



For Immediate Release

St. John's, NL – October 4, 2010

Fortis Concludes Agreements to Invest in 335-Megawatt Hydroelectric Project in British Columbia

Fortis Inc. (“Fortis” or the “Corporation”) (TSX:FTS) announced today that the Corporation, in partnership with Columbia Power Corporation and Columbia Basin Trust (“CPC/CBT”), has concluded definitive agreements to construct a 335-megawatt (“MW”) hydroelectric generating facility (the “Waneta Expansion”), at an estimated cost of approximately \$900 million. The project was announced on August 26, 2010. The facility is sited near the Waneta Dam and powerhouse facilities on the Pend d’Oreille River, south of Trail, British Columbia. Fortis owns a 51% interest in the Waneta Expansion and will operate and maintain the non-regulated investment when the facility comes into service, which is expected in spring 2015. Construction is expected to start this fall.

Fortis Inc. is the largest investor-owned distribution utility in Canada, with total assets exceeding \$12 billion and fiscal 2009 revenues totalling \$3.6 billion. The Corporation serves approximately 2,100,000 gas and electricity customers. Its regulated holdings include electric distribution utilities in five Canadian provinces and three Caribbean countries and a natural gas utility in British Columbia. Fortis owns and operates non-regulated generation assets across Canada and in Belize and Upper New York State. It also owns hotels and commercial real estate across Canada.

Fortis Inc. 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 media release 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. The forward looking information in this media release includes, but is not limited to, the estimated cost of the Waneta Expansion. Although Fortis believes that these 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 MD&A for the three and six months ended June 30, 2010 and for the year ended December 31, 2009. 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.

-30-

For further information contact:

Mr. Barry Perry
Vice President, Finance and Chief Financial Officer
Fortis Inc.
Phone: (709) 737-2800