



Investor Relations Presentation

Q4 2017

Forward-Looking Information

Forward-Looking Information

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

Forward-looking information involves significant risk, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time to time in the forward-looking information. Such risk factors or assumptions include, but are not limited to: uncertainty regarding the outcome of regulatory proceedings of the Corporation’s utilities and the expectation of regulatory stability; no material capital project and financing cost overrun related to any of the Corporation’s capital projects; sufficient human resources to deliver service and execute the capital program; the Board of Directors exercising its discretion to declare dividends, taking into account the business performance and financial conditions of the Corporation; risk associated with the impact of less favorable economic conditions on the Corporation’s results of operations; no significant changes in laws and regulations that may materially negatively affect the Corporation and its subsidiaries; and currency exchange rates. Fortis cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors should be considered carefully and undue reliance should not be placed on the forward-looking information. For additional information with respect to certain of these risks or factors, reference should be made to the continuous disclosure materials filed from time to time by Fortis with Canadian securities regulatory authorities and the Securities and Exchange Commission. All forward-looking information included in this presentation is given as of the date of this presentation and Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Unless otherwise specified, all financial information referenced is in Canadian dollars and references to rate base refer to mid-year rate base.

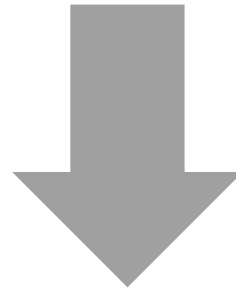
Our Strategy – Simple, Effective, Proven

Strategy

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



Dividend Growth Target:
6% Average Annual
Growth Through 2022



Investment-Grade
Credit Ratings

Strategic Initiatives

Execute
Utility
CAPEX Plan

ITC
Transmission
Growth

Deliver
Cleaner
Energy

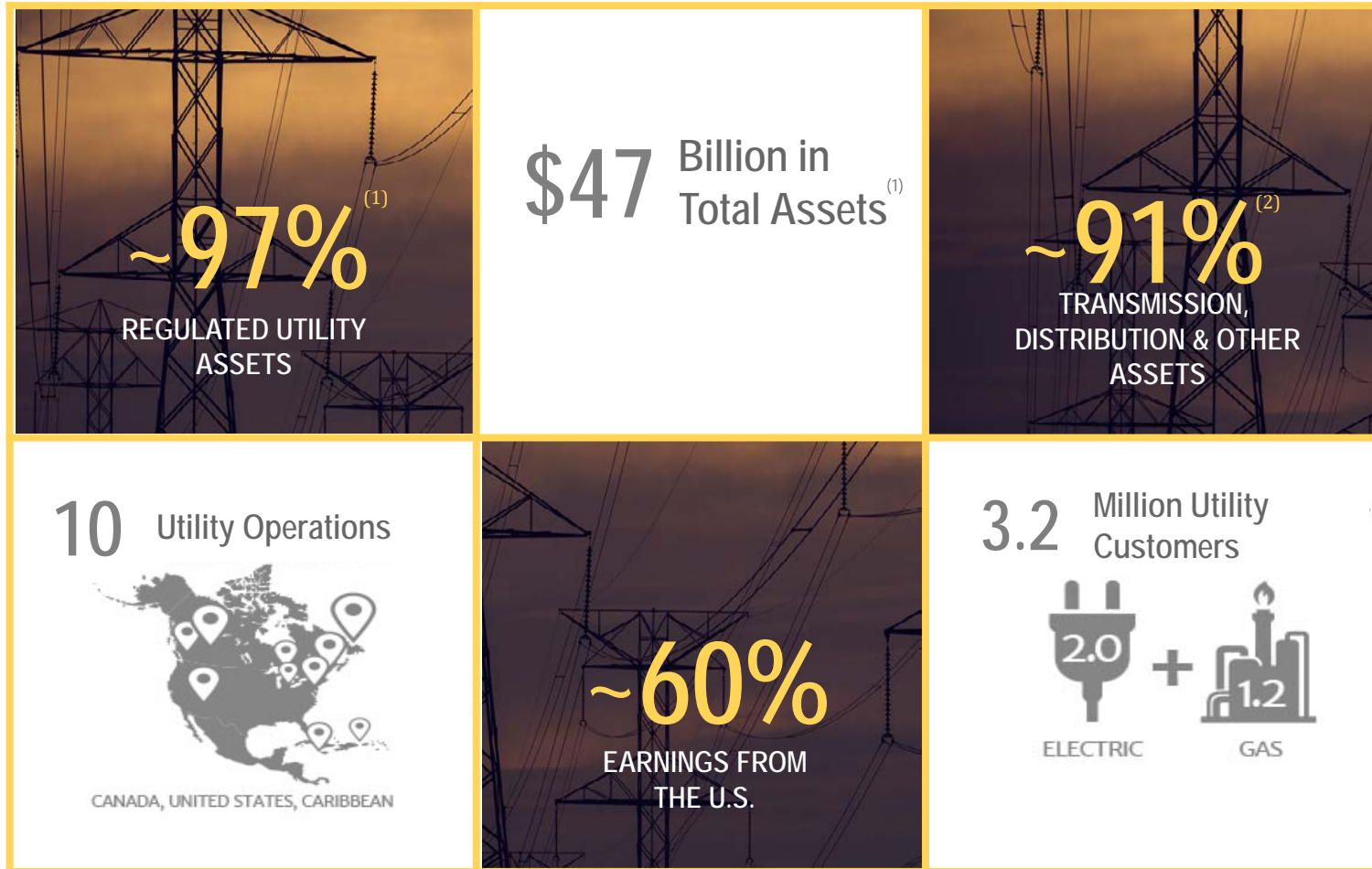
Enhance
Customer &
Regulatory
Relationships

Unlock LNG
Value

Pursue Energy
Infrastructure
in and Near
Existing Service
Territories

High Quality & Diverse Utility Portfolio

Highly regulated, predominantly wires and gas LDCs

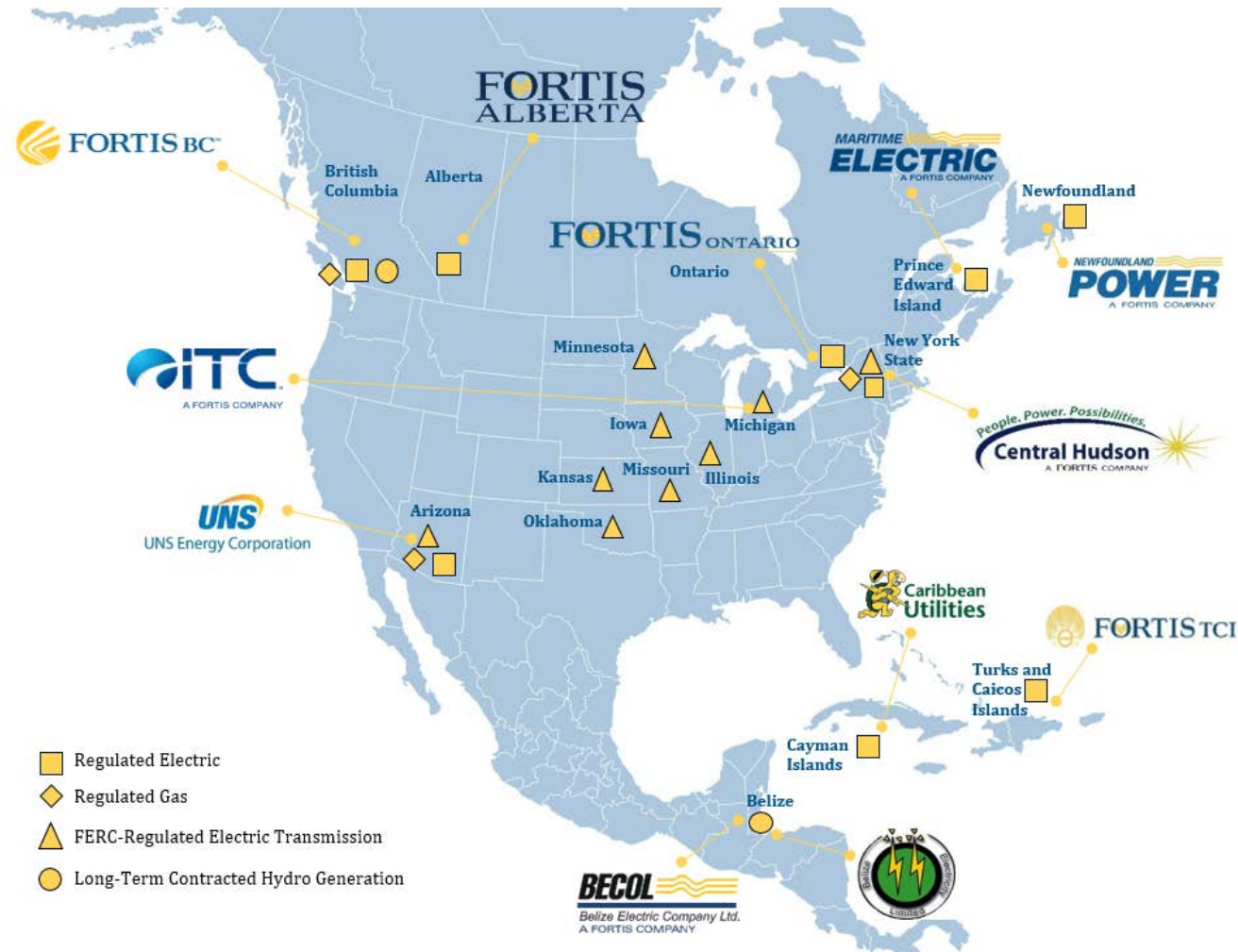


(1) As at September 30, 2017.





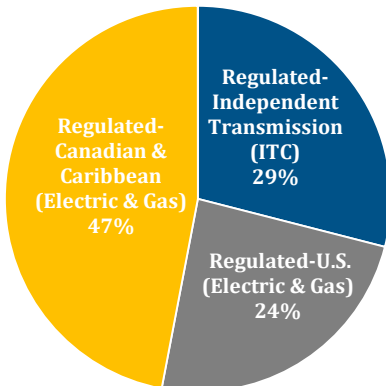

(2) As at December 31, 2016.

High Quality & Diverse Utility Portfolio

One of the lowest-risk utility businesses in North America



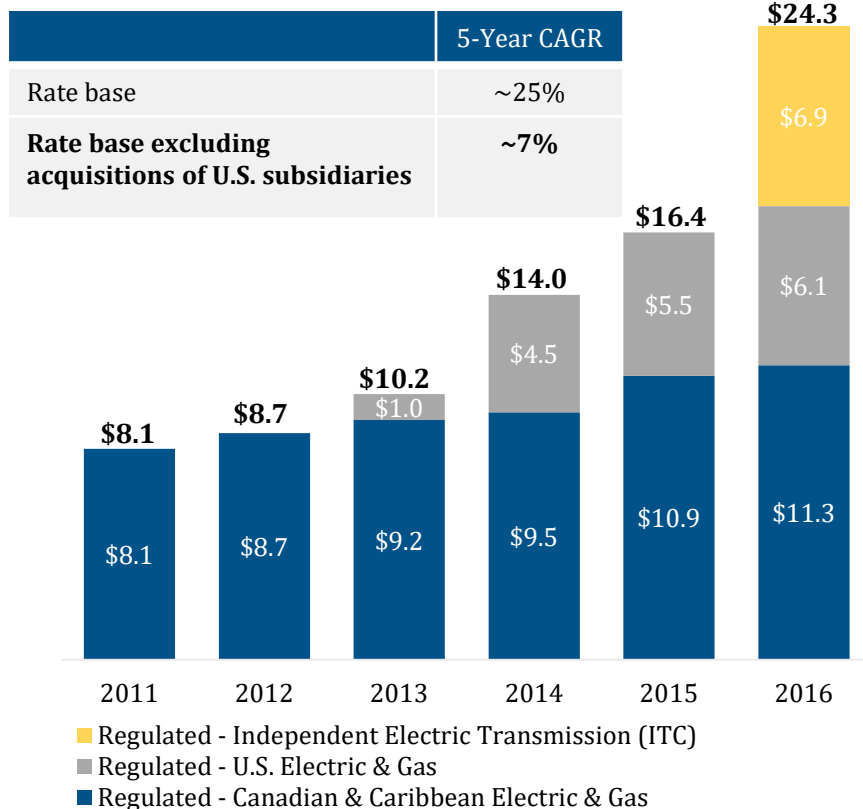
Executing Well in 2017

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

Strong Track Record of Rate Base and EPS Growth

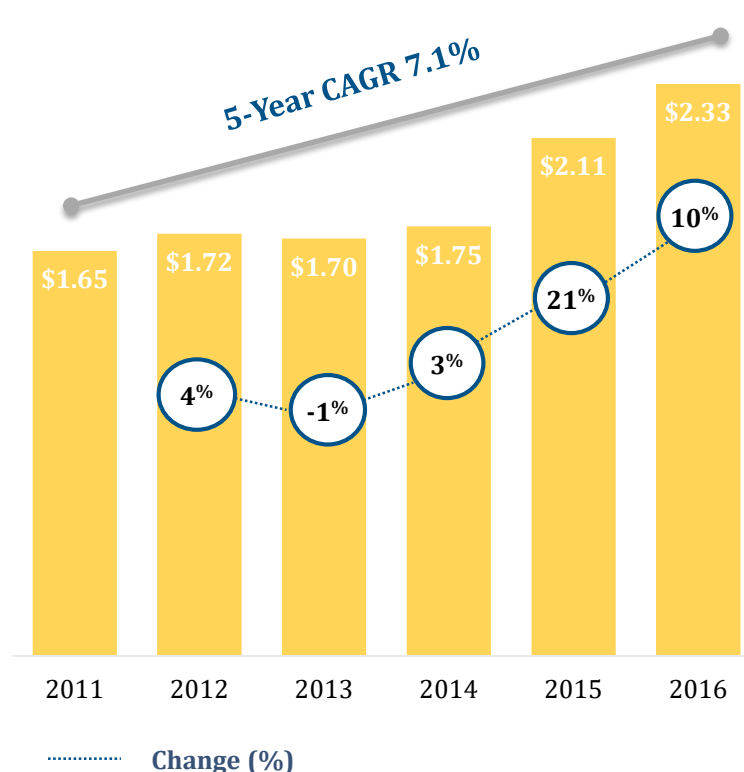
2011 – 2016 Rate Base

(\$ billions⁽¹⁾)



Adjusted Earnings Per Share

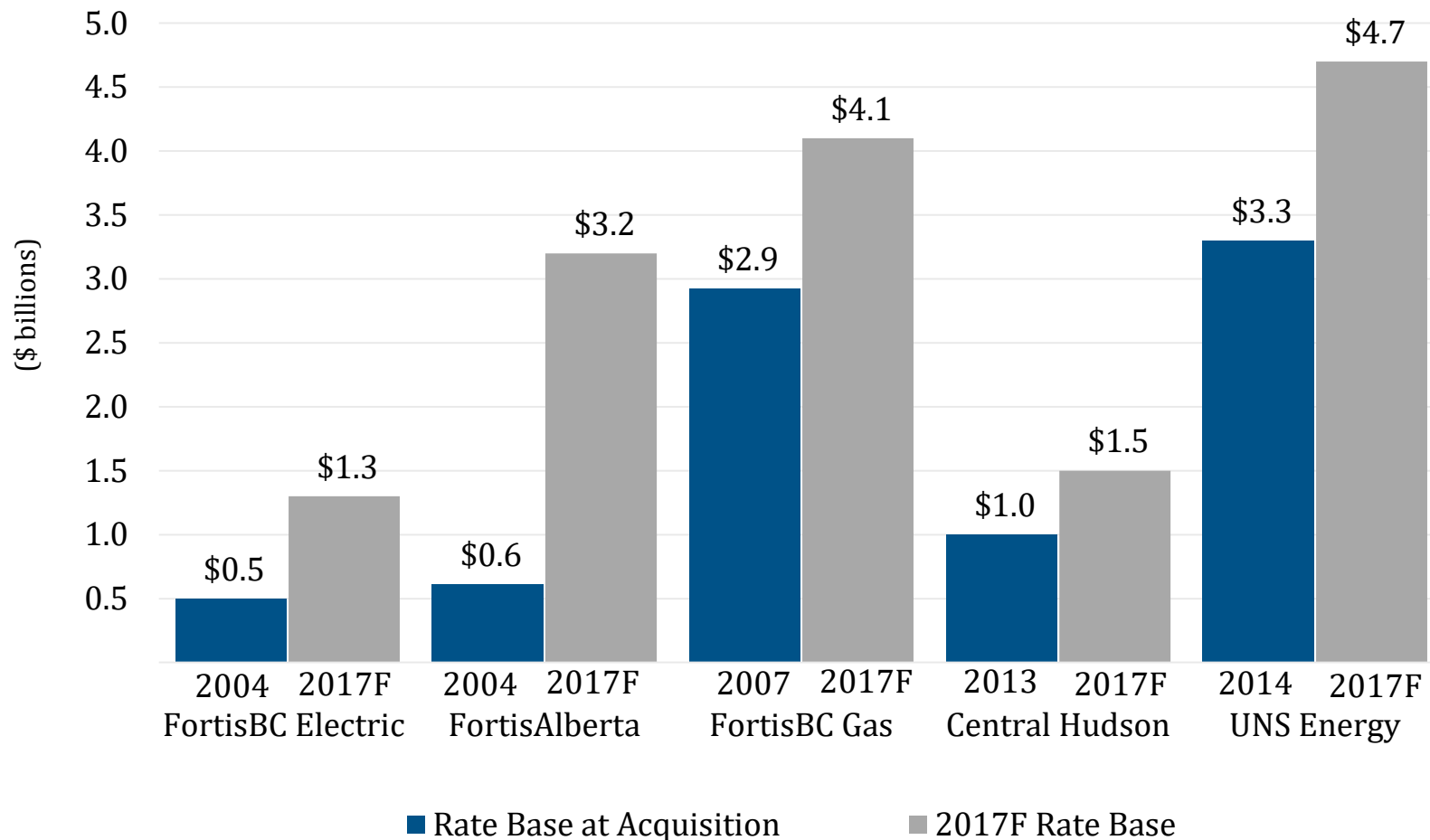
(\$ millions)



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

Past Acquisition Success Delivers Strong Growth Platform Today

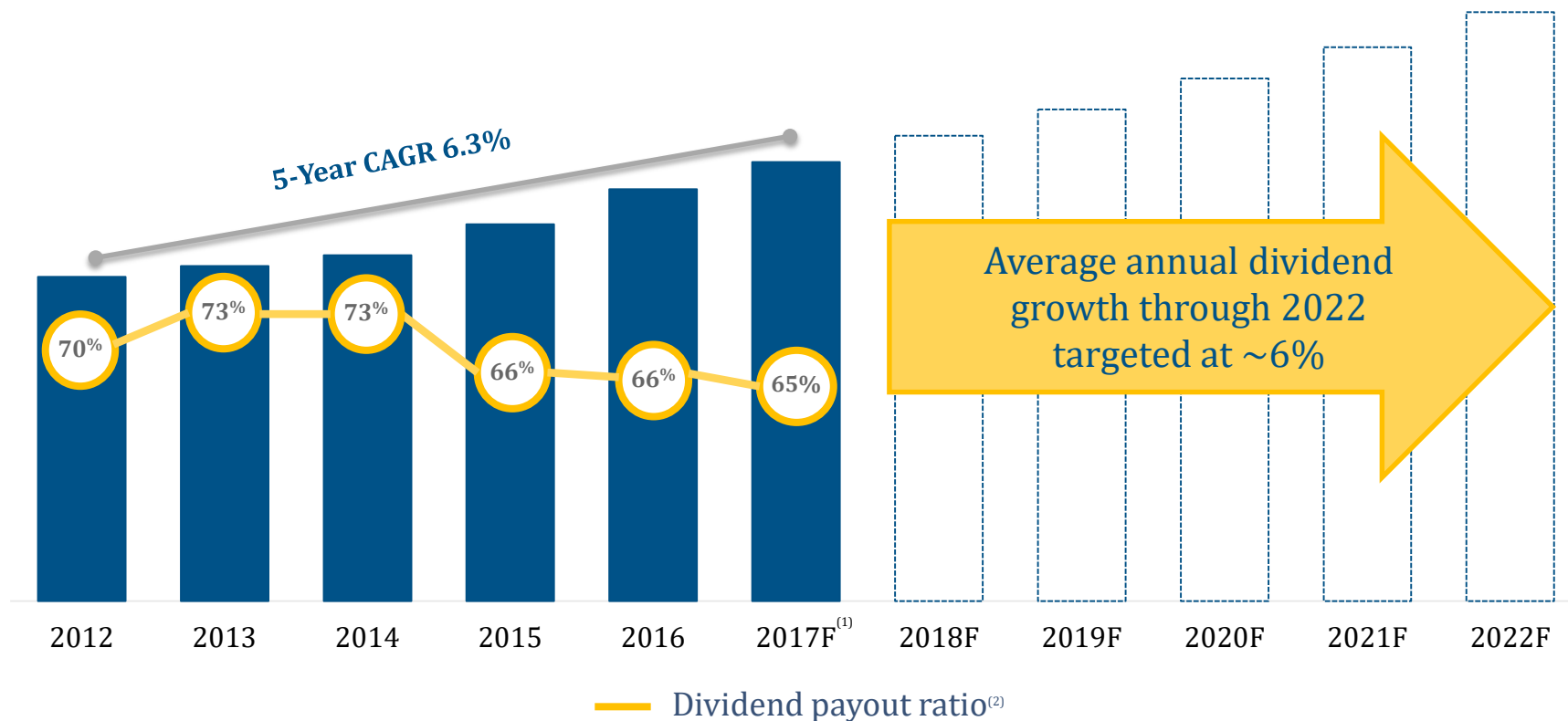
Rate Base from Acquisition to 2017F⁽¹⁾



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

44 Consecutive Years of Annual Dividend Payment Increases

Guidance extended through 2022

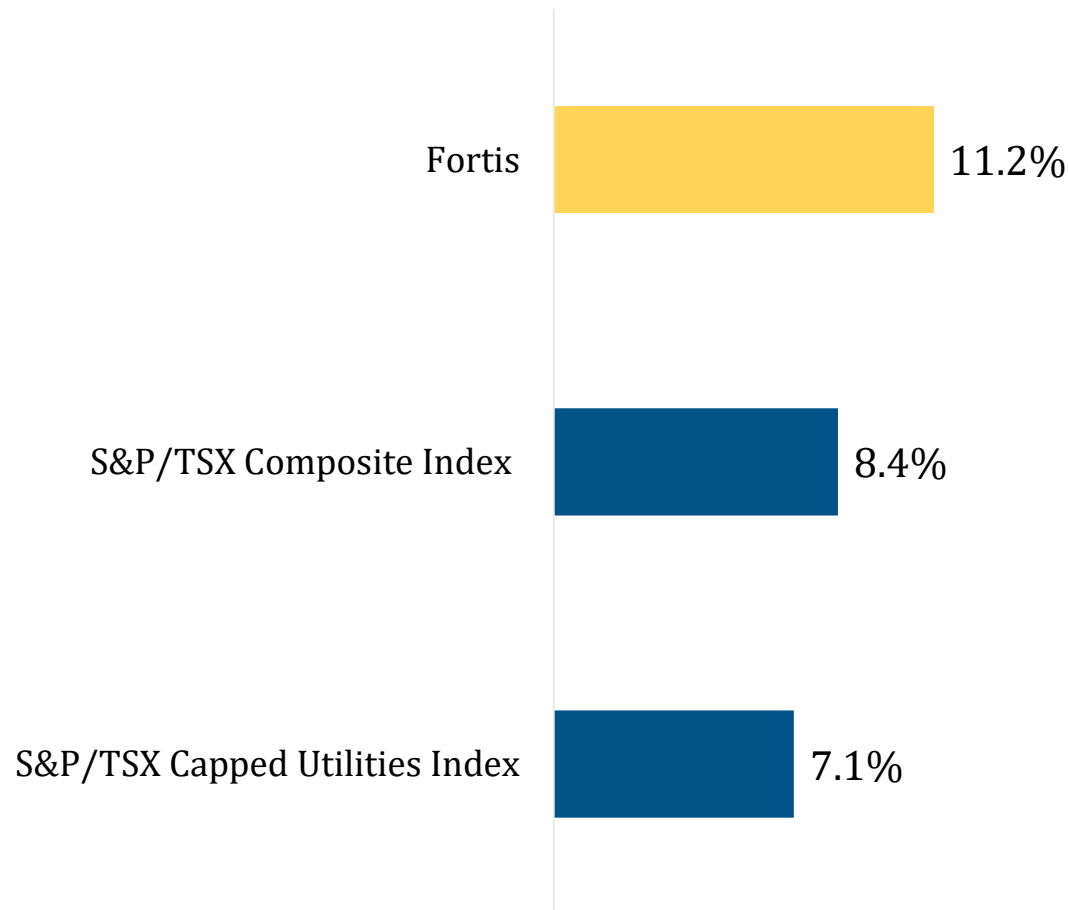


(1) 2017 forecast dividend payout ratio based on the consensus EPS estimate of \$2.49 as at October 31, 2017.

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

Supporting the Delivery of Superior Total Shareholder Returns

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



(1) For the 5-year period ending October 31, 2017.

Credit Metrics Support Credit Ratings

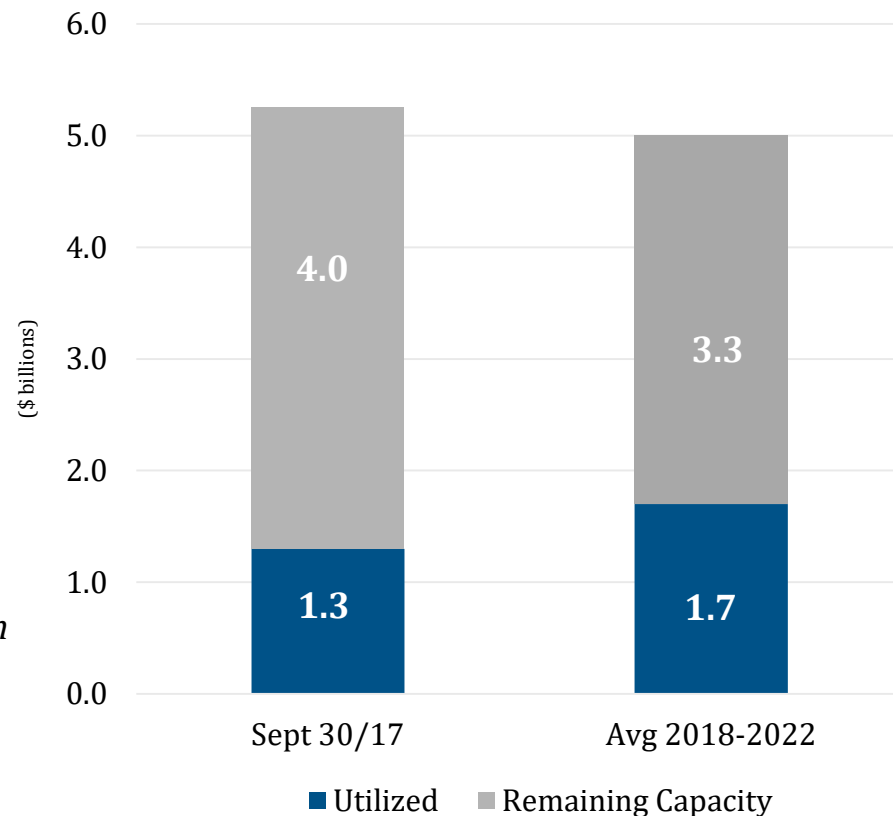
Ample liquidity through forecast period

Credit Ratings

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

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

Consolidated Credit Facilities⁽¹⁾



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

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

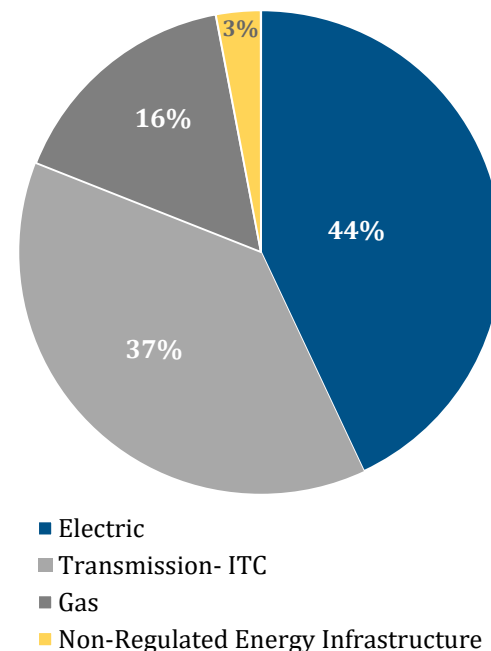
(3) Please refer to Moody’s report for the full assessment.

Regulatory Stability Supporting Highly Regulated Asset Base

Remaining Significant Regulatory Decisions

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

97% Regulated Utility Assets as at September 30, 2017

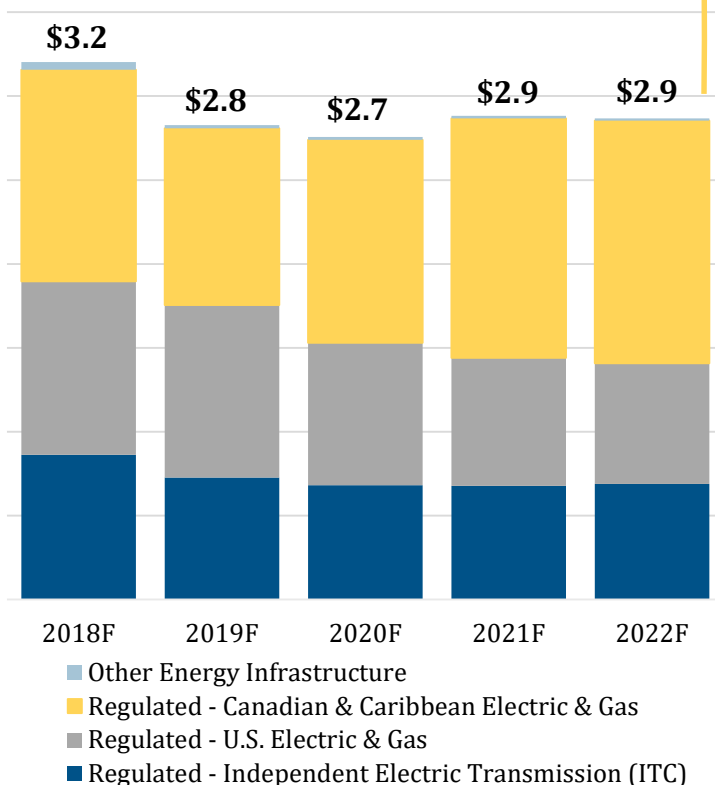


| 2017 | |
|-------------------------|-------|
| Weighted Average | |
| Allowed ROE | 9.75% |
| Actual Equity Thickness | 48.2% |

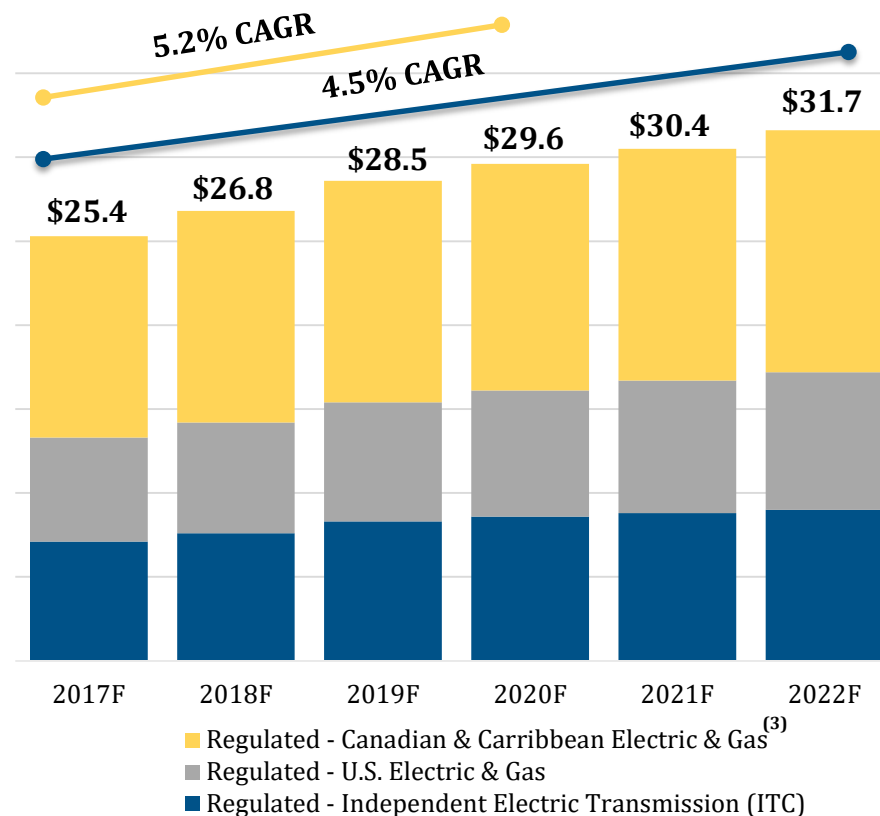
Capital Program Increases Rate Base to ~\$32B by 2022

Capital Expenditures⁽¹⁾
(billions)

\$14.5 Five-Year Capital Plan



Rate Base⁽²⁾
(billions)

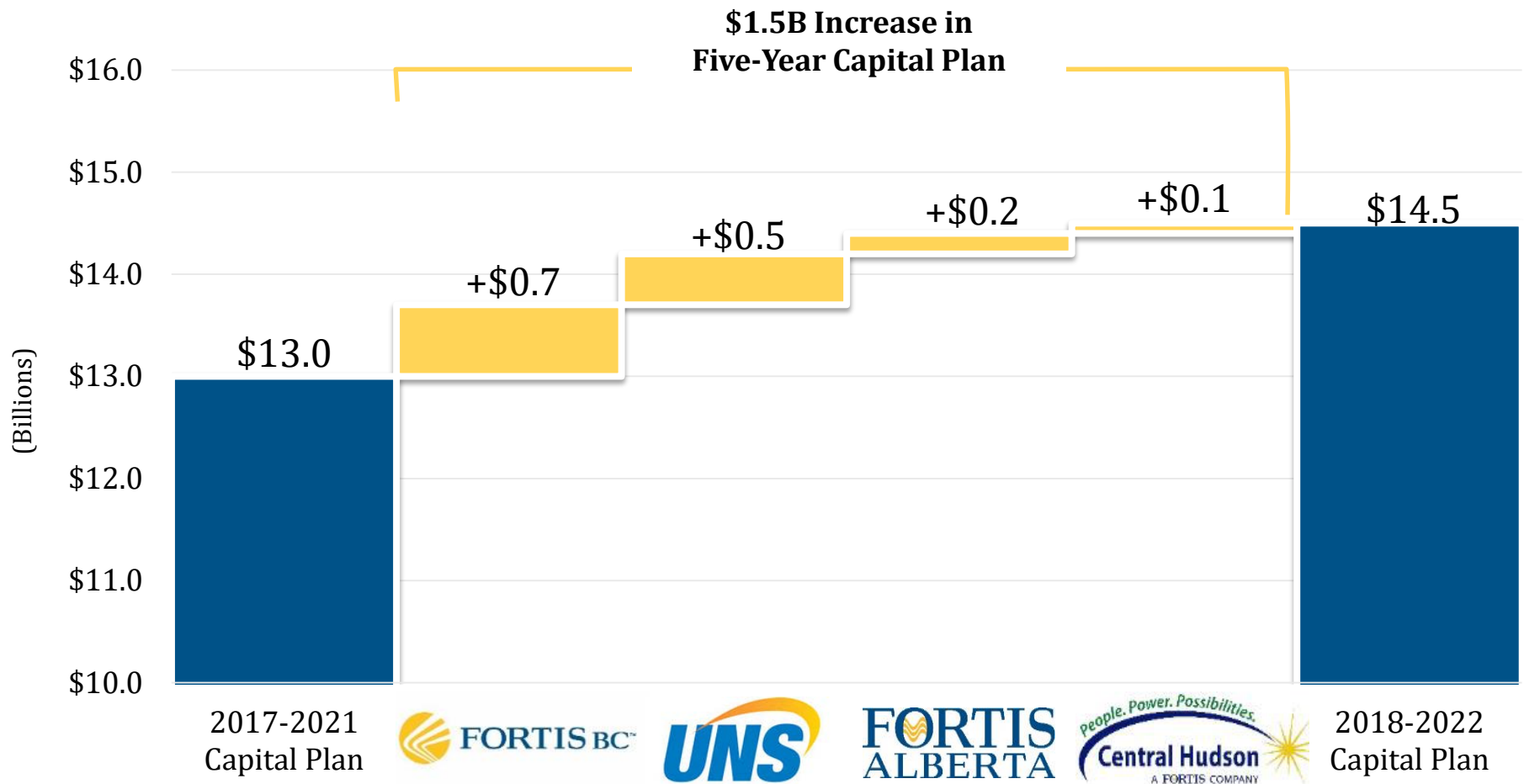


(1) US dollar-denominated capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

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

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

Improved Five-Year Capital Program



FortisBC 2018-2022 Base Capital Plan

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



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



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

UNS 2018-2022 Base Capital Plan

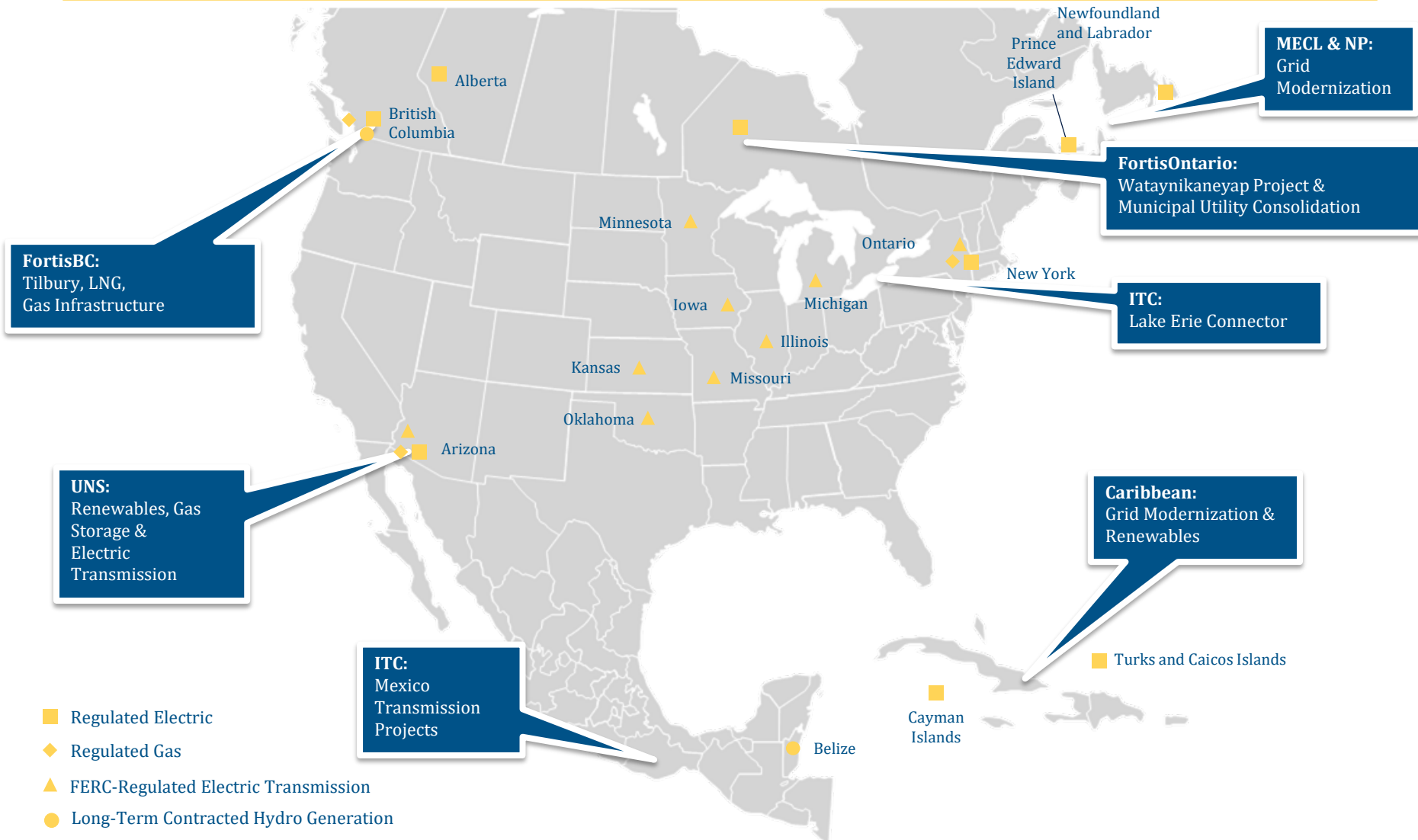
Modernizing natural gas generating resources supports new base capital plan



- Flexible Generation Resource
 - Facilitating renewables on the grid
 - Provide ramping and peaking requirements
 - Replace aging, less efficient combustion turbines
 - Reciprocating engines to be constructed in Tucson
 - 200 MW total capacity (10 modular units @ 20 MW each)
 - Flexible unit dispatch (4 – 20 MW)
 - In-service 2019-2020
 - Low gas pressure requirements and efficient water use
 - ~\$200 million investment over forecast period
- Modern, Efficient Baseload Combined Cycle Generation
 - Gila River Unit 2 - 550 MW
 - Initial tolling agreement
 - ~\$200 million purchase
 - Replacement of retiring coal-fired generation facilities
 - TEP (75%) and UNS Electric (25%) jointly own Gila River Unit 3



Opportunities Beyond the Base Capital Plan



Near-Term Projects Beyond the Base Capital Plan

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

1



Recent Milestones:

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

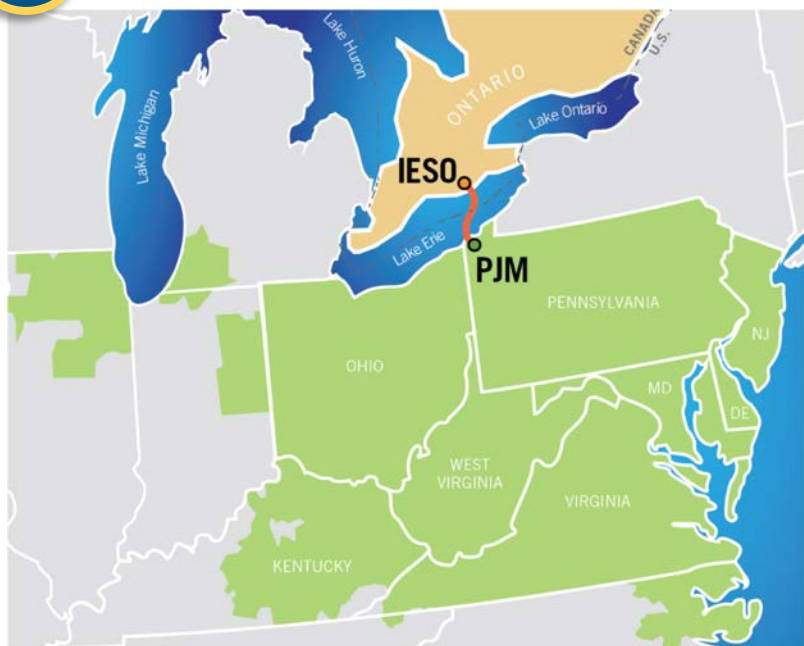
Remaining Milestones:

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

Near-Term Projects Beyond the Base Capital Plan

Lake Erie Connector only contracted transmission project in Ontario's Long-Term Energy Plan

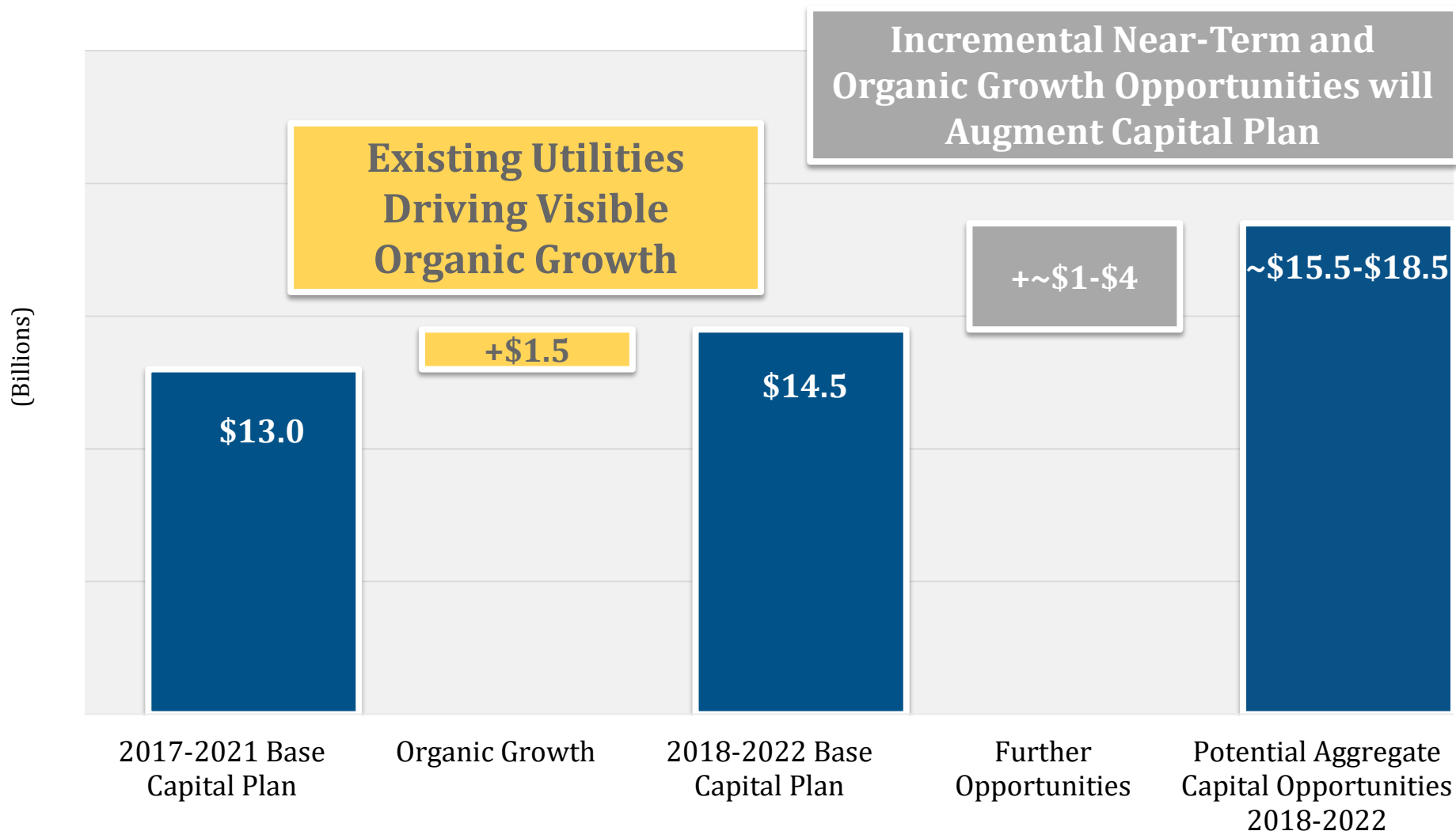
2



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

Blueprint for Growth Beyond the Base Capital Plan

Focused on capitalizing organic opportunities and business trends



Our Strategy – Simple, Effective, Proven

Strategy

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



Dividend Growth Target:
6% Average Annual
Growth Through 2022



Investment-Grade
Credit Ratings

Strategic Initiatives

Execute
Utility
CAPEX Plan

ITC
Transmission
Growth

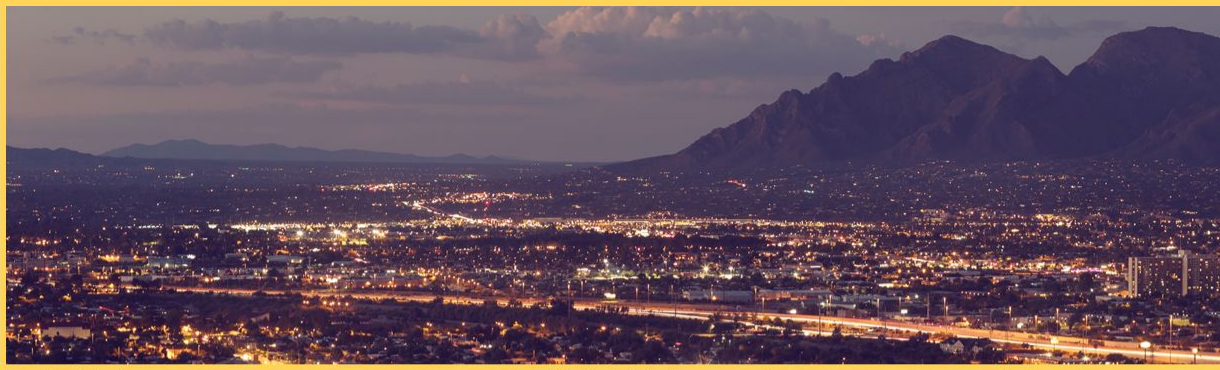
Deliver
Cleaner
Energy

Enhance
Customer &
Regulatory
Relationships

Unlock LNG
Value

Pursue Energy
Infrastructure
in and Near
Existing Service
Territories

FORTIS



Appendix

Appendix Table of Contents

Utilities Overview:

| | |
|---|----|
| ITC Holdings Corp. | 25 |
| UNS Energy | 26 |
| Central Hudson | 27 |
| FortisBC | 28 |
| FortisAlberta | 29 |
| Eastern Canadian Regulated Electric Utilities | 30 |
| Caribbean Regulated Electric Utilities | 31 |

Financial Strength:

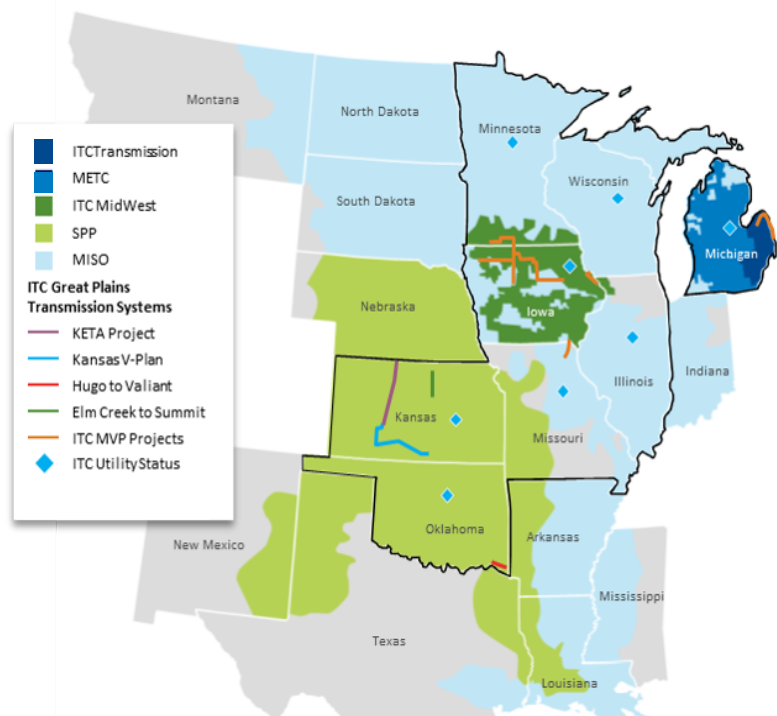
| | |
|--|----|
| Fortis Delivers Strong Q3 2017 Results | 32 |
| Q3 2017 Results by Segment | 33 |
| YTD September 2017 Results by Segment | 34 |
| Manageable Debt Maturities | 35 |

Appendix Table of Contents

Other:

| | |
|---|----|
| 2018-2022 Five-Year Capital Forecast by Segment | 36 |
| Capital Expenditures Exceeding Expectations | 37 |
| Utility Debt Credit Ratings | 38 |
| Expected Upcoming Events | 39 |

ITC Holdings Corp.



| ITC Holdings Corp. | |
|---|--|
| Type of utility | Transmission |
| Regulator | FERC |
| Regulatory model | Independent Transmission Company |
| 2017 Formula | 11.32-12.16% ROE on 60% equity |
| 2017F Midyear Rate Base | \$7.1B |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 4.8% |
| 2016 Assets % of total regulated assets ⁽²⁾ | 39% |
| 2016 Pro Forma Earnings ⁽³⁾ | \$352M |
| 2016 Pro Forma Earnings % of total regulated pro forma net earnings | 33% |
| Major Capital Projects | Multi-Value Regional Transmission Projects ("MVPs") and 34.5 to 69 kilovolt Conversion Project |
| Development Opportunities ⁽⁴⁾ | Lake Erie Connector and Mexico Transmission Projects |
| Pending Regulatory Decisions | Second MISO Base ROE Complaint |

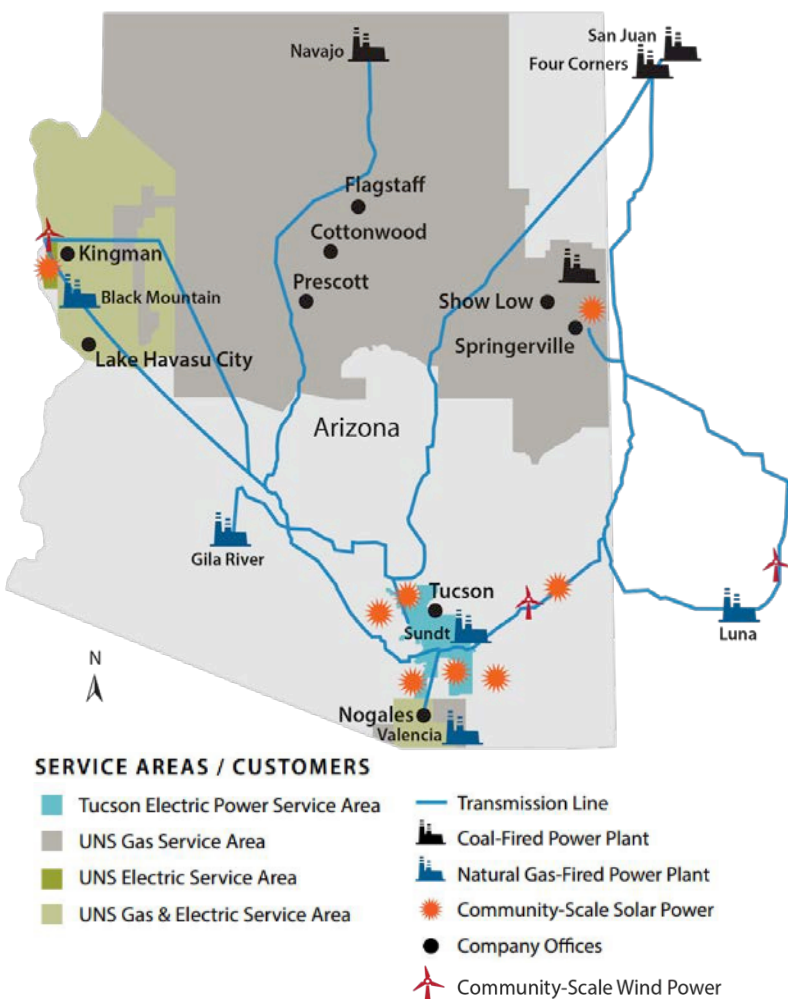
(1) 5-Year CAGR on midyear rate base includes 2017 to 2022 forecast.

(2) Includes goodwill.

(3) Assumes full year of earnings converted at a USD/CAD exchange rate of 1.33, represents the Corporation's 80.1% controlling interest in ITC, excludes one-time merger-related expenses and includes consolidated purchase price accounting adjustments. Earnings from October 14, 2016, the date of acquisition were \$59 million.

(4) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

UNS Energy



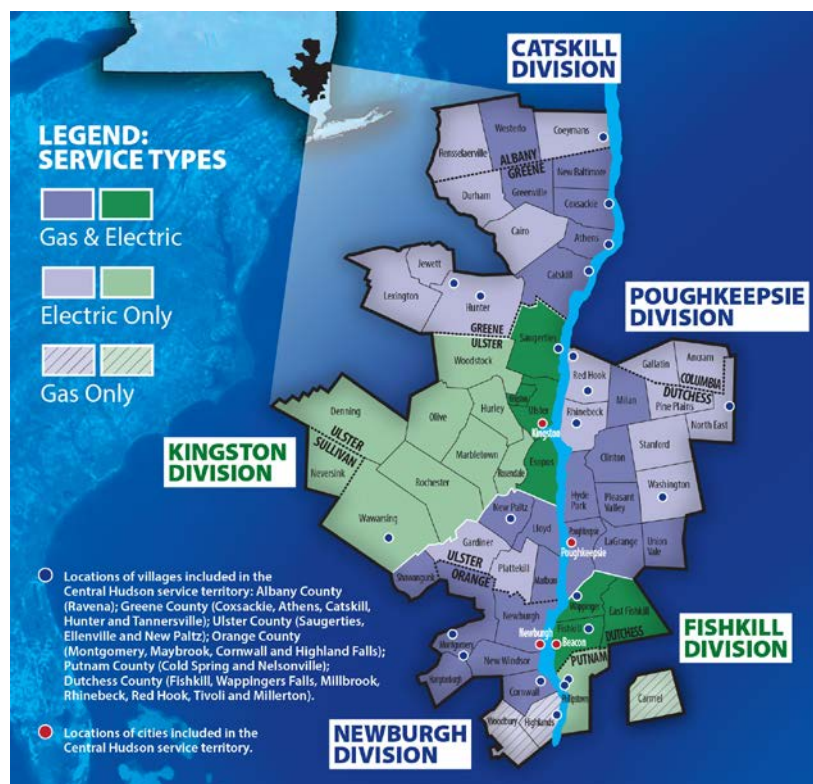
| | Tucson Electric | UNS Electric | UNS Gas |
|---|---|---------------------------|---------------------------|
| Type of utility | Electricity | Electricity | Gas distribution |
| Regulator | Arizona Corporation Commission | | |
| Regulatory model | Cost of service/Historical Test Year | | |
| 2017 Formula | 9.75% ROE on 50% equity | 9.5% ROE on 52.83% equity | 9.75% ROE on 50.8% equity |
| 2017F Midyear Rate Base | \$4.7B | | |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 4.7% | | |
| 2016 Assets % of total regulated assets ⁽²⁾ | 19% | | |
| 2016 Earnings | \$199M | | |
| 2016 Earnings % of total regulated pro forma net earnings | 20% | | |
| Major Capital Projects | Flexible Generation Resource and Modern, Efficient Baseload Combined Cycle Generation | | |
| Development Opportunities ⁽³⁾ | Renewables, Transmission Investments, Grid Modernization & Infrastructure Resiliency | | |

(1) 5-Year CAGR on midyear rate base includes 2017 to 2022 forecast.

(2) Includes goodwill.

(3) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

Central Hudson



Central Hudson Gas and Electric

| Type of utility | Gas and electricity |
|--|-------------------------------------|
| Regulator | NY State Public Service Commission |
| Regulatory model | Cost of service on future test year |
| 2017 Formula | 9% ROE on 48% equity |
| 2017F Midyear Rate Base | \$1.5B |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 8.6% |
| 2016 Assets % of total regulated assets ⁽²⁾ | 7% |
| 2016 Earnings | \$70M |
| 2016 Earnings % of total regulated pro forma net earnings | 7% |
| Major Capital Projects | Gas Main Replacement Program |
| Development Opportunities ⁽³⁾ | Transmission Investments |

(1) 5-Year CAGR on midyear rate base includes 2017 to 2022 forecast.

(2) Includes goodwill.

(3) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

FortisBC



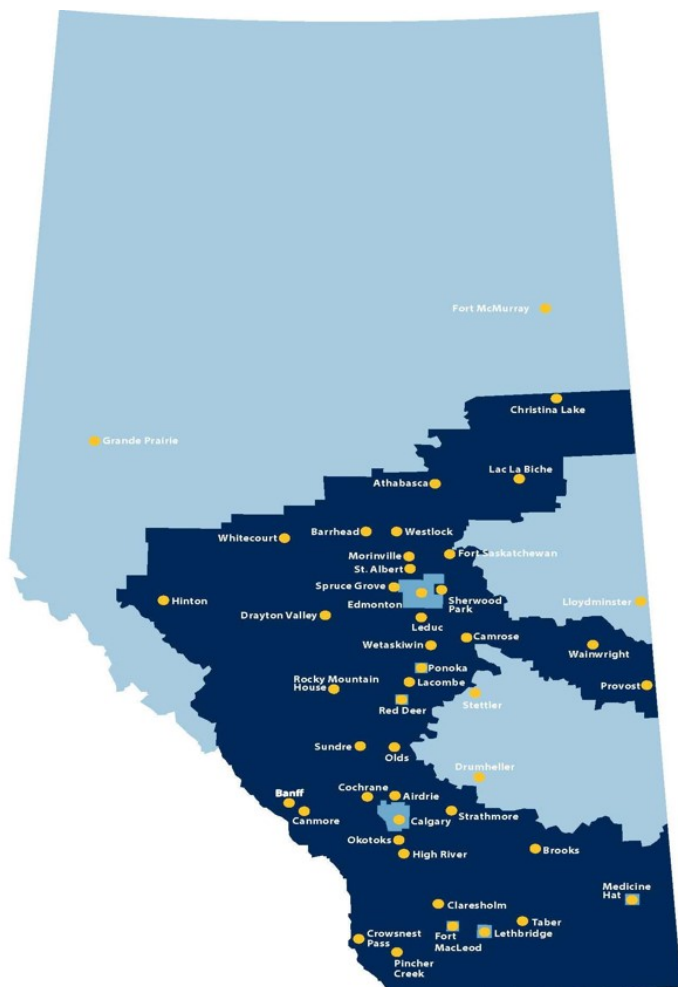
(1) 5-Year CAGR on midyear rate base includes 2017 to 2021 forecast.

(2) Includes goodwill.

(3) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

| FortisBC | | |
|--|--|---------------------------|
| Type of utility | Gas distribution | Electricity |
| Regulator | BC Utilities Commission | BC Utilities Commission |
| Regulatory model | Cost of service + PBR | Cost of service + PBR |
| 2017 Formula | 8.75% ROE on 38.5% equity | 9.15% ROE on 40.0% equity |
| 2017F Midyear Rate Base | \$4.1B | \$1.3B |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 3.8% | 2.6% |
| 2016 Assets % of total regulated assets ⁽²⁾ | 13% | 5% |
| 2016 Earnings | \$151M | \$54M |
| 2016 Earnings % of total regulated pro forma net earnings | 14% | 5% |
| Major Capital Projects | Lower Mainland System Upgrade, Pipeline Integrity Management Program and Eagle Mountain Woodfibre Gas Pipeline Project | N/A |
| Development Opportunities ⁽³⁾ | Tilbury further expansion and additional gas infrastructure opportunities | N/A |

FortisAlberta



| FortisAlberta | |
|---|---|
| Type of utility | Electricity distribution |
| Regulator | Alberta Utilities Commission |
| Regulatory model | PBR |
| 2017 Formula | 8.5% on 37% equity |
| 2017F Midyear Rate Base | \$3.2B |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 5.6% |
| 2016 Assets % of total regulated assets ⁽²⁾ | 9% |
| 2016 Earnings | \$121M |
| 2016 Earnings % of total regulated pro forma net earnings | 11% |
| Major Capital Projects | Pole-Management Program |
| Development Opportunities ⁽³⁾ | Renewables, Distribution System Investments, Changing Customer Expectations |
| Pending Regulatory Decisions | PBR Next Generation Application |

(1) 5-Year CAGR on midyear rate base includes 2017 to 2021 forecast.

(2) Includes goodwill.

(3) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

Eastern Canadian Regulated Electric Utilities

| | FortisOntario ⁽¹⁾ | Maritime Electric | Newfoundland Power |
|--|--|--|--|
| Type of utility | Electricity | Electricity | Electricity |
| Regulator | Ontario Energy Board | Island Regulatory and Appeals Commission | Newfoundland and Labrador Board of Commissioners of Public Utilities |
| Regulatory model | Cost of service with incentives | Cost of service on future test year | Cost of service on future test year |
| 2017 Formula | 8.93% - 9.30% on 40% equity ⁽²⁾ | 9.35% ROE on 40% equity | 8.50% ROE +/- 50 bp on 45% equity |
| 2017F Midyear Rate Base | \$0.3B | \$0.3B | \$1.1B |
| 5-Year CAGR on Midyear Rate Base ⁽³⁾ | 3.8% | 2.3% | 2.2% |
| 2016 Assets % of total regulated assets ⁽⁴⁾ | 1% | 1% | 3% |
| 2016 Earnings | \$12M | \$12M | \$40M |
| 2016 Earnings % of total regulated pro forma net earnings | 1% | 1% | 4% |
| Development Opportunities ⁽⁵⁾ | Wataynikaneyap Power Project | N/A | N/A |

(1) Includes three electric utilities: Canadian Niagara Power, Cornwall Electric and Algoma Power.

(2) Allowed ROE shown is for Algoma Power. Cornwall Electric operates under a franchise agreement with a price-cap and commodity cost flow through and, therefore, is not regulated with reference to an allowed ROE. The allowed ROE for Canadian Niagara Power is 8.78% for 2017.

(3) 5-Year CAGR on midyear rate base includes 2017 to 2022 forecast.

(4) Includes goodwill.

(5) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

Caribbean Regulated Electric Utilities⁽¹⁾

| | Caribbean Utilities | Fortis Turks & Caicos |
|--|---|--|
| Type of utility | Electricity | Electricity |
| Regulator | Electricity Regulatory Authority | Government of the Turks and Caicos Islands |
| Regulatory model | Cost of service with historical test year | Cost of service with historical test year |
| 2017 Formula | 6.75-8.75% Return on Assets | 15-17.50% Return on Assets |
| 2017F Midyear Rate Base | \$0.6B | \$0.4B |
| 5-Year CAGR on Midyear Rate Base ⁽²⁾ | 3.2% | 6.9% |
| 2016 Assets % of total regulated assets ⁽³⁾ | 2% | 1% |
| 2016 Earnings | \$20M | \$18M |
| 2016 Earnings % of total regulated pro forma net earnings | 2% | 2% |

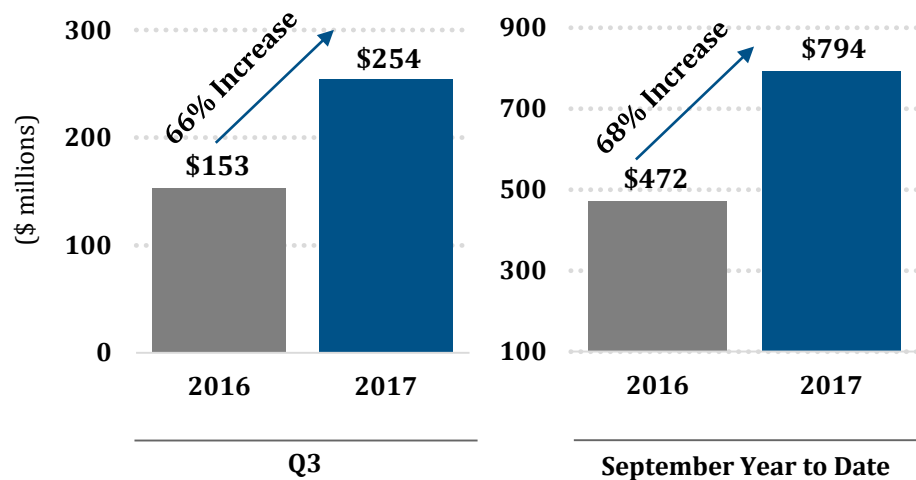
(1) Fortis has an approximate 60% controlling interest in Caribbean Utilities Company, Ltd. Excludes earnings from Fortis' 33% equity investment in Belize Electricity Limited.

(2) 5-Year CAGR on midyear rate base includes 2017 to 2022 forecast.

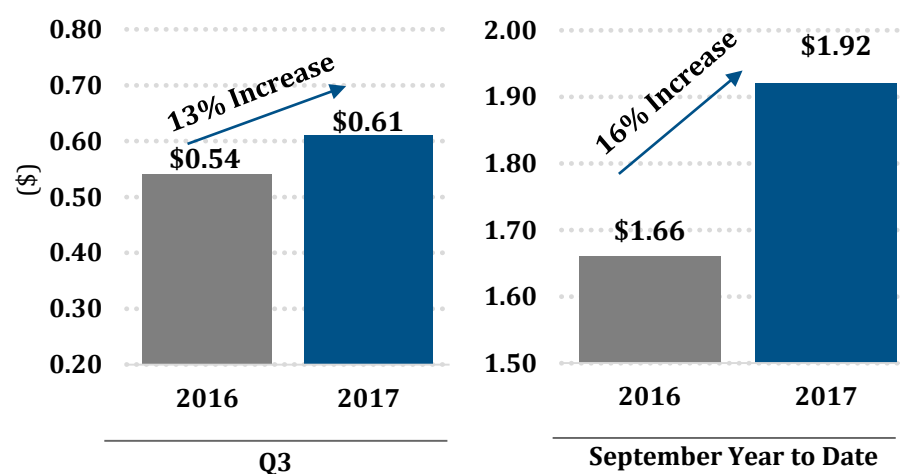
(3) Includes goodwill.

Fortis Delivers Strong Q3 2017 Results

Adjusted Earnings



Adjusted EPS



Q3 2017 Results by Segment

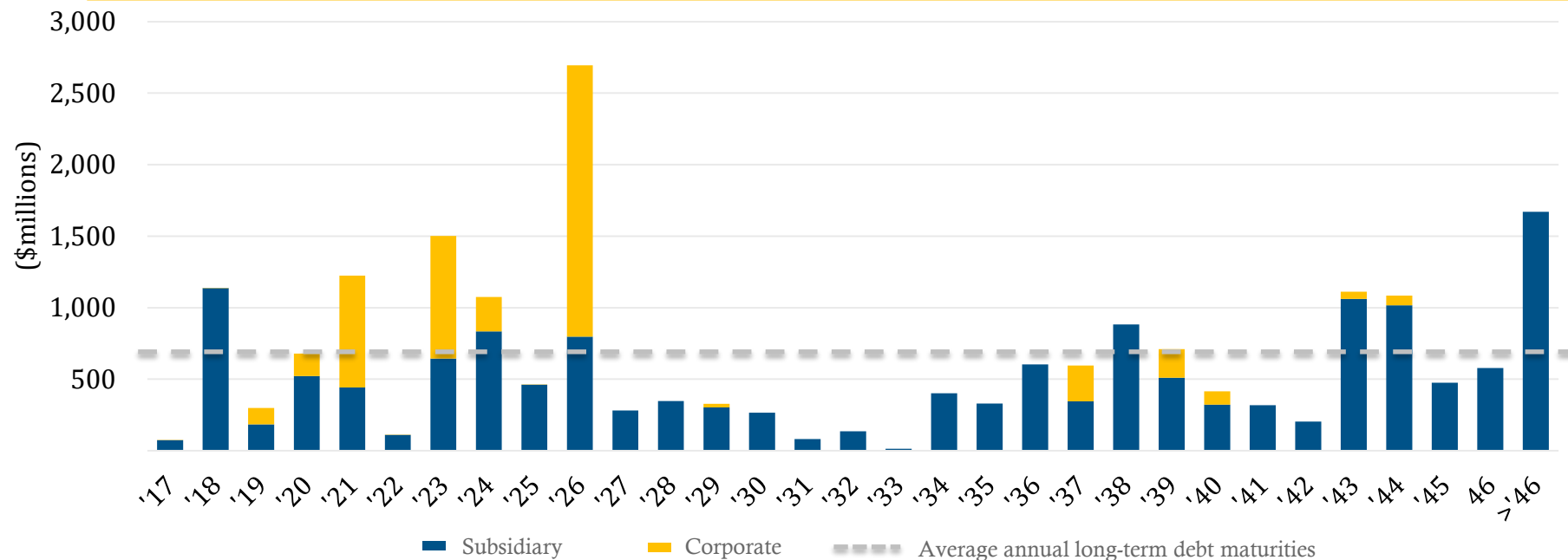
| Third Quarter Variance Analysis by Segment | | | | | | | |
|--|---------------|-----------------|-----------------------|---------------|---------------|-----------------------|---------------------------|
| (\$s in millions, excluding EPS) | Q3 2017 | Adjustment | Q3 2017 (Adjusted) | Q3 2016 | Adjustment | Q3 2016 (Adjusted) | Q3 (Adjusted) Variance |
| 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> | - | <u>15</u> | <u>14</u> | - | <u>14</u> | <u>1</u> |
| | 127 | - | 127 | 116 | 7 | 123 | 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> | - | <u>20</u> | <u>27</u> | - | <u>27</u> | <u>(7)</u> |
| | 51 | - | 51 | 49 | - | 49 | 2 |
| Other Energy Infrastructure | 21 | - | 21 | 15 | - | 15 | 6 |
| Corporate and Other | (10) | (24) | (34) | (53) | 19 | (34) | - |
| 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 | | | | | | | |
|--|-------------------------------|-------------------|--|-------------------------------|-------------------|--|--|
| <i>(\$s in millions, excluding EPS)</i> | <u>September YTD 2017</u> | <u>Adjustment</u> | <u>September YTD 2017 (Adjusted)</u> | <u>September YTD 2016</u> | <u>Adjustment</u> | <u>September YTD 2016 (Adjusted)</u> | <u>September YTD (Adjusted) Variance</u> |
| 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> | - | <u>48</u> | <u>50</u> | - | <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> | - | <u>73</u> | <u>82</u> | - | <u>82</u> | <u>(9)</u> |
| | 294 | - | 294 | 295 | - | 295 | (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 |

Manageable Debt Maturities

Average annual long-term debt maturities



| (\$millions) | 2017 ⁽¹⁾ | 2018 | 2019 | 2020 | 2021 | 2022 | Total |
|-----------------------------|---------------------|--------------|------------|------------|--------------|------------|--------------|
| Canadian Regulated Electric | 7 | 73 | 7 | 36 | 31 | 34 | 188 |
| U.S. Regulated | 60 | 1,038 | 357 | 455 | 379 | 41 | 2,330 |
| Other Segments | 6 | 25 | 16 | 30 | 32 | 36 | 145 |
| Corporate | 2 | 2 | 114 | 158 | 1,124 | 2 | 1,402 |
| Total | 75 | 1,138 | 494 | 679 | 1,566 | 113 | 4,065 |

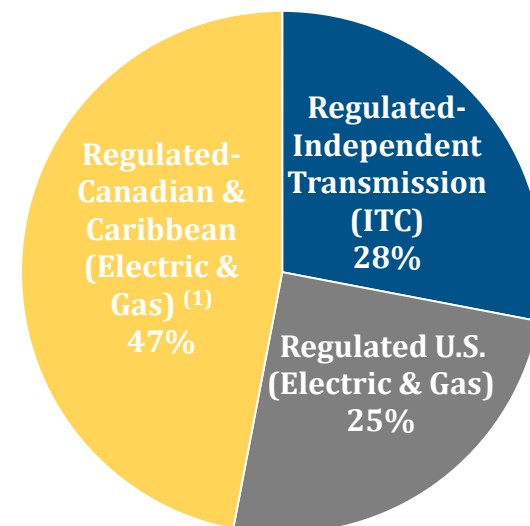
(1) As at September 30, 2017.

2018-2022 Five-Year 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 |

Fortis 2018F Rate Base⁽¹⁾

~\$26.8 Billion



| (\$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 |

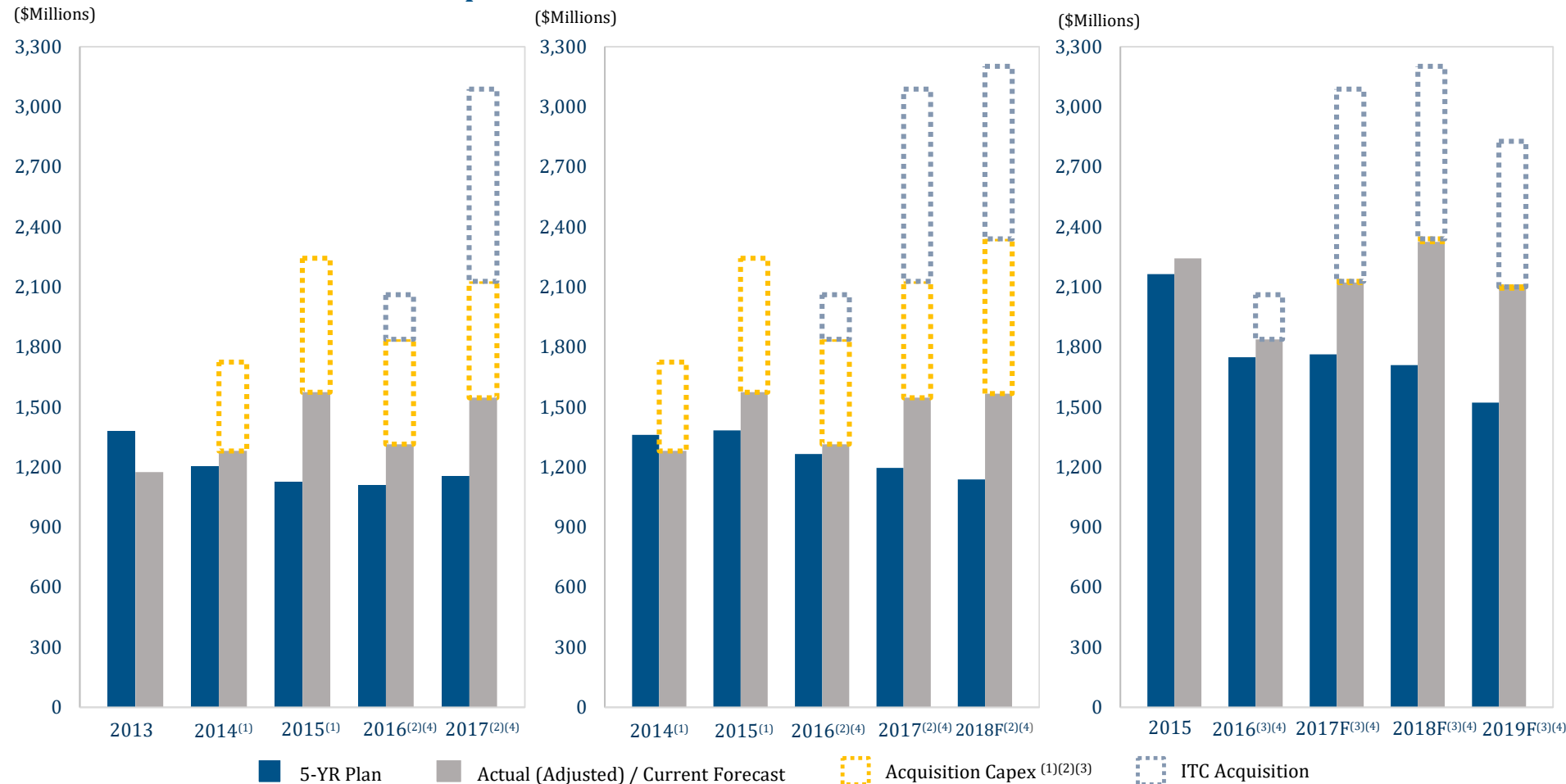
(1) Includes 100% of the Waneta Hydroelectric Expansion of which Fortis has a 51% controlling ownership interest.

Capital Expenditures Exceeding Expectations

2013-2017 Business Plan Capex

2014-2018 Business Plan Capex

2015-2019 Business Plan Capex



(1) Acquisition capex relates to UNS Energy acquired in August 2014.

(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.

Utility Debt Credit Ratings

| Company | S&P | DBRS | Moody's |
|---|-----|---------|---------|
| ITCTransmission | A | n/a | A1 |
| Michigan Electric Transmission Company (METC) | A | n/a | A1 |
| ITC Midwest | A | n/a | A1 |
| ITC Great Plains | A | n/a | A1 |
| ITC Holdings Corp. | A- | n/a | Baa2 |
| Tucson Electric Power | A- | n/a | A3 |
| Central Hudson | A- | n/a | A2 |
| FortisBC (Gas) | n/a | A | A3 |
| FortisBC (Electric) | n/a | A (low) | Baa1 |
| FortisAlberta | A- | A (low) | n/a |
| Newfoundland Power | n/a | A | A2 |

Expected Upcoming Events

Expected Upcoming Earnings Release Dates

| | |
|-----------|-------------------|
| Q4 – 2017 | February 15, 2018 |
| Q1 – 2018 | May 1, 2018 |
| Q2 – 2018 | July 31, 2018 |
| Q3 – 2018 | November 2, 2018 |

