



FOR IMMEDIATE RELEASE:

ST. JOHN'S, NL (July 13, 2011):

FORTIS INC. ANNOUNCES EXERCISE OF OVER-ALLOTMENT OPTION

Not for distribution to U.S. news wire services or dissemination in the United States.

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) announced today that the underwriters of its public offering (the "Offering") of 9,100,000 common shares (the "Common Shares") that closed on June 15, 2011 have exercised their over-allotment option and will purchase 1,240,000 additional Common Shares at \$33.00 per share to cover over-allotments. The gross proceeds to the Corporation resulting from the exercise of the over-allotment option will be \$40,920,000, for total gross proceeds from the Offering of \$341,220,000. The purchase is scheduled to close on July 15, 2011.

The Offering was underwritten by a syndicate of underwriters led by Scotia Capital Inc. and RBC Dominion Securities Inc.

The net proceeds of the Offering will be used: (i) to repay indebtedness outstanding under the Corporation's committed credit facility; (ii) to finance additional equity injections into the Corporation's western Canadian regulated utilities and the non-regulated Waneta Expansion Limited Partnership in support of infrastructure investment; and (iii) for general corporate purposes.

Fortis is the largest investor-owned distribution utility in Canada, with total assets of approximately \$13 billion and fiscal 2010 revenue totalling approximately \$3.7 billion. The Corporation serves more than 2,000,000 gas and electricity customers. Its regulated holdings include electric distribution utilities in five Canadian provinces and two Caribbean countries and a natural gas utility in British Columbia, Canada. Fortis owns and operates non-regulated generation assets across Canada and in Belize and Upper New York State. It also owns hotels and commercial office and retail space primarily in Atlantic Canada. The Common Shares are listed on the Toronto Stock Exchange and trade under the symbol FTS. Additional information can be accessed at www.fortisinc.com or www.sedar.com.

Fortis includes forward-looking information in this material within the meaning of applicable securities laws in Canada ("forward-looking information"). The purpose of the forward-looking information is to provide management's expectations regarding the Corporation's future growth, results of operations, performance, business prospects and opportunities, and it may not be appropriate for other purposes. All forward-looking information is given pursuant to the safe harbour provisions of applicable Canadian securities legislation. The words "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "should", "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 assumptions developed using information currently available to the Corporation's management. Although Fortis believes that the forward-looking statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of risks and uncertainties. For additional information on risk factors that have the potential to affect the Corporation, reference should be made to the Corporation's continuous disclosure materials filed from time to time with Canadian securities regulatory authorities and to the heading "Business Risk Management" in the Corporation's annual and quarterly Management Discussion and Analysis and the "Risk Factors" section of the Annual Information Form. Except as required by law, the Corporation undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise after the date hereof.

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