

Q3 2024

Earnings Conference Call

November 7, 2024 | 10:00 a.m. ET

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Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “intends”, “should”, “would”, “anticipates”, “projects”, “forecasts”, “plans”, “estimates”, “may”, “outlook”, “aims”, “pending”, “prospective”, “target”, “believes”, “could”, “objective”, “potential”, “opportunities” (and grammatical variations of such terms) and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to statements regarding: Algonquin Power & Utilities Corp.’s (“AQN”, “Algonquin” or the “Company”) results, operations, including performance, efficiency processes and technology; expected future growth; expectations regarding the sale of the Company’s renewable energy business and the impact thereof; expectations regarding the net proceeds from the sale of the Company’s renewable energy business and its investment in Atlantica Sustainable Infrastructure plc (“Atlantica”); expectations regarding capital expenditures, investment plans and opportunities and the impacts thereof; dividends; expectations regarding the impacts of the Company’s Customer First SAP system; and expectations regarding regulatory hearings and rate reviews, including expectations regarding the timing and outcomes thereof. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN’s Management Discussion and Analysis for the three and nine months ended September 30, 2024 (the “Interim MD&A”), Management Discussion and Analysis for the year ended December 31, 2023, or Annual Information Form for the year ended December 31, 2023, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Non-GAAP Financial Measures

The terms "Adjusted earnings before interest, taxes, depreciation and amortization" ("Adjusted EBITDA"), "Adjusted Net Earnings", and “Net Utility Sales” (together with Adjusted Net Earnings per share, the "Non-GAAP Measures") are used in this presentation and/or the related discussion. In addition, Adjusted Net Earnings is presented in this presentation on a per common share basis. Adjusted Net Earnings per share (or “Adjusted Net EPS”) is a non-GAAP ratio and is calculated by dividing Adjusted Net Earnings by the weighted average number of common shares outstanding during the applicable period. The Non-GAAP Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Non-GAAP Measures; consequently, AQN's method of calculating the Non-GAAP Measures may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies. The Company believes that presentation of these measures will enhance an investor’s understanding of AQN’s operating performance. An explanation, calculation and analysis of the Non-GAAP Measures can be found in the Interim MD&A under the headings “Caution Concerning Non-GAAP Measures”, which section is incorporated by reference herein. AQN’s Interim MD&A is available on SEDAR+ at www.sedarplus.com and EDGAR at www.sec.gov/edgar. A reconciliation of the Non-GAAP Measures appearing in this presentation to the most directly comparable U.S. GAAP measure can also be found in the Appendix – Non-GAAP Financial Measures beginning on page 18 of this presentation.

Other

The term “rate base” is used in this presentation and/or the related discussion. Rate base is a measure specific to rate-regulated utilities that is not intended to represent any financial measure as defined by U.S. GAAP. The measure is used by the regulatory authorities in the jurisdictions where the Company’s rate-regulated subsidiaries operate. The calculation of this measure as presented may not be comparable to similarly-titled measures used by other companies.

In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

Agenda

1. Introductory remarks
2. Strategic update
3. Operational and financial results
4. Closing remarks

Today's Speakers



Chris Huskilson
Chief Executive Officer



Darren Myers
Chief Financial Officer



Brian Chin
Vice President,
Investor Relations



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Strategic Update

Strategic Transition: Accomplishments



Elevating the Regulated Business

Completed rollout of Customer First SAP system

— Key milestone expected to result in a more efficient and focused utility

Elevating utility and infrastructure expertise

— Appointment of new board members and executive positions

Revamping organizational processes and structures

— Expected to drive more consistent results and reflect best practices



Next Steps: Recover and Earn Return on Invested Capital

CalPeco
California

- **Status:** Filed September 2024
- **Timing:** Typically takes ~1.5-2 years to resolve
- **Details:** Request to increase rate base by ~$154 million; 52.5% equity ratio and 11% allowed return on equity (“ROE”)
- **Requested Revenue Increase:** $39.8 million

Empire Electric
Missouri

- **Status:** Filed November 2024
- **Timing:** Typically takes ~1 year to resolve
- **Details:** Request to increase rate base by ~$534 million; 53.1% equity ratio and 10% allowed ROE
- **Requested Revenue Increase:** $92.1 million

Litchfield Park
Arizona

- **Status:** Expected filing H1 2025
- **Timing:** Typically takes ~18 months to resolve
- **Details:** Sarival ~$108 million, offset by ~$23 million in hook-up fees, resulting in ~$85 million in requested rate base
- **Requested Revenue Increase:** To be filed

Constitutes over $700 million in potential increases to net authorized rate base



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Operational & Financial Results

Regulated Services Group – Rate Cases[1]

Completed

Utility	Jurisdiction	Rate Request	Authorized Increase
BELCO	Bermuda	$59.1 million	$33.6 million
New York Water	New York	$39.7 million	$38.6 million
Midstates Gas	Missouri	$13.2 million	$9.1 million
Empire Electric	Arkansas	$7.3 million	$5.3 million
Midstates Gas	Illinois	$5.3 million	$3.2 million

Pending

Utility	Jurisdiction	Rate Request	ROE and Equity Ratio
Empire Electric	Missouri	$92.1 million	ROE 10.00% / equity ratio 53.1%
CalPeco Electric	California	$39.8 million	ROE 11.00% / equity ratio 52.5%
EnergyNorth Gas	New Hampshire	$27.5 million	ROE 10.35% / equity ratio 55%
Granite State Electric	New Hampshire	$15.5 million	ROE 10.35% / equity ratio 55%
Park Water	California	$9.3 million	ROE 9.35% / equity ratio 57%
Missouri Water	Missouri	$8.1 million	ROE 10.62% / equity ratio 52.6%
Various Water & Wastewater	Arizona	$5.4 million	ROE 10.95% / equity ratio 54%
Apple Valley Water	California	$3.1 million	ROE 9.35% / equity ratio 57%
Arkansas Water	Arkansas	$2.3 million	ROE 10.62% / equity ratio 52.5%
New Brunswick Gas	New Brunswick	$1.6 million	ROE 9.80% / equity ratio 45%

1. For more details, please see our Management Discussion & Analysis for the three and nine months ended September 30, 2024.

Financial Performance

All amounts in U.S. $ millions except per share information	Three months ended September 30			Nine months ended September 30		
	2024	**2023**	**Change**	**2024**	**2023**	**Change**
Revenue[1]	**$ 573.2**	$ 564.8	1%	**$1,734.7**	$1,818.3	(5)%
Regulated Services Group Revenue	**563.9**	555.9	1%	**1,705.8**	1,790.5	(5)%
Hydro Group Revenue	**8.9**	**8.5**	4%	**28.0**	**26.7**	5%
Corporate Group Revenue	**0.4**	0.4	—	**1.0**	1,1	(9)%
Net earnings (loss) attributable to shareholders from continuing operations	**49.5**	(174.9)	128%	**172.9**	(184.3)	194%
Per common share from continuing operations	**0.06**	(0.26)	123%	**0.23**	(0.28)	182%
Net earnings (loss) attributable to shareholders including discontinued operations	**(1,305.7)**	(174.5)	(648)%	**(1,194.1)**	(157.6)	(657)%
Per common share including discontinued operations	**(1.71)**	(0.26)	(556)%	**(1.67)**	(0.24)	(596)%
Adjusted Net Earnings[2]	**64.9**	68.6	(5)%	**186.8**	198.2	(6)%
Per common share	**0.08**	0.10	(20)%	**0.25**	0.28	(11)%
Adjusted EBITDA[2]	**264.4**	254.9	4%	**790.5**	751.4	5%
Adjusted EBITDA[2] for Regulated Services Group	**236.2**	228.7	3%	**706.0**	674.0	5%
Adjusted EBITDA[2] for Hydro Group	**7.1**	6.5	9%	**21.0**	19.5	8%
Adjusted EBITDA[2] for Corporate Group	**21.1**	19.7	7%	**63.5**	57.9	10%
Dividends per common share	**0.0650**	0.1085	(40)%	**0.2820**	0.3255	(13)%
Long-term Debt	**7,475.7**	7,500.2	—	**7,475.7**	7,500.2	—
Weighted average shares outstanding	**767,237,000**	689,055,000	11%	**719,720,000**	688,539,000	5%

1. Discontinued Operations Revenue for the three months and nine months ended September 30, 2024 totaled $66.3 million and $240.5 million, respectively, versus $60.0 million and $213.0 million for the three months and nine months ended September 30, 2023.
2. Please see “Non-GAAP Financial Measures” on page 2 of this presentation, and Appendix - Non-GAAP Financial Measures beginning on page 18 of this presentation.

Strengthening the Balance Sheet

Key debt and credit figures

Q3 continuing and discontinued operations GAAP debt	$8.7 billion
Renewables estimated net sales proceeds	$1.7-1.8 billion
Atlantica estimated net sales proceeds	$1.1 billion
S&P and Fitch selected debt adjustments:	
Less: Equity credit 50% of $1.4 billion hybrids	$700 million
Less: Empire securitization	$300 million
Add: Preferred equity 50% of $180 million	$90 million



Q3 2024 Adjusted Net EPS[1] Drivers

Q3 2023 Adjusted Net EPS[1]	**$**	**0.10**
Regulated Services Group Adjusted EBITDA[1] growth		0.01
Depreciation		(0.01)
Interest expense and other		(0.01)
Equity unit dilution		(0.01)
Q3 2024 Adjusted Net EPS[1]	**$**	**0.08**



1. Please see “Non-GAAP Financial Measures” on page 2 of this presentation, and Appendix - Non-GAAP Financial Measures beginning on page 18 of this presentation. Adjusted Net Earnings per share drivers reflect management’s estimates and judgement.



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Closing Remarks



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Q&A



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Appendix

Utility by Jurisdiction & Commodity

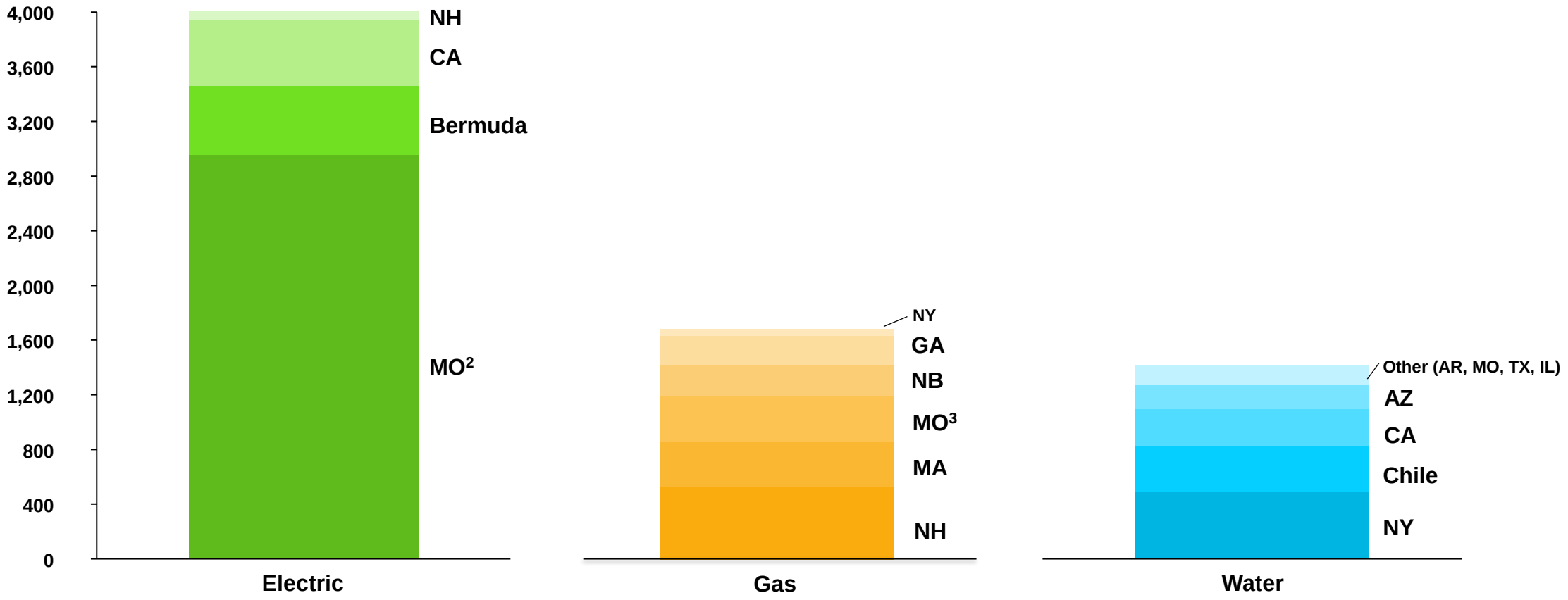
RATE BASE & ROE BY MAJOR JURISDICTION AND MODALITY

Facility	2022A Rate Base ($mm)	2023A Rate Base ($mm)	Latest Authorized ROE
Empire Electric	$2,852	$2,958	9.3%[1]
California Electric and Water	$616	$756	9.7%
New York Water	$490	$491	9.1%
New Hampshire Gas	$490	$498	9.3%
Bermuda Electric	$472	$504	8.9%
Massachusetts Gas	$282	$307	9.6%
New Hampshire Electric	$203	$214	9.1%
All Other	$1,366	$1,423	9.7%
Total	**$6,772**	**$7,151**	**9.4%**
Modality	**2022A Rate Base ($mm)**	**2023A Rate Base ($mm)**	**Latest Authorized ROE**
Electric	$3,900	$4,169	9.3%
Water	$1,376	$1,412	9.3%
Gas	$1,496	$1,570	9.6%
Total Utility Rate Base	**$6,772**	**$7,151**	**9.4%**

The weighted average equity ratio of regulated utilities is approximately 50%

1. Reflects implied ROE using assumed 50% debt to capital structure.

Rate Base View by Commodity[1]



1. Data as of December 31, 2023.
2. Includes assets in Kansas, Oklahoma and Arkansas.
3. Includes assets in Iowa and Illinois.

Non-GAAP Financial Measures

Reconciliation of AQN Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to AQN Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2024**	**2023**	**2024**	**2023**
Net earnings (loss) attributable to shareholders	**$ (1,305.7)**	$ (174.5)	**$ (1,194.1)**	$ (157.6)
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV	**0.8**	7.0	**4.2**	26.1
Loss from discontinued operations, net of tax	**1,355.2**	(0.4)	**1,367.0**	(26.6)
Income tax expense (recovery)	**6.4**	(40.8)	**33.3**	(50.0)
Interest expense	**91.4**	81.6	**274.1**	232.7
Other net losses[1]	**9.5**	74.2	**19.9**	111.4
Pension and post-employment non-service costs	**3.0**	4.9	**10.4**	15.2
Change in value of investments carried at fair value[2]	**(1.6)**	212.4	**(23.7)**	332.8
Gain on derivative financial instruments	**(0.3)**	(0.7)	**(0.5)**	(3.9)
Loss on foreign exchange	**6.3**	2.9	**3.8**	8.3
Depreciation and amortization	**99.4**	88.3	**296.1**	263.0
Adjusted EBITDA	**$ 264.4**	$ 254.9	**$ 790.5**	$ 751.4

[1] See *Note 15* in the unaudited interim condensed consolidated financial statements.

[2] See *Note 6* in the unaudited interim condensed consolidated financial statements.

Non-GAAP Financial Measures

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to consolidated net earnings in accordance with U.S. GAAP.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings exclusive of these items:

	Three months ended September 30		Nine months ended September 30	
information)	**2024**	**2023**	**2024**	**2023**
Net earnings (loss) attributable to shareholders	**$ (1,305.7)**	$ (174.5)	**$ (1,194.1)**	$ (157.6)
Add (deduct):				
Loss (Earnings) from discontinued operations	**1,355.2**	(0.4)	**1,367.0**	(26.6)
Gain on derivative financial instruments	**(0.3)**	(0.7)	**(0.5)**	(3.9)
Other net losses[1]	**9.5**	74.2	**19.9**	111.4
Loss on foreign exchange	**6.3**	2.9	**3.8**	8.3
Change in value of investments carried at fair value[2]	**(1.6)**	212.4	**(23.7)**	332.8
Adjustment for taxes related to above	**1.5**	(45.3)	**14.4**	(66.2)
Adjusted Net Earnings	**$ 64.9**	$ 68.6	**$ 186.8**	$ 198.2
Adjusted Net Earnings per common share	**$ 0.08**	$ 0.10	**$ 0.25**	$ 0.28

[1] See *Note 15* in the unaudited interim condensed consolidated financial statements.

[2] See *Note 6* in the unaudited interim condensed consolidated financial statements.

Non-GAAP Financial Measures

Reconciliation of Regulated Services Group Adjusted EBITDA to Operating Income

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Regulated Services Group Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2024**	**2023**	**2024**	**2023**
Revenue				
Regulated electricity distribution	**$ 361.4**	$ 354.3	**$ 971.5**	$ 998.5
Less: Regulated electricity purchased	**(100.9)**	(110.1)	**(280.6)**	(334.0)
Net Utility Sales – electricity[1]	**260.5**	244.2	**690.9**	664.5
Regulated gas distribution	**65.7**	73.0	**393.9**	453.7
Less: Regulated gas purchased	**(13.2)**	(21.6)	**(132.1)**	(195.5)
Net Utility Sales – natural gas[1]	**52.5**	51.4	**261.8**	258.2
Regulated water reclamation and distribution	**124.3**	115.3	**302.1**	298.6
Less: Regulated water purchased	**(6.8)**	(5.9)	**(15.0)**	(13.6)
Net Utility Sales – water reclamation and distribution[1]	**117.5**	109.4	**287.1**	285.0
Other revenue[2]	**12.4**	13.2	**38.3**	39.8
Net Utility Sales[1,3]	**442.9**	418.2	**1,278.1**	1,247.5
Operating expenses	**(231.3)**	(209.6)	**(654.6)**	(635.3)
Income from long-term investments	**7.7**	13.7	**23.1**	33.3
HLBV[4]	**16.9**	6.4	**59.4**	28.5
Adjusted EBITDA [1,5]	**$ 236.2**	$ 228.7	**$ 706.0**	$ 674.0

Non-GAAP Financial Measures

Reconciliation of Regulated Services Group Adjusted EBITDA to Operating Income (cont'd)

[1] See *Caution Concerning Non-GAAP Measures*.

[2] See *Note 17* in the unaudited interim condensed consolidated financial statements.

[3] This table contains a reconciliation of Net Utility Sales to revenue. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 17* in the unaudited interim condensed consolidated financial statements, "Segmented Information". This supplementary disclosure is intended to more fully explain disclosures related to Net Utility Sales and provides additional information related to the operating performance of the Regulated Services Group. Investors are cautioned that Net Utility Sales should not be construed as an alternative to revenue.

[4] Hypothetical Liquidation at Book Value ("HLBV") income represents the value of net tax attributes monetized by the Regulated Services Group in the period at the Luning and Turquoise Solar Facilities and the Neosho Ridge, Kings Point and North Fork Ridge Wind Facilities.

[5] This table contains a reconciliation of Adjusted EBITDA to revenue for the Regulated Services Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 17* in the unaudited interim condensed consolidated financial statements, "Segmented Information". This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of the Regulated Services Group. Investors are cautioned that Adjusted EBITDA should not be construed as an alternative to revenue.

Non-GAAP Financial Measures

Reconciliation of Corporate Group Adjusted EBITDA to Operating Income

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Corporate Group Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2024**	**2023**	**2024**	**2023**
Revenue	**$ 0.4**	$ 0.4	**$ 1.0**	$ 1.1
Add: Interest, dividend, equity, and other income[3]	**23.0**	18.3	**67.8**	57.1
Less: Operating expenses	**2.3**	(1.0)	**5.3**	0.3
Corporate Group Adjusted EBITDA[1]	**$ 21.1**	$ 19.7	**$ 63.5**	$ 57.9

1 See *Caution Concerning Non-GAAP Measures*.

2 This table contains a reconciliation of Adjusted EBITDA to revenue for the Corporate Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 17* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of the Corporate Group. Investors are cautioned that Adjusted EBITDA should not be construed as an alternative to revenue.

3 Primarily includes dividend from Atlantica of $21.8 million and $22.0 million for the three months ended September 30, 2024 and 2023 respectively. The nine months ended September 30, 2024 and 2023 includes dividend from Atlantica of $65.4 million and $65.6 million respectively.

Non-GAAP Financial Measures

Reconciliation of Hydro Group Adjusted EBITDA to Operating Income

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Hydro Group Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2024**	**2023**	**2024**	**2023**
Revenue	**$ 8.9**	$ 8.3	**$ 27.2**	$ 25.7
Less: Cost of Sales - Hydro	**—**	0.1	**0.2**	0.4
Add: Other income	**—**	0.2	**0.8**	1.0
Less: Operating expenses	**1.8**	1.9	**6.8**	6.8
Hydro Group Adjusted EBITDA[1]	**$ 7.1**	$ 6.5	**$ 21.0**	$ 19.5

[1] See *Caution Concerning Non-GAAP Measures*.

[2] This table contains a reconciliation of Adjusted EBITDA to revenue for the Hydro Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 17* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of the Hydro Group. Investors are cautioned that Adjusted EBITDA should not be construed as an alternative to revenue.



Corporate Information

Head Office	Greater Toronto Area, Ontario
Toronto Stock Exchange	AQN, AQN.PR.A, AQN.PR.D
New York Stock Exchange	AQN, AQNB
Shares Outstanding*	767,150,313
Share Price*	$5.45
Market Capitalization*	$4.2 B
Common Share Dividend**	$0.26 per share annually

* Shares outstanding, closing price (NYSE), and market capitalization as of September 30, 2024.
** Annualized using Q4 2024 dividend rate.

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