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FISCAL 2015 THIRD QUARTER RESULTS

Conference Call

August 7, 2015




Our energies: fueling sustainable performance

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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”, “seeks”, “targets”, “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 that approvals will be obtained by Gaz Métro from regulatory agencies and interested parties to carry out all of its activities and the socio-economic risks associated with such activities, the competitiveness of natural gas in relation to other energy sources in the context of falling global oil prices, 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 Seigneurie de Beaupré Wind Farms 2 and 3 General Partnership (Wind Farms 2 and 3) and Seigneurie de Beaupré Wind Farm 4 General Partnership (Wind Farm 4) and other development projects, the ability of Valener to generate sufficient cash to support its anticipated target annual dividend growth rate on its common shares, 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 and Gaz Métro’s disclosure filings. Although the forward-looking statements contained herein are based on 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 Québec and in the New England states will occur; that the applications filed with the regulatory agencies 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 Wind Farms 2 and 3 and Wind Farm 4 can make distribution payments to their partners; that Valener will be able to generate sufficient cash to support its anticipated target annual dividend growth rate on its common shares; that Green Mountain Power Corporation (GMP) will be able to continue 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 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 June 30, 2015, 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 non-recurring items of Valener and the share in the non recurring items of Gaz Métro, net of income taxes, net income attributable to the common shareholders, excluding the non-recurring items of Valener and 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.

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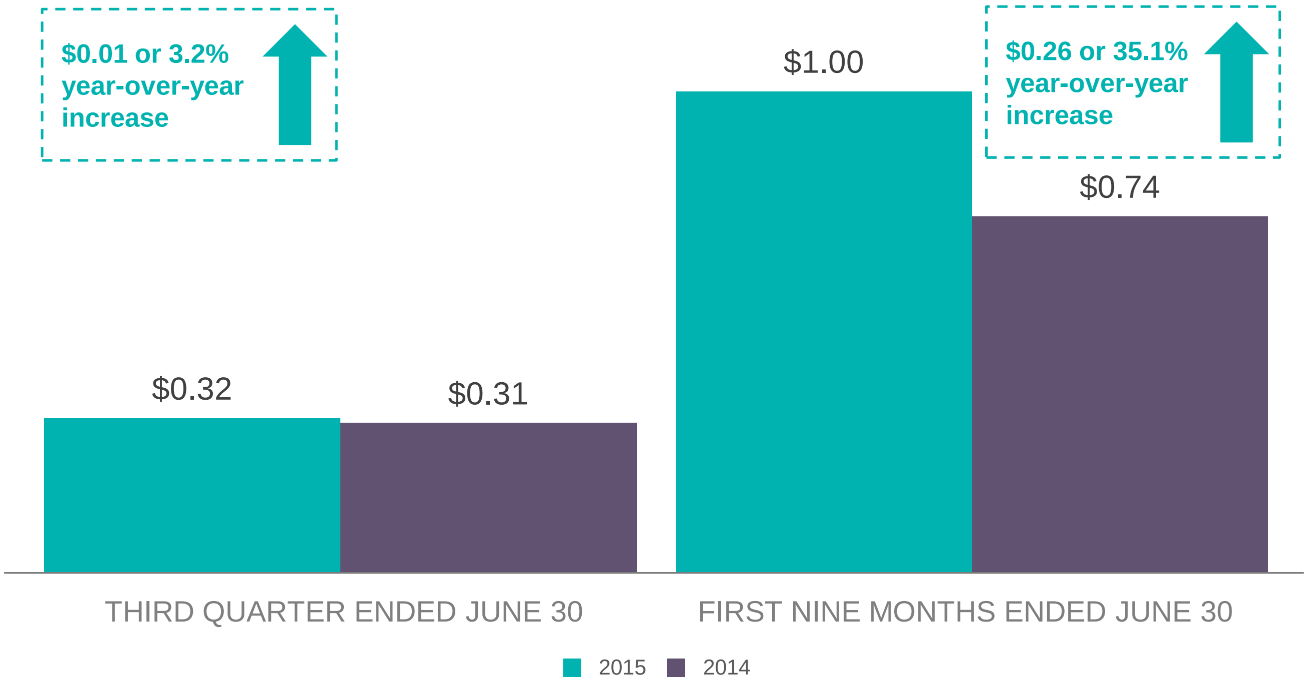
VALENER'S NORMALIZED OPERATING CASH FLOWS PER COMMON SHARE(1)

Strong cash flows with first distribution paid by Wind Farms in February 2015



DRIVERS

- Distribution of $4.7 million or $0.12 per share received by Valener from Wind Farms 2 and 3 in February 2015
- Tax benefit arising from accelerated depreciation of the wind power assets

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(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-Canadian-GAAP Financial Measures in section A of the MD&A.

Annualized dividend of $1.04 per common share

Target increase of 4% per year over next three years

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VALENER'S QUARTERLY DIVIDENDS DECLARED

	AMOUNT PER SHARE	RECORD DATE	PAYABLE	DISCOUNT UNDER DRIP
Common shares	**$0.26**	**Sept. 30, 2015**	**October 15, 2015**	**2% on new shares issued**
Series A preferred shares	**$0.271875**	**October 8, 2015**	**October 15, 2015**	**Not applicable**

UPDATE ON SEIGNEURIE DE BEAUPRÉ WIND FARMS 2 AND 3

Strong performance of Wind Farms

First distribution of $19.1M paid in Q2, and another expected in Q4 of fiscal 2015

VALENER 24.5%	GAZ MÉTRO 25.5%

INSTALLED CAPACITY	NUMBER OF TURBINES	IN-SERVICE DATE	TOTAL INVESTMENT	AVERAGE ANNUAL DISTRIBUTABLE CASH FLOWS
272 MW	**126**	**November / December 2013**	**≈ $750M (incl. financing costs)**	**≈ $24M to $28M**

	Q3		FIRST NINE MONTHS	
	FISCAL 2015	FISCAL 2014	FISCAL 2015	FISCAL 2014
Production (MWh)	**220,493**	**184,441**	**736,459**	**461,662**
Utilization factor[(1)]	**37.1%**	**31.1%**	**41.3%**	**33.9%**
Operating cash flows[(2)]	**$23.0M**	**$16.3M**	**$51.5M**	**$53.1M[(3)]**

(1) Utilization factor is calculated as electricity produced divided by installed capacity (in MWh)
(2) Before debt service
(3) Includes a $38.3 million refund related to an amount of taxes receivable incurred primarily in fiscal 2013

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UPDATE ON SEIGNEURIE DE BEAUPRÉ WIND FARM 4

Strong performance of Wind Farm

Distribution expected in Q4 of fiscal 2015




VALENER 24.5%	GAZ MÉTRO 25.5%

INSTALLED CAPACITY	NUMBER OF TURBINES	IN-SERVICE DATE	TOTAL INVESTMENT	AVERAGE ANNUAL DISTRIBUTABLE CASH FLOWS
68 MW	**28**	**December 2014**	**≈ $190M (incl. financing costs)**	**≈ $6M to $7M**

	Q3		FIRST NINE MONTHS	
	FISCAL 2015	FISCAL 2014	FISCAL 2015	FISCAL 2014
Production (MWh)	**55,265**	**-**	**137,310**	**-**
Utilization factor(1)	**37.2%**	**-**	**39.7%**	**-**
Operating cash flows(2)	**$4.5M**	**$0.1M**	**$3.6M**	**$0.2M**

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(1) Utilization factor is calculated as electricity produced divided by installed capacity (in MWh)
(2) Before debt service

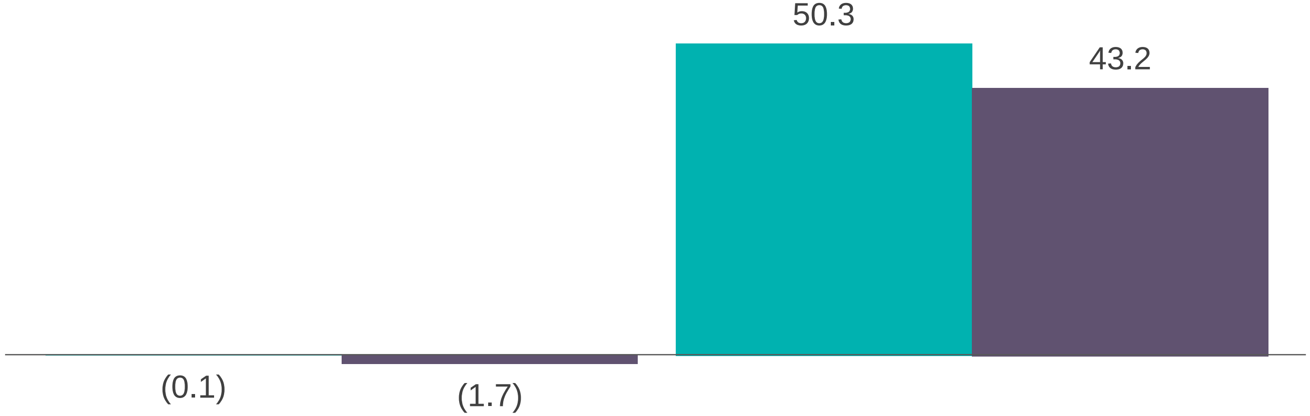
VALENER'S RECURRING NET INCOME (LOSS)[1]

Q3 typical loss due to seasonality of Gaz Métro's results

Mostly offset by strong results from Wind Farms

$1.6M year-over-year decrease in net loss

$7.1M or 16.4% year-over-year increase in net income



DRIVERS

Increase in Gaz Métro's and Wind Farms' earnings

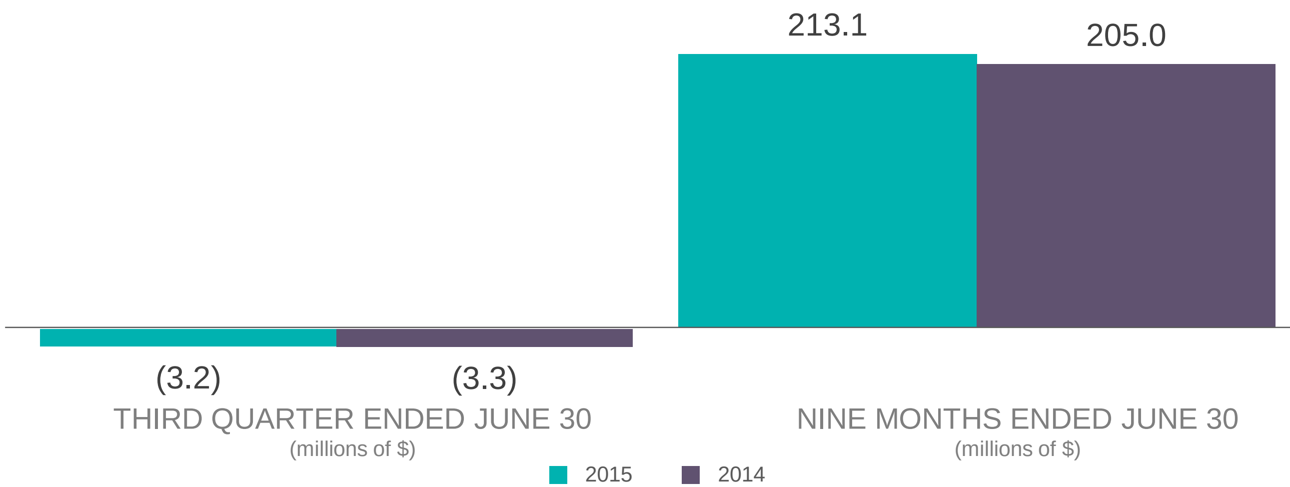
(1) Net income (loss) attributable to common shareholders, excluding the non-recurring items of Valener and the share in non-recurring items of Gaz Métro, net of income taxes. Please refer to Non-Canadian-GAAP Financial Measures in sections A and J of the MD&A.

Q3 typical loss due to seasonality of natural gas distribution activity in Québec

GAZ MÉTRO'S RECURRING NET INCOME (LOSS)[1]

$0.1M year-over-year decrease in net loss

$8.1M or 4.0% year-over-year increase in net income



DRIVERS

- Positive impact of appreciation of US dollar on results from US operations
- Favourable contribution from Seigneurie de Beaupré Wind Farms

- Decrease in Gaz Métro-QDA's net income, as anticipated in 2015 rate case
- Decrease in GMP's revenues

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

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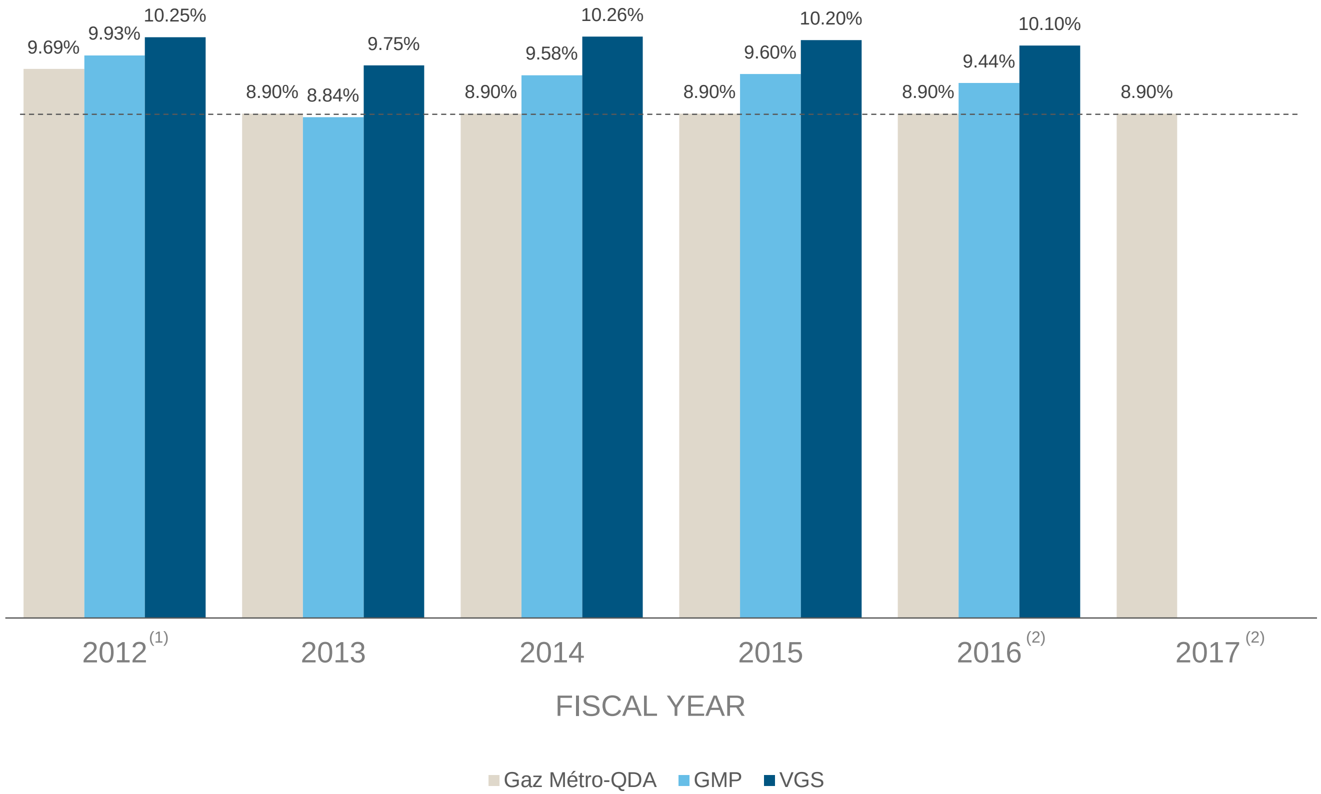
POSITIVE OUTLOOK FOR GAZ MÉTRO'S ENERGY DISTRIBUTION SEGMENT

Régie approved renewal of 8.90% ROE in fiscal 2016 and 2017

Provides visibility and stability




AUTHORIZED ROE ON COMMON EQUITY



(1) Gaz Métro-QDA's authorized ROE includes 0.79% in productivity gain

(2) Gaz Métro-QDA's authorized ROE for fiscal 2016 and 2017. VGS' ROE for fiscal 2016 as included in June 2015 preliminary filing to Vermont Public Service Board (VPSB). GMP's ROE for fiscal 2016 as filed to VPSB in August 2015.

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Increasing demand for LNG

GAZ MÉTRO'S POSITIVE DEVELOPMENTS IN LNG ACTIVITY

- Increase in short-term deliveries

	Q3		FIRST NINE MONTHS	
	FISCAL 2015	FISCAL 2014	FISCAL 2015	FISCAL 2014
LNG deliveries ***(millions of cubic metres)***	**3.6**	**-**	**19.6**	**6.0**

- Agreement in principle with Hydro-Québec Distribution to supply LNG to the TransCanada Energy (TCE) power plant in Bécancour starting in winter 2018
  - Gaz Métro, through its subsidiaries, would build, supply and operate an LNG storage, treatment and regasification site close to the TCE power plant
  - 20-year agreement with Hydro-Québec Distribution
  - Project subject to approvals from the Régie de l'énergie and Québec government
- Ongoing expansion at LSR plant aimed at tripling liquefaction capacity by the end of 2016
  - Projected investment of $118M, including up to $50M contributed by Investissement Québec




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GAZ MÉTRO'S VERMONT GROWTH INITIATIVES

Green Mountain Power (GMP)

- Operational integration with Central Vermont Public Service
  - Efficiencies and synergies still meeting expectations
  - Already reached US$8M in synergy savings attributable to customers for fiscal 2015
  - Additional synergy savings will be realized and retained by GMP, as per sharing mechanism

Vermont Gas Systems (VGS)

- Natural gas distribution network extension to Addison County
  - VGS has invested US$66.5M to date
  - Vermont Public Service Board held hearings in June 2015 to review updated budget of US$153.6M and reconfirm Certificate of Public Good; a decision is expected later this fall
  - Timeline for completion expected towards end of 2016

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GAZ MÉTRO SEGMENT RESULTS: RECURRING NET INCOME (LOSS)[1] AND VARIANCE

Segments	Third quarter ended June 30, 2015 (millions of $)	Year-over-year variance (millions of $)	First nine months ended June 30, 2015 (millions of $)	Year-over-year variance (millions of $)
Gaz Métro - QDA	(12.3)	(1.7)	154.9	(1.4)
Energy distribution in Vermont	8.3	0.3	46.4	3.9

DRIVERS

Gaz Métro- QDA	↓	▪ Timing difference between revenue recognition profile and that of costs, expected to reverse during Q4 of fiscal 2015 ▪ Higher share in overearnings recognized in fiscal 2014 due to impact on natural gas deliveries of a very cold winter
	↑	▪ Decrease in financial expenses
Energy distribution in Vermont	↑	▪ Appreciation of US dollar ▪ Increase in GMP's rate base ▪ Return on VGS's non-rate-base investments related to its distribution network extension
	↓	▪ Decrease in GMP's revenues, mainly due to energy efficiency measures undertaken by customers and consumption variances between peak and off-peak periods

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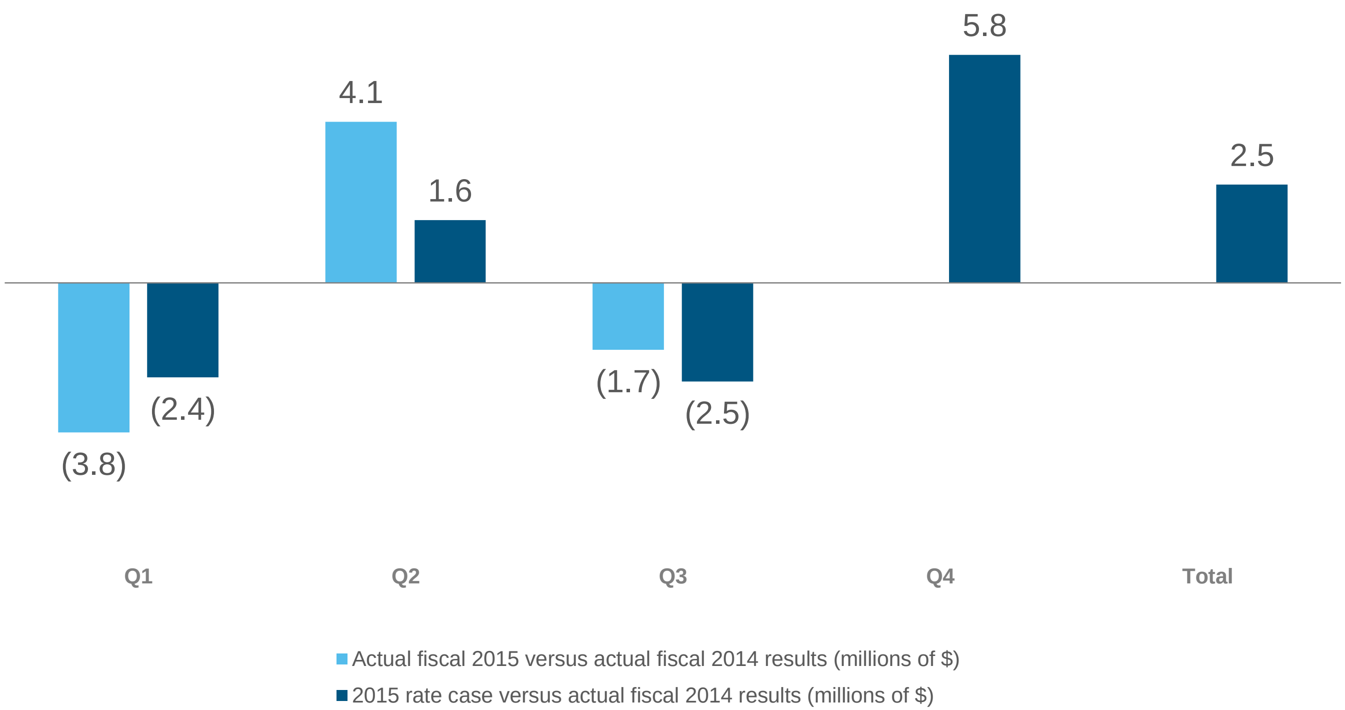
(1) Please refer to Non-Canadian-GAAP Financial Measures in section J of MD&A

GAZ MÉTRO-QDA'S EXPECTED NET INCOME VARIATION FOR FISCAL 2015(1)

$1.9M higher net income than anticipated in rate case for first nine months



(1) 2015 rate case based on authorized ROE of 8.90% and cost of service as filed in October 2014. Anticipated net income of $113.5M. Differences due to rounding.




GAZ MÉTRO SEGMENT RESULTS: RECURRING NET INCOME (LOSS)[1] AND VARIANCE

Segments	Third quarter ended June 30, 2015 (millions of $)	Year-over-year variance (millions of $)	First nine months ended June 30, 2015 (millions of $)	Year-over-year variance (millions of $)
Energy production	0.3	0.6	2.7	2.2
Other	0.5	0.9	9.1	3.4

DRIVERS

Energy production	▪ Favourable winds ▪ Revenues from Wind Farms 2 and 3, commissioned at end of Q1 of fiscal 2014 ▪ Revenues from Wind Farm 4, commissioned in December 2014
Other	▪ Increase in Portland Natural Gas Transmission System's (PNGTS) short-term and interruptible sales ▪ Increase in LNG deliveries due to signing of new short-term contracts ▪ Increase in Climatisation et Chauffage Urbains de Montréal's profitability due to lower fuel supply costs
	▪ Federal Energy Regulatory Commission's February 2015 decision on PNGTS' rates

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

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GAZ MÉTRO'S EXPECTED CASH REQUIREMENTS FOR FOURTH QUARTER OF FISCAL 2015

REQUIREMENTS

- CAPEX of **≈ $20M** for LSR plant expansion
- CAPEX of **≈ $119M** mainly for extensions and improvements to energy distribution systems
  - Gaz Métro-QDA: ≈ $47M
  - VGS and GMP: ≈ $58M
  - Other: ≈ $14M

SOURCES

- Contribution from Investissement Québec of **≈ $9M**
- Cash flows from operations & credit facilities of **≈ $10M**
- Equity injection from GMi of **≈ $85M**
- Equity injection from Valener of **≈ $35M**

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

≈ $139M

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Note: amounts presented on consolidated basis

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Questions and answers

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

Financial metrics (Gaz Métro's 50% consolidated interest)	**Third quarter ended June 30, 2015**	**First nine months ended June 30, 2015**
Revenues from electricity sales (millions of $)	14.8	47.1
EBITDA (millions of $) [2]	12.4	40.2
EBITDA margin (%) [2]	83.8	85.4

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(1) Wind Farm 2 began commercial operations on November 28, 2013, Wind Farm 3 on December 10, 2013, and Wind Farm 4 on December 1, 2014

(2) EBITDA is a Non-Canadian-GAAP measure, as defined in Gaz Métro's financial statements

APPENDIX B - CURRENT COMPETITIVE POSITION OF NATURAL GAS IN QUÉBEC




MARKET	COMPETING ENERGY	SAVINGS[1]
Industrial e.g. large companies in petrochemical and metallurgical industries	**#6 fuel oil**	**58%**
Commercial and institutional e.g. hospitals, schools, restaurants	**Electricity**	**39% (small business) 56% (large business)**
	#2 fuel oil	**39% (small business) 56% (large business)**
Residential heating [2]	**Electricity**	**15% to 30%**
	#2 fuel oil	**18% to 33%**

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(1) For the natural gas distribution activity in Québec. Based on prices as at August 1, 2015.
(2) Using high-efficiency equipment