



# Investor Presentation

Second Quarter 2019



# 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: forecast capital expenditures for the period 2019 through 2023 and potential funding sources for the capital plan; forecast rate base for the period 2019 through 2023; targeted average annual dividend growth through 2023; the expected timing of filing of regulatory applications and receipt and outcome of regulatory decisions; expected expenditures and benefits related to FortisBC energy conservation and efficiency projects; and the nature, timing, benefits and costs of certain capital projects including, without limitation, the Wataynikaneyap Transmission Power Project, ITC Multi-Value Regional Transmission Projects and 34.5 to 69 kV Transmission Conversion Project, UNS Energy Gila River Natural Gas Generating Station Unit 2, Southline Transmission Project and Oso Grande Wind Project, FortisBC Lower Mainland Intermediate Pressure System Upgrade, Eagle Mountain Woodfibre Gas Line Project, Transmission Integrity Management Capabilities Project and Inland Gas Upgrades Project and additional opportunities beyond the base capital 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 risk factors or assumptions include, but are not limited to: the implementation of the Corporation's five-year capital investment plan; 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 realization of additional opportunities; the impact of fluctuations in foreign exchange; the Board exercising its discretion to declare dividends, taking into account the business performance and financial condition of the Corporation; reasonable decisions by utility regulators and the expectation of regulatory stability and no significant changes in laws and regulations that may materially negatively affect the Corporation and its subsidiaries. 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

## STRATEGY



6%

Average Annual Dividend  
Growth Target through  
2023

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



Focus on  
Growth

## AREAS OF FOCUS:

Utility Capital  
Investment  
Plan

System  
Resiliency &  
Cybersecurity

Sustainability &  
Delivery of  
Cleaner Energy

Customer &  
Regulatory  
Relationships

Energy Infrastructure,  
LNG Expansion &  
Energy Storage

Investment  
Grade Credit  
Ratings

# High Quality & Diverse Utility Portfolio

10

UTILITY OPERATIONS  
Canada, U.S. & Caribbean

3.3

MILLION  
UTILITY CUSTOMERS  
2.0M Electric & 1.3M Gas

~99%

REGULATED  
UTILITY ASSETS

~93%

TRANSMISSION &  
DISTRIBUTION

\$26.1

BILLION IN  
MIDYEAR RATE  
BASE IN 2018

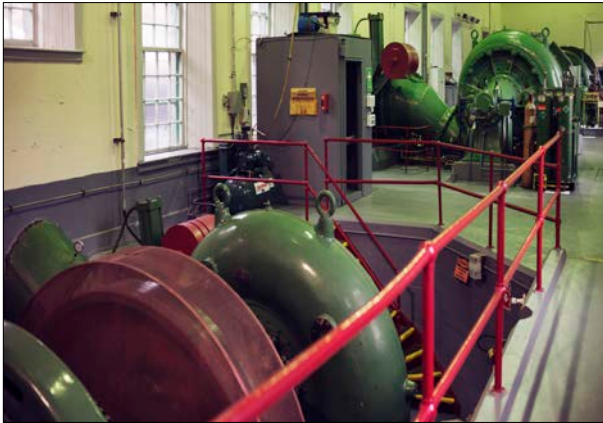
~65%

EARNINGS  
FROM THE U.S.

Note: All information as at December 31, 2018.

# Fortis Timeline

**1885-2012**



**Focused on Canada**

**2013-2016**



**U.S. Acquisition Strategy**






**2017-Current**



**Focused on Growth in North America**

# Our Unique Business Model

A HIGHLY REGULATED,  
GEOGRAPHICALLY  
DIVERSE, ENERGY  
DELIVERY COMPANY.

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



# Sustainability: It's How We Do Everything



## Ranked Top Decile on Governance Matters<sup>(1)</sup>

- Women represent
  - 60% of Head Office
  - 42% of Board
  - 1/3 of Executive team



## Focused on Delivering Cleaner Energy

- Carbon Intensity Decreased **63%** since 2015
- Renewable Generation Expansion in Arizona

**93%** of our assets are electricity poles, wires and natural gas lines



## Outperformed Industry Averages in Safety and Reliability Measures<sup>(2)</sup>

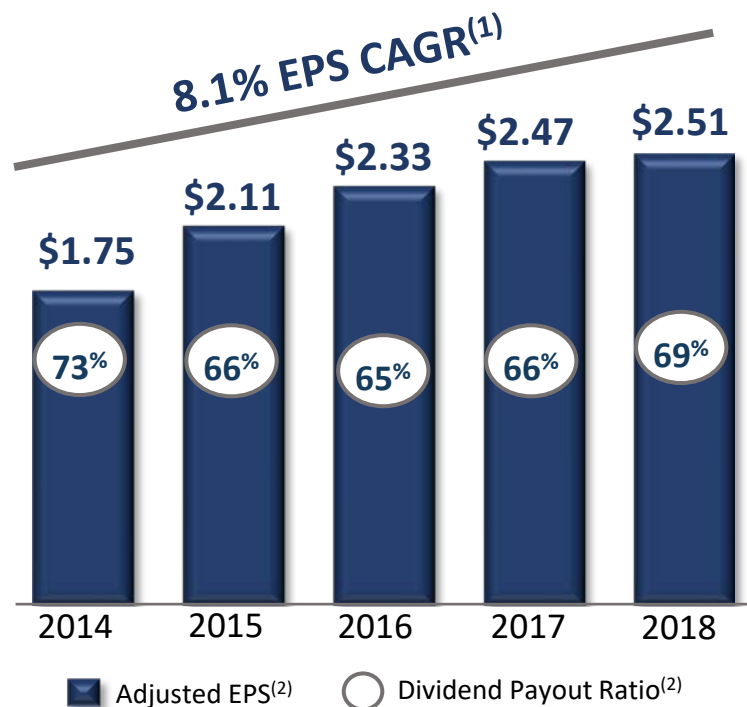


**~\$13M** invested in communities that we serve in 2018

(1) Ranked 7 out of 237 S&P/TSX Composite companies in the 2018 Globe and Mail Board Games and received the 2017 Governance Gavel Award for "Best Disclosure of Corporate Governance and Executive Compensation Practices."

(2) In 2018 the Fortis all-injury frequency rate was 1.47, outperforming the Canadian industry rate of 1.6 and the U.S. rate of 1.9 and the average hours of interruption per customer served was 2.07, compared to the industry average of 3.6 hours.

# Strong Financial Track Record



(1) 5-year period ending 2018 and reflects adjusted EPS, a non-US GAAP measure.

(2) Reflects adjusted EPS, a non-US GAAP measure.

(3) 5-year period ending 2018 and excludes acquisition impacts. Including acquisitions, CAGR is 21%.



## 2018 Key Statistics

8,800 **Employees**

\$8.4B **Revenues**

\$1.1B **Net Earnings**

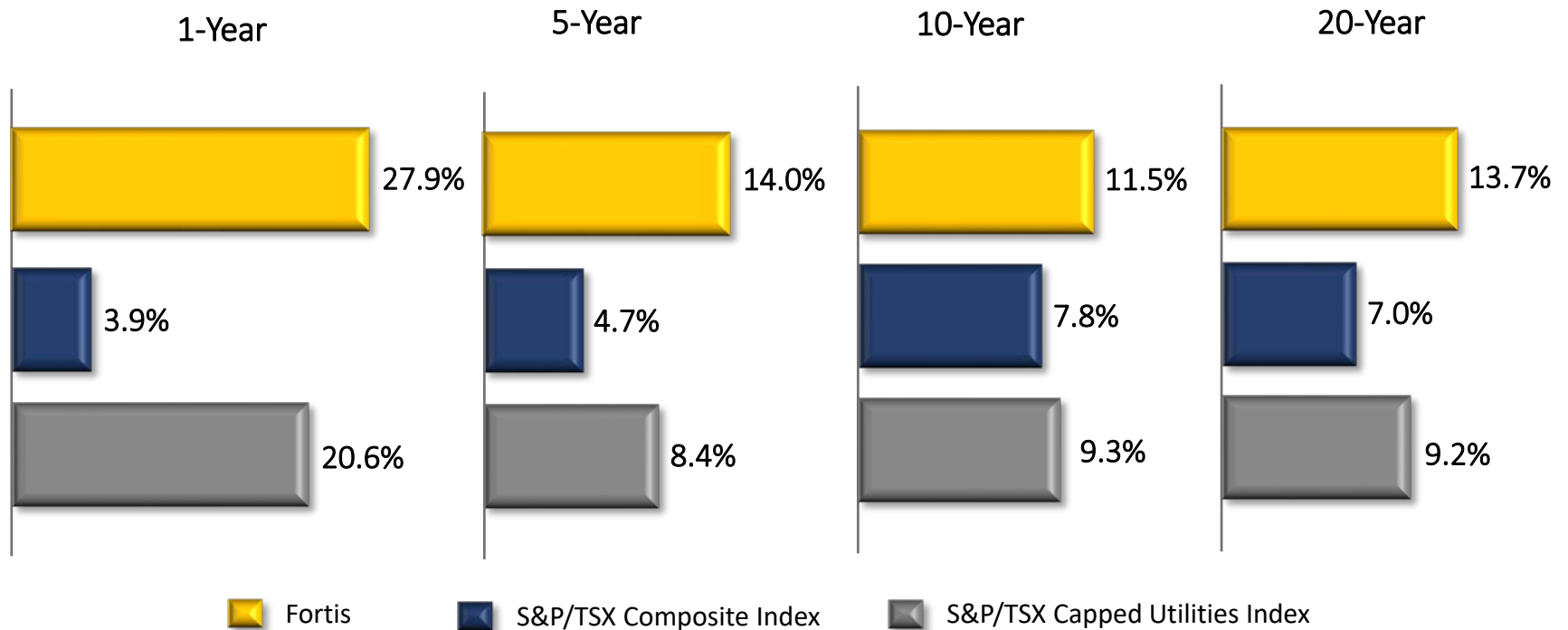


## Strong Rate Base Growth

6% **2018 Rate Base Growth**

6% **5-Year Historical Rate Base CAGR<sup>(3)</sup>**

# Consistently Delivering Superior Average Annualized Total Shareholder Returns



Note: For the period ending June 30, 2019.

# 2019-2023 Business Plan Highlights



**\$17.3B**

**5-Year  
Capital Plan**



**6-7%**

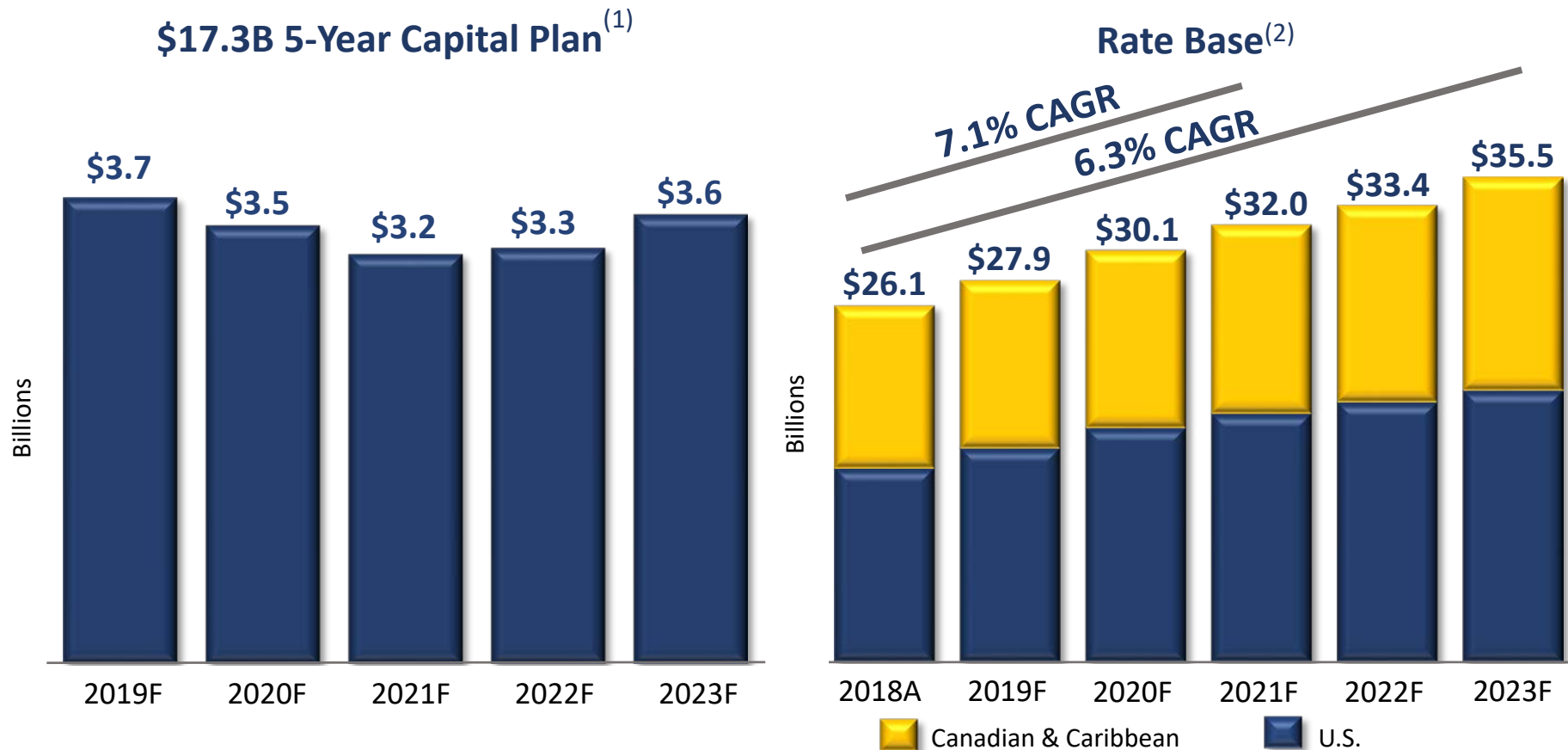
**Rate Base  
Growth**



**6%**

**Average Annual  
Dividend Growth  
Target to 2023**

# Capital Plan Supports 6-7% Average Annual Rate Base Growth



(1) Capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

(2) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28. Holding foreign exchange constant at \$1.30, rate base CAGR would be 6.5% for 5-year CAGR and 7.4% for 3-year CAGR.

# Executing on Capital Plan

## Supporting a Cleaner Energy Future

### TEP Oso Grande 247 MW Wind Project



Once complete:

- Renewable energy production will be ~28% of retail sales
- Helps to achieve 30% renewables target

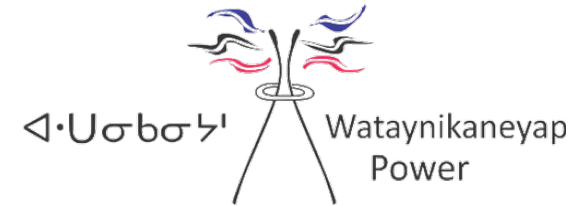
### FortisBC Energy Conservation & Efficiency Program Increased to ~\$370M



Expected to:

- Decrease CO<sub>2</sub> emissions by 50K tonnes annually
- Equivalent of taking 11K cars off the road

### Obtained Leave to Construct from OEB



Next steps include:

- Environmental assessment approvals
- Connects 17 First Nations to clean & reliable energy

# 2019-2023 Capital Forecast by Segment

Capital Forecast <sup>(1)</sup>						
(\$millions)	2019	2020	2021	2022	2023	2019-2023 Total
<b>Regulated - Independent Electric Transmission</b>						
ITC	865	878	951	943	861	4,498
<b>Regulated - US Electric &amp; Gas</b>						
UNS Energy	1,076	875	624	476	476	3,527
Central Hudson	280	268	276	291	274	1,389
<b>Total Regulated - US Electric &amp; Gas</b>	<b>1,356</b>	<b>1,143</b>	<b>900</b>	<b>767</b>	<b>750</b>	<b>4,916</b>
<b>Regulated - Canadian &amp; Caribbean Electric &amp; Gas</b>						
FortisBC Energy	503	408	430	654	978	2,973
FortisAlberta	414	427	434	449	467	2,191
FortisBC Electric	116	125	101	105	90	537
Other Electric <sup>(2)</sup>	418	479	415	364	376	2,052
<b>Total Regulated - Canadian &amp; Caribbean Electric &amp; Gas</b>	<b>1,451</b>	<b>1,439</b>	<b>1,380</b>	<b>1,572</b>	<b>1,911</b>	<b>7,753</b>
<b>Energy Infrastructure</b>	<b>28</b>	<b>19</b>	<b>19</b>	<b>18</b>	<b>44</b>	<b>128</b>
<b>Total Capital Forecast</b>	<b>3,700</b>	<b>3,479</b>	<b>3,250</b>	<b>3,300</b>	<b>3,566</b>	<b>17,295</b>

(1) Capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28.

(2) Comprises Eastern Canadian and Caribbean electric utilities

# Major Capital Projects

Significant Capital Projects (\$millions) <sup>(1)</sup>	2019 Forecast	Total 2019-2023 Plan	Expected Year of Completion
ITC Multi-Value Regional Transmission Projects	88	332	2023
ITC 34.5 kV to 69 kV Transmission Conversion Project	87	348	Post-2023
UNS Energy Gila River Natural Gas Generating Station Unit 2	211	211	2019
UNS Energy Southline Transmission Project	182	389	2022
UNS Energy Oso Grande Wind Project	342	492	2020
FortisBC Lower Mainland Intermediate Pressure System Upgrade	187	252	2020
FortisBC Eagle Mountain Woodfibre Gas Line Project	-	350	2023
FortisBC Transmission Integrity Management Capabilities Project	-	568	Post-2023
FortisBC Inland Gas Upgrades Project	14	222	Post-2023
Wataynikaneyap Transmission Power Project	158	587	2023

## Capital Plan By Project Type



(1) Capital expenditures are translated at a forecast USD/CAD foreign exchange rate of \$1.28. Forecast includes both the capitalized debt and equity components of AFUDC, where applicable.

# Strong 5-Year Rate Base Growth<sup>(1)</sup>

	2018	2023F	CAGR
UNS	\$4.7B	\$6.6B	6.9%
ITC	\$7.8B	\$10.8B	6.8%
FortisBC Energy	\$4.4B	\$5.9B	6.0%
Other <sup>(2)</sup>	\$9.2B	\$12.2B	5.9%
<b>Total</b>	<b>\$26.1B</b>	<b>\$35.5B</b>	<b>6.3%</b>

**Growth Mainly  
Driven by U.S.  
Utility Investments**

(1) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28.

(2) Comprises Central Hudson, FortisAlberta, FortisBC Electric, Eastern Canadian and Caribbean electric utilities

Note: 5-year rate base is for the period 2019 through 2023.

# Powering Arizona

**3,377MW**

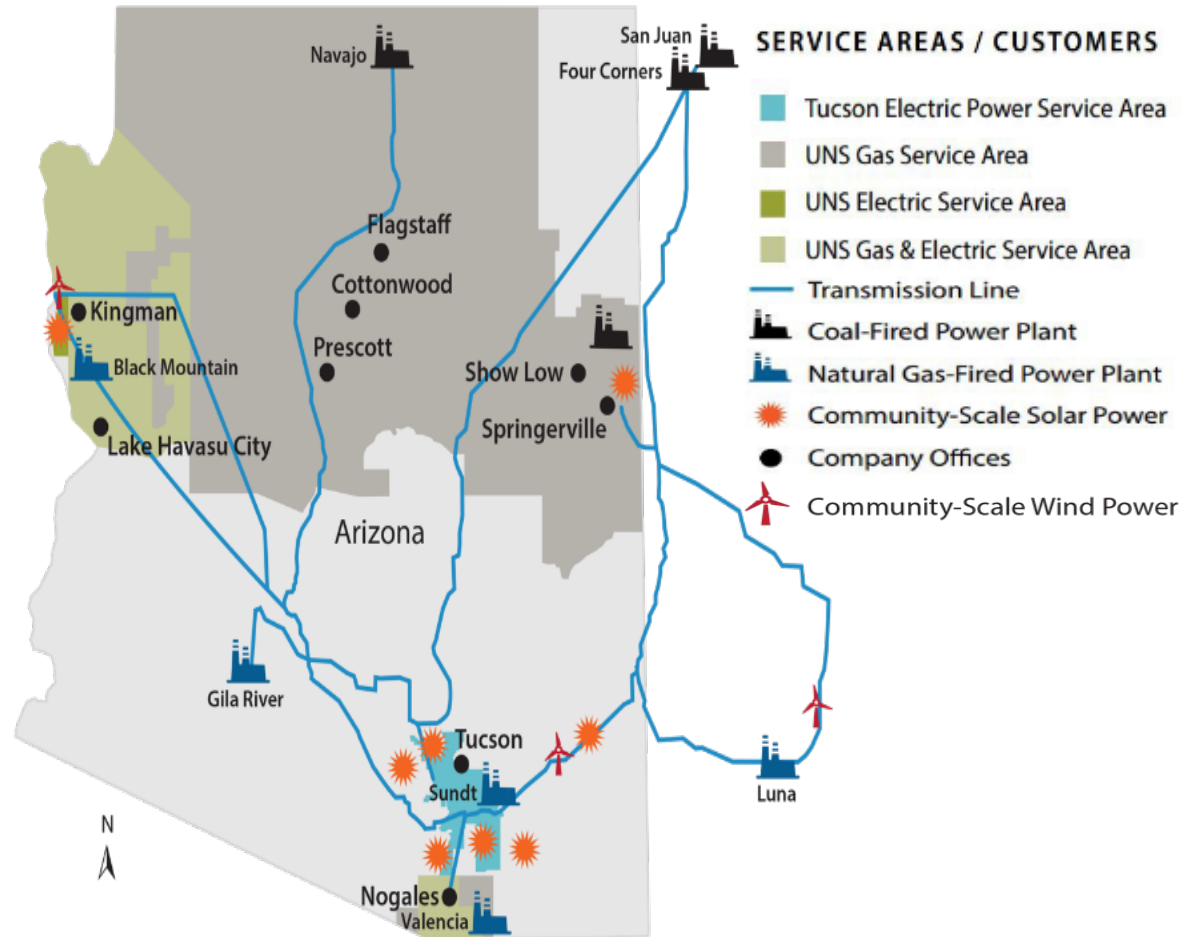
**Peak Electricity  
Demand**

**13PJ**

**Natural Gas  
Sales Volume**

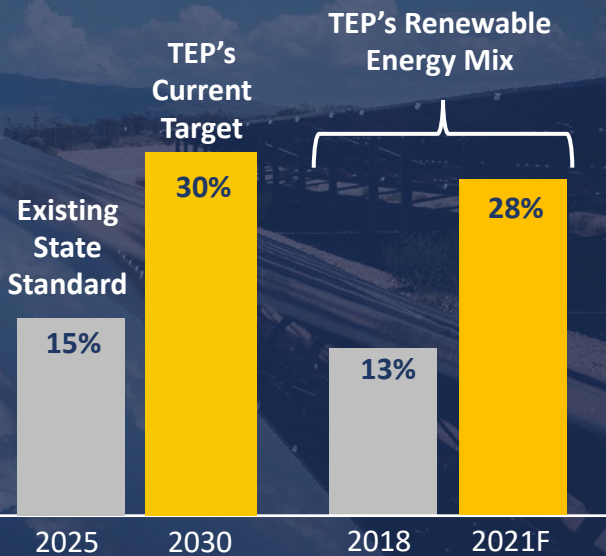
**685MW**

**Renewable Energy**

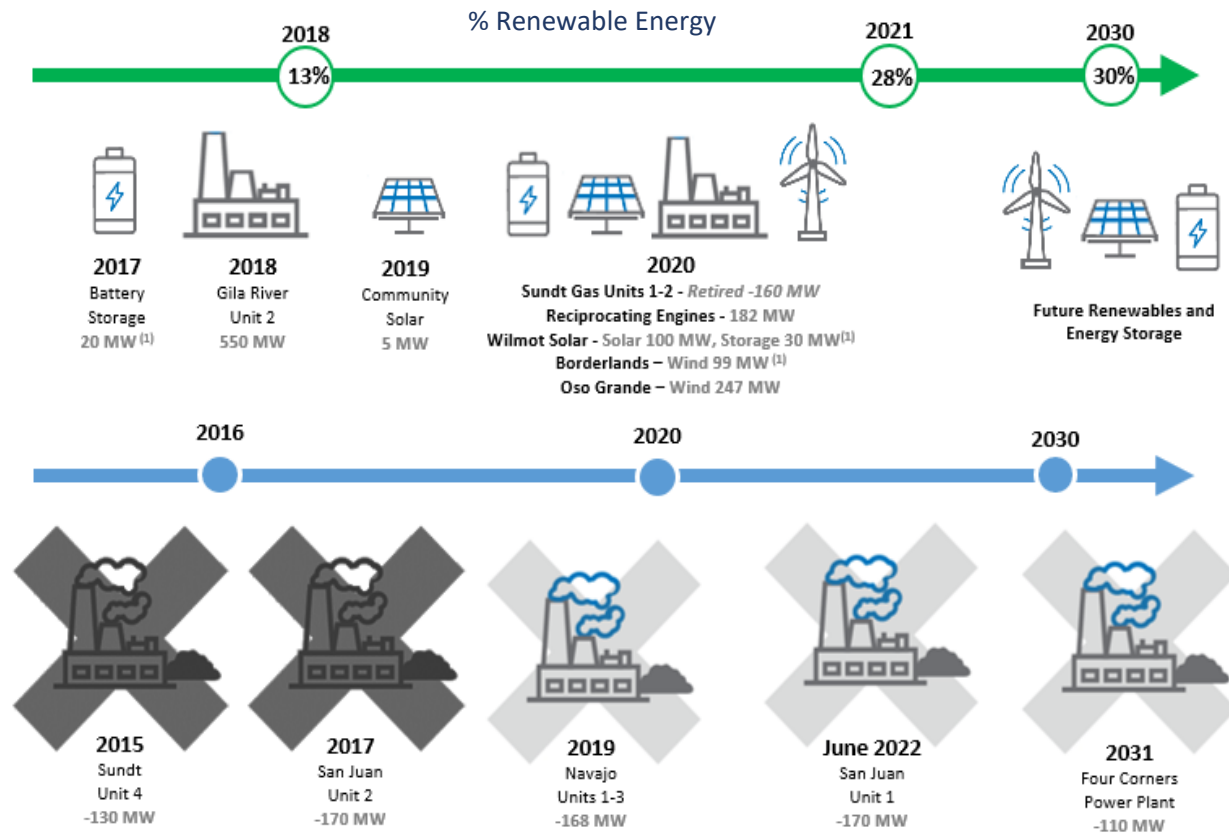


# TEP: Focused on Renewables

**30%**  
**Renewables by**  
**2030**



## TEP's Resource Transition



(1) Project developed through purchase power agreements.

# TEP Rate Case Filing

## Summary of TEP Rate Case Applications

	<b>2017 General Rate <u>Approved</u> Application</b>	<b>2019 Rate Case <u>Requested</u> Application</b>
Test Year	June 30, 2015	December 31, 2018
New Rates Effective	February 2017	May 1, 2020
Rate Base	US\$2.0B	US\$2.7B
Non-Fuel Rate Increase	US\$81M	US\$115M <sup>(1)</sup>
Equity/Debt	50%/50%	53%/47%
ROE	9.75%	10.35%

(1) Non-fuel rate increase is offset by a US\$39M reduction in fuel costs equating to a net US\$76M total revenue request.

**2018**  
**Test Year**

**Annual Customer  
Rate Increases  
Below Inflation  
Rate Over Past 10  
Years**

# ITC: Pure Play Transmission

**16,000**

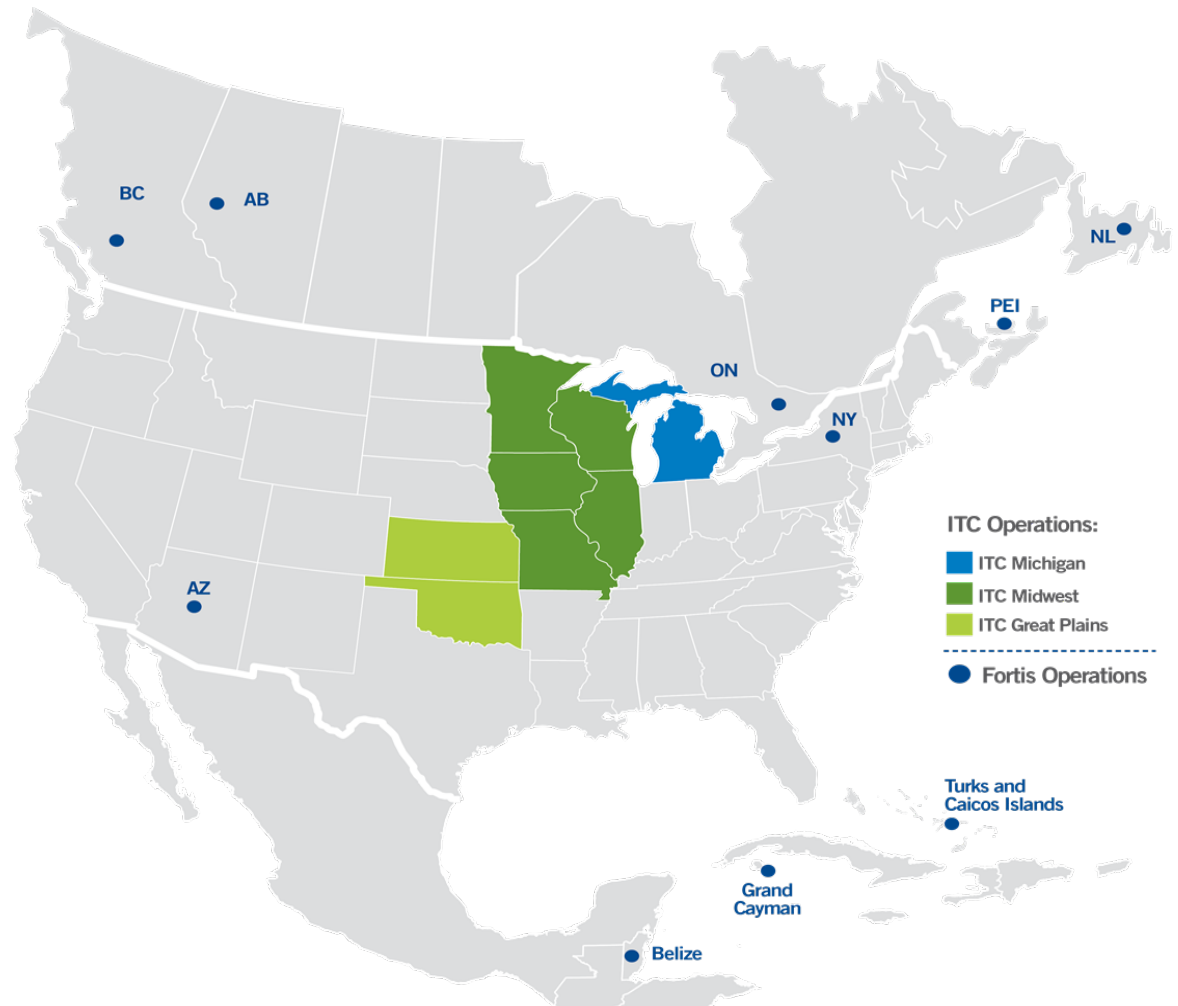
**Miles of Transmission**

**Legacy Transmission  
Systems Acquired  
from State Utilities**

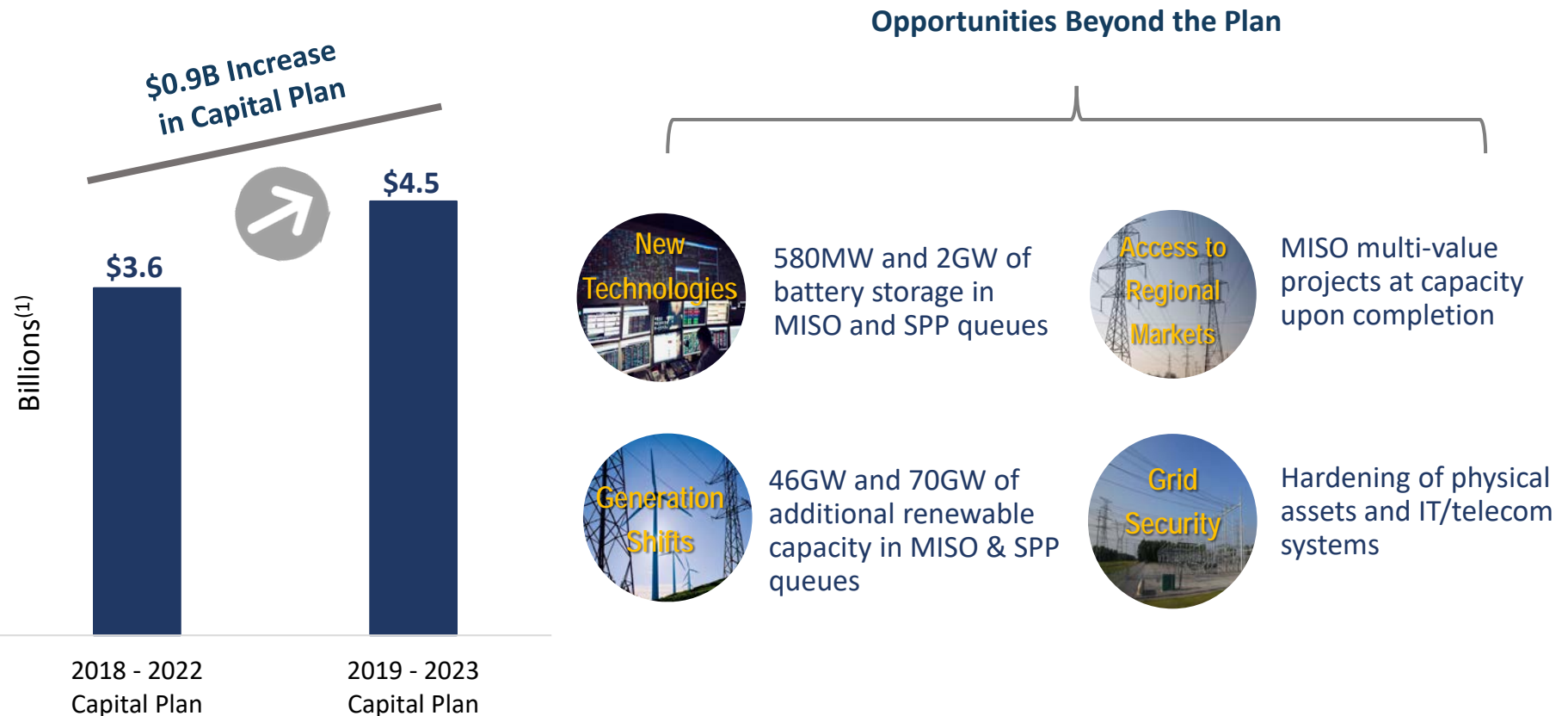
**FERC**

**Forward-Looking  
Formula Rates**

**60%      ~11%  
Equity      ROEs**



# ITC: Building the Grid of the Future



(1) Capital expenditures translated at a forecast USD/CAD foreign exchange rate of \$1.28.

# FortisBC: A Premier Natural Gas & Electric Business

**1.0M**  
**Natural Gas**  
**Customers**

**0.2M**  
**Electricity**  
**Customers**

**49,500km**  
**Natural Gas**  
**Lines**

**7,300km**  
**Electric T&D**  
**Lines**

**\$0.6B Increase**  
**in Capital Plan**

**\$2.9B**



**\$3.5B**

FortisBC Electric

FortisBC Energy

2018 - 2022  
Capital Plan

2019 - 2023  
Capital Plan



# FortisBC: Strong Customer Growth & Leading Innovation

- Economic fundamentals driving growth with 22,000 gas customers added in 2018
- Natural gas for transportation including ferries
- Assessing hydrogen injection
- Renewable natural gas option available
- Energy conservation and efficiency incentive program



# 2019 Regulatory Outlook



## MISO Base ROE Complaints

- FERC recently established new supportive methodology
- Awaiting final decision from FERC

Notice of Inquiries (NOIs) issued by FERC in March 2019 to seek stakeholder comments on:

- Incentive policies for transmission investment
- Methodology for establishing ROEs

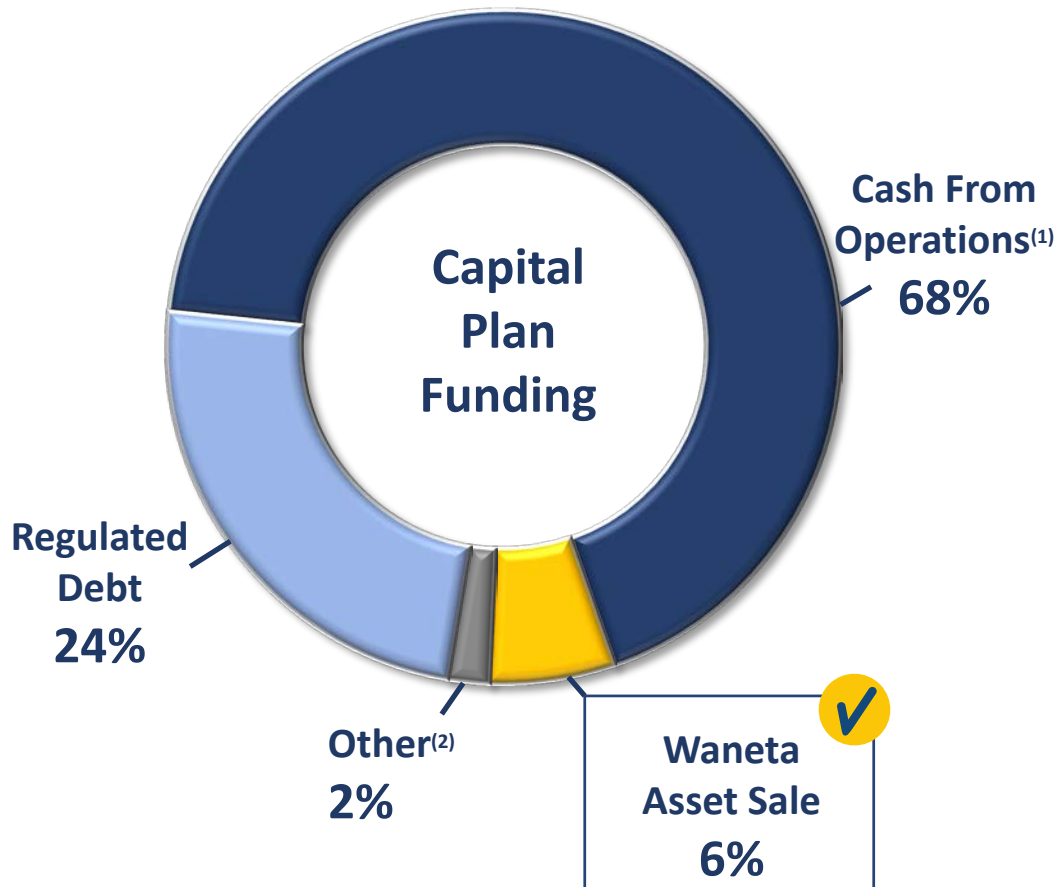


TEP rate case filed on April 1<sup>st</sup> using December 31, 2018 test year



2020-2024 Multi-Year Rate Plan Filed in March 2019

# Execution of Funding Plan Supports Investment-Grade Credit Ratings



## Investment-Grade Credit Ratings

S&P Global	A- / BBB+ <sup>(3)</sup>
DBRS	BBB (high)
Moody's	Baa3

CFO/Debt  $\geq$  **11%**  
&  
Improved Holdco  
Debt / Total Debt

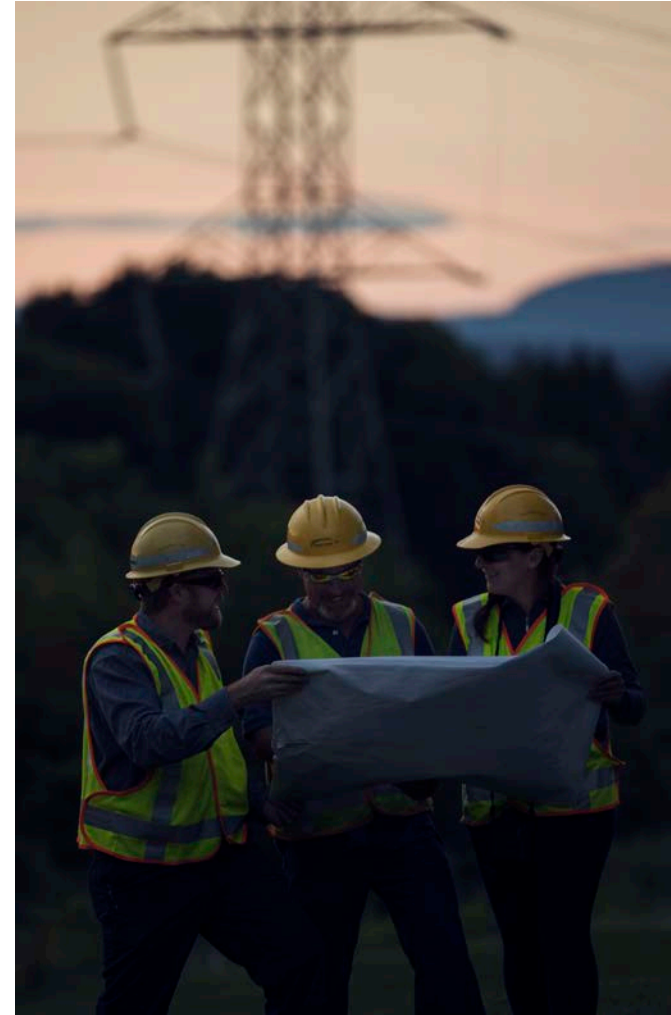
(1) Cash from operating activities after net dividends and customer contributions. This is a non-US GAAP measure.

(2) Includes non-regulated debt and funds from the Corporation's employee stock purchase and stock option plans.

(3) In March 2019, S&P affirmed the Corporation's credit rating and outlook.

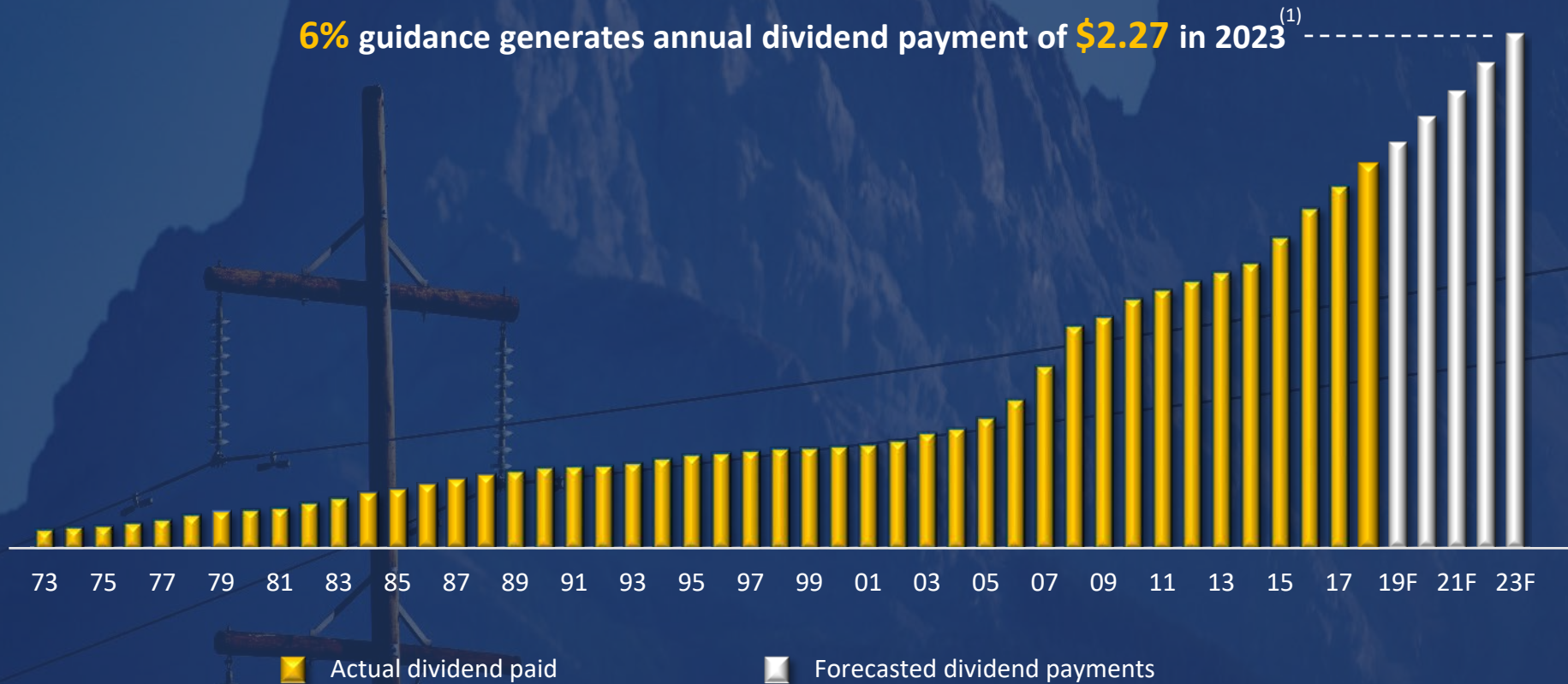
# Regulated Utility Subsidiaries Have Very Strong Investment-Grade Credit Ratings

Company	<b>S&amp;P Global</b>	<b>MOODY'S</b>	<b>DBRS</b>
ITC Regulated Subsidiaries	A	A1	n/a
Tucson Electric Power	A-	A3	n/a
Central Hudson	A-	A2	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



# Leader in Dividend Growth With 45 Years of Dividend Increases

6% guidance generates annual dividend payment of **\$2.27** in 2023<sup>(1)</sup>



(1) Based on an annualized dividend of \$1.70 in 2018.

# Why Invest In Fortis?



Well-Run Utilities



Virtually All Regulated



Highly Diversified



Strong Growth Profile



6% Dividend Guidance



Opportunities Beyond  
Capital Plan



# Appendix

Second Quarter 2019



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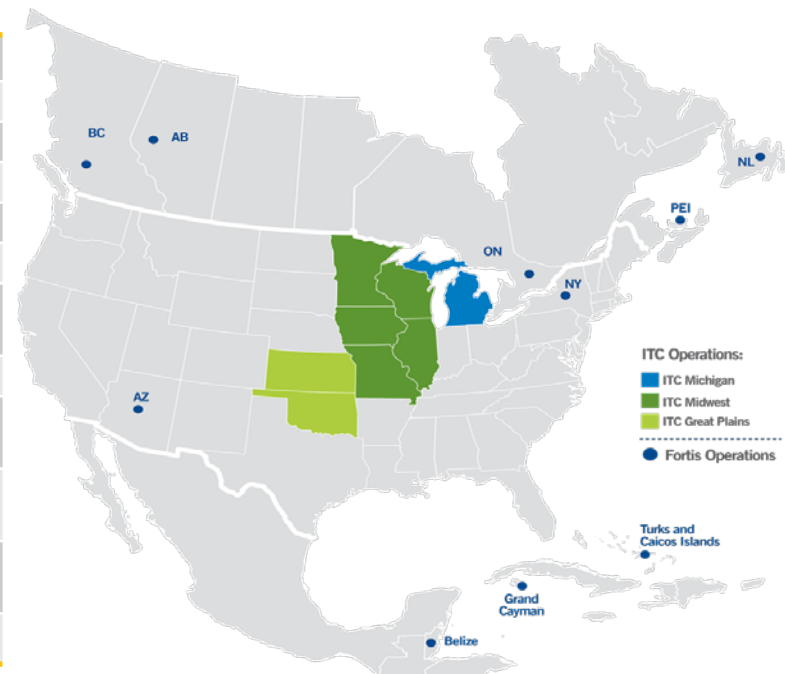
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Type of Utility	Transmission
Regulator	FERC
Regulatory Model	Independent Transmission Company
2019 Formula	11.07-12.16% ROE on 60% equity
2019F Rate Base	\$8.5B
5-Year CAGR on Rate Base <sup>(1)</sup>	6.8%
2018 Assets % of Total Consolidated Regulated Assets <sup>(2)</sup>	38%
2018 Earnings <sup>(3)</sup>	\$361M
2018 Earnings % of Total Regulated Earnings <sup>(3)</sup>	31%
Major Capital Projects	Multi-Value Regional Transmission Projects & 34.5kV to 69kV Transmission Conversion Project
Development Opportunities <sup>(4)</sup>	Lake Erie Connector, Incremental Grid Enhancements & Big Chino Valley
Upcoming Regulatory Decisions	MISO Base ROE Complaints



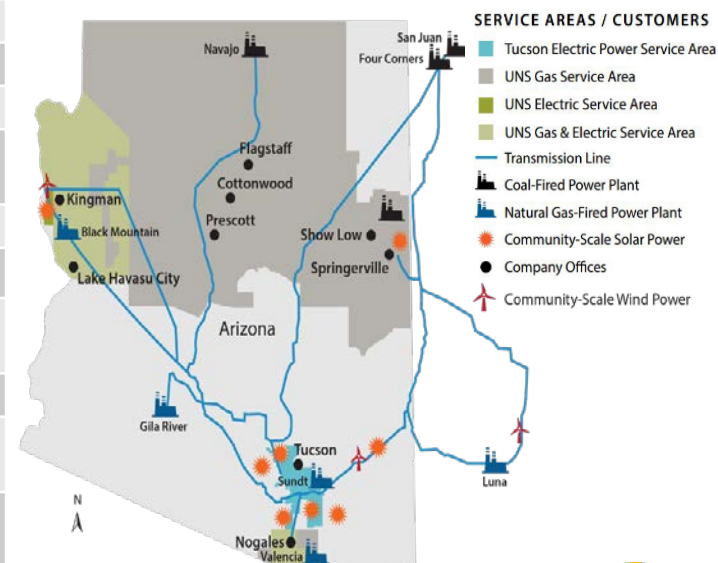
(1) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28.

(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.

	Tucson Electric	UNS Electric	UNS Gas
Type of Utility	Electricity		Gas distribution
Regulator	Arizona Corporation Commission		
Regulatory Model	Cost of service/historical test year		
2019 Formula	9.75% ROE on 50% equity	9.5% ROE on 52.83% equity	9.75% ROE on 50.8% equity
2019F Rate Base	\$5.3B		
5-Year CAGR on Rate Base <sup>(1)</sup>	6.9%		
2018 Assets % of Total Consolidated Regulated Assets <sup>(2)</sup>	20%		
2018 Earnings	\$293M		
2018 Earnings % of Total Regulated Earnings	25%		
Major Capital Projects	Gila River Natural Gas Generating Station Unit 2, Southline Transmission Project & Oso Grande Wind Project		
Development Opportunities <sup>(3)</sup>	Renewables, Transmission Investments, Grid Modernization & Infrastructure Resiliency		
Upcoming Regulatory Proceeding	TEP rate case filed on April 1 <sup>st</sup> using December 31, 2018 test year		



(1) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28.

(2) Includes goodwill.

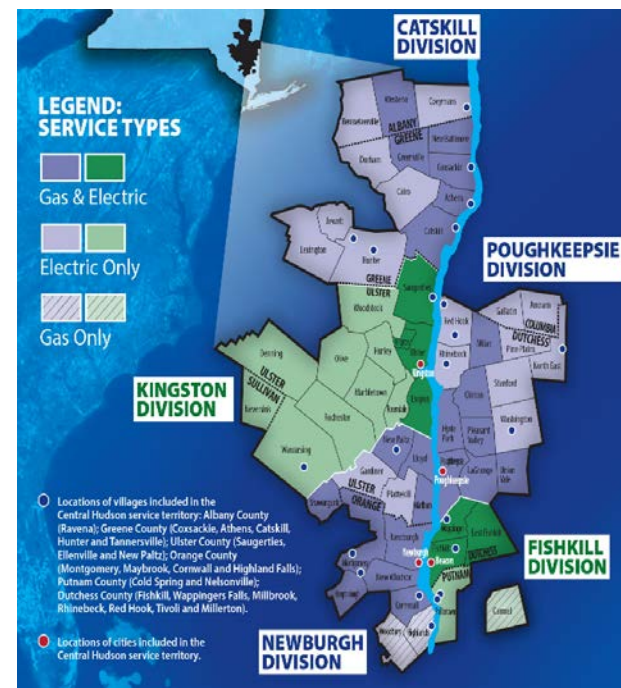
(3) Development opportunities are not included in the base capital forecast and would represent incremental capital spending.

# Central Hudson

A Fortis Company

APPENDIX

Type of Utility	Gas and Electricity
Regulator	New York State Public Service Commission
Regulatory Model	Cost of service on future test year
2019 Formula <sup>(1)</sup>	8.8% ROE on 48% equity
2019F Rate Base	\$1.8B
5-Year CAGR on Rate Base <sup>(2)</sup>	8.5%
2018 Assets % of Total Consolidated Regulated Assets <sup>(3)</sup>	7%
2018 Earnings	\$74M
2018 Earnings % of Total Regulated Earnings	6%
Development Opportunities <sup>(4)</sup>	Transmission Investments



(1) Effective July 1, 2019, equity thickness will increase to 49%.

(2) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28.

(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	British Columbia Utilities Commission	
Regulatory Model	Cost of service + PBR	
2019 Formula	8.75% ROE on 38.5% equity	9.15% ROE on 40.0% equity
2019F Rate Base	\$4.5B	\$1.3B
5-Year CAGR on Rate Base <sup>(1)</sup>	6.0%	2.4%
2018 Assets % of Total Consolidated Regulated Assets <sup>(2)</sup>	13%	4%
2018 Earnings	\$155M	\$56M
2018 Earnings % of Total Regulated Earnings	13%	5%
Major Capital Projects	Lower Mainland Intermediate Pressure System Upgrade, Inland Gas Upgrades, Eagle Mountain Woodfibre Gas Line Project & Transmission Integrity Management Program	N/A
Development Opportunities <sup>(3)</sup>	Tilbury further expansion & additional gas infrastructure opportunities	Grid Modernization
Upcoming Regulatory Proceeding	2020-2024 Multi-Year Rate Plan Filed in March 2019	



(1) Includes 2018A to 2023F.

(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
2019 Formula	8.5% ROE on 37% equity
2019F Rate Base	\$3.6B
5-Year CAGR on Rate Base <sup>(1)</sup>	5.1%
2018 Assets % of Total Consolidated Regulated Assets <sup>(2)</sup>	9%
2018 Earnings	\$120M
2018 Earnings % of Total Regulated Earnings	10%
Development Opportunities <sup>(3)</sup>	Renewables, Distribution System Investments, Changing Customer Expectations



(1) Includes 2018A to 2023F.

(2) Includes goodwill.

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

# Other Electric Utilities

Fortis Companies

APPENDIX

**FORTIS** ONTARIO<sup>(1)</sup>

**MARITIME**  
**ELECTRIC**  
A FORTIS COMPANY

**NEWFOUNDLAND**  
**POWER**  
A FORTIS COMPANY

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
2019 Formula	8.78% - 9.30% ROE on 40% equity <sup>(2)</sup>	9.35% ROE on 40% equity	8.50% ROE +/- 40 bps on 45% equity
2019F Rate Base	\$0.3B	\$0.4B	\$1.1B
5-Year CAGR on Rate Base <sup>(3)</sup>	27.0%	3.0%	3.3%
2018 Assets % of Total Consolidated Regulated Assets <sup>(4)</sup>	1%	1%	3%
2018 Earnings	\$13M	\$14M	\$41M
2018 Earnings % of Total Regulated Earnings	1%	1%	4%
Major Capital Projects	Wataynikaneyap Transmission Power Project	N/A	N/A
Development Opportunities <sup>(5)</sup>	Municipal Utility Consolidation	Grid Modernization	Grid Modernization

(1) Includes Canadian Niagara Power, Cornwall Electric, Algoma Power and Fortis' 39% ownership of the Wataynikaneyap Transmission 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) Includes 2018A to 2023F, including Fortis' 39% ownership of the Wataynikaneyap Transmission 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)*

Fortis Companies

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Type of Utility	Electricity	
	Utility Regulation and Competition Office	Government of the Turks and Caicos Islands
Regulator		
Regulatory Model	Cost of service	Cost of service
2018 Achieved ROE	11.62%	8.95%
2019F Rate Base	\$0.7B	\$0.4B
5-Year CAGR on Rate Base <sup>(2)</sup>	4.5%	2.4%
2018 Assets % of Total Consolidated Regulated Assets <sup>(3)</sup>	2%	1%
2018 Earnings <sup>(4)</sup>	\$20M	\$18M
2018 Earnings % of Total Regulated Earnings <sup>(4)</sup>	2%	2%
Development Opportunities <sup>(5)</sup>	Grid Modernization & Renewables	Grid Modernization & Renewables

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

(2) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28.

(3) Includes goodwill.

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

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

# Q1 2019 Business Highlights

APPENDIX

Q1 2019 **Adjusted EPS of \$0.74**

Utilities **Invested \$740M** in Q1

TEP **Rate Case Filed**

Closed **\$1B Waneta Asset Sale**

**Settled Tender Offer** for US\$400M  
of the 3.055% 2026 Notes



# Q1 2019 Results by Segment

APPENDIX

First Quarter 2019 Variance Analysis by Segment							
(\$millions, excluding weighted average shares and EPS)	Q1 2019	Adjustment	Adjusted Q1 2019 <sup>(1)</sup>	Q1 2018	Adjustment	Adjusted Q1 2018 <sup>(1)</sup>	Adjusted Q1 Variance
<b>Regulated – Independent Electric Transmission</b>							
ITC	92	-	92	86	-	86	6
<b>Regulated – US Electric &amp; Gas</b>							
UNS Energy	55	-	55	50	-	50	5
Central Hudson	<u>32</u>	<u>-</u>	<u>32</u>	<u>21</u>	<u>-</u>	<u>21</u>	<u>11</u>
	87	-	87	71	-	71	16
<b>Regulated – Canadian &amp; Caribbean Electric &amp; Gas</b>							
FortisBC Energy	100	-	100	98	-	98	2
FortisAlberta	27	-	27	27	-	27	-
FortisBC Electric	16	-	16	16	-	16	-
Other Electric <sup>(2)</sup>	<u>23</u>	<u>-</u>	<u>23</u>	<u>18</u>	<u>-</u>	<u>18</u>	<u>5</u>
	166	-	166	159	-	159	7
<b>Non-Regulated Energy Infrastructure</b>	8	5	13	18	4	22	(9)
<b>Corporate and Other</b>	(42)	-	(42)	(11)	(30)	(41)	(1)
<b>Net Earnings Attributable to Common Equity Shareholders</b>	<b>311</b>	<b>5</b>	<b>316</b>	<b>323</b>	<b>(26)</b>	<b>297</b>	<b>19</b>
<b>Weighted Average Shares (# millions)</b>	429.5	429.5	429.5	422.0	422.0	422.0	7.5
<b>EPS</b>	<b>\$0.72</b>	<b>\$0.02</b>	<b>\$0.74</b>	<b>\$0.77</b>	<b>(\$0.07)</b>	<b>\$0.70</b>	<b>\$0.04</b>

(1) Non-US GAAP measure

(2) Comprises Eastern Canadian and Caribbean electric utilities

# Additional Energy Infrastructure Opportunities

APPENDIX



# 2018-2023 Rate Base by Segment

APPENDIX

	Rate Base <sup>(1)</sup>						3-Year CAGR	5-Year CAGR
(\$billions)	2018A	2019F	2020F	2021F	2022F	2023F	to 2021	to 2023
<b>Regulated - Independent Electric Transmission</b>								
ITC <sup>(2)</sup>	7.8	8.5	9.1	9.7	10.3	10.8	7.7%	6.8%
<b>Regulated - US Electric &amp; Gas</b>								
UNS Energy	4.7	5.3	6.0	6.3	6.4	6.6	10.1%	6.9%
Central Hudson	1.6	1.8	2.0	2.2	2.3	2.4	9.5%	8.5%
<b>Total Regulated - US Electric &amp; Gas</b>	<b>6.3</b>	<b>7.1</b>	<b>8.0</b>	<b>8.5</b>	<b>8.7</b>	<b>9.0</b>	<b>10.0%</b>	<b>7.3%</b>
<b>Regulated - Canadian &amp; Caribbean Electric &amp; Gas</b>								
FortisBC Energy	4.4	4.5	4.7	5.0	5.1	5.9	4.6%	6.0%
FortisAlberta	3.4	3.6	3.8	3.9	4.1	4.3	5.5%	5.1%
FortisBC Electric	1.3	1.3	1.4	1.4	1.5	1.5	2.8%	2.4%
Other Electric <sup>(3)</sup>	2.9	2.9	3.1	3.5	3.7	4.0	6.5%	6.7%
<b>Total Regulated - Canadian &amp; Caribbean Electric &amp; Gas</b>	<b>12.0</b>	<b>12.3</b>	<b>13.0</b>	<b>13.8</b>	<b>14.4</b>	<b>15.7</b>	<b>5.1%</b>	<b>5.5%</b>
<b>Total Rate Base Forecast</b>	<b>26.1</b>	<b>27.9</b>	<b>30.1</b>	<b>32.0</b>	<b>33.4</b>	<b>35.5</b>	<b>7.1%</b>	<b>6.3%</b>

(1) US dollar-denominated rate base for 2018 is based on the actual average USD/CAD foreign exchange rate of \$1.30 and forecast rate base for 2019 to 2023 is based on \$1.28.

Holding foreign exchange constant at \$1.30, rate base CAGR would be 6.5% for 5-year CAGR and 7.4% for 3-year CAGR.

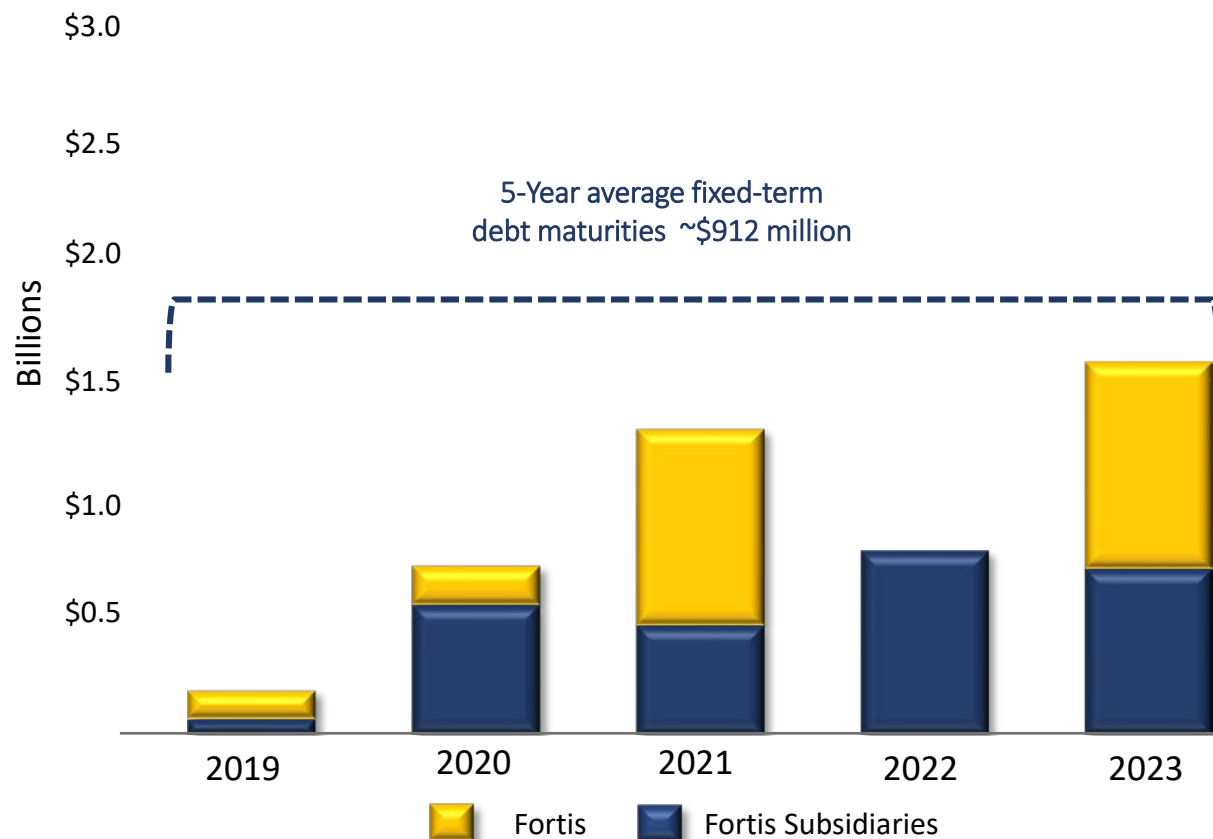
(2) Fortis has an 80.1% controlling ownership interest in ITC, rate base represents 100% ownership.

(3) Comprises Eastern Canadian and Caribbean electric utilities

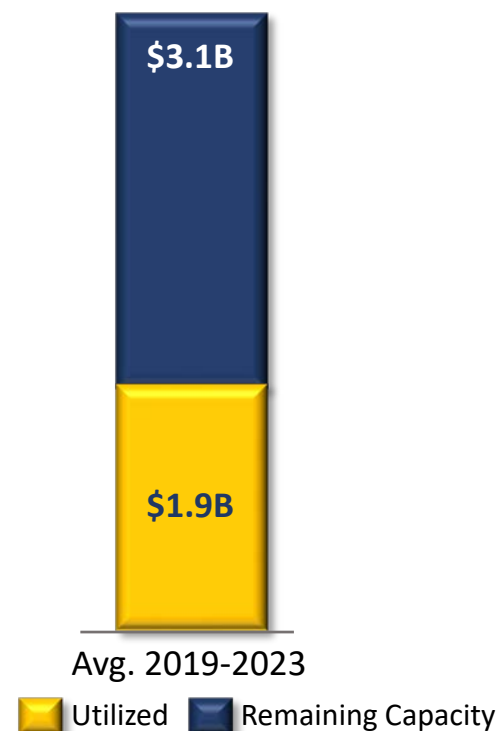
# Manageable Debt Maturities and Ample Liquidity

APPENDIX

## Fixed-Term Debt Maturities<sup>(1)</sup>



## Consolidated Credit Facilities



(1) As at March 31, 2019 and excludes any new debt issuances during the plan period, repayments of capital lease and finance obligations and credit facilities.

# Expected Upcoming Events

APPENDIX

## Upcoming Events

Investor Day at ITC

September 10, 2019

## Expected Upcoming Earnings Release Dates

Q2 – 2019

August 2, 2019

Q3 – 2019

November 1, 2019



# Executive Team

APPENDIX



**Barry Perry**  
President & CEO



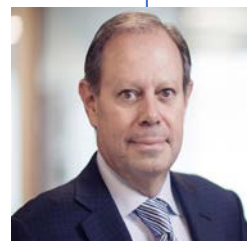
**Jocelyn Perry**  
EVP, CFO



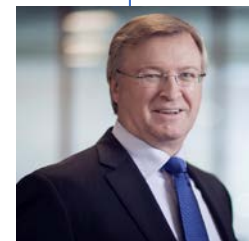
**Jim Reid**  
EVP, Chief Legal  
Officer & Corporate  
Secretary



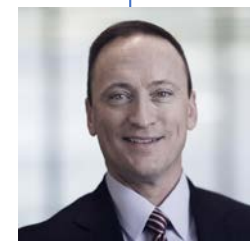
**Nora Duke**  
EVP, Sustainability  
& CHRO



**James Laurito**  
EVP, Business  
Development & Chief  
Technology Officer



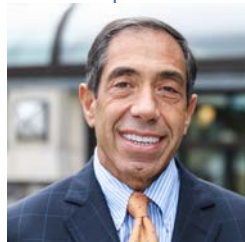
**Gary Smith**  
EVP, Eastern Canadian  
& Caribbean  
Operations



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



**Linda Apsey**  
President & CEO  
ITC



**Charles Freni**  
President & CEO  
Central Hudson



**Michael Mosher**  
President & CEO  
FortisAlberta



**Roger Dall'Antonia**  
President & CEO  
FortisBC