ALGONQUIN
Power & Utilities Corp.

Second Quarter 2017 Earnings Conference Call

August 11, 2017















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Certain written and oral statements contained in this presentation and discussion are forward-looking within the meaning of certain securities laws and reflect the views of Algonquin Power & Utilities Corp. (the “Company”) with respect to future events, based upon assumptions relating to, among others, the performance of the Company's assets and the business, financial and regulatory climates in which it operates. These forward looking statements include, among others, statements with respect to the expected performance of the Company, its future plans and its dividends to shareholders.

Since forward-looking statements relate to future events and conditions, by their very nature they require us to make assumptions and involve inherent risks and uncertainties. We caution that although we believe our assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that our actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors include those presented in the Company’s annual financial results, the annual information form and most recent quarterly management’s discussion and analysis. Given these risks, undue reliance should not be placed on forward-looking statements, which apply only as of their dates. Except as required by law, the Company does not intend to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

NON-GAAP FINANCIAL MEASURES

The terms “adjusted net earnings”, “adjusted earnings before interest, taxes, depreciation and amortization” (“Adjusted EBITDA”), “adjusted funds from operations”, “per share cash provided by adjusted funds from operations”, “per share cash provided by operating activities”, "net energy sales", and "net utility sales", (together the “Financial Measures”) may be used in this presentation. The Financial Measures are not recognized measures under GAAP. There is no standardized measure of the Financial Measures, consequently APUC’s method of calculating these measures may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies. A calculation and analysis of the Financial Measures can be found in APUC’s most recent Management Discussion & Analysis. Per share cash provided by operating activities is not a substitute measure of performance for earnings per share. Amounts represented by per share cash provided by operating activities do not represent amounts available for distribution to shareholders and should be considered in light of various charges and claims against APUC.

Speakers and Agenda



Ian Robertson
Chief Executive Officer



Chris Jarratt
Vice Chair



David Bronicheski
Chief Financial Officer

➢ **Introductory Remarks**	**Chris Jarratt**
➢ **Q2 2017 Strategic Achievements**	**Ian Robertson**
➢ **Q2 2017 Financial Highlights**	**David Bronicheski**
➢ **Future Outlook**	**Ian Robertson**

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Q2 2017 Strategic Achievements















2017 Second Quarter Highlights



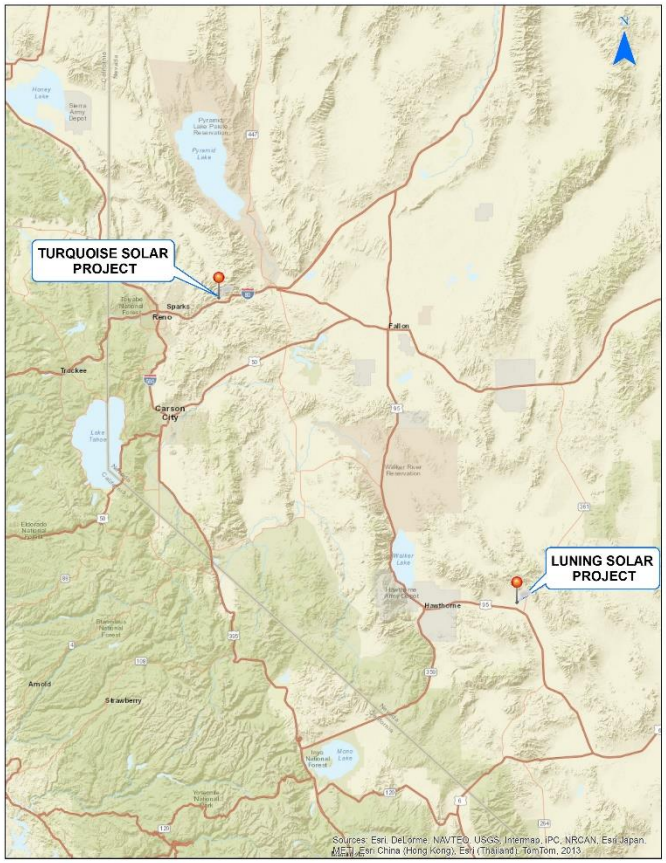
- ✓ **Adjusted EPS[1] - 18% Y-O-Y increase**
- ✓ **Adjusted EBITDA[1] - 99% Y-O-Y increase**
- ✓ **Asset growth - 90% Y-O-Y increase**



- ✓ **U.S. $14.0 million in recently completed rate cases**
- ✓ **Significant progress on construction projects**
- ✓ **Acquisition of the City of Perris Water System**

1. Please see Disclaimer on Non-GAAP Financial Measures on page 2 of this presentation.

Turquoise Solar Project



- ✓ 10 MW solar powered electric generating project in Washoe County, Nevada
- ✓ Comprised of 40,000 panels
- ✓ Expected to generate 28 GW-hrs of energy per year
- ✓ To be included in CalPeco rate base
- ✓ Commercial Operations Date - target is August 2018
- ✓ Similar project to recently commissioned 50MW Luning solar project

Turquoise demonstrates our commitment to maximizing the use of renewable energy to meet our customers' electricity needs

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Q2 2017 Financial Performance















Financial Performance

In millions of Canadian dollars or on a per share basis (Unaudited)	Quarter ended June 30		
	2017	2016	Change
Adjusted EBITDA[1]	197.6	99.2	99%
Adjusted net earnings[1]	53.3	30.9	72%
Per share	0.13	0.11	18%
Adjusted funds from operations[1]	119.6	77.5	54%
Revenue	453.2	222.8	103%
Dividend per share	0.1593	0.1361	17%

Organic growth an important factor

- **New projects contributed $94.9 million of incremental EBITDA**
- **Full impact of rate cases added a further $7 million**

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Future Outlook















Looking Ahead

Liberty Utilities

- Organic investment in system improvements
- Growing customer base through pursuit of accretive acquisitions – Eg. *City of Perris*



Liberty Power

- Development and construction of commercially secured projects
- Expand renewable energy growth opportunity set



Safe Harbor Turbines

- $75 million investment qualified up to 700 MW of new generation projects for 100% of PTCs
- $1.5 billion investment opportunity



Robust Growth Plan

- Multi-billion dollar investment pipeline to deliver sustained, accretive growth over the coming years
- Consideration of appropriate international development opportunities



Deliver Shareholder Return

- Forecasted long-term growth in earnings and cash flows
- Targeted dividend increase of 10% per year



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Q & A















Rate Cases

Utility	State	Regulatory Proceeding Type	Rate Request (US$M)	Current Status
Completed				
Granite State Electric System	NH	General Rate Case	$7.7	Final Order issued in April 2017 approving a U.S. $6.2 million rate increase effective May 1, 2017, and two additional annual increases of U.S. $0.3 million and U.S. $0.25 million effective May 1, 2018 and May 1, 2019.
New England Gas	MA	Gas System Enhancement Plan	$3.8	Final Order issued in April 2017 approving a U.S. $2.9 million rate increase effective May 1, 2017.
Illinois Gas System	IL	General Rate Case	$3.0	Final Order issued in May 2017 approving a U.S. $2.2 million rate increase for rates effective June 7, 2017.
Kansas Asbury Environmental and Riverton Cost Recovery ("AERR") Rider	KS	Rate Rider Recovery	$1.1	Final Order issued in June 2017 approving a U.S. $0.9 million revenue increase for rates effective July 1, 2017.
Iowa Gas System	IA	General Rate Case	$1.1	Final Order issued in April 2017 approving a U.S. $1.0 million rate increase effective June 18, 2017.
New England Gas	MA	Decoupling Filing	$0.2	Final Order issued in April 2017 approving a U.S. $0.2 million revenue increase. New rates effective May 1, 2017.
Pending				
EnergyNorth Gas System	NH	General Rate Case	$19.9	Application filed April 2017 / Final rate decision expected July 1, 2017
Litchfield Park Water & Sewer	AZ	General Rate Case	$5.1	Application filed February 2017 / Final rate decision expected Q1 2018
CalPeco Electric	CA	Turquoise Solar Project	$3.5	Application filed December 2016 / Final rate decision expected October 2017
Oklahoma Electricity System	OK	General Rate Case	$3.0	Application filed December 2016 / Final rate decision expected Q3 2017
Woodmark/Tall Timbers Water & Wastewater Systems	TX	General Rate Case	$1.6	Application filed September 2016 / Final rate decision expected Q4 2017/Q1 2018

Liberty Power Group Growth Initiatives

Total Project in Construction	Location	Size (MW)	Estimated Capital Cost (millions)	Commercial Operation Date	PPA Term	Production GW-hrs
Amherst Island Wind Project	Ontario	75	$290 - $325	2018	20	235
Great Bay Solar Project[1]	Maryland	75	$182 - $195	2017	10	146
Total Projects in Construction		**150**	**$472 - $520**			**381**
Projects in Development						
Blue Hill Wind Project	Saskatchewan	177	$315 - $350	2019/20	25	813
Val-Eo Wind Project	Quebec	24	$60 - $70	2018	20	66
Turquoise Solar Project[2]	Nevada	10	$26 - $32	2018		28
Total Projects in Development		**211**	**$401 - $452**			**907**
Total in Construction and Development		**361**	**$866 - $972**			**1,288**

150 MW
In Construction

211 MW
In Development

22 years
Weighted Average
PPA Length

1. Total cost of the project is expected to be approximately $135 - $150 million in U.S. dollars.
2. Will be included in the CalPeco Electric System Rate Base. Total cost of the project is expected to be approximately $20 - $25 million in U.S. dollars.

CORPORATE INFORMATION

Head Office	Oakville, ON
Common Share Symbol	TSX and NYSE: AQN
Preferred Share Symbols	AQN.PR.A, AQN.PR.D
Shares Outstanding*	386,975,219
Dividend	U.S. $0.4659 per share annually
Price*	$13.33
Market Capitalization	$5.2 Billion

* Shares outstanding and closing price (TSX) as of July 31, 2017

CONTACT INFORMATION

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