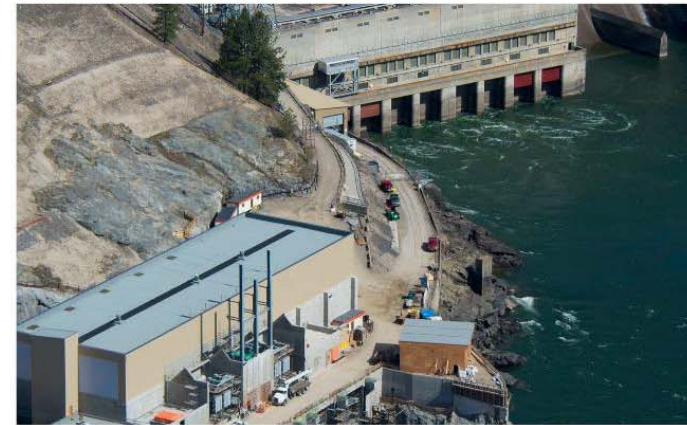
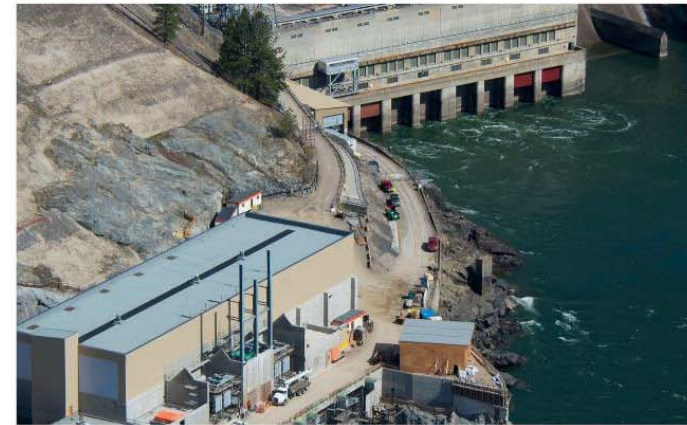


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Third Quarter 2014 Earnings Call
November 7, 2014

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Donna Hynes
Manager, Investor & Public Relations

Logistics

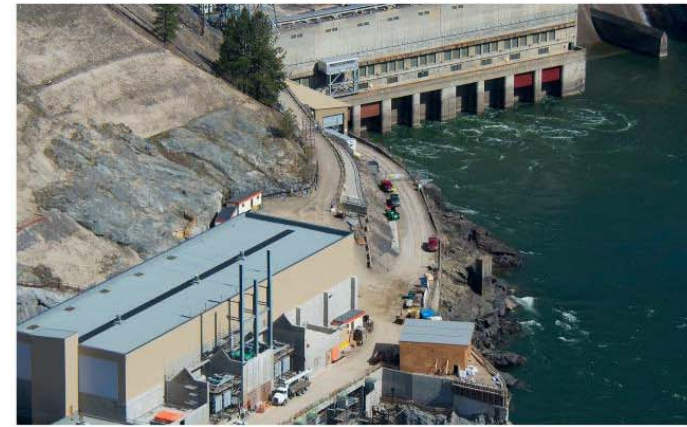
Forward-Looking Statement

Fortis includes forward-looking information in this material 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” 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 reflects management’s current beliefs and is based on assumptions developed using information currently available to the Corporation’s management. Although Fortis believes that the forward-looking statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of risks and uncertainties. For additional information on risk factors that have the potential to affect the Corporation, reference should be made to the Corporation’s continuous disclosure materials filed from time to time with Canadian securities regulatory authorities, including those risks 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 undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise after the date hereof.

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

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Barry Perry
President & Incoming CEO

Corporate Update

Strategic Initiatives

- **UNS Energy acquisition closed August 15, 2014**
 - Accretive to earnings per common share, excluding one-time acquisition-related costs
 - Further diversifies assets geographically and by regulatory jurisdiction
 - Permanent equity-based financing complete
- **Strategic review of Fortis Properties**
 - Consistent with focus on regulated utilities and long-term contracted energy infrastructure
 - Review process ongoing and will continue into 2015

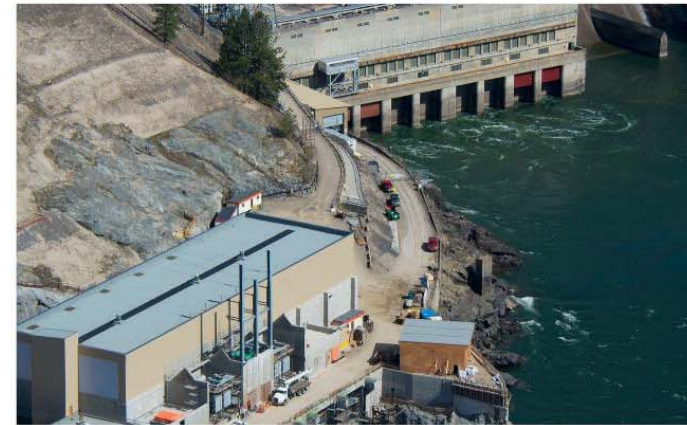
Growth Through Investment

- **Major energy infrastructure projects**
 - \$900 million Waneta Expansion
 - \$400 million Tilbury Phase 1A
 - \$450 million Tilbury Phase 1B (potential)
 - \$600 million Woodfibre (potential)
- **Period of significant organic growth**
 - 2014 capex \$1.8 billion
 - 2014-2018 capex over \$9 billion
 - 4-year CAGR in rate base and Waneta through 2018 estimated at 7%
 - 4-year CAGR through 2018 including the potential Tilbury Phase 1B and Woodfibre projects estimated at 8.5%

Focus

- **Initial push into U.S. utility business accomplished**
- **Focus next 12-18 months**
 - Fully integrate UNS Energy
 - Execute capex program
 - Complete strategic review of Fortis Properties
- **Well positioned for a strong and successful 2015**

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Karl Smith
Executive VP, CFO

Financial Results
Regulatory Update

Earnings

(\$M, except as noted)	Q3		
	2014	2013	Change
Basic Earnings per Common Share	\$0.06	\$0.23	(\$0.17)
Net Earnings Attributable to Common Shares	14	48	(34)
Adjusted items:			
Acquisition-related costs	35	-	35
Interest on convertible debentures	<u>23</u>	<u>-</u>	<u>23</u>
Adjusted Net Earnings Attributable to Common Shares	72	48	24
Adjusted Basic Earnings per Common Share	\$0.33	\$0.23	\$0.10

Financing

- **\$1 billion long-term debt raised YTD**
- **UNS Energy financing**
 - \$600 million preference shares completed
 - \$1.8 billion common equity completed
 - \$500 million remaining to permanently finance
 - Proceeds from Fortis Properties and/or issue US\$ debt
- **Low debt maturity profile**
- **Unutilized committed credit facilities \$2.6 billion**
- **Capital structure within targeted range**
- **S&P confirmed and reinstated “stable” outlook**
- **TEP upgraded to BBB+**

Regulatory

- **Central Hudson**
 - General rate application for July 2015 rates
 - Reforming the Energy Vision (REV) proceeding
- **British Columbia 2014-2019 PBR decision**
- **FortisAlberta**
 - Capital tracker
 - 2015 annual rates application
 - 2013-2014 generic cost of capital proceeding

Q&A

Leader in Electric & Gas Utilities in North America

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