

**Report of Organizational Actions
 Affecting Basis of Securities**

OMB No. 1545-2224

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name AVANGRID, INC.		2 Issuer's employer identification number (EIN) 14-1798693	
3 Name of contact for additional information PATRICIA COSGEL		4 Telephone No. of contact (203) 499-2624	
		5 Email address of contact patricia.cosgel@uinet.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 157 CHURCH STREET		7 City, town, or post office, state, and Zip code of contact NEW HAVEN, CT 06506	
8 Date of action 12/16/2015		9 Classification and description SEE ATTACHMENT	
10 CUSIP number 05351W103	11 Serial number(s)	12 Ticker symbol AGR	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **SEE ATTACHMENT**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **SEE ATTACHMENT**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **SEE ATTACHMENT**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ SEE ATTACHMENT

18 Can any resulting loss be recognized? ▶ SEE ATTACHMENT

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHMENT

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ [Signature] Date ▶ 31st MARCH 2016

Print your name ▶ DANIEL ALCAZAR Title ▶ CONTROLLED

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Avangrid, Inc. (FKA Iberdrola USA, Inc.)

EIN: 14-1798693

Attachment to Form 8937

Part I. Reporting Issuer

Item 9.

The securities subject to reporting include all shares of UIL holdings Corporation ("UIL") common stock in exchange for shares of common stock of Avangrid, Inc. ("AGR") as a result of the merger of UIL into Green Merger Sub, Inc., a wholly owned subsidiary of AGR, on December 16, 2015.

Part II. Organizational Action

Item 14.

The organizational action involves the merger of UIL with and into Green Merger Sub, Inc., a wholly owned subsidiary of AGR, on December 16, 2015 (the "Merger"). As a result of the Merger, each share of UIL common stock was exchanged for one share of AGR common stock and \$10.50 in cash. To the extent that the exchange of stock pursuant to the merger would have resulted in the issuance of a fractional share of AGR common stock to a UIL shareholder, a cash payment equal to the market value equivalent of the fractional share was paid to such shareholder in lieu of a issuing a fractional share of AGR common stock.

Item 15.

AGR believes that the Merger qualifies as a tax-free reorganization within the meaning of Section 368(a) of the internal Revenue Code of 1986, as amended (the "Code").

Each UIL shareholder is required to determine the tax basis of the shares of AGR stock separately for each identifiable block of UIL common stock surrendered in the Merger having a common tax basis. The aggregate tax basis of AGR common stock received in the merger will be the same as the aggregate tax basis of the UIL common stock for which it was exchanged, decreased by the amount of cash received in the Merger and decreased by any basis attributable to fractional share interests in AGR common stock for which cash is received, and increased by the amount of gain recognized on the exchange other than in respect of fractional shares (regardless of whether such gain is classified as capital gain or as ordinary dividend income).

A shareholder that receives cash in lieu of a fractional share of AGR common stock in the Merger generally will be treated as if the fractional share of AGR common stock has been distributed to them as part of the Merger, and then redeemed by AGR in exchange for the cash actually distributed in lieu of

the fractional share, with the redemption generally qualifying as an “exchange” under Section 302 of the Code. Consequently, those shareholders generally will recognize capital gain or loss with respect to the cash payments they receive in lieu of fractional shares measured by the difference between the amount of cash received and the tax basis allocated to the fractional shares. Such gain or loss will be long-term capital gain or loss if, as of the effective date of the Merger, the holding period of such shares was greater than one year. Since a shareholder receiving cash in lieu of fractional shares did not receive AGR common stock in exchange for the fractional share interest, there is no new basis to compute.

Item 16.

Refer to the description of the basis calculation in Part II, Item 15, above. The December 17, 2015 closing price of a single share of AGR common stock on the New York Stock Exchange Capital Market was \$36.12 and the opening price was \$38.75. The opening price was the high value and the closing price was the low value of AGR common stock on December 17, 2015. One method for calculating the fair market value of one share of AGR common stock at the effective time of the merger would be to take the average of the high and low trading prices of AGR common stock on December 17, 2015, its first day of trading. The average of the high and low price on the first day of trading was \$37.435. Other reasonable methods may exist, however. We urge you to consult your tax advisor regarding the calculation of the change in basis in the merger.

Item 17.

AGR believes that this acquisition of UIL pursuant to the Merger effected on December 16, 2015, qualifies as a reorganization within the meaning of Section 368(a) of the Code. As a result, the federal income tax consequences to the UIL shareholders are determined under Code sections 354, 356, 358, 1001, and 1221.

Item 18.

A shareholder of UIL generally will not recognize any gain or loss for U.S. federal income tax purposes as a result of the exchange of the holder’s UIL common stock solely for AGR common stock pursuant to the Merger, and will recognize gain (but not loss) in an amount not to exceed any cash received as part of the Merger consideration (except with respect to any cash received in lieu of a fractional share of AGR common stock, as discussed in Part II, Item 15).

Gain (but not loss) will be recognized by shareholders of UIL common stock who receive shares of AGR common stock and cash in exchange for shares of UIL common stock pursuant to the Merger, in an amount equal to the lesser of (i) the amount by which the sum of the fair market value of the AGR common stock and cash received by a shareholder of UIL exceeds such shareholder’s tax basis in UIL common stock and (ii) the amount of cash received by such shareholder (except with respect to any cash received in lieu of fractional shares of AGR common stock, as discussed in Part II, Item 15).

As discussed in Part II, Item 15, a UIL shareholder who received cash in lieu of a fractional share of AGR common stock may recognize a loss if the amount of cash received is less than the shareholder's tax basis in the fractional share.

Item 19.

This transaction was consummated on December 16, 2015. Accordingly, the reportable tax year of the UIL shareholders for reporting the tax effect of the Merger is the tax year that includes the December 16, 2015 date. The reportable tax year is the 2015 calendar year for those shareholders who report taxable income on the basis of a calendar year.

No ruling from the Internal Revenue Service ("IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Merger described in this attachment. This attachment is not binding on the IRS and the IRS and the U.S. Courts could disagree with one or more of the positions described above.

The above information does not constitute tax advice. The information does not address the tax consequences that may apply to any particular shareholder, and each shareholder should consult his or her own tax advisor regarding the tax consequences of the Merger.