



FISCAL 2014 FIRST QUARTER RESULTS

CONFERENCE CALL



February 7, 2014



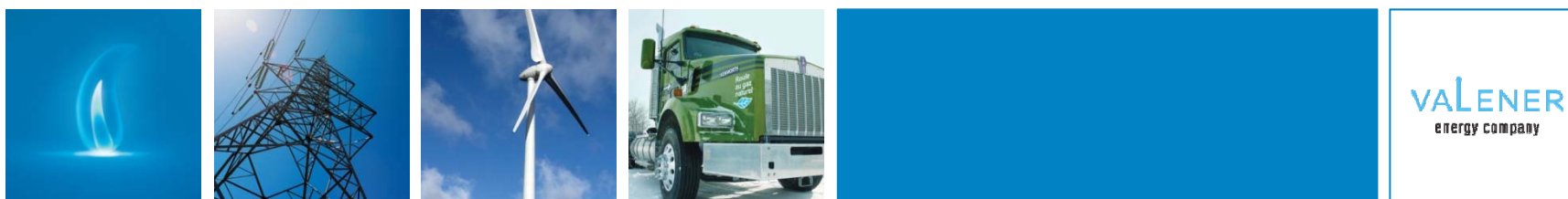
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CAUTIONARY NOTE

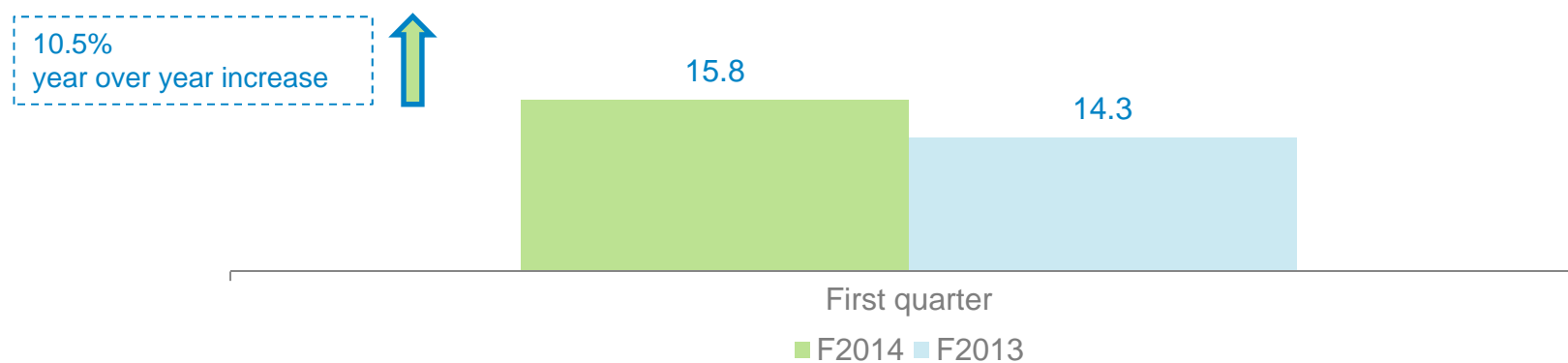
This presentation may contain forward-looking information within the meaning of applicable securities laws. Such forward-looking information reflects the intentions, plans, expectations and opinions of the management of Gaz Métro inc. (GMI), in its capacity as General Partner of Gaz Métro Limited Partnership (Gaz Métro), and acting as manager of Valener Inc. (Valener) (the management of the manager) and is based on information currently available to the management of the manager and assumptions about future events. Forward-looking statements can often be identified by words such as “plans,” “expects,” “estimates,” “forecasts,” “intends,” “anticipates” or “believes,” or similar expressions, including the negative and conjugated forms of these words. Forward-looking statements involve known and unknown risks and uncertainties and other factors beyond the control of the management of the manager. A number of factors could cause the actual results of Valener and Gaz Métro to differ significantly from the results discussed in the forward-looking statements, including, but not limited to, terms of decisions rendered by regulatory agencies, the competitiveness of natural gas in relation to other energy sources, the reliability of natural gas and electricity supply, the integrity of the natural gas and electricity distribution systems, the progress and profitability of wind power projects and other development projects, the ability to complete attractive acquisitions and the related financing and integration aspects, the ability to secure future financing, general economic conditions, exchange rate and interest rate fluctuations, weather conditions and other factors described in the section “Risk Factors of Valener” and “Risk Factors of Gaz Métro” sections of Valener’s and Gaz Métro’s Management’s Discussion and Analysis for the fiscal year ended September 30, 2013 and in Valener’s disclosure filings. Although the forward-looking statements contained herein are based upon what the management of the manager believes to be reasonable assumptions, including assumptions to the effect that no unforeseen changes in the legislative and regulatory framework of energy markets in Quebec and in the New England states will occur; that the applications filed with the Régie will be approved as submitted; that natural gas prices will remain competitive; that the supply of natural gas and electricity will be maintained; that no significant event occurring outside the ordinary course of business, such as a natural disaster or other calamity, will occur; that Gaz Métro can continue to distribute substantially all of its net income (excluding non-recurring items); that the wind power project in which Valener and Gaz Métro are indirectly involved will be completed on time and within the defined parameters; that Wind Farms 2 and 3 can make distribution payments to its Partners; that Green Mountain Power (GMP) will be able to quickly and effectively integrate Central Vermont Public Service Corporation’s (CVPS) operations; that liquidity needs for Gaz Métro’s development projects will be obtained through a combination of operating cash flows, borrowings on credit facilities, capital injections from Partners, and issuances of long-term debt securities; and that the subsidiaries will obtain the required authorizations and funds needed to finance their development projects; in addition to the other assumptions described in Valener’s and Gaz Métro’s Management’s Discussion and Analysis for the quarter ended December 31, 2013, the management of the manager cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of this date, and the management of the manager assumes no obligation to update or revise them to reflect new events or circumstances, except as required under applicable securities laws. These statements do not reflect the potential impact of any unusual item or any business combination or other transaction that may be announced or that may occur after the date hereof. Readers are cautioned not to place undue reliance on these forward-looking statements.

Non-GAAP financial measures

In the opinion of the management of the manager, certain indicators, such as net income attributable to the Partners of Gaz Métro, excluding non-recurring items, net income attributable to the common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes, net income attributable to the common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes, per common share, normalized operating cash flows and normalized operating cash flows per common share, provide readers with information it considers useful for analyzing the financial results of both Valener and Gaz Métro. However, these indicators are not standardized in accordance with Canadian generally accepted accounting principles (GAAP) and should not be considered in isolation or as substitutes for other performance measures that are in accordance with GAAP. The results obtained might not be comparable with similar indicators used by other issuers and should therefore only be considered as complementary information.



VALENER'S RECURRING NET INCOME⁽¹⁾ (\$ Millions)



DRIVERS



Increase in Gaz Métro's earnings from distribution activities in Québec and Vermont

(1) Net income attributable to the common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes. Please refer to Non-GAAP measures in sections A and J of MD&A



UPDATE ON WIND FARM PROJECTS IN QUÉBEC

VALENER
24.5%

GAZ MÉTRO
25.5%

PROJECTS	INSTALLED CAPACITY (MW)	NUMBER OF TURBINES	IN SERVICE DATE	TOTAL INVESTMENT (\$ Millions)
Seigneurie de Beupré project 2	131	62	November 28 th , 2013	~ 750 (incl. financing costs)
Seigneurie de Beupré project 3	141	64	December 10 th , 2013	

272 MW Phase I fully commissioned, as scheduled



UPDATE ON WIND FARM PROJECTS IN QUÉBEC

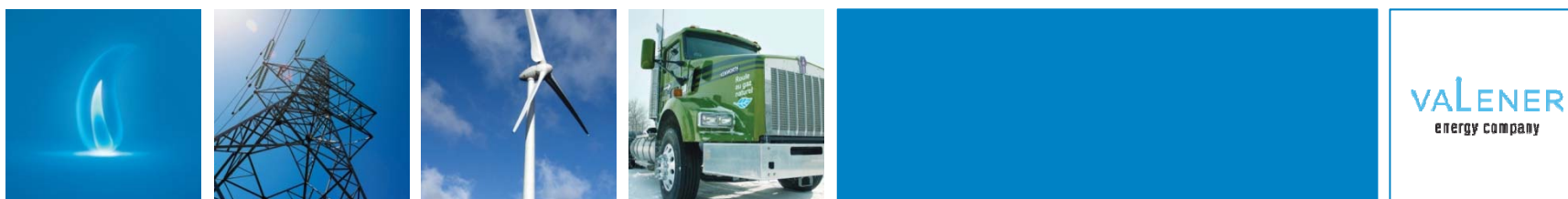
VALENER
24.5%

GAZ MÉTRO
25.5%

PROJECT	INSTALLED CAPACITY (MW)	NUMBER OF TURBINES	EXPECTED IN SERVICE DATE	EXPECTED INVESTMENT (\$ Millions)
Seigneurie de Beauré project 4	68	28	December 1 st , 2014	~ 190 (incl. financing costs)

Land clearing work completed
 All foundations and most of road work completed
 Collector systems approximately 60% completed
 Site closed in December 2013 and scheduled to reopen in May 2014

Project fully funded



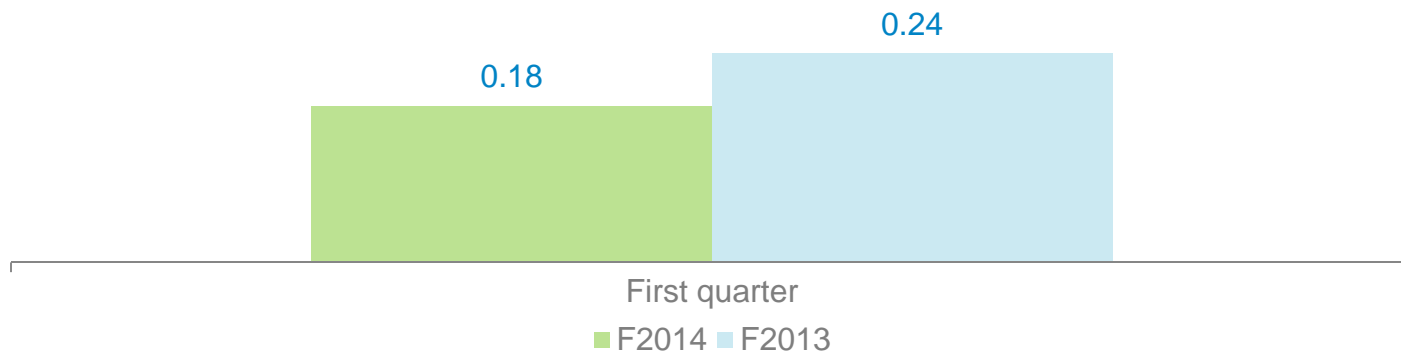
QUARTERLY DIVIDENDS DECLARED

AMOUNT PER SHARE	RECORD DATE	PAYABLE	DISCOUNT UNDER DRIP
Common shares			
\$0.25	March 31, 2014	April 15, 2014	5% on new shares issued
Series A preferred shares			
\$0.271875	April 9, 2014	April 15, 2014	Not applicable

Annualized dividend of \$1 per common share to be maintained for fiscal 2014



VALENER'S NORMALIZED OPERATING CASH FLOWS PER SHARE⁽¹⁾ (\$ per share)



DRIVERS



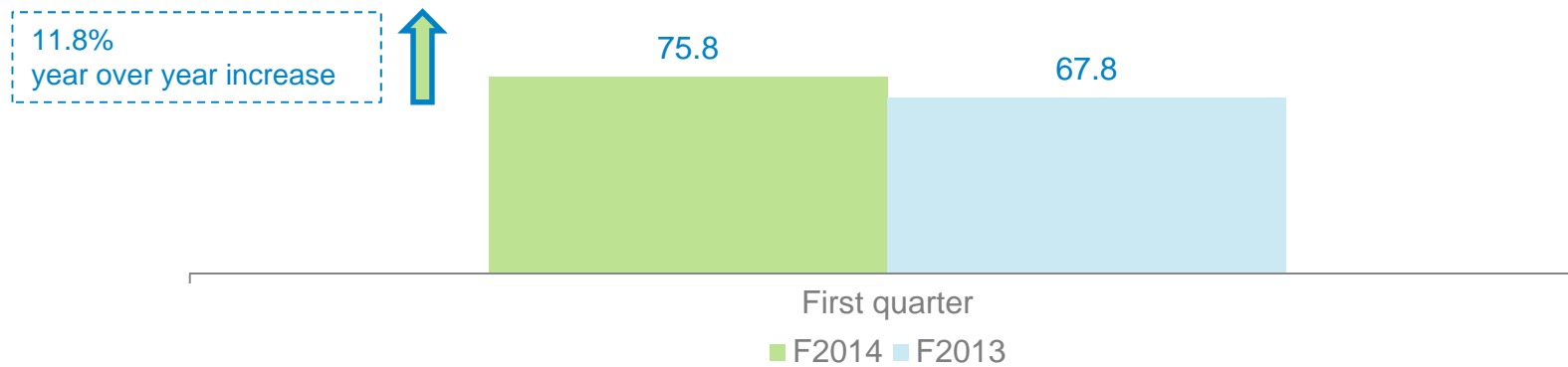
Decrease in distributions received from Gaz Métro (Valener no longer benefits from an increase of \$1.7 million per quarter in Gaz Métro distributions)

Lag in distributions from wind projects 2 and 3 to be funded by Valener's credit facility

(1) Cash flows related to operating activities less dividends paid to preferred shareholders divided by the weighted average number of common shares outstanding. Please refer to Non-GAAP measures in section A of MD&A



GAZ MÉTRO'S RECURRING NET INCOME⁽¹⁾ (\$ Millions)



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Growth in earnings generated by Gaz Métro's energy distribution activities in Quebec and Vermont

(1) Please refer to Non-GAAP measures in section J of MD&A

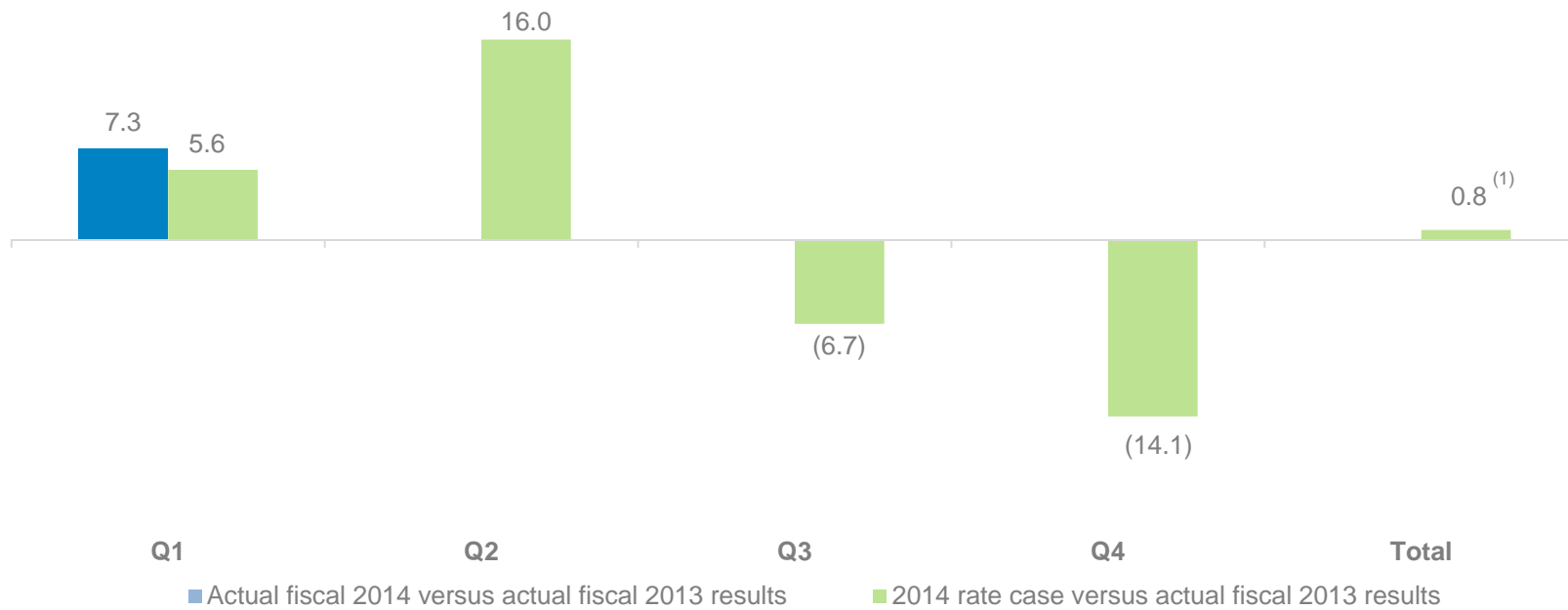


UPDATE ON GROWTH INITIATIVES IN VERMONT

PROJECTS	DETAILS	SCHEDULE INDICATOR
GMP-CVPS operational integration	Three-year plan for merging the processes and operations of the two entities	Ahead of schedule
	Synergies guaranteed to customers: <ul style="list-style-type: none"> Fiscal 2014: \$US5.0M 	
VGS system development project	Extension to Addison County (Phase I)	Regulatory approval issued by VPSB in December 2013 Construction expected to begin in 2014 once building permits obtained
	Extension to International Paper Company's mill in NY State (Phase II)	Regulatory application filed with VPSB in November 2013
	US\$15.1M invested in the project as of December 31, 2013 Could more than double VGS' rate base over time	



GAZ MÉTRO-QDA EXPECTED NET INCOME VARIATION FOR FISCAL 2014 (\$ Millions)



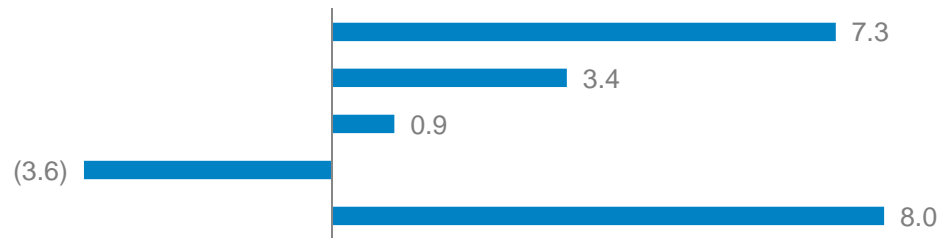
\$1.7M higher net income than anticipated in the rate case for first quarter

⁽¹⁾ 2014 rate case based on authorized ROE of 8.90% and cost of service as filed



GAZ MÉTRO'S SEGMENTS RECURRING NET INCOME⁽¹⁾ AND VARIANCE (\$ Millions)

56.8	Gaz Métro-QDA
16.1	Energy distribution in Vermont
0.8	Energy production
2.1	Others
75.8	Total



■ First quarter F2014 vs. F2013

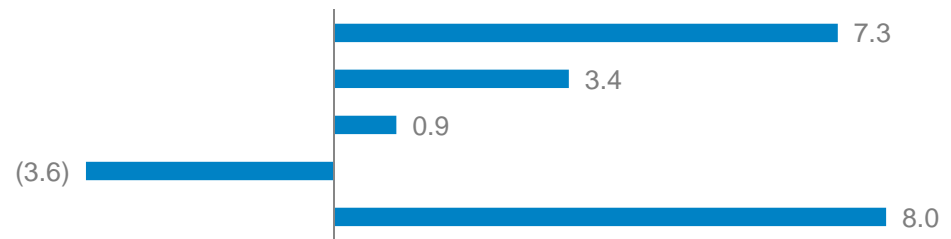
	GAZ MÉTRO-QDA	ENERGY DISTRIBUTION IN VERMONT
	<ul style="list-style-type: none"> Timing difference between revenue recognition profile and that of costs Impact of significantly colder than normal temperatures: <ul style="list-style-type: none"> Higher non-normalized volumes For normalized volumes, favorable impact stemming from inaccuracy in application of normalization mechanism 	<p>GMP:</p> <ul style="list-style-type: none"> Higher distribution rates Higher volumes delivered due to colder temperatures Synergies from operational integration with CVPS <p>VGS:</p> <ul style="list-style-type: none"> Increased customer usage <p>Stronger US dollar vs. Canadian dollar</p>

⁽¹⁾ Please refer to Non-GAAP measures in section J of MD&A



GAZ MÉTRO'S SEGMENTS RECURRING NET INCOME⁽¹⁾ AND VARIANCE (\$ Millions)

56.8	Gaz Métro-QDA
16.1	Energy distribution in Vermont
0.8	Energy production
2.1	Others
<u>75.8</u>	Total



■ First quarter F2014 vs. F2013

	ENERGY PRODUCTION	OTHERS
↑	Reversal of ineffective portion of swap arrangements	Short-term and interruptible sales of PNGTS
↓		<ul style="list-style-type: none"> • Lower revenues for TQM due to NEB's decision • Lower storage revenues for Intragaz due to Régie's decision • Sale of interest in HydroSolution in November 2012

⁽¹⁾ Please refer to Non-GAAP measures in section J of MD&A



Q & A



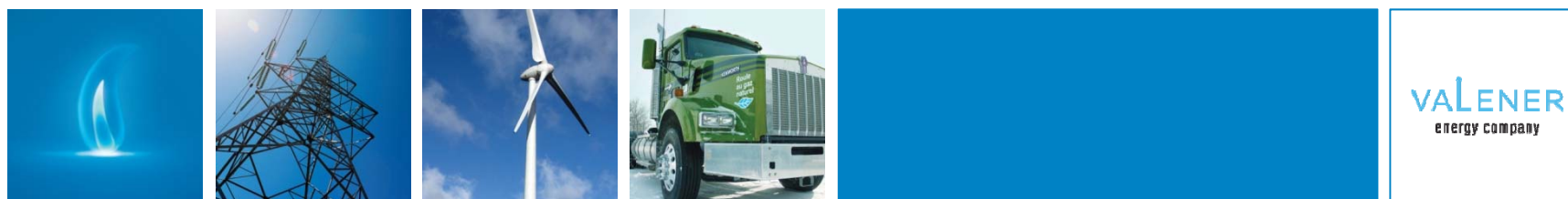


APPENDIX A - CURRENT COMPETITIVE POSITION OF NATURAL GAS IN QUÉBEC

MARKET	MAIN COMPETITORS	HOW COMPETITIVE IS NATURAL GAS? ⁽¹⁾
Industrial Ex.: Large companies in petrochemical, metallurgy, etc. industries	#6 Fuel Oil	44% cheaper
Commercial & Institutional Ex.: Hospitals, schools, restaurants, etc.	Electricity	Small business: 19% cheaper Large business: 42% cheaper
	#2 Fuel Oil	Small business: 52% cheaper Large business: 67% cheaper
Residential heating⁽²⁾	Electricity	2% to 20% cheaper
	#2 Fuel Oil	38% to 49% cheaper

(1) As at February 1st, 2014 (Current market prices)

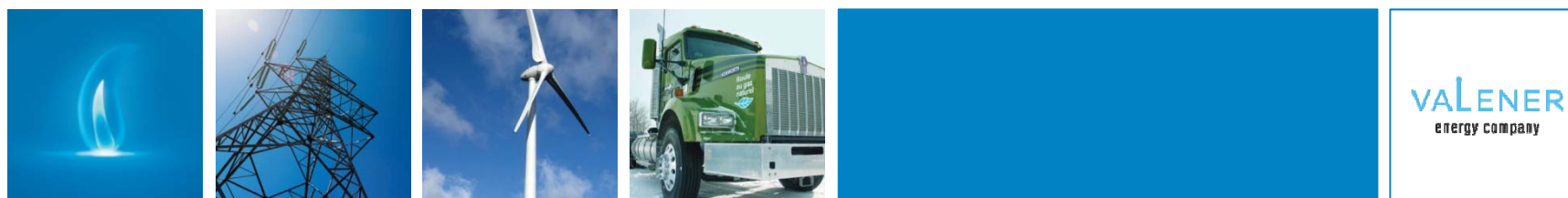
(2) Using high efficiency equipment



APPENDIX B – VALENER 2014 FISCAL YEAR FIRST QUARTER RESULTS

For the three months ended December 31 <i>(in millions of dollars, unless otherwise indicated)</i>	2013	2012	Change
Consolidated net income	16.9	18.6	(1.7)
Share in the non-recurring items of Gaz Métro	-	(4.3)	4.3
Income taxes on the share in the non-recurring items of Gaz Métro	-	1.1	(1.1)
Consolidated net income, excluding the share in the non-recurring items of Gaz Métro, net of income taxes	16.9	15.4	1.5
Less: Cumulative dividends on Series A preferred shares	1.1	1.1	0.0
Consolidated net income attributable to common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes ⁽¹⁾	15.8	14.3	1.5
Weighted average number of common shares outstanding <i>(in millions of common shares)</i>	37.8	37.6	0.2
Consolidated net income attributable to common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes, per common share <i>(in \$)</i> ⁽¹⁾	0.42	0.38	0.04

(1) These measures are financial measures that are not defined in the Canadian generally accepted accounting principles (GAAP). For additional information, refer to the Non-GAAP Financial Measures heading in Valener's MD&A for the first quarter ended, December 31, 2013.



APPENDIX C – GAZ MÉTRO 2014 FISCAL YEAR FIRST QUARTER RESULTS

For the three months ended, December 31	2013	2012	Change
<i>(in millions of dollars)</i>			
Energy Distribution			
Gaz Métro-QDA	56.8	49.5	7.3
VGS and GMP	21.4	17.6	3.8
Financing costs of investments in this segment ⁽¹⁾	(5.3)	(4.9)	(0.4)
	72.9	62.2	10.7
Natural Gas Transportation			
TQM, PNGTS and Champion Pipe Line Corporation Ltd.	4.5	4.8	(0.3)
Financing costs of investments in this segment ⁽¹⁾	(0.4)	(0.4)	-
	4.1	4.4	(0.3)
Energy Production			
Gaz Métro Éole inc. and Gaz Métro Éole 4 Inc.	0.8	(0.1)	0.9
Financing costs of investments in this segment ⁽¹⁾	-	-	-
	0.8	(0.1)	0.9
Energy Services, Storage and Other			
Energy and storage	-	17.7	(17.7)
Financing costs of investments in this segment ⁽¹⁾	(0.2)	(0.4)	0.2
Net gain on the sale of the stake in HydroSolution, L.P.	-	(14.7)	14.7
	(0.2)	2.6	(2.8)
Corporate Affairs			
Corporate affairs	(1.8)	(1.3)	(0.5)
	(1.8)	(1.3)	(0.5)
Consolidated net income attributable to Partners, excluding non-recurring items ⁽²⁾	75.8	67.8	8.0
Non-recurring items	-	14.7	(14.7)
Consolidated net income attributable to Partners	75.8	82.5	(6.7)

(1) These costs consist of the interest on the long-term debt incurred by Gaz Métro to finance investments in the subsidiaries, joint ventures and entities subject to significant influence of each segment.

(2) This measure is a financial measure not defined in the Canadian generally accepted accounting principles (GAAP). For additional information, refer to the non-GAAP financial measures heading in Valener's MD&A for the first quarter ended December 31, 2013.