



St. John's, NL (October 21, 2014):

**FINAL PAYMENT ON THE FORTIS INC. DEBENTURES REPRESENTED BY
INSTALMENT RECEIPTS DUE BY OCTOBER 27, 2014**

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) reminds holders of its 4% convertible unsecured subordinated debentures ("Debentures") represented by instalment receipts ("Instalment Receipts") that the final instalment payment of \$667 per \$1,000 principal amount of Debentures is due by October 27, 2014 (the "Final Instalment Date"). Payment must be submitted by holders through their broker, investment advisor or other intermediary using the electronic payment system maintained by CDS Clearing and Depository Services Inc. ("CDS"). Brokers, investment advisors or other intermediaries may have a payment processing deadline which is earlier than the Final Instalment Date. Holders who have not yet done so should contact their broker, investment advisor or other intermediary immediately to make arrangements to pay the balance owed in respect of their Debentures.

Holders who have paid the final instalment on the Final Instalment Date have the right to convert their Debentures into Fortis common shares ("Common Shares") at a conversion price of \$30.72 per Common Share (the "Conversion Price") on the Final Instalment Date, or at any time thereafter prior to redemption or maturity. The election to convert the Debentures to Common Shares must also be made by a holder through their broker, investment advisor or other intermediary using the electronic system maintained by CDS. Holders who convert their Debentures to Common Shares on the Final Instalment Date will receive their Common Shares on the day following the Final Instalment Date. Fortis has five business days to deliver Common Shares in respect of any conversion of Debentures made after the Final Instalment Date.

On the day following the Final Instalment Date, the interest rate payable on the Debentures will fall to an annual rate of 0% and interest will cease to accrue on the Debentures. Fortis expects the Instalment Receipts to be delisted from the Toronto Stock Exchange (the "TSX") on or about the Final Instalment Date. The Debentures are not and will not be listed on the TSX and may be redeemed after the Final Instalment Date at par.

On the Final Instalment Date holders will receive accrued and unpaid interest of \$6.2637 per \$1,000 principal amount of Debentures and on the following day, holders of Debentures who have paid the final instalment on or before the Final Instalment Date will also receive a make-whole payment of \$8.1473 per \$1,000 principal amount of Debentures, representing the interest that would have accrued from the day following the Final Instalment Date to and including January 9, 2015.

About Fortis

Fortis is a leader in the North American electric and gas utility business, with total assets approaching \$25 billion and fiscal 2013 revenue exceeding \$4 billion. Its regulated utilities account for approximately 93% of total assets and serve more than 3 million customers across Canada and in the United States 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. For more information, visit www.fortisinc.com or www.sedar.com.

Forward-Looking Information

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 payment of the final instalment on its Debentures and the conversion of the Debentures, 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. 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:

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