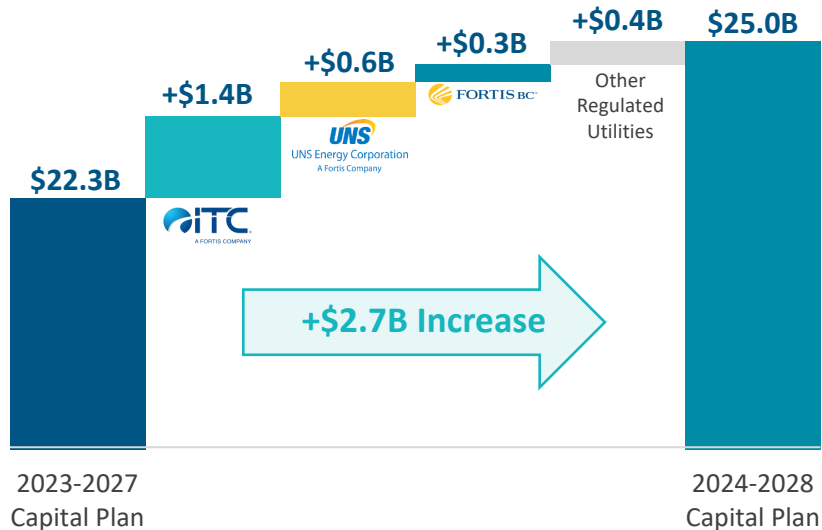
- Identifying physical climate risks and opportunities with a focus on critical assets
- Developing action plans to accelerate the replacement of aging and vulnerable assets

2024

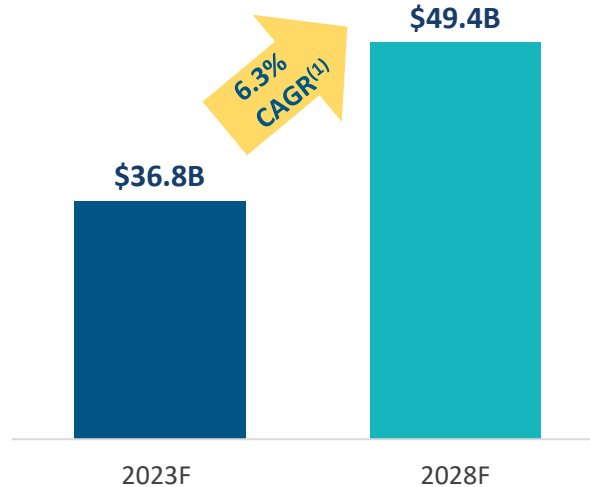
- Expect to issue second TCFD Report
- Further assessment of financial impacts of climate risks and opportunities

\$25B CAPITAL PLAN SUPPORTS LOW-RISK RATE BASE GROWTH

Transmission Driving Incremental Capital



Strong Rate Base Growth Across Regulated Utilities



Regulated Growth Drivers

- Transmission investments
- Clean energy capital
- System adaptation & resiliency
- Customer growth & economic development
- Renewable fuel solutions & LNG

(1) 2023-2028 CAGR calculated based on a constant foreign exchange rate.

\$25B CAPITAL PLAN AT A GLANCE



18%
Major Capital
Projects



\$6.8B
Cleaner Energy
Capital⁽¹⁾

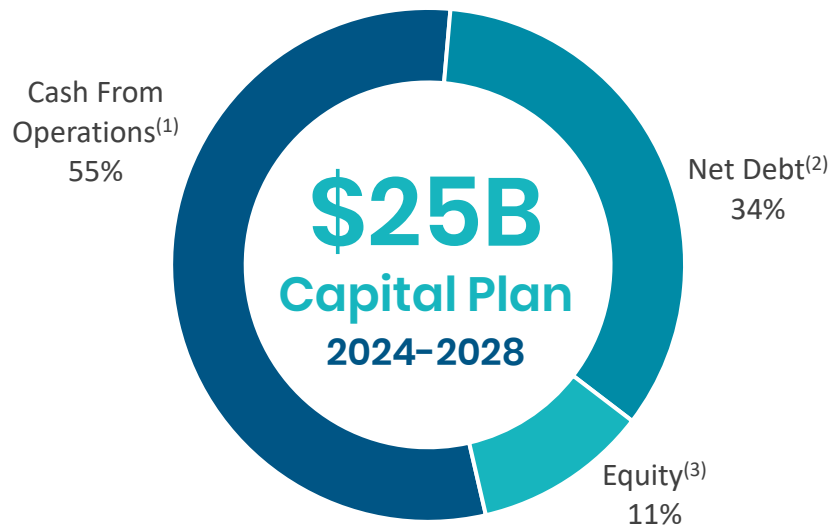


57%
Sustaining
Capital⁽²⁾

(1) Cleaner energy investments defined as capital that supports reductions in air emissions, water usage and/or increases customer energy efficiency.

(2) Capital expenditures required to ensure continued and enhanced performance, reliability and safety.

BALANCED APPROACH TO FUNDING GROWTH



Equity from DRIP Supplemented by ATM Program

- Annual proceeds from DRIP of ~\$400M
- \$500M ATM program to be utilized over time with incremental capital
- Consistent capital structure expected over planning period

4-6% Annual Dividend Growth Guidance Range

- Flexibility to fund more capital with internally generated funds
- Range supports reduction in dividend payout ratio over time in line with historical levels

(1) Cash from operations is a Non-U.S. GAAP financial measure and reflects cash from operating activities net of dividends and customer contributions.

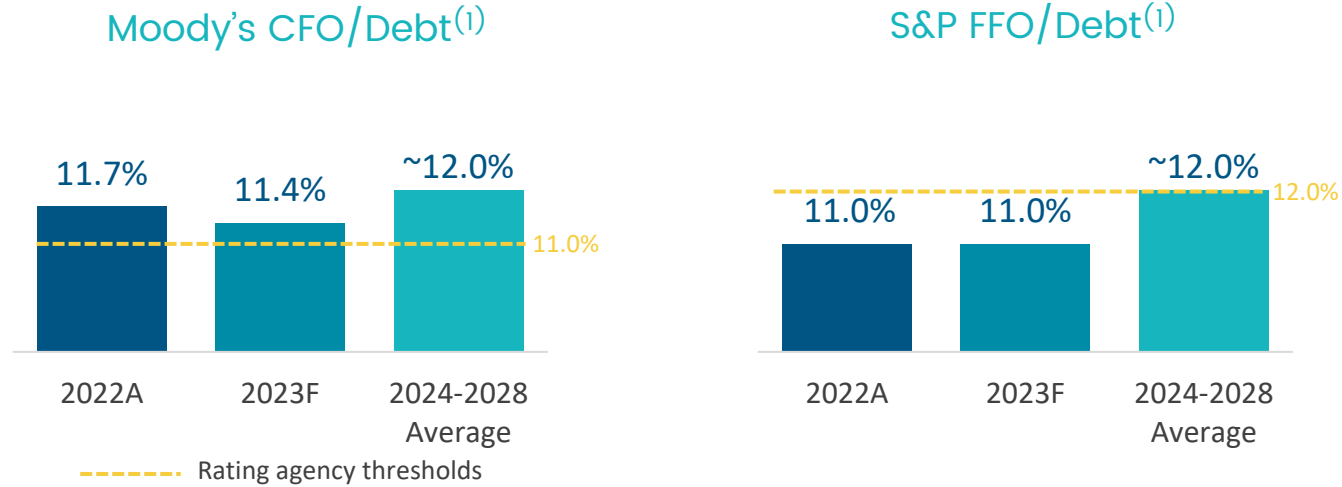
(2) Net debt reflects regulated and non-regulated debt issuances, net of repayments.

(3) Reflects common shares issued under the Corporation's dividend reinvestment, stock option and employee share purchase plans and at-the-market program.

INVESTMENT-GRADE CREDIT RATINGS



CREDIT METRICS



Credit Ratings

<p>S&P Global</p> <p>A⁻(2)</p>	<p>MOODY'S</p> <p>Baa3</p>	<p>MORNINGSTAR DBRS</p> <p>A (low)</p>
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Key Credit Strengths

- Strong business risk profile
- Effectively 100% regulated – stable and predictable cash flows
- Geographic and regulatory diversity
- Constructive regulatory frameworks

(1) Forecast credit metrics calculated on a constant foreign exchange basis.

(2) S&P rating reflects the issuer credit rating. Fortis' unsecured debt rating is BBB+. In November 2023, S&P revised its outlook on Fortis from stable to negative on rising exposure to physical events including wildfires, storms, hurricanes and flooding. S&P also revised the FFO/Debt downgrade threshold from 10.5% to 12.0%.

BEYOND THE PLAN



Inflation Reduction Act

- A catalyst for future transmission investments
- Generation supporting IRPs in Arizona⁽¹⁾
- Interconnecting renewables to the grid
- Electric vehicle infrastructure
- Funding for community transition from fossil fuels



Climate Adaption & Grid Resiliency

- Investing to withstand more severe weather
- Under various climate scenarios and geographies



Renewable Fuel Solutions & LNG

- RNG & hydrogen to support British Columbia
- Develop Canadian LNG resources to aid in international energy security and GHG reductions

(1) Incremental opportunity of ~US\$2.0-4.0 billion at TEP and \$0.5-1.0 billion at UNS Electric through 2038.

LONG CAPEX RUNWAY



Responding to stakeholder expectations and capitalizing on opportunities to expand & extend growth



Connect more renewable generation to the grid



Replace aging assets to maintain reliability



Build more renewable generation



Invest in technology to ensure security and improve service and efficiency



Provide alternative energy sources to reduce emissions



Prepare grid for additional electrification



Accelerate climate change adaptation for reliability, grid resiliency and hardening



Business development in existing footprint



DIVIDEND GUIDANCE SUPPORTED BY LONG-TERM GROWTH STRATEGY

4.4%

Dividend Increase
in Q4 2023

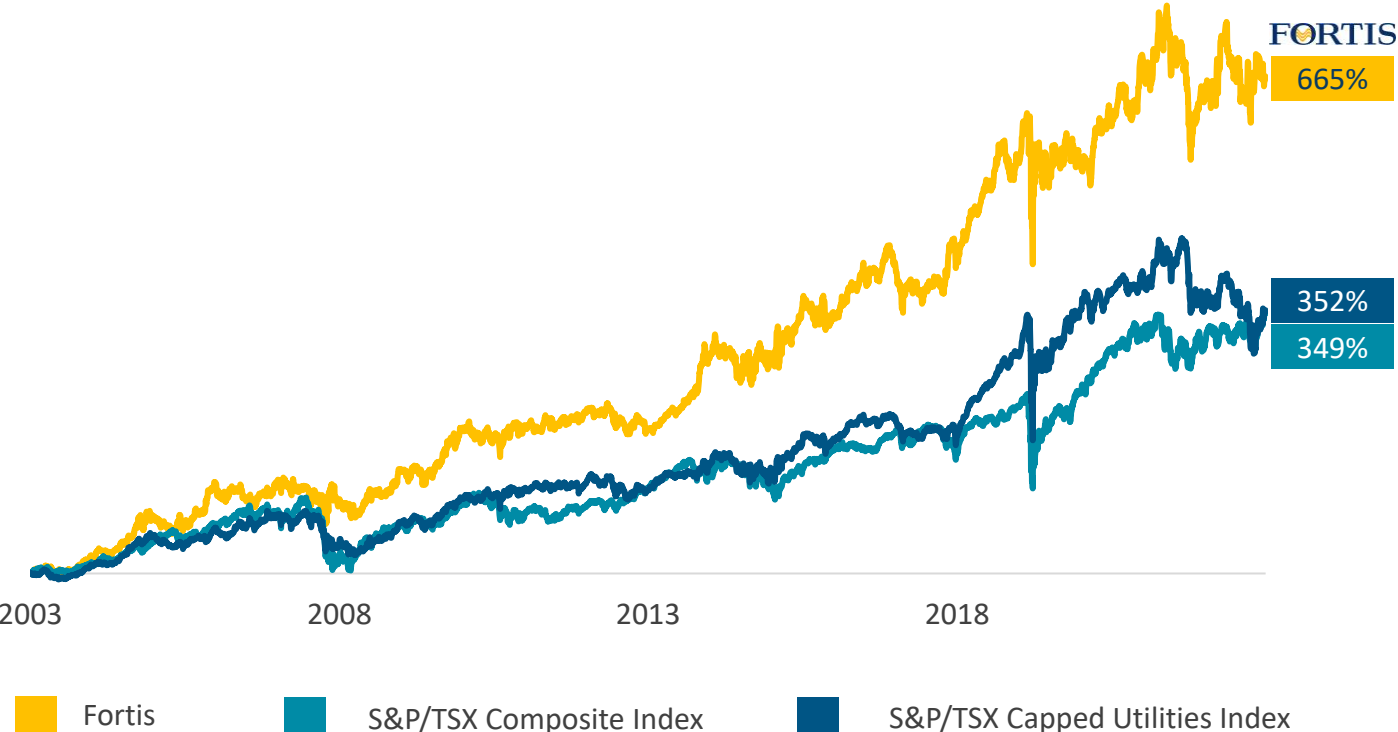
4-6%

Annual Dividend
Growth Guidance
Extended through 2028



TOTAL SHAREHOLDER RETURNS

Cumulative 20-Year Total Shareholder Return



Average Annual Total Shareholder Returns

1-Year	4.8%
5-Year	7.6%
10-Year	10.1%
20-Year	10.7%

Note: Cumulative 20-year total shareholder return as at December 31, 2023.

WHY INVEST IN FORTIS?

SUSTAINABLE GROWTH

Focused on Executing



**Strong
Rate Base Growth**



**Robust Transmission
Investment Pipeline**



**Transparent
Funding Plan**



**Cleaner
Energy Transition**



**4-6% Annual
Dividend Growth**



**Investment-Grade
Credit Ratings**

LOW-RISK

Safe, Well-Run Utilities



**Strong
Governance**



**Regulatory &
Geographic
Diversity**



**Constructive
Regulatory
Relationships**



**Local Business
Model**



**Virtually
100% Regulated**



**Low
Environmental
Footprint**

APPENDIX



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ITC OVERVIEW

FERC regulated electric transmission utility



25,800 km

Lines of transmission



\$12.0 billion

2024F rate base



Assets in 8 U.S. States

Michigan and Iowa key states



22,971 MW

Peak demand



~700

dedicated employees



Fortis owns 80.1%

Interest in ITC



FERC Rate Regulated

Cost-based, forward-looking
formula rates with annual true-up



**10.77–11.41% Allowed
ROE on 60% Equity**

in MISO and SPP, respectively

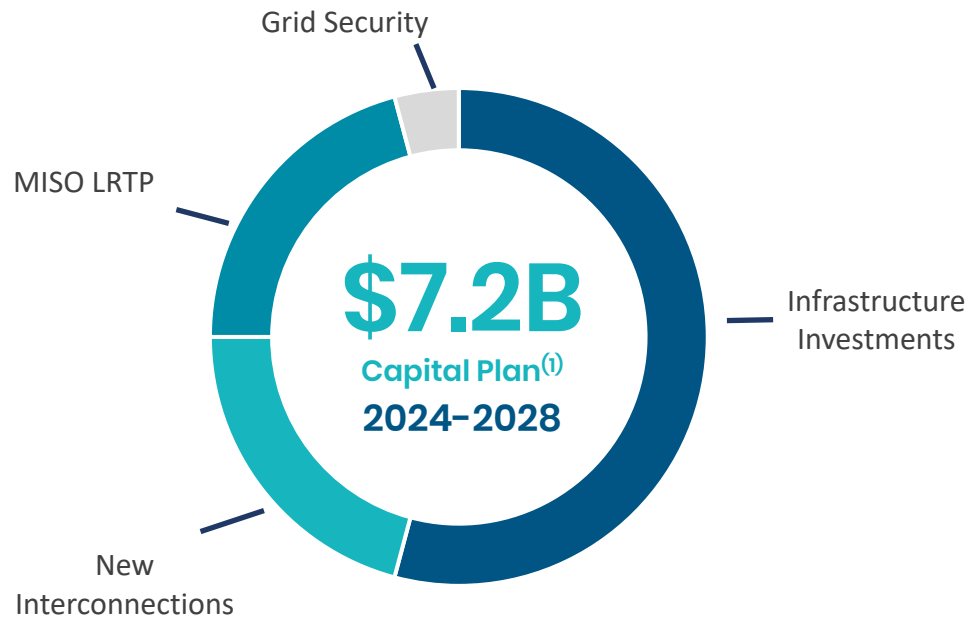


**GREATER GRID >
GREENER FUTURE**



Note: Data as of December 31, 2022 unless otherwise noted

ITC CAPITAL INVESTMENT OVERVIEW



\$3.9B Infrastructure Investments

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



\$1.5B MISO Long-Range Transmission Plan

Includes portion of investments for Tranche 1



\$1.5B New Interconnections

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



\$300M Grid Security

Physical and cyber hardening along with technology upgrades

(1) U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD foreign exchange rate of 1.30.

UNS ENERGY OVERVIEW

Vertically integrated electric and gas utility



23,500 km
of electric T&D lines



5,100 km
of natural gas T&D lines



712,000
electric and gas customers



~2,000
dedicated employees



\$7.6 billion
2024F rate base



2,949 MW
Peak demand



ACC & FERC Regulated
Cost of service/historical test year
& FERC formula transmission rates



9.55% Allowed ROE on
54.32% Equity⁽¹⁾

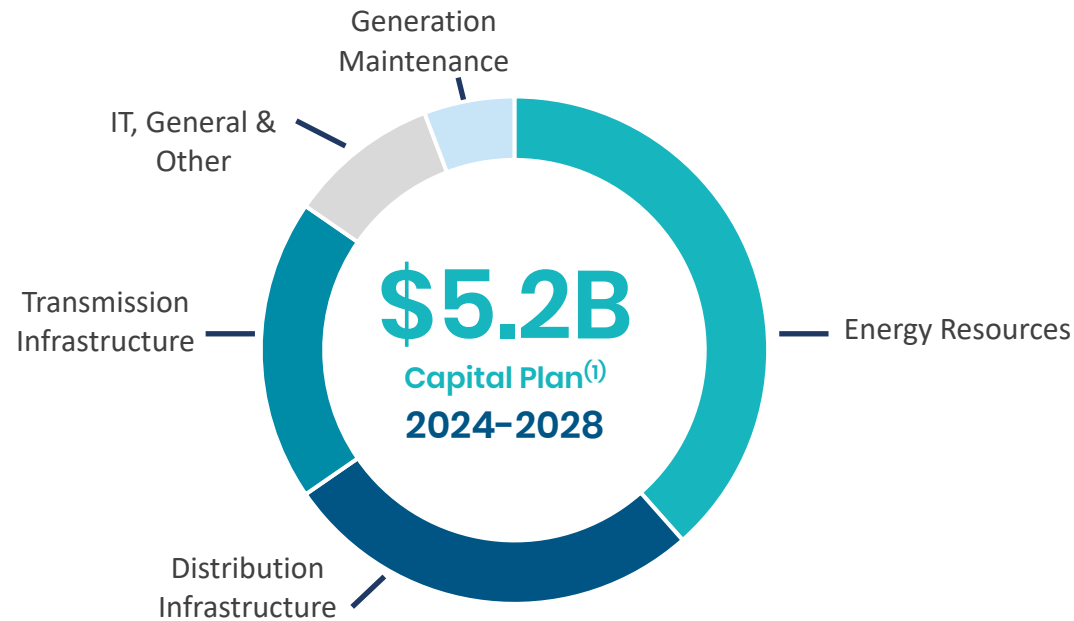
Note: Data as of December 31, 2022 unless otherwise noted

(1) Reflects TEP's cost of capital parameters as approved by the ACC in August 2023. UNS Electric has an allowed ROE of 9.50% on 52.8% equity and UNS Gas has an allowed ROE of 9.75% on 50.8% equity.

BUILDING A SUSTAINABLE & RELIABLE ENERGY FUTURE



UNS ENERGY CAPITAL INVESTMENT OVERVIEW



\$2.0B Energy Resources

Expected energy storage, renewables and other investments associated with exit from coal



\$1.4B Distribution Infrastructure

Grid resiliency and modernization



\$1.0B Transmission Infrastructure

Vail-to-Tortolita, new substations



\$500M IT, General & Other

Supports technology, efficiency and sustainment



\$300M Generation Maintenance

(1) U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD foreign exchange rate of 1.30.

CENTRAL HUDSON OVERVIEW

Electric and gas T&D utility



15,100 km
of electric T&D lines



2,400 km
of natural gas T&D lines



300,000
electric customers



80,000
natural gas customers



~1,100
dedicated employees



\$3.1 billion
2024F rate base



**New York Public Service
Commission Regulated**

Cost of service on future test year



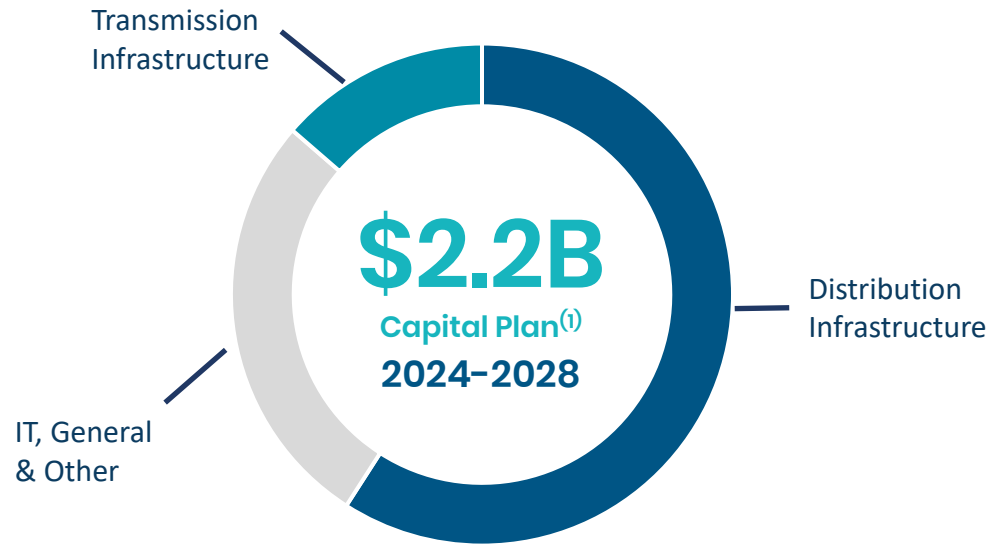
9.0% **48%**
Allowed Equity
ROE Ratio

Note: Data as of December 31, 2022 unless otherwise noted



**TOGETHER WE
POWER ENDLESS
POSSIBILITIES**

CENTRAL HUDSON CAPITAL INVESTMENT OVERVIEW



\$1.3B Distribution Infrastructure

Distribution automation and modernization



\$600M IT, General & Other

Building the Workforce of the Future



\$300M Transmission Infrastructure

Replacement of aging infrastructure

(1) U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD foreign exchange rate of 1.30.

FORTISBC OVERVIEW

Gas LDC and integrated electric utility



51,200 km
of natural gas T&D lines



~2,600
dedicated employees



7,300 km
of electric T&D lines



\$7.6 billion
2024F rate base



1.1 million
natural gas customers



BCUC Regulated
Cost of service with
incentive mechanisms



188,000
electric customers



9.65%
Allowed
ROEs⁽¹⁾

Gas	45%
Electric	41%
Equity Ratios ⁽¹⁾	

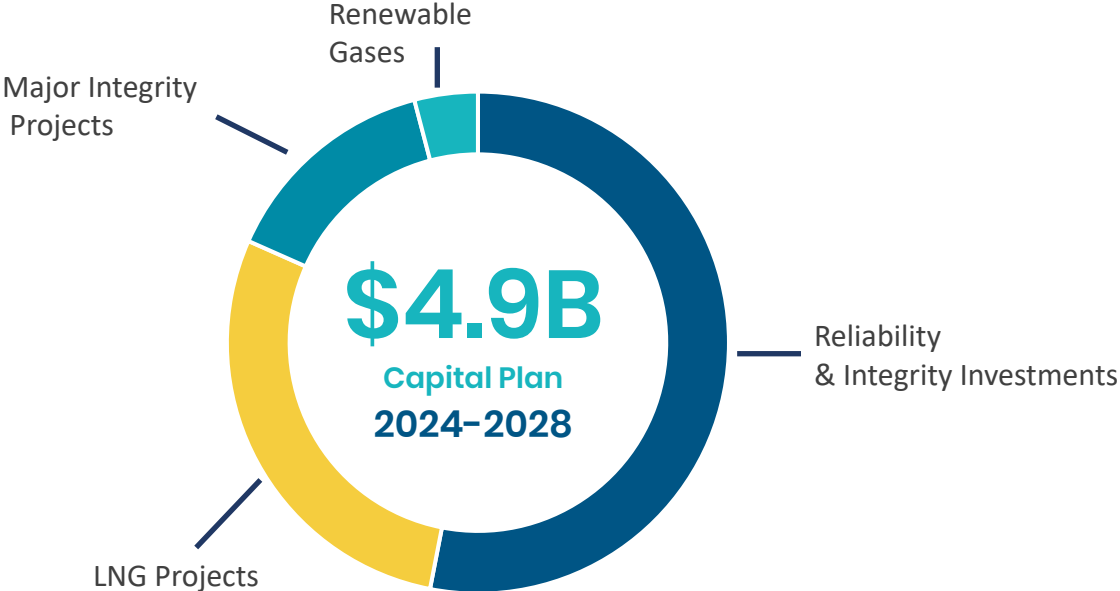
Note: Data as of December 31, 2022 unless otherwise noted

(1) Reflects cost of capital parameters approved by the BCUC in September 2023.



**ENERGY FOR
A BETTER BC**

FORTISBC CAPITAL INVESTMENT OVERVIEW



\$2.6B Reliability & Integrity Investments

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



\$1.4B LNG Projects

Tilbury 1B
Tilbury LNG Storage Expansion
Eagle Mountain Woodfibre Gas Line Project



\$700M Major Integrity Projects

Advanced Metering Infrastructure Project
Okanagan Capacity Upgrade



\$200M Renewable Gases

Hydrogen and renewable natural gas
Natural gas for transportation

FORTISALBERTA OVERVIEW

Electric distribution utility



90,200 km
distribution lines



\$4.4 billion
2024F rate base



584,000
customers



~85%
of revenue derived from
fixed-billing determinants



2,767 MW
Peak demand



AUC Regulated
PBR setting



~1,100
dedicated employees



9.28% **37%**
Allowed ROE⁽¹⁾ Equity Ratio

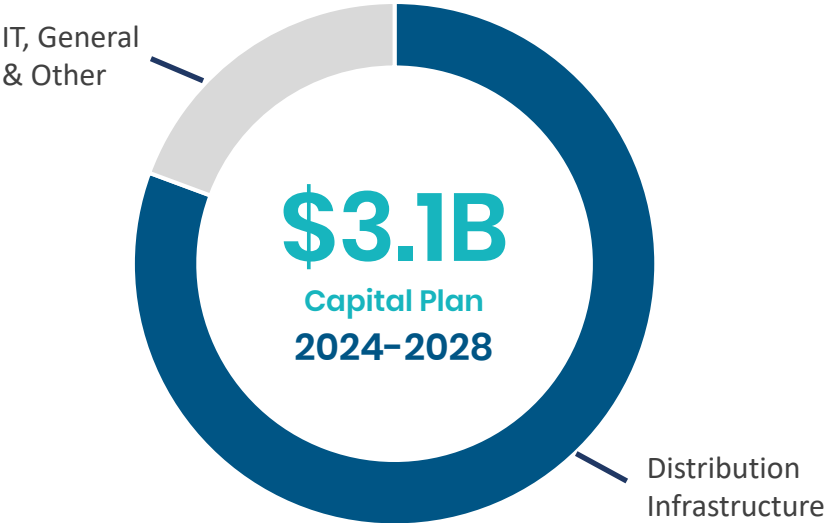
Note: Data as of December 31, 2022 unless otherwise noted

(1) Reflects cost of capital parameters approved by the AUC in October 2023, including the allowed ROE for 2024 set by the AUC in November 2023.



THE LINE THAT CONNECTS US ALL

FORTISALBERTA CAPITAL INVESTMENT OVERVIEW



\$2.5B Distribution Infrastructure

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



\$600M IT, General & Other

OTHER ELECTRIC OVERVIEW

Electric T&D utilities



23,110 km
of electric T&D lines



Five
regulated electric utilities⁽¹⁾



480,000
customers



Equity investments
Wataynikaneyap Partnership &
Belize Electricity



~1,500
dedicated employees



Three
North American countries



\$3.7 billion
2024F rate base



8.75% **43.0%**
Allowed Equity
ROE⁽²⁾ Ratio⁽²⁾

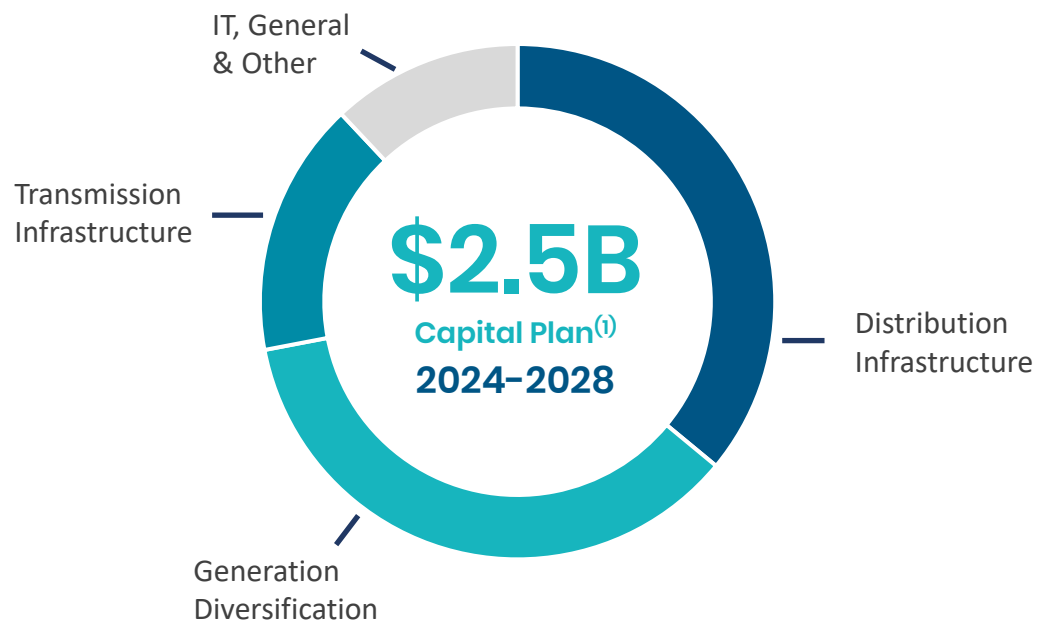
Note: Data as of December 31, 2022 unless otherwise noted

- (1) Includes Newfoundland Power, Maritime Electric, FortisOntario, FortisTCl and Fortis' approximately 60% interest in Caribbean Utilities.
- (2) Reflects weighted average allowed ROE and equity ratio for Newfoundland Power (8.50% / 45%), Maritime Electric (9.35% / 40%) and FortisOntario (8.52%-9.30% / 40%). Caribbean Utilities and FortisTCl each achieved ROEs of 10.8% for 2022 and earn a rate of return on rate base.



DELIVERING A CLEANER ENERGY FUTURE

OTHER ELECTRIC CAPITAL INVESTMENT OVERVIEW



\$900M Distribution Infrastructure



\$900M Generation Diversification



\$400M Transmission Infrastructure



\$300M IT, General & Other

(1) U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD foreign exchange rate of 1.30.

2024–2028 CAPITAL PLAN BY BUSINESS UNIT

Capital Plan						
(\$MILLIONS)	2024F	2025F	2026F	2027F	2028F	2024-2028 TOTAL
Regulated – Independent Electric Transmission						
ITC	1,252	1,474	1,449	1,477	1,537	7,189
Regulated – U.S. Electric & Gas						
UNS Energy	1,111	854	912	1,310	973	5,160
Central Hudson	408	421	437	421	485	2,172
Total Regulated – U.S. Electric & Gas	1,519	1,275	1,349	1,731	1,458	7,332
Regulated – Canadian & Caribbean Electric & Gas						
FortisBC Energy	564	848	925	1,163	699	4,199
FortisAlberta	586	574	623	629	657	3,069
FortisBC Electric	134	152	158	150	141	735
Other Electric	507	470	484	502	488	2,451
Total Regulated – Canadian & Caribbean Electric & Gas	1,791	2,044	2,190	2,444	1,985	10,454
Non-Regulated	7	4	3	3	2	19
Total Capital Plan	4,569	4,797	4,991	5,655	4,982	24,994

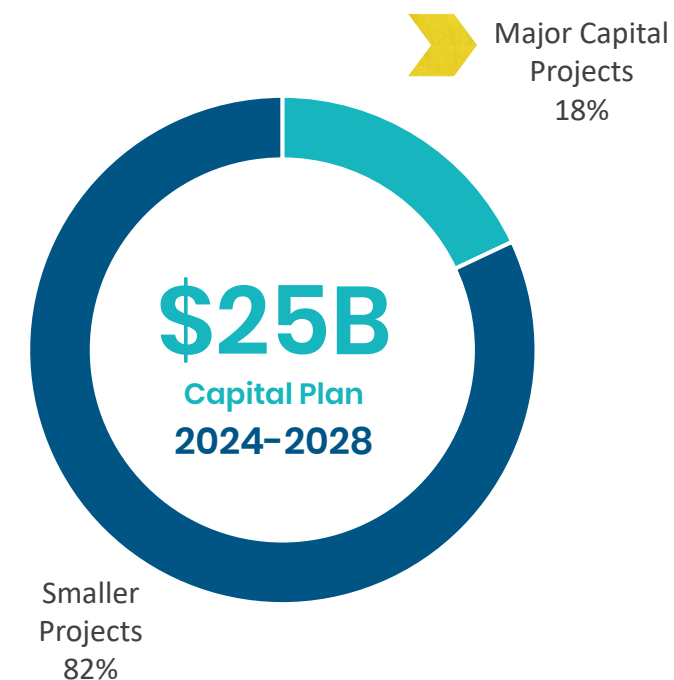
Note: Capital Plan is a forward-looking Non-U.S. GAAP financial measure calculated in same manner as Capital Expenditures. Refer to Q3 2023 MD&A for the Non-U.S. GAAP reconciliation. U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD foreign exchange rate of 1.30.

MAJOR CAPITAL PROJECTS

(\$ Millions)	2023F	2024-2028F	Estimated Completion Date
ITC MISO LRTP ⁽¹⁾	16	1,486	Post-2028
UNS Energy Vail-to-Tortolita Transmission Project	101	273	2026
UNS Energy Renewable Generation ⁽²⁾	-	417	2027
UNS Energy Battery Storage ⁽³⁾	137	345	2025
FortisBC Tilbury LNG Storage Expansion	17	529	Post-2028
FortisBC AMI Project	-	520	2028
FortisBC Eagle Mountain Woodfibre Gas Line Project ⁽⁴⁾	-	420	2027
FortisBC Tilbury 1B Project	16	370	Post-2028
FortisBC Okanagan Capacity Upgrade ⁽⁵⁾	6	209	2026
Wataynikaneyap Transmission Power Project ⁽⁶⁾	187	38	2024

Note: Projects, other than ongoing maintenance projects, individually costing \$200M or more in the forecast/planning period.

- (1) Reflects investments associated with six projects in states with rights of first refusal for incumbent transmission owners. Total estimated transmission investments of US\$1.4-\$1.8B through 2030 inclusive of the US\$1.2B reflected in the 2024-2028 capital plan.
- (2) Reflects expected investments in renewable generation to support TEP's Integrated Resource Plan. Excludes energy storage investments not yet defined.
- (3) Reflects planned battery storage investments, including the Roadrunner Reserve project.
- (4) Capital is net of forecast customer contributions and subject to detailed construction estimates and final determination of the customer contribution.
- (5) In December 2023, the BCUC denied the CPCN application for the Okanagan Capacity Upgrade. While the BCUC agreed with the imminent need to address pipeline capacity shortfalls in the Okanagan Region, the Panel was not persuaded that the project was the optimal solution given the potential future impacts of provincial policy decision on natural gas peak demand over the long-term. The BCUC has instructed FortisBC to investigate short-term solutions to meet capacity needs in the Okanagan Region and submit a plan by the end of July 2024.
- (6) Represents Fortis' 39% share of the estimated capital spending for the project.



2023–2028 RATE BASE BY BUSINESS UNIT

Rate Base

(\$BILLIONS, EXCEPT FOR CAGR)	2023F	2024F	2025F	2026F	2027F	2028F	5-YEAR CAGR to 2028
Regulated – Independent Electric Transmission ITC ⁽¹⁾	11.3	12.0	12.7	13.4	14.4	15.6	7.0%
Regulated – U.S. Electric & Gas							
UNS Energy	7.2	7.6	8.1	8.5	9.0	9.5	6.0%
Central Hudson	3.0	3.1	3.4	3.6	3.8	4.1	6.9%
Total Regulated – U.S. Electric & Gas	10.2	10.7	11.5	12.1	12.8	13.6	6.3%
Regulated – Canadian & Caribbean Electric & Gas							
FortisBC Energy	5.9	5.9	6.3	6.8	7.7	8.4	7.1%
FortisAlberta	4.2	4.4	4.6	4.8	5.0	5.2	4.6%
FortisBC Electric	1.7	1.7	1.8	1.9	1.9	2.0	4.0%
Other Electric ⁽²⁾	3.5	3.7	3.9	4.2	4.4	4.6	6.2%
Total Regulated – Canadian & Caribbean Electric & Gas	15.3	15.7	16.6	17.7	19.0	20.2	5.9%
Total Rate Base Forecast	36.8	38.4	40.8	43.2	46.2	49.4	6.3%

Note: U.S. dollar-denominated rate base converted at a foreign exchange rate of 1.33 for 2023 and 1.30 for 2024-2028. CAGR is calculated on a constant foreign exchange rate basis.

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

(2) Excludes Fortis' 39% ownership of the Wataynikaneyap Transmission Power Project.

ESG LEADERSHIP



Environmental

- 2050 net-zero direct emissions goal, with interim targets to reduce GHG emissions 50% by 2030 and 75% by 2035
- Progress: More than halfway to achieving our 50% by 2030 target with a 29% reduction in Scope 1 emissions relative to 2019 levels
- 170 MW of coal generation capacity was retired at TEP in June 2022: expect to be coal-free by 2032; seasonal operations commenced at Springerville in 2023
- 15% increase in renewable electricity generation capacity since 2019: TEP plans to add wind, solar and storage through 2038
- Five-year capital plan includes \$6.8B for cleaner energy investments
- At FortisBC, avoided emissions from the use of renewable natural gas in natural gas deliveries increased 275% in 2022 vs. 2021
- Pilot project formed to produce low-carbon hydrogen; FortisBC continues to partner with local universities to study safe and reliable hydrogen blending with natural gas
- FortisBC plans to increase RNG supply so that at least 15% of natural gas consumption comes from renewable and low-carbon gas by 2030

Social

- Building on our strong record of mutually beneficial partnerships with Indigenous peoples
- FortisBC awarded silver-level designation in Progressive Aboriginal Relations™ from the Canadian Council of Aboriginal Business
- 1,800 KM Wataynikaneyap transmission line connecting 17 remote First Nations communities to the Ontario power grid; expected to be completed in 2024
- Focus on just transition by working closely with employees and local leaders to prepare for coal generation retirements and promote sustainable economic growth
- ~\$10M of community investment in 2022

Governance

- Ranked #2 out of 219 S&P/TSX companies in The Globe & Mail 2023 Board Games
- Independent chair; 11 of 12 directors are independent
- 58% of Fortis board members are women; 2 of 12 identify as a visible minority
- Average board tenure of 4.8 years
- Women currently represent 50% of the Fortis Inc. executive leadership team
- 82% of Fortis utilities have a female in the position of CEO or board chair
- Executive compensation linked to climate and diversity targets

SENSITIVITY EXPOSURE

Foreign Exchange

- Assumed forecast USD:CAD FX rate of 1.30 for 2024-2028
- 65% of operating earnings⁽¹⁾ / 60% of capital plan in USD at U.S. & Caribbean utilities
- +/- \$0.05 change in USD:CAD – EPS: \$0.06
Five-year capital plan: \$600M

ROE & Equity Ratio

	ROE +/- 25 bps	Equity +/- 100 bps
ITC	\$0.03	\$0.03
UNS Energy	\$0.02	\$0.01
FortisBC	\$0.01	\$0.01
Central Hudson	\$0.01	\$0.006
FortisAlberta	\$0.01	\$0.01

Note: EPS sensitivities reflect forecasted average annual impacts for 2024-2028. Foreign exchange EPS sensitivity inclusive of the Corporation's hedging activities.

(1) Non-U.S. GAAP financial measure for year ended December 31, 2022. Excludes Net Expense of Corporate and Other segment.



ONGOING REGULATORY PROCEEDINGS



MISO Base ROE – In 2022, the U.S. Court of Appeals for the D.C. Circuit vacated certain FERC orders that established the methodology used to calculate the MISO base ROE; matter dates back to complaints filed at FERC in 2013 and 2015; DC Circuit noted FERC did not adequately explain why it reintroduced the risk-premium model in its methodology which increased the MISO Base ROE from 9.88% to 10.02%; timing and outcome remains unknown

Notice of Proposed Rulemaking on Incentives – In 2021, FERC issued a supplemental NOPR proposing to eliminate the 50-bps RTO adder for transmission owners that have been RTO members for more than three years; stakeholder comments filed in June 2021; the supplemental NOPR and the initial incentive NOPR remain outstanding

Iowa Transmission Right of First Refusal – In December 2023, the Iowa District Court ruled the Iowa ROFR statute unconstitutional; the District Court issued an injunction enjoining further action under or in reliance on the ROFR legislation, preventing any action on MISO LRTP Tranche 1 projects in Iowa⁽¹⁾ that depends on the ROFR; ITC has filed a motion for reconsideration with the District Court; timing and outcome of the proceeding remains unknown

Customer Information System Implementation – In January 2023, Central Hudson filed a response to the PSC's show cause order in respect of its new CIS; interim agreement reached with the PSC in July 2023 including independent third-party verification of recent system improvements relating to billing system and acceleration of plans to perform monthly meter reading; timing and outcome of the proceeding remains unknown



General Rate Application – In July 2023, a general rate application was filed with the PSC requesting new rates effective July 1, 2024; application seeks an allowed ROE of 9.8% and 50% common equity ratio; timing and outcome of proceeding is unknown

(1) ITC's five-year capital plan includes ~US\$900M in MISO LRTP Tranche 1 projects in Iowa. Approximately 70% of the Iowa Tranche 1 projects are along existing rights-of-way which under MISO's tariff grants ITC the option to build these projects regardless of the outcome of the ROFR legislation. The remaining 30% could be subject to competitive bidding if ROFR legislation is not secured in Iowa.

Q3 SALES TRENDS



Other
Electric

CHANGE IN RETAIL ENERGY SALES	Q3 2023 vs. Q3 2022 SALES TRENDS
N/A	<ul style="list-style-type: none"> Peak load up 1% due to warmer weather and economic conditions
+7%	<ul style="list-style-type: none"> Increase primarily due to higher air conditioning load associated with warmer temperatures; excluding weather impacts, retail sales up 1%
-1%	<ul style="list-style-type: none"> Decrease primarily due to milder weather
-1%	<ul style="list-style-type: none"> Residential sales up 6% due to warmer weather and customer additions; C&I sales down 4% due to lower average consumption
-4%	<ul style="list-style-type: none"> Decrease in gas sales primarily due to lower average consumption by transportation customers
-3%	<ul style="list-style-type: none"> Residential electric sales down 12% due to milder weather; C&I electric sales up 3% due to higher average consumption
+4%	<ul style="list-style-type: none"> Eastern Canadian residential sales up 4% and C&I sales up 1% Caribbean sales up 10% due to customer growth and tourism



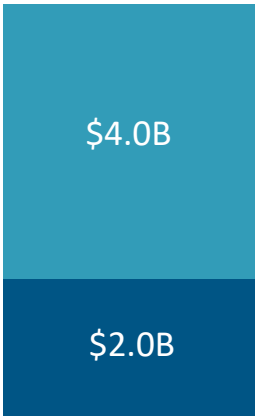
(1) Excludes wholesale sales at UNS Energy.

LIQUIDITY & CREDIT RATINGS

Raised \$2.0B+ in Long-Term Debt Through Sept. 2023

- ITC – US\$800M notes⁽¹⁾
- UNS Energy – US\$425M notes⁽²⁾
- FortisAlberta – \$200M 30-year 4.86% debentures
- Central Hudson – US\$90M notes⁽³⁾
- Other Electric - \$150M bonds⁽⁴⁾

Credit Facilities



September 30, 2023

■ Utilized ■ Remaining capacity

Credit Ratings

S&P Global	A ⁻⁽⁵⁾
MOODY'S	Baa3
MORNINGSTAR DBRS	A (low)

(1) Includes US\$500M 10-year 5.40% notes and US\$300M 4-year 4.95% notes. ITC entered interest rate locks which reduced the effective interest rate on the US\$500M notes to 5.32%.

(2) Includes US\$375M 30-year 5.50% notes and US\$50M 15-year 5.65% notes.

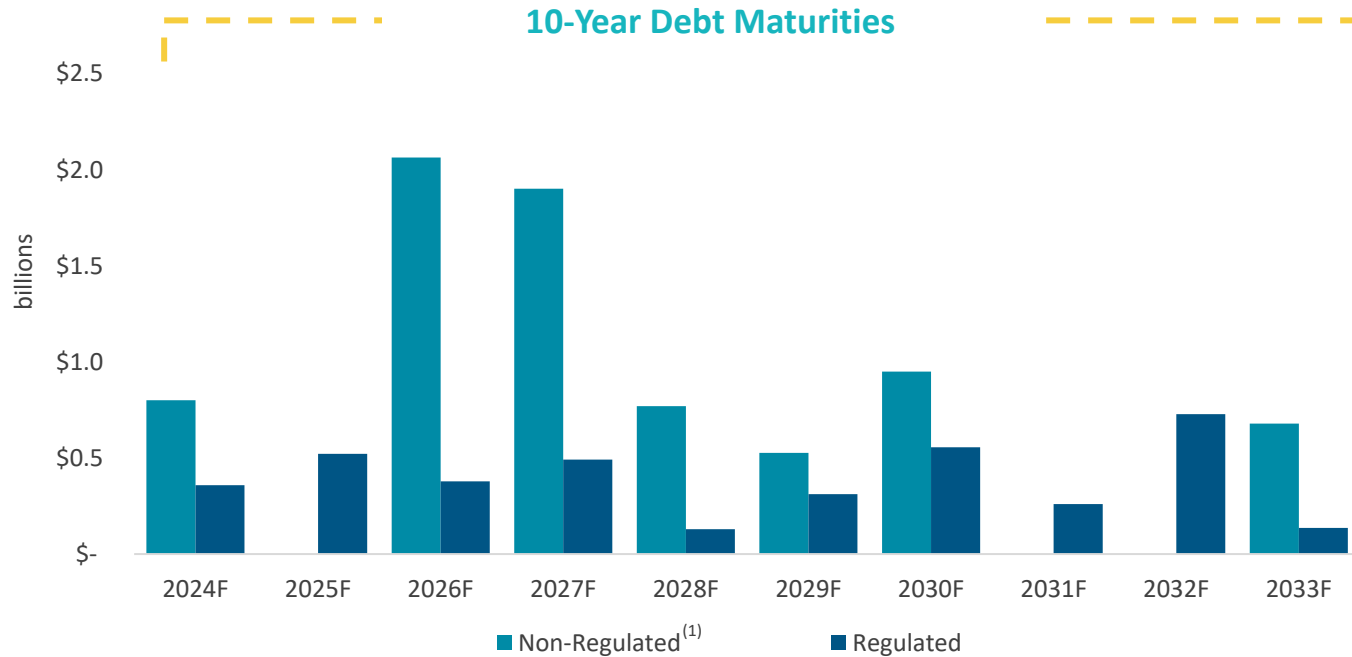
(3) Includes US\$40M 10-year 5.68% notes, US\$15M 12-year 5.78% notes and US\$35M 15-year 5.88% notes.

(4) Includes \$90M 30-year 5.12% bonds at Newfoundland Power and \$60M 30-year 5.20% bonds at Maritime Electric.

(5) S&P rating reflects the issuer credit rating. Fortis' unsecured debt rating is BBB+. S&P rating reflects the issuer credit rating. Fortis' unsecured debt rating is BBB+. In November 2023, S&P revised its outlook on Fortis from stable to negative on rising exposure to physical events including wildfires, storms, hurricanes and flooding. S&P also revised the FFO/Debt downgrade threshold from 10.5% to 12.0%.

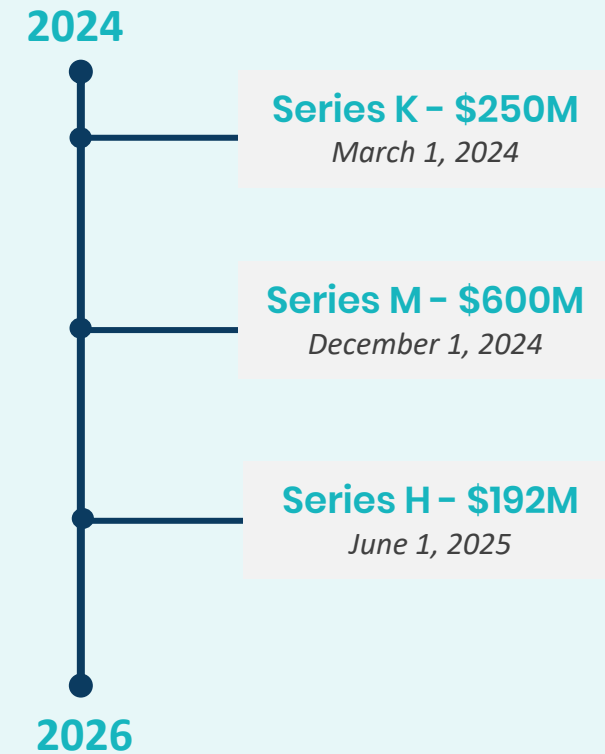
DEBT MATURITIES & PREFERENCE SHARE DIVIDENDS

Debt Maturities



(1) Includes non-regulated debt issued at Fortis Inc. and ITC Holdings.

Preference Share Dividend Rate Resets



STRONG INVESTMENT-GRADE CREDIT RATINGS

COMPANY	S&P Global ⁽¹⁾	MOODY'S	MORNINGSTAR DBRS
Fortis Inc.	A ⁻⁽²⁾	Baa3	A (low)
ITC Holdings Corp.	A ⁻⁽²⁾	Baa2	n/a
ITC Regulated Subsidiaries	A	A1	n/a
TEP	A-	A3	n/a
Central Hudson	BBB+	Baa1	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) In November 2023, S&P revised its outlook on Fortis and its subsidiaries from stable to negative on rising exposure to physical events including wildfires, storms, hurricanes and flooding.

(2) 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+. S&P rating reflects the issuer credit rating. Fortis' unsecured debt rating is BBB+.



STRONG LEADERSHIP TEAM

Fortis Inc. Executive



David Hutchens
President & CEO



Jocelyn Perry
EVP, CFO



Jim Reid
EVP, Sustainability & CLO



Gary Smith
EVP, Operations & Innovation



Stuart Lochray
Sr. VP Capital Markets & Business Development

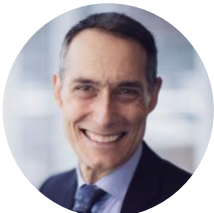
Utility CEOs



Linda Apsey
ITC



Chris Capone
Central Hudson



Roger Dall'Antonia
FortisBC



Ruth Forbes
FortisTCl



Susan Gray
UNS Energy



Glen King
FortisOntario



Richard Hew
Caribbean Utilities



Kay Menzies
Fortis Belize



Gary Murray
Newfoundland Power



Jason Roberts
Maritime Electric



Janine Sullivan
FortisAlberta

GLOSSARY

ACC	Arizona Corporation Commission
AFUDC	allowance for funds used during construction
Aitken Creek	Aitken Creek Gas Storage ULC, a direct 93.8%-owned subsidiary of FortisBC Holdings Inc.
AMI	Advanced Metering Infrastructure
ATM	At-the-market equity program
AUC	Alberta Utilities Commission
BCUC	British Columbia Utilities Commission
Belize Electricity	Belize Electricity Limited, in which Fortis indirectly holds a 33% equity interest
Board	Board of Directors of the Corporation
C&I	commercial and industrial
CAGR	compound average growth rate of a particular item. $CAGR = (EV/BV)^{1/N} - 1$, where: (i) EV is the ending value of the item; (ii) BV is the beginning value of the item; and (iii) N is the number of periods. Calculated on a constant U.S. dollar to Canadian dollar exchange rate
Capital Expenditures	cash outlay for additions to property, plant and equipment and intangible assets as shown in the Annual Financial Statements, as well as Fortis' 39% share of capital spending for the Wataynikanepap Transmission Power Project. See "Non-US GAAP Financial Measures" in Q3 2023 MD&A.
Capital Plan	forecast Capital Expenditures. Represents a non-U.S. GAAP financial measure calculated in the same manner as Capital Expenditures
Caribbean Utilities	Caribbean Utilities Company, Ltd., an indirect approximately 60%-owned (as at December 31, 2022) subsidiary of Fortis, together with its subsidiary
Central Hudson	CH Energy Group, Inc., an indirect wholly owned subsidiary of Fortis, together with its subsidiaries, including Central Hudson Gas & Electric Corporation
CEO	Chief Executive Officer of Fortis
CFO	Chief Financial Officer of Fortis
Common Equity Earnings	net earnings attributable to common equity shareholders
C&I Corporation	commercial and industrial Fortis Inc.
CPCN	Certificate of Public Convenience and Necessity
DBRS Morningstar	DBRS Limited
DRIP	dividend reinvestment plan
EPS	earnings per common share
EPRI	Electric Power Research Institute
ESG	Environment, Social and Governance
EVP	Executive Vice President
FERC	Federal Energy Regulatory Commission
Fortis	Fortis Inc.
FortisAlberta	FortisAlberta Inc., an indirect wholly owned subsidiary of Fortis
FortisBC	FortisBC Energy and FortisBC Electric
FortisBC Electric	FortisBC Inc., an indirect wholly owned subsidiary of Fortis, together with its subsidiaries
FortisBC Energy	FortisBC Energy Inc., an indirect wholly owned subsidiary of Fortis, together with its subsidiaries
FortisOntario	FortisOntario Inc., a direct wholly owned subsidiary of Fortis, together with its subsidiaries
FortisTCI	FortisTCI Limited, an indirect wholly owned subsidiary of Fortis, together with its subsidiary
FX	foreign exchange associated with the translation of U.S. dollar-denominated amounts. Foreign exchange is calculated by applying the change in the U.S.-to-Canadian dollar FX rates to the prior period U.S. dollar balance.

GCOC	generic cost of capital
GHG	greenhouse gas
IRA	Inflation Reduction Act of 2022
IRP	Integrated Resource Plan
km	Kilometre(s)
IT	Information technology
ITC	ITC Investment Holdings Inc., an indirect 80.1%-owned subsidiary of Fortis, together with its subsidiaries, including International Transmission Company, Michigan Electric Transmission Company, LLC, ITC Midwest LLC, and ITC Great Plains, LLC
LNG	liquefied natural gas
L RTP	Long Range Transmission Plan
Major Capital Projects	projects, other than ongoing maintenance projects, individually costing \$200M or more
Maritime Electric	Maritime Electric Company, Limited, an indirect wholly owned subsidiary of Fortis
MD&A	the Corporation's management discussion and analysis
MISO	Midcontinent Independent System Operator, Inc.
Moody's	Moody's Investor Services, Inc.
MW	megawatt(s)
Newfoundland Power	Newfoundland Power Inc., a direct wholly owned subsidiary of Fortis
PBR	performance-based rate-setting
PSC	New York Public Service Commission
Rate Base	the stated value of property on which a regulated utility is permitted to earn a specified return in accordance with its regulatory construct
RNG	renewable natural gas
ROE	rate of return on common equity
RTO	Regional transmission organization
S&P	Standard & Poor's Financial Services LLC
SPP	Southwest Power Pool
T&D	transmission and distribution
TCFD	Task Force for Climate-Related Financial Disclosures
TEP	Tucson Electric Power Company, a direct wholly owned subsidiary of UNS Energy
Total Shareholder Return	Total shareholder return, or TSR, which is a measure of the return to common equity shareholders in the form of share price appreciation and dividends (assuming reinvestment) over a specified time period in relation to the share price at the beginning of the period.
U.S.	United States of America
UNS	UNS Energy Corporation, an indirect wholly owned subsidiary of Fortis, together with its subsidiaries, including TEP, UNS Electric, Inc. and UNS Gas, Inc.
USD:CAD	U.S. Dollar to Canadian Dollar foreign exchange rate
Wataynikanepap Partnership	Wataynikanepap Power Limited Partnership
YTD	Year-to-date