



**FOR IMMEDIATE RELEASE:**

St. John's, NL (May 4, 2013):

**FORTIS INC. RESPONDS TO RECOMMENDED DECISION  
IN RESPECT OF CH ENERGY GROUP, INC. ACQUISITION**

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) responded today to the recommended decision issued on May 3, 2013 by administrative law judges in connection with the Corporation's joint proposal to the New York State Public Service Commission (the "Commission") (the "Recommended Decision") for approval of the Corporation's previously announced agreement to acquire CH Energy Group, Inc. ("CH Energy Group") (the "Acquisition"). The Recommended Decision is available on the Commission's website at [www.dps.ny.gov](http://www.dps.ny.gov).

The Recommended Decision asserts that without modification of the terms of the Settlement Agreement filed on January 28, 2013, the benefits of the Acquisition are outweighed by perceived detriments remaining after mitigation. The Recommended Decision is an advisory opinion that will be considered by the Commission in determining whether to approve the Acquisition. Submissions responding to the Recommended Decision are due by May 17, 2013 with responses to such submissions due by May 24, 2013.

Fortis intends to engage in further discussions to obtain the Commission's approval of the Acquisition, although there can be no assurance that such approval will be granted. Fortis expects the Commission to issue its decision in June 2013.

The definitive merger agreement for the Acquisition was announced in February 2012. CH Energy Group shareholders approved the Acquisition in June 2012, and several other required regulatory approvals by U.S. federal agencies were subsequently received.

**About Fortis**

Fortis is the largest investor-owned distribution utility in Canada, serving more than 2 million 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. The Corporation owns non-regulated generation assets in Canada, Belize and Upstate New York. It also owns hotels and commercial real estate in Canada. Additional information can be accessed at [www.fortisinc.com](http://www.fortisinc.com) or under Fortis' issuer profile at [www.sedar.com](http://www.sedar.com).

*Fortis includes forward-looking information in this press 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 Acquisition and the expected timing and benefits thereof, 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.*

**For more information, please contact:**

Mr. Barry Perry  
Vice President, Finance and Chief Financial Officer  
Fortis Inc.  
Phone: (709) 737-2822