AVANGRID

Transmission Development

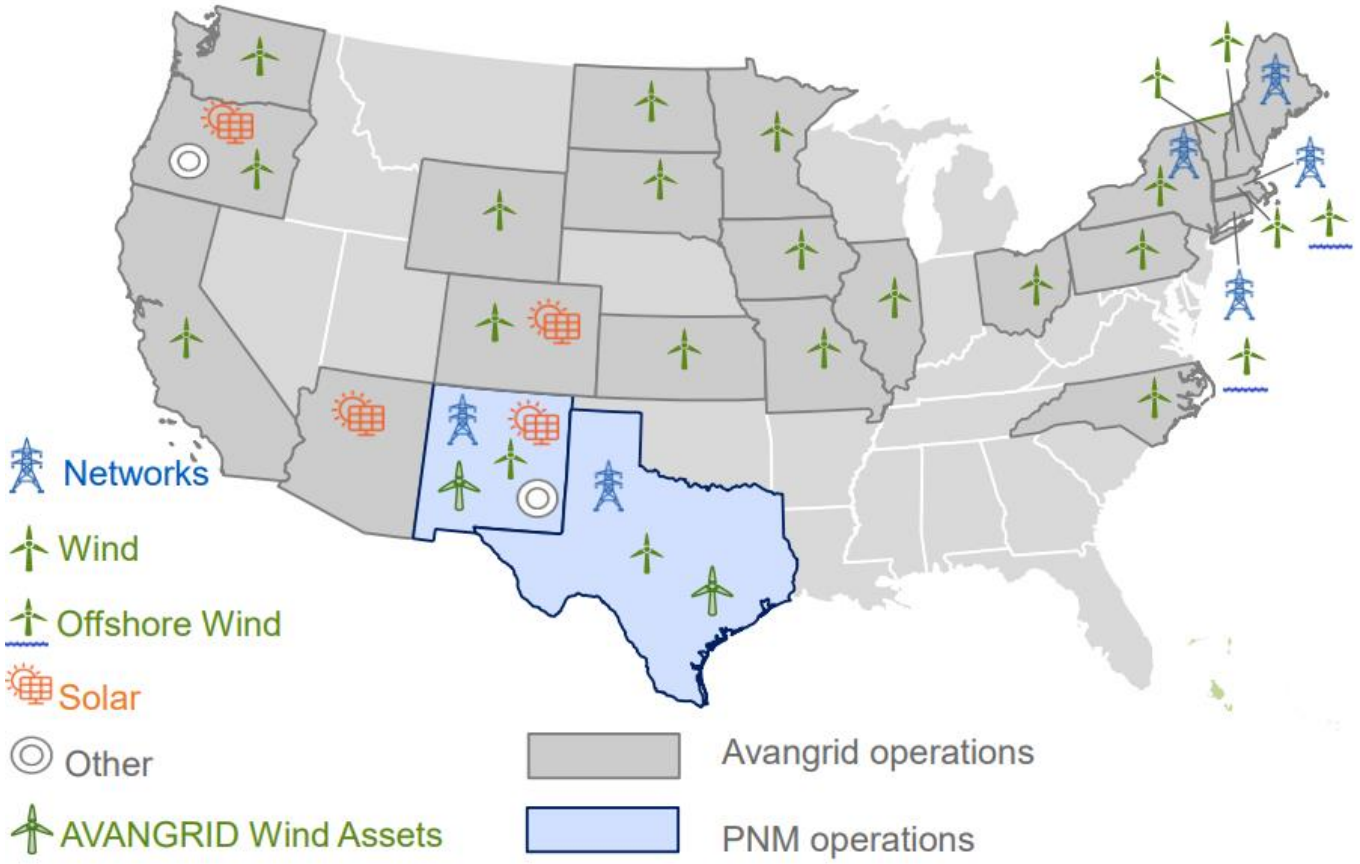
March 2021

Intégration des réseaux électriques nord-américains - un levier pour la relance économique de l'industrie électrique du Québec

Overview of AVANGRID

AVANGRID

- Leading sustainable energy company in U.S
- Large T&D footprint with 10 regulated electric & gas companies in 6 states(1)
- 3rd largest onshore wind & solar installed capacity in U.S.: ~15 GW onshore pipeline including ~11 GW solar
- Leader in U.S. offshore wind with first large-scale project, contracts for 1.6 GW, & lease capacity for up to 5 GW
- AVANGRID is the 8th largest Green, Social & Sustainability (GSS) Bonds issuer in U.S.(2)



(1) As of 10/20/2020, including PNM merger
(2) Source: Bloomberg

Avangrid Networks

- Avangrid Networks is responsible for operating & building the energy infrastructure of our 10 utilities(1); serving a population of ~9 million, representing ~4 million customers
- Additional transmission to support clean energy goals provides opportunities
  - ✓ NY Tier 4 transmission develop solicitation to decarbonize NYC
  - ✓ Transmission upgrades to facilitate integration of renewable power across Avangrid territory
  - ✓ Offshore wind transmission key infrastructure development to achieve RPS goals

Transmission to support NE & NY RPS targets

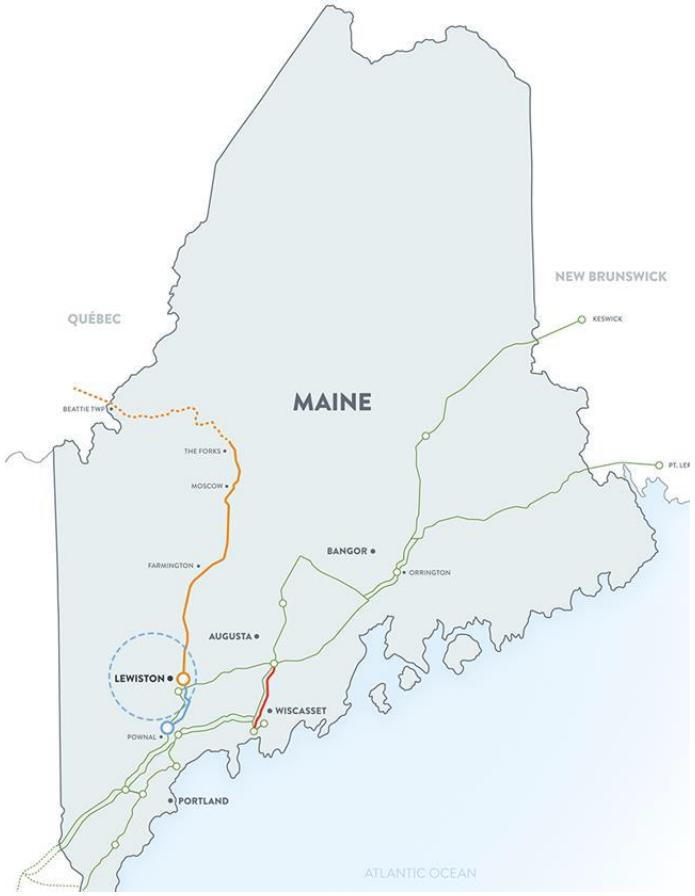
Modernizing existing assets

Northeastern offshore opportunities

(1) As of 10/20/2020, including PNM merger

New England Clean Energy Connect

Building the Grid of the Future



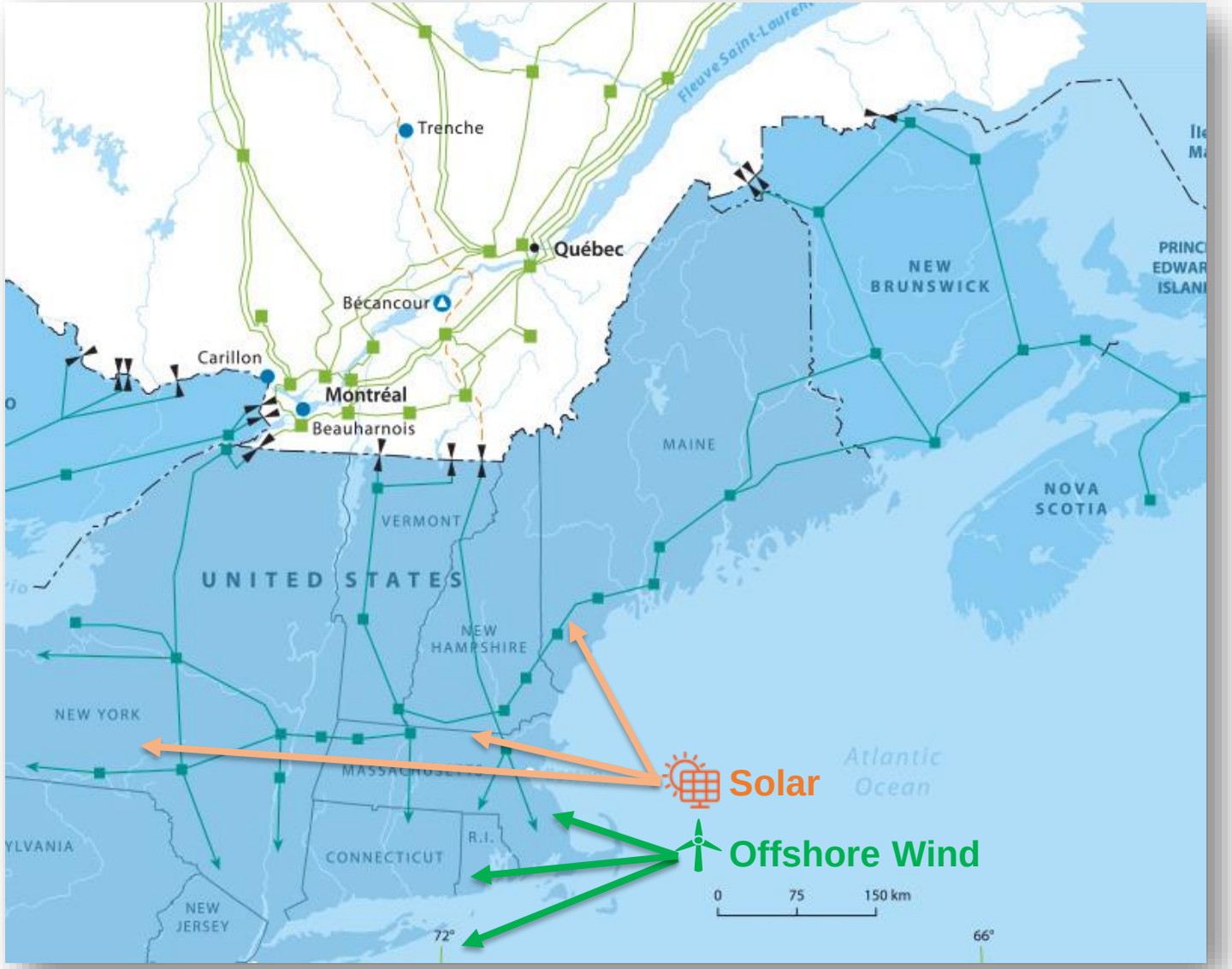
Lowest cost solution to deliver hydro to NE

- **1,200 MW** Transmission project delivering Canadian hydro-power from Hydro-Québec
- CAPEX ~$950M (1)
- **9.45 TWh** of Annual Clean Hydro Energy
- January 15, 2021 successfully completed all major permits
- **Construction started** January 2021
- Expect **COD during first half of 2023**

- ✓ **Significant benefits and jobs to NE**
- ✓ **Clean electricity for up to 1.5M homes**
- ✓ **CO2 emissions reduction equal to over 700,000 fewer cars on the road**

(1) Excluding AFUDC

Northeast - Network integration



Decarbonized grid means…

- Up to 180 GW of additional capacity (renewables and storage)
- New load patterns will require a differently shaped grid to integrate DR, electric vehicles, heating systems, storage, renewables…

Facilitating the energy transition by…

- Developing an offshore transmission network to accommodate large amounts of OSW
  - Over 3000 miles of offshore lines will be required to integrate approx. 15 to 24GW[1]
- **Increasing transmission capacity with Canada from an energy, capacity and storage standpoint**
  - **4GW of additional transmission is needed to balance intermittent resources[2]**
- Maximizing the use of renewable resource pockets in the region (unlock Maine's potential)
- Using storage technologies and enhancing demand response to cope with future system balancing needs

1- Brattle – Reaching 2050 climate goals is feasible but New England must keep its foot on the accelerator
2 - MIT – Two-way Trade in Green Electrons: Deep Decarbonization of the Northeastern U.S. and the Role of Canadian Hydropower