



**AVANGRID
RENEWABLES**

December 7, 2017



BOEM VA & NC Task Force Kitty Hawk Offshore Wind

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Legal Notice

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Certain statements in this presentation may relate to our future business and financial performance and future events or developments involving us and our subsidiaries that are not purely historical and may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as “may,” “will,” “should,” “can,” “expects,” “believes,” “anticipates,” “intends,” “plans,” “estimates,” “projects,” “assumes,” “guides,” “targets,” “forecasts,” “is confident that” and “seeks” or the negative of such terms or other variations on such terms or comparable terminology. Such forward looking statements include, but are not limited to, statements about our plans, objectives and intentions, outlooks or expectations for earnings, revenues, expenses or other future financial or business performance, strategies or expectations, or the impact of legal or regulatory matters on our business, results of operations or financial condition. Such statements are based upon the current beliefs and expectations of our management and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, without limitation, the risks and uncertainties set forth under the section entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Report on Form 10-Q for the nine months ended September 30, 2017, which is on file with the Securities and Exchange Commission (SEC) and available on our investor relations website at www.Avangrid.com and on the SEC website at www.sec.gov. Additional information will also be set forth in subsequent filings with the SEC. You should consider these factors carefully in evaluating forward looking statements. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may vary in material respects from those expressed or implied by these forward-looking statements. You should not place undue reliance on these forward-looking statements. We do not undertake any obligation to update or revise any forward-looking statements to reflect events or circumstances after the date of this presentation whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

About AVANGRID

Avangrid, Inc. (NYSE: AGR) is a diversified energy and utility company with approximately \$32 billion in assets and operations in 27 states. The company owns regulated utilities and electricity generation assets through two primary lines of business, Avangrid Networks and Avangrid Renewables. Avangrid Networks is comprised of eight electric and natural gas utilities, serving approximately 3.2 million customers in New York and New England. Avangrid Renewables operates 6.7 gigawatts of electricity capacity, primarily through wind power, in 23 states across the United States. AVANGRID employs approximately 6,800 people. For more information, visit www.avangrid.com.

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Use of Non-GAAP Financial Measures

To supplement our consolidated financial statements presented in accordance with U.S. GAAP, AVANGRID considers certain non-GAAP financial measures that are not prepared in accordance with U.S. GAAP, including adjusted net income, adjusted EPS, adjusted gross margin and adjusted EBITDA. The non-GAAP financial measures we use are specific to AVANGRID and the non-GAAP financial measures of other companies may not be calculated in the same manner. We use these non-GAAP financial measures, in addition to U.S. GAAP measures, to establish operating budgets and operational goals to manage and monitor our business, evaluate our operating and financial performance and to compare such performance to prior periods and to the performance of our competitors. We believe that presenting such non-GAAP financial measures is useful because such measures can be used to analyze and compare profitability between companies and industries because it eliminates the impact of financing and certain non-cash charges as well as allow for an evaluation of AVANGRID with a focus on the performance of its core operations. In addition, we present non-GAAP financial measures because we believe that they and other similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance.

We provide adjusted net income, which is adjusted to reflect the effect of mark-to-market changes in the fair value of derivative instruments used by AVANGRID to economically hedge market price fluctuations in related underlying physical transactions for the purchase and sale of electricity, adjustments for the non-core Gas Storage business, and the impairment of certain investments and excludes the sale of certain equity investments. We define adjusted EBITDA as net income attributable to AVANGRID, adding back income tax expense, depreciation, amortization, impairment of non-current assets and interest expense, net of capitalization, and then subtracting other income and earnings from equity method investments. We also define adjusted gross margin as adjusted EBITDA adding back operations and maintenance and taxes other than income taxes and then subtracting transmission wheeling. The most directly comparable U.S. GAAP measure to adjusted EBITDA and adjusted gross margin is net income. We believe that presenting these non-GAAP financial measures is useful in understanding and evaluating actual and projected financial performance and contribution of AVANGRID core lines of business and to more fully compare and explain our results. The most directly comparable U.S. GAAP measure to adjusted net income is net income. We also provide adjusted EPS, which is adjusted net income converted to an earnings per share amount.

The use of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, AVANGRID's U.S. GAAP financial information, and investors are cautioned that the non-GAAP financial measures are limited in their usefulness, may be unique to AVANGRID, and should be considered only as a supplement to AVANGRID's U.S. GAAP financial measures. The non-GAAP financial measures may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools. Non-GAAP financial measures are not primary measurements of our performance under U.S. GAAP and should not be considered as alternatives to operating income, net income or any other performance measures determined in accordance with U.S. GAAP.

Avangrid Renewables

A collection of exceptional assets...

One of the largest wind project owners in the U.S. with more than 6 GWs owned and contracted

More than \$10 billion of U.S. assets at nearly 60 installed plants

750+ employees at the end of 2016, compared with 12 in 1999

636 MW of CCGT & peaking capacity on the strategic CA-OR border

Represents 39% of Iberdrola S.A.'s global wind capacity

US Renewables



Wind

6,000+ MW



Power

536 MW CCGT
100 MW peaking



Solar & Biomass

106 MW Solar
55 MW Biomass

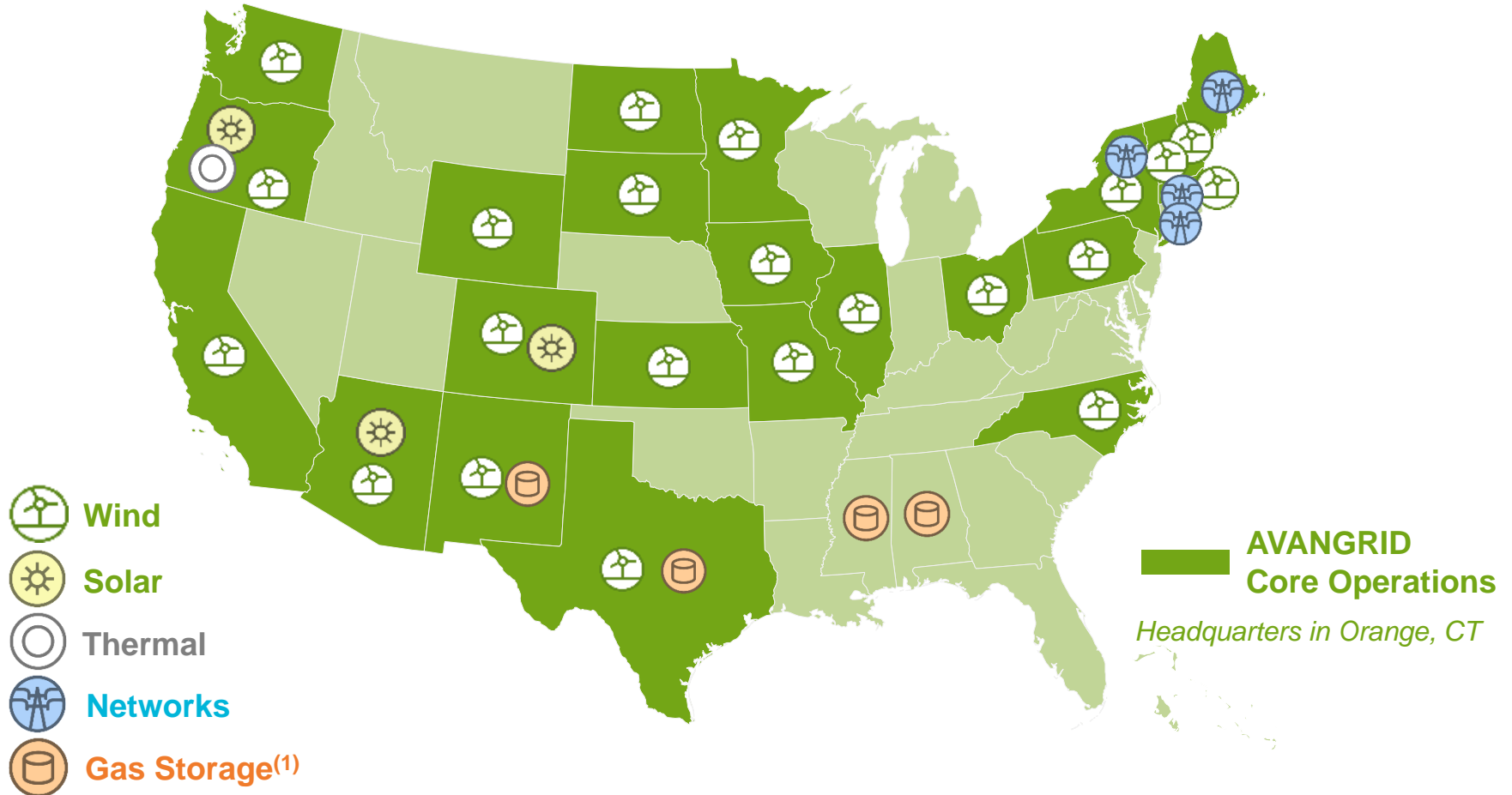
And clean gas generation

...focused on operational excellence and selective growth

April 2017

AVANGRID's Geographic Presence

~ \$32 billion in assets with a presence in 27 states
3rd largest wind operator in the U.S.
> 6 GW wind & solar in operation



(1) Under strategic review

More than 48,000 MWs of installed capacity...

150-year history with roots in hydroelectric energy

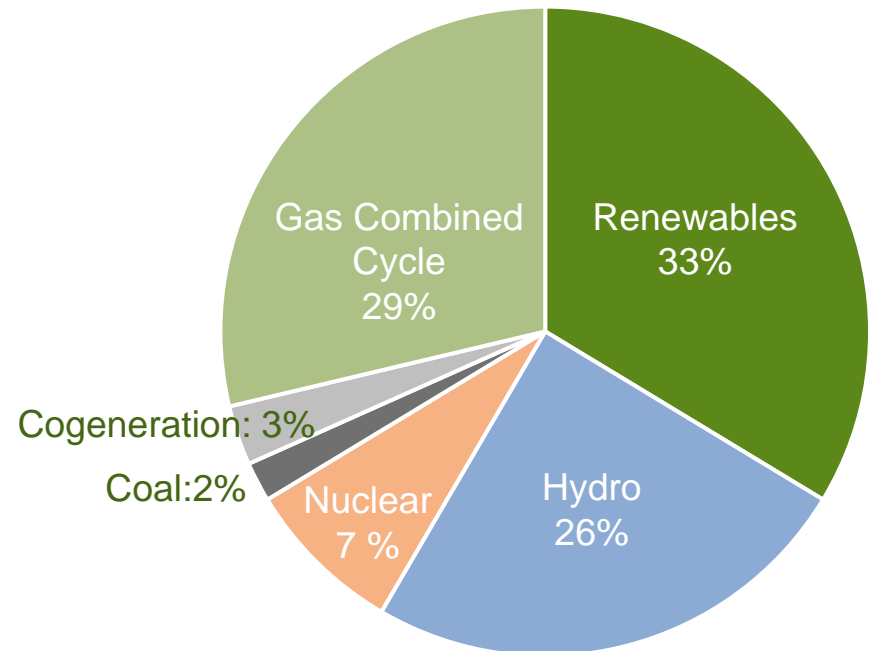
Leading renewables producer worldwide with around 16 GW installed

> 34,000+ employees in nearly 40 countries

One of the cleanest portfolios in the energy sector

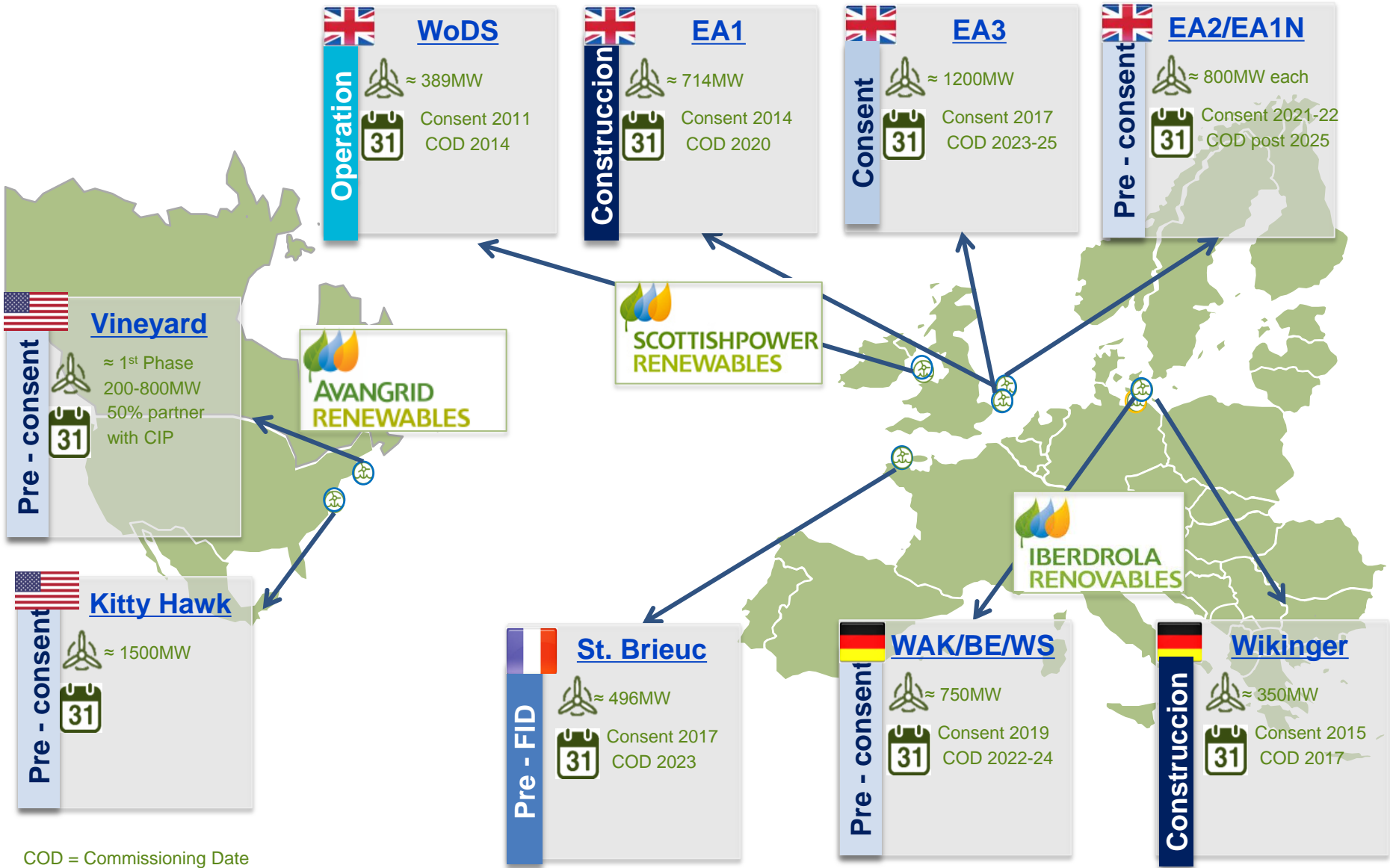
Strategic focus on US, UK, Latin America and Spain

Energy Capacity*
(67% emissions free)



...that is flexible and economical

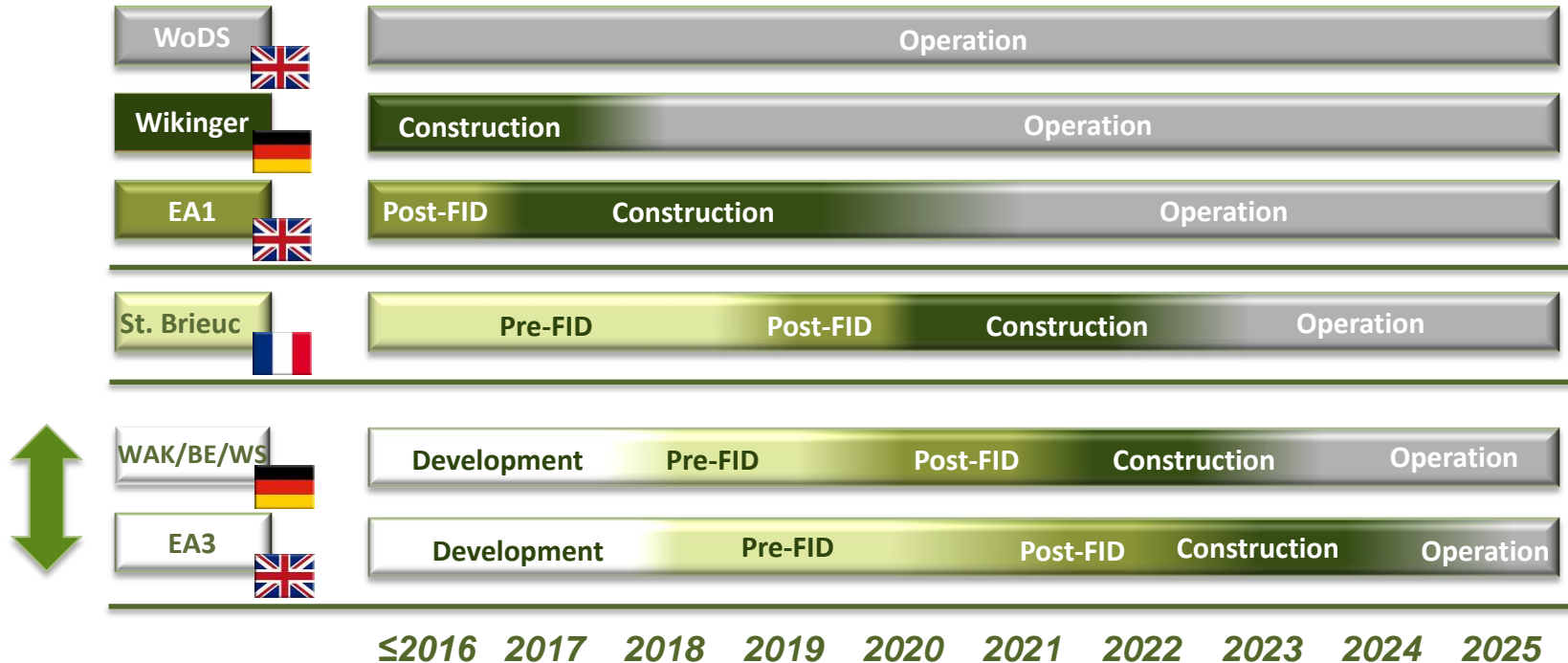
Offshore pipeline overview Iberdrola Group



COD = Commissioning Date

Development program

Scaled development of up to 3,5GW before 2025 in Europe



Program of latest projects could be altered due to strategic and regulatory effects

Avangrid Renewables' Kitty Hawk Offshore Project

Avangrid Renewables knows the offshore market

Strong Presence in North Carolina

- Built Amazon Wind Farm North Carolina (208MW)
- Knowledge of market
- Supply chain knowledge and leverage
- Stakeholder relationships
- Transmission development expertise

Leading US Renewable Player

- Knowledge of markets
- Diverse customer base
- State and Federal policy and regulation expertise
- Track record with PPAs/offtake, tax and investment credits
- Balance sheet financing

Leading Global Offshore Wind Player

- Project delivery record
- Cost reduction record
- Large development, engineering, procurement and construction expertise
- Leading edge technology experience
- Supply chain plan delivery experience

US offshore is also complementary to Iberdrola Group strategy

...Investing in large scale renewable generation assets...

...Growth in US beyond current PTC cycle expiration...

...Increase \$ exposure...

Avangrid Renewables US Offshore Activity

Growth Opportunity in Early-Stage Market with Strong Potential



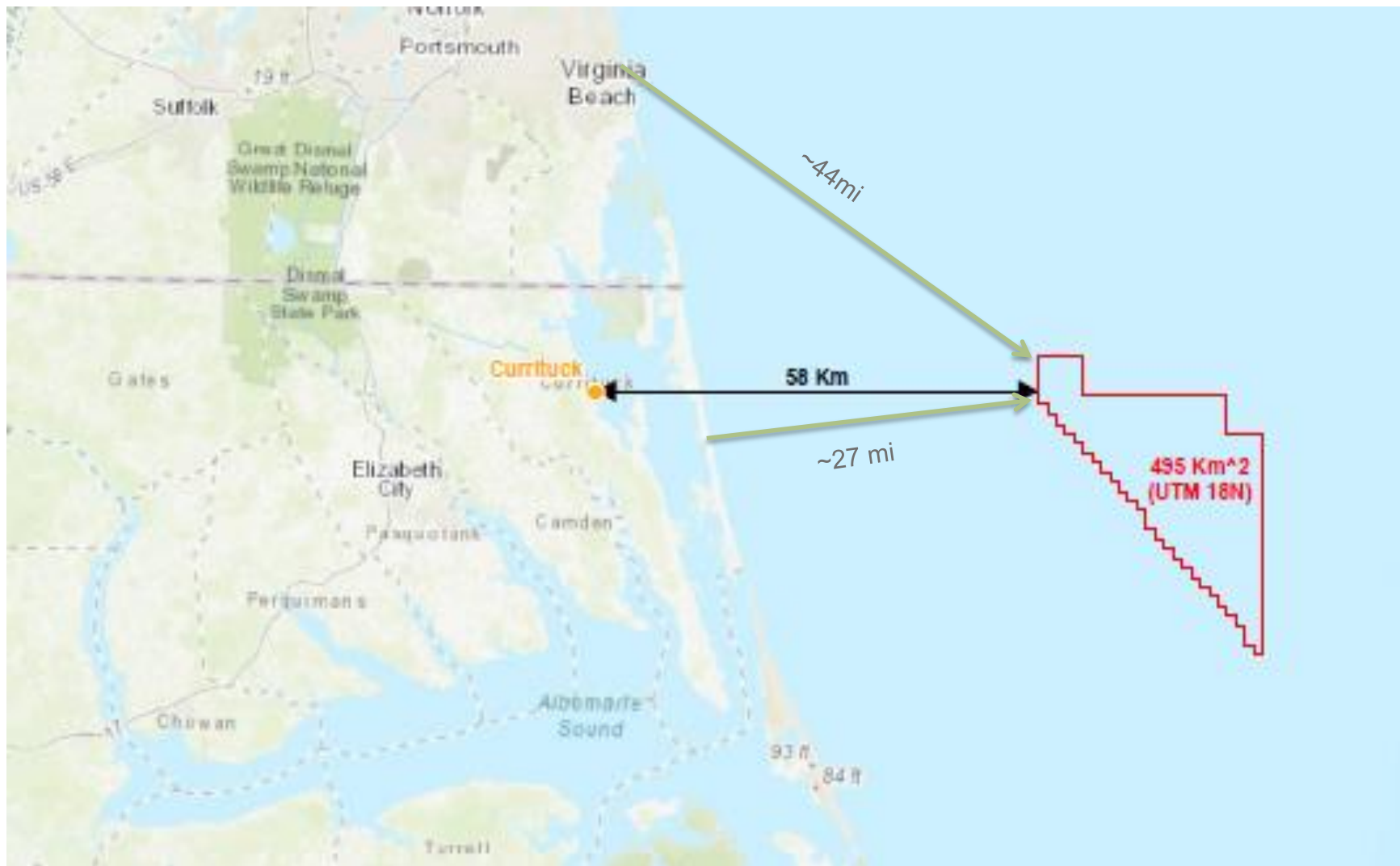
Offshore Pipeline:

- I. 50% ownership in **Vineyard Wind** (joint with Copenhagen Infrastructure Partners (CIP)), a 166,886 acre lease ~15 mi south of **Martha's Vineyard, MA**
 - Plans to participate in **MA RFP for Offshore wind** – bids due December '17
 - Development team: **significant experience** from Avangrid Renewables, Iberdrola Group & CIP
- II. 100% ownership of **Kitty Hawk, NC**
122,405 acre lease ~24 miles off coast (signed lease with Bureau of Ocean & Energy Management October '17)

Project Timelines Beyond 2020



The Avangrid Project Kitty Hawk Lease Area



Avangrid Kitty Hawk Project

So what happens in the short-term.....?

- An experienced project team has been put in place to move things forward
- Detailed discussions with BOEM on permitting requirements
- Data reviews to increase our understanding of the project area and identify gaps
- Define requirements for site environmental conditions monitoring
 - Wind conditions
 - Wave conditions
 - Current and tidal conditions
- Prepare and submit a Site Assessment Plan (SAP)
- Define project development activities and timelines for next stages of project

Questions ?

