

FORTIS

FTS
LISTED
NYSE



Forward Looking Statements

Fortis Inc. (“Fortis” or, the “Corporation”) includes forward-looking statements in this presentation within the meaning of applicable securities laws including the Private Securities Litigation Reform Act of 1995. Forward-looking statements included in this presentation reflect expectations of Fortis management regarding future growth, results of operations, performance, 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 statements, which include, without limitation: statements related to Fortis and ITC Holdings Corp. (“ITC”) pro forma forecast 2017 midyear rate base and capital expenditures; the expectation that the acquisition of ITC will be accretive to earnings per common share in the first full year following closing; targeted annual dividend growth through 2021; Newfoundland Power forecast 2017 midyear rate base and capital expenditures; and the nature, timing and expected costs of certain capital projects including, without limitation, Tilbury 1A, Woodfibre LNG and the Lake Erie Connector.

Forward-looking statements involve significant risk, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. 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 statements. Such risk factors or assumptions include, but are not limited to, uncertainty regarding the outcome of regulatory proceedings of the Corporation’s utilities, risk associated with the impact of less favourable economic conditions on the Corporation’s results of operations, currency exchange rates and resolution of pending litigation matters. 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 statements. These factors should be considered carefully and undue reliance should not be placed on the forward-looking statements. 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. Fortis disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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

Agenda

Welcome	Janet Craig <i>Vice President, Investor Relations</i>
Luncheon Presentation	Barry Perry <i>President and Chief Executive Officer</i>
Executive Roundtables	Various Fortis Management Members <i>(9) half hour sessions</i>
Closing Remarks	Janet Craig <i>Vice President, Investor Relations</i>

Today's Objectives

1. Address Key Questions from the Street
2. Discuss the Road Ahead
3. Engage the Street with Key Executives
4. Celebrate the NYSE Listing with Fortis

Fortis Today

- Leader in the North American regulated electric and gas utility business
- ITC provides new platform in electric transmission sector
- Successful utility acquisition track record
- Tremendous economic, geographic and regulatory diversity
- Commencing period of regulatory stability
- Visible growth provided by base 5-year capital plan
- Pursuing several additional energy infrastructure opportunities
- Record dividend growth and superior long-term returns to shareholders

Key Questions From the Street

MONDAY • OCTOBER 17, 2016

Who is Fortis?

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WHAT'S NEXT FOR FORTIS?

Is the Fortis business model sustainable?

MONDAY • OCTOBER 17, 2016

Have Fortis acquisitions added value?

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MONDAY • OCTOBER 17, 2016

How does ITC fit with Fortis?

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What is Fortis' Liquidity Profile?

Why is Fortis pursuing LNG?

Will Fortis support ITC's development projects?

What Sets Fortis Apart?

Who Is Fortis?

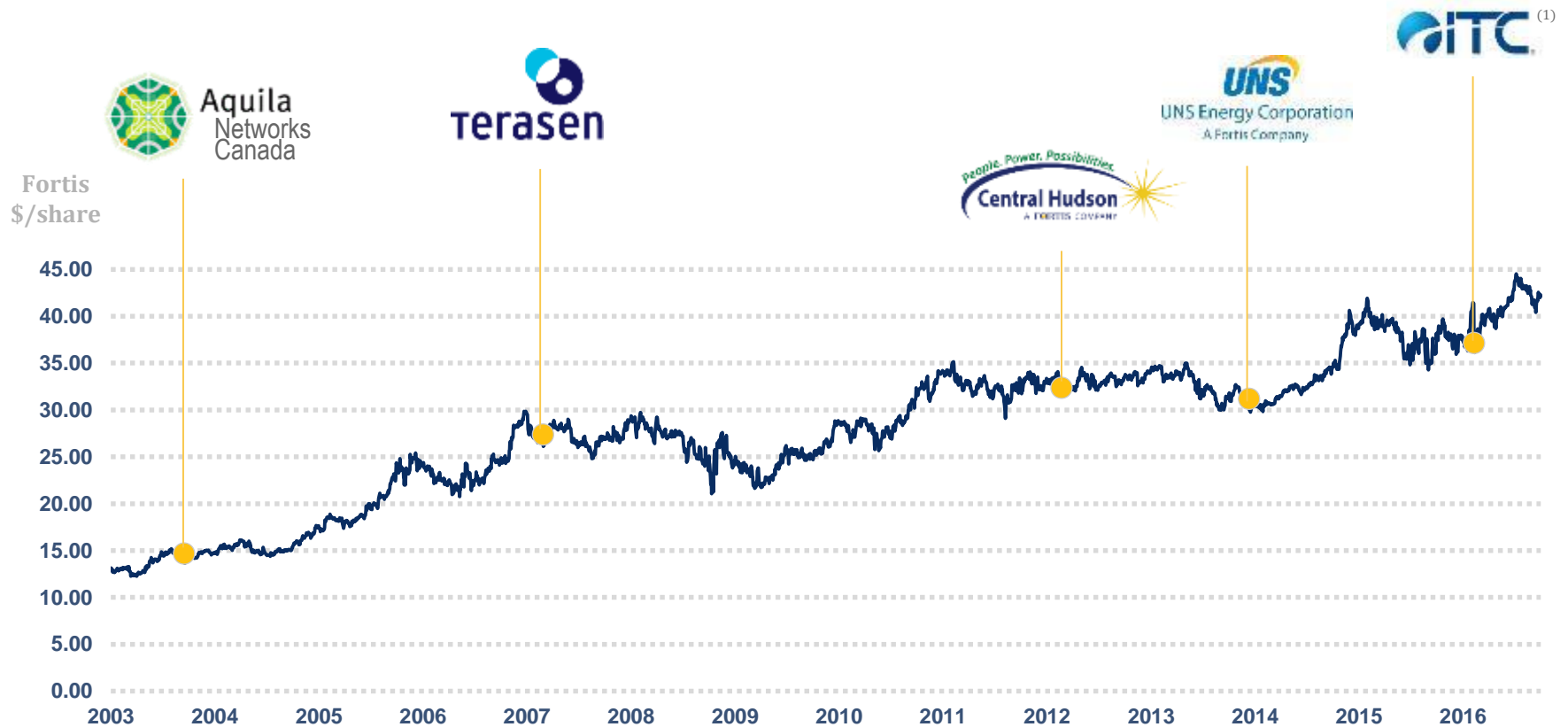
Today Fortis is a leader
in North American Utility Operations

- Predecessor company began in 1885 as the St. John's Electric Light Company in Newfoundland and Labrador, Canada
- Fortis was created in 1987 as a holding company to invest in utilities
- Always had a mandate to diversify and grow
- Utility operations in 5 provinces, 9 states & 3 Caribbean countries
- Fortis is among the top 15 North American public utilities by enterprise value



Have Fortis Acquisitions Added Value?

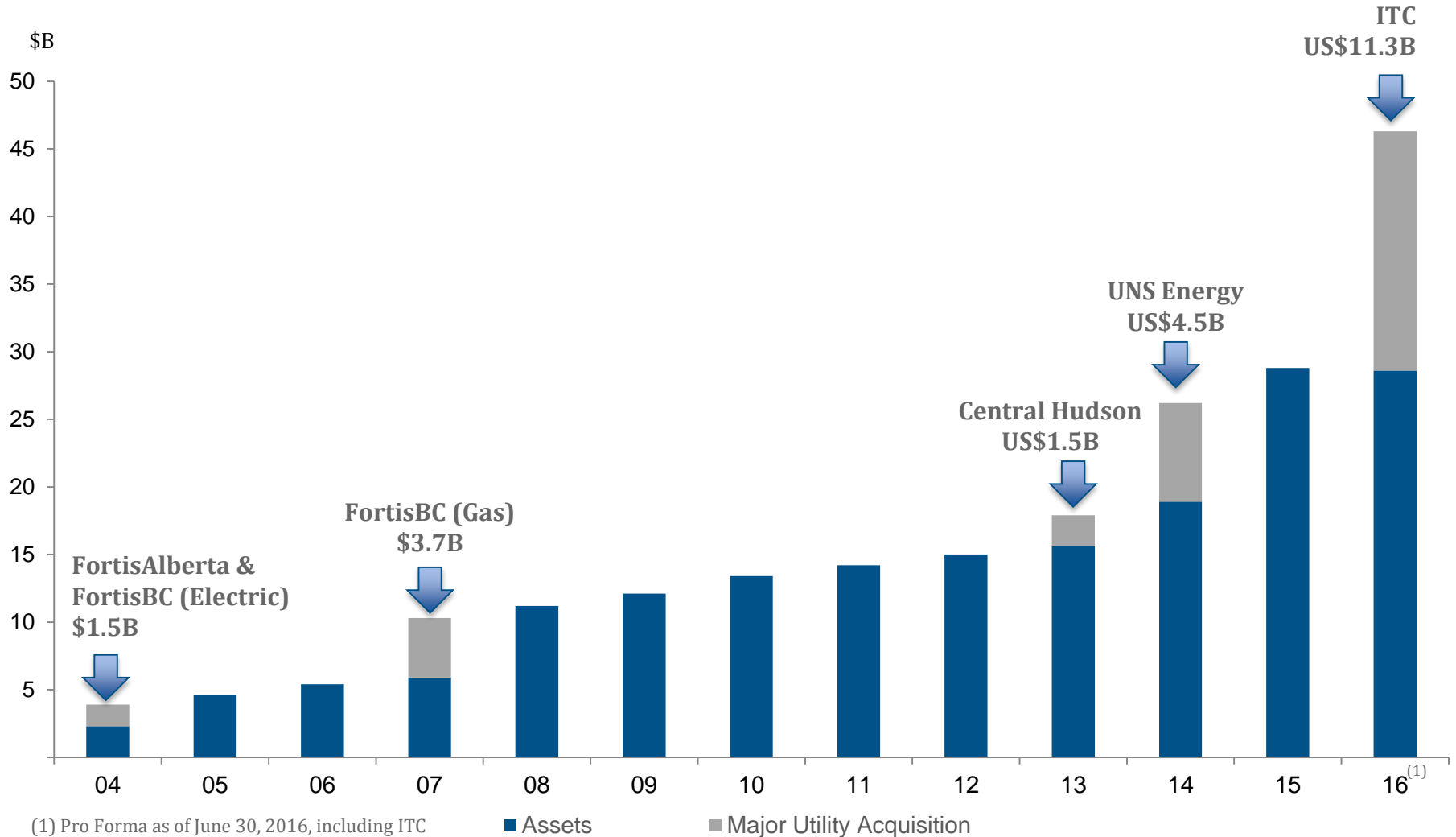
Strong M&A Track Record



(1) Indicates date of announcement by Fortis that it had entered into an agreement to acquire ITC.

Have Fortis Acquisitions Added Value?

Strong M&A Track Record



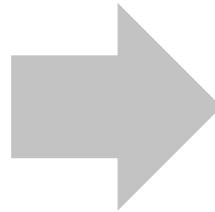
Have Fortis Acquisitions Added Value?

Strong M&A Track Record



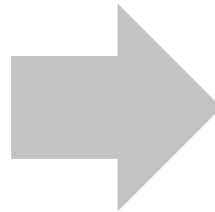
\$1.5B

June 30, 2016 Total Assets



\$46B

June 30, 2016 Pro Forma Total Assets

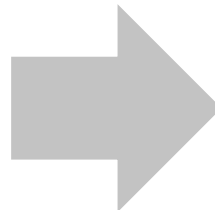


\$1.1B

2016F Midyear Rate Base

\$26B

2017 Pro Forma Midyear Rate Base



\$115M

2016F CAPEX

\$2.9B

2017 Pro Forma CAPEX

Why is Fortis Pursuing LNG?



- Massive amounts of natural gas discovered in BC
- FortisBC owns substantial natural gas infrastructure in BC
- FortisBC has constructive First Nations relationships
- Tilbury LNG site has ocean access that can be expanded
- Favourable alignment with provincial goals regarding local LNG markets and greenhouse gas reductions
- Opportunity to invest in regulated gas infrastructure as well as low-risk LNG facilities operating under a tolling model with no commodity exposure

Why is Fortis Pursuing LNG?

LNG Can Provide Significant Upside



- Tilbury 1A
 - ~\$440 million storage and liquefaction
- Potential Further Tilbury Expansion
 - Low-risk tolling model with no commodity exposure
- Woodfibre LNG
 - Pipeline to service new LNG export terminal known as Woodfibre LNG
 - Woodfibre LNG received export license and environmental approvals
 - FortisBC received provincial environmental assessment certificate in August 2016
 - \$600 million in rate base – NOT in forecast

How Does ITC Fit With Fortis?

ITC Acquisition Strategic Rationale

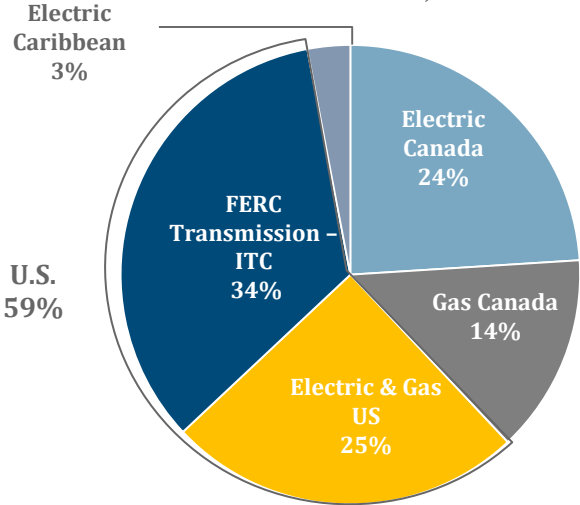


How Does ITC Fit With Fortis?

Enables Fortis to Become a Leading Transmission & Distribution Business

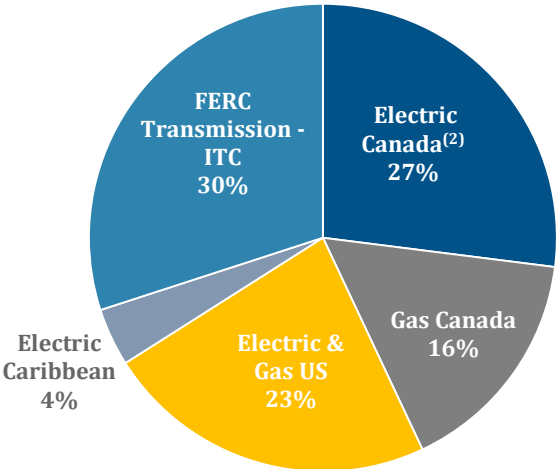
Pro Forma Operating Earnings ⁽¹⁾

For the Twelve Months Ended December 31, 2015



Fortis Pro Forma 2017 Midyear Rate Base ⁽²⁾

\$26 Billion



(1) Excluding one-time acquisition-related expenses, "Non-Utility" and "Corporate and Other" segments, ITC's "ITC Holdings and other" segment and intercompany eliminations.

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

Will Fortis Support ITC's Development Projects?

Platform for Organic Upside Opportunities



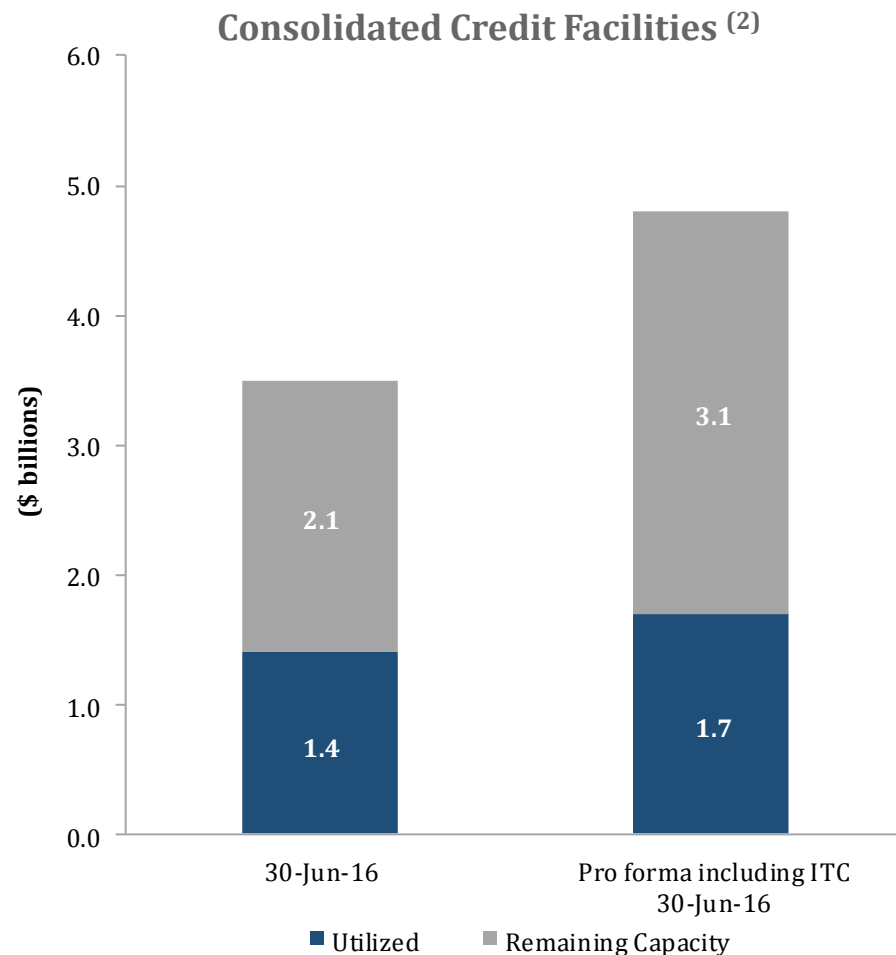
Transmission

- Lake Erie Connector Project
 - 1,000 MW HVDC merchant line would be the only direct connection between IESO and PJM
 - If key milestones are met, expected in-service date in late 2020
- Mexico
 - Evaluating government-mandated infrastructure modernization efforts in Mexico
 - Jointly planning to pursue Phase 1 with two experienced partners consisting of ~600+ miles of HVDC
- ITC Interconnection – New Covert Project
 - Placed into service in June of 2016
 - Project provides framework and foundation for securing similar opportunities in the future
- Order 1000
 - Continue to monitor MISO, SPP, PJM, CAISO and NYISO regions, among others, for potential opportunities

What is Fortis' Liquidity Position?

Investment-Grade Ratings and Ample Liquidity

Fortis Inc.	
S&P ⁽¹⁾	A- / BBB+
DBRS ⁽¹⁾	A(low)
Moody's ⁽¹⁾	Baa3

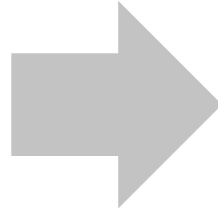


(1) In February 2016, after the announcement by Fortis that it had entered into an agreement to acquire ITC, S&P affirmed the Corporation's long-term corporate credit rating at A-, revised its unsecured debt credit rating to BBB+ from A-, and revised its outlook on the Corporation to negative from stable. Similarly, DBRS placed the Corporation's credit rating under review with negative implications. On September 26, 2016, Moody's assigned a Baa3 issuer rating to Fortis Inc. and a Baa3 senior unsecured rating to an outstanding debenture with both ratings given a stable outlook.

(2) Excludes the additional \$300 million in the Corporation's committed corporate credit facility resulting from the Corporation exercising its accordion in August 2016.

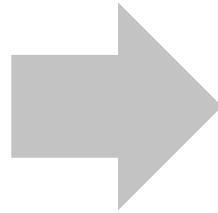
Is the Business Model Sustainable?

*SUBSTANTIALLY
AUTONOMOUS*
Operating Companies



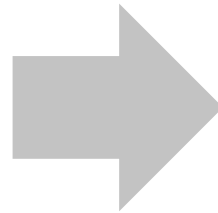
Local teams empowered to maximize the value of utility operations

LEAN and EFFICIENT
Corporate Model



Small management group able to focus and execute on opportunities quickly

ADAPTABLE
Operating Model



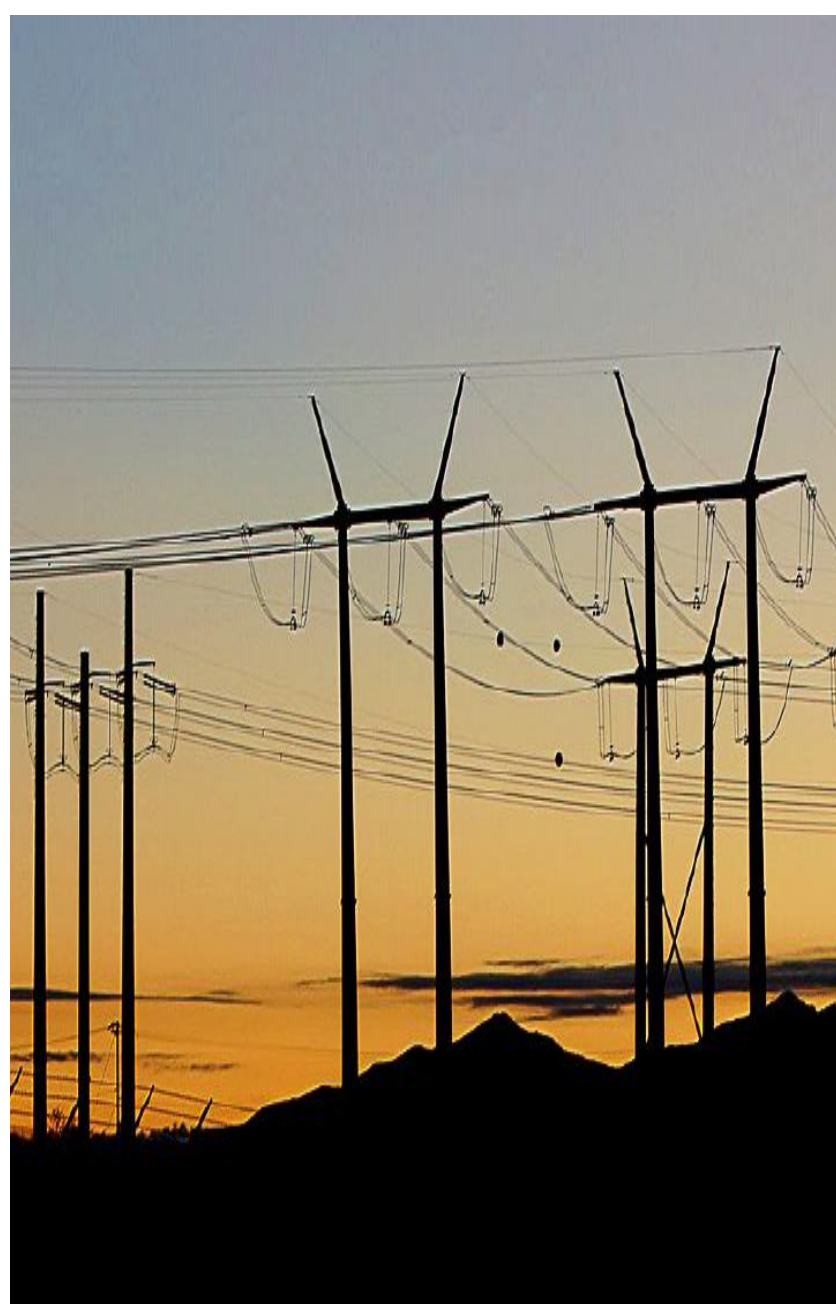
From a set of independent operations to leveraging the expertise and competencies across businesses

What Sets Fortis Apart?

Investment Highlights



- Highly diversified; virtually all regulated electric and gas assets with highly executable base capital plan
- Focus on Transmission & Distribution
- Regulatory stability
- Consistent dividend growth through 2021
 - 43 years of consecutive dividend increases
 - 6% annual dividend growth target through 2021
- Strong M&A track record & platform for upside growth
- Track record of superior shareholder returns



What Sets Fortis Apart?

Diversified Regulated Assets and Highly Executable CAPEX Plan

2017 Pro Forma
Capital Expenditures

\$2.9B

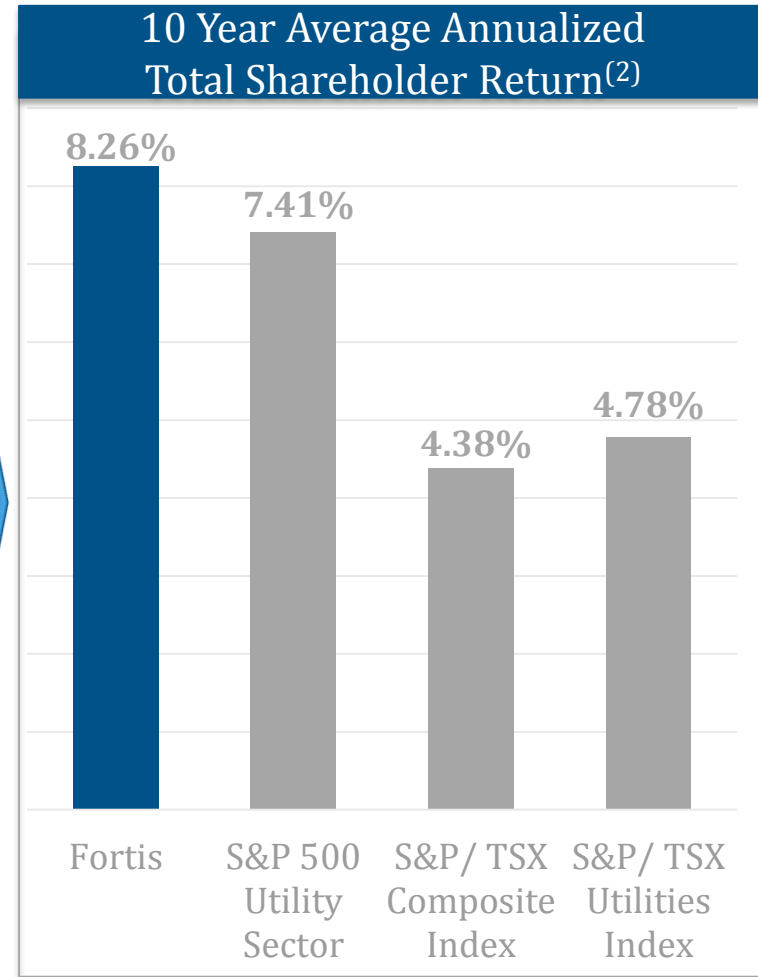
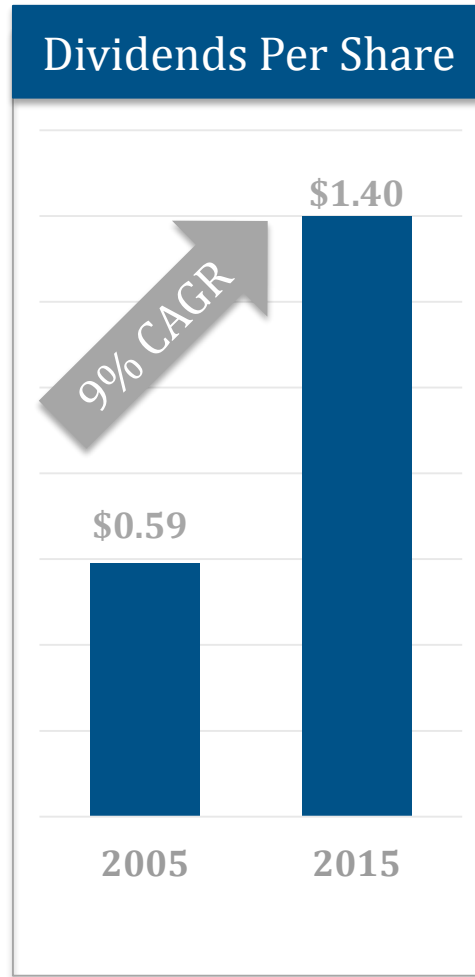
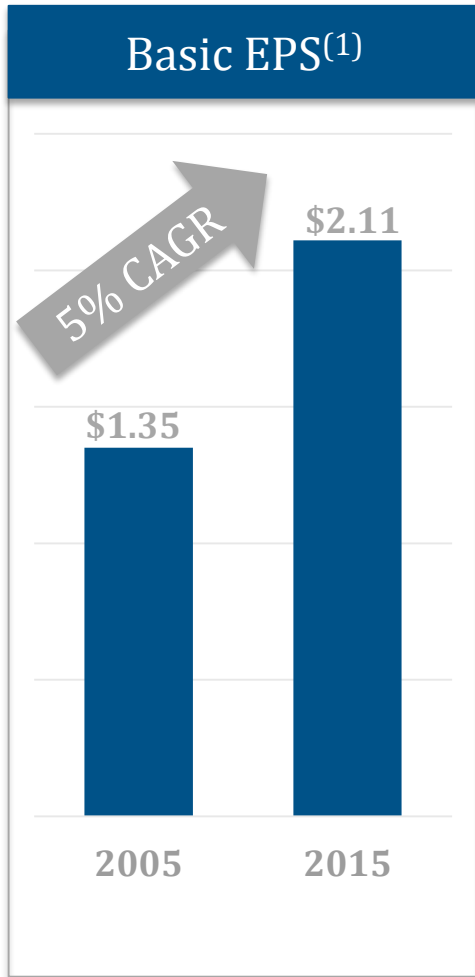


Pro Forma 2017

Midyear Rate Base **\$26B**

What Sets Fortis Apart?

Superior Returns to Shareholders



(1) Basic earnings per common share for 2015 adjusted for non-recurring and non-operating items.

(2) For the 10-year period ending December 31, 2015.

What Sets Fortis Apart?

Ability to Execute

Secured minority investor: GIC Private Limited to acquire a 19.9% equity interest in ITC for US\$1.228B.
The process was completed in April 2016 in 71 days.



Received Fortis shareholder approval on May 5, 2016



Completed registration process with the SEC in May 2016; Approved to list on NYSE



Received ITC shareholder approval on June 22, 2016



Federal and state regulatory applications filed



Transaction review by the Committee on Foreign Investment in the United States was completed in July 2016



Expiration of the waiting period under the Hart-Scott-Rodino
Antitrust Improvements Act of 1976 in August 2016



Fortis shares listed on NYSE



Completed transaction financing



Obtained federal and state regulatory approvals. All regulatory approvals received within 245 days of deal announcement or 132 days after all state regulatory filings were made.



ITC transaction closed 248 days after deal announcement



Completed

What's Next?

The Road Ahead

**Continue to Execute
on Strategy**

Base capital program provides visible
rate base growth

Integrate ITC

Develop growth opportunities within
collaborative regulatory construct

**Maintain Balance
Sheet Strength**

Maintain adequate liquidity and
investment-grade credit rating

**Optimize Value from
Utility Operations**

Leverage expertise across operations and
geographic regions

**Pursue Additional
Growth Opportunities**

While maintaining high-quality, low-risk
operating model

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