

FortisAlberta files 2008/09 settlement agreement with EUB

Calgary, Alberta – November 2, 2007 (TSX:FTS) – FortisAlberta Inc. announced today that it has filed a Negotiated Settlement Agreement (the Settlement) with the Alberta Energy and Utilities Board (EUB) regarding the Company's 2008 and 2009 revenue requirement.

The Settlement, if approved by the EUB, establishes a distribution revenue requirement of \$256.2 million in 2008 and \$280.8 million in 2009, resulting in revised distribution rate increases of 6.8 per cent and 7.3 per cent for 2008 and 2009 respectively. In 2008, this results in an increase of \$1.30 per month for residential customers on the distribution component of their bill.

"Although we are operating in a market characterized by strong economic growth, we have succeeded in keeping distribution rates relatively flat over the last three years," says Karl Smith, President and CEO, FortisAlberta Inc. "The proposed rate increases are primarily related to record levels of customer-driven capital expenditures in the last two years and continuing high levels are expected in 2008 and 2009."

Capital expenditures for 2008 and 2009, before customer contributions, will total approximately \$600 million. Nearly half this amount is driven by the construction of facilities required to serve new customers, and to complete line moves and urgent repairs. Other capital expenditures include the full deployment of advanced metering technology, which will help to control costs, improve metering accuracy and enhance overall customer satisfaction.

The parties to the Settlement are: Alberta Sugar Beet Growers and Potato Growers of Alberta, Montana First Nation and Montana Rural Electrification Association Ltd., Consumers Coalition of Alberta, Industrial Power Consumers Association of Alberta, Office of the Utilities Consumer Advocate, Public Institutional Consumers of Alberta and the Pipeline Power Group and Associates. The 2008/2009 NSA is supported by the representatives of all segments of FortisAlberta's customer base including residential, farm, commercial and industrial customer classes.

If the Settlement is approved, there will be no need for a further hearing on revenue requirements for FortisAlberta's 2008/09 Distribution Tariff Application.

As an owner and operator of more than 60 per cent of Alberta's total electric distribution network, FortisAlberta's focus is the safe and reliable delivery of electricity to our 443,000 customers in 175 growing communities across Alberta. FortisAlberta is a wholly owned indirect subsidiary of Fortis Inc., the largest investor-owned distribution utility in Canada, serving almost 2,000,000 gas and electric customers with assets approaching \$10 billion. Its regulated holdings include a natural gas utility in British Columbia and electric utilities in five Canadian provinces and three Caribbean countries. Fortis Inc. owns non-regulated hydroelectric generation assets across Canada and in Belize and upper New York State. It also owns hotels and commercial real estate in Canada. 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 or www.sedar.com.

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