



**FOR IMMEDIATE RELEASE**

St. John's, NL (March 28, 2014)

**Fortis Inc. Announces Pricing of US\$500 Million of Senior Unsecured Notes**

**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 it has priced a private placement to US-based institutional investors of US\$500 million in Senior Unsecured Notes (the "Notes"). The Notes will be issued in multiple tranches with terms to maturity ranging from five years to 30 years and coupon rates ranging from 2.92% to 5.03%. The weighted average term to maturity is approximately 11 years and the weighted average coupon rate is 3.85%. Subject to the satisfaction of customary closing conditions, US\$213 million of Notes will be issued on June 30, 2014 and US\$287 million of Notes will be issued on September 15, 2014.

Net proceeds from the sale of the Notes will be used to refinance existing indebtedness, including the US\$150 million 5.74% Senior Unsecured Notes of Fortis maturing on October 30, 2014 and C\$125 million 5.56% Unsecured Debentures of a subsidiary maturing on September 15, 2014, and for general corporate purposes, including repayment of US-dollar drawings on the Corporation's committed credit facility.

The Notes will not be registered under the Securities Act of 1933 (the "Securities Act"), as amended, nor will they be registered under any state securities laws. Unless so registered, the Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

This media release is not an offer of the Notes for sale or a solicitation of an offer to purchase the Notes in the United States or Canada, or in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Wells Fargo Securities, LLC and Morgan Stanley & Co. LLC are joint placement agents for the sale of the Notes.

Fortis is the largest investor-owned gas and electric distribution utility in Canada with total assets of approximately C\$18 billion and fiscal 2013 revenue exceeding C\$4 billion. Its regulated utilities account for 90% of total assets and serve more than 2.4 million customers across Canada and in New York State and the Caribbean. Fortis owns non-regulated hydroelectric generation assets in Canada, Belize and Upstate New York. The Corporation's non-utility investment is comprised of hotels and commercial real estate in Canada.

*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, including the assumption that the sale of the Notes will be completed on the terms agreed with the prospective purchasers. 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 regularly with Canadian securities regulatory authorities and to the heading “Business Risk Management” in the Corporation’s annual and quarterly Management Discussion and Analysis. 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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**For more information, please contact:**

Barry V. Perry  
Vice President, Finance and Chief Financial Officer  
Fortis Inc.  
Phone: 709.737.2800