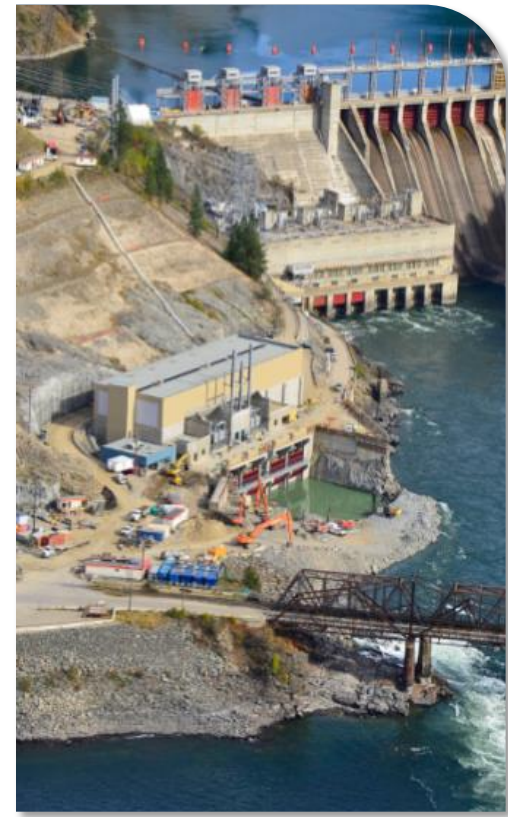
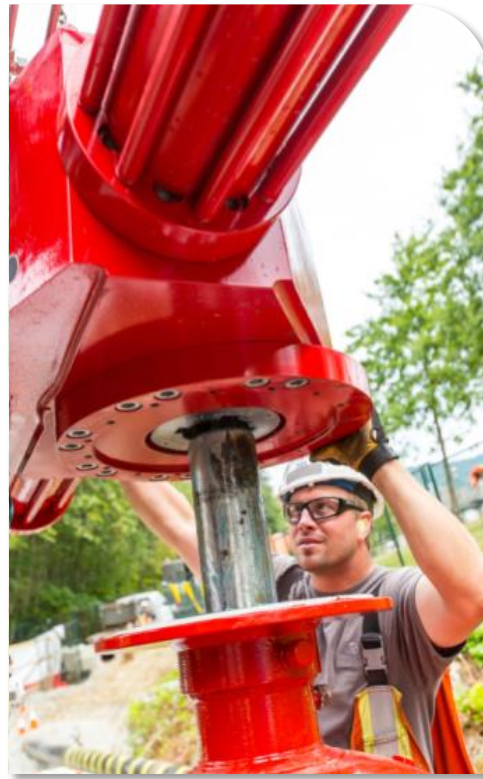


FORTIS INC.

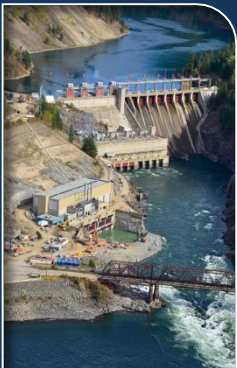
U.S. INVESTOR DAY



New York, NY



April 1, 2015



Barry Perry

President and CEO

FORTIS_{INC.}

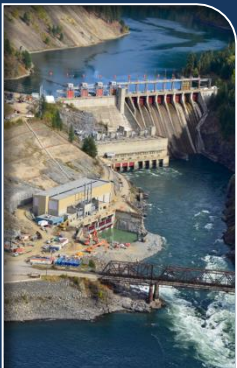
Forward-Looking Statement

Fortis Inc. (the "Corporation") includes forward-looking information in this presentation within the meaning of applicable securities laws in Canada ("forward-looking information"). The purpose of the forward-looking information is to provide management's expectations regarding the Corporation's future growth, results of operations, performance, business prospects and opportunities, and it may not be appropriate for other purposes. All forward-looking information is given pursuant to the safe harbour provisions of applicable Canadian securities legislation. The words "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "should", "will", "would", "targets" and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. The forward-looking information contained in this presentation reflects management's current beliefs and is based on assumptions developed using information currently available to the Corporation's management. All statements other than statements of historical fact in this presentation constitute forward-looking information, and include, without limitation, statements regarding: the Corporation's strategic review of Fortis Properties Corporation; timing of regulatory decisions; forecast 2015 to 2019 rate bases; the nature, timing and expected costs of capital projects; the Corporation's expected capital spending for the five-year period ending 2019; and the Corporation's targeted credit rating.

Forward-looking information contained in this presentation is based on assumptions the Corporation views as reasonable, including, without limitation: the sale of assets or shares in the hotel and commercial real estate business; the receipt of applicable regulatory approvals; no material capital project and financing cost overrun related to any of the Corporation's capital projects; no severe and prolonged downturn in economic conditions; USD/CAD exchange rate; sufficient liquidity and human and capital resources; the availability of natural gas, fuel and electricity supply; and no significant adverse change in government energy or environmental laws or policies. All forward-looking information is necessarily subject to risks and uncertainties, which could cause results to differ materially from those projected. For additional information on such risks and uncertainties, reference should be made to the Corporation's continuous disclosure materials filed from time to time with Canadian securities regulatory authorities, including those risk factors described under the heading "Business Risk Management" in the Corporation's annual and quarterly Management Discussion and Analysis. Except as required by law, the Corporation disclaims any intention or obligation to revise or update any forward-looking information as a result of new information, future events or otherwise after the date hereof, and investors are cautioned not to place undue reliance on any forward-looking statements that speak only as of the date of this presentation.

This presentation is strictly intended to provide general information about the Corporation and its business. Neither this presentation nor any part hereof constitutes an offer of securities.

Unless otherwise specified, all financial information referenced is in Canadian dollars.



Leader in Electric and Gas Utilities in North America

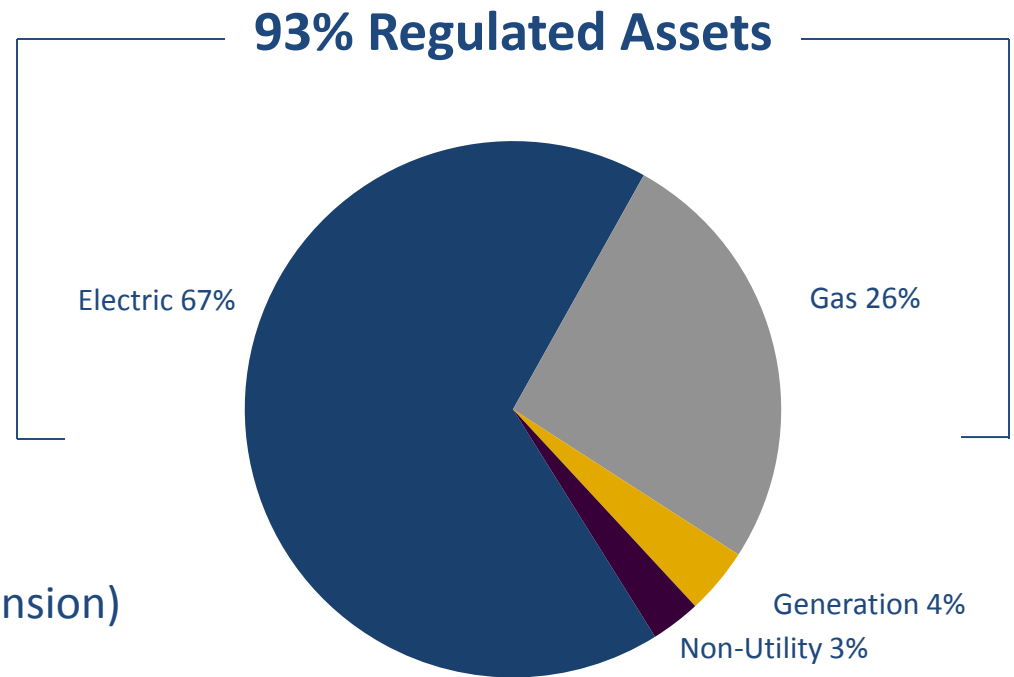
FORTIS_{INC.}

Fortis Today

Total Assets \$26.6 Billion

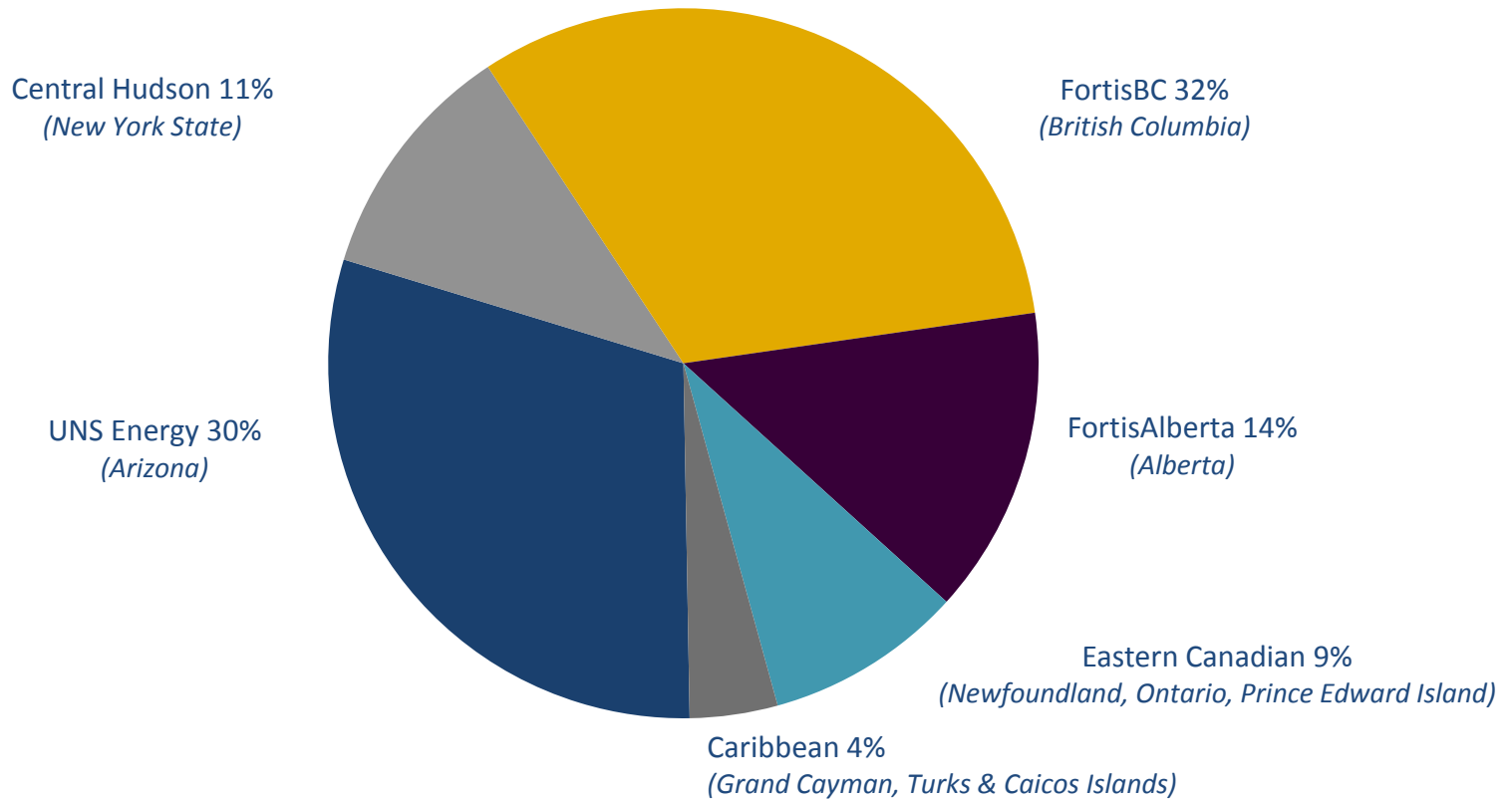
(as at December 31, 2014)

- **Regulated Utilities**
 - 9 utilities
 - \$24.7 billion
 - 3.1 million customers (1.9M electric, 1.2M gas)
- **Non-Regulated**
 - Hydroelectric Generation (including 335-MW Waneta Expansion)
 - Non-Utility (hotels & real estate)
 - \$1.9 billion

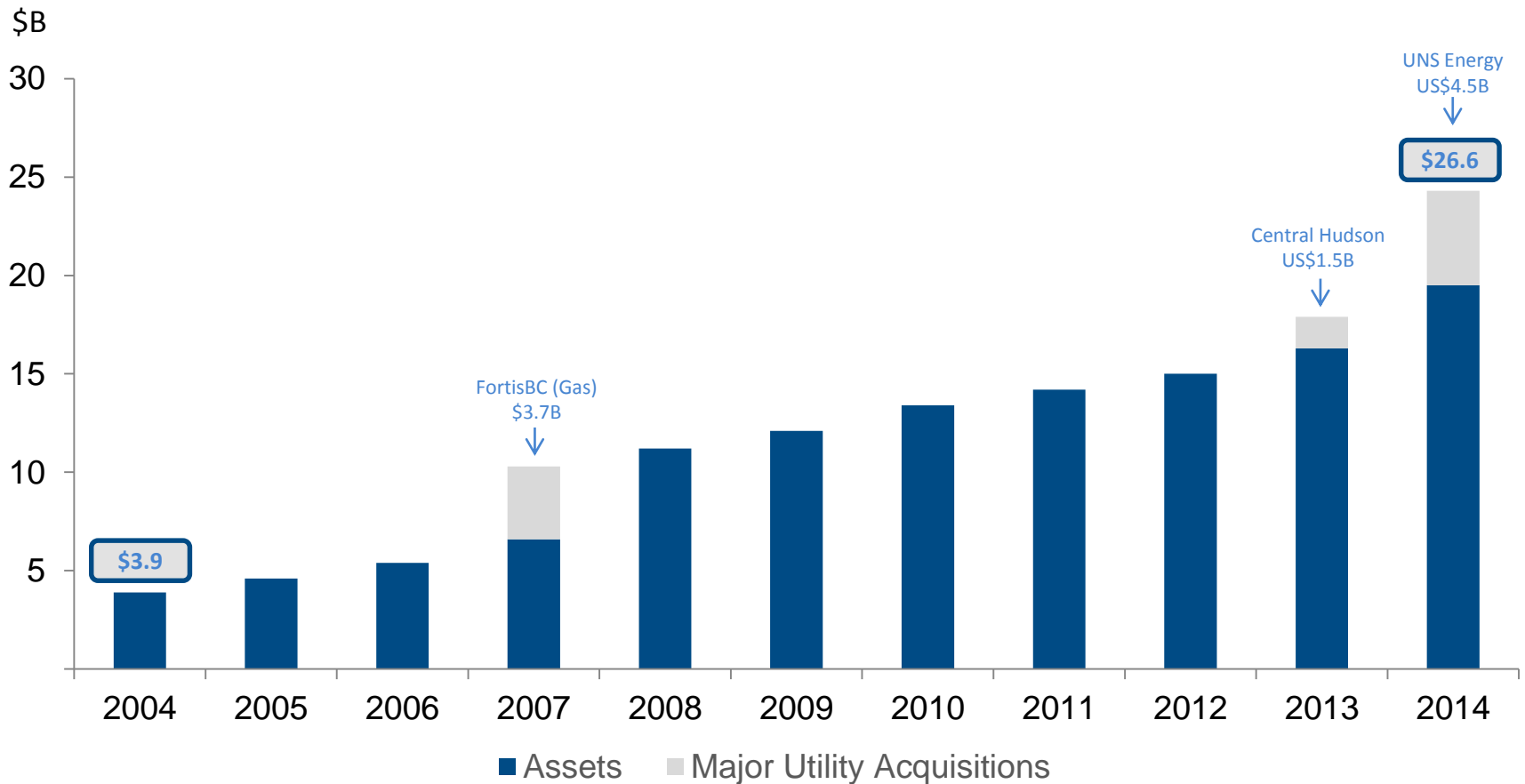


Regulated Assets \$24.7 Billion

(as at December 31, 2014)

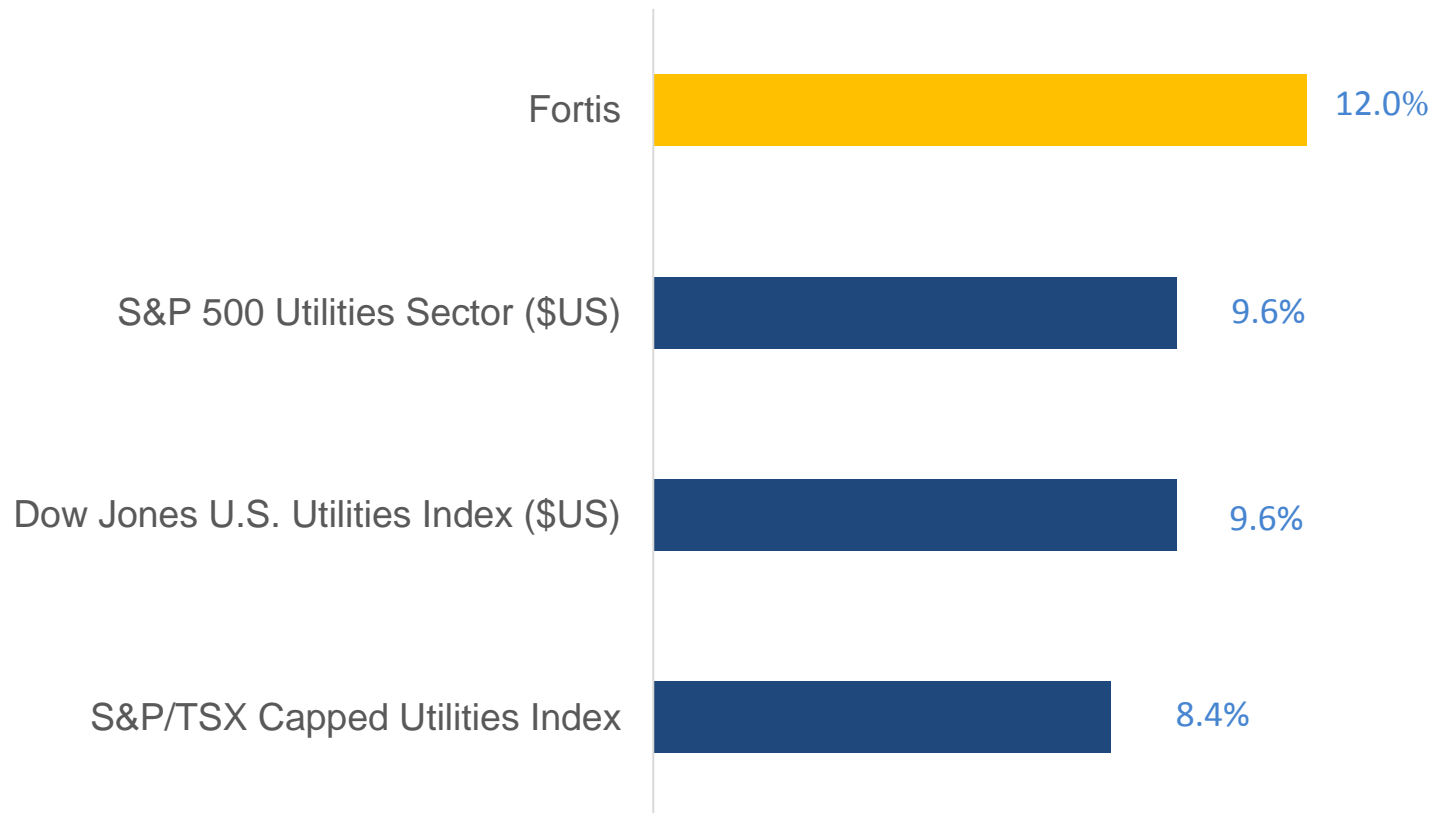


A Decade of Utility Asset Growth ⁽¹⁾



⁽¹⁾ Financial information 2010 through 2014 prepared under US GAAP; prior to 2010 prepared under Canadian GAAP

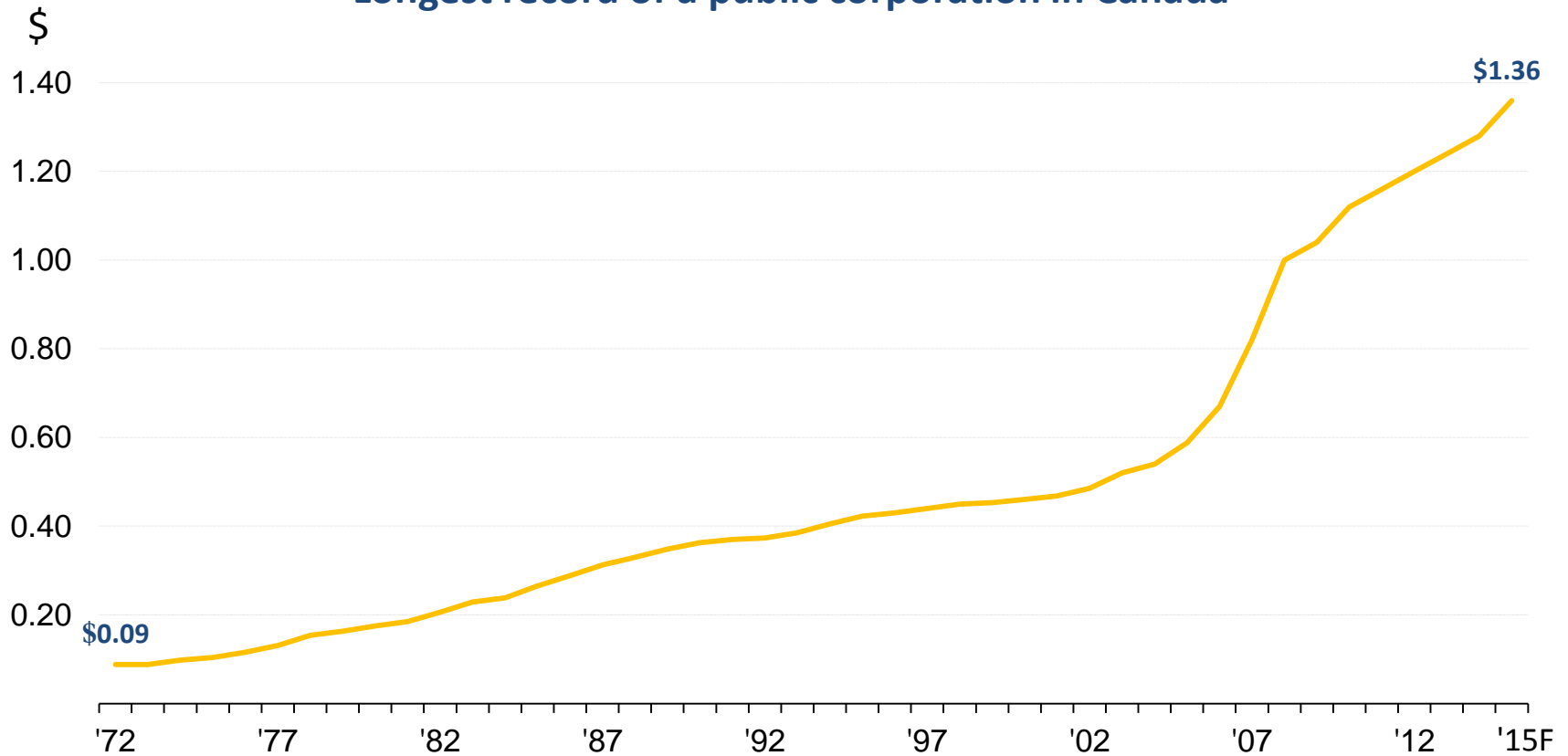
A Decade of Strong Shareholder Returns ⁽¹⁾



⁽¹⁾ 10-year average annualized total return (as at December 31, 2014)

Dividend Growth

42 consecutive years of annual dividend increases
Longest record of a public corporation in Canada

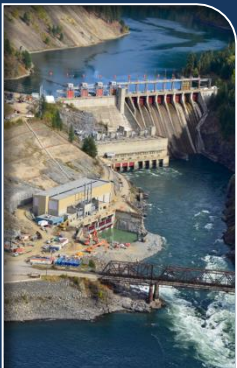


Strategic Review of Fortis Properties

- **Announced review in September 2014**
- **Successful high-performing business**
- **Owns and operates 23 hotels and 2.8 million square feet of commercial real estate**
- **In 2014 revenue was ~\$250 million and EBITDA was ~\$80 million**
- **Strategic options could include sale of all or a portion of the assets, sale of shares of Fortis Properties or an initial public offering**
- **Targeting to complete this process in Q2/2015**

Looking Forward

- Fortis is entering a period of significant organic growth, with a 5-year CAGR in rate base through 2019 estimated at ~6.5%.
- Fortis is also pursuing two new projects in British Columbia – further expansion of the Tilbury LNG facility and the Woodfibre gas pipeline expansion. These projects could increase the 5-year CAGR in rate base to ~7.5%.



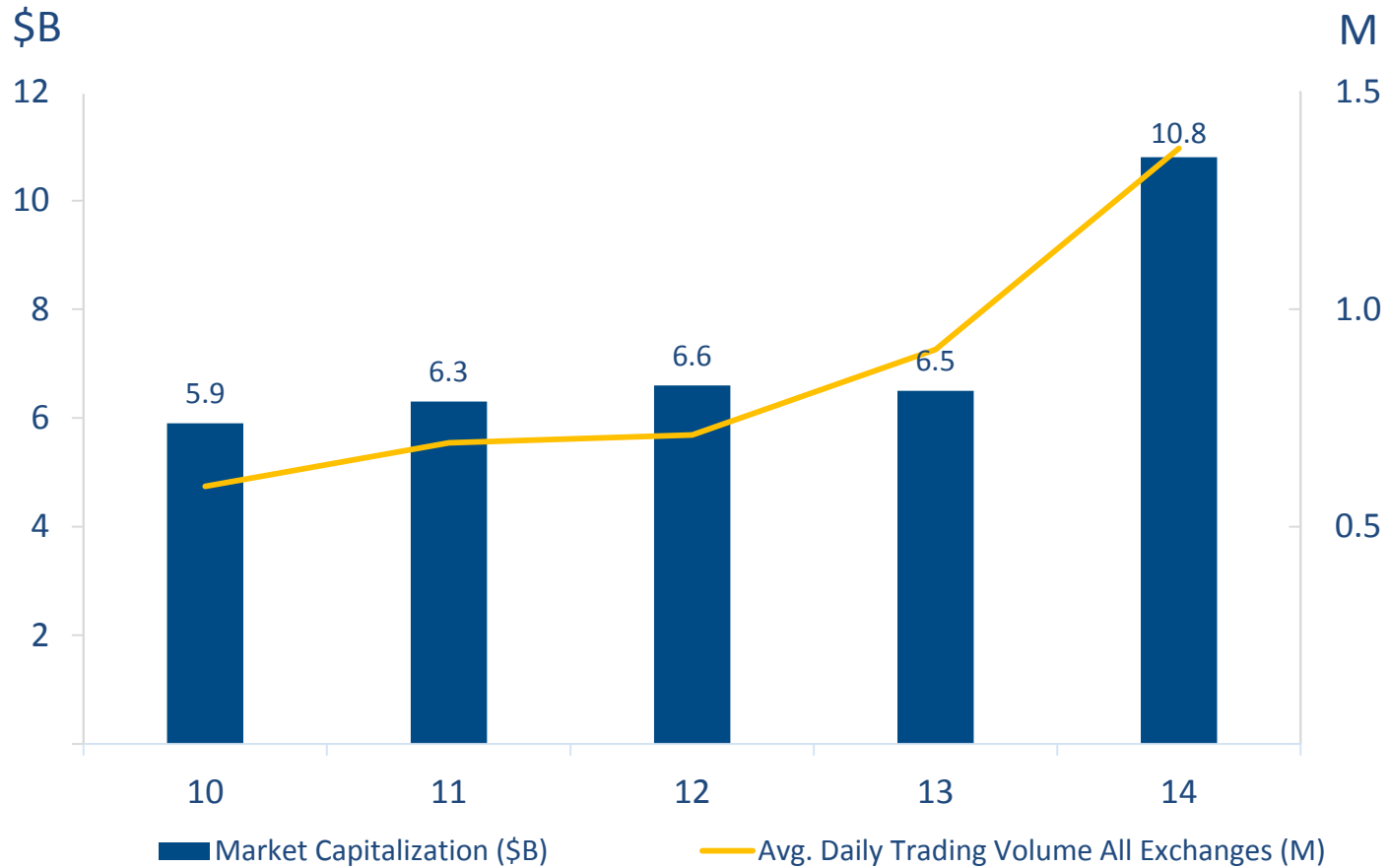
Karl Smith

Executive VP, Chief Financial Officer

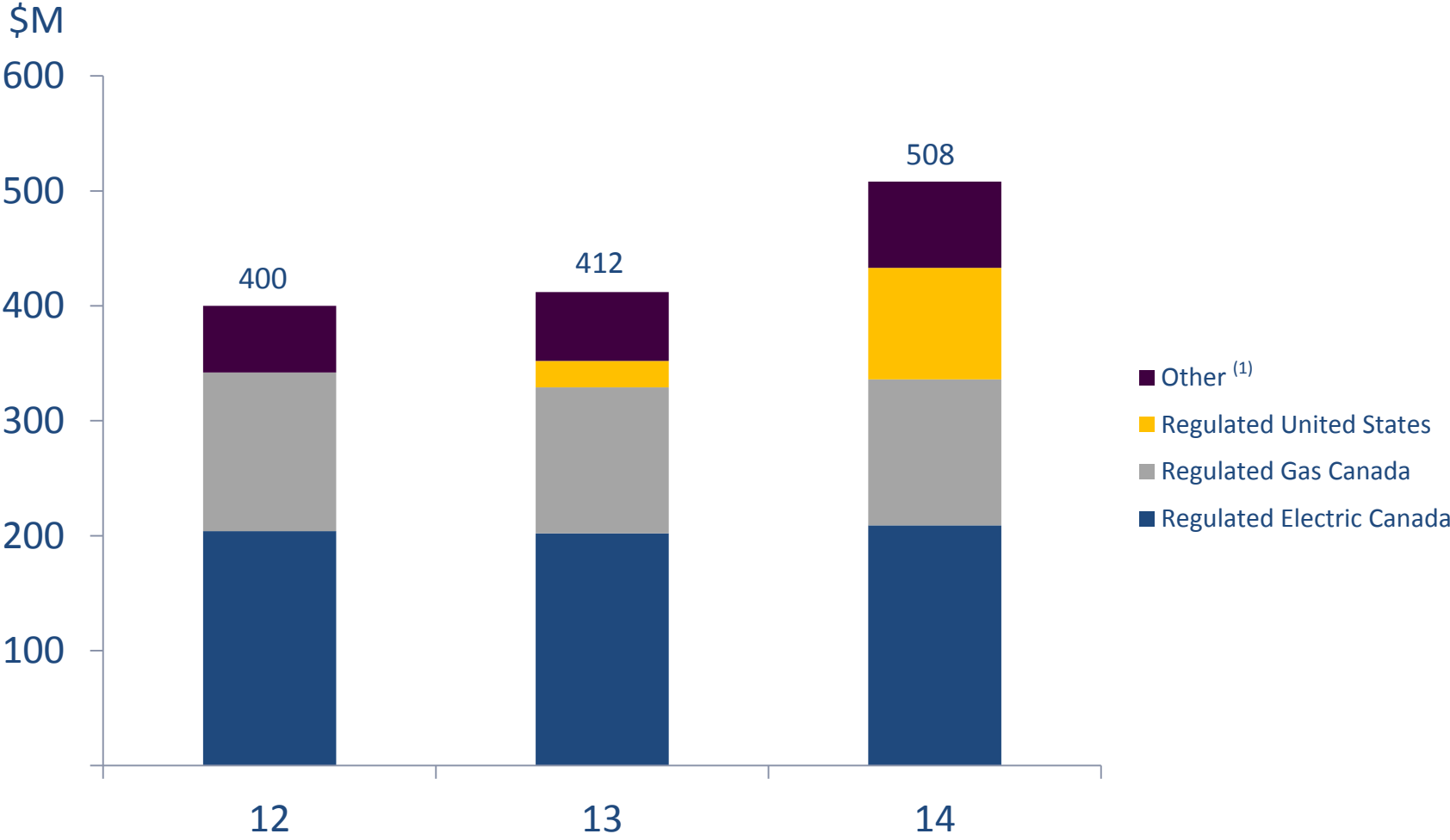
Financial Metrics

	2012A	2013A	2014A	2014 Pro-forma
Earnings to Common Shareholders (\$M)	327	344	407	482
Basic EPS (\$)	1.72	1.70	1.81	1.76
EBITDA (\$B)	1.3	1.4	1.8	2.1
FFO (\$B)	0.9	0.9	1.2	1.5
Market Cap (Dec 31) (\$B)	6.6	6.5	10.8	n/a
Enterprise Value (Dec 31) (\$B)	14.3	15.8	24.3	n/a
EV/EBITDA (x)	11.2	11.2	13.9	11.5
CAPEX (\$B)	1.1	1.2	1.7	n/a

Market Capitalization



Segmented Operating Earnings



⁽¹⁾ Other includes Regulated Electric Caribbean, Fortis Generation and Non-Utility Earnings

Common Dividend Payout Ratio

	2012	2013	2014
Basic EPS (\$)	1.72	1.70	1.81
Dividend (\$)	1.20	1.24	1.28
Payout Ratio (%)	70	73	71

Capital Structure

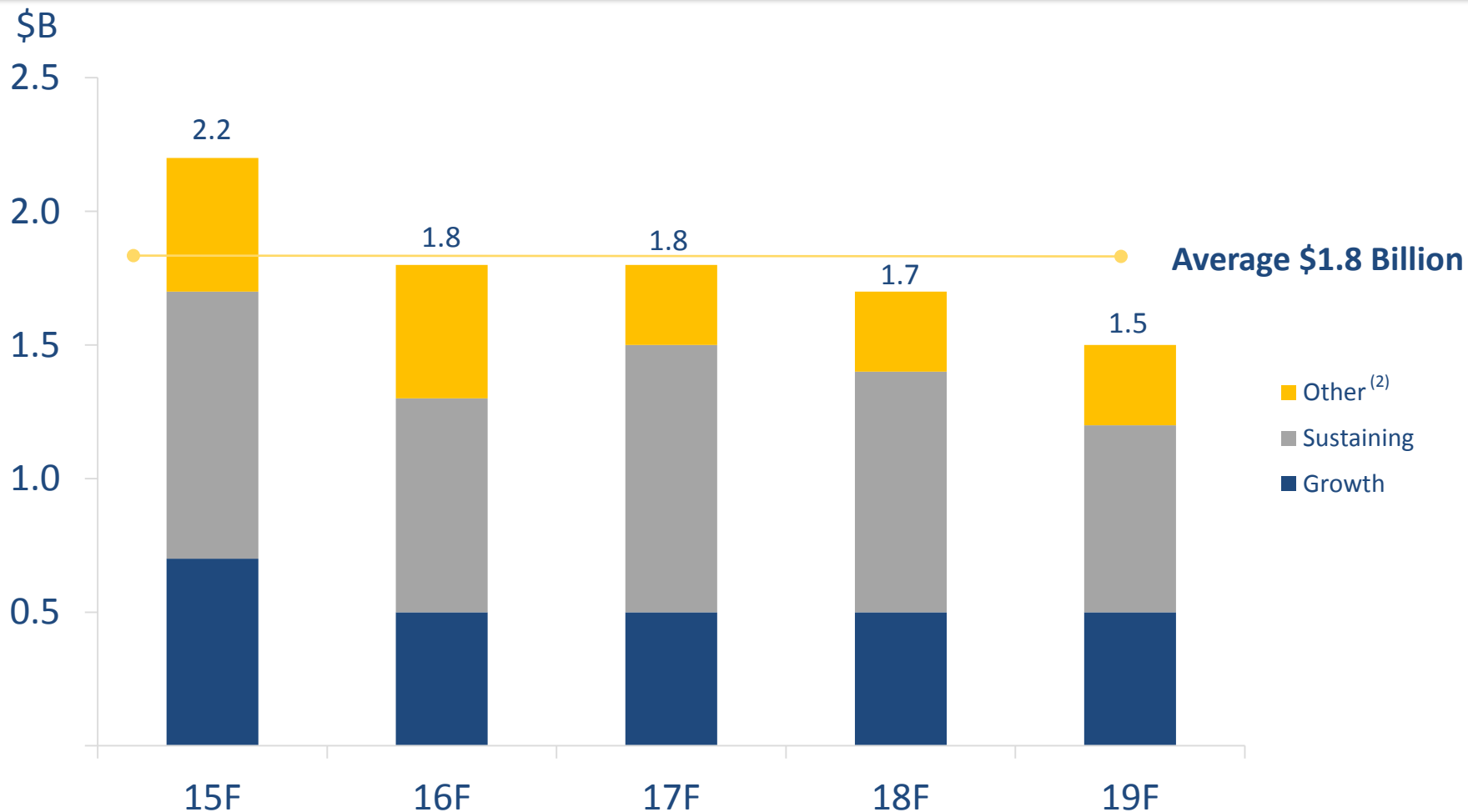
%	Dec 31/12	Dec 31/13	Dec 31/14
Debt	55	56	57
Preferred	10	9	9
Common	35	35	34
Total	100	100	100

2015 Allowed Returns & Equity

Weighted Average (%)	Canada	U.S.	Combined
Allowed ROE	8.72	9.87	9.13
Common Equity Thickness	39.9	44.6	41.6

5-Year Capital Expenditures ⁽¹⁾

\$9.0 Billion



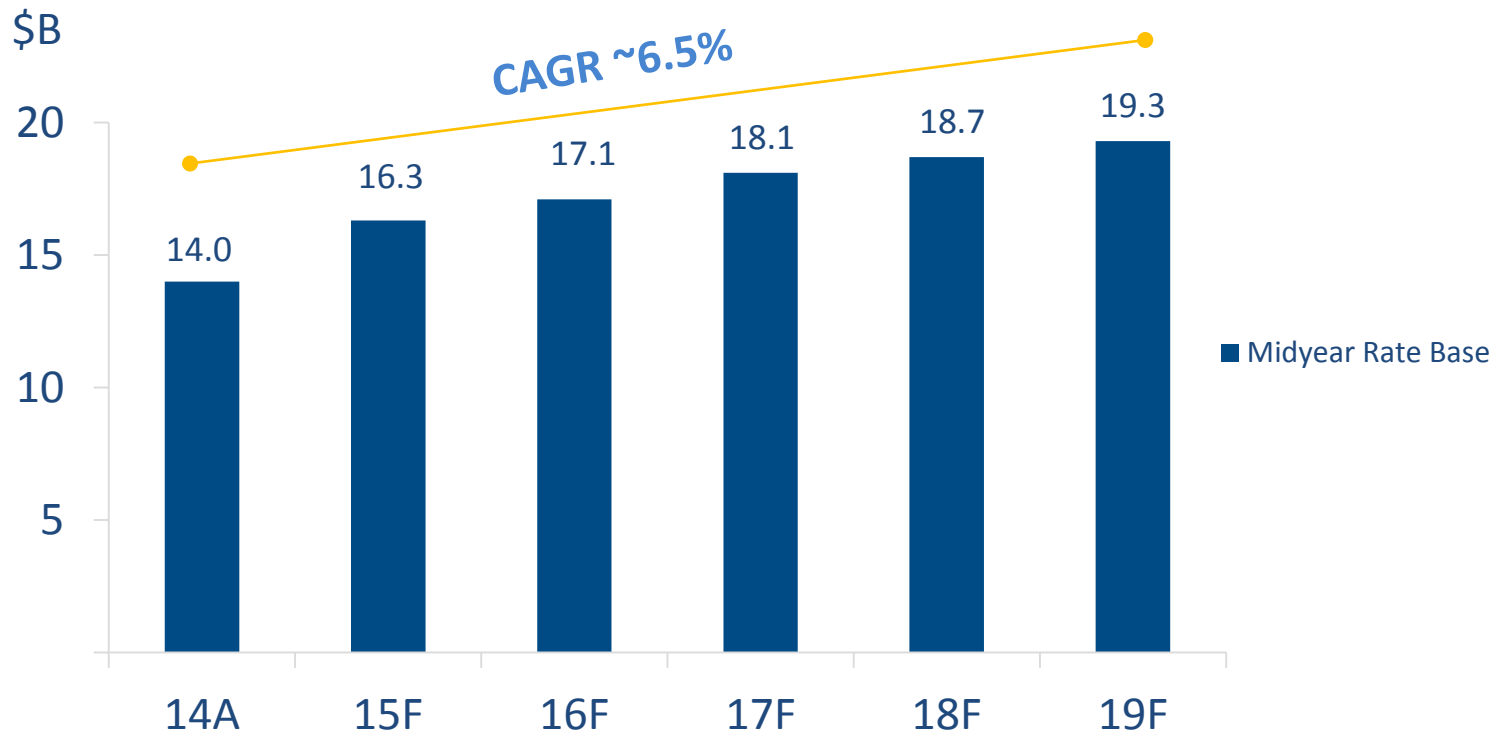
⁽¹⁾ US Utilities CAPEX converted at a USD/CAD exchange rate of 1.27

⁽²⁾ Capital expenditures related to facilities, equipment, vehicles, information technology systems and other assets, including transmission-related capital expenditures at FortisAlberta

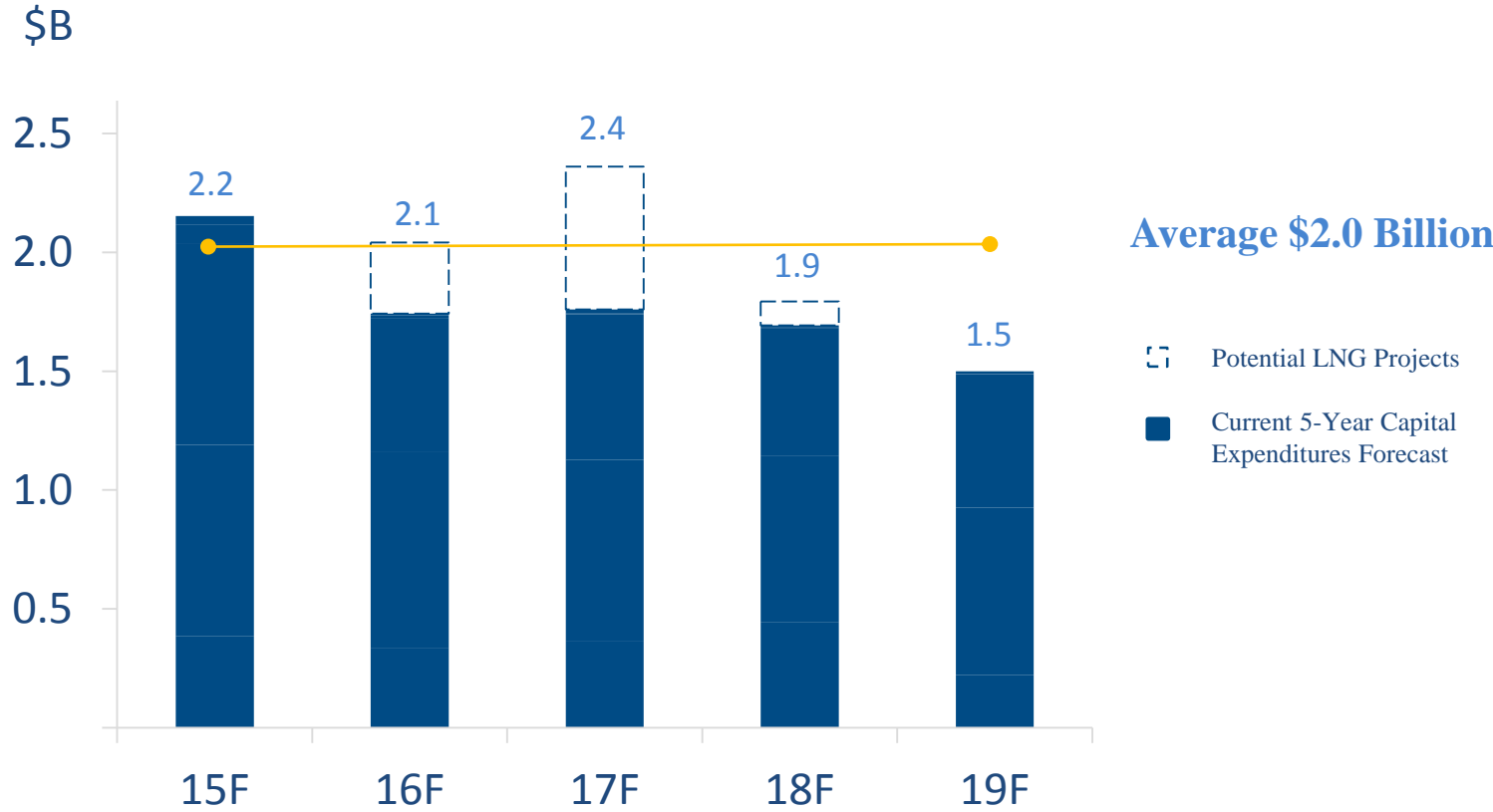
Major Capital Projects

\$M	2015	2016	2017	2018	2019	Total
Tilbury Phase 1A	170	158	-	-	-	328
CUC Generation Expansion	60	32	-	-	-	92
UNS Pinal Transmission	97	-	-	-	-	97
Waneta Expansion	45	13	2	21	1	82
FortisAlberta Pole Management	41	43	27	20	20	151
UNS Springerville	151	-	48	-	-	199
Other Capital Projects	1,607	1,530	1,736	1,708	1,512	8,093
Total	2,171	1,776	1,813	1,749	1,533	9,042

Rate Base Growth Including Waneta Expansion

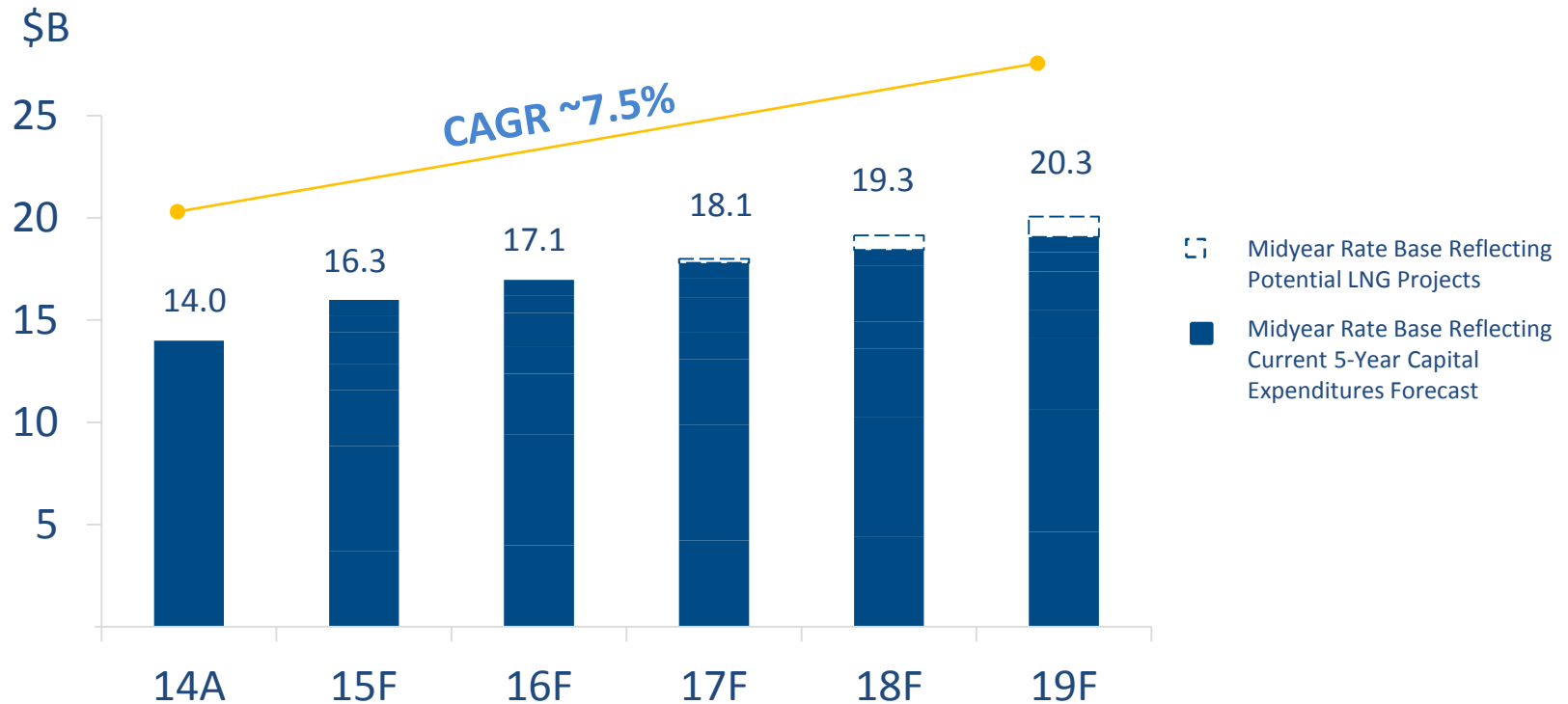


5-Year CAPEX + Tilbury 1B & Woodfibre \$10.1 Billion ⁽¹⁾



⁽¹⁾ US Utilities CAPEX converted at a USD/CAD exchange rate of 1.27

Rate Base Growth Including Waneta + Tilbury 1B & Woodfibre



Funding Strategy

- Debt primarily at operating company level
- DRIP generates ~\$100 million of common equity annually
- Target 'A-' credit rating
- Non-core asset divestitures
- No anticipated common equity issuance

Credit Metrics

(Year ending December 31)

	2012A	2013A	2014A	2014 Pro-forma
EBITDA to Interest (x)	3.5	3.6	3.7	4.3
FFO to Interest (x)	3.5	3.4	3.5	4.0
FFO to Debt (%)	14	12	11	13

Debt Maturities ⁽¹⁾

\$M	2015	2016	2017	2018	2019	Total
Canadian Regulated Electric	98	73	25	72	5	273
Canadian Regulated Gas	85	200	-	-	-	285
U.S. Regulated	297	101	38	151	74	661
Other Segments	25	23	38	26	16	128
Corporate	-	350	2	492	106	950
Total	505	747	103	741	201	2,297

⁽¹⁾ Includes long-term committed credit facility borrowings outstanding as at December 31, 2014

Excluding credit facility borrowings, annual debt maturities average approximately \$240 million

Liquidity

\$B	As at December 31, 2014
Total credit facilities	3.9
Credit facilities utilized	(1.6)
Credit facilities unused	2.3

Credit Ratings

Company	S&P	DBRS	Moody's
Fortis	A-	A (low)	n/a
UNS Energy	n/a	n/a	Baa1
UNS Energy (TEP)	BBB+	n/a	A3
Central Hudson	A	n/a	A2
FortisBC (Gas)	n/a	A	A3
FortisAlberta	A-	A (low)	n/a
FortisBC (Electric)	n/a	A (low)	Baa1
Newfoundland Power	n/a	A	A2

Regulation Overview (1)

Company	Jurisdiction	Rate Methodology	Test Year	Equity in Capital (%)	Allowed 2015 ROE (%)	Comments
UNS Energy	Arizona	COS	Historic	43.5 – 52.6	9.50 - 10	No earnings cap, regulator supportive of 50% equity thickness and TEP expects to reach that level within the next 2-3 years
FortisBC (Gas)	British Columbia	COS (PBR mechanism 2014-2019)	Future	38.5	8.75	2015 - 2019 revenue requirement set by formula with earnings sharing above allowed ROE
FortisAlberta	Alberta	COS (PBR mechanism 2013-2017)	Future	40	8.3	No earnings cap, 2014 - 2017 revenue requirements set by formula with adjustments for capital expenditure
FortisBC (Electric)	British Columbia	COS (PBR mechanism 2014-2019)	Future	40	9.15	2015 - 2019 revenue requirement set by formula earnings sharing above allowed ROE
Central Hudson	New York	COS (3-year rate period)	Future	48	9.0	Joint Proposal filed for 2015 - 2018 with earnings sharing above 9.5%
Newfoundland Power	Newfoundland	COS	Future	45	8.8	Earnings capped at 9.3%

⁽¹⁾ FortisAlberta rates are wires charges only. Other utilities have substantially all fuel, purchased power and gas as flow through in rates.

Supplemental Information

- 1) EBITDA, FFO, market cap, enterprise value and various metrics derived there from are non-GAAP financial measures. They are presented because the Corporation believes that they provide meaningful information about its financial results and that they are commonly used by the investment community in that regard. These non-GAAP financial measures have no standardized meaning under US GAAP and, therefore, may not be comparable to similar measures used by other entities.

"EBITDA" means net earnings, calculated in accordance with US GAAP, adjusted to exclude finance charges, income taxes, depreciation and amortization.

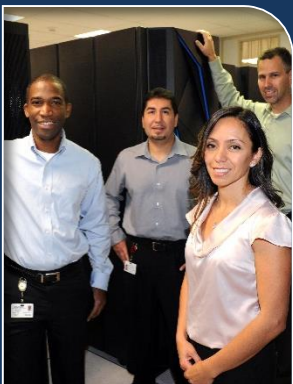
"FFO" (Funds From Operations) means cash flow from operating activities, calculated in accordance with US GAAP, adjusted to exclude the net change in non-cash operating working capital.

"Market Cap" is the product of : (i) the number of common shares outstanding and (ii) the closing market price per common share on the Toronto Stock Exchange, in each case measured as at December 31.

"Enterprise Value" (EV) is the sum of : (i) Market Cap and (ii) the December 31 book values for preferred shares, net debt and minority interest.

- 2) Earnings to common shareholders, basic EPS, segmented earnings, EBITDA and FFO have been adjusted, as appropriate, to exclude the impact of the following non-recurring items: (i) acquisition-related cost incurred in connection with the acquisition of CH Energy and UNS Energy, including interest on the convertible debentures issued for the UNS transaction, (ii) income tax adjustments associated with higher deductions related to Part VI.1 tax on the Corporation's preferred share dividends (ii) an extraordinary gain related to the settlement of expropriation matters associated with the Exploits River Hydro Partnership.
- 3) Proforma amounts for 2014 assume that the acquisition of UNS Energy occurred on January 1, 2014.
- 4) Forward-looking information that includes underlying US dollar amounts has been translated into Canadian dollars using an exchange rate of US\$1 = CAD\$1.27.

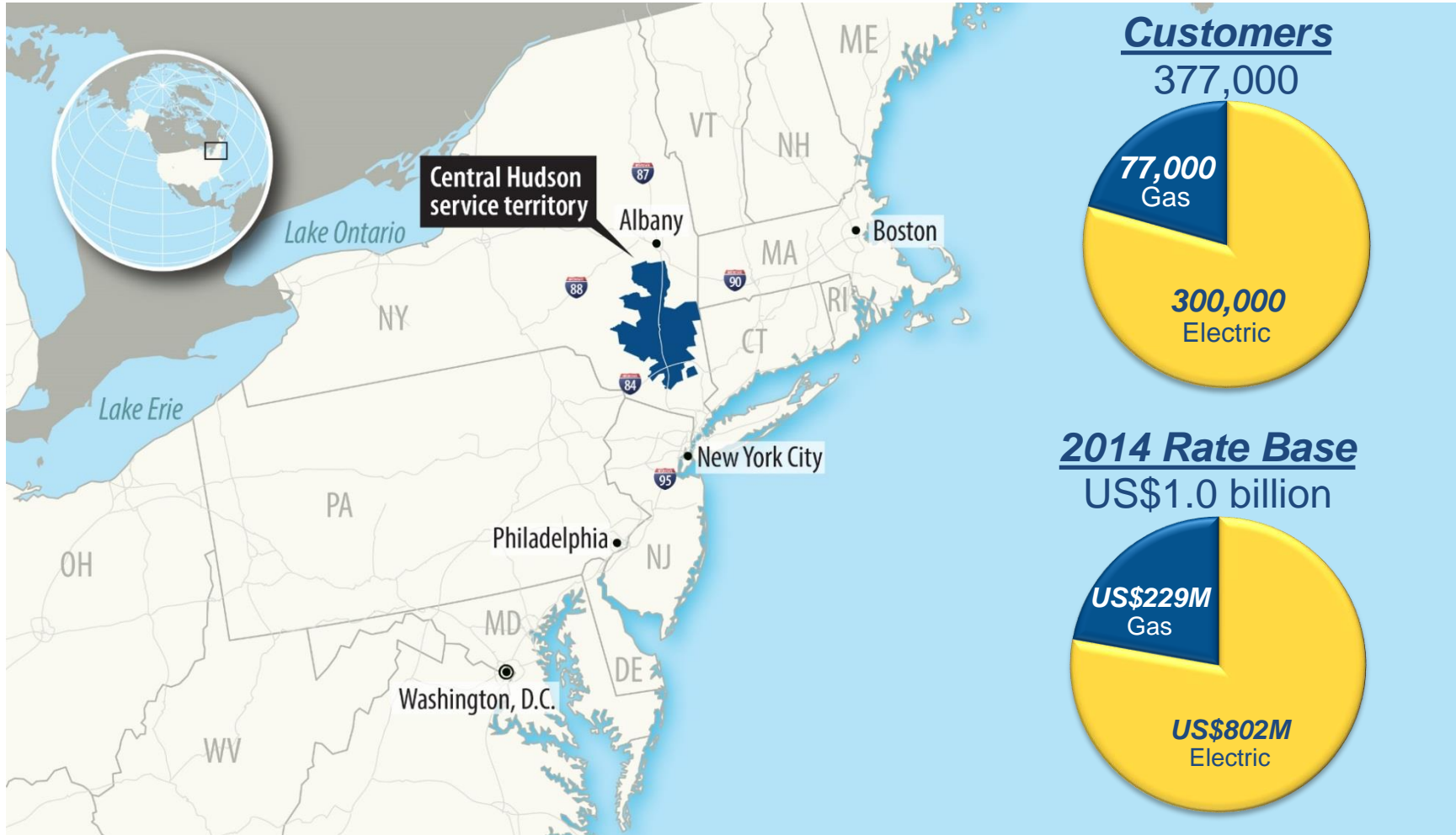
Central Hudson



James Laurito
President and CEO

FORTIS_{INC.}

Central Hudson Overview



New York Regulatory Environment: Overview

- **New York regulatory policies**
 - Competitive market for generation
 - Retail access
 - Rate-setting policies supportive of 'A' bond ratings
 - Forward-looking test year
 - Multi-year rate agreements
 - Revenue decoupling mechanisms
 - Full recovery for electricity and natural gas purchases
 - Deferral treatment for pensions, other post-employment benefits, manufactured gas plant and other expenses
- **Relationship: collaborative and constructive**

New York Public Service Commission

Commission Structure

- 1 Chair and 4 Commissioners
- Appointed by Governor and confirmed by Senate for 6-year terms



***Audrey
Zibelman (D)***

Chair

Term expires
Feb 2018



***Patricia
Acampora (R)***

Commissioner

Term expired
Feb 2015



***Gregg
Sayre (D)***

Commissioner

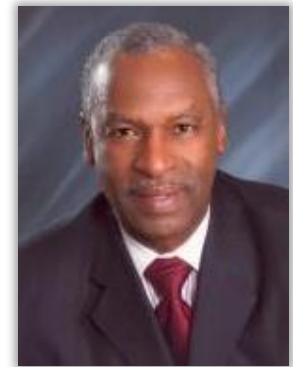
Term expires
Feb 2018



***Diane
Burman (R)***

Commissioner

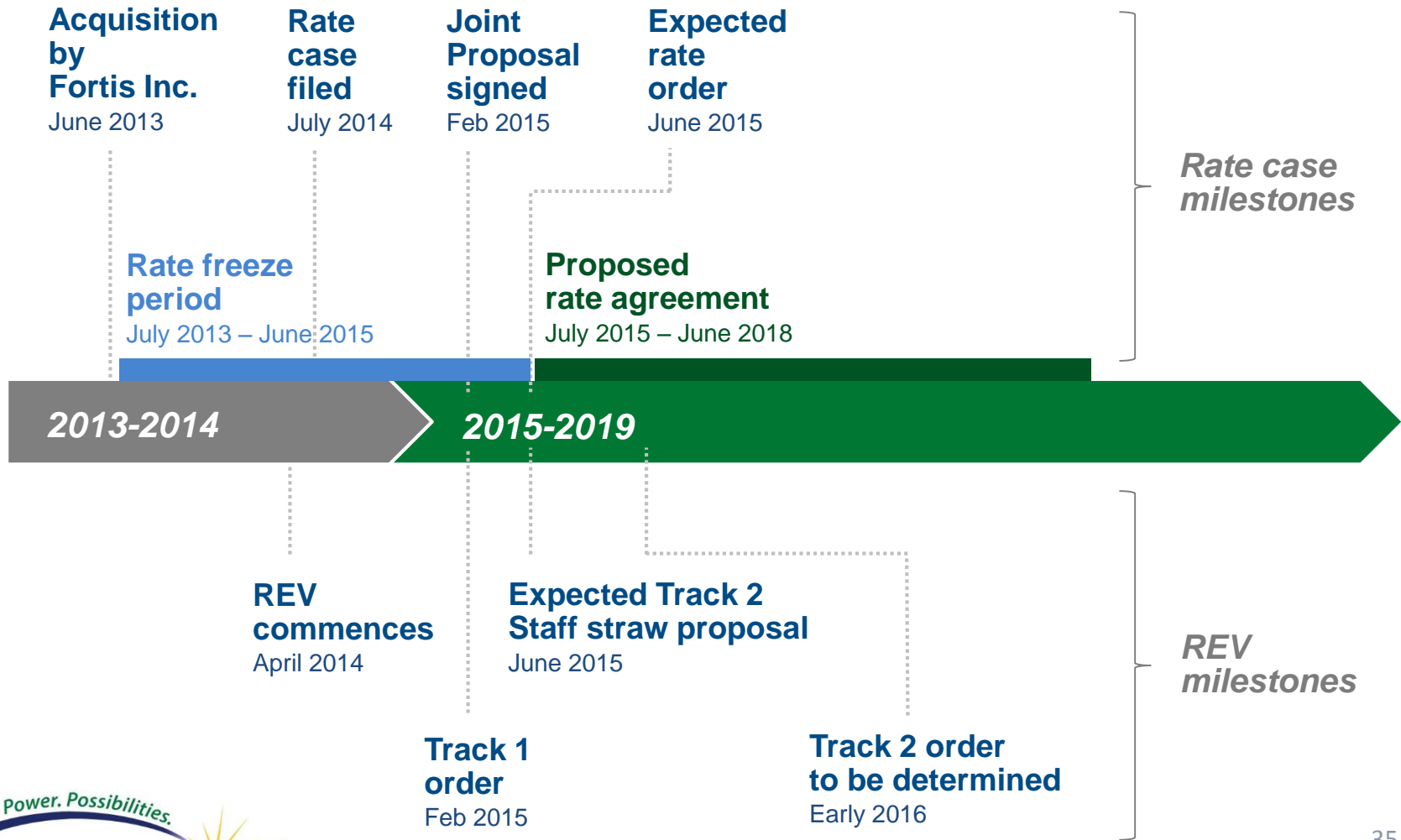
Term expires
Feb 2018



***Floyd
Flake (D)***

Nominated

Regulatory Priorities: Rate Case and REV Proceeding



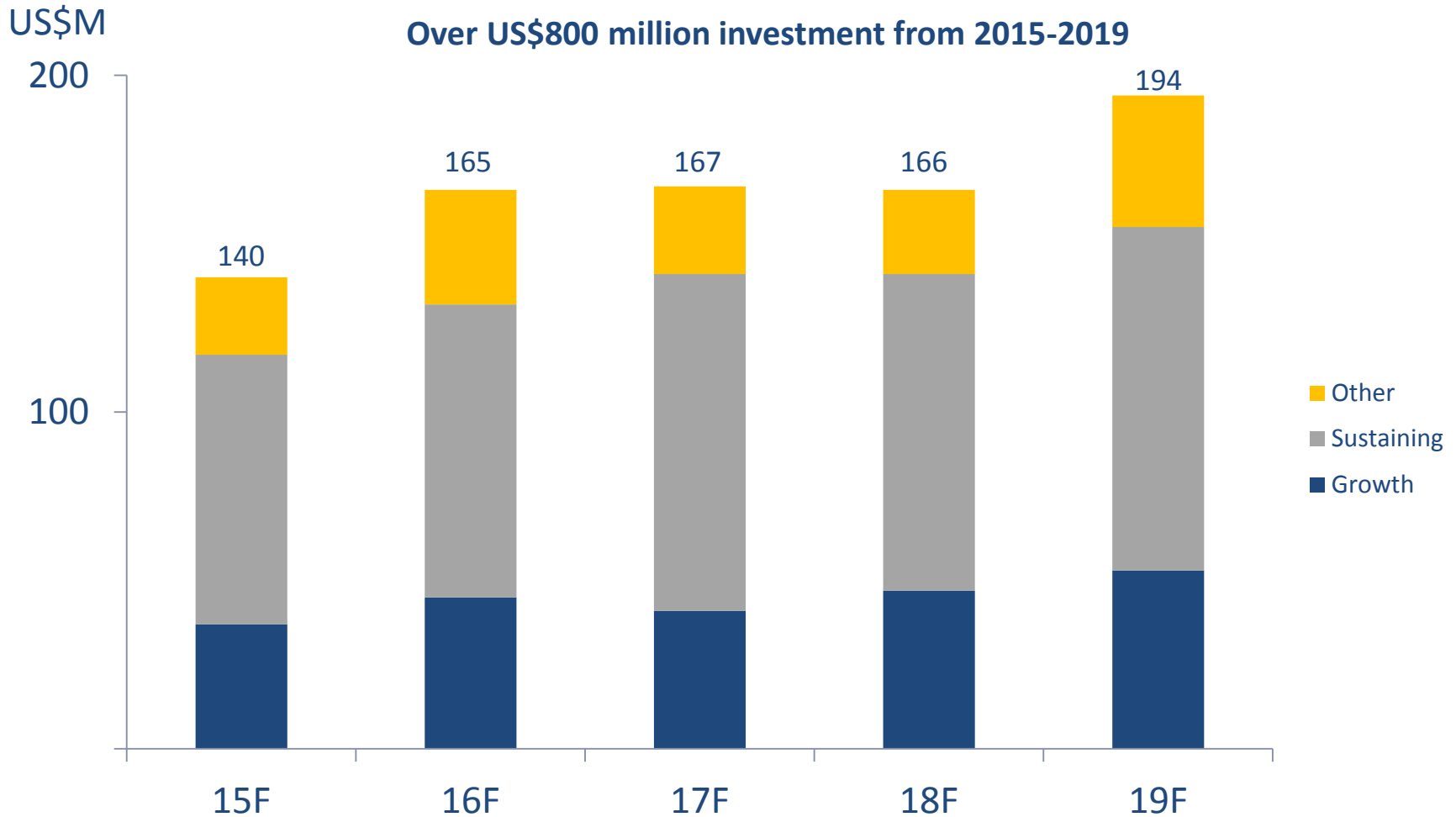
Regulatory Priorities: Rate Case

- **Joint Proposal signed Feb 6, 2015. Signatories include Central Hudson, DPS Staff, Multiple Intervenors, and two environmental groups.**
 - US\$55M electric and US\$12M natural gas delivery rate increases over 3 years
 - Modest residential electric and gas bill impacts
 - 48% common equity ratio / 9% return on equity
 - ~US\$450M of capital investment over the 3-year period
 - Establishment of a major storm reserve
 - Support for REV-related investments and REV demonstration projects
- **Order expected in June 2015**

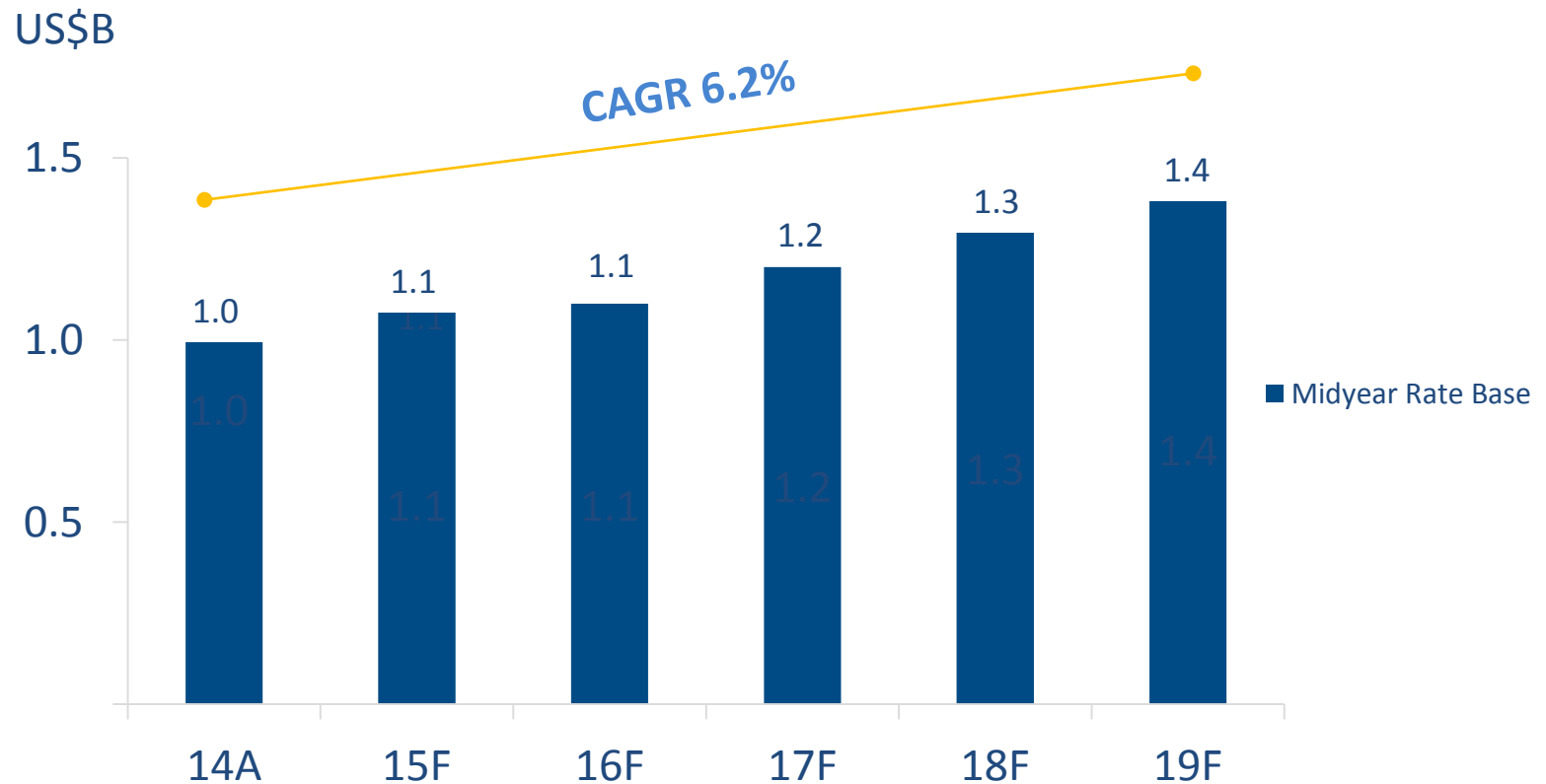
Regulatory Priorities: Reforming the Energy Vision (REV)

- **Generic proceeding to redefine distribution utilities' role and align utilities' investments and earnings with achievement of New York State policy goals**
 - Increase penetration of distributed energy resources
 - Increase system-wide efficiency
 - Increase resource diversity
 - Increase system reliability and resiliency
 - Reduce CO₂ emissions
- **REV will create opportunities for improved customer engagement and additional investments.**

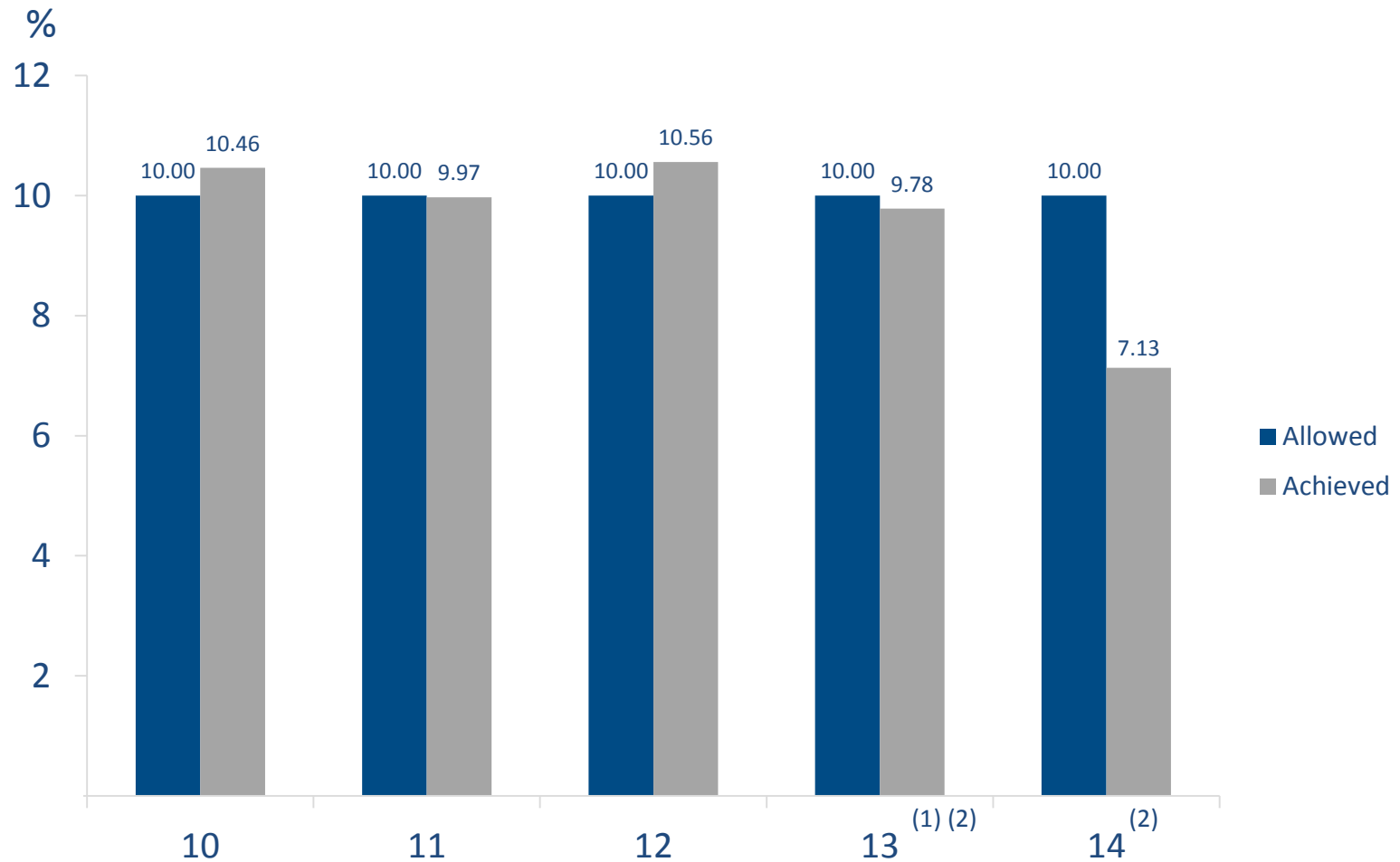
Utility Investment: CAPEX



Utility Investment: Significant Rate Base Growth



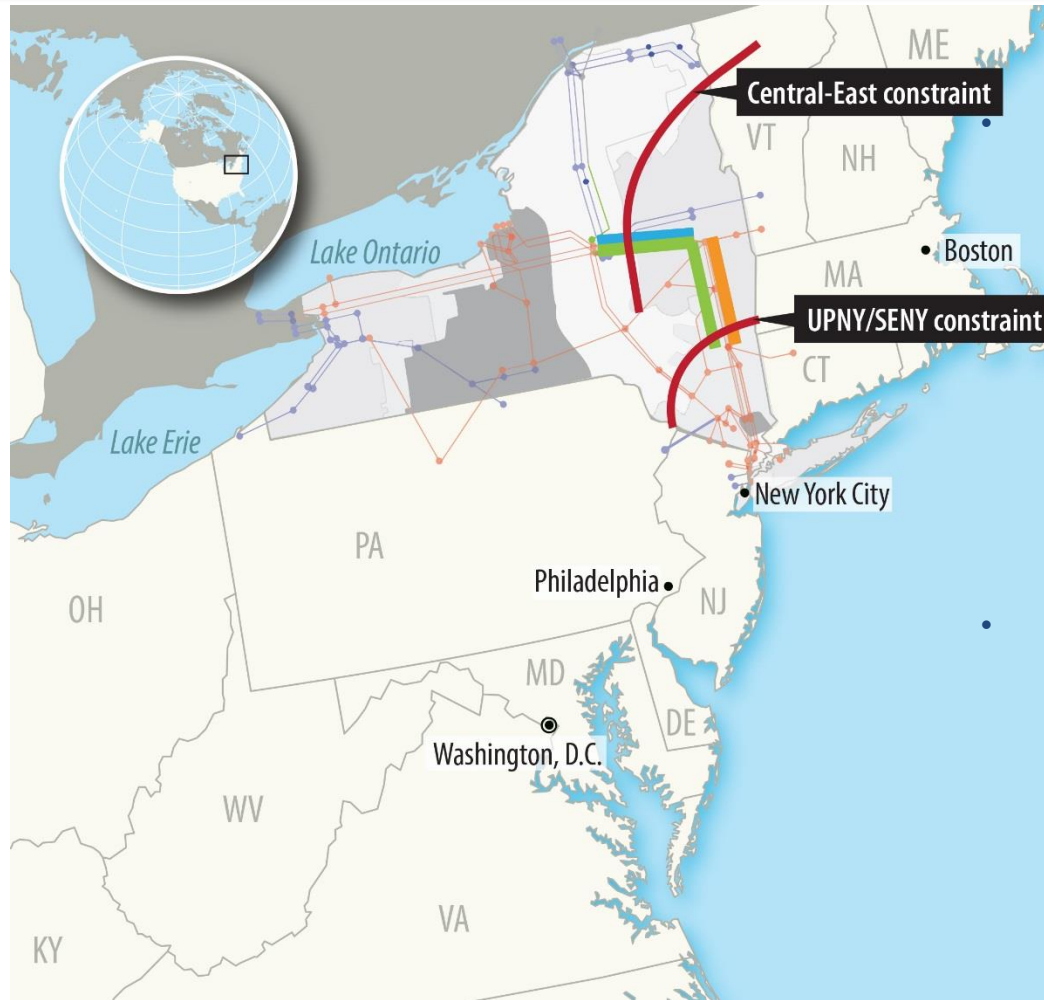
Allowed Versus Achieved ROE



⁽¹⁾ Achieved ROE excludes merger-related costs associated with the 2013 PSC Order authorizing acquisition by Fortis

⁽²⁾ Rate freeze period: July 1, 2013 through June 30, 2015

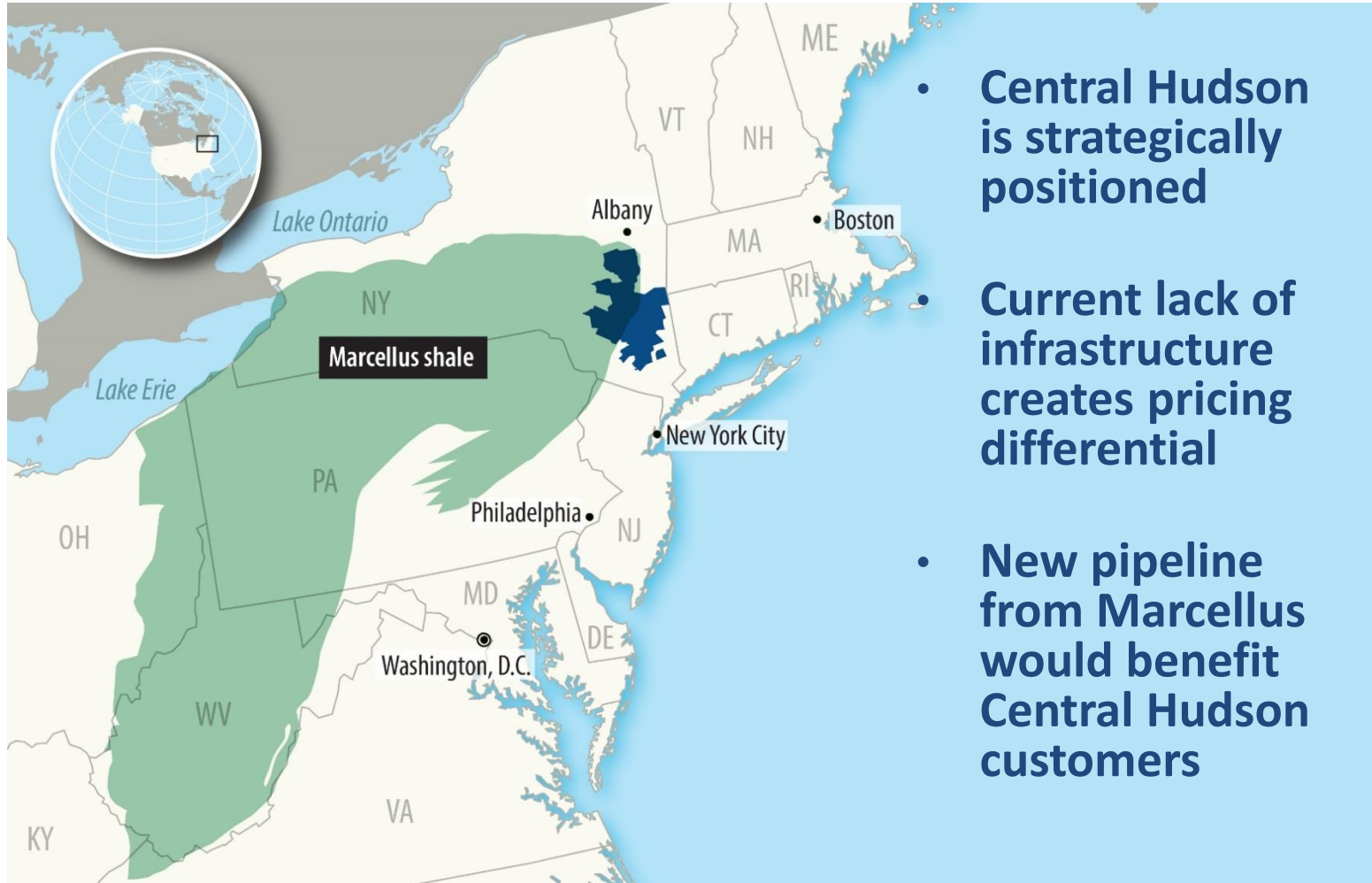
Regional Growth Opportunities: Electric Transmission



NY Transco formed in November 2014

- FERC regulated projects
- PSC-approved projects await FERC approval (US\$500M)
- Additional proposed projects (up to US\$1.2B)
- **Central Hudson Electric Transmission (CHET)**
 - 6% stake in NY Transco
 - Up to US\$100M potential investment for proposed projects (not in forecast)

Regional Growth Opportunities: Natural Gas Transmission



- Central Hudson is strategically positioned
- Current lack of infrastructure creates pricing differential
- New pipeline from Marcellus would benefit Central Hudson customers

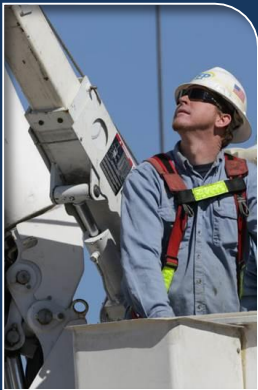
Top Priorities

- **Rate Order**
- **REV proceeding**
- **Pursuing transmission investment opportunities**



Positioned for Growth

UNS Energy



David Hutchens
President & CEO

FORTIS_{INC.}

UNS Energy Overview



UNS Energy Corporation
A Fortis Company



Tucson Electric Power

- Vertically integrated electric utility
- 415,000 retail customers



- UNS Electric - 93,000 retail customers
- UNS Gas - 150,000 retail customers

US\$3.0 billion
2014 Midyear Rate Base



Service Areas

	TEP		UNS Gas & Electric
	UNS Gas		UNS Electric
	Generating Station		Solar Plant

2,000 employees

Arizona Corporation Commission

Terms End Jan 2019



Tom Forese
(R)



Doug Little
(R)

Terms Ends Jan 2017



Susan Bitter
Smith (R)
Chairman



Bob Burns
(R)



Bob Stump
(R)

- Constitutionally created branch of Arizona government
- Sets retail energy rates
 - Cost of service ratemaking
 - Historical test year
- Five Commissioners elected state-wide
- Limited to serve two consecutive four-year terms
- Constructive relationship



Regulatory Environment

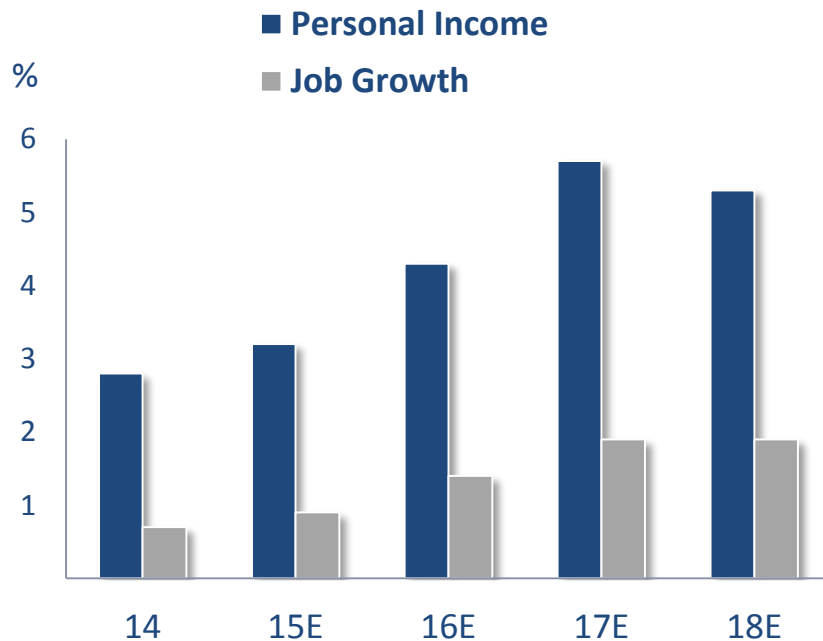
- **Authorized ROEs 9.5% – 10.0%**
- **Adjustor mechanisms mitigate risk**
- **No stay-out or rate-freeze provisions**
- **Last two rate cases completed in less than one year**
- **Fortis transaction approved in eight months**
- **New dockets to address rate design, including effects of distributed generation and net metering**



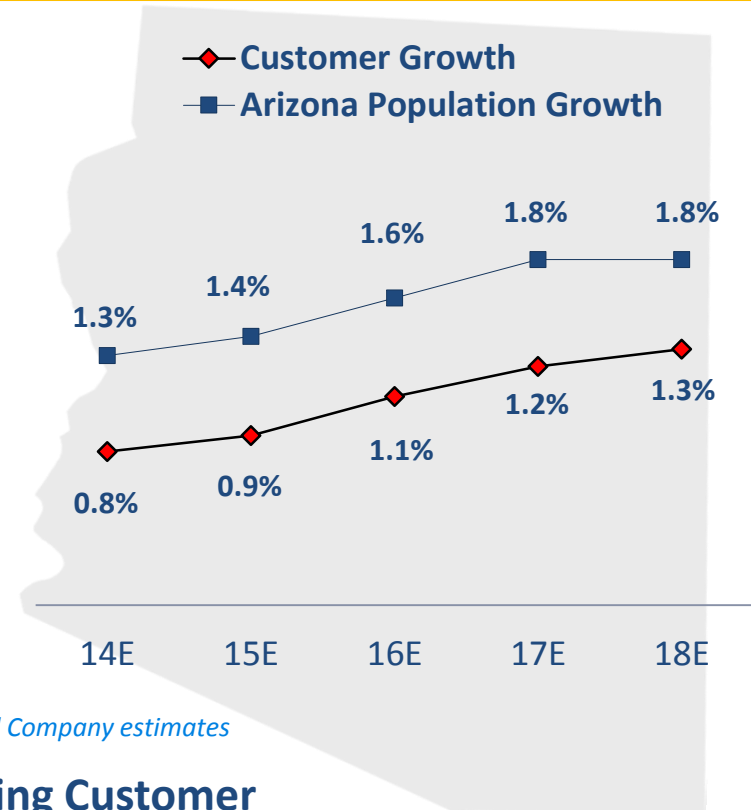
Improving Arizona Economy

Recovery Underway

Tucson Economic Forecast



Retail Customer and Population Growth



Sources: University of Arizona Economic and Business Research Center and Company estimates

Potential New Mining Customer

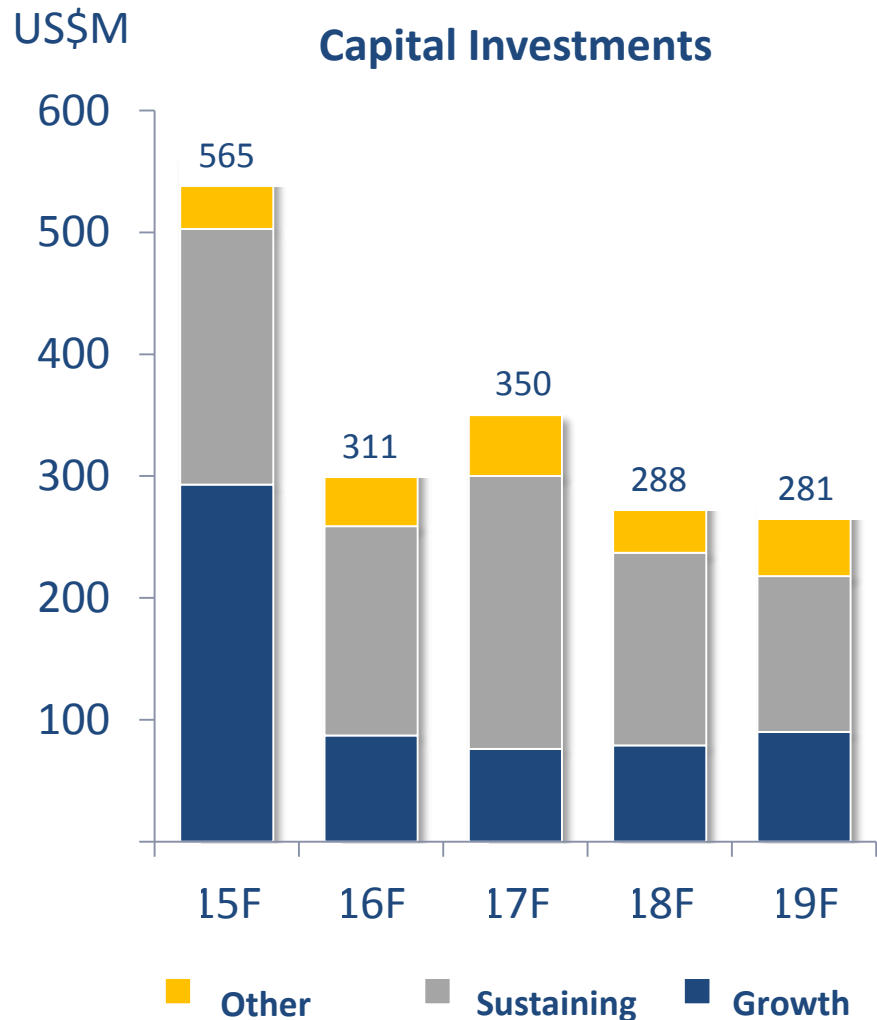
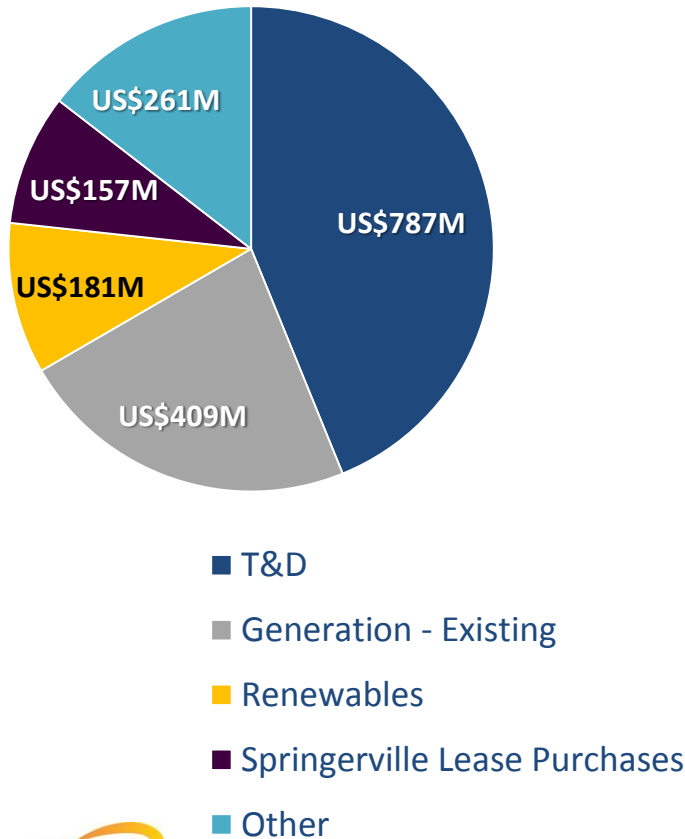
- Permitting process ongoing
- Estimated 85 MW load at full production



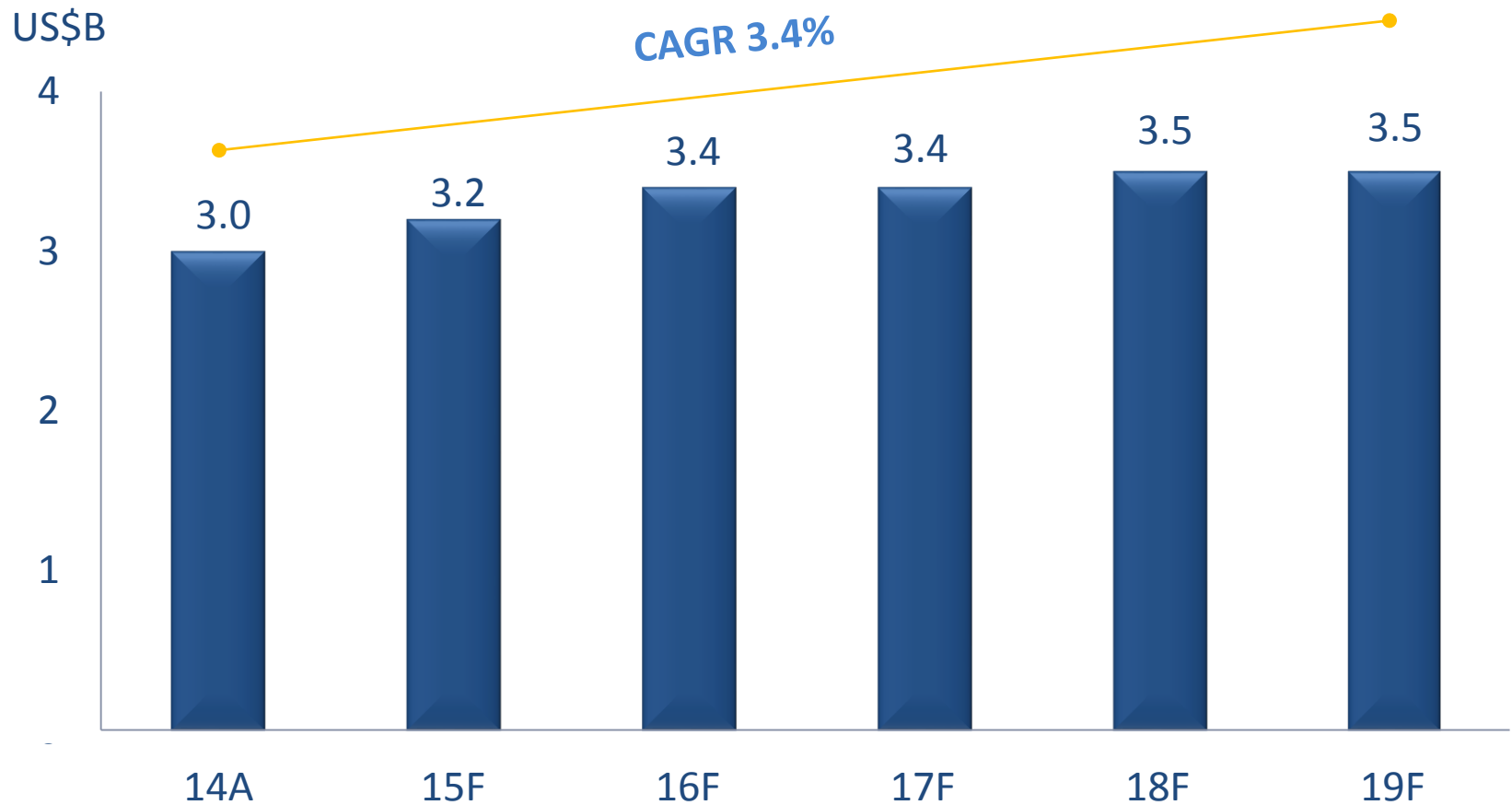
5-Year Capital Expenditures

US\$1.8 Billion

2015 – 2019 Capital Investments
US\$1.8 Billion



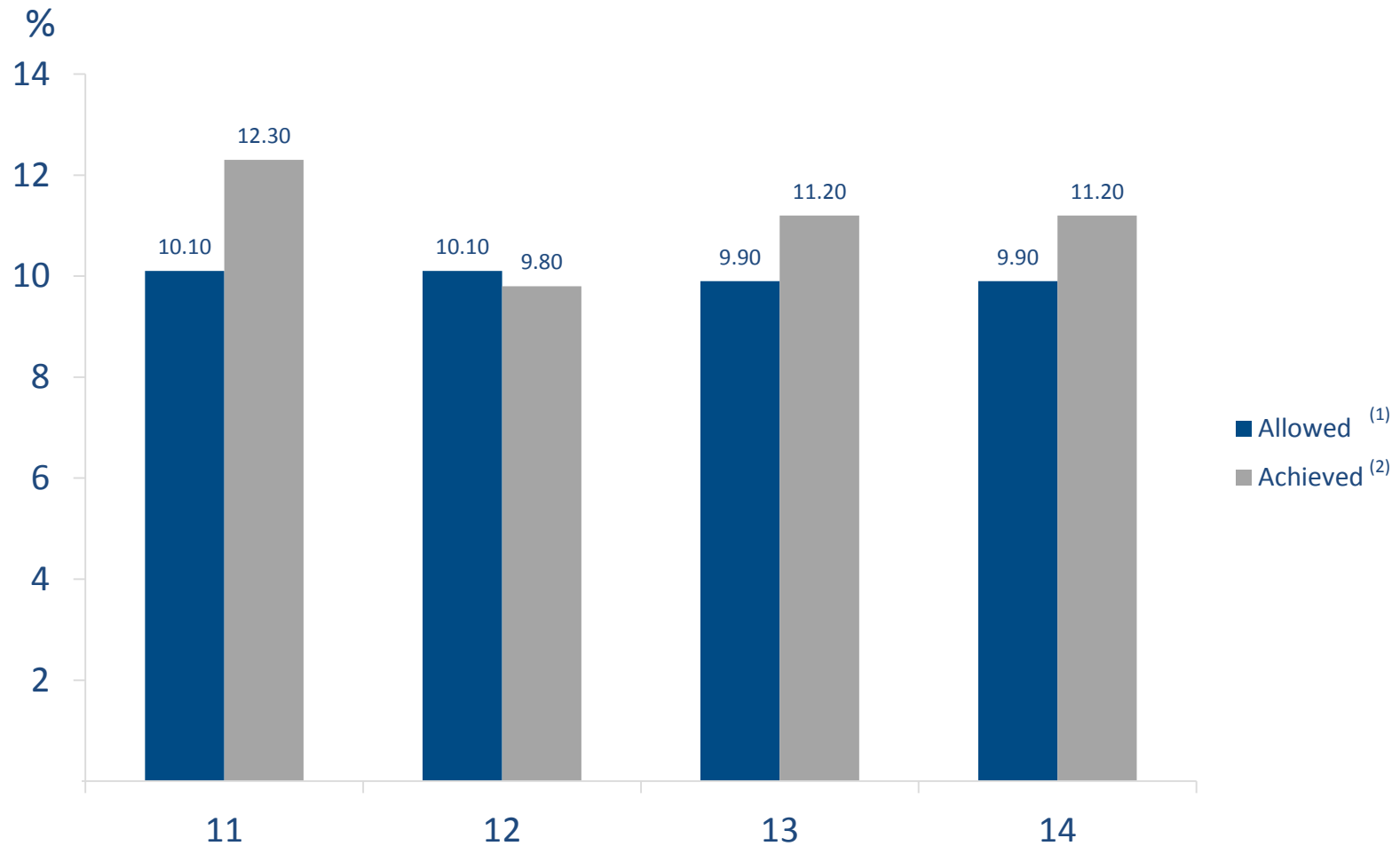
Rate Base Growth (1)



(1) Includes ACC and FERC jurisdictional rate base. Current customer rates reflect ~US\$2.4 billion of rate base.



UNS Consolidated Return on Equity



(1) Allowed returns reflect ACC jurisdictional ROEs and exclude fair value increment

(2) Excludes merger-related expenses in 2013 and 2014; includes returns on FERC jurisdictional rate base

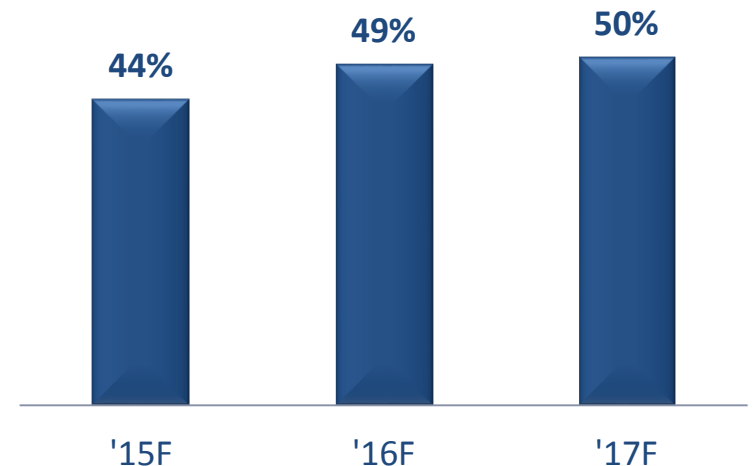
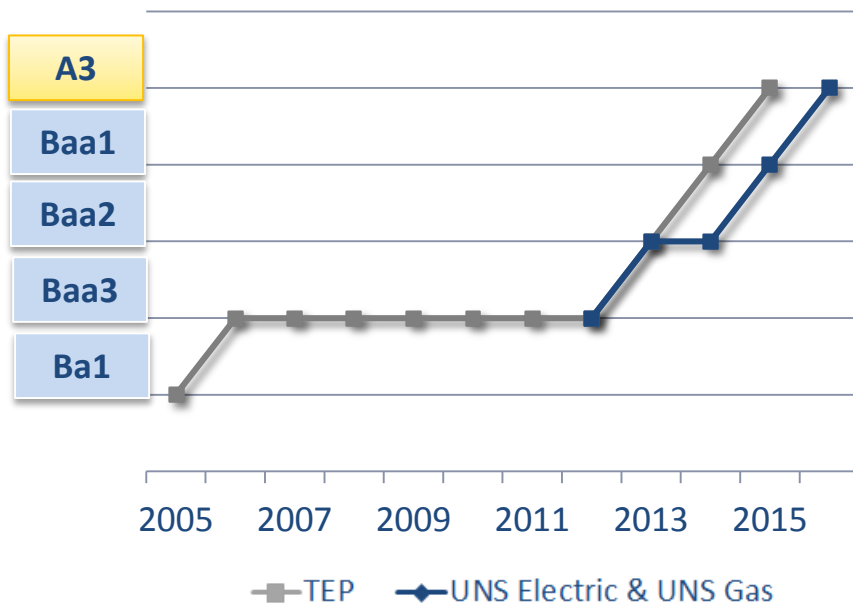


Equity / Capitalization

Steady Improvement & Recent Credit Rating Upgrades

Regulated Utilities Credit Ratings Moody's Unsecured Rating

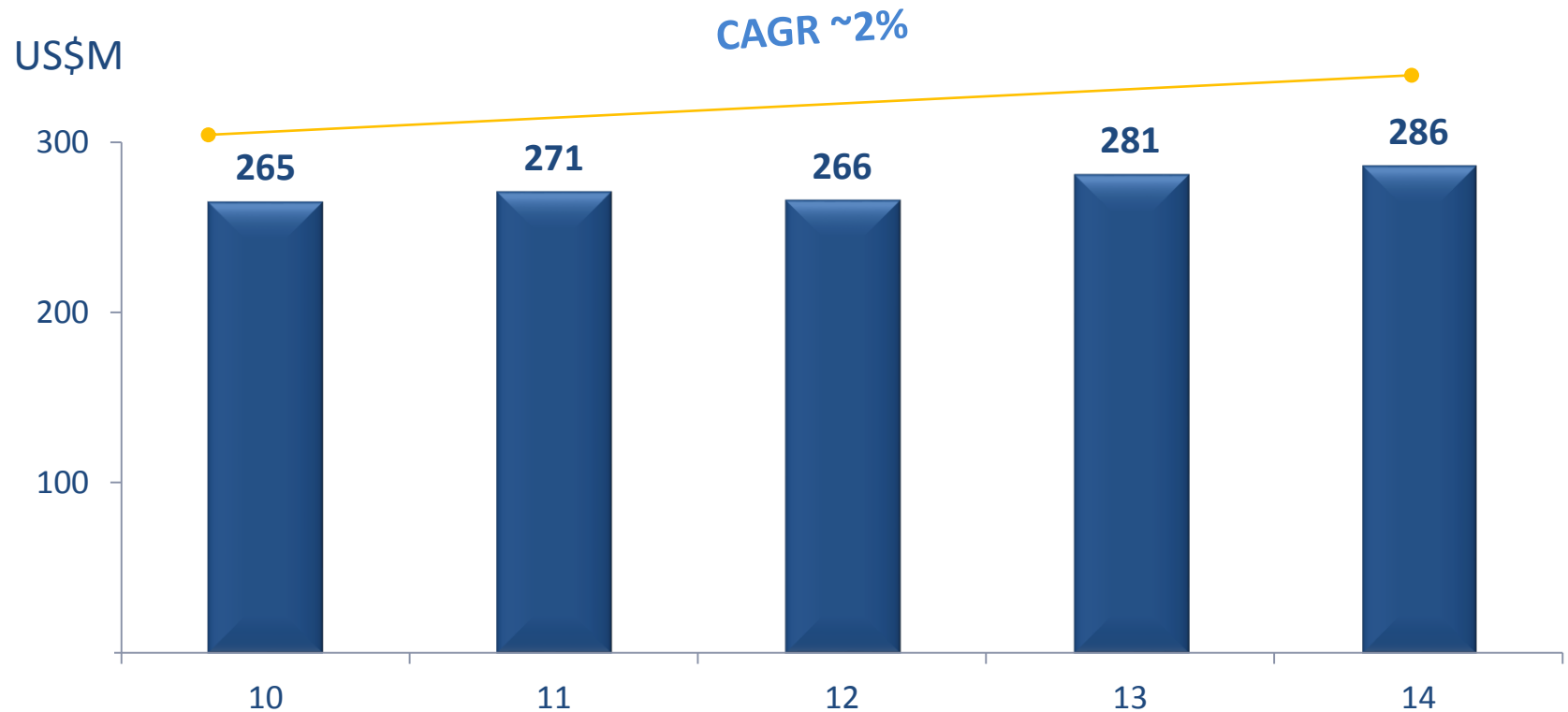
Equity / Capitalization



Operational Excellence

Successful Cost Containment

Base Operations and Maintenance Expense



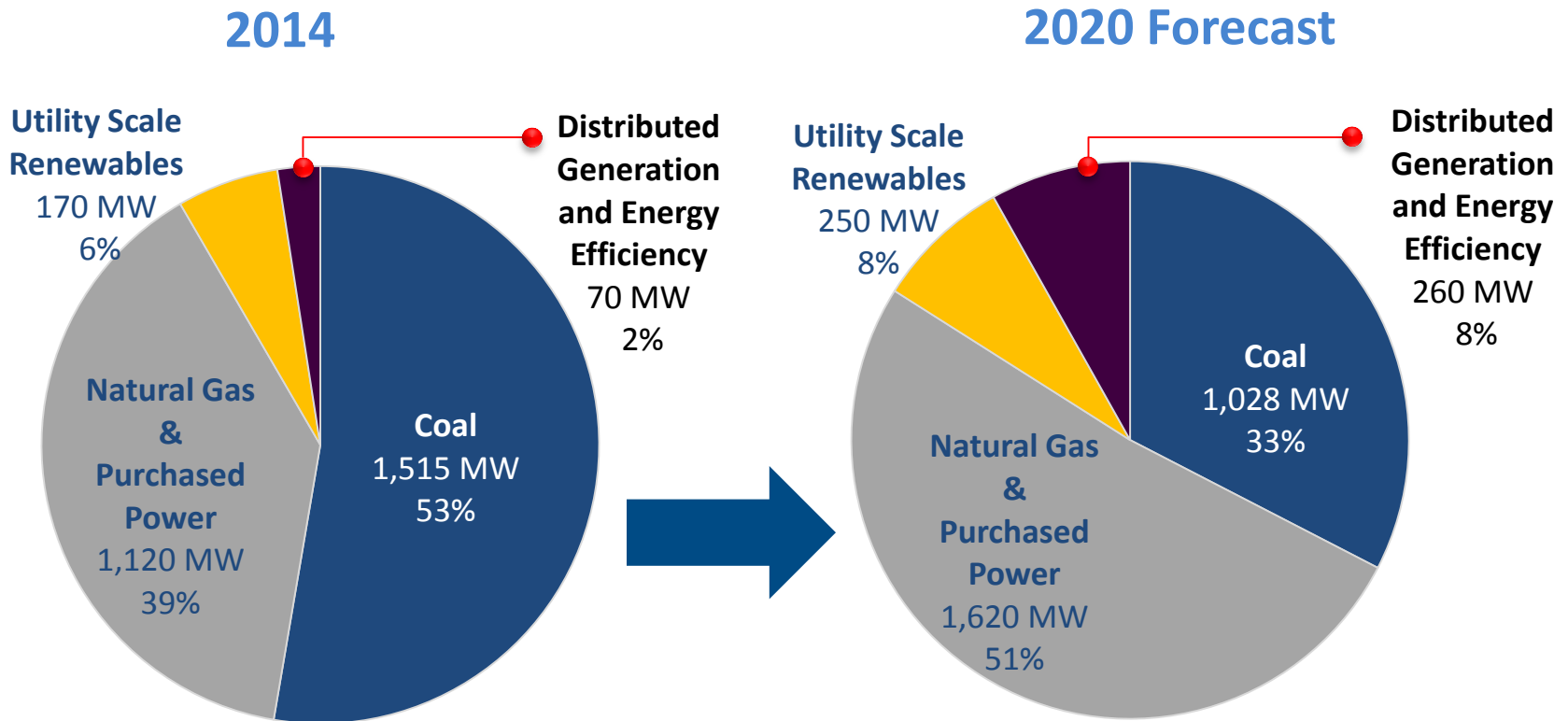
Note: Excludes merger-related expenses in 2013 and 2014



Generation Portfolio

Resource Diversification Strategy

TEP Resource Capacity



Resource Diversification Strategy

33% Reduction in Coal Capacity

25% Reduction in CO₂ Emissions



Springerville Unit 1 – Reduced Coal Capacity by 200 MW

- TEP currently owns 49.5% or 192 MW
- Completed lease purchase in Dec 2014 and Jan 2015



San Juan Unit 2 – Planned Closure of 170 MW of Coal Capacity

- Planned shutdown of Unit 2 by 2018
- Part of New Mexico Regional Haze Plan



Gila River Unit 3 – 550 MW Natural Gas Facility

- Purchased in Dec 2014
- Ownership 75% TEP / 25% UNS Electric



Sundt Unit 4 – Switching 120 MW of Coal Capacity to Natural Gas

- Currently dual fuel (coal and natural gas)
- Permanent switch to natural gas post 2017
- Part of Arizona Regional Haze Plan



EPA's Proposed Clean Power Plan

Overview

Nationwide 30% reduction in CO₂ emissions from existing power plants from 2005 levels by 2030

- 2012 emission rates used as baseline year for individual state reductions
- State-by-state Goals
- Progress measured beginning in 2020
- Arizona has highest unplanned coal capacity reductions
- Rule to be finalized later this year
- State implementation plans due 2016-2017

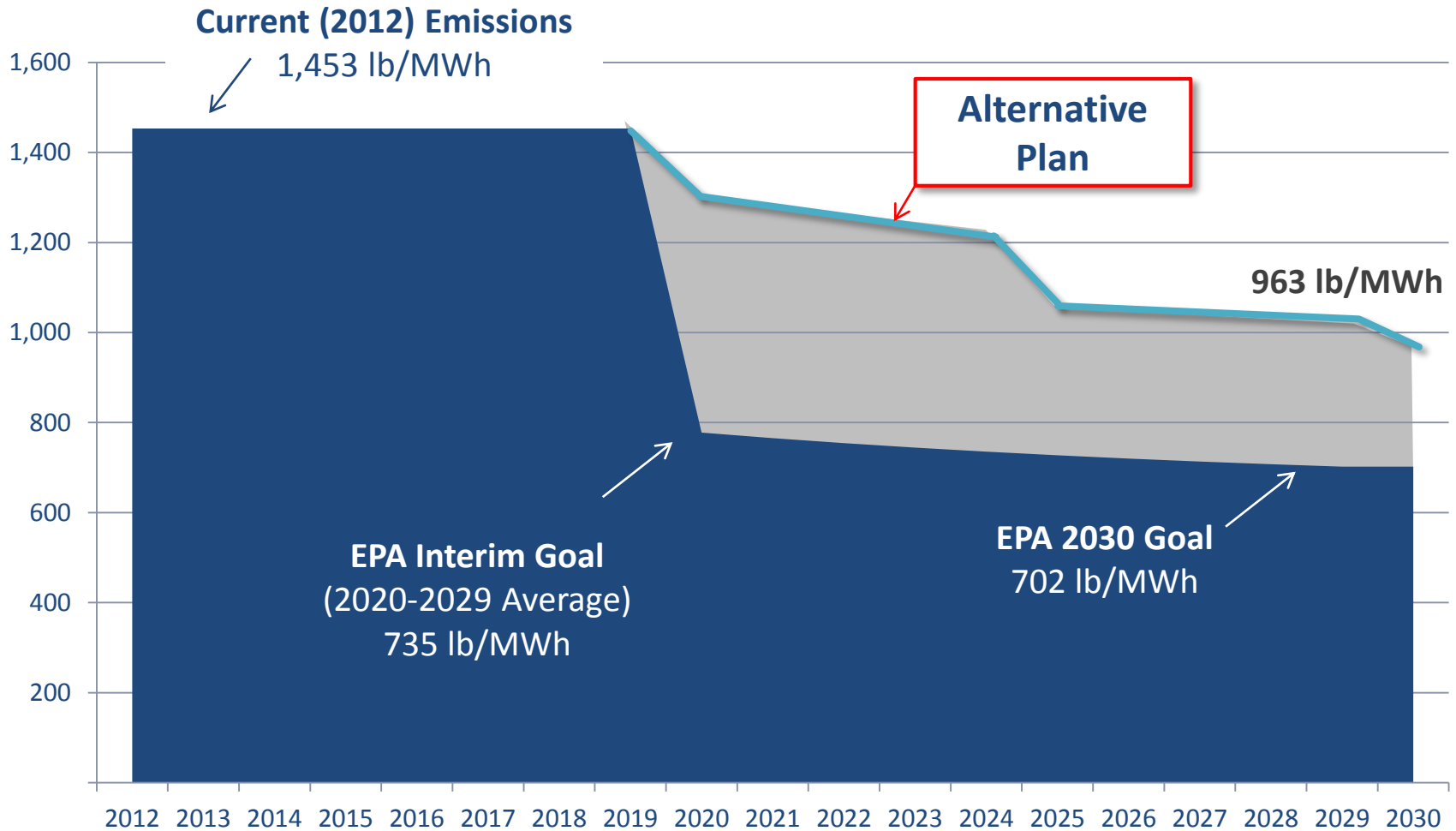
EPA Proposed Carbon Reduction by State
(CO₂ lbs / MWh)

State	2012 Rate	2020 Goal	2030 Goal	Reduction from 2012
Washington	756	264	215	72%
Arizona	1,453	735	702	52%
S. Carolina	1,587	840	772	51%
Oregon	717	407	372	48%
New Hampshire	905	546	486	46%
Arkansas	1,634	968	910	44%
Georgia	1,500	891	834	44%
.....				
Rhode Island	907	822	782	14%
Hawaii	1,540	1,378	1,306	15%



EPA's Proposed Clean Power Plan

Arizona's Proposed Alternative Plan



Solar Distributed Generation

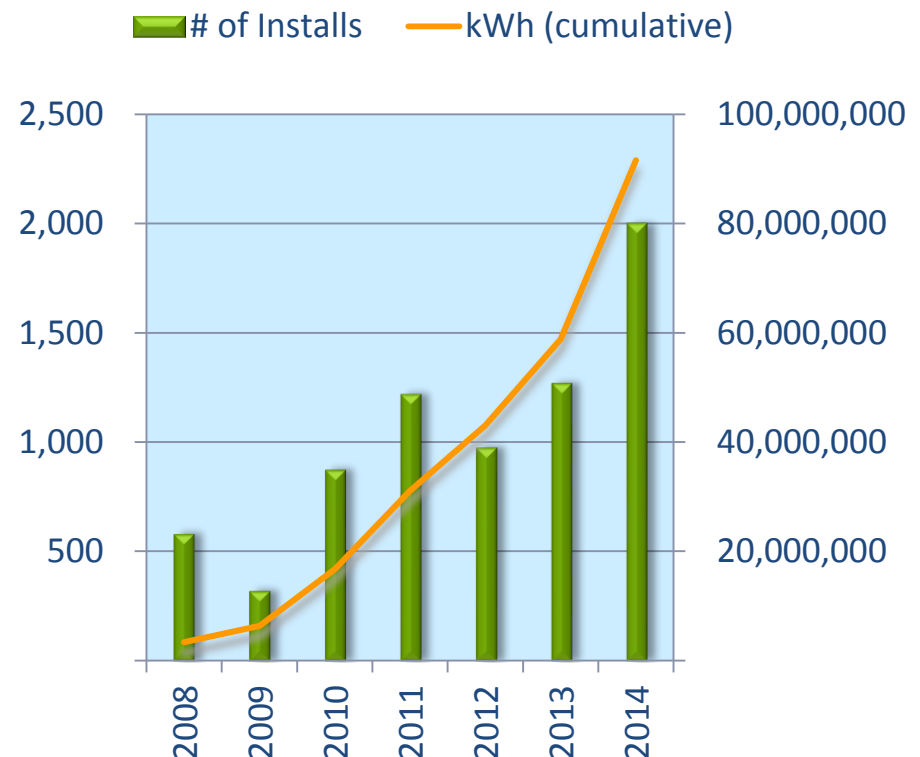
Solar DG Customer Choices

- Community Solar Program (2010)
 - Customers can purchase blocks of utility-scale solar
- Utility-owned Solar DG Program (2015)
 - Roll-out to customers in Q2 2015
 - Investment of up to US\$10 million
 - Est. 600 installations in 2015

Solar DG Challenges

- Rooftop solar twice as expensive as utility-scale
- Net metering, rate design cost shift
- System reliability
- Consumer protection

Annual TEP Residential Solar DG Installs and kWh

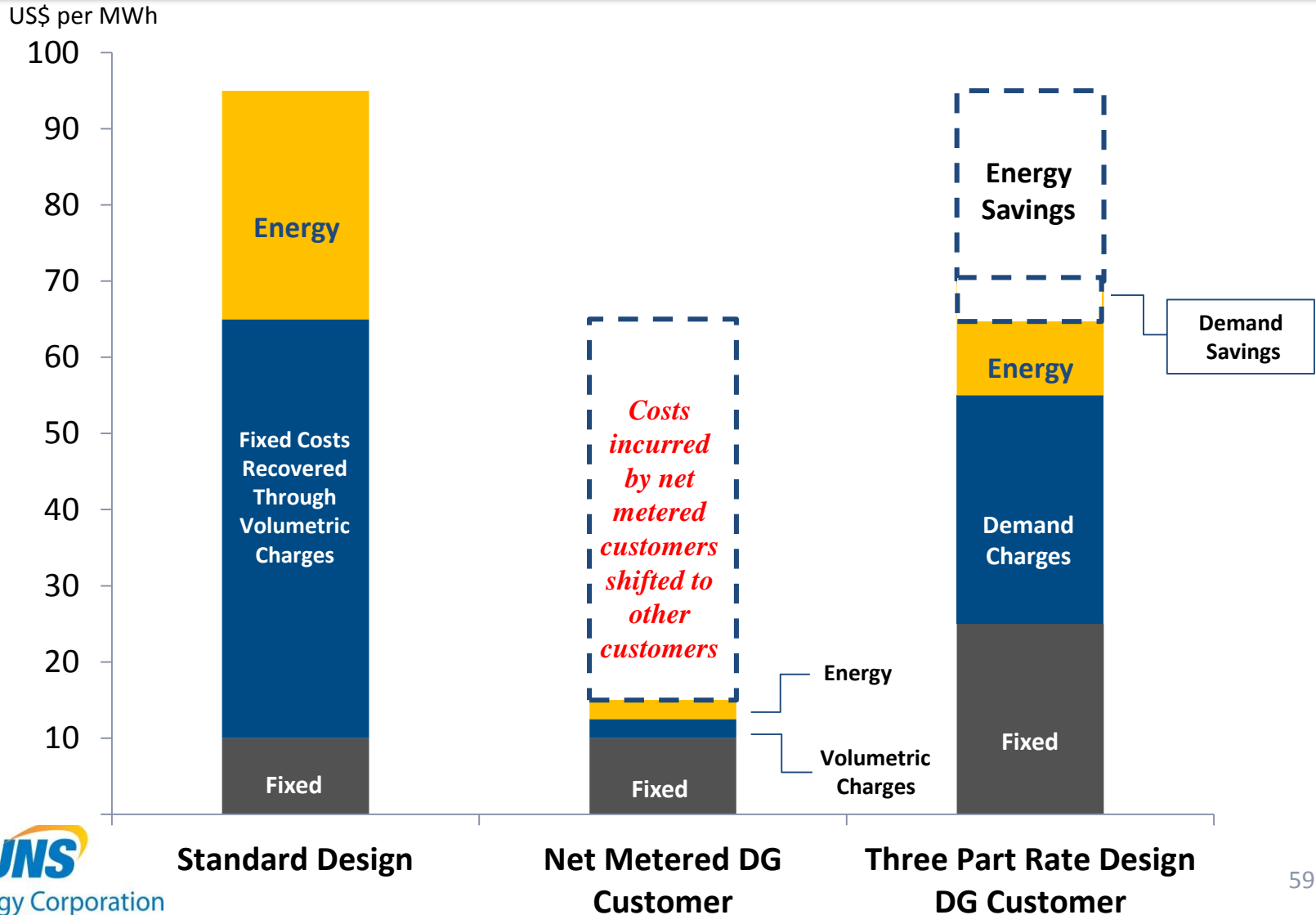


2008 Includes all installations from previous years as well

2015 Q1 applications ahead of 2014 (2015 to include 600 installs from new TEP program)



Rate Design



Regulatory Proceedings

Equitable Rate Design

- Arizona Public Service (2014)
 - Raised fixed customer charge for DG customers
- Salt River Project
 - Three-part rate design approved in February 2015
- Trico Electric Cooperative
 - Filed application in February 2015 to adjust net metering rates
- TEP and UNS Electric
 - March 2015 net metering application

Rate Proceedings

- UNS Electric - May 2015 general rate case filing (2014 test year)
- TEP – Timing TBD



Growth Opportunities

- **Clean Power Plan**
 - Further resource diversification
- **Distributed Generation**
 - Utility-Owned Residential Rooftop
- **Distribution System**
 - Grid Modernization
- **Renewable Generation**
 - Utility Scale Projects
- **Transmission**
 - Expand Import Capability

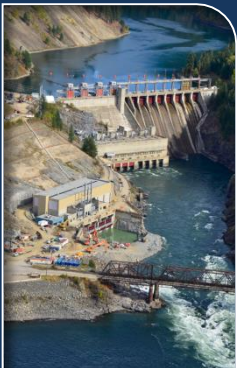


Top Priorities

- **Operational excellence**
 - Customer Satisfaction
 - Safety
 - Reliability
 - Cost containment
- **Execute Resource Diversification Strategies**
 - EPA's Clean Power Plan
 - Existing coal generation
- **Execute Regulatory Strategies**
 - Rate Design / Fixed Cost Recovery
 - Net Metering
 - TEP and UNS Electric Rate Cases

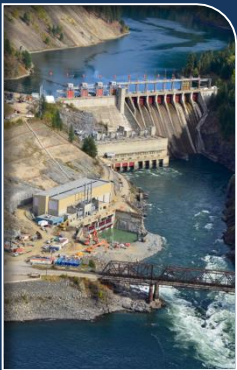


Strong. Profitable. Growing.



15-minute Break

FORTIS_{INC.}



Gary Smith
President & CEO
Newfoundland Power

FORTIS_{INC.}

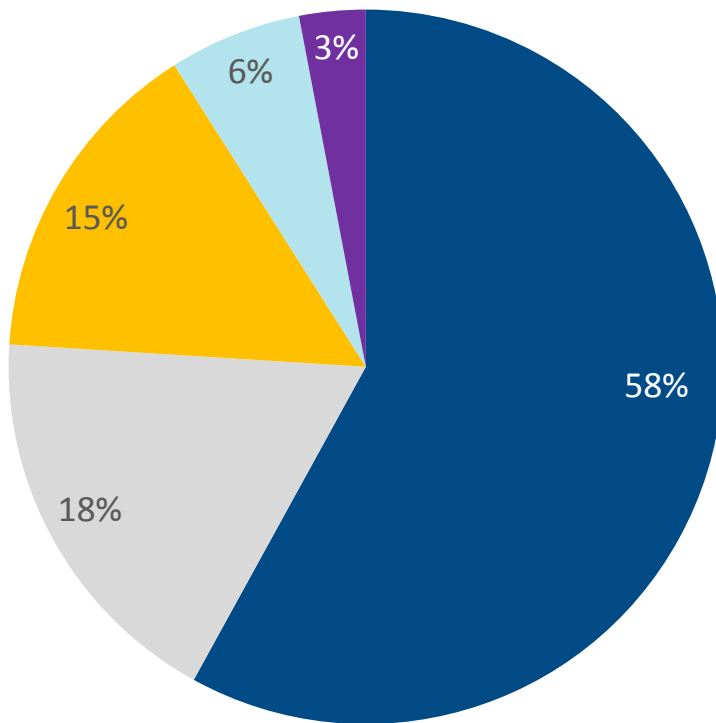
Eastern Canadian & Caribbean Overview

- **Five regulated electric utilities**
 - 3 Eastern Canada
 - 2 Caribbean
- **Mainly traditional cost of service**
- **1,400 employees**
- **Non-regulated generating assets in Belize**

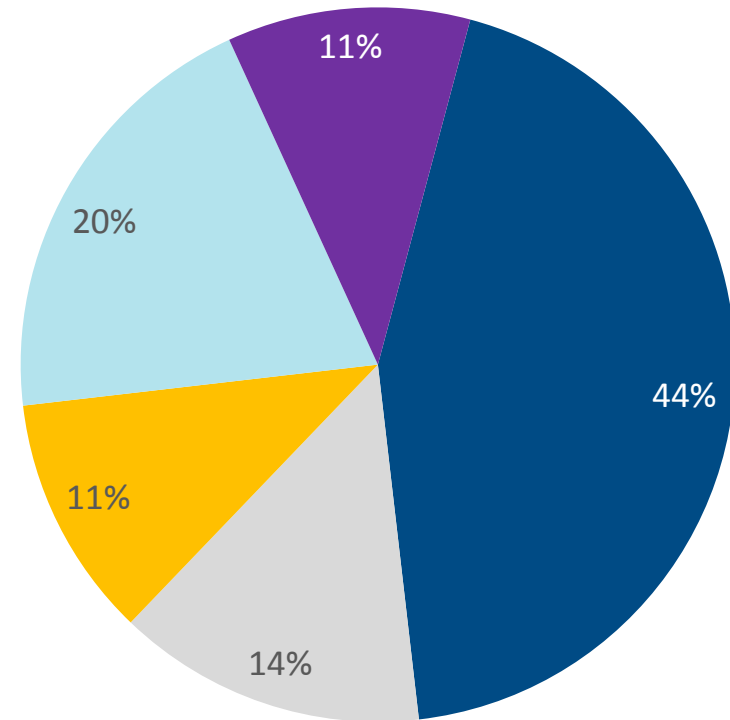


Customers & Rate Base

Customers
(443,000)



2014 Midyear Rate Base
(\$2.2 Billion)



■ Newfoundland Power

■ Maritime Electric

■ FortisOntario

■ Caribbean Utilities

■ Fortis Turks and Caicos

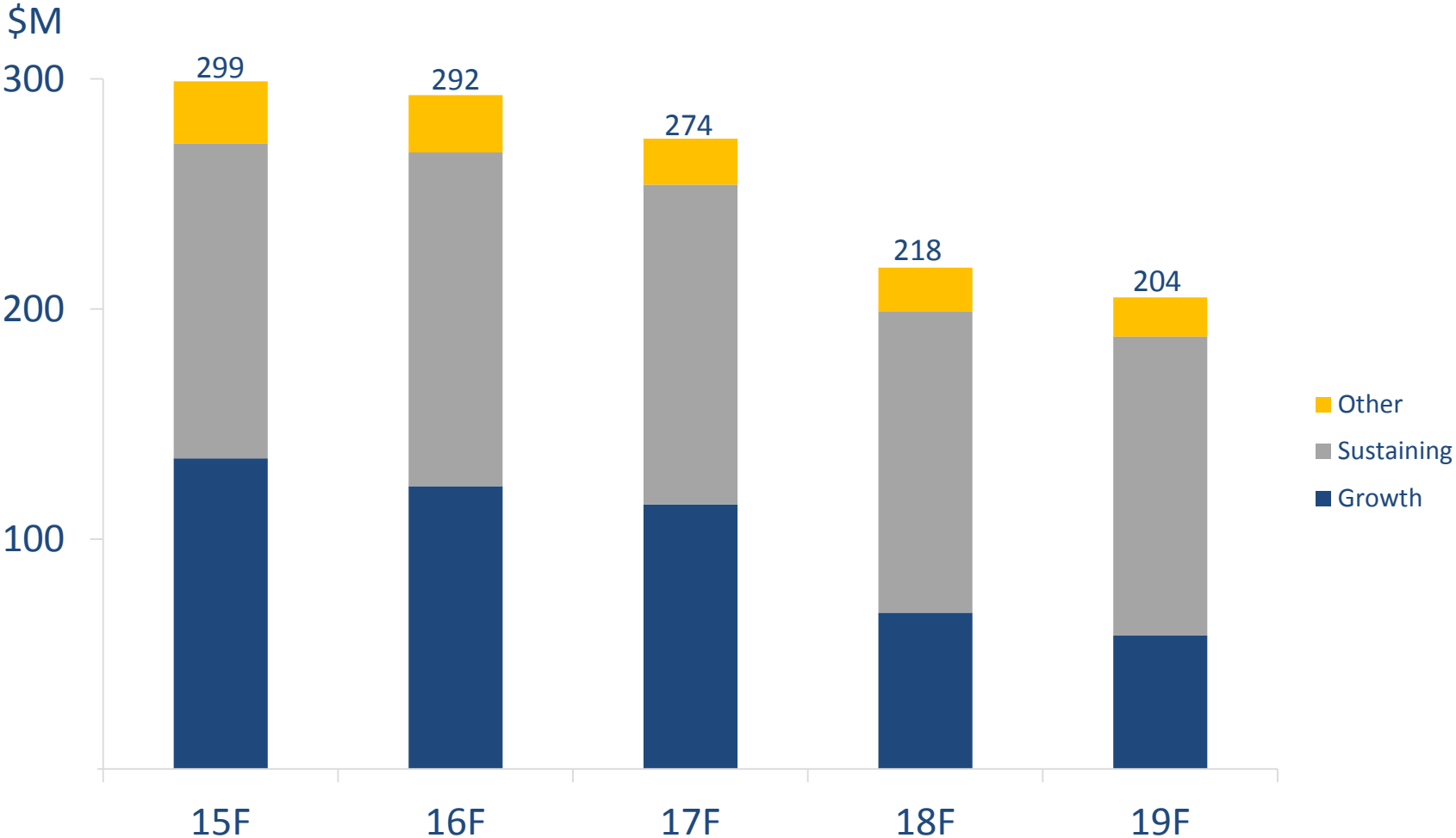
Regulatory Environment

- **Newfoundland Power to file General Rate Application by June 2015**
- **Maritime Electric – Energy Accord**
- **FortisOntario utilities on incentive regulation model – full rebasing every 5 years**
- **Turks and Caicos draft National Energy Policy**
- **CUC and FortisTCI – long-term licenses**

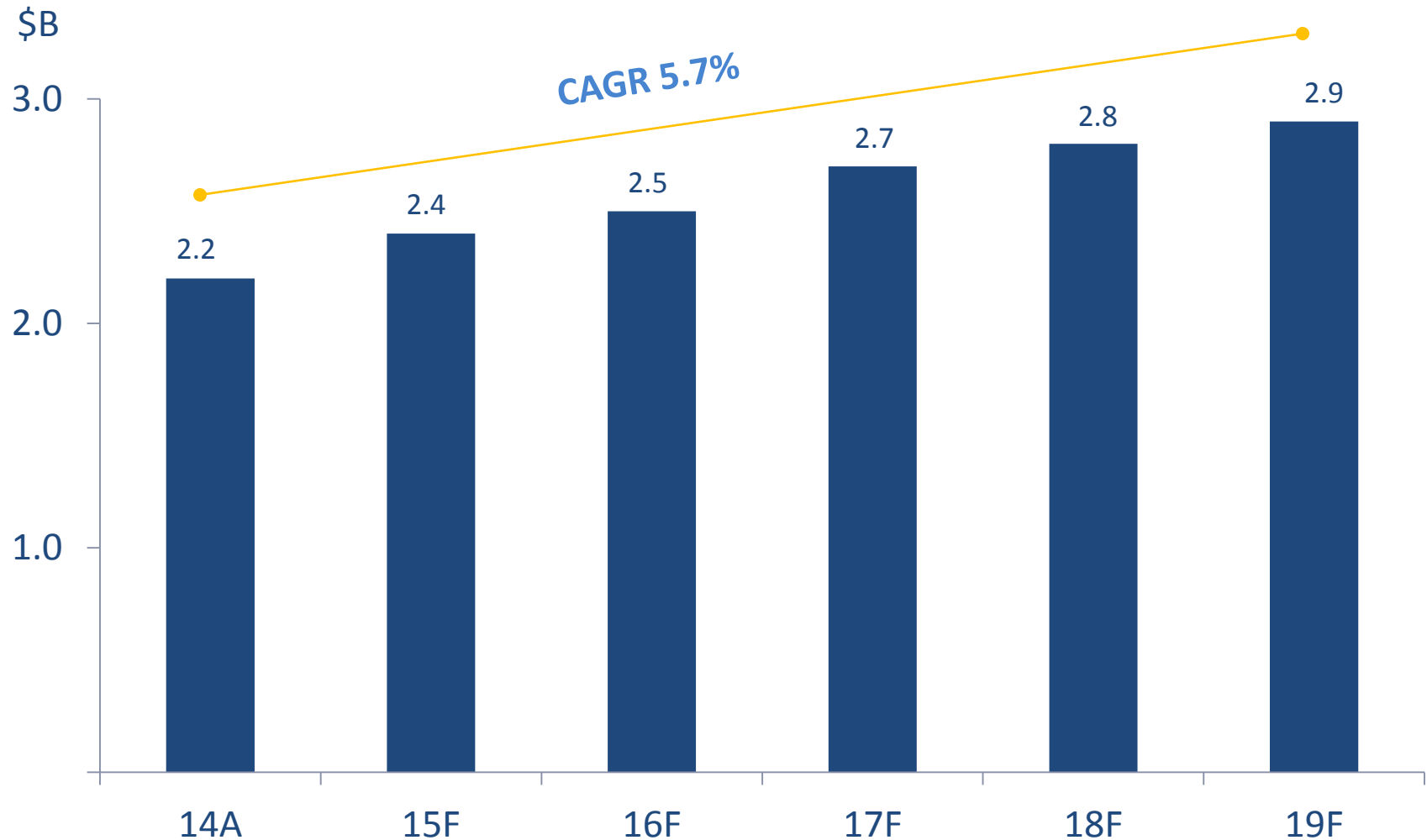


5-Year Capital Expenditures

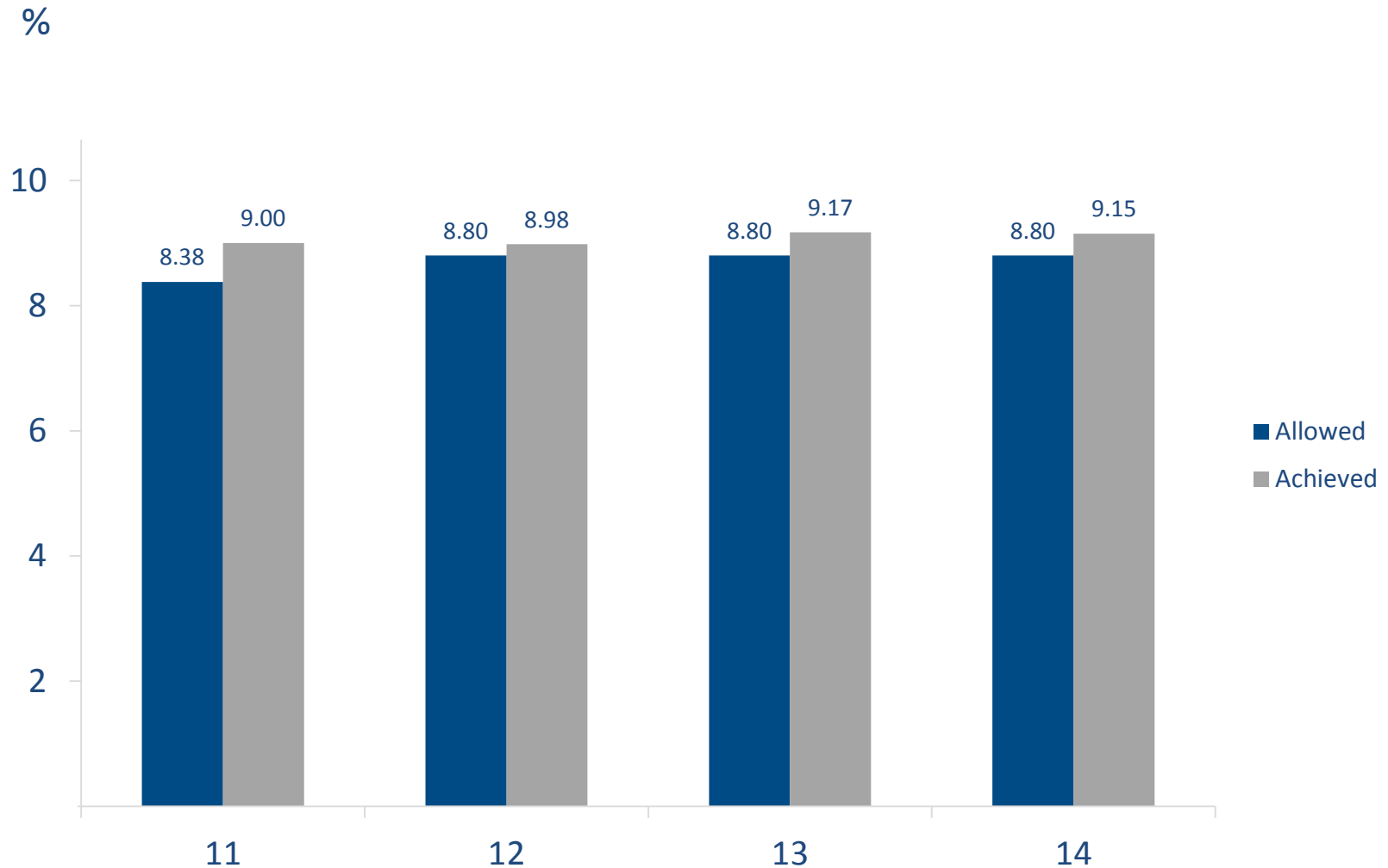
\$1.3 Billion



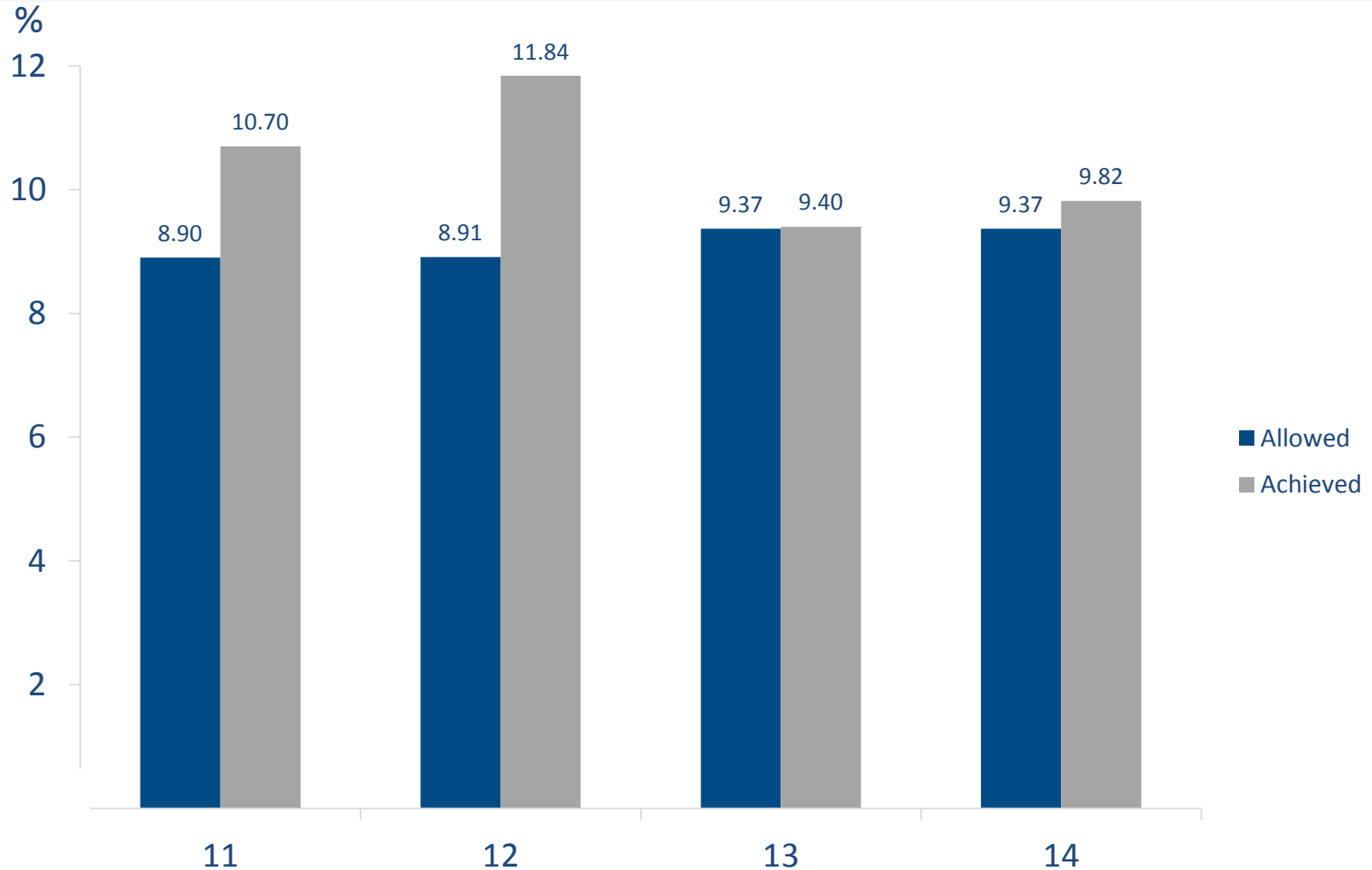
Rate Base Growth



Allowed Versus Achieved ROE Newfoundland Power

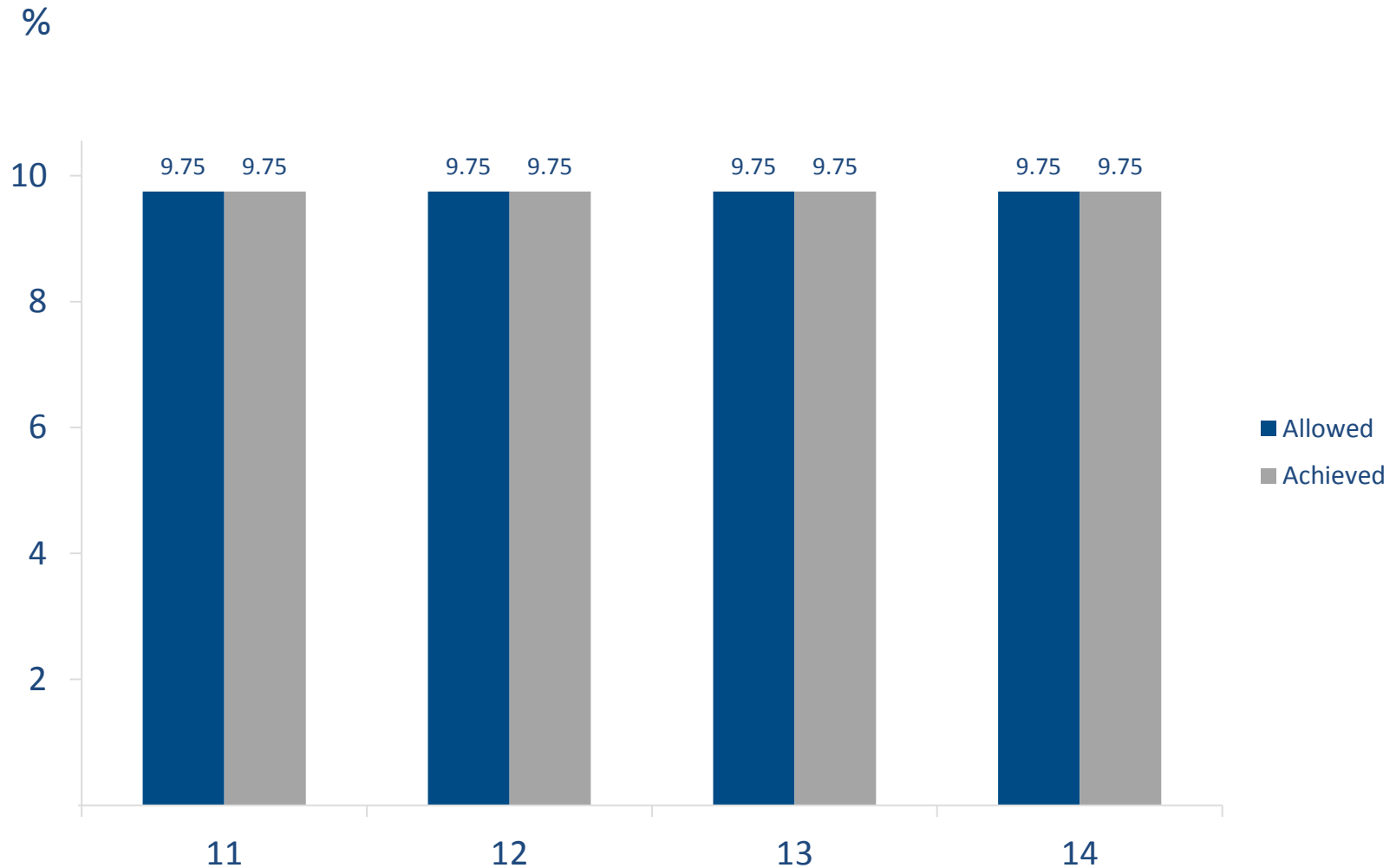


Allowed Versus Achieved ROE FortisOntario (1)



(1) Weighted average ROE for FortisOntario utilities: Algoma Power, Cornwall Electric and Canadian Niagara Power

Allowed Versus Achieved ROE Maritime Electric



Non-Regulated Generating Assets in Belize

- **51 MW hydroelectric generating capacity**
- **3 plants on the Macal River**
- **Output sold to Belize Electricity under long-term power purchase agreements**
- **Earnings contribution of ~\$23 million annually**



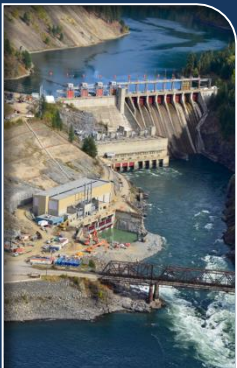
Top Priorities

Eastern Canada

- Managing customer rate pressures in NL
- Regulatory review of energy supply issues in NL
- New cable connection & 50-MW gas turbine at MECL
- Growth opportunities in Ontario

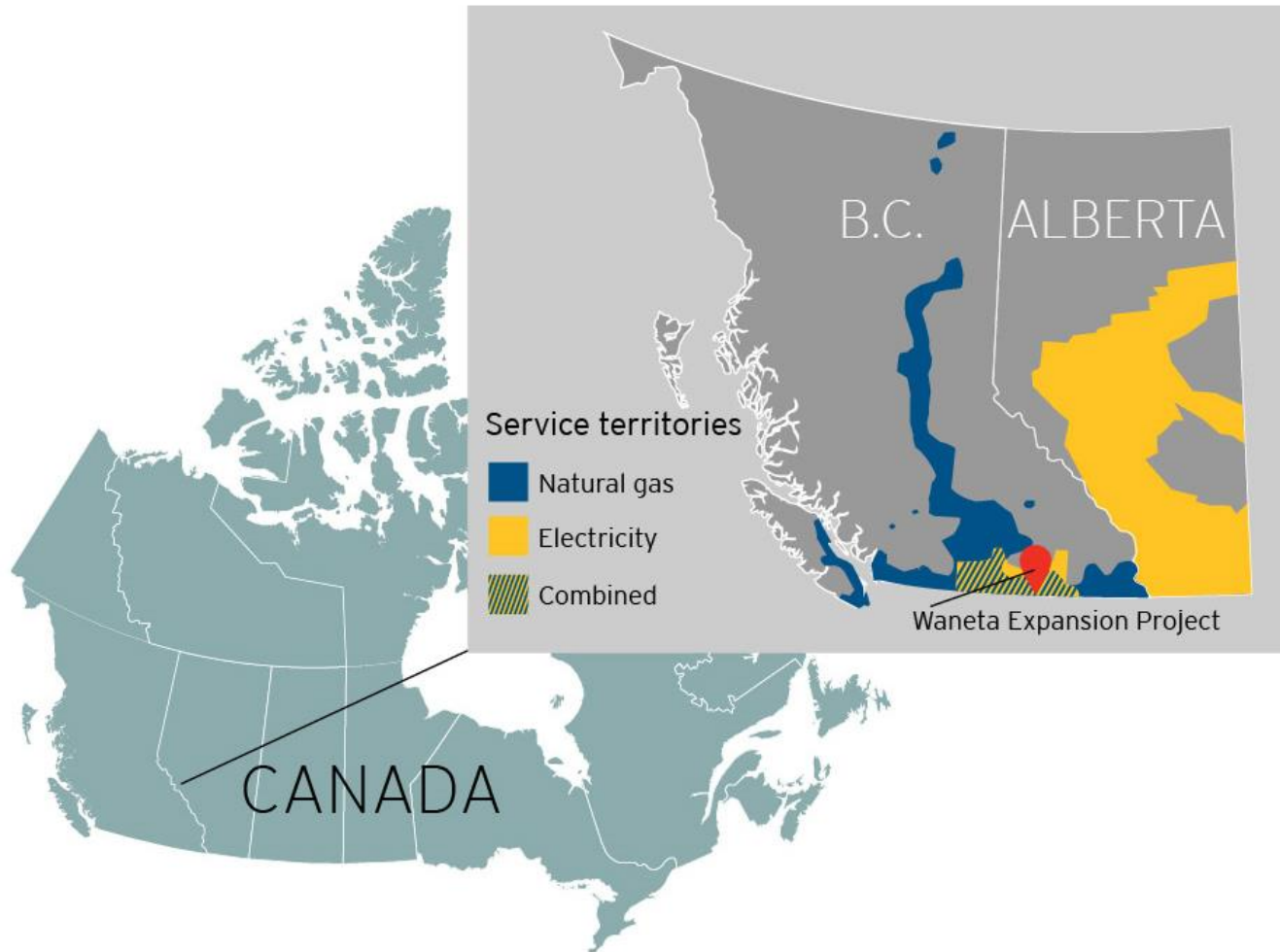
Caribbean

- Managing generation to meet growth
- Strengthening the system



John Walker
Executive Vice President
Western Canadian Operations

Western Canadian Overview



Fortis in Western Canada



Alberta

- Distribution utility – wires only
- 120,000 km distribution lines

British Columbia

Electric – FortisBC Inc. (FBC)

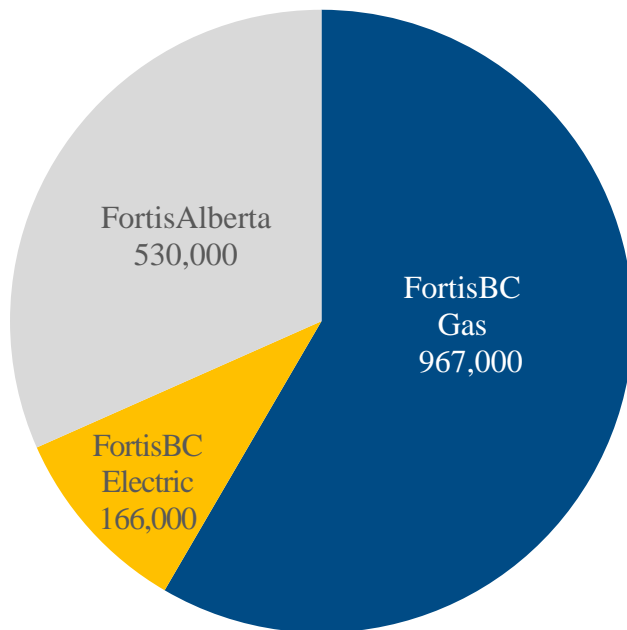
- Vertically integrated
- 7,200 km T&D lines
- 225 MW hydroelectric capacity

Gas – FortisBC Energy Inc. (FEI)

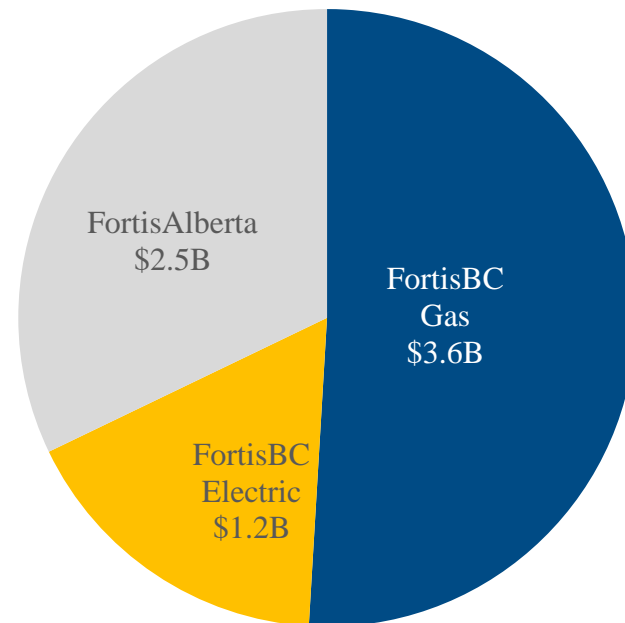
- Transmission, distribution, LNG storage
- 47,500 km T&D pipelines

Western Canadian Overview

**Customers
(1,663,000)**



**2014 Midyear Rate Base
\$7.3 Billion**



Regulatory Environment

FortisAlberta

- PBR 2013 – 2017 rates set by formula
- Capital Tracker mechanism for qualifying capital expenditures

FortisBC

- Gas and Electric PBR 2014 – 2019
 - Annual rate reviews with formula adjustments to revenue requirements
 - Earnings sharing

LNG – FortisBC Strategic Advantage



- Existing infrastructure
- Brownfield sites
- Proximity to Asia/Hawaii
- Scalable
- Alignment with provincial energy objectives
- Constructive First Nations relationships
- Low-risk tolling model
- No commodity risk
- Local and export demand

Tilbury LNG – Phase 1A



- Existing 570,000 mmBtu storage & 4,700 mmBtu/day liquefaction
- Expansion will add 950,000 mmBtu of storage and 34,000 mmBtu/day liquefaction capacity
- Expected in service by end of 2016
- Rate base addition of ~\$440 million (included in current forecast)

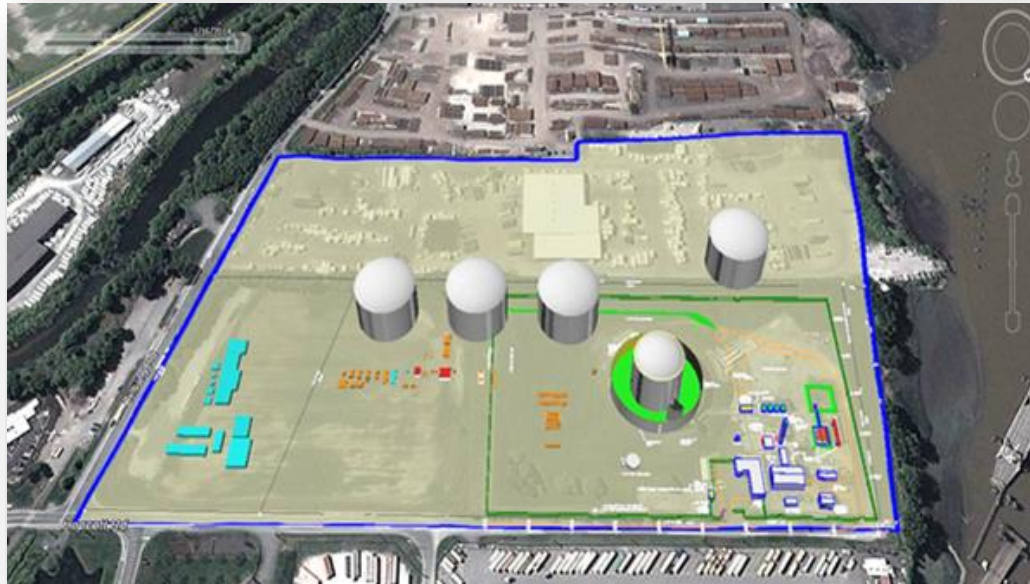
Tilbury LNG – Phase 1B



- Would add 133,000 mmBtu /day of liquefaction at an estimated rate base addition of \$450 million (not in forecast)
- Construction and inclusion in rate base approved conditionally by the Province
- Requires firm, long-term supply contracts for 70% of the additional liquefaction capacity
- Conditional contract with Hawaiian Electric meets requirements

Tilbury LNG

Potential Further Expansion



- 35-acre site zoned for LNG
- Ocean access
- Site suitable for further staged expansion
- Full build out would add storage and ~300,000 mmBtu/day of liquefaction
- Total production increases to 475,000 mmBtu/day

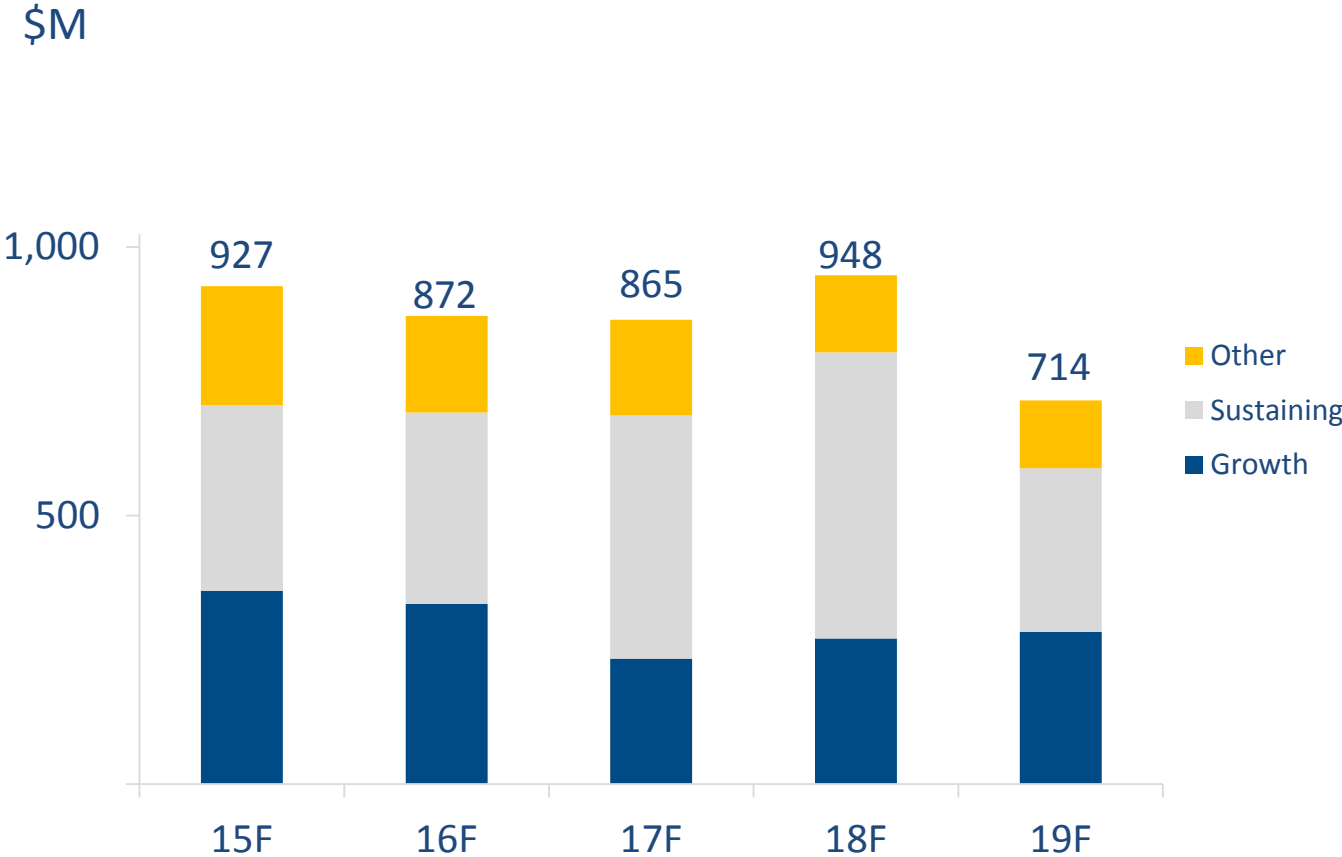
Woodfibre LNG Pipeline Expansion

- Pipeline expansion to deliver gas to the proposed Woodfibre LNG site
- Final investment decision by Woodfibre expected by end of 2015
- Estimated rate base addition of \$600 million (not in forecast)
- Investment approved by the Province; Environmental permitting underway

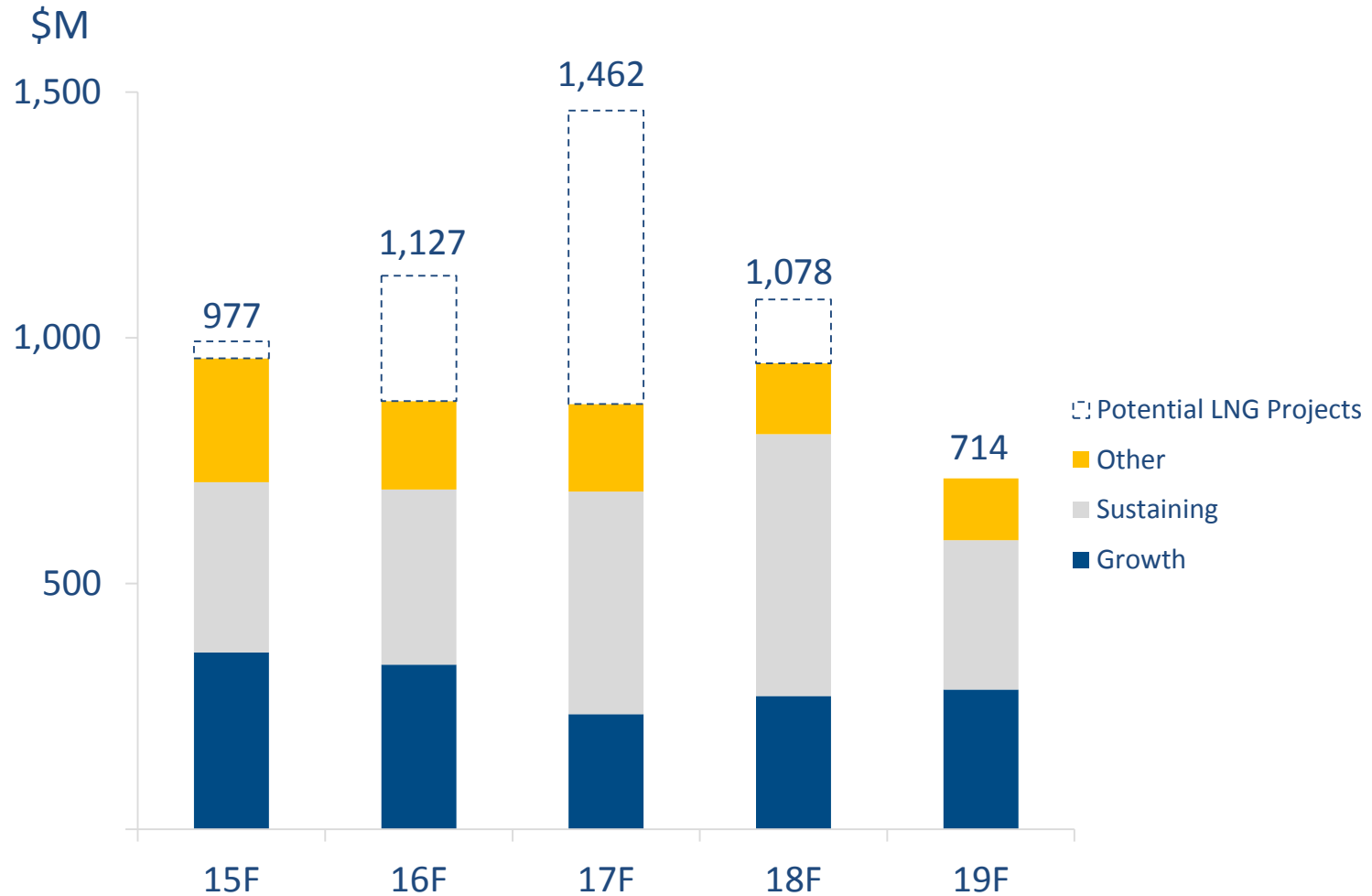


5-Year Capital Expenditures

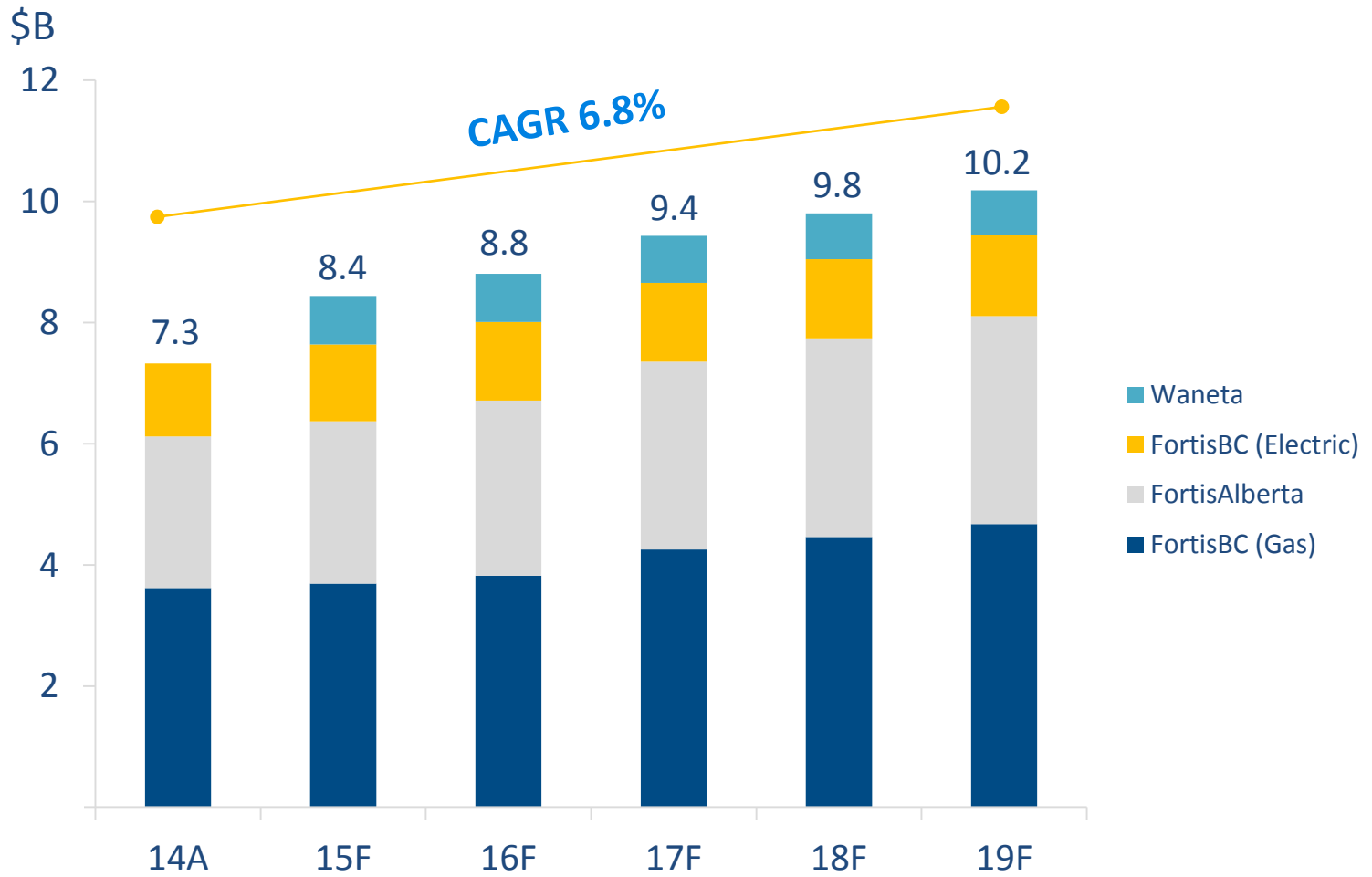
\$4.3 Billion



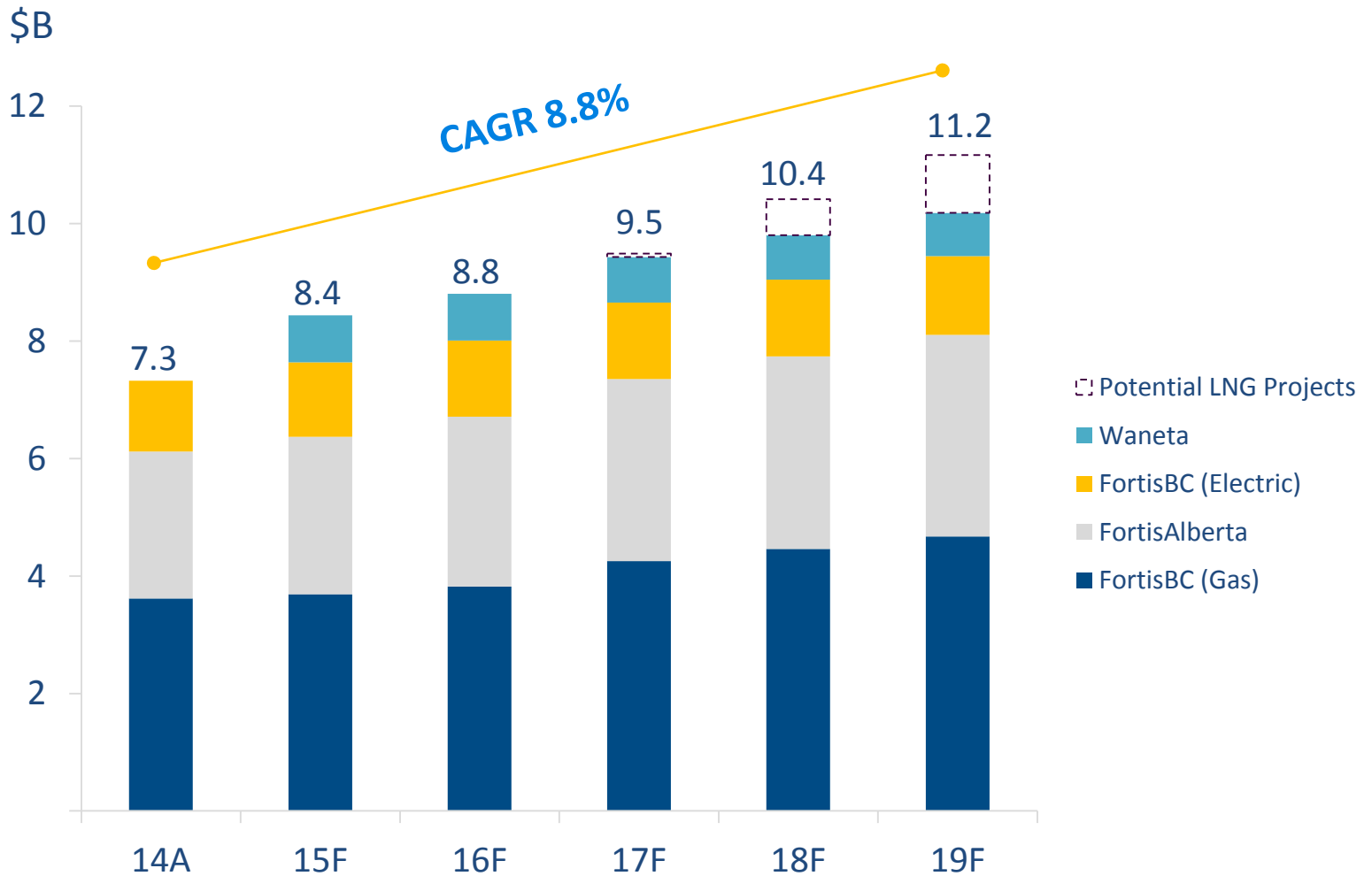
5-Year CAPEX + Tilbury 1B & Woodfibre \$5.4 Billion



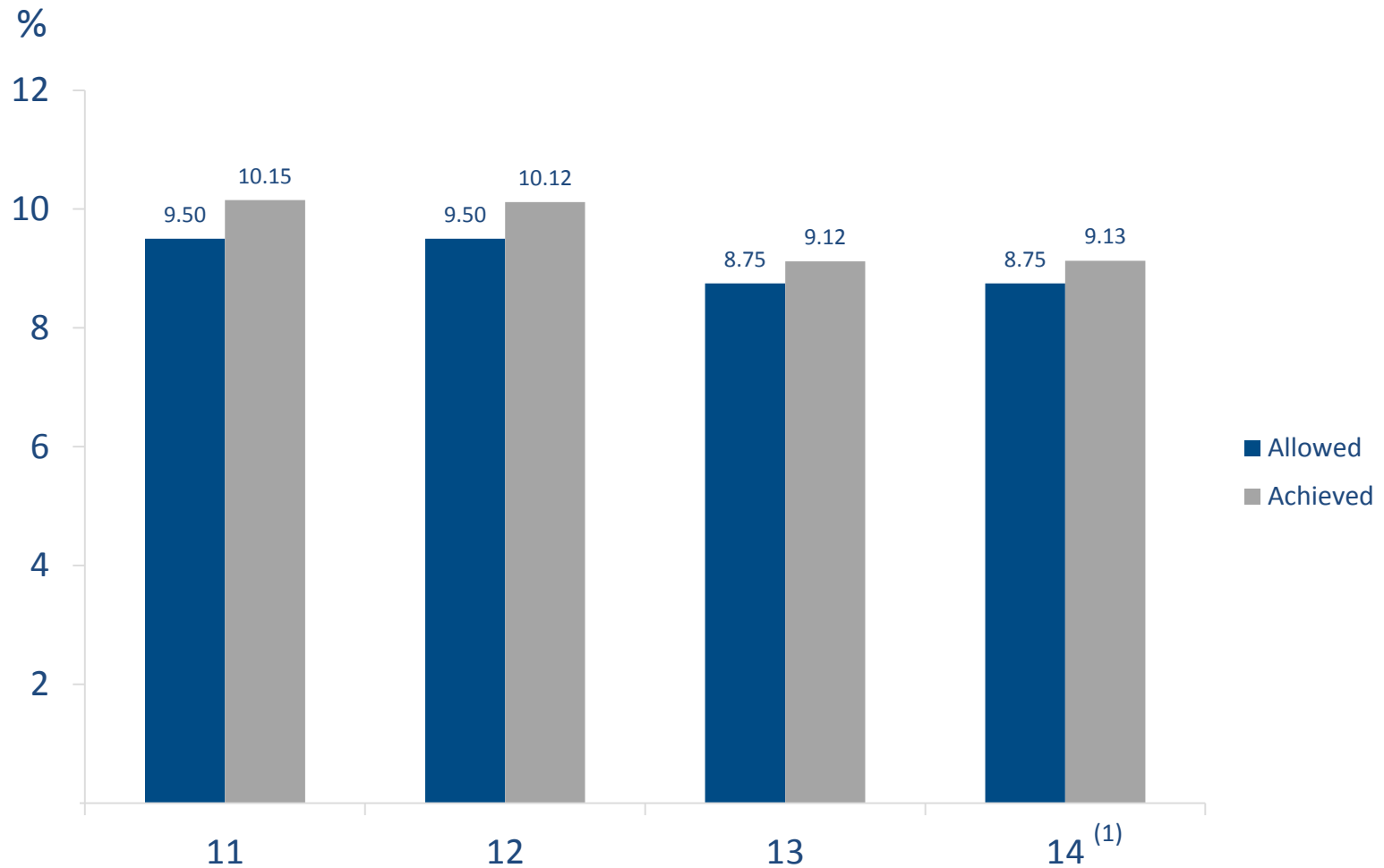
Rate Base Growth



Rate Base Growth + Tilbury 1B & Woodfibre

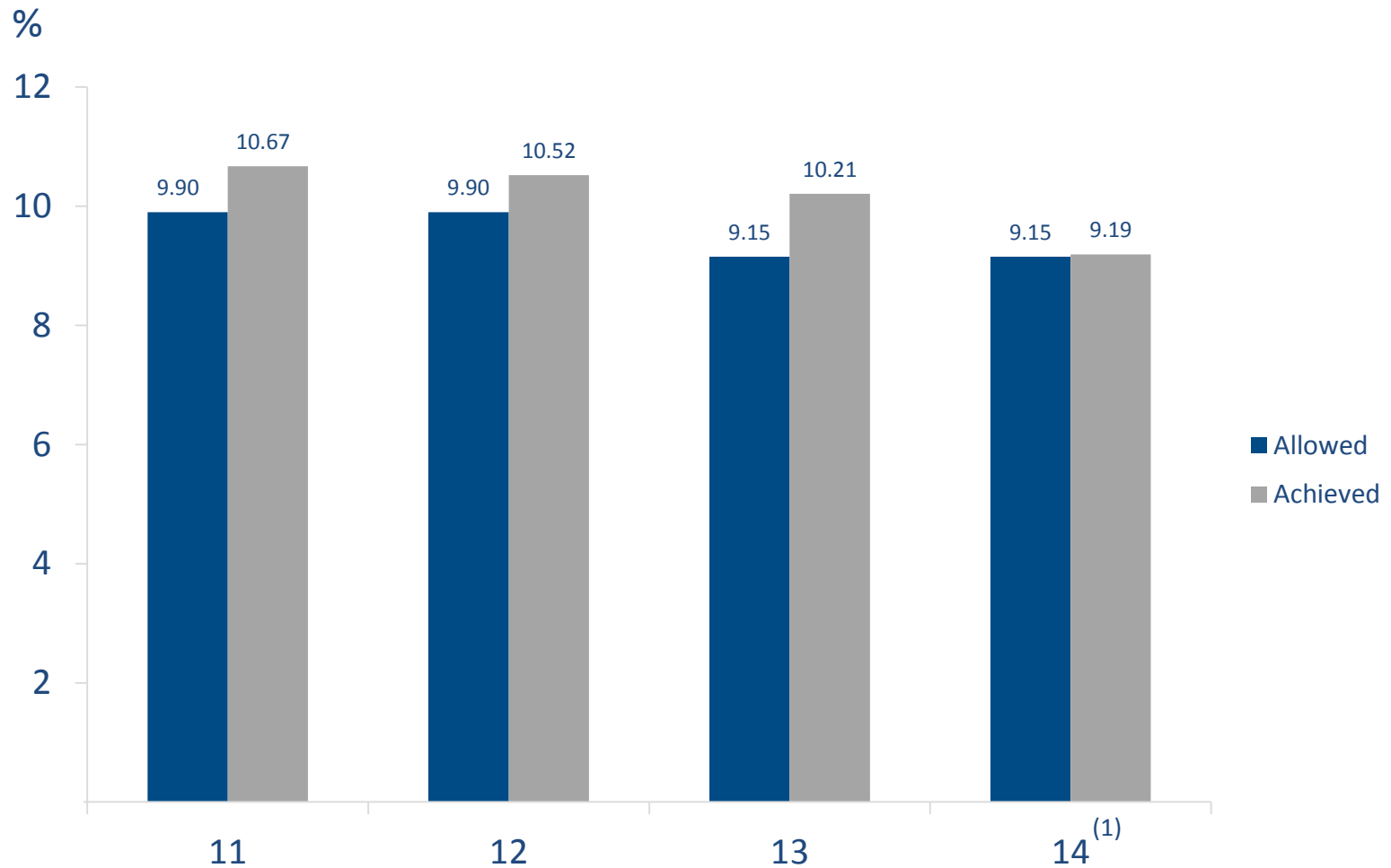


Allowed Versus Achieved ROE FortisBC Gas



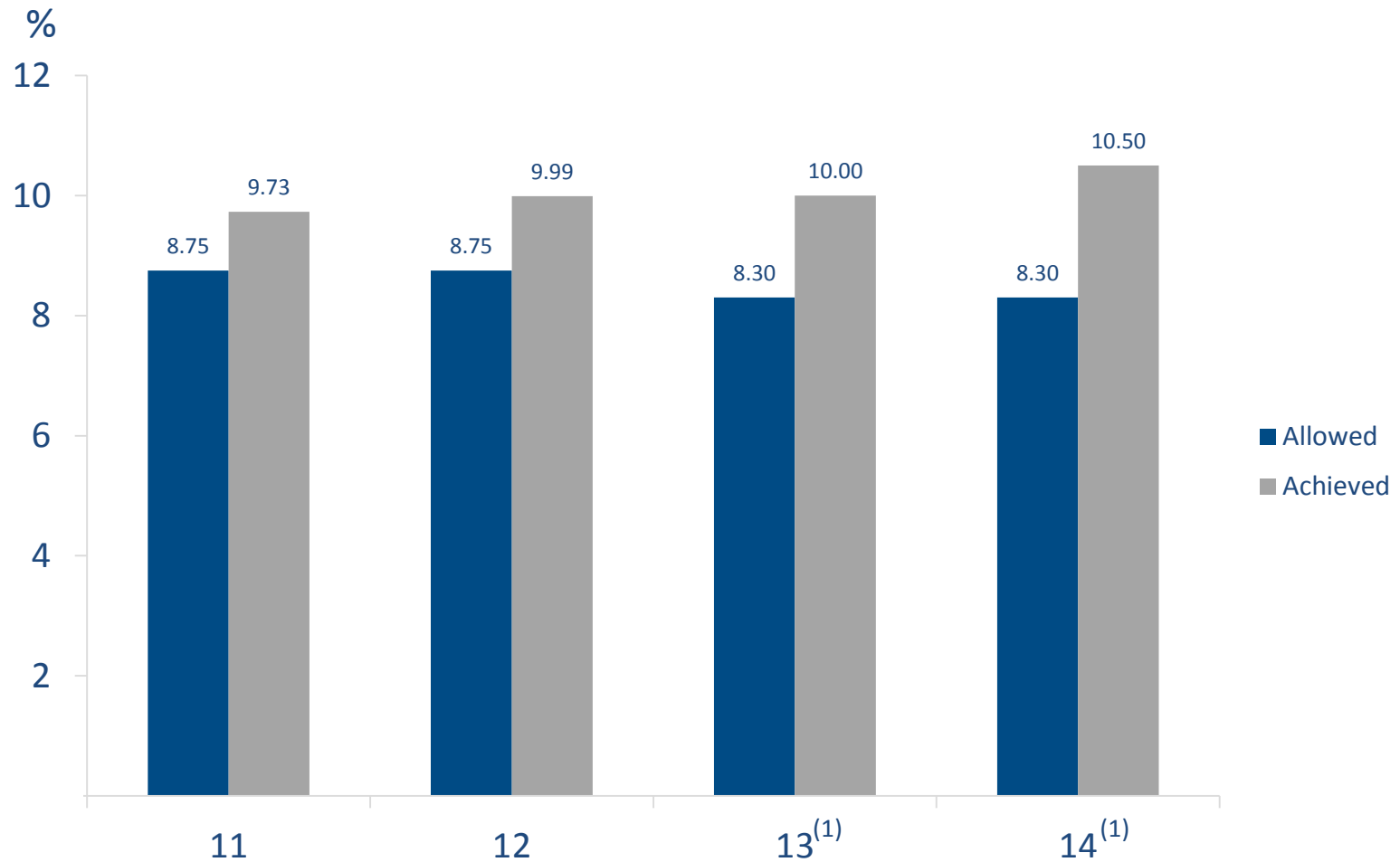
⁽¹⁾ Achieved ROE for 2014 not yet final, subject to change

Allowed Versus Achieved ROE FortisBC Electric



⁽¹⁾ Achieved ROE for 2014 not yet final, subject to change

Allowed Versus Achieved ROE FortisAlberta



⁽¹⁾ Reflects recent Generic Cost of Capital Decision

Non-Regulated Waneta Expansion Project

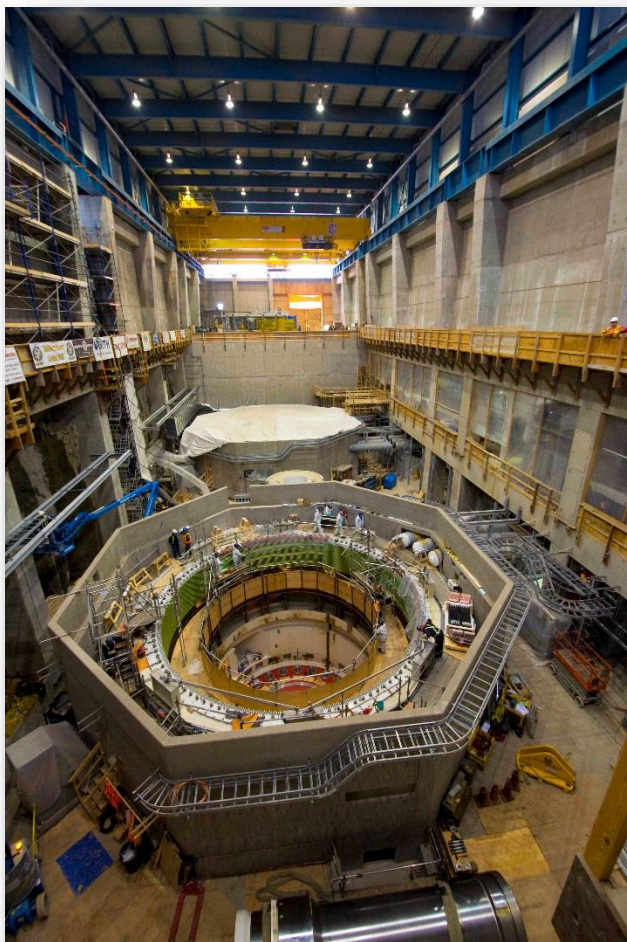


Non-Regulated Waneta Expansion Project

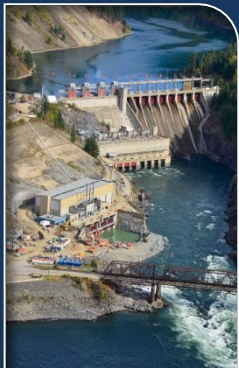


- **2 Unit 335-MW hydroelectric plant**
- **\$900 million (51% FTS)**
- **Non-regulated project**
- **Supported by 40-year PPAs with BC Hydro and FortisBC Electric**
- **Earnings commence Q2/2015 (upon completion)**
- **Upon completion, FortisBC owns, and/or operates ~1,500 MW of generation capacity**

Top Priorities



- **Regulatory Matters**
 - PBR
 - Cost of Capital filings
- **Commission Waneta Expansion**
- **Secure Tilbury Phase 1B and Woodfibre Pipeline Projects**



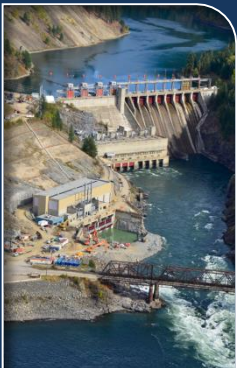
Conclusion

Barry Perry
President and CEO

FORTIS_{INC.}

Why Invest in Fortis?

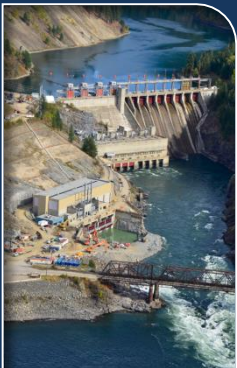
- **Focus on low-risk regulated utility business and long-term contracted energy infrastructure**
- **Geographic and regulatory diversity**
- **Strong organic rate base growth**
- **Proven utility acquisition model**
- **Strong balance sheet and credit ratings**
- **42 years of consecutive dividend increases. Record in Canada.**



Leader in Electric and Gas Utilities in North America

FORTIS_{INC.}

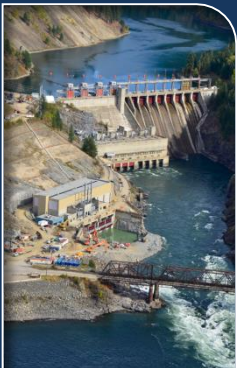
Strong. Profitable. Growing.



Q&A

FORTIS_{INC.}

Strong. Profitable. Growing.



Presenter Biographies

FORTIS_{INC.}



Barry V. Perry
President and Chief Executive Officer
Fortis Inc.

Barry Perry is President and Chief Executive Officer of Fortis effective December 31, 2014.

Prior to his current position at Fortis, Mr. Perry served as Vice President ("VP"), Finance and Chief Financial Officer ("CFO") of the Corporation since 2004. He joined the Fortis organization in 2000 as VP, Finance and CFO of Newfoundland Power. Previously, Mr. Perry held the position of VP, Treasurer with a global forest products company and Corporate Controller with a large crude oil refinery.

He earned a Bachelor of Commerce (Honours) from Memorial University of Newfoundland and is a member of the Institute of Chartered Accountants of Newfoundland and Labrador.

Mr. Perry serves on the Boards of Fortis utilities in British Columbia, Alberta, Arizona and New York as well as the Board of Fortis Properties.

He is a native of New-Wes-Valley, Bonavista Bay, Newfoundland and Labrador.



Karl W. Smith
Executive Vice President, Chief Financial Officer
Fortis Inc.

Karl Smith is Executive Vice President, Chief Financial Officer of Fortis, effective June 30, 2014. Prior to his current position, Mr. Smith served as President and CEO of FortisAlberta since 2007. Prior to then, he served as President and CEO, Newfoundland Power from 2004 through 2007 and as CFO, Fortis from 1999 through 2003.

He earned a Bachelor of Commerce (Honours) from Memorial University of Newfoundland and is a member of the Institute of Chartered Accountants of Newfoundland and Labrador.

Mr. Smith currently serves as a Director on the Board of CH Energy Group and the FortisBC Group of Companies. He has served on the Boards of FortisOntario, FortisAlberta and Caribbean Utilities Company, Limited. Mr. Smith is past Chair of the Canadian Electricity Association and the Atlantic Provinces Economic Council. He recently served as Chair of the Board of Governors of Mount Royal University and Chair of the Board of Junior Achievement of Southern Alberta. Mr. Smith is past Treasurer of the Western Energy Institute.

He is a native of Stephenville Crossing, Newfoundland and Labrador.



John C. Walker
Executive Vice President, Western Canadian Operations
Fortis Inc.

John Walker is Executive Vice President, Western Canadian Operations of Fortis, effective August 1, 2014. He has held continuously progressive positions within the Fortis Group since 1983, most recently as President and CEO of FortisBC Energy Inc. and FortisBC Inc.

Mr. Walker earned a Bachelor of Science (Honours) and Master of Business Administration from Memorial University of Newfoundland.

He serves as a Director on the Boards of FortisBC, FortisAlberta and UNS Energy. Mr. Walker is past Chair of the Board of the Western Energy Institute, past Vice-Chair of the Canadian Gas Association and a past Board member of the Canadian Electricity Association.

He is a native of Buchans, Newfoundland and Labrador.



Earl A. Ludlow
Executive VP, Eastern Canadian & Caribbean Operations
Fortis Inc.

Earl A. Ludlow is Executive Vice President, Eastern Canadian and Caribbean Operations of Fortis, effective August 1, 2014. He is responsible for Newfoundland Power, Maritime Electric, FortisOntario, Fortis Turks and Caicos and Caribbean Utilities, as well as non-regulated generating assets in Belize.

Mr. Ludlow has a career with the Fortis Group that spans more than 34 years. He was appointed President and Chief Executive Officer (“CEO”) of Newfoundland Power in 2007. Prior to then, he served as President and CEO, Fortis Properties from 2005 through 2007, and as Senior Vice President (“VP”), FortisBC and VP, Operations, FortisAlberta from 2004 through 2005.

He earned a Bachelor of Engineering (Electrical) and Master of Business Administration from Memorial University of Newfoundland. He is a member of Professional Engineers and Geoscientists Newfoundland and Labrador.

Mr. Ludlow currently serves as a Director on the Boards of Newfoundland Power, Maritime Electric, FortisOntario and Caribbean Utilities. He also serves as a Director on the Board of Canadian Electricity Association.

Mr. Ludlow is a native of Joe Batt’s Arm, Fogo Island, Notre Dame Bay, Newfoundland and Labrador.



David G. Hutchens
President and CEO
UNS Energy Corporation

David Hutchens is President and Chief Executive Officer of UNS Energy Corporation (“UNS Energy”), parent company of Tucson Electric Power (“TEP”) and Unisource Energy Services (“UES”).

Mr. Hutchens has been with UNS Energy for nearly 20 years. He advanced through various management positions overseeing wholesale energy trading and marketing and, in January 2007, was named Vice President of Wholesale Energy and UNS Gas, an operating subsidiary of UES. He became Vice President of Energy Efficiency and Resource Planning in May 2009, rose to Executive Vice President in March 2011 and was named President in December 2011 before assuming his current role in May 2014.

He earned a Bachelor of Aerospace Engineering and Master of Business Administration from the University of Arizona and is a former nuclear submarine officer in the U.S. Navy.

Mr. Hutchens joined the Board of Directors of UNS Energy in December 2013 and FortisBC in January 2015. He is a member of the Edison Electric Institute’s Board of Directors and Arizona’s State Energy Advisory Board. He also is a member of the Southern Arizona Leadership Council, the Tucson Conquistadores, Salpointe Catholic Education Board of Directors, the Tucson Regional Economic Opportunities Board of Directors and the DM 50.

He is a native of Minneapolis, Minnesota.



James Laurito
President and CEO
Central Hudson Gas & Electric Corporation

James Laurito is President and Chief Executive Officer of Central Hudson.

Mr. Laurito joined Central Hudson in 2009. Prior to that, he served as President & CEO of both New York State Electric and Gas Corporation and Rochester Gas & Electric Corporation.

Mr. Laurito earned a Bachelor of Science in Civil Engineering from West Virginia University and completed the Executive Program in Finance and Manufacturing Management at Columbia University.

He is a Director on the Federal Reserve Bank of New York's Upstate Advisory Board, and Mr. Laurito also serves on the boards of UNS Energy, New York State Business Council, Edison Electric Institute, American Gas Association, Mid-Hudson Pattern for Progress and is Chairman of the Hudson Valley Economic Development Corporation and the Northeast Gas Association.

He is a native of Pittsburgh, Pennsylvania, and currently resides in Fishkill, New York.



Gary Smith
President and CEO
Newfoundland Power Inc.

Gary Smith is the President and Chief Executive Officer of Newfoundland Power Inc. Mr. Smith's career with the Fortis Group spans more than 30 years. From 1984 to 1999, he held progressive technical and management positions with Newfoundland Power. Mr. Smith was Manager, Operations with Maritime Electric Company Limited in Prince Edward Island and excelled in the position of Vice President of Operations & Engineering with FortisAlberta. He returned to Newfoundland in 2008 as Newfoundland Power's Vice President of Customer Operations and Engineering, and was appointed President and CEO in August 2014.

Mr. Smith holds a Bachelor of Engineering (Electrical) from Memorial University of Newfoundland and is a graduate of Memorial's Executive Development Program. He has completed the Finance for Senior Executives Program at the Harvard Business School.

Mr. Smith is a member of the Association of Professional Engineers and Geoscientists of Newfoundland, a member of the Steering Committee on Power Engineering for the Canadian Standards Association, and a member of the Board of Directors of the Canadian Electricity Association. He is also an active member in his community. Mr. Smith is a member of the Board of the Dr. H. Bliss Murphy Cancer Care Foundation. He is a member of the Dean's Advisory Committee to the Faculty of Engineering and Applied Science at Memorial University of Newfoundland, and is Chair of the Junior Achievement of Newfoundland & Labrador Board of Directors.

Mr. Smith is a native of St. John's, Newfoundland and Labrador.



Barry Perry
President and CEO



Karl Smith
Executive Vice President
Chief Financial Officer



John Walker
Executive Vice President
Western Canadian Operations



Earl Ludlow
Executive Vice President
Eastern Canadian &
Caribbean Operations



David Hutchens
President and CEO
UNS Energy



James Laurito
President and CEO
Central Hudson