



Investor Relations Presentation
Q2 2018

Investing in Our Networks

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 U.S. Private Securities Litigation Reform Act of 1995, collectively referred to as "forward-looking information". Forward-looking information included in this presentation 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 include, without limitation: targeted average annual dividend growth through 2022; the Corporation's forecast capital expenditures for the period 2018 through 2022; the nature, timing and expected costs of certain capital projects including, without limitation, the Wataynikaneyap Power Project, ITC Multi-Value Regional Transmission Projects and 34.6 to 69 kV Conversion Project, UNS Energy flexible generation reciprocating engines investment and Gila River Generating Station Unit 2, FortisBC Lower Mainland System Upgrade, Eagle Mountain Woodfibre Gas Pipeline Project and Pipeline Integrity Management Program and additional opportunities beyond the base capital plan; the Corporation's forecast rate base for 2018; the expected timing of filing of regulatory applications and receipt and outcome of regulatory decisions; and emission reduction targets at Tucson Electric Power.

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 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 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



6% AVERAGE
ANNUAL DIVIDEND
GROWTH TARGET
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

~97% REGULATED
UTILITY ASSETS

\$49 BILLION IN TOTAL
ASSETS

~92% TRANSMISSION,
DISTRIBUTION &
OTHER ASSETS

10 UTILITY
OPERATIONS
Canada, U.S. & Caribbean

64% EARNINGS FROM
THE U.S.

3.3 MILLION UTILITY
CUSTOMERS
2.0 Electric & 1.3 Gas

Note: All information as at March 31, 2018, except earnings and transmission, distribution and other assets which are as at December 31, 2017.

One of the Lowest-Risk Utility Businesses in North America



First Quarter Reinforces the Strength of Fortis as a North American Utility Leader



Capital Investments:

- Focused on providing safe, reliable, affordable, cleaner energy solutions to customers
- \$3.2 billion capital forecast for 2018 on track



Development Opportunities:

- Funding framework announced for Wataynikaneyap Power Project
- Five-year capital plan increased \$600 million to \$15.1 billion



Regulatory:

- Central Hudson filed proposed three-year rate case settlement in April 2018 covering the period July 2018 to June 2021

Q1 HIGHLIGHTS:

**\$323M
REPORTED
NET
EARNINGS**



**9%
OPERATING
CASH FLOW
INCREASE**



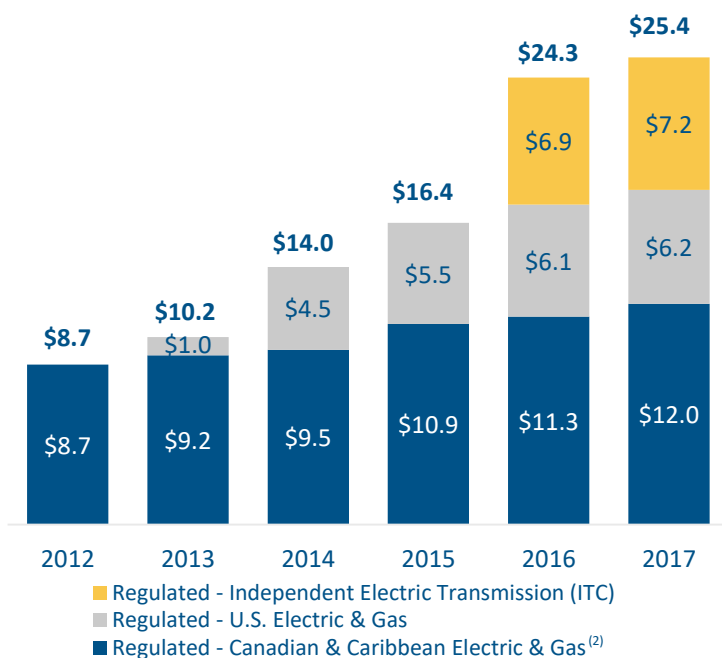
**\$685M IN
CAPITAL
EXPENDITURES**

Strong Track Record of Rate Base and EPS Growth

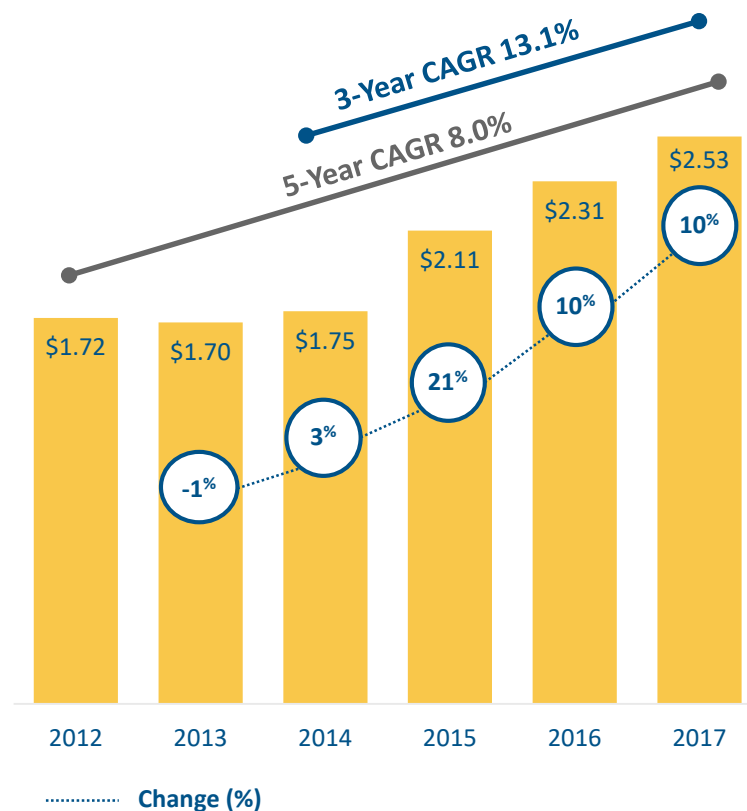
Historical Rate Base Growth Aligned with EPS Growth Over the Past 5 Years

2012 – 2017 Rate Base⁽¹⁾ (\$ billions)

| | 3-Year CAGR | 5-Year CAGR |
|---|-------------|-------------|
| Rate base | ~22% | ~24% |
| Rate base excluding acquisitions of U.S. subsidiaries | ~8% | ~7% |



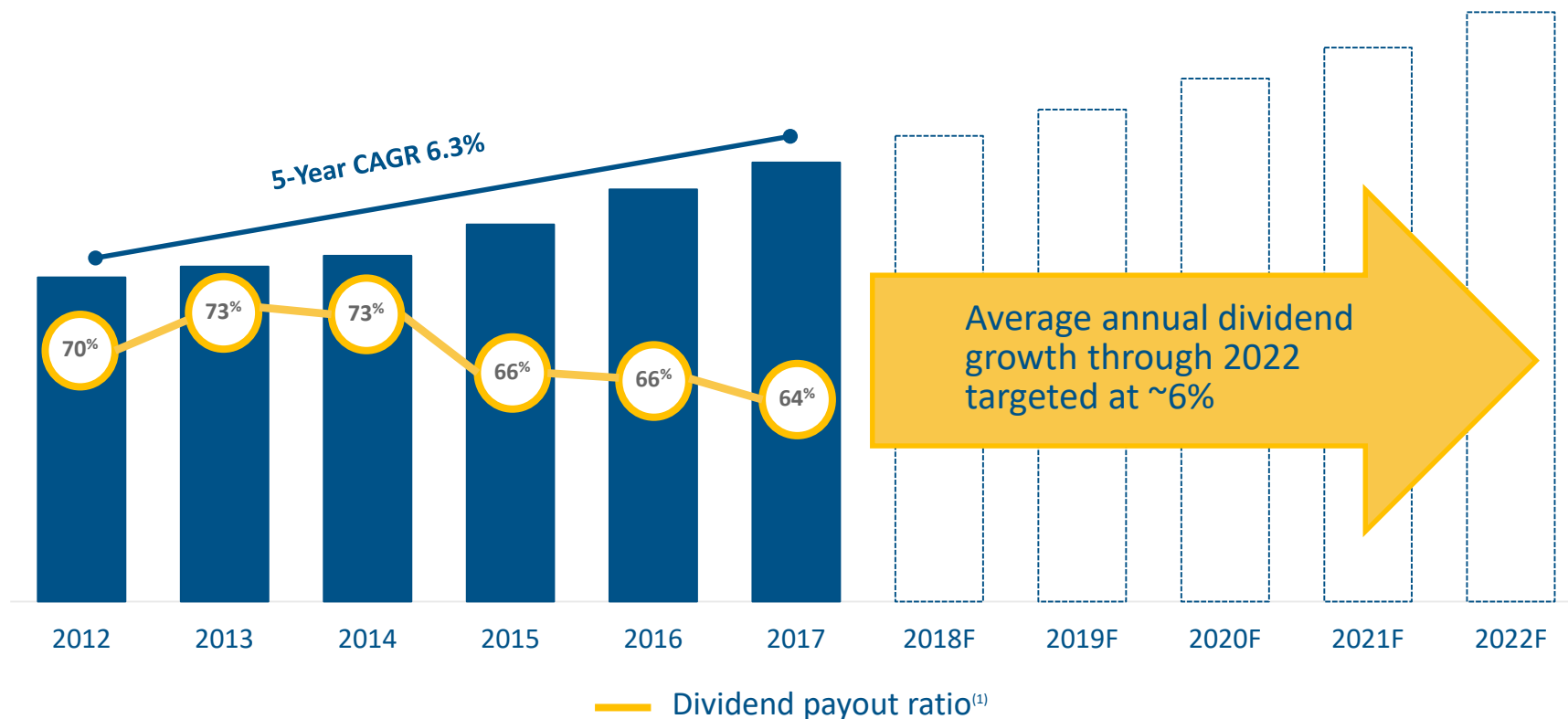
Adjusted Earnings Per Share



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

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

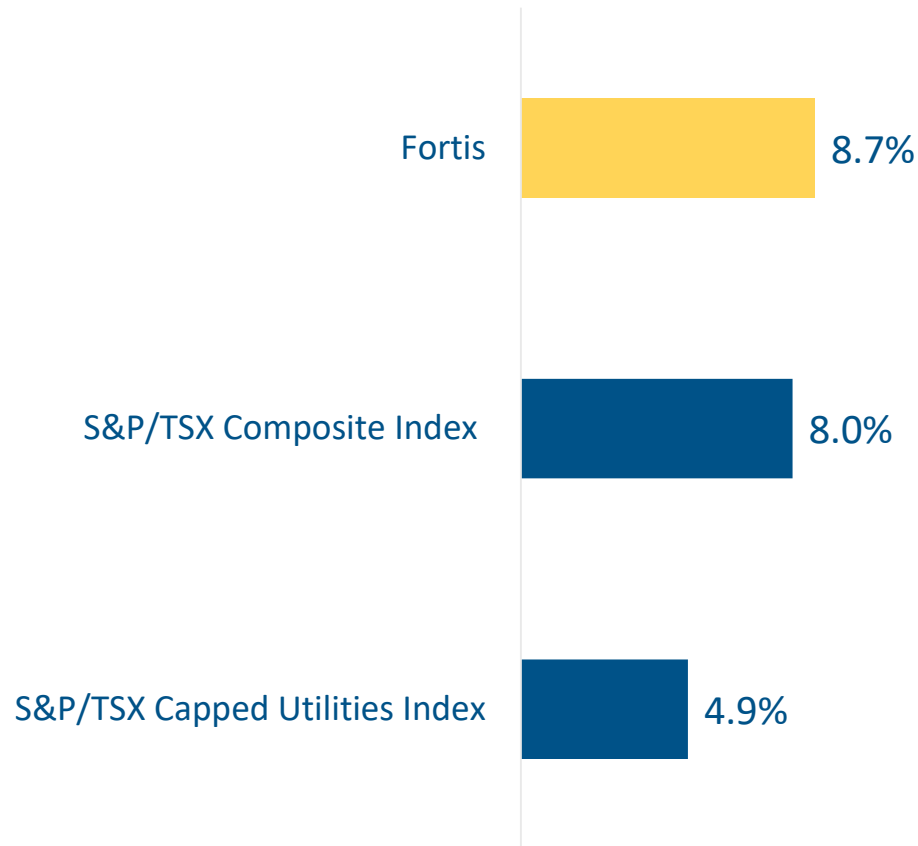
44 Years of Consecutive Annual Dividend Growth



(1) 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 May 31, 2018.



U.S. Tax Reform Updates

Benefits Customers Immediately and Shareholders Over the Long Term

Customer Rate Decrease

TEP – Application approved by ACC to return savings through customer bill credits and a regulatory liability account

ITC – 2018 MISO rates reposted to reflect lower income tax expense

CH – Revised rates effective July 1, 2018 to reflect lower tax expense as part of proposed rate settlement agreement

Interest Expense Deductibility Clarity

U.S. Treasury confirmed application of interest deductibility on a consolidated basis for 30% EBITDA cap

EEI leading efforts to clarify utility exemption with U.S. Treasury




Credit Rating Agency Updates

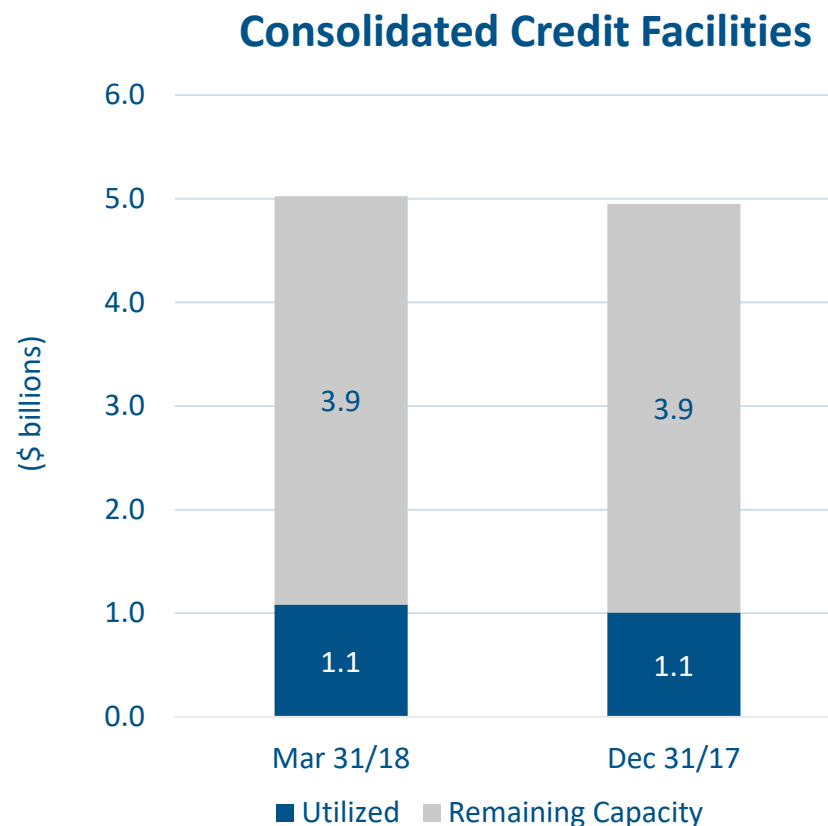
Held meetings with rating agencies

Moody's recent credit opinion had no change in credit ratings or outlook

S&P affirmed credit ratings and revised outlook to negative from stable due to modest temporary weakening of financial measures following U.S. Tax Reform

Investment-Grade Credit Ratings and Ample Liquidity

| Credit Ratings | |
|--|-------------------|
|  ⁽¹⁾ | A- / BBB+ |
|  | BBB (high) |
|  ⁽²⁾ | Baa3 |



(1) In March 2018, S&P affirmed the Corporation's credit ratings. The outlook was revised to negative from stable, due to modest temporary weakening of financial measures as a result of U.S. Tax Reform, which reduces cash flow at the Corporation's U.S. utilities.

(2) In April 2018, Moody's issued a credit opinion with no change to the Corporation's credit ratings or outlook.

Advancing the Wataynikaneyap Power Project

Canada's Largest First Nation's-Led Infrastructure Project

FORTIS ONTARIO



Partnership with First Nations to connect remote communities in Northern Ontario to the grid via 1,800 km of transmission line

In March 2018, a funding framework was reached with Wataynikaneyap Power, the Government of Canada and the Government of Ontario

Estimated total capital project cost of \$1.6B, with Fortis having a 49% ownership interest

Fortis has revised its capital forecast to include ~\$600M of capital expenditures⁽¹⁾ for 2019-2022, with the remaining portion forecast in 2023



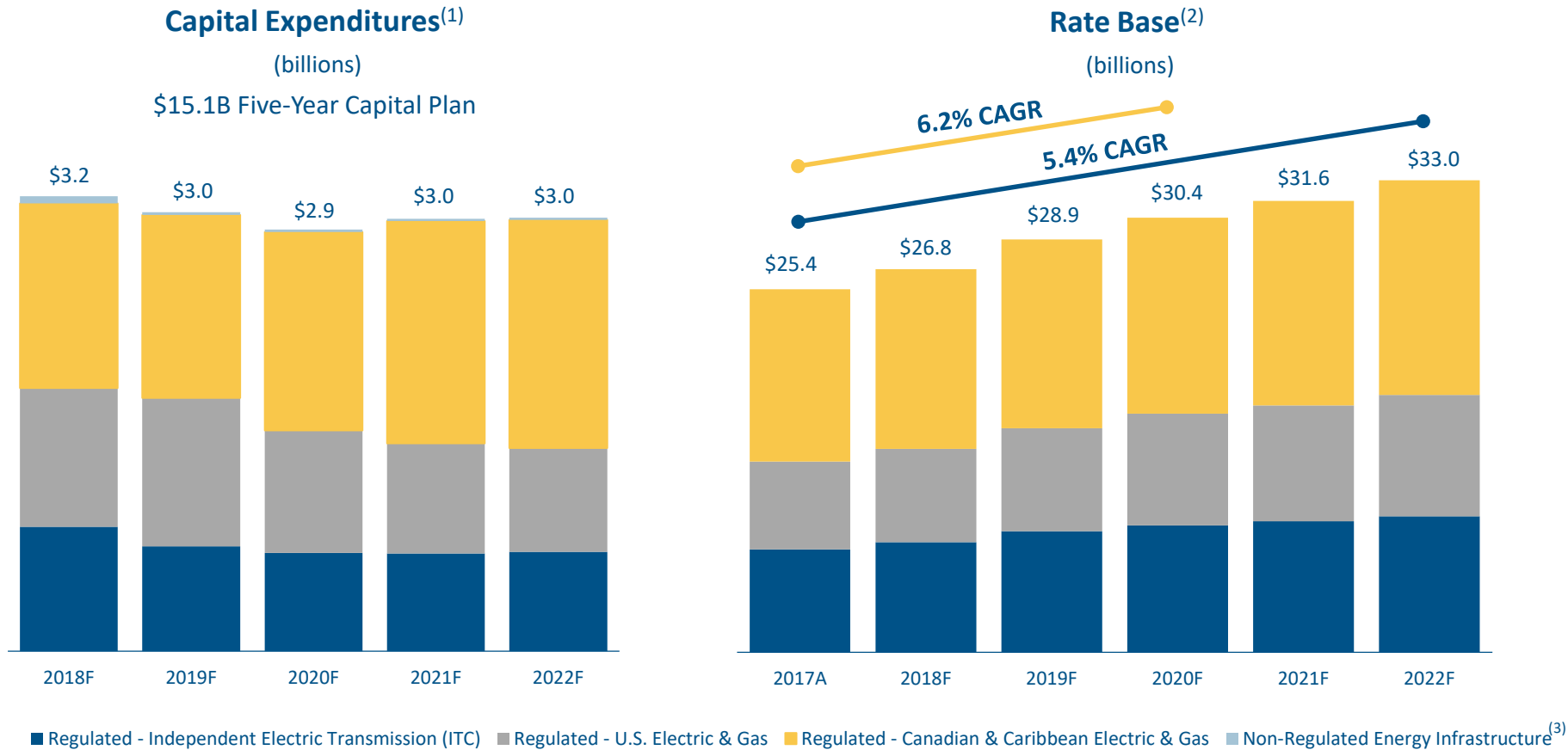
Remaining Milestones

- Obtain Leave to Construct from the OEB, expected in early 2019
- Completion of environmental assessments
- Construction to begin once final approvals and receipt of permits are complete
- Phase 1 construction completion targeted by the end of 2020 and Phase 2 targeted by the end of 2023

(1) The increase in capital forecast reflects Fortis' effective 49% share of the estimated capital spending for the Wataynikaneyap Power Project. Under the funding framework, Fortis will be funding its equity component only.

Rate Base Growth Supports Dividend Guidance

2018-2022 Capital Expenditure Program of \$15.1B Increases Rate Base to \$33B by 2022



(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 for 2017 based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2018 to 2022 based on a projected USD/CAD foreign exchange rate of \$1.28. Holding foreign exchange constant, 5-year and 3-year rate base CAGRs would be 5.5% and 6.5%, respectively.

(3) Includes 100% of the Waneta Hydroelectric Expansion, of which Fortis has a 51% controlling ownership interest and Fortis' effective 49% of the rate base of the Wataynikaneyap Power Project.

Highly Executable Capital Plan

Significant Projects⁽¹⁾ (\$ millions)⁽²⁾

| | Forecast 2018 | Forecast 2019-2022 | Forecast Total 2018- 2022 |
|---|------------------|-----------------------|---------------------------------|
| ITC Multi-Value Regional Transmission Projects ⁽³⁾ | 169 | 194 | 363 |
| ITC 34.5 kV to 69 kV Conversion Project | 111 | 369 | 480 |
| UNS Flexible Generation – Reciprocating Engines | 150 | 45 | 195 |
| UNS Gila River Generating Station Unit 2 | - | 211 | 211 |
| FortisBC Lower Mainland System Upgrade | 177 | 317 | 494 |
| FortisBC Eagle Mountain Woodfibre Gas Pipeline Project ⁽⁴⁾ | - | 350 | 350 |
| FortisBC Pipeline Integrity Management Program | - | 312 | 312 |
| Wataynikaneyap Power Project ⁽⁵⁾ | - | 631 | 631 |



- (1) Significant projects are identified as those with a total project cost of \$150 million or greater and exclude ongoing capital maintenance projects. Total project costs include forecasted capitalized interest and non-cash equity component of allowance for funds used during construction, where applicable.
- (2) US dollar-denominated capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.
- (3) Capital forecast consists of three regional electric transmission projects that have been identified by MISO to address system capacity needs and reliability in several states.
- (4) Capital forecast is net of customer contributions.
- (5) Capital spending represents Fortis' effective 49% share of the estimated capital spending for the Wataynikaneyap Power Project. Under the funding framework, Fortis will be funding its equity component only.

Opportunities Beyond the Base Capital Plan



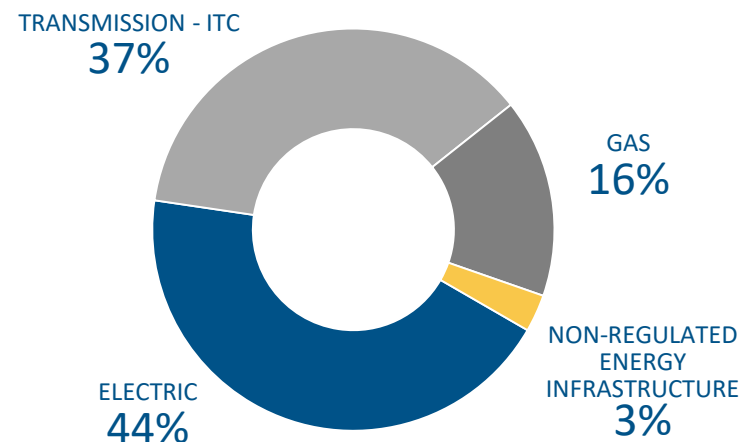
Regulatory Stability Continues

Remaining Significant Regulatory Decisions

| |  <small>A FORTIS COMPANY</small> |  <small>A FORTIS COMPANY</small> |
|-------------------------------|--|--|
| Application/Proceeding | <ul style="list-style-type: none"> MISO Base ROE Complaints | <ul style="list-style-type: none"> General Rate Application – Joint Proposal |
| Filing Date | <ul style="list-style-type: none"> Not applicable | <ul style="list-style-type: none"> July 2017 |
| Expected Decision | <ul style="list-style-type: none"> To be determined | <ul style="list-style-type: none"> Proposed 3-year settlement agreement filed with Commission in April 2018 for July 2018 - June 2021 Expected decision in June 2018 |

97% Regulated Utility Assets

as at December 31, 2017



| 2018 | |
|-----------------------------------|-------|
| Weighted Average Allowed ROE | 9.74% |
| Weighted Average Equity Thickness | 48.1% |

Our Strategy-Simple, Effective, Proven

Strategy

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



6% AVERAGE
ANNUAL DIVIDEND
GROWTH TARGET
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



Appendix

Investing in Our Networks

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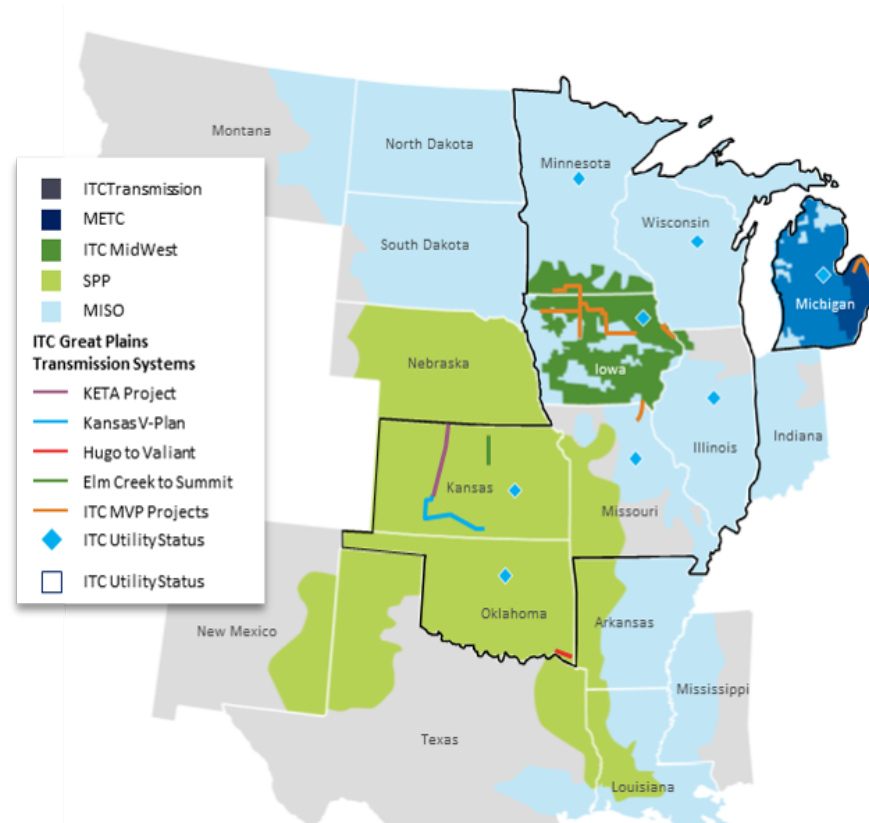
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| | |
|--|--|
| Type of utility | Transmission |
| Regulator | FERC |
| Regulatory model | Independent Transmission Company |
| 2018 Formula | 11.32-12.16% ROE on 60% equity |
| 2018F Midyear Rate Base | \$7.7B |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 5.6% |
| 2017 Assets % of total regulated assets ⁽²⁾ | 38% |
| 2017 Earnings ⁽³⁾ | \$272M |
| 2017 Earnings % of total regulated earnings ⁽³⁾ | 26% |
| 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 | MISO Base ROE |



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

(2) Includes goodwill.

(3) Represents the Corporation's 80.1% controlling interest in ITC.

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



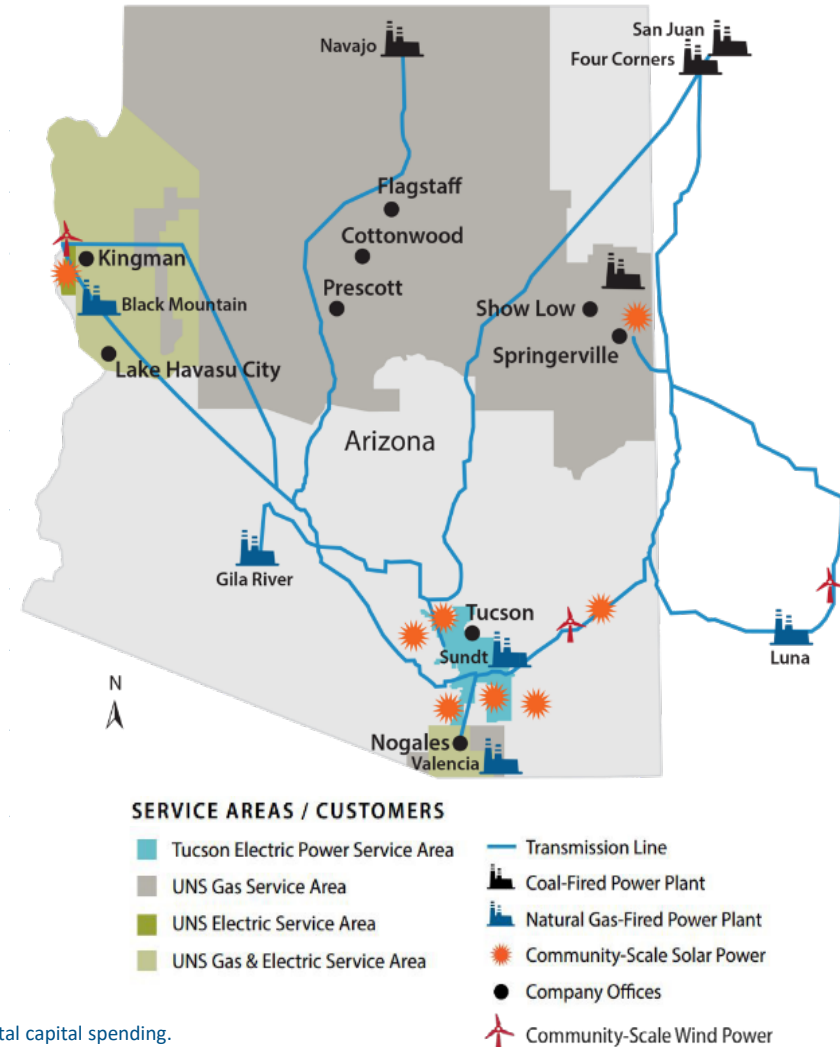
UNS Energy Corporation
A Fortis Company

| | Tucson Electric | UNS Electric | UNS Gas |
|--|---|---------------------------|---------------------------|
| Type of utility | Electricity | | Gas distribution |
| Regulator | Arizona Corporation Commission | | |
| Regulatory model | Cost of service/Historical Test Year | | |
| 2018 Formula | 9.75% ROE on 50% equity | 9.5% ROE on 52.83% equity | 9.75% ROE on 50.8% equity |
| 2018F Midyear Rate Base | \$4.8B | | |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 5.5% | | |
| 2017 Assets % of total regulated assets ⁽²⁾ | 19% | | |
| 2017 Earnings | \$270M | | |
| 2017 Earnings % of total regulated earnings | 26% | | |
| Major Capital Projects | Flexible Generation Resource and Modern, Efficient Baseload Combined Cycle Generation | | |
| Development Opportunities ⁽³⁾ | Renewables, Transmission Investments, Grid Modernization & Infrastructure Resiliency | | |

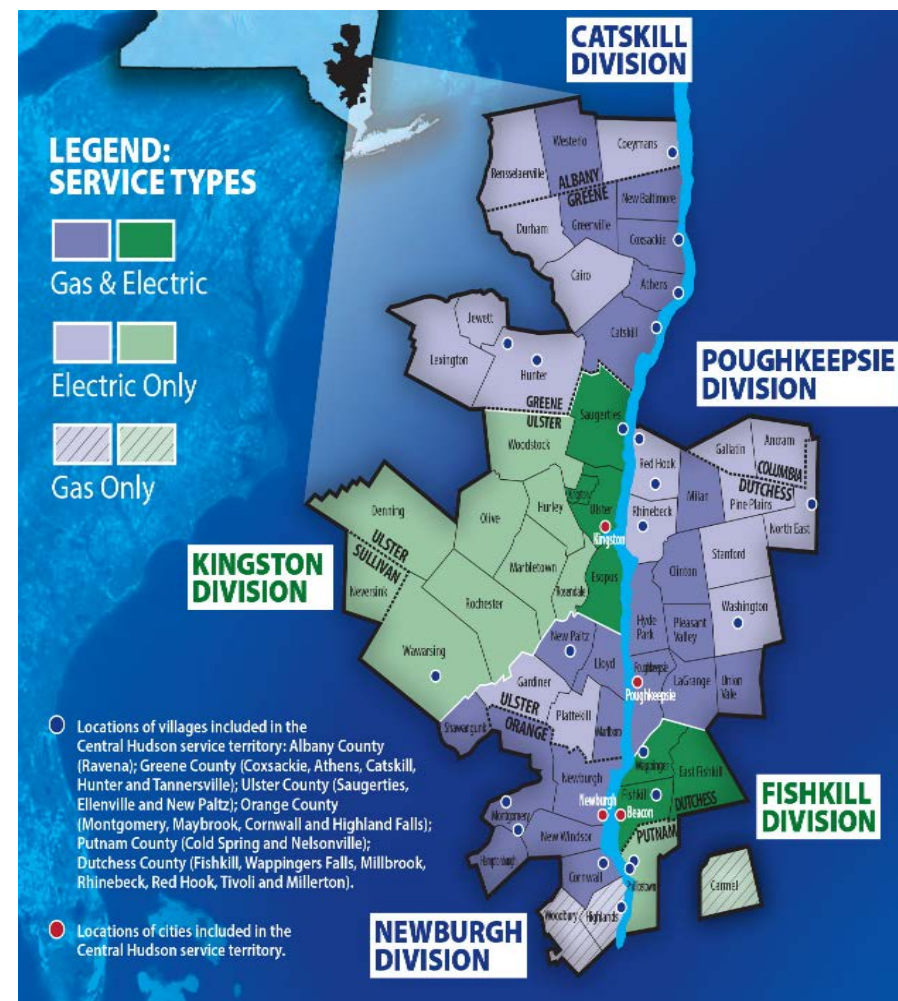
(1) 5-Year CAGR on midyear rate base includes 2017 actuals to 2022 forecast.

(2) Includes goodwill.

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



| | |
|--|-------------------------------------|
| Type of utility | Gas and electricity |
| Regulator | NY State Public Service Commission |
| Regulatory model | Cost of service on future test year |
| 2018 Formula ⁽¹⁾ | 9% ROE on 48% equity |
| 2018F Midyear Rate Base | \$1.7B |
| 5-Year CAGR on Midyear Rate Base ⁽²⁾ | 9.7% |
| 2017 Assets % of total regulated assets ⁽³⁾ | 7% |
| 2017 Earnings | \$70M |
| 2017 Earnings % of total regulated earnings | 7% |
| Major Capital Projects | Gas Main Replacement Program |
| Development Opportunities ⁽⁴⁾ | Transmission Investments |



(1) Formula represents current allowed ROE and equity thickness. In April 2018, Central Hudson filed a proposed three-year rate case settlement covering July 2018 to June 2021.

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

(3) Includes goodwill.

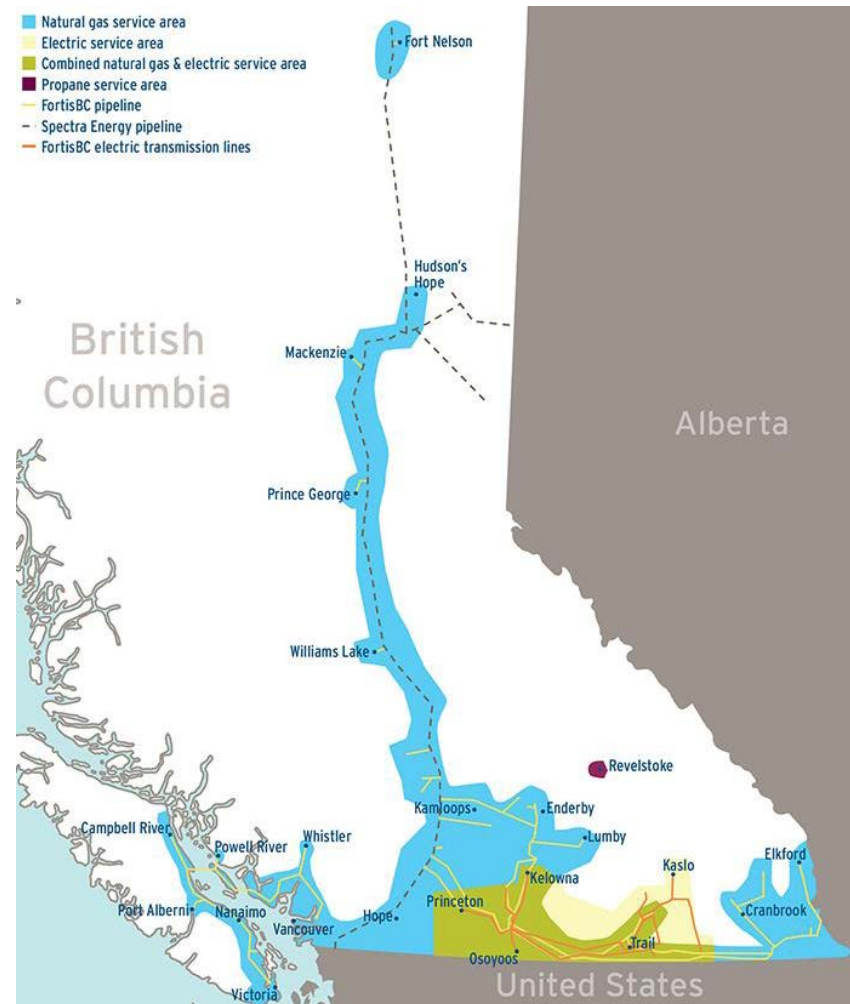
(4) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

| | FortisBC Gas | FortisBC Electric |
|--|--|---------------------------|
| Type of utility | Gas distribution | Electricity |
| Regulator | BC Utilities Commission | |
| Regulatory model | Cost of service + PBR | |
| 2018 Formula | 8.75% ROE on 38.5% equity | 9.15% ROE on 40.0% equity |
| 2018F Midyear Rate Base | \$4.3B | \$1.3B |
| 5-Year CAGR on Midyear Rate Base ⁽¹⁾ | 3.8% | 2.6% |
| 2017 Assets % of total regulated assets ⁽²⁾ | 14% | 5% |
| 2017 Earnings | \$154M | \$55M |
| 2017 Earnings % of total regulated earnings | 15% | 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 |

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

(2) Includes goodwill.

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



| | |
|--|---|
| Type of utility | Electricity distribution |
| Regulator | Alberta Utilities Commission |
| Regulatory model | PBR |
| 2018 Formula ⁽¹⁾ | 8.5% ROE on 37% equity |
| 2018F Midyear Rate Base | \$3.4B |
| 5-Year CAGR on Midyear Rate Base ⁽²⁾ | 5.7% |
| 2017 Assets % of total regulated assets ⁽³⁾ | 10% |
| 2017 Earnings | \$120M |
| 2017 Earnings % of total regulated earnings | 12% |
| Major Capital Projects | Pole-Management Program |
| Development Opportunities ⁽⁴⁾ | Renewables, Distribution System Investments, Changing Customer Expectations |
| Pending Regulatory Decisions | Generic Cost of Capital Proceeding |



(1) The 2018 formula is subject to the current General Cost of Capital proceeding, where a decision on ROE and equity thickness is expected in Q3 2018.




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

(3) Includes goodwill.

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



Other Electric Utilities

| |  |  |  |
|--|---|---|---|
| Type of utility | 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 |
| 2018 Formula | 8.78% - 9.30% ROE on 40% equity ⁽²⁾ | 9.35% ROE on 40% equity | 8.50% ROE +/- 40 bp on 45% equity |
| 2018F Midyear Rate Base | \$0.3B | \$0.4B | \$1.1B |
| 5-Year CAGR on Midyear Rate Base ⁽³⁾ | 28.4% | 2.4% | 2.2% |
| 2017 Assets % of total regulated assets ⁽⁴⁾ | 1% | 1% | 3% |
| 2017 Earnings | \$10M | \$13M | \$41M |
| 2017 Earnings % of total regulated earnings | 1% | 1% | 4% |
| Development Opportunities ⁽⁵⁾ | Municipal Utility Consolidation | Grid Modernization | Grid Modernization |

(1) Includes Canadian Niagara Power, Cornwall Electric, Algoma Power and a 49% regulated non-controlling equity interest in the Wataynikaneyap Power Project.



(2) Allowed ROE is 9.3% for Algoma Power, 8.78% for Canadian Niagara Power distribution and 9.3% for Canadian Niagara Power transmission. 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.

(3) 5-Year CAGR on midyear rate base includes 2017 actuals to 2022 forecast, including Fortis' effective 49% of the rate base of the Wataynikaneyap Power Project.

(4) Includes goodwill.

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

Other Electric Utilities (Continued)

| | | |
|--|--|---|
| |  |  |
| Type of utility | Electricity | |
| Regulator | Utility Regulation and Competition Office | Government of the Turks and Caicos Islands |
| Regulatory model | Cost of service with historical test year | |
| 2018 Formula | 7.0-9.0% Return on Rate Base | 15-17.50% Return on Assets |
| 2018F Midyear Rate Base | \$0.6B | \$0.4B |
| 5-Year CAGR on Midyear Rate Base ⁽²⁾ | 2.9% | 6.1% |
| 2017 Assets % of total regulated assets ⁽³⁾ | 2% | 1% |
| 2017 Earnings ⁽⁴⁾ | \$18M | \$11M |
| 2017 Earnings % of total regulated earnings ⁽⁴⁾ | 2% | 1% |

(1) Fortis has an approximate 60% controlling interest in Caribbean Utilities Company, Ltd.

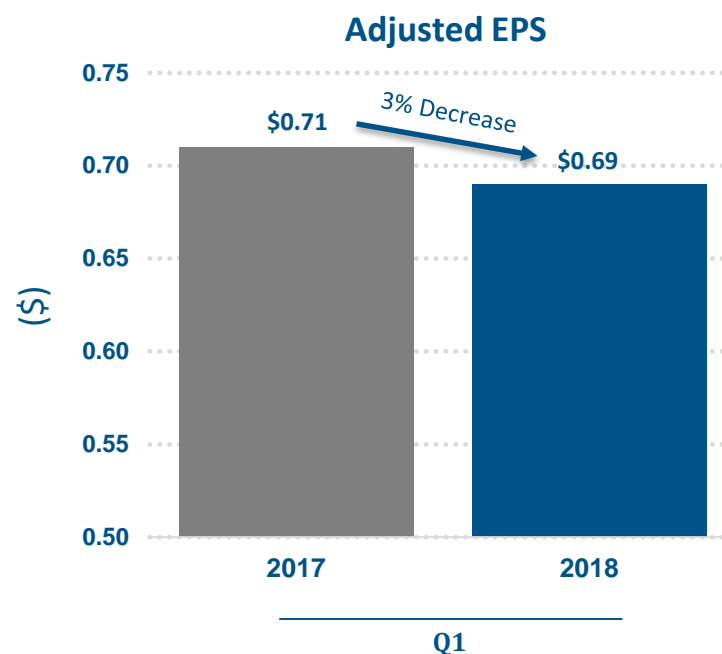
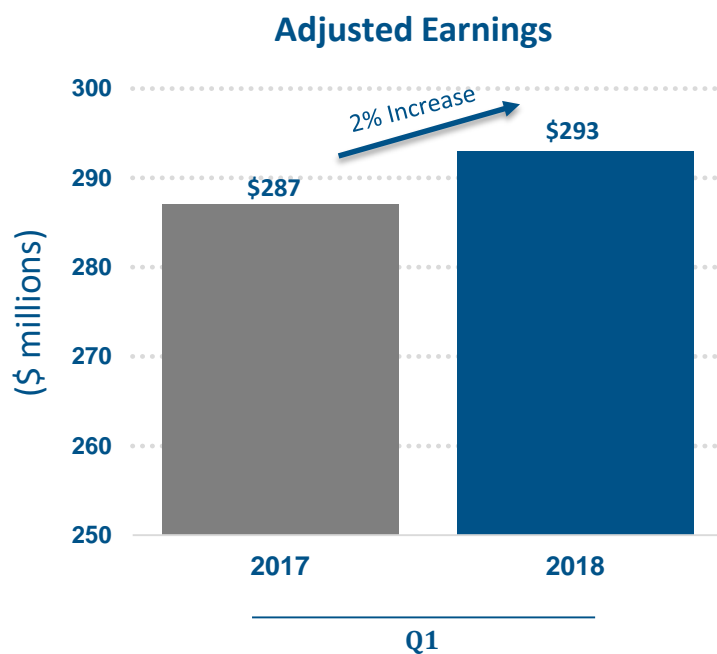
(2) 5-Year CAGR on midyear rate base includes 2017 actuals to 2022 forecast.

(3) Includes goodwill.

(4) Excludes earnings from Fortis' 33% equity investment in Belize Electricity Limited.



Fortis Delivers Q1 2018 Results Aligned With Expectations



Q1 2018 Results by Segment

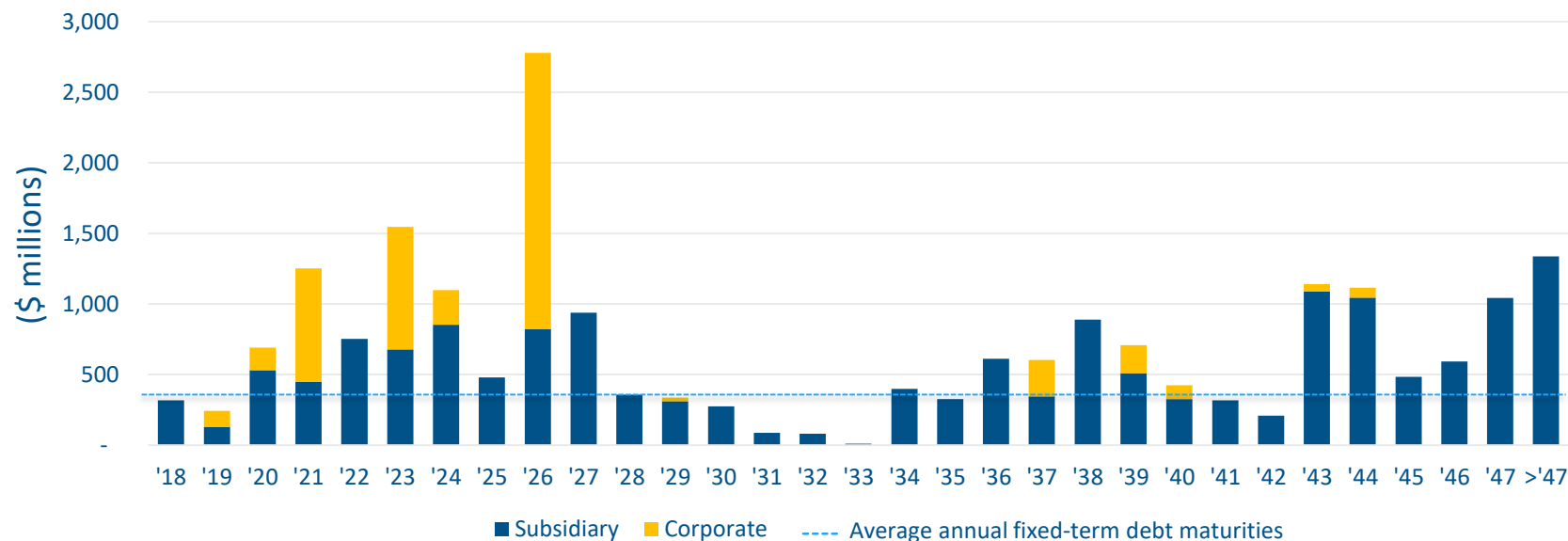
First Quarter Variance Analysis by Segment

| (\$ in millions, excluding EPS) | Q1 2018 | Adjustment | Q1 2018 (Adjusted) | | Q1 2017 | Adjustment | Q1 2017 (Adjusted) | | Q1 (Adjusted) Variance |
|--|---------------|---------------|--------------------|--|---------------|--------------|--------------------|--|------------------------|
| Regulated – Independent Electric Transmission | | | | | | | | | |
| ITC | 86 | - | 86 | | 91 | - | 91 | | (5) |
| | | | | | | | | | |
| Regulated – US Electric & Gas | | | | | | | | | |
| UNS Energy | 50 | - | 50 | | 41 | (7) | 34 | | 16 |
| Central Hudson | <u>21</u> | <u>-</u> | <u>21</u> | | <u>23</u> | <u>-</u> | <u>23</u> | | <u>(2)</u> |
| | 71 | - | 71 | | 64 | (7) | 57 | | 14 |
| Regulated Canadian & Caribbean Electric & Gas | | | | | | | | | |
| FortisBC Energy | 98 | - | 98 | | 97 | - | 97 | | 1 |
| FortisAlberta | 27 | - | 27 | | 25 | - | 25 | | 2 |
| FortisBC Electric | 16 | - | 16 | | 15 | - | 15 | | 1 |
| Other Electric ⁽¹⁾ | <u>18</u> | <u>-</u> | <u>18</u> | | <u>26</u> | <u>-</u> | <u>26</u> | | <u>(8)</u> |
| | 316 | - | 316 | | 318 | (7) | 311 | | 5 |
| | | | | | | | | | |
| Other Energy Infrastructure | 18 | - | 18 | | 23 | - | 23 | | (5) |
| Corporate and Other | (11) | (30) | (41) | | (47) | - | (47) | | 6 |
| Net Earnings | \$323 | \$(30) | \$293 | | \$294 | \$(7) | \$287 | | \$6 |
| Weighted Average Shares | 422.0 | | 422.0 | | 406.2 | | 406.2 | | 15.8 |
| EPS | \$0.77 | | \$0.69 | | \$0.72 | | \$0.71 | | \$(0.02) |

(1) Comprised of Eastern Canadian and Caribbean electric utilities.

Manageable Fixed-Term Debt Maturities⁽¹⁾

Average Annual Fixed-Term Debt Maturities



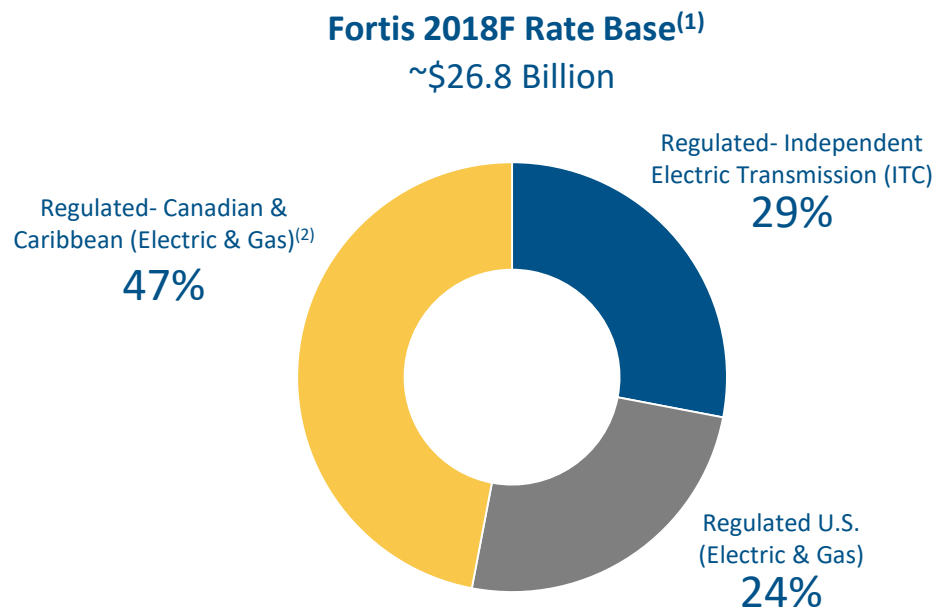
| (\$millions) | 2018 | 2019 | 2020 | 2021 | 2022 | Total |
|-------------------------------|------------|------------|------------|--------------|------------|--------------|
| Canadian Regulated Electric | 74 | 7 | 36 | 31 | 34 | 182 |
| U.S. Regulated | 217 | 101 | 460 | 382 | 677 | 1,837 |
| Other Segments ⁽²⁾ | 28 | 19 | 33 | 34 | 40 | 154 |
| Corporate | - | 116 | 161 | 806 | - | 1,083 |
| Total | 319 | 243 | 690 | 1,253 | 751 | 3,256 |

(1) As at March 31, 2018.

(2) Includes FortisBC Gas, Caribbean Utilities and FortisTCI.

2018-2022 Capital Forecast by Segment

| 2018 Capital Forecast ⁽¹⁾ (\$millions) | |
|--|----------------|
| REGULATED-INDEPENDENT ELECTRIC TRANSMISSION | |
| ITC | 863 |
| REGULATED-U.S. ELECTRIC & GAS | |
| UNS Energy | 686 |
| Central Hudson | 275 |
| REGULATED-CANADIAN & CARIBBEAN ELECTRIC & GAS | |
| FortisBC Gas | 462 |
| FortisAlberta | 407 |
| FortisBC Electric | 104 |
| Other Electric ⁽³⁾ | 307 |
| OTHER ENERGY INFRASTRUCTURE | 49 |
| Total Capital Expenditures | \$3,153 |



| (\$billions) ⁽¹⁾ | 2018F | 2019F | 2020F | 2021F | 2022F |
|--|--------------|--------------|--------------|--------------|------------|
| Regulated - Independent Electric Transmission | 0.9 | 0.7 | 0.7 | 0.7 | 0.7 |
| Regulated - U.S. Electric & Gas | 1.0 | 1.0 | 0.8 | 0.8 | 0.7 |
| Regulated - Canadian & Caribbean Electric & Gas ⁽⁴⁾ | 1.3 | 1.3 | 1.4 | 1.5 | 1.6 |
| Other Energy Infrastructure | - | - | - | - | - |
| Total Capital Expenditures | \$3.2 | \$3.0 | \$2.9 | \$3.0 | 3.0 |

(1) US dollar-denominated capital and rate base for 2018 to 2022 is based on the forecast average USD/CAD foreign exchange rate of \$1.28.

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

(3) Comprised of Eastern Canadian and Caribbean electric utilities.

(4) Includes 100% of the Waneta Hydroelectric Expansion of which Fortis has a 51% controlling ownership interest and includes Fortis' effective 49% share of the estimated capital spending for the Wataynikaneyap Power Project.

Utility Debt Credit Ratings

| Company |  S&P Global |  DBRS | MOODY'S |
|---|---|--|---------|
| ITC Transmission | 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 ⁻⁽¹⁾ | n/a | Baa2 |
| Tucson Electric Power | A ⁻⁽¹⁾ | n/a | A3 |
| Central Hudson | A- | n/a | A2 |
| FortisBC Gas | n/a | A | A3 |
| FortisBC Electric | n/a | A (low) | Baa1 |
| FortisAlberta | A ⁻⁽¹⁾ | A (low) | n/a |
| Newfoundland Power | n/a | A | A2 |

(1) In March 2018, outlook was revised to negative from stable as a result of the outlook of Fortis Inc. changing to negative from stable.

Focused on Sustainability and Delivering Cleaner Energy to Customers

- Focused on providing safe, reliable and affordable energy to customers
- Focused on transmission and distribution with a shift to lower carbon and more renewables
- Sustainability EVP appointed to focus on enterprise-wide sustainability and stewardship priorities
- Stakeholder in Energy Impact Partners (EIP) utility coalition – a firm investing in companies focused on initiatives to create a clean, digital and transformed future
- All utilities have Environmental Management Systems; majority are ISO 14001 compliant
- Two environmental reports produced in 2017

**TEP CO₂
EMISSIONS
REDUCTION**



16% 2006 BASELINE YEAR TO 2017

30% REDUCTION TARGET BY 2030

92%
T&D ASSETS



8%
**GENERATION
ASSETS**

**5% FOSSIL-FUEL
GENERATION,
PRIMARILY AT TEP**

**3% RENEWABLE
GENERATION**

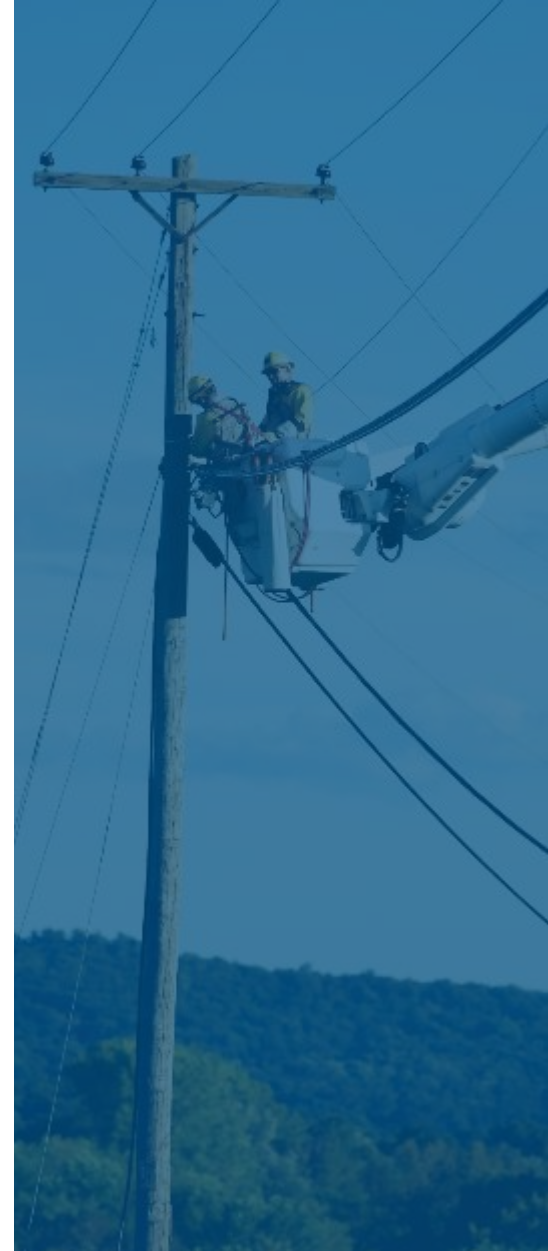
Expected Upcoming Events

Expected Upcoming Earnings Release Dates

| | |
|------------------|--------------------------|
| Q2 – 2018 | July 31, 2018 |
| Q3 – 2018 | November 2, 2018 |
| Q4 – 2018 | February 14, 2019 |

Save the Date – 2018 Investor Days

| | |
|-----------------|-------------------------|
| Toronto | October 15, 2018 |
| New York | October 16, 2018 |





Barry Perry
President and CEO



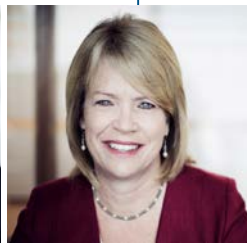
Jocelyn Perry
EVP, CFO



Jim Reid
EVP, Chief Legal
Officer & Corporate
Secretary



Phonse Delaney
EVP, Chief
Information Officer



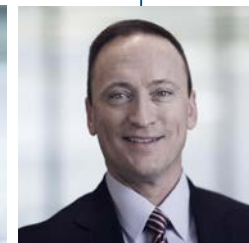
Nora Duke
EVP, Sustainability
& CHRO



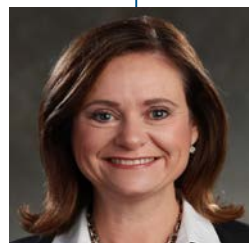
James Laurito
EVP, Business
Development



Gary Smith
EVP, Eastern Canadian
& Caribbean
Operations



David Hutchens
EVP, Western Utility
Operations,
President & CEO
UNS Energy



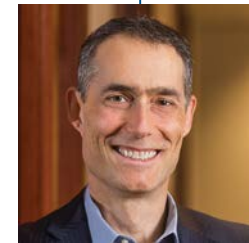
Linda Apsey
President & CEO
ITC Holdings Corp.



Michael Mosher
President & CEO
Central Hudson



President & CEO
FortisAlberta⁽¹⁾



Roger D'all Antonio
President & CEO
FortisBC

(1) Effective June 15, 2018, David Hutchens, Executive Vice President, Western Utility Operations, Fortis Inc., will provide interim leadership to FortisAlberta through a transition period until a successor is appointed.