SUBJECT TO COMPLETION
PRELIMINARY PROSPECTUS SUPPLEMENT DATED JUNE 9, 2016

PROSPECTUS SUPPLEMENT
(To the Short Form Base Shelf Prospectus dated June 8, 2016)

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

A copy of this preliminary prospectus supplement has been filed with the securities regulatory authority in the Province of Nova Scotia but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus supplement may not be complete and may have to be amended.

This prospectus supplement (the "Prospectus Supplement"), together with the short form base shelf prospectus dated June 8, 2016 (the "Prospectus") to which it relates, as amended and supplemented, and each document incorporated by reference or deemed to be incorporated by reference into this Prospectus Supplement or the accompanying Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this Prospectus Supplement and the accompanying Prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Emera Incorporated at 5151 Terminal Road, Halifax, Nova Scotia B3J 1A1 (telephone: 902-428-6096) and are also available electronically at www.sedar.com.*

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the United States Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This Prospectus Supplement and the accompanying Prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

No distribution of securities pursuant to this prospectus will be made to purchasers in Canada.

U.S.$ % Fixed-to-Floating Subordinated Notes — Series 2016-A due , 2076
First Preferred Shares Issuable Upon Automatic Conversion

Emera Incorporated ("Emera" or the "Company") proposes to issue and sell pursuant to this Prospectus Supplement and the accompanying Short Form Base Shelf Prospectus (the "Prospectus") U.S.$ principal amount of unsecured, % Fixed-to-Floating Subordinated Notes — Series 2016-A due , 2076 (the "Notes"). The Notes will mature on , 2076 (the "Maturity Date").

Each of the Underwriters named below is an affiliate of a financial institution that has, either solely or as a member of a syndicate of financial institutions, extended (or will extend) credit facilities to, or holds (or will hold) other indebtedness of, the Company and/or its subsidiaries. See "Financing the Acquisition" and "Capitalization" in the accompanying Prospectus. J.P. Morgan Securities LLC is also acting as financial advisor to Emera in connection with Emera's proposed acquisition of TECO Energy, Inc. (the "Acquisition") and is receiving a fee therefor. Consequently, the Company may be considered a "connected issuer" of these Underwriters within the meaning of applicable Canadian securities legislation.

Emera will pay interest on the Notes at a fixed rate of % per year in equal semi-annual installments on and of each year until , 2026. Starting on , 2026, Emera will pay interest on the Notes on every , , and of each year during which the Notes are outstanding thereafter until , 2076 (each such semi-annual or quarterly date, as applicable, an "Interest Payment Date"). Starting on , 2026, and on every , , and of each year during which the Notes are outstanding thereafter until , 2076 (each such date, an "Interest Reset Date"), the interest rate on the Notes will be reset at an interest rate per annum equal to (i) starting on , 2026, on every Interest Reset Date until , 2046, the three month LIBOR plus %, payable in arrears and (ii) starting on , 2046, on every Interest Reset Date until , 2076, the three month LIBOR plus %, payable in arrears.

So long as no event of default has occurred and is continuing, Emera may elect, at its sole option, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (a "Deferral Period"). Deferred interest will accrue, compounding on each subsequent Interest Payment Date, until paid. No Deferral Period may extend beyond the Maturity Date.

The Notes, including accrued and unpaid interest thereon, will be converted automatically (an "Automatic Conversion"), without the consent of the holders thereof, into shares of a newly-issued series of First Preferred Shares of Emera (the "Conversion Preferred Shares") upon the occurrence of an Automatic Conversion Event (as hereinafter defined). As the events that give rise to an Automatic Conversion are bankruptcy and related events, it is in the interest of Emera to ensure that an Automatic Conversion does not occur, although the events that could give rise to an Automatic Conversion may be beyond Emera's control.

On or after , 2026, Emera may, at its option, redeem the Notes, in whole at any time or in part from time to time on any Interest Payment Date at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Prior to the initial Interest Reset Date and within 90 days of a Tax Event (as hereinafter defined), Emera may, at its option, redeem all (but not less than all) of the Notes at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption.

Prior to the initial Interest Reset Date and within 90 days of a Rating Event (as hereinafter defined), Emera may, at its option, redeem all (but not less than all) of the Notes at a redemption price equal to 102% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption.

If (i) Emera does not consummate the Acquisition on or prior to the later of December 31, 2016 and the date that is no later than June 30, 2017, if the closing date of the Acquisition has been extended by Emera or TECO Energy, Inc. in accordance with the terms of the Acquisition Agreement (as such date may be extended as described herein, the "special mandatory redemption triggering date") or (ii) the Acquisition Agreement is terminated at any time prior to the special mandatory redemption triggering date, then Emera will be required to redeem the Notes, in whole, on the special mandatory redemption date (as hereinafter defined) at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest from and including the date of initial issuance, or the most recent date to which interest has been paid, whichever is later, to, but not including, the special mandatory redemption date. See "Description of the Notes — Special Mandatory Redemption."

The Underwriters, as principals, conditionally offer the Notes in the U.S., subject to prior sale if, as and when issued by Emera and accepted by the Underwriters in accordance with the conditions contained in the underwriting agreement referred to under "Underwriting," and subject to the approval of certain legal matters relating to the offering of the Notes.

	Price to Public[1]	Underwriting Discount	Proceeds, before expenses, to Emera
Per Note	%	%	%
Total	U.S.$	U.S.$	U.S.$

(1) Plus accrued interest, if any, from , 2016, if initial settlement occurs after that date.

In connection with the offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Notes offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. The Underwriters propose to offer the Notes initially at the offering price specified above. **After a reasonable effort has been made to sell all of the Notes at the price specified, the Underwriters may reduce the selling price to investors from time to time in order to sell any of the Notes remaining unsold. Any such reduction will not affect the proceeds received by Emera. See "Underwriting (Conflicts of Interest)."**

The Underwriters expect to deliver the Notes on or about , 2016 in book-entry form through The Depository Trust Company and its direct and indirect participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, Luxembourg.

There is no market through which the Notes may be sold and purchasers may not be able to resell the Notes purchased under this Prospectus Supplement. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices and the liquidity of the Notes. See "Risk Factors."

No distribution of securities pursuant to this Prospectus Supplement and accompanying Prospectus will be made to purchasers in Canada.

An investment in the Notes is subject to certain risks. Furthermore, an investment in the Notes could be replaced in certain circumstances, without the consent of the holder, by Conversion Preferred Shares. You should therefore carefully consider the disclosure with respect to Emera and the Conversion Preferred Shares included and incorporated by reference in this Prospectus Supplement. See "Risk Factors."

Emera is permitted, under the multi-jurisdictional disclosure system adopted by the U.S., to prepare this prospectus in accordance with Canadian disclosure requirements. You should be aware that such requirements are different from those of the U.S.

Financial statements incorporated into the accompanying Prospectus have been prepared in accordance with U.S. generally accepted accounting principles, which is referred to as "U.S. GAAP."

Owning the Notes may subject you to tax consequences both in the United States and Canada. You should read the tax discussion in the accompanying Prospectus.

Your ability to enforce civil liabilities under U.S. federal securities laws may be affected adversely by the fact that Emera is organized under the laws of Nova Scotia, that some or all of the officers and directors of Emera may be residents of Canada, that some or all of the experts named herein may be residents of Canada and that all or a substantial portion of our assets and the assets of said persons are located outside of the U.S.

These securities have not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC") or any state securities commission nor has the SEC or any state securities commission passed upon the accuracy or adequacy of this Prospectus Supplement or the Prospectus. Any representation to the contrary is a criminal offense.

Sole Book-Runner and Structuring Agent

J.P. Morgan

, 2016

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Prospectus Supplement

Prospectus

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOPMANYING PROSPECTUS

This document is two parts. The first part is this Prospectus Supplement, which describes the specific terms of the securities the Company is offering and also adds to and updates certain information contained in the Prospectus and the documents incorporated by reference therein. The second part, the Prospectus, gives more general information, some of which may not apply to the Notes offered hereunder.

Prospective investors should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the Prospectus. The Company has not authorized any other person to provide prospective investors with additional or different information. If anyone provides prospective investors with different or inconsistent information, prospective investors should not rely on it. The Company is offering to sell, and seeking offers to buy, these securities only in jurisdictions where offers and sales are permitted. Prospective investors should assume that the information appearing in this Prospectus Supplement and the Prospectus, as well as information the Company has previously filed with the securities regulatory authority in each of the provinces of Canada that is incorporated herein and in the Prospectus by reference, is accurate as of their respective dates only. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

If the description of the Notes or the Conversion Preferred Shares varies between this Prospectus Supplement and the accompanying Prospectus, you should rely on the information in this Prospectus Supplement.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Prospectus as of the date hereof solely for the purpose of the offering of the Notes. Other documents are also incorporated or deemed to be incorporated by reference into the Prospectus and reference should be made to the Prospectus for full particulars.

Any statement contained in this Prospectus Supplement and the accompanying Prospectus or in a document incorporated or deemed to be incorporated by reference in the Prospectus Supplement and the accompanying Prospectus for the purposes of the offering of the Notes shall be deemed to be modified or superseded for purposes of this Prospectus Supplement and the accompanying Prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed to be an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement and the accompanying Prospectus.

PRESENTATION OF FINANCIAL INFORMATION

Information regarding the basis on which financial information of Emera and TECO Energy included in this Prospectus Supplement and the accompanying Prospectus has been prepared and the use of certain non-U.S. GAAP financial measures, as well as a caution regarding the unaudited pro forma consolidated financial information and statements included in the Prospectus Supplement and the accompanying Prospectus, is included in the accompanying Prospectus. See "Presentation of Financial Information" and "Caution Regarding Unaudited Pro Forma Consolidated Financial Statements".

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Please refer to the "Glossary" beginning on page S-11 of this Prospectus Supplement and on page 40 of the accompanying Prospectus for a list of defined terms used herein.

This Prospectus Supplement and the accompanying Prospectus, including the documents incorporated by reference herein and therein, contains forward-looking information within the meaning of applicable securities laws which reflects current expectations of Emera's management regarding: (i) the future growth, results of operations, performance, business prospects and opportunities of the Company; (ii) the timing and completion of the Acquisition Capital Markets Transactions (as defined herein) and the Acquisition (as defined herein); (iii) the benefits and the impact of the Acquisition, this offering, the other Acquisition Capital Markets Transactions and the Acquisition Credit Facilities (and the proposed refinancing thereof) on the financial position of the Company; and (iv) the future performance, business prospects and opportunities of TECO Energy and the integration of its electric and gas utility businesses with the existing operations of Emera. These expectations may not be appropriate for other purposes. Such statements are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. The words "anticipates," "believes," "budget," "could," "estimates," "expects," "forecasts," "intends," "may," "might," "plans," "projects," "schedule," "should," "targets," "will," "would," and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. The forward-looking information reflects management's current beliefs and is based on information currently available to the Company's management.

The forward-looking information in this Prospectus Supplement and the accompanying Prospectus, including the documents incorporated by reference herein and therein, includes, but is not limited to, statements regarding: Emera's consolidated net income and cash flow; the growth and diversification of Emera's business and earnings base; future annual net income and dividend growth; expansion of Emera's business in the United States and elsewhere; the completion of the Acquisition; the completion of the Acquisition Capital Markets Transactions; the expected compliance by Emera and its subsidiaries with the regulation of their operations; the expected timing of regulatory decisions; forecasted gross capital expenditures; the nature, timing and costs associated with certain capital projects; the expected impacts on Emera of challenges in the global economy; estimated energy consumption rates; expectations related to annual operating cash flows; the expectation that Emera will continue to have reasonable access to capital in the near to medium terms; expected debt maturities and repayments; expectations about increases in interest expense and/or fees associated with debt securities and credit facilities; no material adverse credit rating actions being expected in the near term; the number of customers served in the future; the successful execution of relationships with third-parties, such as agreements relating to the Maritime Link Project, Muskrat Falls and the Assembly of Nova Scotia Mi'Kmaq Chiefs; the impact of currency fluctuations; expected changes in electricity rates; and the impacts of planned investment by the industry of gas transportation infrastructure within Northeastern United States.

The forward-looking information contained herein pertaining to the Acquisition and the financing thereof, the future performance, business prospects and opportunities of TECO Energy and the integration of its electric and gas utility businesses with the existing operations of Emera includes, but is not limited to, statements regarding: the expectation that the Acquisition will increase the Company's consolidated rate base and total customers; the expectation that the Acquisition will be accretive to earnings per common share, assuming a stable currency environment; the impact of the Acquisition on the Company's total assets, net income, long-term growth, access to equity and debt capital markets, credit profile, economies of scale and ability to deploy capital; expectations regarding the nature, timing and costs of capital spending of Emera, TECO Energy, New Mexico Gas Company ("NMGC"), Tampa Electric and Peoples Gas System ("PGS"); the expected future unemployment rates, housing starts and GDP growth rates in Florida and New Mexico; the expectations regarding rate base growth; the complementary management teams and corporate cultures of Emera and TECO Energy; the projected use of TECO Energy's tax carry-forwards; the locations of the combined operations after completion of the Acquisition; the projected coal and petroleum coke consumption for Tampa Electric; the expectations with respect to the impact of costs and compliance as a result of new and existing laws, regulations and guidelines, including, but not limited, to environmental and climate change matters; the financial liability with respect to Superfund sites and former manufactured gas plant sites of Tampa Electric and PGS, as well as other potential contamination liabilities; the impact of legal proceedings; the financing of the Acquisition, including, but not limited to, the use of the net proceeds of any offering hereunder and the other Acquisition Capital Markets Transactions, the repayments under the Acquisition Credit Facilities and the terms and conditions of the Acquisition Credit Agreements; the impact of any offering hereunder, the other Acquisition Capital Markets Transactions, the Acquisition Credit Facilities, the timing and closing of the Acquisition, capital lease and finance obligations on

the capital structure of the Company; the material attributes and characteristics of the Notes and any other securities issued in connection with the Acquisition Capital Markets Transactions; the plan of distribution; and the risk factors relating to the Acquisition, the post-Acquisition combined business and operations of the Company and TECO Energy and the Acquisition Capital Markets Transactions.

The forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Factors which could cause results or events to differ from current expectations include, but are not limited to: derivative financial instruments, including, but not limited to, hedging availability; commodity price and availability risk; foreign exchange risk; interest rate risk; commercial relationship risk; credit risk; rating agency risk; labour risk; weather risk; regulatory risk; environmental risk; capital market risk, including, but not limited to, economic conditions, cost of financing, capital resources and liquidity risk; construction and development risks; inability to complete an offering hereunder and the financing and the completion of the Acquisition; an increase in the cash purchase price of the Acquisition; uncertainty regarding the length of time required to complete the Acquisition; the anticipated benefits of the Acquisition not materializing or not occurring within the time periods anticipated by the Company; the impact of significant demands placed on the Company as a result of the Acquisition; failure by the Company to repay the Acquisition Credit Facilities; potential unavailability of the Acquisition Credit Facilities; alternate sources of funding, including the Acquisition Capital Markets Transactions, that would be used to replace the Acquisition Credit Facilities not being available when needed; lack of control by the Company of TECO Energy and its subsidiaries prior to the closing of the Acquisition; the impact of the Acquisition-Related Expenses; accuracy and completeness of TECO Energy's publicly disclosed information; increased indebtedness of Emera after the closing of the Acquisition; that an offering hereunder could result in a downgrade of the Company's credit ratings; historical and pro forma combined financial information not being representative of future performance; potential undisclosed liabilities of TECO Energy; ability to retain key personnel of TECO Energy following the Acquisition; operating and maintenance risks; risks relating to the financing of Emera; risks associated with changes in economic conditions; that developments in technology could reduce demand for electricity and gas; integration of NMGC and its impact on TECO Energy's business and operations; changes in customer energy-usage patterns; risk of failure of information technology infrastructure and cybersecurity; disruption of fuel supply; natural disasters or other catastrophic events; impairment testing of certain long-lived assets could result in impairment charges; indebtedness of TECO Energy; risks relating to the Notes; unanticipated maintenance and other expenditures; risk associated with the continuation, renewal, replacement and/or regulatory approval of power supply and capacity purchase contracts; risks associated with pension plan performance and funding requirements; regulatory and government decisions including, but not limited to, changes to environmental, financial reporting and tax legislation and regulations; risk of loss of licences and permits; risk of loss of service area; market energy sales prices; maintenance of adequate insurance coverage; impact of Acquisition-Related Expenses; labor relations and management resources. For additional information with respect to the Company's risk factors and risk factors relating to the post-Acquisition business of Emera, the operations of Emera and TECO Energy, the Acquisition and the Acquisition Capital Markets Transactions, reference should be made to the sections of this Prospectus Supplement and the accompanying Prospectus entitled "Risk Factors" and to the documents incorporated by reference herein and therein and to the Company's continuous disclosure materials filed from time to time with the CSA.

All forward-looking information in this Prospectus Supplement and the accompanying Prospectus and in the documents incorporated by reference herein and therein is qualified in its entirety by the above cautionary statements and, except as required by law, the Company undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise.

CURRENCY

In this Prospectus Supplement and the accompanying Prospectus, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. References to "Canadian dollars", "$" or "Cdn$" are to lawful currency of Canada. References to "U.S. dollars", "USD" or "U.S.$" are to lawful currency of the United States of America.

The following table sets forth, for each of the periods indicated, the noon exchange rate, the average noon exchange rate and the high and low noon exchange rates of one U.S. dollar in exchange for Canadian dollars as reported by the Bank of Canada.

	Three months ended March 31		Year ended December 31		
	2016	2015	2015	2014	2013
High	1.4589	1.2803	1.3990	1.1643	1.0697
Low	1.2962	1.1728	1.1728	1.0614	0.9839
Average	1.3732	1.2412	1.2787	1.1045	1.0299
Period End	1.2971	1.2683	1.3840	1.1601	1.0636

On June 8, 2016, the noon exchange rate as reported by the Bank of Canada was U.S.$1.00 = $1.2695.

SUMMARY

The following information is a summary only and is to be read in conjunction with, and is qualified in its entirety by, the more detailed information and financial data and statements appearing elsewhere in this Prospectus Supplement or the Prospectus and in the documents incorporated by reference herein. Reference is made to the glossary section of this Prospectus Supplement and the Prospectus for the meaning of certain terms.

The Notes

Issuer: . . . . . Emera Incorporated, a company formed under the *Companies Act* (Nova Scotia) ("Emera" or the "Company")

Offering: . . . . . U.S.$ aggregate principal amount of unsecured, % Fixed-to-Floating Subordinated Notes – Series 2016-A of Emera due , 2076 (the "Notes").

Issue Date: . . . . . , 2016.

Maturity Date: . . . . . , 2076.

Specified Denominations: . . . . . Minimum denominations of U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof.

Use of Proceeds: . . . . . The net proceeds from this offering will be U.S.$ determined after deducting the underwriting discount and estimated expenses of the offering. Prior to the closing of the Acquisition, Emera intends to invest and hold the net proceeds from the offering in short-term U.S. dollar investment grade securities.

Upon the closing of the Acquisition, Emera intends to use the net proceeds from the offering of the Notes to finance, directly or indirectly, part of the purchase price payable for the Acquisition (including Acquisition-Related Expenses) and to reduce amounts outstanding under the Acquisition Credit Facilities, to the extent any amounts are drawn on such facilities in connection with the Acquisition. If certain of the net proceeds from the offering of the Notes are not otherwise required to complete the Acquisition, Emera intends to use such net proceeds for general corporate purposes.

Interest: . . . . . Emera will pay interest on the Notes at a rate of % per year in equal semi-annual installments on and of each year until , 2026. Notwithstanding the foregoing, assuming the Notes are issued on , 2016, the first interest payment on the Notes on , 2016 will be in the amount of U.S.$ per U.S.$1,000 principal amount of Notes.

Starting on , 2026, Emera will pay interest on the Notes on every , , and of each year during which the Notes are outstanding thereafter until , 2076 (each such semi-annual or quarterly date, as applicable, an "Interest Payment Date").

From the Closing Date to, but excluding, , 2026, the interest rate on the Notes will be fixed at % per annum, payable in arrears. Starting on , 2026, and on every , , and of each year during which the Notes are

outstanding thereafter until , 2076 (each such date, an "Interest Reset Date"), the interest rate on the Notes will be reset as follows:

(i) starting on , 2026, on every Interest Reset Date, until , 2046, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus , payable in arrears, with the first payment at such rate being on , 2026; and

(ii) starting on , 2046, on every Interest Reset Date, until , 2076, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus , payable in arrears, with the first payment at such rate being on , 2046.

Deferral Right: . . . . . So long as no event of default has occurred and is continuing, Emera may elect, at its sole option, at any date other than an Interest Payment Date (a "Deferral Date") to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (a "Deferral Period"). There is no limit on the number of Deferral Periods that may occur. Such deferral will not constitute an event of default or any other breach under the Trust Indenture and the Notes. Deferred interest will accrue, compounding on each subsequent Interest Payment Date, until paid. A Deferral Period terminates on any Interest Payment Date where Emera pays all accrued and unpaid interest on such date. No Deferral Period may extend beyond the Maturity Date.

Dividend Stopper Undertaking: . . . . . Unless Emera has paid all accrued and payable interest on the Notes, subject to certain exceptions, Emera will not (i) declare any dividends on the Dividend Restricted Shares or pay any interest on any Parity Notes, (ii) redeem, purchase or otherwise retire Dividend Restricted Shares or Parity Notes, or (iii) make any payment to holders of any of the Dividend Restricted Shares or any Parity Notes in respect of dividends not declared or paid on such Dividend Restricted Shares or interest not paid on such Parity Notes, respectively (the "Dividend Stopper Undertaking").

"Dividend Restricted Shares" means, collectively, the preferred shares of Emera (including the Conversion Preferred Shares) and the Common Shares of Emera.

"Parity Notes" means any class or series of Emera indebtedness currently outstanding or hereafter created which ranks on a parity with the Notes (prior to any Automatic Conversion) as to distributions upon liquidation, dissolution or winding-up.

It is in the interest of Emera to ensure that it timely pays interest on the Notes so as to avoid triggering the Dividend Stopper Undertaking. See "Description of the Notes — Dividend Stopper Undertaking" and "Risk Factors."

Automatic Conversion: . . . . . The Notes, including accrued and unpaid interest thereon, will be converted automatically ("Automatic Conversion"), without the consent of the holders thereof, into shares of a newly issued series of First Preferred Shares of Emera (the "Conversion Preferred Shares") upon the occurrence of: (i) the making by Emera of a general assignment for the benefit of its creditors or a proposal (or the filing

of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada), (ii) any proceeding instituted by Emera seeking to adjudicate it a bankrupt or insolvent, or, where Emera is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Emera or any substantial part of its property and assets in circumstances where Emera is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over Emera or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where Emera is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada; or (iv) any proceeding is instituted against Emera seeking to adjudicate it a bankrupt or insolvent or, where Emera is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Emera or any substantial part of its property and assets in circumstances where Emera is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within sixty (60) days of the institution of any such proceeding or the actions sought in such proceedings occur, including the entry of an order for relief against Emera or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets (each, an "Automatic Conversion Event").

The Automatic Conversion shall occur upon an Automatic Conversion Event (the "Conversion Time"). As of the Conversion Time, the Notes shall be automatically converted, without the consent of noteholders, into a newly issued series of fully-paid Conversion Preferred Shares. At such time, the Notes shall be deemed to be immediately and automatically surrendered and cancelled without need for further action by noteholders, who shall thereupon automatically cease to be holders thereof and all rights of any such holder as a debtholder of Emera shall automatically cease. At the Conversion Time, holders of Notes will receive one Conversion Preferred Share for each U.S.$1,000 principal amount of Notes previously held together with the number of Conversion Preferred Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Notes by U.S.$1,000.

Upon an Automatic Conversion of the Notes, Emera reserves the right not to issue some or all, as applicable, of the Conversion Preferred Shares to any person whose address is in, or whom Emera or its transfer agent has reason to believe is a resident of, any jurisdiction outside of Canada and the United States of America to the extent that: (i) the issuance or delivery by Emera to such person, upon an Automatic Conversion of Conversion Preferred Shares, would require Emera to take any action to comply with securities or analogous laws of such jurisdiction; or (ii) withholding tax would be applicable in connection with the delivery to such person of Conversion Preferred Shares upon an Automatic Conversion ("Ineligible Persons"). In such

	circumstances, Emera will hold all Conversion Preferred Shares that would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and will attempt to facilitate the sale of such shares through a registered dealer retained by Emera for the purpose of effecting the sale (to parties other than Emera, its affiliates or other Ineligible Persons) on behalf of such Ineligible Persons of such Conversion Preferred Shares. **As the events that give rise to an Automatic Conversion are bankruptcy and related events, it is in the interest of Emera to ensure that an Automatic Conversion does not occur, although the events that could give rise to an Automatic Conversion may be beyond Emera's control.** See "Description of the Notes — Automatic Conversion," "Description of Conversion Preferred Shares" and "Risk Factors."
Conversion Preferred Shares:	The Conversion Preferred Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the *Companies Act* (Nova Scotia) at the same rate as would have accrued on the Notes (had the Notes remained outstanding) as described under "Description of the Notes — Interest and Maturity") (the "Perpetual Preferred Share Rate"), payable on each semi-annual or quarterly dividend payment date, as the case may be, subject to any applicable withholding tax. See "Description of Conversion Preferred Shares."
Purchase for Cancellation:	Subject to the Dividend Stopper Undertaking, the Notes may be purchased, in whole or in part, by Emera in the open market or by tender or private contract. Notes purchased by Emera shall be cancelled and shall not be reissued. The purchase price payable by Emera will be paid in cash.
Redemption Right:	On or after , 2026, Emera may, at its option, on giving not more than 60 nor less than 30 days' notice to the holders of the Notes, redeem the Notes, in whole at any time or in part from time to time on any Interest Payment Date. The redemption price per U.S.$1,000 principal amount of Notes redeemed on any Interest Payment Date will be 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. Notes that are redeemed shall be cancelled and shall not be reissued. See "Description of the Notes — Redemption Right."
Redemption on Tax or Rating Event:	Prior to the initial Interest Reset Date and within 90 days of a Tax Event, Emera may, at its option, redeem all (but not less than all) of the Notes at a redemption price per U.S.$1,000 principal amount of such Notes equal to 100% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption. See "Description of the Notes — Redemption on Tax or Rating Event." Prior to the initial Interest Reset Date and within 90 days of a Rating Event, Emera may, at its option, redeem all (but not less than all) of the Notes at a redemption price per U.S.$1,000 principal amount of the Notes equal to 102% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption. See "Description of the Notes — Redemption on Tax or Rating Event."

Special Mandatory Redemption:	In the event that (i) the closing of the Acquisition has not occurred by the special mandatory redemption triggering date (as defined herein) or (ii) the Acquisition Agreement is terminated at any time prior to the special mandatory redemption triggering date, Emera will be required to redeem the Notes, in whole, on the special mandatory redemption date (as defined herein) at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest from and including the date of initial issuance, or the most recent date to which interest has been paid, whichever is later, to, but not including, the special mandatory redemption date. The "special mandatory redemption triggering date" means the later of (i) December 31, 2016 and (ii) the date that is no later than June 30, 2017 if the closing of the Acquisition has been extended by Emera or TECO Energy in accordance with the Acquisition Agreement. The "special mandatory redemption date" means the 20th business day following the earlier of the special mandatory redemption triggering date and the date on which the Acquisition Agreement is terminated. For more information relating to the special mandatory redemption of the Notes, see "Description of the Notes — Special Mandatory Redemption."
Additional Emera Covenants:	In addition to the Dividend Stopper Undertaking, Emera will covenant for the benefit of the holders of the Notes that it will not create or issue any Emera Preferred Shares which, in the event of insolvency or winding-up of Emera, would rank in right of payment in priority to the Conversion Preferred Shares.
Subordination and Events of Default:	The Notes will be direct unsecured subordinated obligations of Emera. The payment of principal and interest on the Notes will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of Emera's subsidiaries. "Senior Indebtedness" means obligations (other than non-recourse obligations, Notes issued under the Trust Indenture or any other obligations specifically designated as being subordinate in right of payment to Senior Indebtedness) of, or guaranteed or assumed by, Emera for borrowed money or evidenced by bonds, debentures or notes or obligations of Emera for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refunding of any such indebtedness or obligation. As of March 31, 2016, Emera's Senior Indebtedness totaled approximately Cdn$751 million. An event of default in respect of the Notes will occur only if Emera defaults on the payment of (i) principal or premium, if any, when due and payable, or (ii) interest when due and payable and such default continues for 30 days (subject to Emera's right, at its sole option, to defer interest payments, as described under "Description of the Notes — Deferral Right").

	If an event of default has occurred and is continuing, and the Notes have not already been automatically converted into Conversion Preferred Shares, then Emera shall without notice from the Indenture Trustee be deemed to be in default under the Trust Indenture and the Notes and an Indenture Trustee may, in its discretion and shall upon the request of holders of not less than one-quarter of the principal amount of Notes then outstanding under the Trust Indenture, demand payment of the principal or premium, if any, together with any accrued and unpaid interest up to (but excluding) such date, which shall immediately become due and payable in cash, and may institute legal proceedings for the collection of such aggregate amount where Emera fails to make payment thereof upon such demand.
Payment of Additional Amounts:	All payments made by or on account of any obligation of Emera under or with respect to the Notes shall be made free and clear of and without withholding or deduction for, or on account of, any present, or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax ("Canadian Taxes"), unless Emera is required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. If Emera is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the Notes, Emera shall pay as additional interest such additional amounts as may be necessary so that the net amount received by each holder of the Notes after such withholding or deduction shall not be less than the amount such holder would have received if such Canadian Taxes had not been withheld or deducted, subject to certain exceptions. See "Description of the Notes — Payment of Additional Amounts."
Conflicts of Interest:	To the extent that the net proceeds from this offering are used to reduce amounts outstanding under the Acquisition Credit Facilities, if any, affiliates of certain of the Underwriters could receive 5% or more of the net proceeds from this offering. See "Use of Proceeds". In such event, such Underwriters would be deemed to have a conflict of interest under Rule 5121 (Public Offerings of Securities with Conflicts of Interest) of the Financial Industry Regulatory Authority, Inc. ("FINRA"). In the event of any such conflict of interest, such Underwriters would be required to conduct the distribution of the Notes in accordance with FINRA Rule 5121. If the distribution is conducted in accordance with FINRA Rule 5121, any such Underwriter would not be permitted to confirm a sale to an account over which it exercises discretionary authority without first receiving specific written approval from the account holder.
Book-Entry Only Form:	The Notes will be issued under the book-entry only system operated by The Depository Trust Company or its nominees (the "Clearing Agency") and must be purchased or transferred through participants (collectively, "Participants") in the depository service of the Clearing Agency. Participants include securities brokers and dealers, banks and trust companies. Accordingly, physical certificates representing the Notes will not be available except in the limited circumstances described under "Description of the Notes — Book-Entry Only Form."

GLOSSARY

In this Prospectus Supplement, unless the context otherwise requires:

"**Acquisition**" means the proposed acquisition by Emera of TECO Energy pursuant to the terms of the Acquisition Agreement.

"**Acquisition Agreement**" means the agreement and plan of merger dated September 4, 2015 among Emera, Merger Sub and TECO Energy.

"**Acquisition Capital Markets Transactions**" has the meaning ascribed thereto under the heading "Summary — Financing the Acquisition."

"**Acquisition Credit Facilities**" has the meaning ascribed thereto under the heading "Description of Other Indebtedness — Acquisition Credit Facilities."

"**Acquisition-Related Expenses**" means the estimated non-recurring costs, including related income tax effects and any governmental and other imposed costs that may be incurred to consummate the Acquisition. Such costs, which will be fully expensed when incurred in accordance with U.S. GAAP, include but are not limited to fees associated with financial advisory, consulting, accounting, tax, legal and other professional services, bridge facility commitment fees, costs associated with change of control and integration, out-of-pocket costs and other costs of a non-recurring nature.

"**Additional Amounts**" has the meaning ascribed thereto under the heading "Description of the Notes — Payment of Additional Amounts."

"**Adjusted EBITDA**" has the meaning ascribed thereto under the heading "Presentation of Financial Information — Emera EBITDA and Adjusted EBITDA."

"**Automatic Conversion**" means the automatic conversion of the Notes for newly issued Conversion Preferred Shares upon the occurrence of an Automatic Conversion Event.

"**Automatic Conversion Event**" means an event giving rise to the Automatic Conversion, being the occurrence of any one of the following: (i) the making by Emera of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the Bankruptcy and Insolvency Act (Canada); (ii) any proceeding instituted by Emera seeking to adjudicate it a bankrupt or insolvent or, where Emera is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Emera or for any substantial part of its property and assets in circumstances where Emera is adjudged a bankrupt or insolvent; (iii) a receiver, interim receiver, trustee or other similar official is appointed over Emera or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where Emera is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada; or (iv) any proceeding is instituted against Emera seeking to adjudicate it a bankrupt or insolvent, or where Emera is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Emera or any substantial part of its property and assets in circumstances where Emera is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within sixty (60) days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against Emera or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets).

"**Board of Directors**" means the board of directors of Emera.

"**Canadian Taxes**" has the meaning ascribed thereto under the heading "Description of the Notes — Payment of Additional Amounts."

"**Canadian dollars**" or "**CDN**" or "**Cdn$**" means the lawful currency of Canada.

"**Closing Date**" means , 2016.

"**Common Shares**" means the Common Shares in the capital of Emera.

"**Company**" means Emera Incorporated.

"**Conversion Preferred Shares**" means the first preferred shares of Emera, as authorized by the Board of Directors, to be issued by Emera upon an Automatic Conversion.

"**Conversion Time**" means the time at which an Automatic Conversion occurs, namely upon an Automatic Conversion Event.

"**Convertible Debentures**" means the 4.0% convertible unsecured subordinated debentures of Emera that were issued on September 28 and October 2, 2015 in order to finance a portion of the Acquisition.

"**Deferral Date**" has the meaning ascribed thereto under the heading "Description of the Notes — Deferral Right."

"**Deferral Event**" means the election by Emera, at its sole option, to defer the interest payable on the Notes.

"**Deferral Period**" has the meaning ascribed thereto under the heading "Description of the Notes — Deferral Right."

"**Direct Participants**" has the meaning ascribed thereto under the Section "Description of the Notes — Book-Entry Only Form."

"**Dividend Restricted Shares**" has the meaning ascribed thereto under the heading "Description of the Notes — Dividend Stopper Undertaking."

"**Dividend Stopper Undertaking**" has the meaning ascribed thereto under the heading "Description of the Notes — Dividend Stopper Undertaking."

"**EBITDA**" means earnings before interest, income taxes, depreciation and amortization.

"**Emera**" means Emera Incorporated.

"**Emera Articles**" has the meaning ascribed thereto under the heading "Description of the Conversion Preferred Shares — Constraints on Share Ownership."

"**Emera U.S. Finance**" means Emera U.S. Finance LP.

"**Equity Credit Methodology**" means the methodology or criteria employed by Moody's or S&P for purposes of assigning equity credit to securities such as the Notes that was effective on the date of the original issuance of the Notes.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Extraordinary Resolution**" means (i) the written consent of holders of not less than a majority of the aggregate principal amount of the Notes; or (ii) an extraordinary resolution proposed at a meeting of holders of the Notes where holders of not less than a majority of the aggregate principal amount of the Notes are represented in person or by proxy (or a lesser amount of holders if such meeting has been dissolved and reconvened due to failure to achieve quorum in the manner specified in the Trust Indenture) and passed by the favourable votes of holders of the Notes representing not less than 66⅔% of the aggregate principal amount of the Notes represented at the meeting.

"**Final Instalment**" means the remaining Cdn$667 per Cdn$1,000 principal amount of Convertible Debentures that is payable on the Final Instalment Date.

"**Final Instalment Date**" has the meaning ascribed thereto under the heading "Summary historical and Pro Forma Financial Data — Pro Forma Financial Data"

"**First Preferred Shares**" means the first preferred shares in the capital of Emera.

"**First Preferred Shares, Series A**" means the cumulative 5-year rate reset first preferred shares, Series A of Emera.

"**First Preferred Shares, Series B**" means the cumulative floating rate first preferred shares, Series B of Emera.

"**First Preferred Shares, Series C**" means the cumulative floating rate first preferred shares, Series C of Emera.

"**First Preferred Shares, Series E**" means the cumulative floating rate first preferred shares, Series E of Emera.

"**First Preferred Shares, Series F**" means the cumulative floating rate first preferred shares, Series F of Emera.

"**Indenture Trustee**" means CST Trust Company and American Stock Transfer & Trust Company, LLC, or such other successor trustee or trustees as may be appointed from time to time pursuant to the Trust Indenture.

"**Ineligible Person**" means any person whose address is in, or whom Emera or its transfer agent has reason to believe is a resident of, any jurisdiction outside of Canada and the U.S. to the extent that: (i) the issuance or delivery by Emera to such person, upon an Automatic Conversion of Conversion Preferred Shares, would require Emera to take any action to comply with securities or analogous laws of such jurisdiction; or (ii) withholding tax would be applicable in connection with the delivery to such person of Conversion Preferred Shares upon an Automatic Conversion.

"**IRS**" means the U.S. Internal Revenue Service.

"**Interest Payment Date**" has the meaning ascribed thereto under the heading "Description of the Notes — Interest and Maturity."

"**Interest Reset Date**" has the meaning ascribed thereto under the heading "Description of the Notes — Interest and Maturity."

"**LIBOR**" means, for any interest period in respect of Notes, the rate for U.S. dollar borrowings appearing on page LIBOR01 of the Reuters Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service providing rate quotations comparable to those currently provided on such page of such Service, as determined by Emera from time to time for purposes of providing quotations of interest rates applicable to U.S. dollar deposits in the London interbank market) at approximately 11:00 a.m., London, time, two business days prior to the commencement of such interest period, as the rate for U.S. dollar deposits with a maturity comparable to such interest period. In the event that such rate is not available at such time for any reason, the "LIBOR" for such interest period shall be the rate at which U.S. dollar deposits of U.S.$5,000,000 and for a maturity comparable to such interest period are offered by the principal London offer of an agent selected by Emera in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two business days prior to the commencement of such interest period.

"**Merger Sub**" means Emera U.S. Inc., a direct wholly-owned subsidiary of Emera U.S. Holdings Inc..

"**Moody's**" means Moody's Investors Service, Inc.

"**Notes**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**NMGC**" means New Mexico Gas Company, Inc.

"**Order**" has the meaning ascribed thereto under the heading "Plan of Distribution — Notice to Prospective Investors in the United Kingdom."

"**Parity Notes**" means any class or series of Emera indebtedness currently outstanding or hereafter created which ranks on a parity with the Notes (prior to any Automatic Conversion) as to distributions upon liquidation, dissolution or winding-up.

"**Participants**" means the participants in the depository service of the Clearing Agency.

"**Perpetual Preferred Share Rate**" has the meaning ascribed thereto under the heading "Description of Conversion Preferred Shares — Dividends."

"**Prospectus**" means the accompanying short form base shelf prospectus.

"**Prospectus Supplement**" means this prospectus supplement.

"**Rating Agencies**" means Moody's and S&P.

"**Rating Event**" means the amount of equity credit assigned to the Notes by Moody's or S&P has been reduced due to an amendment to, clarification or change in, the Equity Credit Methodology.

"**S&P**" means Standard & Poor's Ratings Services.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Senior Guaranteed Notes**" means the multiple series of United States dollar denominated senior, unsecured notes, fully and unconditionally guaranteed by Emera and Emera U.S. Holdings Inc., a wholly-owned (directly and indirectly) subsidiary of Emera.

"**Senior Indebtedness**" means obligations (other than non-recourse obligations, Notes issued under the Trust Indenture or any other obligations specifically designated as being subordinate in right of payment to Senior Indebtedness) of, or guaranteed or assumed by, Emera for borrowed money or evidenced by bonds, debentures or notes or obligations of Emera for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refunding of any such indebtedness or obligation.

"**special mandatory redemption date**" means the 20th business day following the earlier of the special mandatory redemption triggering date and the date on which the Acquisition Agreement is terminated.

"**special mandatory redemption triggering date**" means the later of (i) December 31, 2016 and (ii) the date that is no later than June 30, 2017 if the closing of the Acquisition has been extended by Emera or TECO Energy in accordance with the terms of the Acquisition Agreement.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder.

"**Tax Event**" means Emera has received an opinion of independent counsel of a nationally recognized law firm in Canada or the U.S. experienced in such matters (who may be counsel to Emera) to the effect that, as a result of, (i) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada or the U.S. or any political subdivision or taxing authority thereof or therein, affecting taxation; (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an "administrative action"); or (iii) any amendment to, clarification of, or change in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of case (i), (ii) or (iii), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the date of issue of the Notes, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) that Emera is, or may be, subject to more than a de minimis amount of additional taxes, duties or other governmental charges or civil liabilities because the treatment of any of its items of income, taxable income, expense, taxable capital or taxable paid-up capital with respect to the Notes (including the treatment by Emera of interest on the Notes), as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority.

"**TECO Coal**" means TECO Coal LLC, and its subsidiaries, a coal producing subsidiary of TECO Diversified.

"**TECO Diversified**" means TECO Diversified, Inc., a subsidiary of TECO Energy, and parent of TECO Coal Corporation.

"**TECO Energy**" means the holding company, TECO Energy, Inc. and its subsidiaries, and references to individual subsidiaries of TECO Energy, Inc. refer to that company and its respective subsidiaries.

"**TECO Guatemala**" means TECO Guatemala, Inc., a subsidiary of TECO Energy, parent company of formerly owned generating and transmission assets in Guatemala.

"**U.S.**" means the United States of America.

"**U.S. dollars**" or "**USD**" or "**U.S.$**" means the lawful currency of the U.S.

"**U.S. GAAP**" means Generally Accepted Accounting Principles in the United States.

"**Underwriters**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

RECENT DEVELOPMENTS

The Acquisition

On June 8, 2016, the New Mexico Public Regulation Commission ("NMPRC") hearing examiner issued a certificate of stipulation to the NMPRC concerning the approval of the Acquisition. The hearing examiner recommended that the NMPRC adopt the certificate of stipulation in support of the Acquisition, and stated that the Acquisition is in the public interest and has quantifiable and unquantifiable benefits to NMGC customers.

The certificate of stipulation is a key milestone toward approval of the Acquisition. The closing of the Acquisition remains subject to regulatory approval by the NMPRC and the satisfaction of customary closing conditions. A final order of the NMPRC is expected in mid-2016.

SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA

Emera Summary Historical Financial Data

The following table shows summary historical financial of Emera for the periods and as of the dates indicated. The summary historical financial data presented as at December 31, 2015 and 2014 and for the year ended December 31, 2015 are derived from the audited financial statements of Emera, which are incorporated by reference in this Prospectus Supplement and the Prospectus. The selected historical financial data presented as at December 31, 2013 and for the year ended December 31, 2013 are derived from the audited financial statements of Emera, which are not incorporated by reference in this Prospectus Supplement or the Prospectus. The summary historical financial data presented as of March 31, 2016 and 2015 and for the three months ended March 31, 2016 and 2015 are derived from the unaudited financial statements of Emera, which are incorporated by reference in this Prospectus Supplement and the Prospectus.

The following summary historical and unaudited financial data should be read in conjunction with "Capitalization" and "Management's Discussion and Analysis" contained in the Prospectus and Emera's financial statements and related notes incorporated by reference in this Prospectus Supplement and the Prospectus.

	Emera historical				
	Three months ended March 31		Year ended December 31		
	2016	2015	2015	2014	2013
	millions of Canadian dollars				
Statement of Operations Data:					
Total operating revenues	**877.0**	**888.5**	**2,789.3**	**2,938.6**	**2,230.2**
Total operating expenses	**607.0**	**656.4**	**2,281.6**	**2,271.3**	**1,823.1**
Net income	54.8	174.1	452.4	452.8	255.3
Non-controlling interest in subsidiaries	3.5	6.3	24.9	19.9	18.5
Net income of Emera Incorporated	51.3	167.8	427.5	432.9	236.8
Preferred stock dividends	7.0	7.7	30.3	26.2	19.3
Net income attributable to common shareholders	$ 44.3	$ 160.1	$ 397.2	$ 406.7	$ 217.5
Other comprehensive income (loss), net of tax[(1)]:					
Foreign currency translation adjustment	(161.5)	189.4	434.6	165.2	108.6
Other comprehensive income (loss)	(137.5)	183.4	512.1	90.0	354.0
Comprehensive income (loss)	(82.7)	357.5	964.5	542.8	609.3
Comprehensive income (loss) attributable to non-controlling interest	(3.3)	19.5	52.8	31.6	26.8
Comprehensive income of Emera Incorporated	$ (79.4)	$ 338.0	$ 911.7	$ 511.2	$ 582.5
Adjusted EBITDA[(2)]	$ 319.4	$ 384.2	$1,031.2	$ 946.5	$ 829.5
Balance Sheet Data (at period end):					
Assets:					
Current assets:					
Cash and cash equivalents	$ 999.5	$ 305.3	$1,073.4	$ 221.1	$ 100.8
Total current assets	2,289.4	1,646.5	2,595.6	1,410.8	1,161.3

	Emera historical				
	Three months ended March 31		Year ended December 31		
	2016	2015	2015	2014	2013
	millions of Canadian dollars				
Property, plant and equipment, net of accumulated depreciation	6,014.9	5,826.0	6,188.0	5,610.2	5,327.7
Total assets(3)	$11,448.6	10,191.7	$11,950.0	$9,853.4	$8,876.8
Short-term debt	$ 10.2	$ 5.7	$ 15.9	$ 257.6	$ 438.0
Current portion of long-term debt	272.6	92.9	274.0	94.5	328.3
Long-term debt(3)	3,714.2	3,800.3	3,734.6	3,660.3	3,363.7
Total Emera Incorporated equity	4,091.7	3,691.9	4,200.1	3,398.8	2,608.2
Non-controlling interest in subsidiaries	105.2	321.8	134.0	306.6	289.0
Total equity	4,196.9	4,013.7	4,334.1	3,705.4	2,897.2
Total liabilities and equity(3)	$11,448.6	$10,191.7	$11,950.0	$9,853.4	$8,876.8

(1) Certain of these items are net of tax expense or recovery, please refer to Emera's audited consolidated financial statements as at and for the years ended December 31, 2015 and December 31, 2014, which are incorporated by reference in this Prospectus Supplement and the Prospectus and Emera's unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2016 for more details.

(2) Adjusted EBITDA is a non-U.S. GAAP measure. See "Presentation of Financial Information."

(3) Year ended December 31, 2015 amounts have been adjusted to conform to the accounting presentation applied to amounts for the three months ended March 31, 2016.

TECO Energy Summary Historical Financial Data

The following table shows the summary historical financial data of TECO Energy for the periods and as of the dates indicated. The summary historical financial data presented as of December 31, 2015, 2014 and 2013 and for the year ended December 31, 2015, 2014 and 2013 are derived from the audited financial statements of TECO Energy, which are incorporated by reference in this Prospectus Supplement and the Prospectus. The summary historical financial data presented as of March 31, 2016 and 2015 and for the three months ended March 31, 2016 and 2015 are derived from the unaudited financial statements of TECO Energy, which are incorporated by reference in this Prospectus Supplement and the Prospectus.

The following summary historical financial data should be read in conjunction with "Capitalization" contained in the Prospectus and TECO Energy's financial statements and related notes incorporated by reference in this Prospectus Supplement and the Prospectus.

	TECO Energy historical				
	Three months ended March 31		Year ended December 31		
	2016	2015	2015	2014	2013
	millions of U.S. dollars				
Statement of Operations Data:					
Total revenues(1)	**659.5**	**693.0**	**2,743.5**	**2,566.4**	**2,355.1**
Total expenses	**511.4**	**546.8**	**2,181.4**	**2,061.0**	**1,900.5**
Net income from continuing operations(1)	73.7	63.8	241.2	206.4	188.7
Net income from discontinued operations(1)(2)	0.1	(5.8)	(67.7)	(76.0)	9.0
Net income	73.8	58.0	173.5	130.4	197.7
EBITDA(3)	**245.1**	**237.1**	**931.9**	**831.7**	**754.5**
Balance Sheet Data (at period end):					
Total current assets	547.2	728.7	570.3	755.6	857.7
Total property, plant and equipment, net	7,553.0	7,164.7	7,481.8	7,088.2	6,170.1
Total assets	8,981.1	8,777.5	8,933.5	8,726.2	7,448.0
Long-term debt, including current portion	3,573.0	3,627.7	3,822.5	3,628.5	2,921.1
Total capital	2,582.3	2,587.3	2,559.0	2,574.7	2,333.7
Total liabilities and capital	**8,981.1**	**8,777.5**	**8,933.5**	**8,726.2**	**7,448.0**

(1) Years ended December 31, 2015, December 31, 2014 and December 31, 2013 amounts shown include reclassifications to reflect discontinued operations discussed in Note 19 to the TECO Energy Consolidated Financial Statements for the fiscal year ended December 31, 2015.

(2) Three months ended March 31, 2015 amounts have been adjusted to reflect the results from operations to discontinued operations for TECO Coal and certain charges and gains at TECO Energy's Other reportable segment that directly relate to TECO Coal and TECO Guatemala. See Note 15 to TECO Energy's unaudited financial statements for the three months ended March 31, 2016, which are incorporated by reference in this Prospectus Supplement and the Prospectus.

(3) EBITDA is a non-U.S. GAAP measure. See "Presentation of Financial Information."

Pro Forma Financial Data

The summary unaudited pro forma financial data as of March 31, 2016 and for the fiscal year ended December 31, 2015 and the three months ended March 31, 2016 are derived from Emera's unaudited pro forma consolidated financial statements. The unaudited pro forma consolidated statements of operations for the year ended December 31, 2015 and for the three months ended March 31, 2016 give effect to the Acquisition and related transactions described below as if they had occurred on January 1, 2015. The summary unaudited pro forma consolidated financial information is presented to illustrate the estimated effects of (i) the Acquisition Capital Markets Transactions, (ii) the issuance of Common Shares upon conversion of the Convertible Debentures on the Final Instalment Date (assuming payment in full of the Final Instalment of the Convertible Debentures) and (iii) the consummation of the Acquisition. The unaudited pro forma consolidated balance sheet information gives effect to the Acquisition Capital Markets Transactions, the issuance of the Common Shares (as described above) and the Acquisition as if they closed on March 31, 2016. The unaudited pro forma consolidated statements of earnings information for the year ended December 31, 2015 and the three months ended March 31, 2016 gives effect to the Acquisition and the Acquisition Capital Markets Transactions as if they had closed on January 1, 2015.

The following summary unaudited pro forma financial data should be read in conjunction with "Caution Regarding Unaudited Consolidated Pro Forma Consolidated Financial Statements," "Capitalization," "Management's Discussion and Analysis," and "Unaudited Pro Forma Consolidated Financial Statements" contained in the Prospectus and Emera's financial statements and related notes incorporated by reference in this Prospectus Supplement and the Prospectus. Among other things, the unaudited pro forma financial statements under "Unaudited Pro Forma Consolidated Financial Statements" include more detailed information regarding the basis of presentation for the information in the following table.

	Emera Pro Forma	
	Three months ended March 31	Year ended December 31
	2016	2015
	millions of Canadian dollars	
Statement of Operations Data:		
Total operating revenues	1,784	6,298
Total operating expenses	1,310	5,036
Net Income from continuing operations	243	538
Net income of Emera Incorporated	240	426
Preferred stock dividends	7	30
Net income attributable to common shareholders	233	396
Adjusted EBITDA[(1)]	$ 657	$2,258
Balance Sheet Data (at period end):		
Current assets:		
Cash and cash equivalents	$ 323	
Total current assets	2,263	
Property, plant and equipment, net of accumulated depreciation	15,812	
Total assets	$27,558	
Short-term debt	$ 676	
Current portion of long-term debt	381	

	Emera Pro Forma	
	Three months ended March 31	Year ended December 31
	2016	2015
	millions of Canadian dollars	
Long-term debt	14,756	
Total Emera Incorporated equity	6,068	
Non-controlling interest in subsidiaries	105	
Total equity	6,173	
Total liabilities and equity	$27,558	

(1) Adjusted EBITDA is a non-U.S. GAAP measure. See "Presentation of Financial Information."

Pro Forma Non-U.S. GAAP financial measures

EBITDA and Adjusted EBITDA

The following table presents a reconciliation of EBITDA and Adjusted EBITDA to the most directly comparable U.S. GAAP financial measure, on a historical basis and a pro forma basis, for Emera and EBITDA to the most directly comparable U.S. GAAP financial measure, on a historical basis for TECO Energy, for each of the periods indicated. See "Presentation of Financial Information." The Emera pro forma information for the three months ended March 31, 2016 and the year ended December 31, 2015 set forth below has been prepared using the U.S. dollar to Canadian dollar weighted average rates of 1.3748 (for the period January 1, 2016 to March 31, 2016) and 1.2788 (for the period January 1, 2015 to December 31, 2015), respectively.

	Emera Historical		TECO Energy Historical		Emera Pro Forma	
	Three months ended March 31	Year ended December 31	Three months ended March 31	Year ended December 31	Three months ended March 31	Year ended December 31
	2016	2015	2016	2015	2016	2015
	millions of Canadian dollars		*millions of U.S. dollars*		*millions of Canadian dollars*	
Net Income	$ 54.8	$ 452.4	$ 73.7	$241.2	$243.3	$ 537.5
Add:						
Interest expense, net	75.2	212.6	45.9	186.4	192.1	684.1
Income tax expense (recovery)	26.8	92.4	35.7	155.3	74.7	197.2
Depreciation and amortization	87.5	339.9	89.8	349.0	211.0	786.2
EBITDA	$244.3	$1,097.3	$245.1	$931.9	$721.0	$2,205.1
Mark-to-market gain (loss), excluding income tax and interest	(75.1)	66.1			64.4	(52.8)
Adjusted EBITDA	$319.4	$1,031.2			$656.6	$2,257.9

An investment in the Notes involves certain risks. In addition to the risks described below, a prospective purchaser of the Notes should carefully consider the risk factors described under:

(a) the heading "Principal Risks and Uncertainties" in note 32 to Emera's audited consolidated financial statements as at and for the years ended December 31, 2015 and 2014, as found on pages 165 to 166 of the Company's 2015 Annual Report; and

(b) the heading "Principal Risks and Uncertainties" in note 24 to Emera's unaudited interim financial statements as at and for the three months ended March 31, 2016, as found on pages 40 to 42 of such statements,

each of which is incorporated by reference herein and in the accompanying Prospectus. In addition, a prospective purchaser of the Notes should carefully consider the risk factors described in the accompanying Prospectus under the heading "Risk Factors" which relate to the Acquisition and the post-Acquisition business and operations of the Company and TECO Energy, as well as the other information contained in this Prospectus Supplement and the accompanying Prospectus (including the documents incorporated by reference herein and therein).

Risks Related to the Notes

Emera may not be able to redeem the notes upon a special mandatory redemption.

If Emera does not consummate the Acquisition on or prior to December 31, 2016 (as such date may be extended as described herein, the "special mandatory redemption triggering date") or the Acquisition Agreement is terminated at any time prior to the special mandatory redemption triggering date, then the Trust Indenture will require Emera to redeem the Notes, in whole, on the special mandatory redemption date (as defined herein) at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest, from and including the date of initial issuance, or the most recent date to which interest has been paid, whichever is later, up to, but excluding, the special mandatory redemption date. See "Description of the Notes — Special Mandatory Redemption." There will be no escrow account for, or security interest in, proceeds from the offering of the Notes for the benefit of the holders of the Notes. Emera's ability to redeem the Notes upon a special mandatory redemption will be limited by its access to funds at the time of the redemption. We cannot assure you that Emera will have sufficient funds to make any required special mandatory redemption of the Notes. Certain of the other debt securities anticipated to be issued as part of the Acquisition Capital Markets Transactions may also contain mandatory redemption provisions triggered in the event the Acquisition is not consummated, which would increase Emera's redemption obligations in such event.

The termination of the Acquisition Agreement or the failure to consummate the Acquisition on or before the special mandatory redemption triggering date may have a negative effect on the price of the Notes. Should Emera complete the redemption of the Notes upon any special mandatory redemption date as required by the Trust Indenture, investors will not get the full benefit of interest payments on the Notes during the period until the respective dates of final maturity on the Notes, and investors may not be able to re-invest their original investment in the Notes on attractive terms. In addition, Emera may not have sufficient funds to redeem the Notes upon a special mandatory redemption.

Rights only as an Equity Holder in the Event of Insolvency

In the event of the occurrence of the Automatic Conversion, with the result that the holder of Notes receives Conversion Preferred Shares on conversion of such Notes, the only claim or entitlement of such holder will be in its capacity as a shareholder of Emera. See "Description of Notes — Automatic Conversion" and "Risks Related in an Investment in Conversion Preferred Shares — Insolvency or Winding-Up."

Liquidity of and Dealings in Notes

It is not expected that the Notes will be listed on any stock exchange. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, and the liquidity of the Notes. There can be no assurance that an active trading market will develop or be sustained or that the Notes may be resold at or above the initial public offering price. The ability of a holder to pledge Notes or otherwise take action with respect to such holder's interest in Notes (other than through a Participant) may be limited due to the lack of a physical certificate.

Subordination

Emera's obligations under the Notes will be subordinated in right of payment to all of Emera's current and future Senior Indebtedness. This means that Emera will not be permitted to make any payments on the Notes if it defaults on a payment of principal of, premium, if any, or interest on any such Senior Indebtedness or there shall occur an event of default under such Senior Indebtedness and it does not cure the default within the applicable grace period, if the holders of the Senior Indebtedness have the right to accelerate the maturity of such indebtedness or if the terms of such Senior Indebtedness otherwise restrict Emera from making payments to junior creditors. As described in "Description of Other Indebtedness" in the accompanying Prospectus, Emera's guarantee of the Senior Guaranteed Notes to be issued by Emera U.S. Finance and any Senior Notes to be issued by Emera in each case as part of the Acquisition Capital Markets Transactions, will constitute Senior Indebtedness of Emera. See "Description of the Notes — Subordination."

In addition to the contractual subordination described above, the payment of principal of, premium, if any, and interest on the Notes will be structurally subordinated to any indebtedness and other liabilities of Emera's subsidiaries.

Emera's Senior Indebtedness as of March 31, 2016 was approximately Cdn$751 million. As of March 31, 2016, Emera's subsidiaries had approximately Cdn$2,247 million of outstanding indebtedness that will effectively rank senior to the Notes.

Furthermore, in the event of an insolvency or liquidation of Emera, the claims of creditors of Emera would be entitled to a priority payment over the claims of holders of equity interests of Emera, such as the Conversion Preferred Shares. See "Risks Related to the Notes — Rights only as an Equity Holder in the Event of Insolvency" and "Risks Related to an Investment in Conversion Preferred Shares — Insolvency or Winding-up."

No Limit on Debt

The Trust Indenture does not contain any provision limiting Emera's ability to incur indebtedness generally. Any such indebtedness could rank in priority to the Notes. Emera currently has substantial indebtedness and may incur substantial additional indebtedness in the future.

Early Redemption

Emera may redeem the Notes in the circumstances described under "Description of the Notes — Redemption Right," "— Special Mandatory Redemption" and "— Redemption on Rating Event or Tax Event." This redemption right may, depending on prevailing market conditions at the time, create reinvestment risk for holders of the Notes in that they may be unable to find a suitable replacement investment with a comparable return to the Notes.

Deferral Right

Unless Emera has paid all accrued and payable interest on the Notes, subject to certain exceptions, Emera may elect, at its sole option, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years as described under "Description of the Notes — Deferral Rights." There is no limit on the number of Deferral Events that may occur. Such deferral will not constitute an event of default or any other breach under the Notes and the Trust Indenture.

Interest in Respect of Deferral Events

During any deferral period, the Notes will be treated as issued with OID at the time of such deferral and all stated interest due after such deferral will be treated as OID. Consequently, a U.S. holder of Notes would be required to include OID in its gross income in the manner described under the heading "Certain U.S. Federal Income Tax Considerations" in the accompanying Prospectus even though Emera would not make any actual cash payments to holders of Notes during a deferral period.

Investors in the Notes located outside of Canada may have difficulties enforcing civil liabilities

Emera is incorporated under the laws of Nova Scotia. Moreover, substantially all of Emera's directors, controlling persons and officers, as well as certain of the experts named in this Prospectus, are residents of

Canada or other jurisdictions outside of the United States, and all or a substantial portion of their assets and a substantial portion of Emera's assets are located outside of the United States. Emera will agree, in accordance with the terms of the Trust Indenture, to accept service of process in any suit, action or proceeding with respect to the Trust Indenture or the Notes brought in any federal or state court located in New York City by an agent designated for such purpose, and to submit to the jurisdiction of such courts in connection with such suits, actions or proceedings. Nevertheless, it may be difficult for holders of the Notes to effect service of process within the United States upon directors, officers and experts who are not residents of the United States or to realize in the United States upon judgments of courts of the United States predicated upon civil liability under U.S. federal or state securities laws or other laws of the United States. In addition, there is doubt as to the enforceability in Canada against Emera or against Emera's directors, officers and experts who are not residents of the United States, in original actions or in actions for enforcement of judgments of courts of the United States, of liabilities predicated solely upon U.S. federal or state securities laws.

An increase in interest rates could result in a decrease in the relative value of the Notes

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase Notes and market interest rates increase, the market value of your Notes may decline. We cannot predict future levels of market interest rates.

Emera is a holding company

Emera is a holding company and depends on dividends and other distributions from its subsidiaries. Emera conducts substantially all its operations through subsidiaries, and those subsidiaries generate substantially all of its operating income and cash flow. As a result, distributions or advances from those subsidiaries are the principal source of funds necessary to meet the debt service obligations of Emera. Contractual provisions or laws, as well as the subsidiaries' financial condition and operating requirements, may limit the ability of Emera to obtain cash from its subsidiaries that it requires to pay its debt service obligations, including any payments required to be made under the Notes.

The tax treatment of the Notes for U.S. federal income tax purposes is uncertain

The treatment of the Notes for U.S. federal income tax purposes is uncertain. The determination of whether an obligation represents a debt or equity interest is based on all the relevant facts and circumstances at the time the obligation is issued. There is no direct legal authority as to the proper U.S. federal income tax treatment of an instrument such as the Notes that is denominated as a debt instrument and has certain significant debt features, but that provides for a possible Automatic Conversion under which an investor could lose its creditor rights upon the occurrence of an Automatic Conversion Event. In the absence of authority addressing the proper characterization of instruments such as the Notes, to the extent required to do so, we intend to treat the Notes as debt for U.S. federal income tax purposes. However, we will not request any ruling from the U.S. Internal Revenue Service, or the IRS, regarding the treatment of the Notes for U.S. federal income tax purposes and the IRS or a court may conclude that the Notes should be treated as equity for U.S. federal income tax purposes.

If the Notes were treated as equity for U.S. federal income tax purposes and we were a "passive foreign investment company," or PFIC, for any taxable year during which a U.S. investor held the Notes, the U.S. investor could be subject to adverse tax consequences, including increased tax liability on certain gains and payments on the Notes and a requirement to file annual reports with the IRS. We believe that we were not a PFIC for our 2015 taxable year and do not expect to be a PFIC for our 2016 taxable year. However, because the composition of our income and assets will vary over time, and because there are uncertainties in the characterization of certain of our income and assets for PFIC purposes, there can be no assurance that we will not be a PFIC for any taxable year.

Prospective investors should consult their tax advisers as to the proper characterization of the Notes for U.S. federal income tax purposes and the consequences of holding a Note if we are or become a PFIC. See "Certain U.S. Federal Income Tax Considerations" in the accompanying Prospectus.

If interest payments on the Notes were deferred, U.S. investors would be required to recognize income for U.S. federal income tax purposes in advance of the receipt of cash attributable to such income In the event we exercise our option to defer payments of interest, the Notes would be treated as retired and reissued for U.S. federal income tax purposes and U.S. investors would be required to treat all stated interest on the deemed

reissued Notes as original issue discount, or OID. Consequently, during any period of interest deferral, and any period thereafter, U.S. investors will include all stated interest in gross income as it accrues using a constant yield method before the receipt of cash. See "Certain U.S. Federal Income Tax Considerations" in the accompanying Prospectus.

Risks Related to an Investment in Conversion Preferred Shares

Dividends

Holders of Conversion Preferred Shares do not have a right to dividends on such shares unless declared by the Board of Directors. The declaration of dividends is in the discretion of the Board of Directors even if Emera has sufficient funds, net of its liabilities, to pay such dividends. Emera may not declare or pay a dividend if there are reasonable grounds for believing that (i) Emera is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realizable value of Emera's assets would thereby be less than the aggregate of its liabilities and stated capital of its outstanding shares. Liabilities of Emera will include those arising in the course of its business, indebtedness, including inter-company debt, and amounts, if any, that are owing by Emera under guarantees in respect of which a demand for payment has been made. In addition, a dividend (including a deemed dividend) received on Conversion Preferred Shares may be subject to Canadian non-resident withholding tax and, if any such dividends are so subject, no additional amounts will be payable to holders of Conversion Preferred Shares in respect of such withholding tax. See "Certain Canadian Federal Income Tax Considerations — Conversion Preferred Shares — Dividends" in the accompanying Prospectus.

Insolvency or Winding-Up

The Conversion Preferred Shares do not constitute indebtedness and are equity capital of Emera which rank junior to all indebtedness and other non-equity claims and equally with the other outstanding series of Emera's First Preferred Shares in the event of an insolvency or winding-up of Emera. If Emera becomes insolvent or is wound up, Emera's assets must be used to pay liabilities and other debt before payments may be made on the Conversion Preferred Shares and other First Preferred Shares, if any.

No Fixed Maturity

The Conversion Preferred Shares do not have a fixed maturity date and are not redeemable at the option of the holders of the Conversion Preferred Shares. The ability of a holder to liquidate its holdings of Conversion Preferred Shares may be limited.

Voting Rights

Holders of Conversion Preferred Shares will not have any voting rights except in the event of the non-payment of eight quarterly dividends, subject to certain constraints, as described under "Description of Conversion Preferred Shares — Voting Rights," and "Description of Conversion Preferred Shares — Consideration Shares Ownership," or otherwise required by law.

Secondary Market and Liquidity

There can be no assurance that an active trading market will develop for the Conversion Preferred Shares following the issuance of any of those shares, or if developed, that such a market will be liquid or sustained at the issue price of such shares. Emera is under no obligation to list the Conversion Preferred Shares on any stock exchange or other market. The ability of a holder to pledge Conversion Preferred Shares or otherwise take action with respect to such holder's interest therein (other than through a Participant) may be limited due to the lack of a physical certificate.

Market Value

The market value of the Conversion Preferred Shares may fluctuate due to a variety of factors relative to Emera's business, including announcements of new developments, fluctuations in Emera's operating results, sales of Emera Preferred Shares, failure to meet analysts' expectations, the impact of various tax laws or rates and general market conditions or the worldwide economy. There can be no assurance that the market value of the Conversion Preferred Shares will not experience significant fluctuations in the future, including fluctuations that are unrelated to Emera's performance. Prevailing yields on similar securities will affect the market value of the

Conversion Preferred Shares. Assuming all other factors remain unchanged, the market value of the Conversion Preferred Shares would be expected to decline as prevailing yields for similar securities rise and would be expected to increase as prevailing yields for similar securities decline. Spreads over LIBOR and comparable benchmark rates of interest for similar securities will also affect the market value of the Conversion Preferred Shares in an analogous manner. In addition, the market value of the Conversion Preferred Shares will be significantly adversely affected in the event that dividends are not paid on such shares. See "Risks Related to an Investment in Conversion Preferred Shares — Dividends."

USE OF PROCEEDS

The net proceeds from this offering will be U.S.$ determined after deducting the Underwriters' discount and the estimated expenses of this offering. Prior to the closing of the Acquisition, Emera intends to invest and hold the net proceeds from the offering in short-term U.S. dollar investment grade securities.

Upon the closing of the Acquisition, Emera intends to use the net proceeds from the offering of the Notes to finance, directly or indirectly, part of the purchase price payable for the Acquisition (including Acquisition-Related Expenses) and to reduce amounts outstanding under the Acquisition Credit Facilities established in favour of Emera to fund the purchase price payable for the Acquisition, to the extent any amounts are drawn on such facilities in connection with the Acquisition. If certain of the net proceeds from the offering of the Notes are not otherwise required to complete the Acquisition, Emera intends to use such net proceeds for general corporate purposes.

The consummation of the offering of the Notes is not conditioned on the completion of the Acquisition or other Acquisition Capital Markets Transactions. We intend to complete the offering of the Notes prior to the completion of the Acquisition. In the event that: (i) the closing of the Acquisition has not occurred by the special mandatory redemption triggering date or (ii) the Acquisition Agreement is terminated at any time prior to the special mandatory redemption triggering date, Emera will be required to redeem the Notes, in whole, on the special mandatory redemption date at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest from and including the date of initial issuance, or the most recent date to which interest has been paid, whichever is later, to, but not including, the special mandatory redemption date. See "Description of the Notes — Special Mandatory Redemption."

DESCRIPTION OF THE NOTES

The following is a summary of the rights, privileges, restrictions, obligations and conditions attaching to the Notes and certain provisions of the Trust Indenture. This summary is qualified in its entirety by the provisions of the Trust Indenture. A copy of the Trust Indenture may be inspected during normal business hours at Emera's head office in Halifax, Nova Scotia, during the course of the distribution of the Notes. Following closing of the offering of the Notes, a copy of the Trust Indenture will be available on SEDAR at www.sedar.com.

For information concerning the Conversion Preferred Shares into which the Notes are, in certain circumstances, convertible as described under "— Automatic Conversion" below, see "Description of Conversion Preferred Shares."

Interest and Maturity

Emera will pay interest on the Notes at a rate of % per year in equal semi-annual installments on and of each year until , 2026. Notwithstanding the foregoing, assuming the Notes are issued on , 2016, the first interest payment on the Notes on , 2016 will be in the amount of U.S.$ per U.S.$1,000 principal amount of Notes.

Starting on , 2026, Emera will pay interest on the Notes on every , , and of each year during which the Notes are outstanding thereafter until , 2076 (each such semi-annual or quarterly date, as applicable, an "Interest Payment Date").

From the Closing Date to, but excluding, , 2026, the interest rate on the Notes will be fixed at % per annum, payable in arrears. Starting on , 2026, and on every , , and of each year during which the Notes are outstanding thereafter until , 2076 (each such date, an "Interest Reset Date"), the interest rate on the Notes will be reset as follows:

(i) Starting on , 2026, on every Interest Reset Date, until , 2046, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus %, payable in arrears, with the first payment at such rate being on , 2026; and

(ii) Starting on , 2046, on every Interest Reset Date, until , 2076, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus %, payable in arrears, with the first payment at such rate being on , 2046.

The Notes will mature on , 2076 (the "Maturity Date").

Interest for each interest period from the Closing Date to, but excluding, , 2026, will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest for each interest period from , 2026 to , 2076 will be calculated on the basis of the actual number of days elapsed during each such interest period and a 360-day year. For the purposes of disclosure under the Interest Act (Canada), and without affecting the interest payable on the Notes, whenever the interest rate on the Notes is to be calculated on the basis of a period of less than a calendar year, the yearly interest rate equivalent for such interest rate will be the interest rate multiplied by the actual number of days in the relevant calendar year and divided by the number of days used in calculating the specified interest rate.

Interest payments will be made to the persons or entities whose names the Notes are registered at (i) the close of business on and (in each case, whether or not a business day), as the case may be, immediately preceding the relevant fixed-rate Interest Payment Date, and (ii) the close of business on , , and (in each case, whether or not a business day), as the case may be, immediately preceding the relevant floating-rate Interest Payment Date.

For the period from the Closing Date to , 2026, if an Interest Payment Date falls on a day that is not a business day, the Interest Payment Date will be postponed to the next business day, and no further interest will accrue in respect of such postponement.

For the period from , 2026 to , 2076, if an Interest Payment Date, other than a redemption date or the Maturity Date, falls on a day that is not a business day, the Interest Payment Date will be postponed to the next day that is a business day, except that if that business day is in the next succeeding calendar month, the Interest Payment Date will be the immediately preceding business day. Also, if a redemption date or

the Maturity Date of the Notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day and no interest on such payment will accrue for the period from and after the redemption date or the Maturity Date, if applicable.

Specified Denominations

The Notes will be issued only in minimum denominations of U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof.

Deferral Right

So long as no event of default has occurred and is continuing, Emera may elect, at its sole option, at any date other than an Interest Payment Date (a "Deferral Date"), to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (a "Deferral Period"). There is no limit on the number of Deferral Periods that may occur. Such deferral will not constitute an event of default or any other breach under the Trust Indenture and the Notes. Deferred interest will accrue, compounding on each subsequent Interest Payment Date, until paid. A Deferral Period terminates on any Interest Payment Date where Emera pays all accrued and unpaid interest on such date. No Deferral Period may extend beyond the Maturity Date.

Emera will give the holders of the Notes written notice of its election to commence or continue a Deferral Period at least 10 and not more than 60 days before the next Interest Payment Date.

Dividend Stopper Undertaking

Unless Emera has paid all accrued and payable interest on the Notes, Emera will not:

(i) declare any dividend on the Dividend Restricted Shares or pay any interest on any Parity Notes (other than stock dividends on Dividend Restricted Shares);

(ii) redeem, purchase or otherwise retire any Dividend Restricted Shares or Parity Notes (except (i) with respect to Dividend Restricted Shares, out of the net cash proceeds of a substantially concurrent issue of Dividend Restricted Shares or (ii) pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of Dividend Restricted Shares); or

(iii) make any payment to holders of any of the Dividend Restricted Shares or any Parity Notes in respect of dividends not declared or paid on such Dividend Restricted Shares or interest not paid on such Parity Notes, respectively (the "Dividend Stopper Undertaking").

"Dividend Restricted Shares" means, collectively, the preferred shares of Emera (including the Conversion Preferred Shares) and the Common Shares of Emera.

"Parity Notes" means any class or series of Emera indebtedness currently outstanding or hereafter created which ranks on a parity with the Notes (prior to any Automatic Conversion (as defined below)) as to distributions upon liquidation, dissolution or winding-up.

It is in the interest of Emera to ensure that it timely pays interest on the Notes so as to avoid triggering the Dividend Stopper Undertaking.

Automatic Conversion

The Notes, including accrued and unpaid interest thereon, will be converted automatically (the "Automatic Conversion"), without the consent of the holders thereof, into shares of a newly issued series of First Preferred Shares of Emera (the "Conversion Preferred Shares") upon the occurrence of: (i) the making by Emera of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the Bankruptcy and Insolvency Act (Canada), (ii) any proceeding instituted by Emera seeking to adjudicate it a bankrupt or insolvent or, where Emera is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Emera or any substantial part of its property and assets in circumstances where Emera is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over Emera or for any substantial part of its property and assets by a court of

competent jurisdiction in circumstances where Emera is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada; or (iv) any proceeding is instituted against Emera seeking to adjudicate it a bankrupt or insolvent, or where Emera is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Emera or any substantial part of its property and assets in circumstances where Emera is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within sixty (60) days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against Emera or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets) (each, an "Automatic Conversion Event").

The Conversion Preferred Shares will carry the right to receive cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the Companies Act (Nova Scotia), at the Perpetual Preferred Share Rate, payable on each semi-annual or quarterly dividend payment date, as the case may be, subject to any applicable withholding tax. See "Description of Conversion Preferred Shares."

The Automatic Conversion shall occur upon an Automatic Conversion Event (the "Conversion Time"). As of the Conversion Time, the Notes shall be automatically converted, without the consent of the holders of the note, into a newly issued series of fully-paid Conversion Preferred Shares. At such time, Notes shall be deemed to be immediately and automatically surrendered and cancelled without need for further action by noteholders, who shall thereupon automatically cease to be holders thereof and all rights of any such holder as a debtholder of Emera shall automatically cease. At the Conversion Time, holders of the Notes will receive one Conversion Preferred Share for each U.S.$1,000 principal amount of Notes previously held together with the number of Conversion Preferred Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Notes, by U.S.$1,000.

Upon an Automatic Conversion of the Notes, Emera reserves the right not to issue some or all, as applicable, of the Conversion Preferred Shares to Ineligible Persons. In such circumstances, Emera will hold all Conversion Preferred Shares that would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and will attempt to facilitate the sale of such shares through a registered dealer retained by Emera for the purpose of effecting the sale (to parties other than Emera, its affiliates or other Ineligible Persons) on behalf of such Ineligible Persons of such Conversion Preferred Shares. Such sales, if any, may be made at any time and any price. Emera will not be subject to any liability for failing to sell Conversion Preferred Shares on behalf of any such Ineligible Persons or at any particular price on any particular day. The net proceeds received by Emera from the sale of any such Conversion Preferred Shares will be divided among the Ineligible Persons in proportion to the number of Conversion Preferred Shares that would otherwise have been delivered to them, after deducting the costs of sale and any applicable taxes, if any. Emera will make payment of the aggregate net proceeds to the Clearing Agency (if the Notes are then held in the book-entry only system) or to the registrar and transfer agent (in all other cases) for distribution to such Ineligible Persons in accordance with the Clearing Agency Procedures or otherwise.

As a precondition to the delivery of any certificate or other evidence of issuance representing any Conversion Preferred Shares or related rights following an Automatic Conversion, Emera may obtain from any holder of Notes (and persons holding Notes represented by such holder of Notes) a declaration, in form and substance satisfactory to Emera, confirming compliance with any applicable regulatory requirements to establish that such holder of Notes is not, and does not represent, an Ineligible Person.

As the events that give rise to an Automatic Conversion are bankruptcy and related events, it is in the interest of Emera to ensure that an Automatic Conversion does not occur, although the events that could give rise to an Automatic Conversion may be beyond Emera's control.

Redemption Right

On or after , 2026, Emera may, at its option, on giving not more than 60 nor less than 30 days' notice to the holders of the Notes, redeem the Notes, in whole at any time or in part from time to time on any Interest Payment Date. The redemption price per U.S.$1,000 principal amount of Notes redeemed on any Interest Payment Date will be 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. Notes that are redeemed shall be cancelled and shall not be reissued.

In the event that Emera redeems or purchases any of the Notes, Emera intends (without thereby assuming a legal obligation) to do so only to the extent the aggregate redemption or purchase price is equal to or less than the net proceeds, if any, received by Emera from new issuances during the period commencing on the 360th calendar day prior to the date of such redemption or purchase of securities which are assigned by S&P at the time of sale or issuance, an aggregate equity credit that is equal to or greater than the equity credit assigned to the Notes to be redeemed or repurchased (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Notes), unless:

(i) the issuer credit rating assigned by S&P to Emera is at least BBB+ (or such similar nomenclature then used by S&P) and Emera is comfortable that such rating would not fall below this level as a result of such redemption or purchase, or

(ii) in the case of a purchase

  a. such repurchase is of less than 10 percent of the aggregate principal amount of the Notes originally issued in any period of 12 consecutive months or

  b. a maximum of 25 percent of the aggregate principal amount of the Notes originally issued in any period of ten consecutive years is purchased, or

(iii) the Notes are not assigned equity credit by S&P at the time of such redemption or purchase, or

(iv) the Notes are redeemed pursuant to a Rating Event (to the extent it is triggered by a change of methodology at S&P), or a Tax Event, or pursuant to a special mandatory redemption, or

(v) such redemption or purchase occurs on or after , 2046.

Special Mandatory Redemption

Emera will be required to redeem the Notes, in whole, on the special mandatory redemption date (as defined below) at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest from and including the date of initial issuance, or the most recent date to which interest has been paid, whichever is later, to, but not including, the special mandatory redemption date if:

- the closing of the Acquisition has not occurred by 5:00 p.m. New York City time on the special mandatory redemption triggering date (as defined below); or
- the Acquisition Agreement is terminated at any time prior to the special mandatory redemption triggering date.

The "Acquisition Agreement" means the agreement and plan of merger, dated September 4, 2015, among Emera, Merger Sub and TECO Energy.

The "special mandatory redemption date" means the 20th business day following the earlier of the special mandatory redemption triggering date and the date on which the Acquisition Agreement is terminated.

The "special mandatory redemption triggering date" means the later of (i) December 31, 2016 and (ii) the date that is no later than June 30, 2017 if the closing of the Acquisition has been extended by Emera or TECO Energy in accordance with the terms of the Acquisition Agreement.

Notwithstanding the foregoing, installments of interest on Notes that are due and payable on the Interest Payment Date falling on or prior to the special mandatory redemption date will be payable on the Interest Payment Date to the registered holders as of the close of business on the relevant record dates in accordance with the Notes and the Trust Indenture. Emera will cause the notice of special mandatory redemption to be sent (or delivered in accordance with the procedures of the Depositary Trust & Clearing Corporation ("DTCC")) to holders of the Note, with a copy to the Indenture Trustee, within five business days after the occurrence of the event triggering the special mandatory redemption to each holder at its registered address. If funds sufficient to pay the special mandatory redemption price of the Notes to be redeemed on the special mandatory redemption date are deposited with the Indenture Trustee or a paying agent on or before such special mandatory redemption date, and certain other conditions are satisfied, on and after such special mandatory redemption date, the Notes will cease to bear interest.

There is no escrow account for, or security interest in, the proceeds of the offering for the benefit of the holders of the Notes. See "Risk Factors – Risks Related to the Notes."

Upon the occurrence of the closing of the Acquisition, the foregoing provisions regarding the special mandatory redemption will cease to apply.

Redemption on Rating Event or Tax Event

Prior to the initial Interest Reset Date and within 90 days of a Tax Event, Emera may, at its option, on giving not more than 60 nor less than 30 days' notice to the holders of the Notes, redeem all (but not less than all) of the Notes. The redemption price per U.S.$1,000 principal amount of Notes will be equal to 100% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption.

A "Tax Event" means Emera has received an opinion of independent counsel of a nationally recognized law firm in Canada or the U.S. experienced in such matters (who may be counsel to Emera) to the effect that, as a result of, (i) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada or the U.S. or any political subdivision or taxing authority thereof or therein, affecting taxation; (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an "administrative action"); or (iii) any amendment to, clarification of, or change in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of case (i), (ii) or (iii), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the date of issue of the Notes, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) that Emera is, or may be, subject to more than a de minimis amount of additional taxes, duties or other governmental charges or civil liabilities because the treatment of any of its items of income, taxable income, expense, taxable capital or taxable paid-up capital with respect to the Notes (including the treatment by Emera of interest on the Notes), as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority.

Prior to the initial Interest Reset Date and within 90 days following the occurrence of a Rating Event, Emera may, at its option, on giving not more than 60 nor less than 30 days' notice to the holders of the Notes, redeem all (but not less than all) of the Notes. The redemption price per U.S.$1,000 principal amount of Notes will be equal to 102% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption.

A "Rating Event" means the amount of equity credit assigned to the Notes by Moody's or S&P has been reduced due to an amendment to, clarification or change in, the Equity Credit Methodology.

"Equity Credit Methodology" means the methodology or criteria employed by Moody's or S&P for purposes of assigning equity credit to securities such as the Notes that was effective on the date of the original issuance of the Notes.

Purchase for Cancellation

Subject to the Dividend Stopper Undertaking, the Notes may be purchased, in whole or in part, by Emera in the open market or by tender or private contract. Notes purchased by Emera shall be cancelled and shall not be reissued. The purchase price payable by Emera will be paid in cash.

Subordination

The Notes will be direct unsecured subordinated obligations of Emera. The payment of principal and interest on the Notes, to the extent provided in the Trust Indenture, will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of Emera's subsidiaries.

"Senior Indebtedness" means obligations (other than non-recourse obligations, Notes issued under the Trust Indenture or any other obligations specifically designated as being subordinate in right of payment to Senior

Indebtedness) of, or guaranteed or assumed by, Emera for borrowed money or evidenced by bonds, debentures or notes or obligations of Emera for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refunding of any such indebtedness or obligation. As of March 31, 2016, Emera's Senior Indebtedness totaled approximately Cdn$751 million.

Events of Default

An event of default in respect of the Notes will occur only if Emera defaults on the payment of (i) principal or premium, if any, when due and payable or (ii) interest when due and payable and such default continues for 30 days (subject to Emera's right, at its sole option, to defer interest payments, as described under "Description of the Notes – Deferral Right.").

If an event of default has occurred and is continuing, and the Notes have not already been automatically converted into Conversion Preferred Shares, then Emera shall without notice from an Indenture Trustee be deemed to be in default under the Trust Indenture and the Notes and the Indenture Trustee may, in its discretion and shall upon the request of holders of not less than one-quarter of the principal amount of Notes then outstanding under the Trust Indenture, demand payment of the principal or premium, if any, together with any accrued and unpaid interest up to (but excluding) such date, which shall immediately become due and payable in cash, and may institute legal proceedings for the collection of such aggregate amount where Emera fails to make payment thereof upon such demand.

Additional Emera Covenants

In addition to the Dividend Stopper Undertaking, Emera will covenant for the benefit of the holders of the Notes, that it will not create or issue any Emera Preferred Shares which, in the event of insolvency or winding-up of Emera, would rank in right of payment in priority to the Conversion Preferred Shares.

Issue of Conversion Preferred Shares in Connection with Automatic Conversion

All corporate action necessary to authorize Emera to issue Conversion Preferred Shares pursuant to the terms of the Notes will be completed prior to the closing of the offering of the Notes.

Merger, Consolidation, Sale, Lease or Conveyance

The Trust Indenture provides that Emera will not merge, amalgamate or consolidate with any other person and will not sell, lease or convey all or substantially all its assets to any person, unless Emera shall be the continuing person, or unless the successor corporation or person that acquires all or substantially all the assets of Emera shall expressly assume all of the covenants to be performed and conditions to be observed by Emera under the Trust Indenture, and unless immediately after such merger, amalgamation, consolidation, sale, lease or conveyance, Emera, such person or such successor corporation shall not be in default in the performance of the covenants and conditions of such Trust Indenture to be performed or observed by Emera.

If such successor corporation or person that acquires all or substantially all the assets of Emera is organized under the laws of a jurisdiction other than the laws of Canada or any province of territory thereof or the United States, any state thereof or the District of Columbia, such successor corporation or person shall assume Emera's obligations under the Trust Indenture to pay Additional Amounts, with the name of such successor jurisdiction being included in addition to Canada in each place that Canada appears in "Payment of Additional Amounts."

Payment of Additional Amounts

All payments made by or on account of any obligation of Emera under or with respect to the Notes shall be made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax (hereinafter, "Canadian Taxes"), unless Emera is required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. If Emera is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the Notes, Emera shall pay as

additional interest such additional amounts (hereinafter "Additional Amounts") as may be necessary so that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction shall not be less than the amount the holder of the Notes would have received if such Canadian Taxes had not been withheld or deducted; provided, however, that no Additional Amounts shall be payable with respect to a payment made to a holder of the Notes (hereinafter an "Excluded Holder") in respect of a beneficial owner (i) with which Emera does not deal at arm's length (for purposes of the Tax Act) at the time of the making of such payment, (ii) which is subject to such Canadian Taxes by reason of the failure to comply with any certification, identification, information, documentation or other reporting requirement by a holder of the Notes if compliance is required by law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in, the rate of deduction or withholding of, such Canadian Taxes, (iii) where all or any portion of the amount paid to such holder of the Notes is deemed to be a dividend paid to such holder pursuant to subsection 214(16) of the Tax Act, or (iv) which is subject to such Canadian Taxes by reason of its carrying on business in or being connected with Canada or any province or territory thereof otherwise than by the mere holding of Notes or the receipt of payments thereunder. Emera shall make such withholding or deduction and remit the full amount deducted or withheld to the relevant authority as and when required under applicable law.

If a holder of the Notes has received a refund or credit for any Canadian Taxes with respect to which Emera has paid Additional Amounts, such holder of the Notes shall pay over such refund to Emera (but only to the extent of such Additional Amounts), net of all out of-pocket expenses of such holder of the Notes, together with any interest paid by the relevant tax authority in respect of such refund.

If Additional Amounts are required to be paid as a result of a Tax Event, Emera may elect to redeem the outstanding Notes. See "– Redemption on Rating Event or Tax Event" above.

Amendment, Supplement and Waiver

The Trust Indenture or the Notes may be amended and any existing default or event of default or compliance with any provision of the Trust Indenture or the Notes may be waived by Extraordinary Resolution; provided that, in any case, without the consent of each holder of the outstanding Notes affected thereby, Emera and the Indenture Trustee may not (a) extend the stated maturity of the principal of the Notes, (b) reduce the principal amount thereof or reduce the rate or extend the time of payment of interest thereon, (c) reduce any amount payable on redemption thereof, (d) change the place at which or currency in which principal and interest payments are to be made, (e) reduce the amount of any original issue discount security payable upon acceleration or provable in bankruptcy or impair the right to institute suit for the enforcement of any payment on any of the Notes when due, or (f) reduce the aforesaid percentage in principal amount of the Notes.

Issue of Additional Notes

Emera may, at any time and from time to time, issue additional Notes or other subordinated notes without the authorization of holders of the Notes. In the event that Emera issues additional series of subordinated notes, the rights, privileges, restrictions and conditions attached to such additional series may vary materially from the Notes. In such event, the right of the holders of the Notes to receive interest or principal may rank pari passu with the rights of the holders of other subordinated notes.

Governing Law

The Trust Indenture and the Notes will be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein, other than such provisions of the Trust Indenture which govern American Stock Transfer & Trust Company, LLC's rights and obligations to holders of the Notes and Emera, which will be governed by the laws of the State of New York.

Book-Entry Only Form

Upon issuance, the Notes will be represented by one or more fully registered global securities (the "Global Securities") registered in the name of Cede & Co. (the nominee of The Depository Trust Company (the "Clearing Agency")), or such other name as may be requested by an authorized representative of the Clearing Agency. The authorized denominations of each Note will be U.S.$2,000 and integral multiples of U.S.$1,000 in excess thereof. Accordingly, the Notes may be transferred or converted only through the Clearing Agency and its participants. Except as described below, owners of beneficial interests in the Global Securities will not be entitled to receive the Notes in definitive form.

Beneficial interests in the Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Clearing Agency. Holders of the Notes may elect to hold interests in the Notes in global form through either the Clearing Agency in the U.S. or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), or Euroclear Bank S.A./N.V. ("Euroclear"), if they are participants in those systems, or indirectly through organizations which are participants in those systems. Clearstream, Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream, Luxembourg's and Euroclear's names on the books of their respective depositaries, which in turn will hold such interests in customers' securities accounts in the depositaries' names on the books of the Clearing Agency.

Each person owning a beneficial interest in a Global Security must rely on the procedures of the Clearing Agency and, if such person is not a participant, on the procedures of the participant through which such person owns its interest in order to exercise any rights of a holder under the Trust Indenture. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Security representing the Notes.

The following is based on information furnished by the Clearing Agency:

The Clearing Agency is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. The Clearing Agency holds securities that its participants ("Participants") deposit with the Clearing Agency. The Clearing Agency also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. These direct Participants ("Direct Participants") include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. The Clearing Agency is a wholly-owned subsidiary of DTCC. DTCC is the holding company for the Clearing Agency, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the Clearing Agency's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to the Clearing Agency and its Participants are on file with the SEC.

Purchases of the Notes under the Clearing Agency's system must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing Agency's records. The ownership interest of each actual purchaser of each Note represented by a Global Security ("Beneficial Owner") is in turn to be recorded on the Direct Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from the Clearing Agency of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participants or Indirect Participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in a Global Security representing the Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners of a Global Security representing the Notes will not receive the Notes in definitive form representing their ownership interests therein, except in the event that use of the book-entry system for such Notes is discontinued.

To facilitate subsequent transfers, the Global Securities representing the Notes which are deposited with the Clearing Agency are registered in the name of the Clearing Agency's nominee, Cede & Co., or such other name as may be requested by an authorized representative of the Clearing Agency. The deposit of Global Securities with the Clearing Agency and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. The Clearing Agency has no knowledge of the actual Beneficial Owners of the Global Securities representing the Notes; the Clearing Agency's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by the Clearing Agency to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither the Clearing Agency nor Cede & Co. (nor such other nominee of the Clearing Agency) will consent or vote with respect to the Global Securities representing the Notes. Under its usual procedures, the Clearing Agency mails an "omnibus proxy" to Emera as soon as possible after the applicable record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the applicable record date (identified in a listing attached to the omnibus proxy).

Principal, premium, if any, and interest payments on the Global Securities representing the Notes will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Clearing Agency). The Clearing Agency's practice is to credit Direct Participants' accounts, upon the Clearing Agency's receipt of funds and corresponding detailed information from Emera or the Indenture Trustee, on the applicable payment date in accordance with their respective holdings shown on the Clearing Agency's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of the Clearing Agency, the applicable Indenture Trustee or Emera, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Clearing Agency) is the responsibility of Emera or the applicable Indenture Trustee (provided it has received funds from Emera), disbursement of such payments to Direct Participants shall be the responsibility of the Clearing Agency, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The Clearing Agency may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to Emera or the Indenture Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Notes in definitive form are required to be printed and delivered to each holder.

Emera may decide to discontinue use of the system of book-entry transfers through the Clearing Agency (or a successor securities depositary). In that event, the Notes in definitive form will be printed and delivered.

Clearstream, Luxembourg advises that it is incorporated under the laws of Luxembourg as a professional depositary. Clearstream, Luxembourg holds securities for its participating organizations ("Clearstream participants"), and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to Clearstream participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depositary, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream participants are recognized financial institutions around the world, including Underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the Underwriters of this offering. Indirect access to Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream participant, either directly or indirectly.

Distributions with respect to interests in the Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures, to the extent received by the Clearing Agency for Clearstream, Luxembourg.

Euroclear advises that it was created in 1968 to hold securities for participants of Euroclear ("Euroclear participants"), and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. ("Euroclear Operator"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Underwriters of the offering of the Notes. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within the Euroclear System, withdrawals of securities and cash from the Euroclear System, and receipts of payment with respect to securities in the Euroclear System. All securities in the Euroclear System are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants, and has no records of or relationship with persons holding through Euroclear participants.

Distributions with respect to the Notes held beneficially through the Euroclear System will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by the U.S. depositary for the Euroclear System.

The information in this section concerning the Clearing Agency and the Clearing Agency's book-entry system, Clearstream, Luxembourg and Euroclear has been obtained from sources that Emera believes to be reliable, but is subject to any changes to the arrangements between Emera and the Clearing Agency and any changes to such procedures that may be instituted unilaterally by the Clearing Agency, Clearstream, Luxembourg and Euroclear.

Transfers

Transfers of ownership of the Notes will be effected only through records maintained by the Clearing Agency for such Notes with respect to interests of Participants and on the records of Participants with respect to interests of persons other than Participants. Holders of the Notes who are not Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Notes, may do so only through Participants. The ability of a holder to pledge Notes or otherwise take action with respect to such holder's interest in Notes (other than through a Participant) may be limited due to the lack of a physical certificate. See "Risk Factors – Risks Related to the Notes – Liquidity of and Dealings in Notes."

Payments and Deliveries

As long as the Clearing Agency is the registered owner of the Notes, the Clearing Agency will be considered the sole owner of the Notes for the purposes of receiving payments on the Notes or the delivery of Conversion Preferred Shares upon the occurrence of an Automatic Conversion. Payments of interest in respect of Notes will be made by Emera to the Clearing Agency as the registered holder of the Notes and Emera understands that such payments will be forwarded by the Clearing Agency to Participants in accordance with the Clearing Agency Procedures. Deliveries of Conversion Preferred Shares in respect of the exercise or operation of the Automatic Conversion in the limited circumstances described under "– Automatic Conversion" will be made by Emera to the Clearing Agency as the registered holder of the Notes and Emera understands that such shares will be forwarded by the Clearing Agency to Participants in accordance with the Clearing Agency Procedures. As long as the Notes are held in the Clearing Agency book-entry only system, the responsibility and liability of the Indenture Trustee and/or Emera in respect of the Notes is limited to making payment of any amount due on the Notes and/or making delivery of Conversion Preferred Shares in respect thereof to the Clearing Agency.

DESCRIPTION OF CONVERSION PREFERRED SHARES

The following is a summary of the rights, privileges, restrictions and conditions attaching the Conversion Preferred Shares. This summary is qualified in its entirety by Emera's memorandum of association, as amended, and articles of association, as amended, and the actual terms and conditions of the Conversion Preferred Shares.

Issue Price

The Conversion Preferred Shares will have an issue price of U.S.$1,000 per share.

No Fixed Maturity

The Conversion Preferred Shares will not have a fixed maturity date.

Dividends

Holders of the Conversion Preferred Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the *Companies Act* (Nova Scotia), at the same rate as would have accrued on the Notes (had such Notes remained outstanding) as described under "Description of the Notes – Interest and Maturity") (the "Perpetual Preferred Share Rate"), payable on each semi-annual or quarterly dividend payment date, as the case may be, subject to applicable withholding tax. If the Board of Directors does not declare the dividends, or any part thereof, on the Conversion Preferred Shares on or before the dividend payment date for a particular period, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the Board of Directors on which Emera shall have sufficient monies properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of Emera, for the payment of the same.

Redemption of the Conversion Preferred Shares

The Conversion Preferred Shares will not be redeemable by Emera on or prior to , 2026. After that date, but subject to the provisions of the Companies Act (Nova Scotia) and the provisions described below under "– Restrictions on Dividends and Retirement of Conversion Preferred Shares," Emera may redeem at any time all, or from time to time any part, of the outstanding Conversion Preferred Shares, without the consent of the holders, on not more than 60 days and not less than 30 days prior notice, by the payment of an amount in cash for each such share so redeemed of U.S.$1,000 per share together with an amount equal to all accrued and unpaid dividends thereon, subject to any applicable withholding tax.

Presentation for Redemption or Sale

A redemption or sale to Emera of Conversion Preferred Shares will be effected by the holder transferring such holder's Conversion Preferred Shares to be redeemed or sold to the account of Emera in the Clearing Agency (or, in the event that the Conversion Preferred Shares are not then issued in book-entry only form, by depositing with the transfer agent for the Conversion Preferred Shares, at one of its principal offices, certificates representing such Conversion Preferred Shares).

Purchase for Cancellation

On or after , 2026, subject to the provisions described below under "– Restrictions on Dividends and Retirement of Conversion Preferred Shares," Emera may, purchase for cancellation any Conversion Preferred Shares in the open market or by tender or private contract at any price, subject to any applicable withholding tax. Any such shares purchased by Emera shall be cancelled and shall not be reissued.

Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of Emera, the holders of the Conversion Preferred Shares shall be entitled to receive U.S.$1,000 per share (less any amount that may have been returned to holders as a return of capital), together with all accrued and unpaid dividends thereon, subject to any applicable withholding tax, before any amount shall be paid or any assets of Emera distributed to the holders of Common Shares or any shares ranking junior to the Conversion Preferred Shares. The holders of the Conversion Preferred Shares shall not be entitled to share in any further distribution of the property or assets of Emera.

Restrictions on Dividends and Retirement of Conversion Preferred Shares

So long as any of the Conversion Preferred Shares are outstanding, Emera will not, without the approval of the holders of the Conversion Preferred Shares, given as specified below:

(i) declare any dividend on the Common Shares or any other shares ranking junior to the Conversion Preferred Shares (other than stock dividends on shares ranking junior to the Conversion Preferred Shares); or

(ii) redeem, purchase or otherwise retire any Common Shares or any other shares ranking junior to the Conversion Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Conversion Preferred Shares); or

(iii) redeem, purchase or otherwise retire: (i) less than all the Conversion Preferred Shares; or (ii) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of preferred shares of Emera, any other shares ranking on a parity with the Conversion Preferred Shares;

unless, in each case, all dividends on the Conversion Preferred Shares of that series and on all other shares ranking prior to or on a parity with the Conversion Preferred Shares, have been declared and paid or set apart for payment.

Issue of Additional Series of Emera Preferred Shares

Emera may issue other series of Emera Preferred Shares without the authorization of the holders of the Conversion Preferred Shares, as applicable.

Shareholder Approvals

The approval of any amendments to the rights, privileges, restrictions and conditions attaching to the Conversion Preferred Shares may be given by a resolution carried by the affirmative vote of not less than 66⅔% of the votes cast at a meeting of holders of Conversion Preferred Shares at which at least a majority of the outstanding Conversion Preferred Shares is represented or, if no quorum is present at such meeting, at a meeting following such adjourned meeting at which no quorum requirement would apply. Emera will covenant that for so long as the Notes are outstanding no amendment will be made to the rights, privileges, restrictions and conditions of the Conversion Preferred Shares (other than any amendments relating to the Emera Preferred Shares as a class) without the prior approval of the holders of the Notes by Extraordinary Resolution.

Voting Rights

The voting rights of holders of Conversion Preferred Shares shall be the same as the voting rights of the holders of Emera's other outstanding series of First Preferred Shares.

The holders of Conversion Preferred Shares will not be entitled to receive notice of or to attend or to vote at any meeting of the shareholders of Emera unless and until Emera shall fail to pay in aggregate four semi-annual or eight quarterly dividends, as applicable, on the Conversion Preferred Shares, whether or not consecutive and whether or not dividends have been declared and whether or not there are any monies of Emera properly applicable to the payment of dividends. In that event, the holders of the Conversion Preferred Shares will be entitled to receive notice of, and to attend, all meetings of shareholders at which directors are to be elected and to vote for the election of two directors out of the total number of directors elected at such meeting. Such entitlement to vote shall be exercised together with holders of shares of all other series of First Preferred Shares and all other classes or series of classes of shares of the Company bearing the right to vote in similar circumstances. In any such instance, a holder of Conversion Preferred Shares will be entitled to one vote for each share held, subject to the circumstances described below under "Constraints on Share Ownership." The voting rights of the holders of Conversion Preferred Shares shall forthwith cease upon payment by Emera of all arrears of dividends on any outstanding Conversion Preferred Shares unless and until four semi-annual or eight quarterly dividends, as applicable, on such Conversion Preferred Shares shall again be in arrears and unpaid.

Constraints on Share Ownership

As required by the *Nova Scotia Power Reorganization (1998) Act* (Nova Scotia) and pursuant to the *Nova Scotia Power Privatization Act* (Nova Scotia), the Articles of Association of Emera (the "Emera Articles") provide that no person, together with associates thereof, may subscribe for, have transferred to that person, hold, beneficially own or control, directly or indirectly, otherwise than by way of security only, or vote, in the aggregate, voting shares of Emera to which are attached more than 15% of the votes attached to all outstanding voting shares of Emera. Non-residents of Canada may not subscribe for, have transferred to them, hold, beneficially own or control, directly or indirectly, otherwise than by way of security only, or vote, in the aggregate, voting shares of Emera to which are attached more than 25% of the votes attached to all outstanding voting shares of Emera. Votes cast by non-residents on any resolution at a meeting of common shareholders of Emera will be pro-rated so that such votes will not constitute more than 25% of the total number of votes cast.

The Common Shares, and in certain circumstances the First Preferred Shares, Series A, First Preferred Shares, Series B, First Preferred Shares, Series C, First Preferred Shares, Series E and First Preferred Shares, Series F, are considered to be voting shares for purposes of the constraints on share ownership, and any Conversion Preferred Shares issued upon an Automatic Conversion Event will also in certain circumstances be considered to be voting shares for purposes of the constraints on share ownership.

The Emera Articles contain provisions for the enforcement of these constraints on share ownership including provisions for suspension of voting rights, forfeiture of dividends, prohibitions of share transfer and issuance,

compulsory sale of shares and redemption, and suspension of other shareholder rights. The Board of Directors may require shareholders to furnish statutory declarations as to matters relevant to enforcement of the restrictions.

Tax Election

The Conversion Preferred Shares will be "taxable preferred shares" as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act. The terms of the Conversion Preferred Shares will require Emera to make the necessary election under Part VI.1 of the Tax Act so that corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Conversion Preferred Shares. See "Certain Canadian Federal Income Tax Considerations."

Book-Entry Only Form

Unless Emera elects otherwise, the Conversion Preferred Shares will be issued in "book-entry only" form and may be purchased, held and transferred in substantially the same manner as the Notes. See "Description of the Notes – Book-Entry Only Form."

UNDERWRITING (CONFLICTS OF INTEREST)

We intend to offer the Notes through the Underwriters. J.P. Morgan Securities LLC is acting as representative of the Underwriters named below. Subject to the terms and conditions contained in an underwriting agreement, dated the date of this Prospectus Supplement, among Emera and the Underwriters, Emera has agreed to sell to the Underwriters and the Underwriters severally have agreed to purchase from us, the principal amount of the Notes listed opposite their names below:

Underwriter	Principal Amount of Notes
J.P. Morgan Securities LLC	
Total:	U.S.$

The Underwriters have agreed to purchase all of the Notes sold pursuant to the underwriting agreement if any of the Notes are purchased. If an Underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting Underwriters may be increased, the non-defaulting Underwriters may arrange for the purchase of such unsold Notes by other persons satisfactory to the Company or the underwriting agreement may be terminated.

Emera has agreed to indemnify the several Underwriters and their controlling persons against certain liabilities, including liabilities under the Securities Act, the Exchange Act, and any Canadian securities laws, or to contribute to payments the Underwriters may be required to make in respect of those liabilities.

The Underwriters are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the underwriting agreement, such as the receipt by the Underwriters of officer's certificates and legal opinions. The underwriting agreement provides that the obligations of the Underwriters to purchase the Notes included in this offering may be terminated at their discretion if there is a material adverse change in the financial markets which makes it impracticable to proceed with the offering of the Notes and may also be terminated upon the occurrence of certain stated events. The Underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. The offering price and the other terms of the Notes have been determined by negotiation between Emera and the Underwriters.

Emera has agreed that, until settlement of the offering of the Notes, it will not, without the prior written consent of J.P. Morgan Securities LLC, offer, sell, or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any debt securities similar to the Notes issued by it other than as contemplated in the underwriting agreement. J.P. Morgan Securities LLC in its sole discretion may release any of the securities subject to these lock-up agreements at any time without notice.

The Notes have not been and will not be qualified for sale under the securities laws of any province or territory of Canada other than the Province of Nova Scotia, where the Notes will be qualified under this Prospectus Supplement and the accompanying Prospectus solely for the purpose of registering the Notes for sale in the United States under the multi-jurisdictional disclosure system adopted in the United States and Canada. The Notes are not being offered in and may not be sold to any persons in Canada.

The Underwriters will initially offer the Notes at the initial public offering price set forth on the cover of this prospectus supplement. The Underwriters may sell Notes to securities dealers at that price less a concession not in excess of $ per Note; provided that concessions will be $ per Note for sales to institutions. The Underwriters may allow, and those dealers may reallow, a discount not in excess of $ per Note to certain other dealers. If the Underwriters do not sell all of the Notes at the initial offering price, the Underwriters may change the offering price and the other selling terms.

Discount

The underwriting agreement provides that the Underwriters will be paid an underwriting discount by Emera equal to % of the principal amount of the Notes in consideration for their services in connection with the offering of the Notes. The Underwriters will set off the Underwriters' discount against a portion of the purchase price payable to Emera.

The expenses of the offering, not including the Underwriters' discount, are estimated to be U.S.$ and are payable by Emera.

New Issue of Notes

The Notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the Notes on any national securities exchange or for inclusion of the Notes on any automated dealer quotation system. We have been advised by the Underwriters that they presently intend to make a market in the Notes after completion of the offering of the Notes. However, the Underwriters are under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure the liquidity of the trading market for the Notes or that an active public market for the Notes will develop. If an active public trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial public offering price, depending on prevailing interest rates, the market for similar securities, our performance and other factors.

Settlement

We expect to deliver the Notes against payment for the Notes on or about , 2016, which will be the business day following the date of the pricing of the Notes (such date being referred to as "T + "). Under Rule 15c6-l of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on any date prior to three business days before delivery will be required, by virtue of the fact that the Notes initially will settle in T + , to specify an alternate settlement arrangement to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date of pricing or the next succeeding business day should consult their own advisor.

Price Stabilization and Short Positions

In connection with the offering of the Notes, the Underwriters are permitted to engage in transactions that stabilize the market prices of the Notes. Such transactions consist of bids or purchases to peg, fix or maintain the price of the Notes.

If the Underwriters create a short position in the Notes in connection with the offering, i.e., if they sell more Notes than are on the cover page of this Prospectus Supplement, the Underwriters may reduce that short position by purchasing Notes in the open market. Purchases of Notes to stabilize the price or to reduce a short position could cause the price of the Notes to be higher than it might be in the absence of such purchases.

Neither Emera nor any of the Underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither Emera nor any of the Underwriters makes any representation that the Underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Some of the Underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with Emera and its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Emera or its affiliates. If any of the Underwriters or their affiliates have a lending relationship with Emera, certain of those Underwriters or their affiliates routinely hedge, and certain other of those Underwriters or their affiliates may hedge, their credit exposure to Emera consistent with their customary risk management policies. Typically, such Underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes. The Underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Each of the Underwriters is an affiliate of a financial institution that has, either solely or as a member of a syndicate of financial institutions, extended (or will extend) credit facilities to, or holds (or will hold) other indebtedness of, the Company and/or its subsidiaries (collectively, the "Bank Indebtedness"). See "Financing the Acquisition" and "Capitalization" in the accompanying Prospectus. J.P. Morgan Securities LLC is also acting as financial advisor to Emera in connection with the Acquisition and is receiving a fee therefor.

Certain of the Underwriters are also acting as underwriters or initial purchasers in connection with certain of the securities offerings which constitute the Acquisition Capital Markets Transactions. Consequently, the Company may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities legislation. See "Relationship Between Emera and the Underwriters."

To the extent that the net proceeds from this offering are used to reduce amounts outstanding under the Acquisition Credit Facilities, if any, affiliates of certain of the Underwriters could receive 5% or more of the net proceeds from this offering. See "Use of Proceeds". In such event, such Underwriters would be deemed to have a conflict of interest under FINRA Rule 5121 (Public Offerings of Securities with Conflicts of Interest). In the event of any such conflict of interest, such Underwriters would be required to conduct the distribution of the Notes in accordance with FINRA Rule 5121. If the distribution is conducted in accordance with FINRA Rule 5121, any such Underwriter would not be permitted to confirm a sale to an account over which it exercises discretionary authority without first receiving specific written approval from the account holder.

Selling Restrictions

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area (each, a member state), with effect from and including the date on which the Prospectus Directive is implemented in that member state (the relevant implementation date), an offer of Notes described in this Prospectus Supplement may not be made to the public in that member state other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of J.P. Morgan Securities LLC for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require Emera or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

Each purchaser of Notes described in this Prospectus Supplement located within a member state will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(E) of the Prospectus Directive.

For purposes of this provision, the expression an "offer of Notes to the public" in any member state means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in the member state.

The sellers of the Notes have not authorized and do not authorize the making of any offer of Notes through any financial intermediary on their behalf, other than offers made by the Underwriters with a view to the final placement of the Notes as contemplated in this Prospectus Supplement. Accordingly, no purchaser of the Notes, other than the Underwriters, is authorized to make any further offer of the Notes on behalf of the sellers or the Underwriters.

Notice to Prospective Investors in the United Kingdom

This Prospectus Supplement and the accompanying Prospectus and any other material in relation to the Notes described herein are only being distributed to, and are only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (and amendments thereto) and Section 86(7) of the Financial Services and Markets Act 2000 (United Kingdom), as amended (the "FSMA") that are also (i) investment professionals falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005, as amended (the "Order") or (ii) persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order or (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Notes are only available to, and any invitation, offer or agreement to purchase or otherwise acquire such Notes will be engaged only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents. The Notes are not being offered or sold to any person in the United Kingdom, except in circumstances which will not result in an offer of securities to the public in the United Kingdom within the meaning of Part VI of the FSMA.

Each Underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of such Notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "Financial Instruments and Exchange Law") and each Underwriter on

behalf of itself and each of its affiliates has undertaken that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time.

Notice to Prospective Investors in Singapore

This Prospectus Supplement and the accompanying Prospectus have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus Supplement, the accompanying Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except

- to an institutional investor under Section 274 of the SFA or to a relevant person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA;
- where no consideration is or will be given for the transfer; or
- where the transfer is by operation of law.

EARNINGS COVERAGE RATIOS

The Company's interest requirements on all of its outstanding debt securities after giving effect to the issue of U.S.$ principal amount of Notes distributed hereunder amounted to Cdn$ million and Cdn$ million for the 12 months ended December 31, 2015 and the 12 months ended March 31, 2016, respectively. The Company's earnings before interest and income tax for the 12 months ended December 31, 2015 and 12 months ended March 31, 2016 were Cdn$ million and Cdn$ million, respectively, which is times and times, respectively, the Company's aggregate interest requirements for the periods.

The earnings coverage ratios of the Company calculated on a pro forma basis after giving effect to the Acquisition (including the assumption of TECO Energy's consolidated debt), the conversion of the Convertible Debentures into Common Shares and the Acquisition Capital Markets Transactions are calculated as follows: (i) the Company's interest requirements on all of its outstanding debt securities amounted to Cdn$ million and Cdn$ million for each of the 12 months ended December 31, 2015 and the six months ended March 31, 2016, respectively; and (ii) the Company's earnings before interest and income tax for the 12 months ended December 31, 2015 and three months ended March 31, 2016 were Cdn$ million and Cdn$ million, respectively, which is times and times, respectively, the Company's aggregate interest requirements for the periods.

LEGAL MATTERS

Certain legal matters relating to the offering of the Notes will be passed upon on behalf of the Company by Stephen D. Aftanas, Corporate Secretary of Emera, by Davis Polk & Wardwell LLP, New York, New York, and by Osler, Hoskin & Harcourt LLP, Toronto, Ontario and on behalf of the Underwriters by Hunton & Williams LLP, New York, New York and by Stikeman Elliott LLP, Toronto, Ontario.

INDEPENDENT AUDITORS

Ernst & Young LLP, Chartered Professional Accountants, Halifax, Nova Scotia, are the auditors of Emera. Ernst & Young LLP report that they are independent of Emera in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Nova Scotia.

The consolidated financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to TECO Energy's Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of said firm as experts in auditing and accounting.

RELATIONSHIP BETWEEN EMERA AND THE UNDERWRITERS

Each of the Underwriters is an affiliate of a financial institution that has, either solely or as a member of a syndicate of financial institutions, extended (or will extend), or holds (or will hold) Bank Indebtedness. See "Financing the Acquisition" and "Capitalization" in the accompanying Prospectus. J.P. Morgan Securities LLC is also acting as financial advisor to Emera in connection with the Acquisition and is receiving a fee therefor. Consequently, the Company may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities legislation.

None of these Underwriters will receive any direct benefit from the offering of the Notes other than the underwriting commission relating to the offering of the Notes. The decision to distribute the Notes hereunder and the determination of the terms of the offering of the Notes were made through negotiation between the Company and the Underwriters. No bank had any involvement in such decision or determination. As at , 2016, an aggregate of approximately $ was outstanding under the Bank Indebtedness, which is unsecured. Emera and/or its subsidiaries are in material compliance with their respective obligations under the Bank Indebtedness. Since entering into the Bank Indebtedness, no breach thereunder has been waived by the lenders thereof and there has been no material change in the financial position of Emera or its subsidiaries, except as otherwise described in this Prospectus Supplement or the Prospectus (including in the documents incorporated by reference herein or therein). Emera intends to use the net proceeds of the offering of the Notes to finance, directly or indirectly, part of the purchase price payable for the Acquisition (including Acquisition-Related Expenses) and to reduce amounts outstanding under the Acquisition Credit Facilities established in favour of Emera to fund the purchase price payable for the Acquisition, to the extent any amounts are drawn on such facilities in connection with the Acquisition. If certain of the net proceeds from the offering of the Notes are not otherwise required to complete the Acquisition, Emera intends to use such net proceeds for general corporate purposes. See "Use of Proceeds."

RATINGS

The Notes have been given a rating of Ba2 by Moody's, which has a stable outlook on Emera, and a rating of BBB- by S&P, which has a negative outlook on Emera, (collectively, the "Rating Agencies").

The Ba2 rating assigned by Moody's to the Notes is the fifth highest rating of Moody's nine rating categories for long-term debt, which range from Aaa to C. Moody's appends numerical modifiers from 1 to 3 on its long-term debt ratings from Aa to Caa to indicate where the obligation ranks within a particular ranking category, with 1 being the highest. Obligations rated Ba are defined by Moody's as being subject to significant credit risk. They are considered speculative-grade and as such possess speculative elements.

The BBB- assigned by S&P to the Notes is the fourth highest rating of S&P's ten rating categories for long-term debt, which range from AAA to D. Issues of debt securities rated BBB are judged by S&P to exhibit adequate

protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. A negative outlook means that a rating may be lowered over the intermediate term.

Emera's issuer rating is Baa3 with a stable outlook by Moody's and BBB+ with a negative outlook by S&P. Issuer credit ratings are intended to provide investors with an independent measure of credit quality of an issuer. The issuer ratings range from a high of Aaa to a low of C in the case of Moody's long-term issuer rating and from a high of AAA to a low of D for S&P's long-term issuer rating.

According to the Moody's rating system, issuers rated Baa are considered medium grade and are subject to moderate credit risk. Numerical modifiers 1, 2 and 3 are applied to each rating classification from Aa through Caa, where a 1 would indicate a ranking in the higher end of the generic rating category and a 3 would indicate a rating in the lower end of the generic rating category. The Baa3 rating assigned to Emera is in the fourth highest of nine rating categories for long-term issuers.

According to the S&P rating system, an issuer rated BBB has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. Ratings from AA through CCC may be modified by the addition of a plus (+) or minus (-) sign to show the relative standing within the major rating categories. A negative outlook means that a rating may be lowered over the intermediate term. The BBB- rating assigned to Emera is in the fourth highest of fifteen rating categories for long-term issuers.

The credit ratings accorded to the Notes by the Rating Agencies are not recommendations to buy, sell or hold the Notes since such ratings do not comment on their market price or suitability for a particular investor. Credit ratings are intended to provide investors with an independent measure of the quality of an issue of securities and are intended to be indicators of the likelihood of payment and of the capacity and willingness of the issuer to meet its financial commitment or obligations in accordance with the terms of those securities. However, the credit ratings accorded to the Notes may not reflect the potential impact of all risks on the value of the Notes, including risks related to structure, market or the other factors discussed in this Prospectus Supplement, the Prospectus or the documents incorporated by reference herein.

Emera has made payments to Moody's and S&P in connection with the assignment of ratings to its long-term debt and will make payments to Moody's and S&P in connection with the confirmation of such ratings for purposes of the offering of the Notes under this Prospectus Supplement. In addition, Emera has made customary payments in respect of certain subscription services provided to Emera by the Rating Agencies during the last two years.

There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a Rating Agency in the future if, in its judgment, circumstances so warrant and, if any such rating is so revised or withdrawn, Emera is under no obligation to update this Prospectus Supplement. Real or anticipated changes in the credit ratings assigned to the Notes will generally affect the market price of the Notes and may also affect the cost at which Emera can access the capital markets. See "Risk Factors – Risks Related to the Notes."


Emera