

## News Release

FOR IMMEDIATE RELEASE

### Generic cost of capital review for B.C. utilities

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**SURREY, B.C. – November 30, 2011:** The British Columbia Utilities Commission (BCUC) has issued preliminary notification to all regulated entities including the FortisBC regulated utilities (FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., FortisBC Energy (Whistler) Inc. and FortisBC Inc.) (TSX:FTS) that it plans to initiate a Generic Cost of Capital proceeding in early 2012.

The BCUC plans to address the following issues:

1. Setting the appropriate cost of capital for a benchmark low-risk utility
2. Establishing a return on equity automatic adjustment mechanism
3. Establishing a deemed capital structure and deemed cost of capital methodology particularly for those utilities without third party debt.

*FortisBC is an integrated energy solutions provider focused on providing safe and reliable energy, including natural gas, electricity, propane and alternative energy solutions, at the lowest reasonable cost. FortisBC employs more than 2,300 British Columbians and serves approximately 1.1 million customers in more than 135 B.C. communities. FortisBC is indirectly wholly owned by Fortis Inc., the largest investor-owned distribution utility in Canada. FortisBC owns and operates four regulated hydroelectric generating plants, approximately 7,000 kilometres of transmission and distribution power lines and approximately 46,000 kilometres of natural gas transmission and distribution pipelines. FortisBC Inc., FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., and FortisBC Energy (Whistler) Inc. do business as FortisBC. 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](http://www.fortisinc.com) or [www.sedar.com](http://www.sedar.com).*

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