

FORTIS INC.

National Bank

Canadian Clean Energy
Infrastructure Conference

June 2-3, 2020



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: targeted average annual dividend growth through 2024; forecast capital expenditures for the period from 2020 through 2024; forecast rate base for the period 2020 through 2024; FortisBC's 2030 GHG emission goal; TEP's renewable energy target; the expected timing of regulatory decisions including at TEP and FortisBC; forecast debt maturities for the period 2020 through 2024; and TEP's resource transition plan.

Forward-looking information involves significant risks, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time to time in the forward-looking information. Such assumptions include, but are not limited to: no material impact from the COVID-19 pandemic; reasonable outcomes for regulatory proceedings and the expectation of regulatory stability; the successful execution of the five-year capital expenditure plan; no material capital project or financing cost overruns; sufficient human resources to deliver service and execute the capital expenditure plan; no significant variability in interest rates; and the Board exercising its discretion to declare dividends, taking into account the business performance and financial condition of the Corporation. Fortis cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors should be considered carefully and undue reliance should not be placed on the forward-looking information. For additional information with respect to certain of these risks or factors, reference should be made to the continuous disclosure materials filed from time to time by the Corporation with Canadian securities regulatory authorities and the Securities and Exchange Commission. All forward-looking information herein is given as of the date of this presentation. Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

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

A Geographically Diverse Energy Delivery Business

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



FORTIS INC. High Quality Portfolio

10

Operations

Canada, U.S. & Caribbean

~99%

Regulated Utility Assets

\$28B

2019 Rate Base

3.3M

Customers

2.0M Electric & 1.3M Gas

~93%

Transmission & Distribution

~65%

Earnings⁽¹⁾ from the U.S

Note: All information as at December 31, 2019.

(1) Non-US GAAP measure.

Long-Term Strategy

- ✓ The safety and health of our employees is the priority
- ✓ Focused on delivering reliable service to our customers



6%
Average Annual
Dividend Growth
Guidance through 2024

STRATEGY

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



Focused on
Growth

AREAS OF FOCUS:

Capital
Investment Plan

Customer &
Regulatory
Relationships

Sustainability
& Delivery of
Cleaner
Energy

System
Resiliency,
Innovation &
Cybersecurity

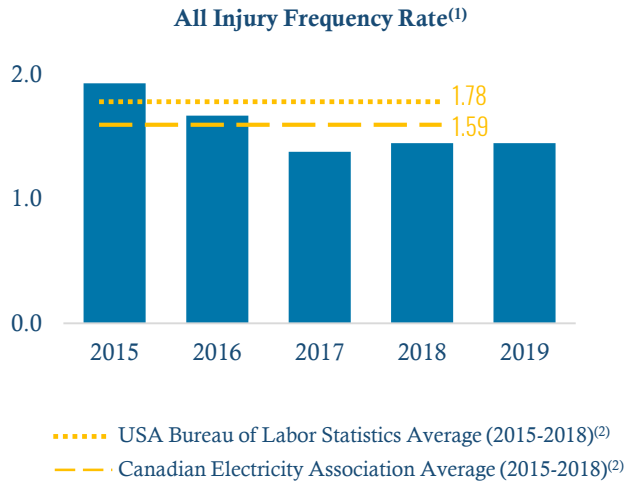
Energy
Infrastructure,
LNG Expansion
&
Energy Storage

Investment
Grade Credit
Ratings

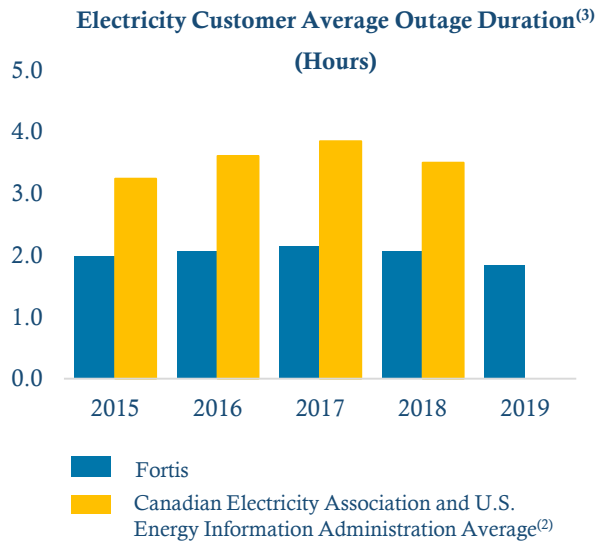
FORTIS INC. Strong Operational Performance



Safety



Reliability

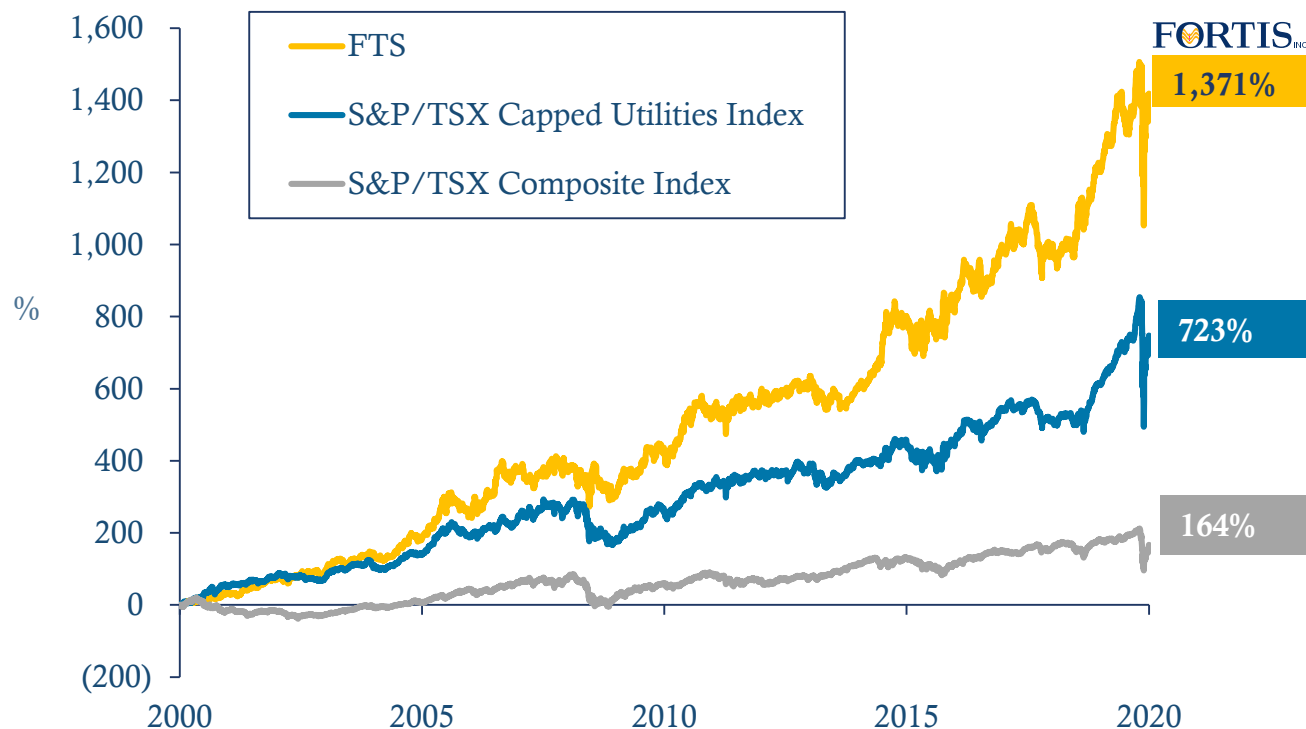


(1) Injuries per 200,000 hours worked

(2) 2019 industry comparator will be available later in 2020

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

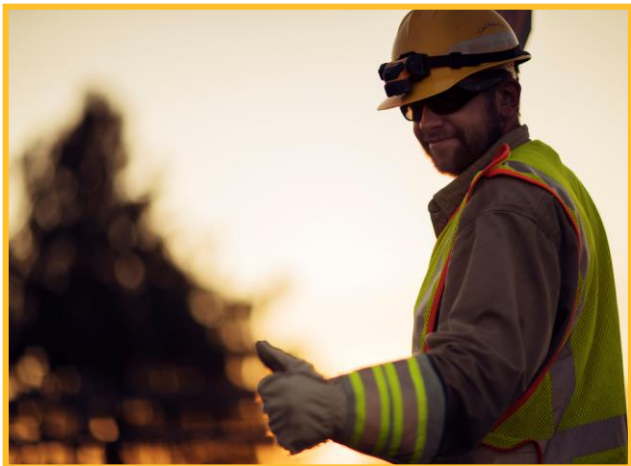
FORTIS^{INC.} Superior 20-Year Total Shareholder Return



FTS Total Shareholder Returns (Average Annual)	
1-Year	12.7%
5-Year	10.6%
10-Year	10.8%
20-Year	14.4%

Note: Cumulative 20-year total shareholder return as at April 30, 2020.

FORTIS INC. Strategically Positioned to Navigate Through COVID-19



Operationally:

- ✓ 10 locally operated utilities
- ✓ Essential workers maintaining and operating electricity grids and natural gas networks
- ✓ Limited impacts on supply chain
- ✓ Key operational employees sequestered
- ✓ Social distancing and good hygiene practices in place



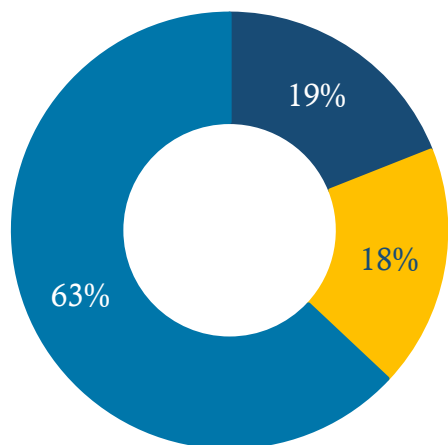
Financially:

- ✓ ~82% of annual revenues protected by regulatory mechanisms or from residential sales⁽¹⁾
- ✓ Strong liquidity
- ✓ Foreign exchange potential tailwind from strengthening U.S. dollar
- ✓ Limited pension expense exposure

(1) ~63% of annual revenues protected by regulatory mechanisms from changes in sales. Remaining ~37% of annual revenues consists of ~19% residential and ~18% commercial and industrial.

~82% of Revenues Protected by Regulatory Mechanisms or From Residential Sales

2019 Revenues



EPS Sensitivity

Annual EPS Impact (\$)	UNS	Other Electric
+/- 1% Residential Sales	+/- \$0.008	+/- \$0.006
+/- 1% Commercial and Industrial Sales	+/- \$0.008	+/- \$0.004

- Revenues Protected by Regulatory Mechanisms⁽¹⁾
- Residential Revenues Not Protected by Regulatory Mechanisms⁽²⁾
- Commercial and Industrial Revenues Not Protected by Regulatory Mechanisms⁽³⁾

(1) Includes regulatory mechanisms at ITC, Central Hudson, FortisBC, and 85% of FortisAlberta's revenues which are based on fixed-billing determinants. Also includes wholesale/other revenues at UNS that do not have a significant impact on earnings and are primarily returned to customers through regulatory mechanisms.

(2) Residential revenues not protected by regulatory mechanisms from change in sales with 9% at UNS and 10% at Other Electric in 2019.

(3) Commercial and Industrial revenues not protected by regulatory mechanisms from change in sales with 9% at UNS and 9% at Other Electric in 2019.

FORTIS INC. Local Economic Overview

Regulatory Mechanisms Protecting Changes in Sales	Commentary on Local Economy 1 st Month into Pandemic	Takeaway
 <small>A FORTIS COMPANY</small>	✓	<ul style="list-style-type: none"> • Peak load down ~20%; Strict Stay-at-Home Order in Michigan • Auto manufacturers and suppliers began reopening in mid-May
 <small>UNS Energy Corporation A Fortis Company</small>	✗	<ul style="list-style-type: none"> • Residential sales increased ~7% due to weather • Commercial and industrial sales down ~10% • Overall sales decreased ~4%
 <small>A FORTIS COMPANY</small>	✓	<ul style="list-style-type: none"> • Residential sales unchanged • Minimal exposure to commercial and industrial sales
Western Canada	✓	<ul style="list-style-type: none"> • On a combined basis, residential and commercial sales up slightly in B.C.; Industrial sales slightly down • Alberta hit by collapse in oil prices; Residential sales up ~4%; Commercial/Industrial sales down ~32%; ~85% of revenue based on fixed-billing determinants
Other Electric	✗	<ul style="list-style-type: none"> • Minimal sales impacts for Eastern Canadian utilities • Travel restrictions impacting Caribbean economy

System Trends:



Residential Sales Up

Commercial & Industrial
Sales Down



~3% Decline in Sales
at Utilities Without
Regulatory Mechanisms

FORTIS INC. **Our Five-Year Plan**



\$18.8B
Capital
Plan



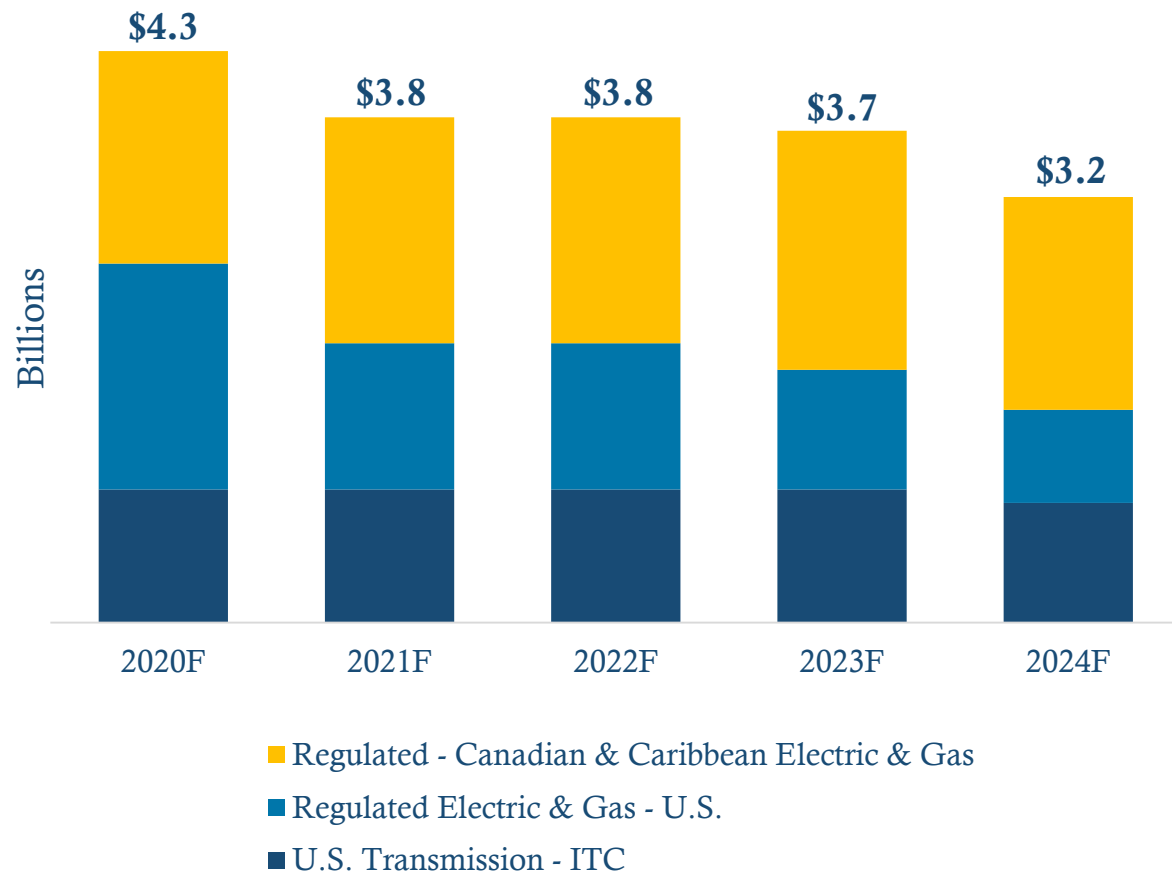
~7%
Rate Base
Growth



~6%
Dividend
Growth
Guidance

FORTIS INC. Five-Year Capital Plan

\$18.8B Capital Plan⁽¹⁾

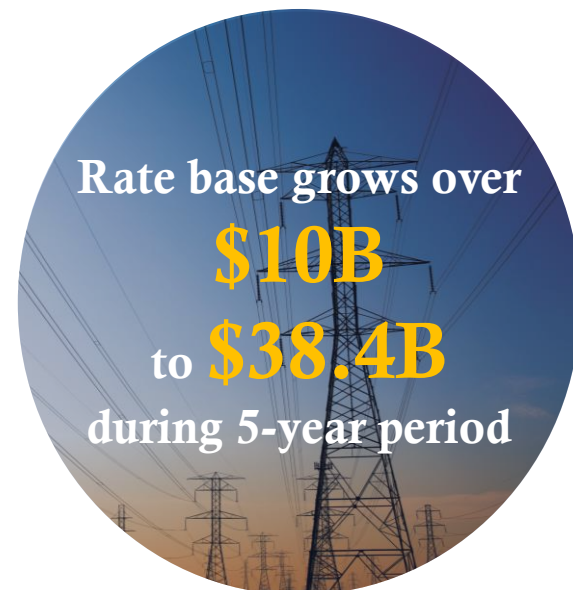
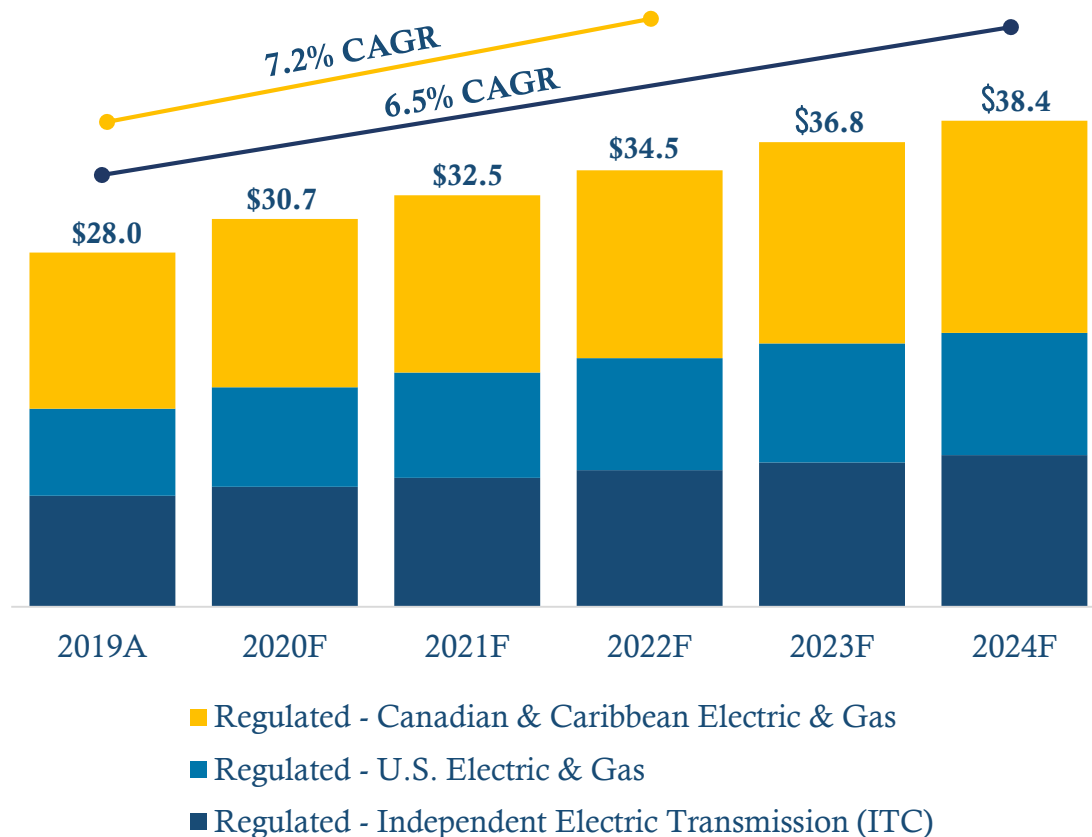


2020 Capital
Plan on Track

\$1.2B Invested
in Q1 2020

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

FORTIS INC. 2020-2024 Rate Base⁽¹⁾



(1) Reflects midyear rate base. US dollar-denominated rate base for 2019 is based on the actual average USD/CAD foreign exchange rate of \$1.33 and forecast rate base for 2020-2024 is based on \$1.32.

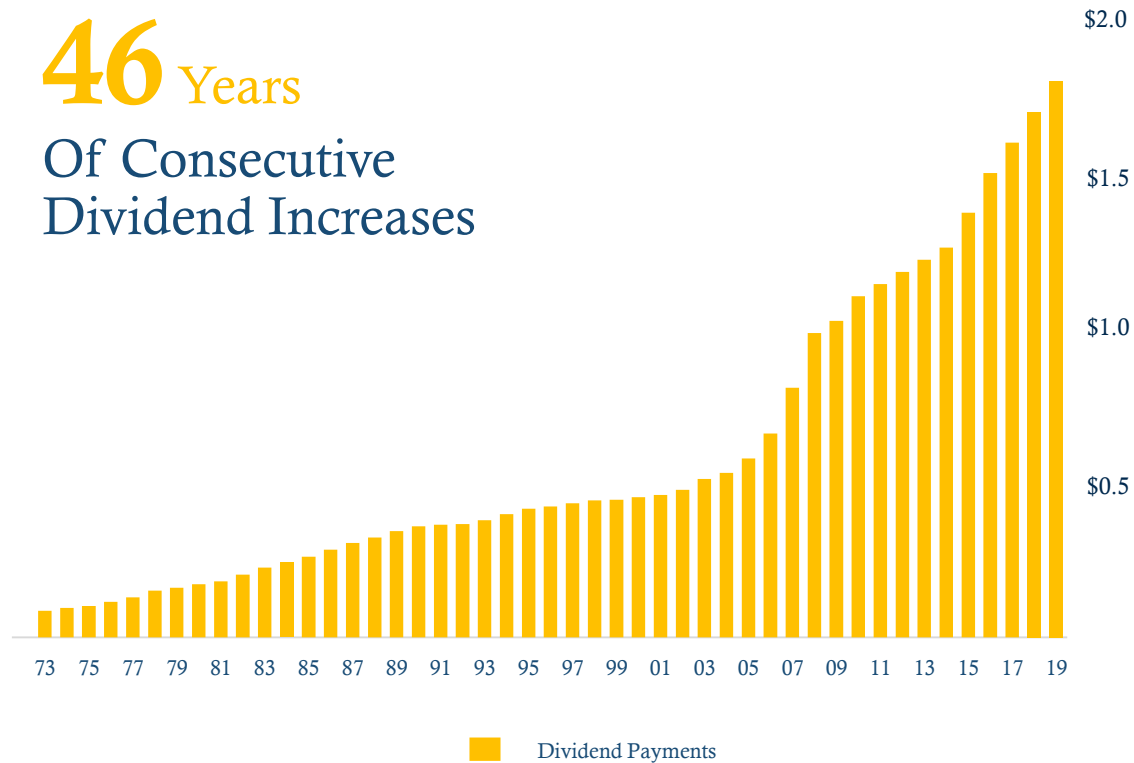
Dividend Guidance Supported by Long-Term Growth Strategy

6%

Average Annual Dividend
Growth Guidance to 2024

46 Years

Of Consecutive
Dividend Increases



Growth Expected Beyond 2024: Three Largest Utilities Account for 2/3 of Capital Plan



**Today's 5-Year
Capital Plan**

\$4.9B

\$3.8B

\$3.9B

**Potential Future
Drivers of
Growth
(Not Yet Included
in Capital Plan)**

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

- Resiliency:
 - Tilbury LNG storage
 - Southern Crossing Expansion
- Target of 30% reduction in customer GHG emissions by 2030
 - Renewable gas target of 15% by 2030
- Tilbury expansion to support additional liquefaction for export opportunities

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

(1) Additional 89 GW and 86 GW of additional renewable capacity in MISO and SPP queues; 3 GW and 7 GW of battery storage in MISO and SPP queues

FORTIS INC. Update on Regulatory Proceedings



- FERC MISO Return on Equity – On May 21, 2020 FERC issued an Order establishing a three-part ROE methodology yielding a new base ROE of 10.02%, resulting in an all-in ROE of 10.77% with incentives compared to the previous all-in ROE of 10.63%
- NOIs on ROE and Incentives – Transmission Incentive NOPR issued in March 2020



- TEP General Rate Application – Procedural schedule delayed due to COVID-19; decision expected in late 2020 which seeks rates reflecting additional ~US\$700M invested in rate base since last rate case



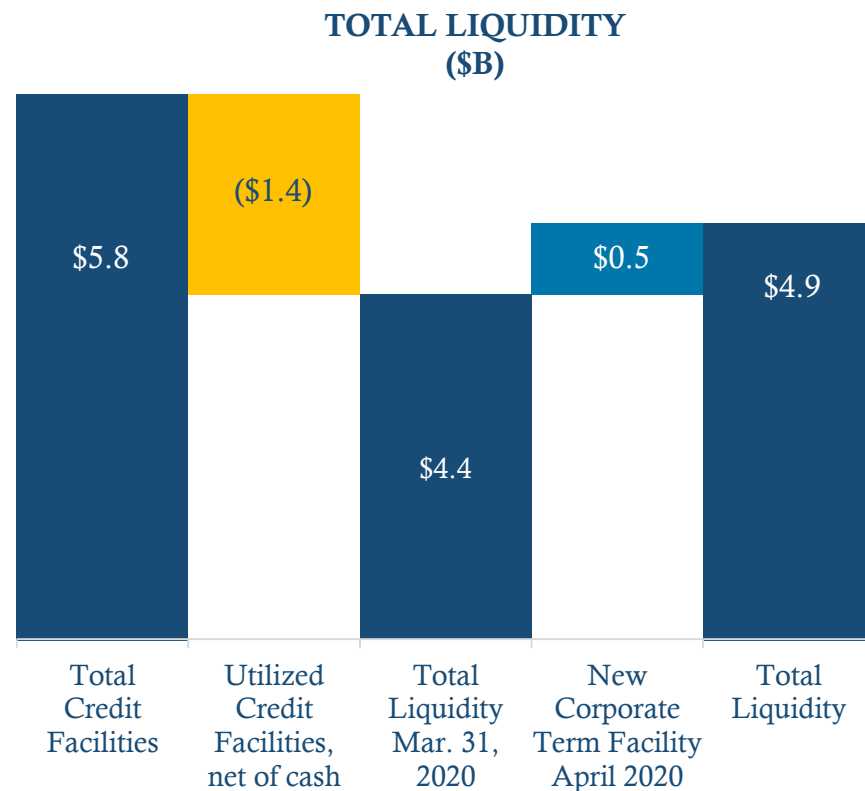
- 2020-2024 Multi-Year Rate Plan – Expect final order by mid-2020
- Tilbury Expansion – Initial project description filed with regulators to begin federal impact assessment and provincial environmental assessment



- Generic Cost of Capital Proceeding – Timing and process under review
- AESO Tariff Application – Additional procedural steps to be completed by September 2020, with decision expected in late 2020

FORTIS INC. Strong Liquidity Position

- ✓ Fortis well positioned on liquidity given 2019 actions
 - Waneta Asset Sale ~\$1B
 - Q4 Equity Issuance ~\$1.2B
- ✓ ~\$5B consolidated credit available on facilities, including \$1.8B unutilized Corporate credit facilities
- ✓ ~80% of credit facilities unsecured committed revolvers with maturities ranging from 2022-2025

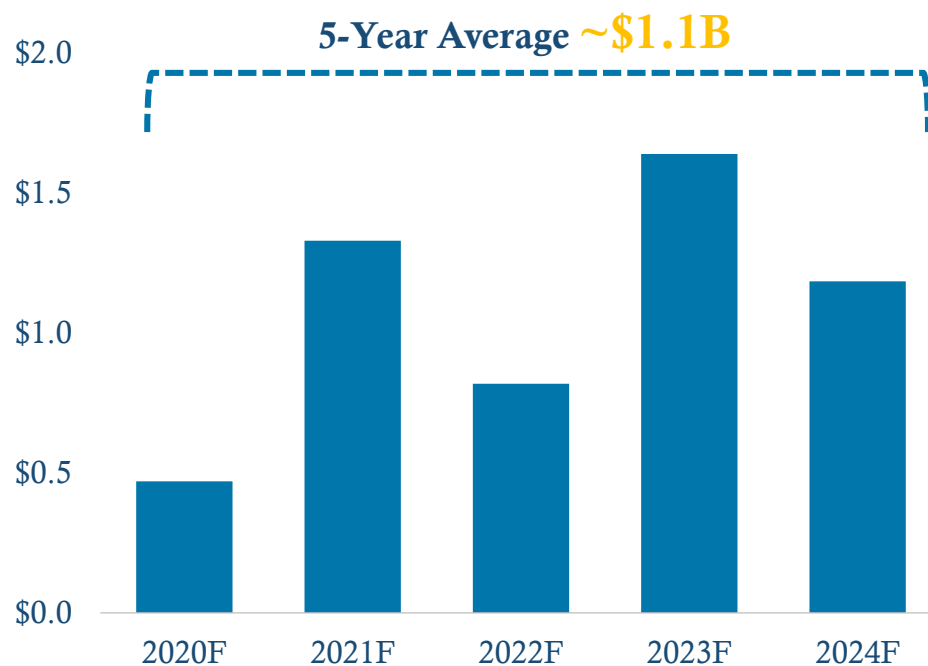


Strong Access to Debt Markets & Manageable Maturities

DEBT ISSUANCES COMPLETED IN Q2 2020

- ✓ **ITC**
 - US\$700M 10-year 2.95% notes
- ✓ **UNS**
 - US\$350M 30-year 4.00% notes
- ✓ **Central Hudson**
 - US\$30M 30-year 3.42% notes
- ✓ **FortisBC**
 - \$75M 30-year 3.12% notes
- ✓ **Newfoundland Power**
 - \$100M 40-year 3.61% bonds


FIXED-TERM DEBT MATURITIES⁽¹⁾ (\$B)



(1) Debt as at March 31, 2020 and excludes any new debt issuances during the forecast period. Excludes repayments of finance leases along with the current portion of credit facilities, which are assumed to be extended by one-year annually.

FORTIS INC. Investment-Grade Credit Ratings and Funding Plan Intact

CREDIT RATINGS

	A ⁻⁽¹⁾
	BBB (high) ⁽²⁾
MOODY'S	Baa3

- ✓ S&P and DBRS Morningstar Affirmed Ratings in 2020
- ✓ Improved Credit Metrics in 2019
- ✓ Strong Liquidity

(1) S&P rating reflects the issuer credit rating. Fortis' unsecured debt rating is BBB+. Ratings were affirmed on March 27, 2020 and S&P maintained the negative outlook due to COVID-19. On April 2, 2020 S&P revised its assessment of the North American regulated utility industry to negative from stable due to the impacts of COVID-19.

(2) On May 4, 2020 DBRS Morningstar affirmed Fortis' BBB (high) issuer and unsecured debt ratings and changed the trend to positive from stable.



Sustainability Overview



FORTIS INC. Sustainability: It's How We Do Everything

93% of our assets are dedicated to energy transmission and distribution, limiting our impact on the environment

Focused on Delivering Cleaner Energy



30% GHG Reduction by 2030



UNS Energy Corporation

28% Renewable Power in 2021

Strong Performance

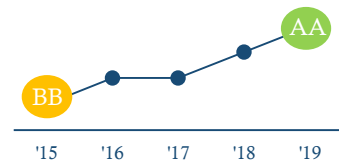
Outperformed Industry Averages in **Safety** and **Reliability** Measures

Strong Gender Diversity

Throughout Company Including Board, Head Office & Executive Team

Industry Recognition

MSCI ESG Rating Upgrade to 'AA'⁽¹⁾

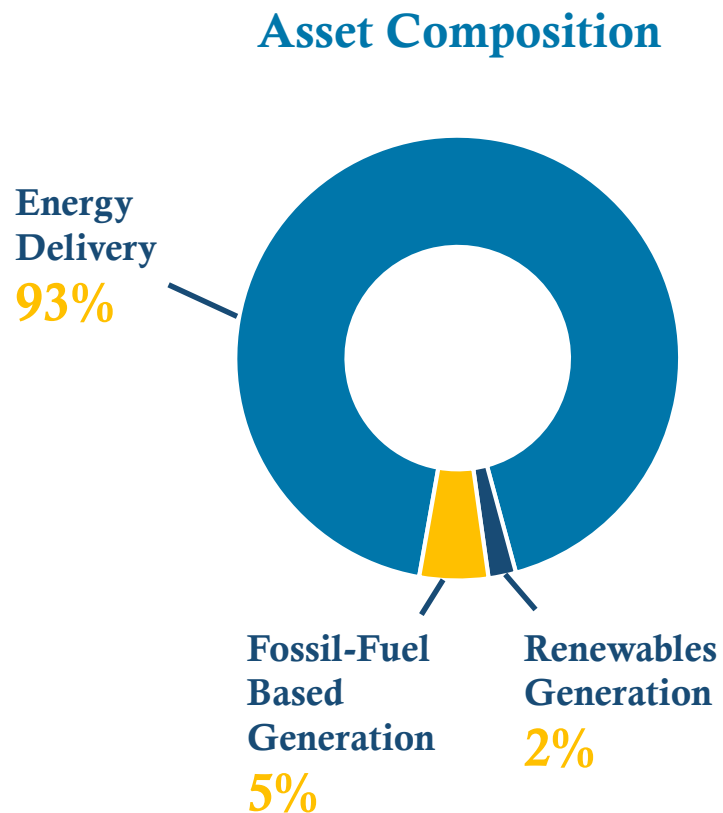


Ranked Top 20 in Globe & Mail Board Games for past five years⁽²⁾

(1) MSCI is a leading ESG rating group that rates companies on a 'AAA' to 'CCC' scale according to their exposure to industry-specific ESG risks and their ability to manage those risks relative to peers.

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

FORTIS INC. **Primarily an Energy Delivery Business**

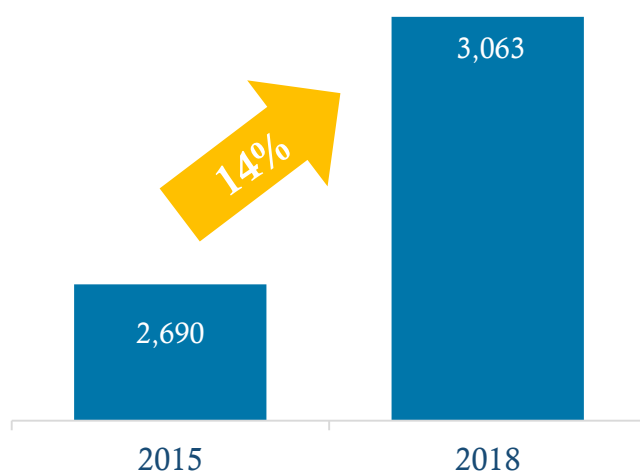


Note: All information as at December 31, 2019.

FORTIS INC. Our Environmental Performance

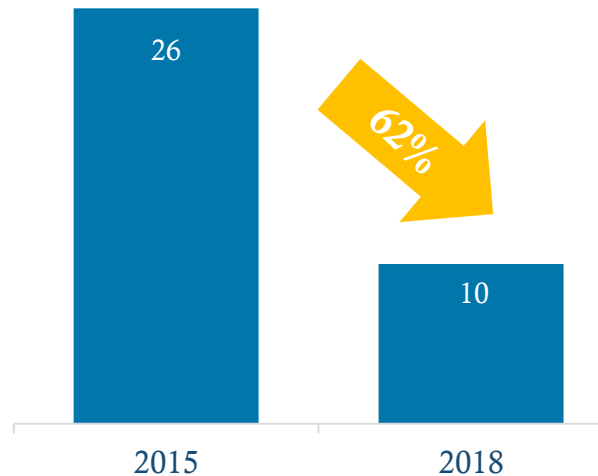
Renewable Electricity

Generated Biofuel, Solar and Hydroelectric
(GWh)



GHG Intensity

Combined Energy Delivery to Customers
(ktonnes of CO2 equivalent per PJ)



Drivers of Improvement:

- Increase in energy delivery with ITC acquisition
- Additional renewables

Drivers of Further Improvement:

- Oso Grande Wind Project at TEP
- Closure of Navajo coal units at TEP
- Renewables in the Caribbean



Path to Cleaner Energy

Generation Shifting from
Fossil Fuel to Solar, Wind
and Storage



Innovation and
Enabling Technologies



Electric Vehicle
Penetration



Energy
Efficiency



**Cleaner
Energy**



Capital Investment in a
Green and Resilient
Grid

Renewable Gas at
FortisBC



FORTIS INC. ITC Building the Grid of the Future



Opportunities Beyond the Plan



3 GW and 7 GW of
battery storage in
MISO and SPP queues



MISO multi-value projects
at capacity upon completion



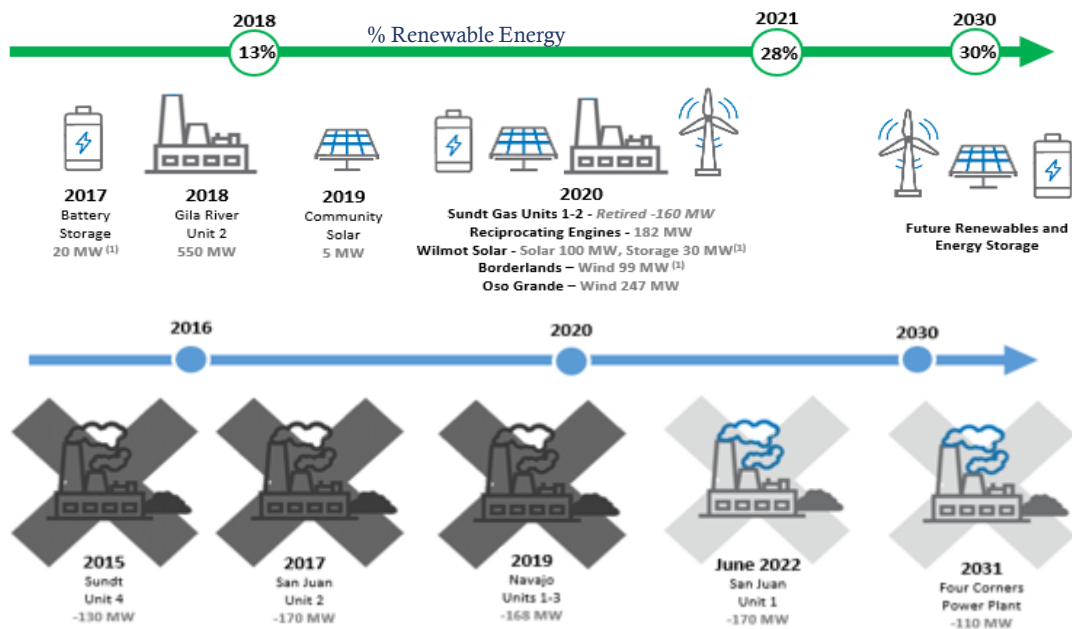
89 GW and 86 GW of
additional renewable
capacity in MISO &
SPP queues



Hardening of physical
assets and IT/telecom
systems

FORTIS INC. Arizona Focused on Renewables

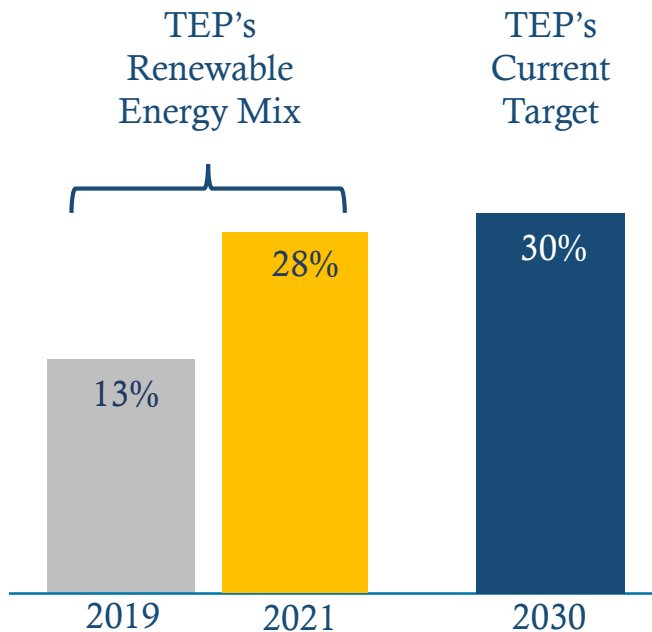
TEP's Resource Transition



(1) Projects developed through purchase power agreements

Renewable Energy
Production of
28% in 2021

FORTIS INC. TEP Collaborating with Local University to Create New Goals



Developing New Carbon Emission Goals

- Advisory Committee of Key Community Stakeholders
- Collaboration with University of Arizona's Institute of the Environment
- To be filed with Integrated Resource Plan in June 2020

FORTIS INC. **FortisBC's Clean Growth Pathway:**
30% GHG Reduction by 2030



Energy
Efficiency

Conservation &
Efficiency Programs
Increased to ~\$370M
through 2022



Renewable
Natural Gas

Currently Utilizing
Renewable Natural
Gas⁽¹⁾

Regulatory
Approval Received
at FortisBC's
largest RNG
project to date⁽²⁾



Global
LNG

Positioning BC
as a Domestic &
International
Bunkering Hub

Provincial Government
Supportive of
Global LNG



Zero & Low-Carbon
Transportation

FortisBC
Owns and Operates
19 Charging Stations⁽³⁾

Owns and Operates
15 Compressed
Natural Gas Stations

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

(2) Renewable Natural Gas production at Vancouver Landfill

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

FORTIS INC. Our Social Commitment

Safety a Top Priority



Active in the Communities We Serve



Stable Workforce



Focus on Diversity



FORTIS INC. Collaborating on Innovation

Energy Impact Partners



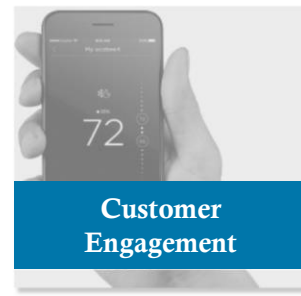
Cleantech

Energy Fund

A Fund By Utilities, For Utilities

14 utility partners
63M households
\$250B+ market cap

Investing in the Future of Energy



FORTIS INC. **Board of Directors**



Douglas J. Haughey
Chair of the Board



Barry Perry*
President & CEO,
Fortis



Tracey C. Ball
Chair of the Audit Committee



Pierre J. Blouin
Chair of the Governance and
Nominating Committee



Jo Mark Zurel
Chair of the Human
Resources Committee



Paul J. Bonavia



Lawrence T. Borgard



Maura J. Clark



Margarita K. Dilley



Julie A. Dobson

40%

**Female Board
Members**

50%/50%

**U.S./Canada
Residency**

100%

**Have Senior
Executive Experience**

50%

**Have Sustainability
Skills & Experience**

* Not independent

FORTIS^{INC.} Corporate Governance Approach

Responsibility Matrix	Board	Governance & Nominating Committee	Human Resources Committee	Audit Committee
Strategy	✓			
Executive Succession Planning			✓	
Executive Compensation			✓	
Board Assessment and Renewal		✓		
Sustainability		✓		
Risk Management				✓
Financial Oversight				✓
Cybersecurity		✓		
Safety and Reliability	✓			



FORTIS INC. **Why Invest In Fortis?**



**Well-Run
Businesses**



**Sustainability
Leader**



**Highly
Diversified**



**Focused on
Energy
Delivery**



Innovative



**Strong
Growth
Profile**



**Virtually
All
Regulated**



**6%
Dividend
Guidance**