



FOR IMMEDIATE RELEASE:

ST. JOHN'S, NL (October 8, 2009):

**FortisOntario Acquires Great Lakes Power Distribution Inc.
Renames Latest Acquisition Algoma Power Inc.**

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) announced today that FortisOntario Inc. ("FortisOntario"), a wholly owned subsidiary of the Corporation, has closed its acquisition of Great Lakes Power Distribution Inc. ("GLPD") from Brookfield Renewable Power Inc. for an aggregate purchase price of approximately \$75 million, subject to adjustment.

GLPD has been renamed Algoma Power Inc. and serves approximately 12,000 customers located in the district of Algoma in northern Ontario. Its assets include more than 1,800 kilometers of distribution lines in an area that covers approximately 14,200 square kilometers, which is more than double the size of the Greater Toronto Area. Algoma Power Inc. meets a peak demand of approximately 40 megawatts. The Company employs approximately 60 employees.

"This acquisition positions FortisOntario as the only investor-owned electric distribution utility in Ontario and reaffirms our long term commitment to the continued growth of our distribution business in the province," says Bill Daley, President and Chief Executive Officer of FortisOntario. "FortisOntario has a successful track record of acquiring and integrating small- and medium-sized utilities into its distribution operations and looks forward to providing our new customers in the Algoma district with safe and reliable electricity distribution service."

Fortis is the largest investor-owned distribution utility in Canada. With total assets approaching \$12 billion and annual revenues totalling \$3.9 billion, Fortis serves more than 2,000,000 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 information currently available to the Corporation's management. The forecasts and projections that make up the forward-looking information are based on assumptions which include, but are not limited to: the receipt of applicable regulatory approvals and requested rate orders; no significant operational disruptions or environmental liability due to a catastrophic event or environmental upset caused by severe weather, other acts of nature or other major event; the continued ability to maintain the gas and electricity systems to ensure their continued performance; no significant decline in capital spending in 2009; no severe and prolonged downturn in economic conditions; sufficient liquidity and capital resources; the continuation of regulator-approved mechanisms to flow through the commodity cost of natural gas and energy supply costs in customer rates; the continued ability to hedge exposures to fluctuations in interest rates, foreign exchange rates and natural gas commodity prices; no significant variability in interest rates; no significant counterparty defaults; the continued competitiveness of natural gas pricing when compared with electricity and other alternative sources of energy; the continued availability of natural gas supply; the continued

ability to fund defined benefit pension plans; the absence of significant changes in government energy plans and environmental laws that may materially affect the operations and cash flows of the Corporation and its subsidiaries; maintenance of adequate insurance coverage; the ability to obtain and maintain licences and permits; retention of existing service areas; no material decrease in market energy sales prices; favourable relations with First Nations; favourable labour relations; and sufficient human resources to deliver service and execute the capital program. 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: regulatory risk; operating and maintenance risks; economic conditions; capital resources and liquidity risk; weather and seasonality; an ultimate resolution of the expropriation of the assets of the Exploits River Hydro Partnership that differs from what is currently expected by management; commodity price risk; derivative financial instruments and hedging; interest rate risk; counterparty risk; competitiveness of natural gas; natural gas supply; defined benefit pension plan performance and funding requirements; risks related to the development of the Terasen Gas (Vancouver Island) Inc. franchise; the Government of British Columbia's Energy Plan; environmental risks; insurance coverage risk; an unexpected outcome of any legal proceedings currently against the Corporation; loss of licences and permits; loss of service area; market energy sales prices; changes in current assumptions and expectations associated with the transition to International Financial Reporting Standards; changes in tax legislation; relations with First Nations; labour relations; and human resources. For additional information with respect to the Corporation's risk factors, 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 Management Discussion and Analysis for the three and six months ended June 30, 2009 and for the year ended December 31, 2008.

All forward-looking information in this media release is qualified in its entirety by the above cautionary statements and, 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.

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