VALENER
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2014 FISCAL YEAR RESULTS
CONFERENCE CALL

November 27, 2014

VNR LISTED ON TMX Toronto Stock Exchange

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CAUTIONARY NOTE

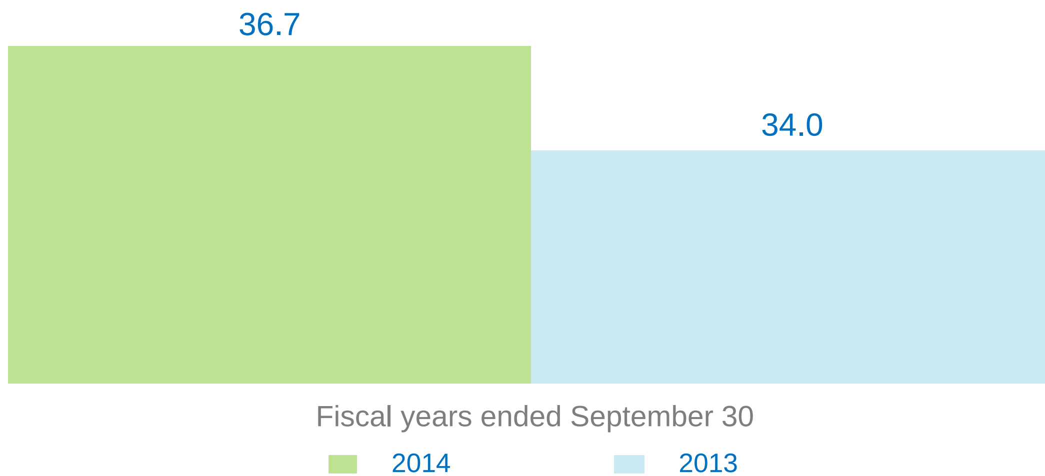
This presentation may contain forward-looking information within the meaning of applicable securities laws. Such forward-looking information reflects the intentions, plans, expectations and opinions of the management of Gaz Métro inc. (GMi), in its capacity as General Partner of Gaz Métro Limited Partnership (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 outside 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, uncertainty about obtaining approvals from regulatory agencies and interested parties to carry out activities in Gaz Métro’s various business segments and the socio-economic risks associated with such activity, the competitiveness of natural gas in relation to other energy sources, the reliability or costs of natural gas and electricity supply, the integrity of the natural gas and electricity distribution systems, the evolution 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 complete new development projects, the ability to secure future financing, general economic conditions, exchange rate and interest rate fluctuations, weather conditions and other factors described in the “Risk Factors Relating to Valener” and “Risk Factors Relating to Gaz Métro" sections of Valener’s and Gaz Métro’s Management’s Discussion and Analysis for the fiscal year ended September 30, 2014 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 or will be available at competitive costs; 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 and Wind Farm 4 can make distribution payments to its Partners; that GMP will be able to quickly and effectively integrate CVPS’s 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 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 fiscal year ended 2014, 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.

<u>Non-GAAP Financial Measures</u>

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 considered 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 be considered only as complementary information.

VALENER'S RECURRING NET INCOME [1] ($ millions)

$2.7M or 7.9% year-over-year increase



FISCAL 2014	DRIVER
	• Strong performance by Gaz Métro's energy distribution activities

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

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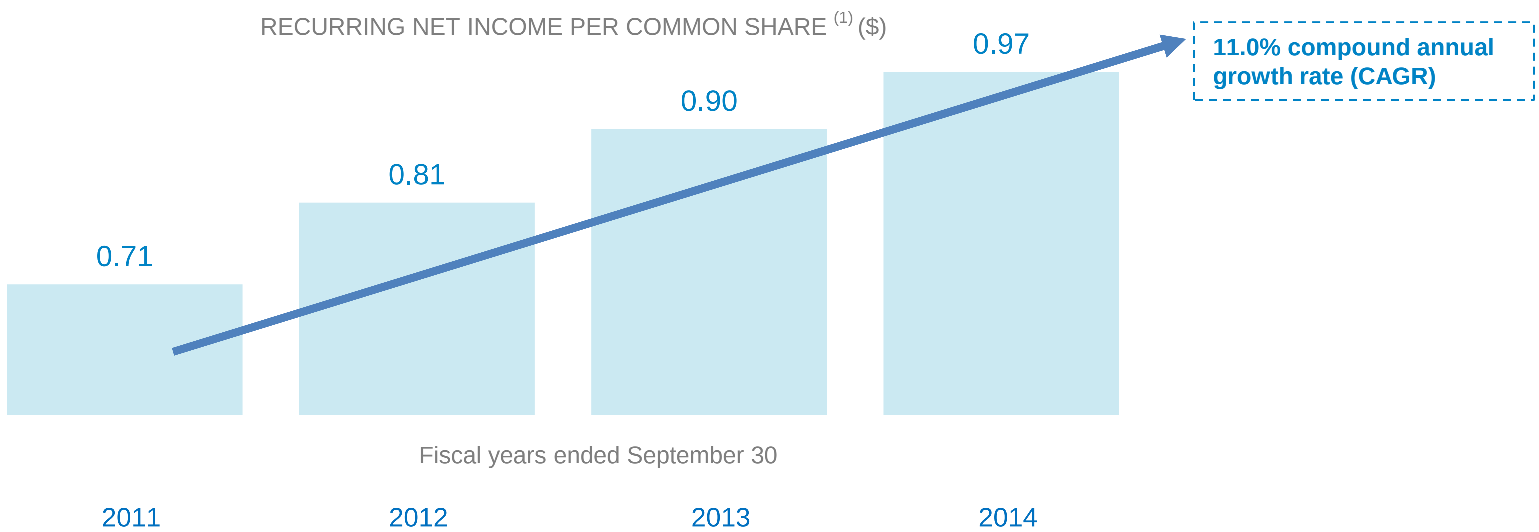
VALENER'S CONTINUED GROWTH SINCE ITS CREATION



11% CAGR in recurring net income per share reflecting Gaz Métro's successful growth strategy

(1) Net income attributable to common shareholders, excluding the share in non-recurring items of Gaz Métro, net of income taxes divided by the weighted average number of common shares outstanding
Please refer to Non-GAAP Financial Measures in sections A and L of MD&A

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UPDATE ON SEIGNEURIE DE BEAUPRÉ WIND FARMS

VALENER	GAZ MÉTRO
24.5%	25.5%

WIND FARMS	INSTALLED CAPACITY (MW)	NUMBER OF TURBINES	IN-SERVICE DATE	TOTAL INVESTMENT	AVERAGE ANNUAL DISTRIBUTABLE CASH FLOWS
Wind farms 2 and 3	272	126	November/December 2013	~$750M (incl. financing costs)	~$24M to $28M

- 645,143 MWh produced since in-service date
- Utilization factor of 32.9% (1)

During fiscal 2014, wind farms 2 and 3 generated over $60M (2) in cash flows related to operating activities to be partially distributed to partners during fiscal 2015

(1) Utilization factor is calculated as electricity produced divided by installed capacity (in MWh)
(2) Excludes repayment by Hydro-Québec for certain construction costs, which had a favourable impact on the change in non-cash working capital items




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UPDATE ON SEIGNEURIE DE BEAUPRÉ WIND FARMS (Cont'd)

VALENER 24.5%	GAZ MÉTRO 25.5%

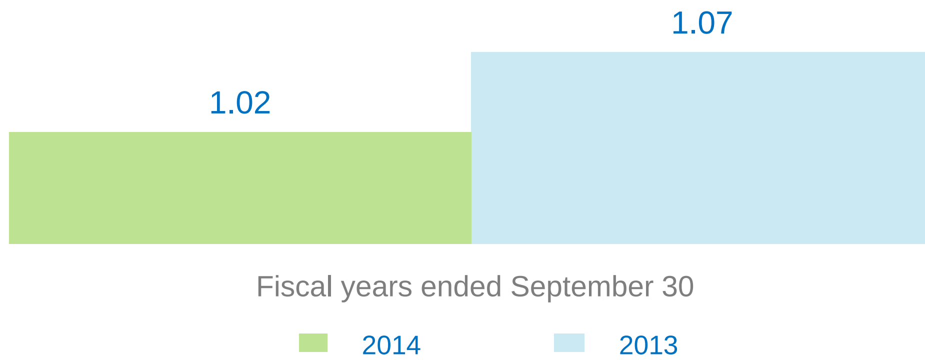
WIND FARM	INSTALLED CAPACITY (MW)	NUMBER OF TURBINES	EXPECTED IN-SERVICE DATE	TOTAL INVESTMENT	AVERAGE ANNUAL DISTRIBUTABLE CASH FLOWS
Wind farm 4	68	28	November 2014	~$190M (incl. financing costs)	~$6M to $7M
• Commissioning expected within next few days, on schedule and within budget					

Hydro-Québec's call for tenders for 450 MW of wind power

- Total installed capacity of 450 MW :
  - 300 MW in Bas-Saint-Laurent & Gaspésie-Îles-de-la-Madeleine regions
  - 150 MW for projects across Quebec
- To be connected to Hydro-Québec's main grid by 2016 and 2017
- Bids submitted by Gaz Métro and its partners for up to 150 MW to be developed on the Seigneurie de Beaupré property
- Bids under review by Hydro-Québec

VALENER'S NORMALIZED OPERATING CASH FLOWS PER COMMON SHARE [(1)] ($)

$0.05 year-over-year decrease



FISCAL 2014	DRIVERS
	• Decrease in distributions received from Gaz-Métro (Valener no longer benefits from a $6.7M per-year increase in Gaz Métro distributions, representing 0.13$ per common share)
	• Distributions received on Gaz Métro's units subscribed by Valener in Q4 of fiscal 2013 • Tax benefit arising from accelerated amortization of the wind assets

Distributions from wind farms are expected to contribute to cash flows in fiscal 2015

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

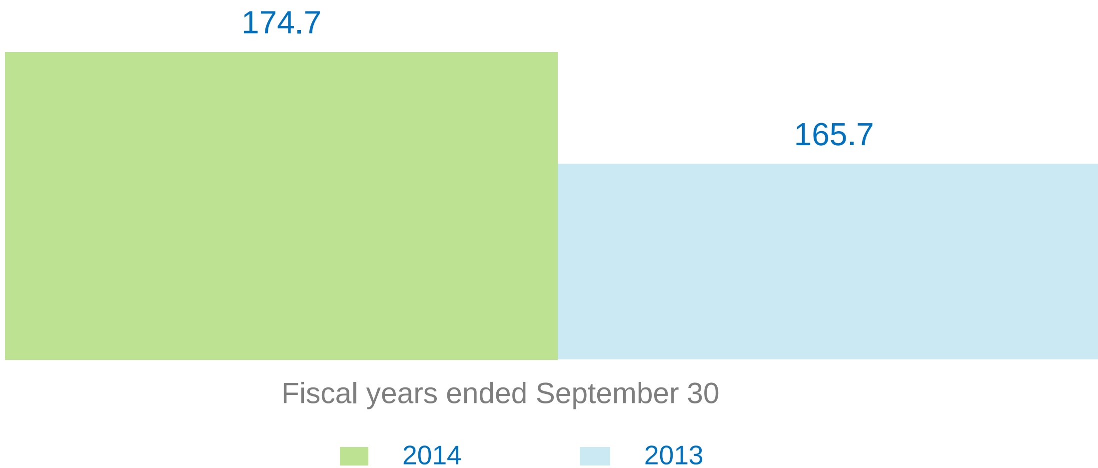
QUARTERLY DIVIDENDS DECLARED

AMOUNT PER SHARE	RECORD DATE	PAYABLE	DISCOUNT UNDER DRIP
Common shares			
$0.25	December 31, 2014	January 15, 2015	5% on new shares issued
Series A preferred shares			
$0.271875	January 9, 2015	January 15, 2015	Not applicable

Annualized dividend of $1 per common share to be paid in fiscal 2015

GAZ MÉTRO’S RECURRING NET INCOME [(1)] ($ millions)

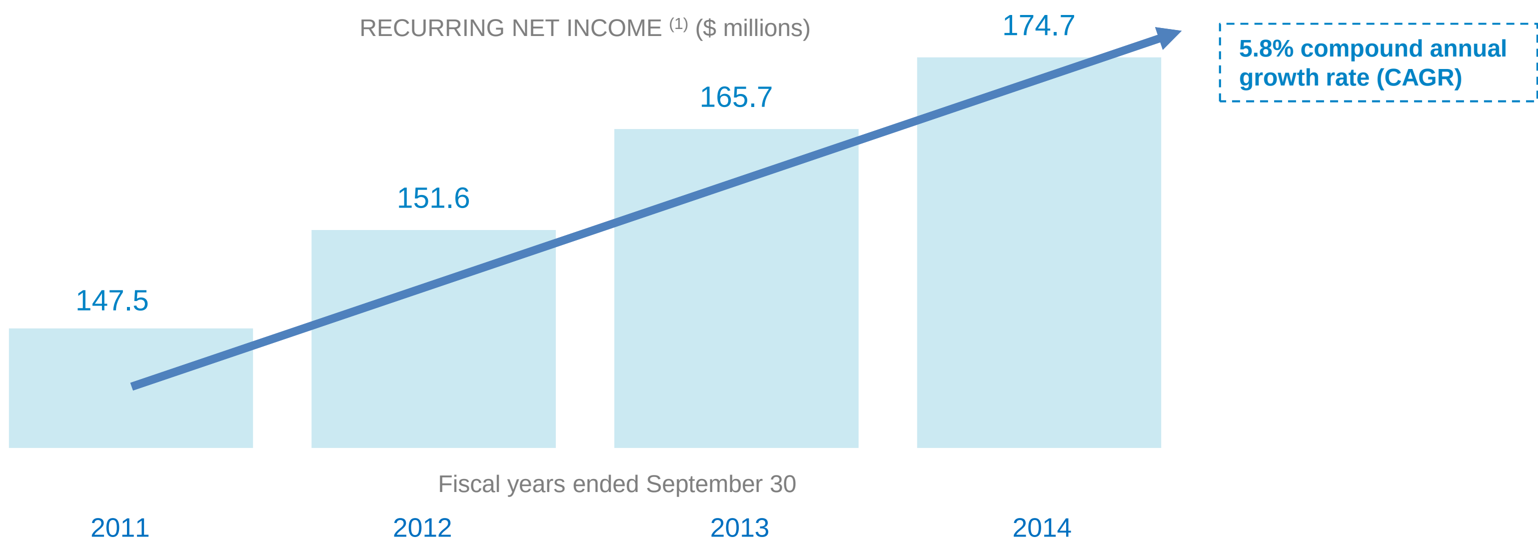
$9.0M or 5.4% year-over-year increase



FISCAL 2014	DRIVERS
↑	• Increase in volumes of natural gas and electricity distributed in Quebec and Vermont • Greater-than-anticipated synergies from operational integration of GMP and CVPS • Favourable impact of appreciation of U.S. dollar on results from U.S. operations

(1) Please refer to Non-GAAP Financial Measures in section L of MD&A

GAZ MÉTRO'S CONTINUED GROWTH



Gaz Métro's prudent and targeted diversification strategy translates into strong results

(1) Please refer to Non-GAAP Financial Measures in section L of MD&A

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GAZ MÉTRO'S GROWTH INITIATIVES

Liquefied natural gas (LNG)

- Partnership with Government of Quebec through Investissement Québec (IQ)
- $118M investment in which IQ will contribute up to $50M
- Project to triple the liquefaction capacity of Gaz Métro's LSR plant located in Eastern Montreal
  - Provide LNG to industries located outside main distribution network such as Nord-du-Québec and Côte-Nord regions
  - Target road and maritime transportation sectors
- Capacity expected to be available by 2016

Natural gas distribution network extension in Vermont

- Extension project expected to more than double VGS' rate base
- Phase I: Extension to Addison County
  - Project approved by VPSB
  - Construction and environmental permits obtained
  - Construction started in June 2014
  - Extension expected to be completed in December 2015
- Phase II: Extension to International Paper Company's mill in New York State
  - Technical hearings scheduled for January 2015
  - Regulatory approval pending




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GAZ MÉTRO'S GROWTH INITIATIVES

Operational integration and optimization of U.S. electricity distribution activities

- Three-year plan to merge processes and operations of GMP and CVPS
- US$5M of guaranteed cost-saving synergies returned to customers during fiscal 2014
- Excess synergies retained by GMP according to memorandum of understanding entered into upon CVPS acquisition

Wind farm projects

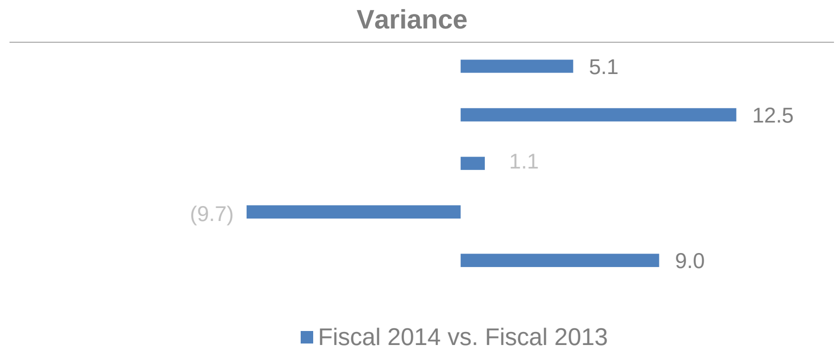
- Pursue development on Seigneurie de Beaupré property jointly with Valener and Boralex Inc.

Investments into existing energy distribution and transportation networks

- Invested over $325M in CAPEX during fiscal 2014 to maintain networks' security, reliability and sustainability

RECURRING NET INCOME [1] AND VARIANCE OF GAZ MÉTRO'S SEGMENTS ($ millions)

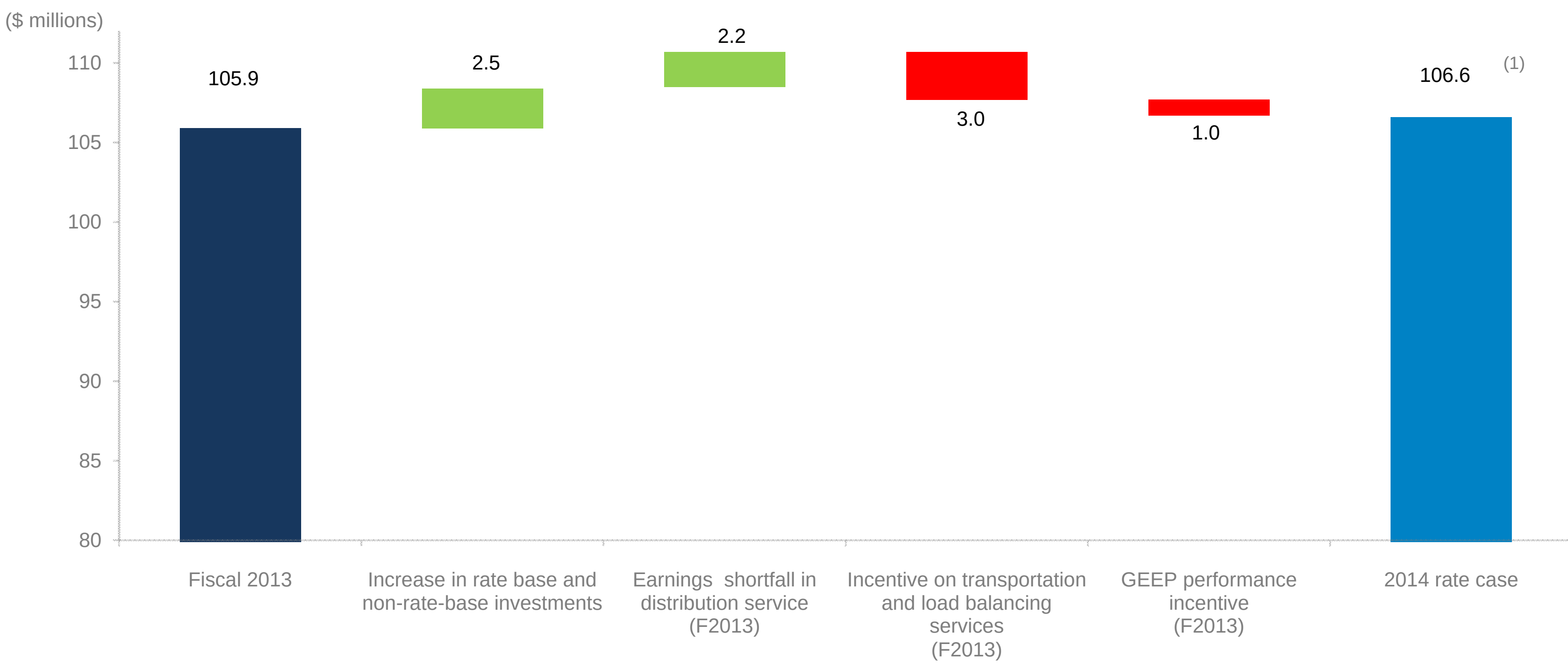
Segments	Fiscal year ended September 30, 2014
Gaz Métro-QDA	111.0
Energy distribution in Vermont	58.2
Energy production	-
Other	5.5
Total	174.7



FISCAL 2014		DRIVERS
Gaz Métro-QDA	↑	• Share in overearnings resulting from higher natural gas deliveries given a very cold winter • GEEP incentive • Decrease in financial expenses • 2014 rate case parameters (mainly rate base)
Energy distribution in Vermont	↑	• Synergies from operational integration of GMP and CVPS • 2014 rate case parameters for both GMP and VGS (mainly rate base and ROE) • Higher volumes delivered by GMP due to much colder winter temperatures, partly mitigated by higher supply, production and transmission costs • Appreciation of U.S. dollar

(1) Please refer to Non-GAAP Financial Measures in section L of MD&A

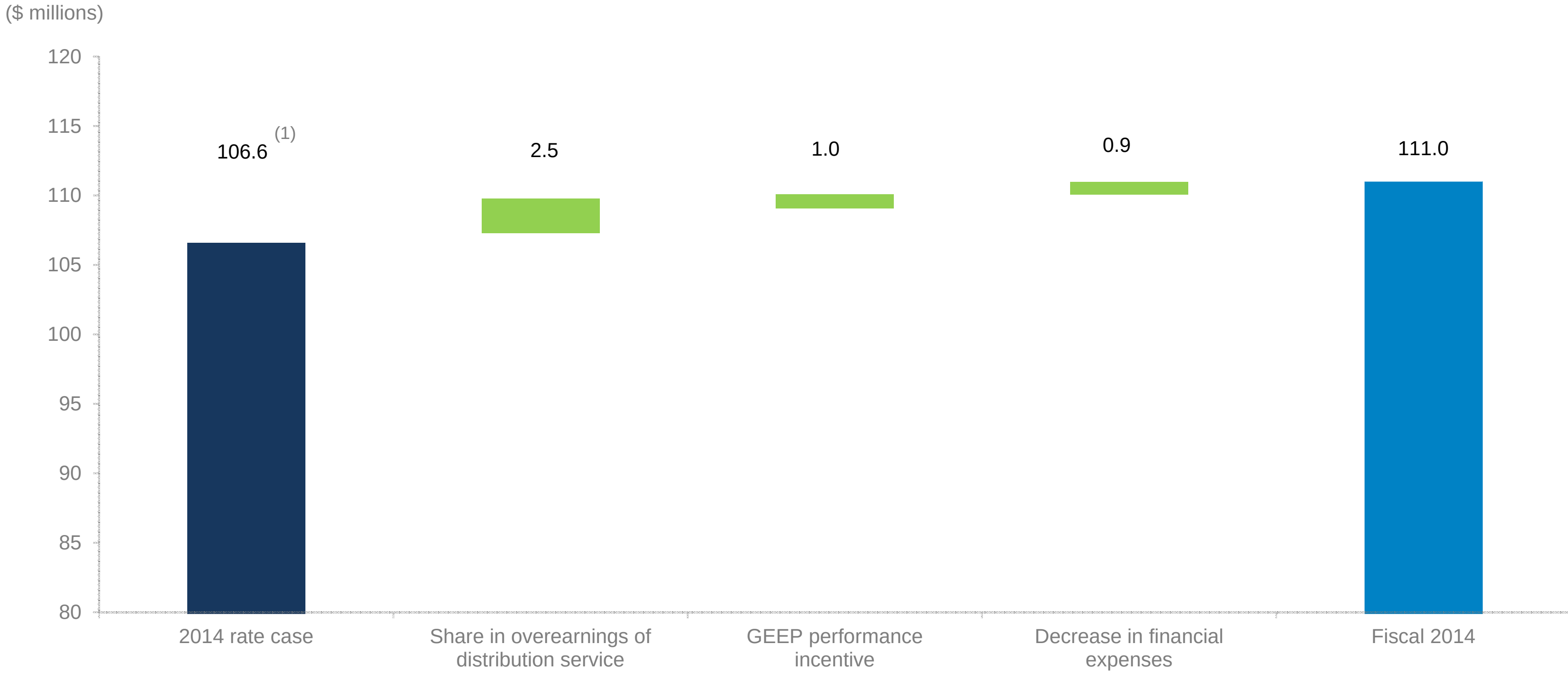
GAZ MÉTRO-QDA EXPECTED NET INCOME BASED ON 2014 RATE CASE



$0.7M expected increase in net income

(1) 2014 rate case based on authorized ROE of 8.90% and cost of service revised following Régie's decision on May 15, 2014

GAZ MÉTRO-QDA REALIZED NET INCOME IN FISCAL 2014



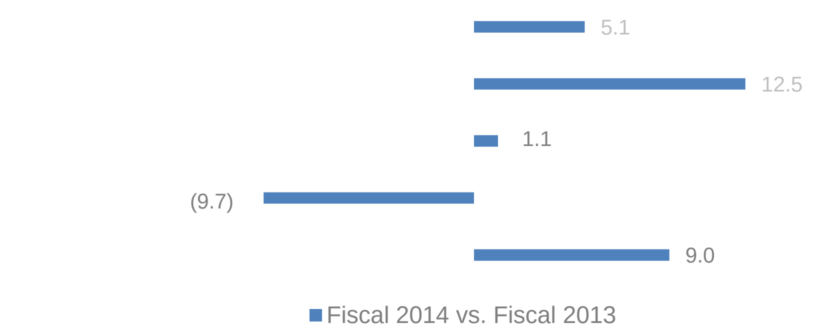
$4.4M upside compared to 2014 rate case

(1) 2014 rate case based on authorized ROE of 8.90% and cost of service revised following Régie's decision on May 15, 2014

RECURRING NET INCOME (1) AND VARIANCE OF GAZ MÉTRO'S SEGMENTS ($ millions)

Segments	Fiscal year ended September 30, 2014
Gaz Métro-QDA	111.0
Energy distribution in Vermont	58.2
Energy production	-
Other	5.5
Total	174.7

Variance



FISCAL 2014		DRIVERS
Energy production		• Net income generated by wind farms 2 and 3 since their commissioning during first quarter of fiscal 2014
Other segments		• Short-term sales and higher demand due to colder temperatures for PNGTS More than offset by: • Higher pipeline maintenance costs for TQM • Lower storage revenues for Intragaz due to Régie's decision in May 2013 • Lower profitability for CCUM due to higher fuel costs

(1) Please refer to Non-GAAP Financial Measures in section L of MD&A

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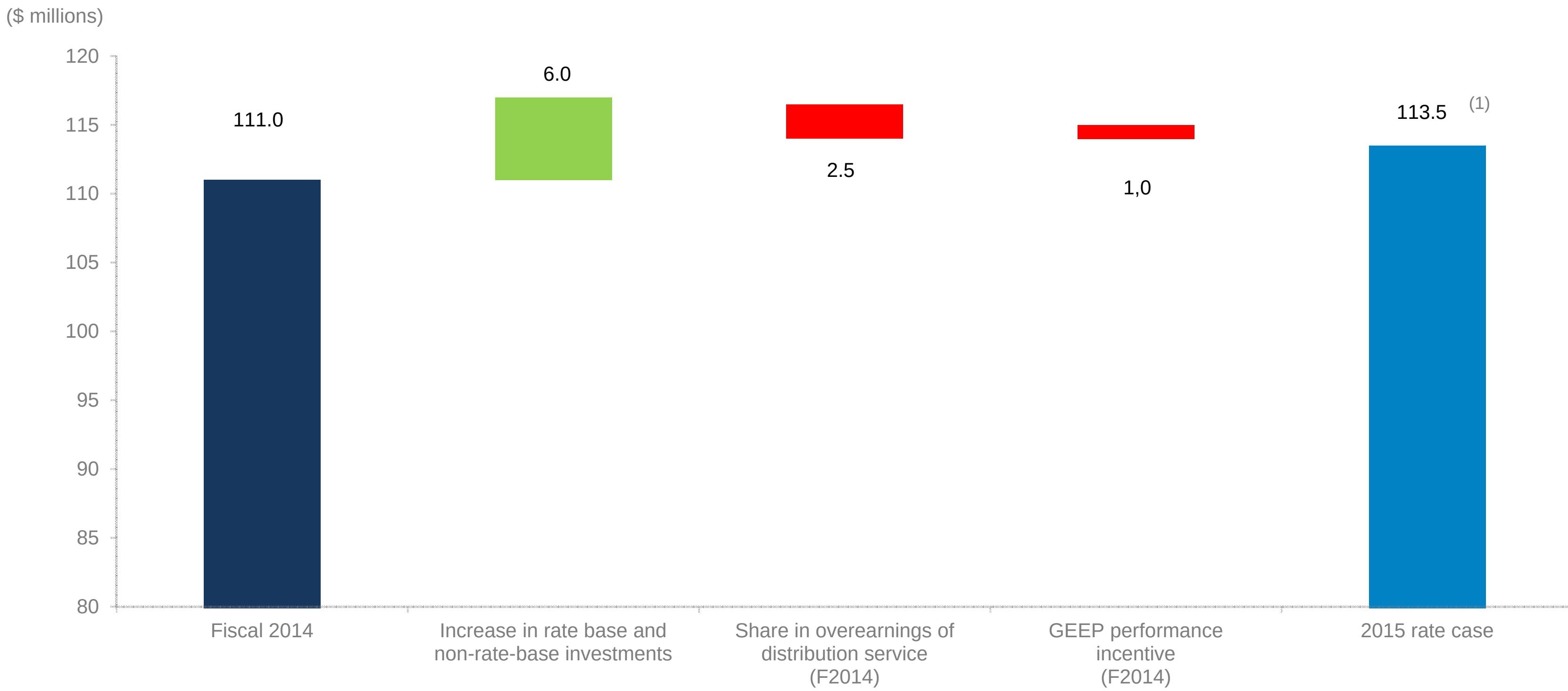
OUTLOOK FOR FISCAL 2015 - REGULATORY MATTERS IN QUEBEC

SUBJECT	FILING	OUTCOME
2015 rate case for Gaz Métro-QDA	Request: Renewal of 8.90% ROE Equity ratio: 38.5% (1) (same as in fiscal 2014) Average rate base: $1,937M (up $35M vs. fiscal 2014) Cost of service and rate impact filed in October 2015 Rates authorized for fiscal 2014 renewed on an interim basis as of October 1, 2014	ROE approved by Régie in May 2014 Régie's decision expected by summer 2015

(1) Deemed equity is divided as follows: 38.5% common equity and 7.5% preferred equity

GAZ MÉTRO-QDA EXPECTED NET INCOME BASED ON 2015 RATE CASE



$2.5M expected increase in net income

(1) 2015 rate case based on authorized ROE of 8.90% and cost of service as filed

OUTLOOK FOR FISCAL 2015 - REGULATORY MATTERS IN VERMONT

SUBJECT	FILING	OUTCOME
2015 rate case for GMP	Request: Average rate base: US$1,164M (up US$5M vs. fiscal 2014) ROE of 9.60% (up 2 bps vs. fiscal 2014) Equity ratio: 50.0% (vs. 49.6% in fiscal 2014)	Approved by VPSB in August 2014
2015 rate case for VGS	Request: Average rate base: US$215M [1] (up US$71M vs. fiscal 2014) ROE of 10.20% (down 6 bps vs. fiscal 2014) Equity ratio: 55.0% (same as in fiscal 2014)	Approved by VPSB in October 2014

(1) Including US$89M (US$33M in 2014) related to investments made in the Addison County system development project

GAZ MÉTRO'S EXPECTED CASH REQUIREMENTS FOR FISCAL 2015

REQUIREMENTS

CAPEX of **~$390M**
for extensions and improvements to energy distribution systems

- Gaz Métro-QDA: ~$130M
- VGS & GMP: ~$240M
- Other: ~$20M

CAPEX of **~$50M**
for LSR plant expansion

CAPEX of **~$20M**
to complete wind farm 4

~$460M

SOURCES

Cash flows from operations & credit facilities of **~$226M**

Long-term debt of **~$93M** (1)

Contribution from Investissement Québec of **~$21M**

Equity injection from GMi of **~$85M** (2)

Equity injection from Valener of **~$35M** (2)

To be financed with Valener's cash flows from operations and largely unused credit facility

(1) $20M project financing non-recourse to Gaz Métro and Valener. Already funded (included in restricted cash)
Remaining portion in US$ converted at C$1.12
(2) Additional equity could be required depending on impact of CATS regulation
Note: amounts presented on consolidated basis

Q & A

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APPENDIX A - SEIGNEURIE DE BEAUPRÉ WIND FARMS[1] FINANCIAL UPDATE

Financial metrics (Gaz Métro's 50% consolidated interest)	Fiscal year ended September 30, 2014
Revenues from electricity sales ($ millions)	34.8
EBITDA ($ millions) [2]	28.1
EBITDA margin (%) [2]	80.7

(1) Wind farm 2 began commercial operations on November 28, 2013 and wind farm 3 on December 10, 2013
(2) EBITDA is a non-GAAP measure, as defined in Gaz Métro's financial statements




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APPENDIX B - CURRENT COMPETITIVE POSITION OF NATURAL GAS IN QUEBEC

MARKET	COMPETING ENERGY	SAVINGS (1)
Industrial E.g.: Large companies in petrochemical, metallurgical industries	#6 fuel oil	56%
Commercial & institutional E.g.: Hospitals, schools, restaurants	Electricity	21% (small business) 41% (large business)
	#2 fuel oil	38% (small business) 57% (large business)
Residential heating (2)	Electricity	8% to 25%
	#2 fuel oil	20% to 35%

(1) For the natural gas distribution activity in Quebec. Based on prices as at November 1, 2014.
(2) Using high efficiency equipment




APPENDIX C – VALENER FOURTH QUARTER AND FISCAL 2014 RESULTS

(in millions of dollars, unless otherwise indicated)	**3 months ended September 30** **2014**	2013	Change	**Fiscal year ended September 30** **2014**	2013	Change
Consolidated net income (loss)	**(5.5)**	(3.1)	(2.4)	**41.0**	41.5	(0.5)
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 (loss), excluding the share in the non-recurring items of Gaz Métro, net of income taxes [1]	**(5.5)**	(3.1)	(2.4)	**41.0**	38.3	2.7
Less: Cumulative dividends on Series A preferred shares	**1.0**	1.0	-	**4.3**	4.3	-
Consolidated net income (loss) attributable to common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes [1]	**(6.5)**	(4.1)	(2.4)	**36.7**	34.0	2.7
Weighted average number of common shares outstanding *(in millions of common shares)*	**38.0**	37.7	0.3	**37.9**	37.7	0.2
Consolidated net income (loss) attributable to common shareholders, excluding the share in the non-recurring items of Gaz Métro, net of income taxes, per common share *(in $)* [1]	**(0.17)**	(0.11)	(0.06)	**0.97**	0.90	0.07

(1) Please refer to Non-GAAP Financial Measures in sections A and L of MD&A




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APPENDIX D – GAZ MÉTRO FOURTH QUARTER AND FISCAL 2014 RESULTS

	3 months ended September 30			Fiscal year ended September 30		
(in millions of dollars)	**2014**	2013	Change	**2014**	2013	Change
Energy Distribution						
Gaz Métro-QDA	**(45.3)**	(33.1)	(12.2)	**111.0**	105.9	5.1
GMP and VGS	**21.9**	16.3	5.6	**81.2**	65.6	15.6
Financing costs of investments in this segment (1)	**(6.2)**	(5.8)	(0.4)	**(23.0)**	(19.9)	(3.1)
	(29.6)	(22.6)	(7.0)	**169.2**	151.6	17.6
Natural Gas Transportation						
TQM, PNGTS and Champion Pipe Line Corporation Ltd.	**3.5**	3.5	-	**17.9**	17.6	0.3
Financing costs of investments in this segment (1)	**(0.5)**	(0.5)	-	**(1.8)**	(1.5)	(0.3)
	3.0	3.0	-	**16.1**	16.1	-
Energy Production						
Gaz Métro Éole inc. and Gaz Métro Éole 4 Inc.	**(0.3)**	(0.4)	0.1	**0.4**	(1.1)	1.5
Financing costs of investments in this segment (1)	**(0.2)**	-	(0.2)	**(0.4)**	-	(0.4)
	(0.5)	(0.4)	(0.1)	**-**	(1.1)	1.1
Energy Services, Storage and Other						
Energy and storage	**(0.8)**	2.6	(3.4)	**(2.0)**	22.8	(24.8)
Financing costs of investments in this segment (1)	**(0.3)**	(0.3)	-	**(0.9)**	(1.1)	0.2
Net gain on the disposal of the interest in HydroSolution, L.P.	**-**	-	-	**-**	(14.7)	14.7
	(1.1)	2.3	(3.4)	**(2.9)**	7.0	(9.9)
Corporate Affairs						
Corporate Affairs	**(2.1)**	(2.6)	0.5	**(7.7)**	(7.9)	0.2
	(2.1)	(2.6)	0.5	**(7.7)**	(7.9)	0.2
Consolidated net income (loss) attributable to Partners, excluding non-recurring items (2)	**(30.3)**	(20.3)	(10.0)	**174.7**	165.7	9.0
Non-recurring items	**-**	-	-	**-**	14.7	(14.7)
Consolidated net income (loss) attributable to Partners	**(30.3)**	(20.3)	(10.0)	**174.7**	180.4	(5.7)

(1) These costs consist of the interest on 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) Please refer to Non-GAAP Financial Measures in section L of MD&A