



For Immediate Release

St. John's, NL – June 13, 2011

**Government of Belize Announces Intent to
Acquire Control of Belize Electricity Limited (“BEL”)**

The Government of Belize (the “Government”) issued a media release on Friday, June 10, 2011 announcing the Government’s interest, “...in purchasing majority shares in BEL so as to assume control of the company.” No purchase proposal has been received by Fortis Inc. (“Fortis” or the “Corporation”) (TSX:FTS).

Fortis holds an approximate 70% ownership interest in BEL, an integrated electric utility and the principal distributor in Belize, Central America, following investment at the invitation of the Government in 1999. In addition to its investment in BEL, Fortis owns Belize Electric Company Limited (“BECOL”), a non-regulated hydroelectric generation business that operates three hydroelectric generating facilities in Belize.

In June 2008 the Public Utilities Commission of Belize (“PUC”) issued a rate order that has had a significant negative impact on the financial condition and operations of BEL. The order effectively disallowed the recovery of previously incurred fuel and purchased power costs in customer rates and set customer rates at a level that does not allow BEL to earn a fair and reasonable return. BEL appealed the PUC rate order to the Supreme Court of Belize. On March 15, 2011, the court rendered its judgment dismissing BEL’s application and finding that, among other things, the generally accepted concept of Good Utility Practice is not applicable in Belize. BEL has appealed this judgment to the Court of Appeal of Belize; however, a hearing is not expected until the first quarter of 2012. On May 16, 2011, the Supreme Court of Belize granted BEL’s application to enjoin the PUC from engaging in any rate making proceedings or taking any enforcement or penal actions against BEL pending the appeal of its judgment. BEL has been in default of covenants under its long-term lending agreements since 2008 and has had no access to credit during this period.

As at March 31, 2011, the assets of BEL represented less than 2% of the total assets of Fortis; the combined assets of BEL and BECOL represented approximately 3% of the total assets of Fortis.

Fortis is the largest investor-owned distribution utility in Canada, with total assets of approximately \$13 billion and fiscal 2010 revenue totalling approximately \$3.7 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, Canada. Fortis owns and operates non-regulated generation assets across Canada and in Belize and Upper New York State. It also owns hotels and commercial office and retail space primarily in Atlantic Canada. Fortis 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 material 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 harbor 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.

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