

FortisBC receives approval for interim rate increase

Kelowna, BC – December 13, 2005 (TSX:FTS) – FortisBC Inc. today announced it has received approval from the British Columbia Utilities Commission (BCUC) for an interim refundable rate increase of 5.9%, effective January 1, 2006 in response to FortisBC's 2006 Revenue Requirements Application. The rate increase is primarily related to the Company's extensive capital program.

Significant areas of capital investment planned for 2006 include the expansion and upgrading of the transmission and distribution system in the South Okanagan and Kelowna areas to keep pace with customer growth, replace aged infrastructure and improve customer service. Planned capital expenditures also include the continuation of upgrades and life extension work on hydroelectric generation facilities on the Kootenay River.

A workshop is scheduled for February 9, 2006 to explain and seek stakeholder input on the 2006 Revenue Requirements Application and an annual review will also be held to provide information on 2005 activities. On February 10, 2006, the BCUC has scheduled a pre-hearing conference to solicit input from all participants as to the proposed regulatory process to deal with the application and any other preliminary matters. FortisBC expects a final ruling from the BCUC by mid-2006.

FortisBC is an integrated utility operating in the southern interior of British Columbia, serving approximately 148,000 customers directly and indirectly. The utility has four hydroelectric generating plants with a combined capacity of 214 megawatts and over 6,500 kilometers of transmission and distribution power lines. FortisBC employs over 500 people in British Columbia and is an indirect wholly owned subsidiary of Fortis Inc. – primarily a diversified, international electric utility holding company based in St. John's, Newfoundland, with assets exceeding \$4.1 billion and annual revenues of over \$1.2 billion. The Common Shares, Series C First Preference Shares and Series E First Preference Shares of Fortis Inc. are traded on the Toronto Stock Exchange under the symbols FTS, FTS.PR.C and FTS.PR.E, respectively. Fortis Inc. information can be accessed at www.fortisinc.com.

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FortisBC may include forward-looking statements in this release. By their very nature, forward-looking statements are based on underlying assumptions and are subject to inherent risks and uncertainties surrounding future expectations generally. Such events include, but are not limited to, general economic, market and business conditions, regulatory developments, weather and competition. FortisBC cautions readers that should certain events or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary significantly from those expected. For additional information with respect to certain of these risks or factors, reference should be made to FortisBC's continuous disclosure materials filed from time to time with Canadian Securities Regulatory Authorities. FortisBC disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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