No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and thereby only by persons permitted to sell such securities.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of the Corporation at Suite 1201, 139 Water Street, St. John's, Newfoundland and Labrador A1B 3T2 (telephone (709) 737-2800) and are also available electronically at www.sedar.com. The securities being offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and, except in limited circumstances, will not be offered or sold within the United States or for the account or benefit of United States persons. See "Plan of Distribution".*

SHORT FORM PROSPECTUS

New Issue December 12, 2008

FORTIS INC.

$300,105,000
11,700,000 COMMON SHARES

This short form prospectus (the "Prospectus") qualifies for distribution (the "Offering") 11,700,000 common shares (the "Offered Shares") of Fortis Inc. ("Fortis" or the "Corporation") which are being offered and sold pursuant to the provisions of an underwriting agreement (the "Underwriting Agreement") dated December 5, 2008 between Fortis and Scotia Capital Inc. ("Scotia Capital"), CIBC World Markets Inc. ("CIBCWM"), RBC Dominion Securities Inc. ("RBCDS"), BMO Nesbitt Burns Inc. ("BMO Nesbitt Burns"), TD Securities Inc. ("TD Securities"), HSBC Securities (Canada) Inc. ("HSBC Securities"), National Bank Financial Inc. ("NB Financial"), Beacon Securities Limited and Canaccord Capital Corporation (collectively, the "Underwriters"). The Offered Shares will be issued and sold by Fortis to the Underwriters at the price of $25.65 (the "Offering Price") per Offered Share. The Offering Price was determined by negotiation between the Corporation and the Underwriters.

The Underwriters may offer the Offered Shares at a lower price than the Offering Price. See "Plan of Distribution".

The Toronto Stock Exchange (the "TSX") has conditionally approved the listing of the Offered Shares distributed under this Prospectus on the TSX. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX on or before March 3, 2009. On December 11, 2008, the closing price of the common shares of Fortis on the TSX was $25.05.

Investing in the Offered Shares involves certain risks that should be considered by a prospective purchaser. See "Risk Factors".

Price: $25.65 per Common Share

	Price to the Public	Underwriters' Fee	Net Proceeds to Fortis(1)(2)
Per Common Share	$25.65	$1.026	$24.624
Total	$300,105,000	$12,004,200	$288,100,800

(1) Before deducting expenses of the Offering estimated at $750,000 which, together with the Underwriters' fees, will be paid out of the general funds of Fortis. See "Plan of Distribution".

(2) The Corporation has granted to the Underwriters an option (the "Over-Allotment Option"), exercisable in whole or in part at any time until 30 days following the date of closing of the Offering, to purchase at the Offering Price up to 1,755,000 additional Offered Shares (the "Additional Shares") to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Underwriters' Fee" and "Net Proceeds to Fortis" will be $345,120,750, $13,804,830 and $331,315,920, respectively. See "Plan of Distribution". This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable on the exercise of the Over-Allotment Option. References to Offered Shares include any Additional Shares unless otherwise noted or unless the context precludes such inclusion.

A purchaser who acquires Offered Shares forming part of the Over-Allotment Option acquires those securities under this Prospectus, regardless of whether the Over-Allotment Option is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Underwriters' Position	Number of Shares Available	Exercise Period	Exercise Price
Over-Allotment Option	1,755,000	Within 30 days following the closing of the Offering	$25.65 per share

Each of Scotia Capital, CIBCWM, RBCDS, BMO Nesbitt Burns, TD Securities, HSBC Securities and NB Financial is a subsidiary of a Canadian chartered bank that has, either solely or as a member of a syndicate of financial institutions, extended credit facilities to, or holds other indebtedness of, the Corporation and/or its subsidiaries. All or a portion of the net proceeds from the Offering will be used towards repaying indebtedness under a credit facility owing by the Corporation to certain of such banks or their affiliates. Consequently, the Corporation may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities legislation. See "Use of Proceeds" and "Plan of Distribution".

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by Fortis and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement and subject to the approval of certain legal matters on behalf of the Corporation by Davies Ward Phillips & Vineberg LLP, Toronto and McInnes Cooper, St. John's and on behalf of the Underwriters by Stikeman Elliott LLP, Toronto. Subject to applicable laws, the Underwriters may, in connection with the Offering, over-allot or effect transactions which stabilize or maintain the market price of the Offered Shares at levels other than those which may prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering (the "Closing") will take place on or about December 19, 2008 (the "Closing Date"), or such other date as may be agreed upon by the Corporation and the Underwriters, but not later than January 23, 2009. Certificates evidencing the Offered Shares will be available for delivery at the Closing or shortly thereafter.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus (the "Prospectus"), including the documents incorporated herein by reference, contains forward-looking information which reflects management's expectations regarding the future growth, results of operations, performance, business prospects and opportunities of Fortis Inc. ("Fortis" or the "Corporation"), and 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", "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 information currently available to the Corporation's management. The forward-looking information in this Prospectus, including the documents incorporated herein by reference, includes, but is not limited to, statements regarding: the Corporation's expectation that cash required to complete the consolidated capital expenditure program and to finance acquisitions will be derived from a combination of internally generated funds, borrowings under credit facilities and the issuance of common shares, preference shares and long-term debt; the Corporation's consolidated forecasted gross capital expenditures for 2008 and in total over the next five years, as well as significant capital projects in 2008 and their expected cost and time to complete; the Corporation's belief that its capital program should drive growth in earnings; the expected average annual amount of the Corporation's long-term debt maturing over the next five years; the Corporation's expectation of the impact of foreign exchange on 2008 basic earnings per common share; the expected timing of regulatory decisions; the timing of the judicial review of legislation adopted by the Government of Belize relating to Belize Electricity Limited; the expectation that counterparties to the Terasen gas companies' derivative financial instruments will continue to meet their obligations; and the expected impact of Hurricane Ike on the fourth quarter 2008 revenue of P.P.C. Limited and Atlantic Equipment & Power (Turks and Caicos) Ltd. The forecasts and projections that make up the forward-looking information are based on assumptions which include, but are not limited to: the receipt of applicable regulatory approvals and requested rate orders; the absence of significant operational disruptions or environmental liabilities due to a catastrophic event or environmental upset caused by severe weather, other acts of nature or other major events; the Corporation's ability to maintain its gas and electricity systems to ensure their continued performance; the competitiveness of natural gas pricing when compared with electricity and other alternative sources of energy; the availability of natural gas supply; favourable economic conditions; the level of interest rates; the ability to hedge certain risks; the absence of counterparty defaults; access to capital and availability of liquidity; maintenance of adequate insurance coverage; the ability to obtain licences and permits; the level of energy prices; retention of existing service areas; favourable labour relations; and sufficient human resources to deliver service and execute the capital program. The forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. The factors which could cause results or events to differ from current expectations include, but are not limited to: regulation; operating and maintenance risks; natural gas prices and supply; economic conditions; weather and seasonality; interest rates; changes in tax legislation; derivative financial instruments and hedging; counterparty risk; risks relating to Terasen Gas (Vancouver Island) Inc.; capital resources and liquidity risk; environment; insurance; pension plan performance and funding requirements; transition to International Financial Reporting Standards; licences and permits; energy prices and the cessation of the Niagara Exchange Agreement (as defined herein) (see "Fortis — Non-Regulated — Fortis Generation — Ontario"); loss of service area; First Nations lands; labour relations; and human resources. For additional information with respect to the Corporation's risk factors, reference should be made to the section of this Prospectus entitled "Risk Factors" and to the documents incorporated herein by reference.

All forward-looking information in this Prospectus and in the documents incorporated herein by reference is qualified in its entirety by the above cautionary statements and, 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.

DOCUMENTS INCORPORATED BY REFERENCE

The disclosure documents of the Corporation listed below and filed with the appropriate securities commissions or similar regulatory authorities in each of the provinces of Canada are specifically incorporated by reference into and form an integral part of this Prospectus:

(a) Annual Information Form dated March 28, 2008 for the year ended December 31, 2007;

(b) audited comparative consolidated financial statements as at December 31, 2007 and December 31, 2006 and for the years ended December 31, 2007 and 2006, together with the notes thereto and the auditors' report thereon dated February 1, 2008, as contained in the Corporation's 2007 Annual Report;

(c) Management Discussion and Analysis of financial condition and results of operations for the year ended December 31, 2007 as contained in the Corporation's 2007 Annual Report;

(d) unaudited comparative interim consolidated financial statements as at September 30, 2008 and for the three and nine months ended September 30, 2008 and 2007, together with the notes thereto;

(e) Management Discussion and Analysis of financial condition and results of operations for the three and nine months ended September 30, 2008;

(f) Management Information Circular dated April 4, 2008 prepared in connection with the Corporation's annual meeting of shareholders held on May 6, 2008; and

(g) business acquisition report dated June 13, 2007 with respect to the acquisition by the Corporation of all of the outstanding shares of Terasen Inc. ("Terasen") on May 17, 2007.

Any document of the type referred to in the preceding paragraph and any material change report (other than any confidential material change report) subsequently filed by the Corporation with such securities commissions or regulatory authorities after the date of the Prospectus, and prior to the termination of the Offering, shall be deemed to be incorporated by reference into the Prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of the Corporation at Suite 1201, 139 Water Street, St. John's, Newfoundland and Labrador A1B 3T2 (telephone (709) 737-2800). These documents are also available through the Internet on the Corporation's website at www.fortisinc.com or on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") which can be accessed at www.sedar.com. The information contained on, or accessible through, any of these websites is not incorporated by reference into the Prospectus and is not, and should not be considered to be, a part of the Prospectus, unless it is explicitly so incorporated.

ELIGIBILITY FOR INVESTMENT

In the opinion of Davies Ward Phillips & Vineberg LLP, counsel to the Corporation, and Stikeman Elliott LLP, counsel to the Underwriters, the common shares of the Corporation being offered pursuant to the Prospectus, if issued on the date hereof, would be qualified investments under the *Income Tax Act* (Canada) for a trust governed by a registered retirement savings plan, registered retirement income fund, deferred profit sharing plan, registered education savings plan or registered disability savings plan and, beginning in 2009, a tax-free savings account.

CURRENCY

All dollar amounts in the Prospectus are expressed in Canadian dollars unless otherwise indicated.

FORTIS

Fortis Inc. ("Fortis" or the "Corporation") was incorporated as 81800 Canada Ltd. under the *Canada Business Corporations Act* on June 28, 1977. The Corporation was continued under the *Corporations Act* (Newfoundland) on August 28, 1987 and on October 13, 1987 the Corporation amended its articles to change its name to "Fortis Inc." The address of the head office and principal place of business of the Corporation is The Fortis Building, Suite 1201, 139 Water Street, St. John's, Newfoundland and Labrador A1B 3T2.

Fortis is the largest investor-owned distribution utility in Canada, serving more than 2,000,000 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. Regulated utility assets comprise approximately 92% of the Corporation's total assets, with the balance comprised of non-regulated generation assets and commercial real estate and hotels. Fortis is the direct owner of all of the common shares of Terasen Inc. ("Terasen"), a company that, through its subsidiaries, is the principal distributor of natural gas in British Columbia. Fortis is the indirect owner of all of the common shares of FortisAlberta Inc. ("FortisAlberta"), a regulated electric utility that distributes electricity generated by other market participants in Alberta, and FortisBC Inc. ("FortisBC"), a regulated electric utility that generates, transmits and distributes electricity in British Columbia. Fortis also holds all of the common shares of Newfoundland Power Inc. ("Newfoundland Power") and, through its non-regulated wholly owned subsidiary Fortis Properties Corporation ("Fortis Properties"), holds all of the common shares of Maritime Electric Company, Limited ("Maritime Electric"), which are the principal distributors of electricity in Newfoundland and Prince Edward Island, respectively. As well, through its wholly owned subsidiary FortisOntario Inc. ("FortisOntario") and its subsidiaries, Canadian Niagara Power Inc. ("CNPI") and Cornwall Street Railway, Light and Power Company, Limited, Fortis provides an integrated electric utility service to customers primarily in Fort Erie, Cornwall, Gananoque and Port Colborne in Ontario.

The Corporation's regulated electric utility assets in the Caribbean consist of its ownership, through wholly owned subsidiaries, of an approximate 70% interest in Belize Electricity Limited ("Belize Electricity"), the principal distributor of electricity in Belize, Central America, and an approximate 57% interest in Caribbean Utilities Company, Ltd. ("Caribbean Utilities"), the sole provider of electricity on Grand Cayman, Cayman Islands. Fortis also owns, through a wholly owned subsidiary, P.P.C. Limited and Atlantic Equipment & Power (Turks and Caicos) Ltd. (together, "Fortis Turks and Caicos"), the principal distributor of electricity on the Turks and Caicos Islands.

The Corporation's non-regulated electricity generation operations consist of its 100% interest in each of Belize Electric Company Limited ("BECOL"), FortisOntario and non-regulated generation assets owned by Fortis Properties and FortisBC.

BECOL owns and operates the 25-megawatt ("MW") Mollejon and 7-MW Chalillo hydroelectric generating facilities, both of which are located on the Macal River in Belize. Construction of the U.S.$53 million 19-MW Vaca hydroelectric generating facility, also located on the Macal River, commenced in May 2007 and the facility is expected to come into service in late 2009. FortisOntario includes 75 MW of water-right entitlement associated with a water and power exchange agreement (the "Niagara Exchange Agreement") with Ontario Power Generation Inc., which expires April 30, 2009, and the operation of a 5-MW gas-fired cogeneration plant in Cornwall. The non-regulated electricity generation operations of FortisBC consist of the 16-MW run-of-river Walden hydroelectric power plant near Lillooet, British Columbia.

Through FortisUS Energy Corporation ("FortisUS Energy"), a wholly owned subsidiary of Fortis Properties, the Corporation owns and operates four hydroelectric generating stations in upper New York State with a total combined capacity of approximately 23 MW. Fortis Properties' assets also include six small hydroelectric generating stations in eastern Ontario with a combined capacity of 8 MW.

Fortis Properties is also the direct owner of a 51% interest in the Exploits River Hydro Partnership (the "Exploits Partnership"). The Exploits Partnership was established with Abitibi-Consolidated Company of Canada ("Abitibi-Consolidated"), which holds the remaining 49% interest, to develop additional capacity at Abitibi-Consolidated's hydroelectric generating plant at Grand Falls-Windsor and redevelop Abitibi-Consolidated's hydroelectric generating plant at Bishop's Falls, both in central Newfoundland.

Through Fortis Properties, the Corporation owns 20 hotels in eight Canadian provinces and commercial real estate primarily in Atlantic Canada.

Regulated Gas Utilities — Canadian

Terasen

The natural gas distribution business of Terasen is one of the largest in Canada. With approximately 924,200 customers, Terasen's subsidiaries provide service to over 96% of gas users in British Columbia. Terasen Gas Inc. ("TGI") is the largest of these subsidiaries, serving approximately 828,200 customers in a service area extending from Vancouver to the Fraser Valley and the interior of British Columbia. Terasen Gas (Vancouver Island) Inc. ("TGVI") owns and operates the natural gas transmission pipeline from the Greater Vancouver area across the Georgia Strait to Vancouver Island and the distribution system on Vancouver Island and along the Sunshine Coast, serving approximately 93,600 customers. In addition to providing transmission and distribution services to customers, TGI and TGVI also obtain natural gas supplies on behalf of most residential and commercial customers. Gas supplies are sourced primarily from northeastern British Columbia and Alberta. Terasen Gas (Whistler) Inc. owns and operates the propane distribution system in Whistler, British Columbia, providing service to approximately 2,400 residential and commercial customers. The Terasen companies own and operate more than 45,000 kilometres of natural gas distribution and transmission pipelines and met a peak day demand of 1,313 terajoules to date in 2008.

Regulated Electric Utilities — Canadian

FortisAlberta

FortisAlberta distributes electricity to approximately 456,800 customers in Alberta using approximately 107,200 kilometres of distribution lines and met a peak demand of 3,150 MW to date in 2008. FortisAlberta's business is the ownership and operation of regulated electricity distribution facilities that distribute electricity generated by other market participants from high-voltage transmission substations to end-use customers in central and southern Alberta. FortisAlberta is not involved in the generation, transmission or direct sale of electricity.

FortisBC

FortisBC is an integrated, regulated electric utility that owns a network of generation, transmission and distribution assets located in the southern interior of British Columbia. FortisBC serves a diverse mix of approximately 155,000 customers, with residential customers representing the largest customer segment, and met a peak demand of 663 MW to date in 2008. FortisBC owns four regulated hydroelectric generating plants with an aggregate capacity of 223 MW that provide approximately 45% of FortisBC's energy and 30% of its capacity needs. FortisBC's remaining electricity supply is acquired through long-term power purchase contracts and short-term market purchases. FortisBC's business also includes operating, maintenance and management services relating to the 450-MW Waneta hydroelectric generation facility owned by Teck Cominco Metals Ltd., the 149-MW Brilliant Hydroelectric Plant and the 185-MW Arrow Lakes Hydroelectric Plant, each owned by Columbia Power Corporation and Columbia Basin Trust, and the distribution system owned by the City of Kelowna.

Newfoundland Power

Newfoundland Power is an electric utility that operates an integrated generation, transmission and distribution system throughout the island portion of the Province of Newfoundland and Labrador. Newfoundland Power serves more than 234,000 customers, or 85% of electricity consumers in the Province, and met a peak demand of 1,188 MW to date in 2008. Approximately 90% of the electricity that Newfoundland Power sells to its customers is purchased from Newfoundland and Labrador Hydro Corporation ("Newfoundland Hydro"). Currently, Newfoundland Power has an installed generating capacity of 139 MW, of which 96 MW is hydroelectric generation.

Maritime Electric

Maritime Electric is an electric utility that operates an integrated generation, transmission and distribution system on Prince Edward Island. Maritime Electric directly supplies approximately 73,000 customers, or 90% of electricity consumers on the Island, and met a peak demand of 213 MW to date in 2008. Maritime Electric purchases most of the energy it distributes to its customers from New Brunswick Power Corporation and maintains on-Island generating facilities with an aggregate capacity of 150 MW.

FortisOntario

FortisOntario's distribution operations serve approximately 52,000 customers in the Fort Erie, Cornwall, Gananoque and Port Colborne areas of Ontario and met a combined peak demand of 226 MW to date in 2008. Through CNPI, FortisOntario owns international transmission facilities at Fort Erie and owns a 10% interest in each of Westario Power Inc. and Rideau St. Lawrence Holdings Inc., two regional electric distribution companies that, together, serve more than 27,000 customers. FortisOntario has also entered into an agreement to acquire 10% of Grimsby Power Inc. ("Grimsby Power"), an Ontario regional electrical distribution company with approximately 10,000 customers. FortisOntario's acquisition of an interest in Grimsby Power is subject to regulatory approval.

Regulated Electric Utilities — Caribbean

Belize Electricity

Fortis holds an indirect approximate 70% interest in Belize Electricity, the principal distributor of electricity in Belize, Central America. Belize Electricity directly supplies approximately 73,900 customers in Belize and met a peak demand of 74 MW to date in 2008.

Caribbean Utilities

Fortis holds an indirect approximate 57% interest in Caribbean Utilities. Caribbean Utilities has the exclusive right to distribute and transmit electricity on the island of Grand Cayman, Cayman Islands, pursuant to a 20-year licence entered into on April 3, 2008. Caribbean Utilities also entered into a non-exclusive 21.5-year power generation licence with the Government of the Cayman Islands on April 3, 2008.

Caribbean Utilities currently serves more than 24,000 customers, has approximately 137 MW of installed generating capacity and met a peak demand of 94 MW to date in 2008. The Class A Ordinary Shares of Caribbean Utilities are listed for trading on the Toronto Stock Exchange (the "TSX") under the symbol CUP.U.

Fortis Turks and Caicos

Fortis Turks and Caicos serves more than 9,000 customers, or approximately 85% of electricity consumers, on the Turks and Caicos Islands. Fortis Turks and Caicos is the principal distributor of electricity on Turks and Caicos pursuant to two 50-year licences that expire in 2036 and 2037, respectively. Fortis Turks and Caicos has an installed generating capacity of approximately 48 MW and met a peak demand of 29 MW to date in 2008.

Non-Regulated — Fortis Generation

Belize

Non-regulated generation operations in Belize are conducted through BECOL under a franchise agreement with the Government of Belize. BECOL owns and operates the 25-MW Mollejon hydroelectric generating facility and the 7-MW Chalillo hydroelectric generating facility. Both facilities are located on the Macal River in Belize. These generating plants have the capacity of delivering average annual energy production of approximately 160 gigawatt hours ("GWh"). BECOL sells its entire output to Belize Electricity under a 50-year power purchase agreement expiring in 2055. In May 2007, BECOL began construction on the U.S.$53 million 19-MW hydroelectric generating facility at Vaca on the Macal River in Belize.

Ontario

Non-regulated generation operations in Ontario are conducted through FortisOntario and Fortis Properties and include 75 MW of water-right entitlement associated with the Niagara Exchange Agreement, which expires on April 30, 2009, the operation of a 5-MW gas-fired cogeneration plant in Cornwall and six small hydroelectric generating stations with a combined capacity of approximately 8 MW.

Central Newfoundland

Non-regulated generation operations in central Newfoundland are conducted through the Corporation's indirect 51% interest in the Exploits Partnership. These operations generate approximately 610 GWh annually, of which 470 GWh is utilized by Abitibi-Consolidated, while the remainder is sold to Newfoundland Hydro under a 30-year take-or-pay power purchase agreement expiring in 2033, which is exempt from regulation.

British Columbia

Non-regulated generation operations in British Columbia are conducted through FortisBC and consist of the 16-MW run-of-river Walden hydroelectric power plant near Lillooet. This plant sells its entire output to British Columbia Hydro & Power Authority under a power purchase agreement expiring in 2013.

Upper New York State

Non-regulated generation operations in upper New York State are conducted through FortisUS Energy and include the operations of four hydroelectric generating stations with a combined generating capacity of approximately 23 MW operating under licences from the U.S. Federal Energy Regulatory Commission. Since January 1, 2007, all four plants have been selling energy at market rates.

Non-Regulated — Fortis Properties

In addition to its non-regulated generation operations, Fortis Properties owns and operates 20 hotels with more than 3,800 rooms in eight Canadian provinces and approximately 2.8 million square feet of commercial real estate primarily in Atlantic Canada.

CAPITAL RESOURCES

The Corporation's principal businesses of regulated gas and electric distribution require ongoing access to capital markets to allow them to fund maintenance and expansion of infrastructure and repay maturing debt. To meet short-term capital requirements, the Corporation and its larger regulated utility subsidiaries have secured multi-year committed credit facilities. As at September 30, 2008, the Corporation and its subsidiaries had consolidated authorized lines of credit of $2.2 billion, of which $1.5 billion was available to be drawn.

The Corporation and its subsidiaries will require new capital for the repayment of at least a portion of its maturing debt. As at September 30, 2008, long-term debt maturities over the next five years are expected to average approximately $180 million annually.

RECENT DEVELOPMENTS

First Quarter Dividend

On December 10, 2008, the Corporation announced that its board of directors (the "Board of Directors") had declared dividends for the first quarter of 2009 of $0.26 per Common Share, $0.340625 per First Preference Share, Series C, $0.3063 per First Preference Share, Series E, $0.3063 per First Preference Share, Series F and $0.3281 per First Preference Share, Series G, each payable on March 1, 2009 to holders of record on February 6, 2009. The Corporation has increased its annual dividend payments on the Common Shares in each of the past 36 years.

Corporate Matters

On December 10, 2008, the Corporation announced that the Board of Directors had approved an amendment and restatement of the Corporation's Dividend Reinvestment and Share Purchase Plan to provide a 2% discount on the purchase of Common Shares issued from treasury with reinvested dividends. The discount is effective beginning with dividends payable on March 1, 2009 and will continue until further notice by the Corporation. The Corporation reserves the right to amend or cancel the discount at any time or to deliver Common Shares purchased by the Corporation on the open market under the plan, in which case the discount would not apply. The Corporation's Amended and Restated Dividend Reinvestment and Share Purchase Plan remains subject to final approval by the TSX.

Issue of Debt

On December 8, 2008, FortisAlberta filed a preliminary short form base shelf prospectus to qualify the offering of medium term note debentures in the aggregate principal amount of up to $350 million in the 25-month period following the date of the final base shelf prospectus relating to such offering. FortisAlberta must file a final short form base shelf prospectus prior to issuing medium term note debentures, which prospectus must receive the approval of the relevant securities regulatory authorities in Canada.

CAPITALIZATION

The following table sets out the consolidated capitalization of the Corporation as at September 30, 2008 and after giving effect to the distribution (the "Offering") of 11,700,000 common shares (the "Offered Shares") of Fortis (assuming no exercise of the Over-Allotment Option (as defined herein) and after deducting the Underwriters' Fee (as defined herein) and the expenses of the Offering) and the approximate $260 million increase in credit facility borrowings by the Corporation from October 1, 2008 up to and including December 10, 2008 and the repayment on December 1, 2008 of $200 million of maturing long-term debt of Terasen. See "Changes in Share and Loan Capital Structure". The financial information set out below should be read in conjunction with the Corporation's audited consolidated financial statements and unaudited interim consolidated financial statements incorporated by reference into the Prospectus and the notes thereto.

	Outstanding at September 30, 2008	***Pro forma* Outstanding at September 30, 2008**
	(unaudited)	(unaudited)
	(in millions of dollars)	
Total debt (net of cash)	5,529	5,302(1)
Preference shares(2)	320	320
Shareholders' equity		
Securities offered hereby	Nil	292(1)
Common shares	2,153	2,153
Preference shares(3)	347	347
Contributed surplus	8	8
Equity portion of convertible debentures	5	5
Accumulated other comprehensive loss	(77)	(77)
Retained earnings	602	602
Total capitalization	8,887	8,952

(1) After giving effect to the net proceeds from the Offering (assuming no exercise of the Over-Allotment Option), determined after deducting the Underwriters' Fee and the expenses of the Offering on an after-tax basis, and the approximate $260 million increase in credit facility borrowings by the Corporation from October 1, 2008 up to and including December 10, 2008 and the repayment on December 1, 2008 of $200 million of maturing long-term debt at Terasen. See "Changes in Share and Loan Capital Structure".

(2) First Preference Shares, Series C and First Preference Shares, Series E (as defined below), which are classified as long-term liabilities in the financial statements of Fortis.

(3) First Preference Shares, Series F and First Preference Shares, Series G (as defined below).

SHARE CAPITAL OF FORTIS

The authorized share capital of the Corporation consists of an unlimited number of common shares (the "Common Shares"), an unlimited number of First Preference Shares issuable in series and an unlimited number of Second Preference Shares issuable in series, in each case without nominal or par value. As at December 10, 2008, 157,467,158 Common Shares, 5,000,000 Cumulative Redeemable First Preference Shares, Series C (the "First Preference Shares, Series C"), 7,993,500 Cumulative Redeemable First Preference Shares, Series E (the "First Preference Shares, Series E"), 5,000,000 Cumulative Redeemable First Preference Shares, Series F (the "First Preference Shares, Series F") and 9,200,000 Cumulative Redeemable Five-Year Fixed Rate Reset First Preference Shares, Series G (the "First Preference Shares, Series G") were issued and outstanding. The Corporation's Common Shares, First Preference Shares, Series C, First Preference Shares, Series E, First Preference Shares, Series F and First Preference Shares, Series G, are listed on the TSX under the symbols "FTS", "FTS.PR.C", "FTS.PR.E", "FTS.PR.F" and "FTS.PR.G", respectively.

DIVIDEND POLICY

Dividends on the Common Shares are declared at the discretion of the Board of Directors. The Corporation paid cash dividends on its Common Shares of $1.00 in 2008, $0.82 in 2007 and $0.67 in 2006. On December 10, 2008, the Board of Directors declared a dividend for the first quarter of 2009 of $0.26 per Common Share, payable on March 1, 2009 to holders of record on February 6, 2009. See "Recent Developments — First Quarter Dividend".

Regular quarterly dividends at the prescribed annual rate have been paid on all of the First Preference Shares, Series C; First Preference Shares, Series E; First Preference Shares, Series F; and First Preference Shares, Series G, respectively. The Board of Directors declared a dividend for the first quarter of 2009 on the First Preference Shares, Series C; First Preference Shares, Series E; First Preference Shares, Series F; and First Preference Shares, Series G on December 10, 2008, in each case in accordance with the applicable prescribed annual rate, payable on March 1, 2009 to holders of record on February 6, 2009. See "Recent Developments — First Quarter Dividend".

DESCRIPTION OF COMMON SHARES

Dividends

Holders of Common Shares are entitled to dividends on a *pro rata* basis if, as and when declared by the Board of Directors. Subject to the rights of the holders of the First Preference Shares and Second Preference Shares and any other class of shares of the Corporation entitled to receive dividends in priority to or rateably with the holders of the Common Shares, the Board of Directors may declare dividends on the Common Shares to the exclusion of any other class of shares of the Corporation.

Liquidation, Dissolution or Winding-Up

On the liquidation, dissolution or winding-up of Fortis, holders of Common Shares are entitled to participate rateably in any distribution of assets of Fortis, subject to the rights of holders of First Preference Shares and Second Preference Shares and any other class of shares of the Corporation entitled to receive the assets of the Corporation on such a distribution in priority to or rateably with the holders of the Common Shares.

Voting Rights

Holders of the Common Shares are entitled to receive notice of and to attend all annual and special meetings of the shareholders of Fortis, other than separate meetings of holders of any other class or series of shares, and to one vote in respect of each Common Share held at such meetings.

CHANGES IN SHARE AND LOAN CAPITAL STRUCTURE

The following describes the changes in the share and loan capital structure of Fortis since September 30, 2008:

- During the period from October 1, 2008 up to and including December 10, 2008, Fortis issued an aggregate of 163,969 Common Shares pursuant to the Corporation's Consumer Share Purchase Plan, Dividend Reinvestment Plan, Employee Share Purchase Plan and upon the exercise of options granted pursuant to the 2002 and 2006 Stock Option Plans, for aggregate consideration of approximately $4.0 million.
- During the period from October 1, 2008 up to and including December 10, 2008, drawings of approximately $260 million were made by Fortis under its credit facility primarily to repay $200 million of indebtedness of Terasen that matured on December 1, 2008 and for general corporate purposes.
- As a result of the proposed issuance of 11,700,000 Offered Shares (assuming no exercise of the Over-Allotment Option), shareholders' equity in the Corporation will increase by approximately $292 million to a total of $3.3 billion.

TRADING PRICES AND VOLUMES

The following tables set forth, for the periods indicated, the reported high and low daily trading prices and the aggregate volume of trading of the Corporation's Common Shares, First Preference Shares, Series C; First Preference Shares, Series E; First Preference Shares, Series F; and First Preference Shares, Series G, on the TSX.

	Trading of Common Shares			Trading of First Preference Shares, Series C		
	TSX			TSX		
	High	Low	Volume	High	Low	Volume
	($)	($)	(#)	($)	($)	(#)
2007						
December	29.08	26.71	5,669,675	27.39	26.06	112,267
2008						
January	29.50	26.52	11,699,266	27.39	26.27	23,148
February	29.89	27.77	9,436,783	27.39	26.31	20,357
March	29.24	26.36	7,245,917	26.50	25.60	28,658
April	29.94	26.85	10,311,561	27.75	25.76	18,972
May	28.34	26.80	11,864,145	26.75	25.37	123,787
June	28.02	27.05	7,651,899	26.64	25.76	44,426
July	27.65	24.11	10,918,974	26.25	25.80	25,580
August	27.15	24.51	8,347,786	26.24	25.50	91,043
September	26.23	23.50	8,047,826	26.20	25.26	19,704
October	26.75	20.70	19,490,343	26.25	20.44	54,921
November	28.00	24.51	13,933,581	25.50	23.56	124,621
December 1 to December 11	27.46	24.25	6,632,713	25.00	24.55	57,000

	Trading of First Preference Shares, Series E			Trading of First Preference Shares, Series F		
	TSX			TSX		
	High	Low	Volume	High	Low	Volume
	($)	($)	(#)	($)	($)	(#)
2007						
December	26.60	25.96	40,635	21.45	20.50	256,585
2008						
January	26.62	25.98	115,209	22.50	21.33	206,795
February	26.96	26.49	10,705	23.50	22.00	111,470
March	26.89	25.50	43,889	23.20	21.25	103,475
April	26.50	25.51	33,454	22.88	21.09	116,137
May	25.97	25.00	330,602	22.40	21.40	86,078
June	26.70	24.80	52,730	21.87	19.00	166,441
July	26.50	24.50	31,794	20.00	18.00	159,824
August	26.49	24.55	39,848	20.35	19.75	100,320
September	26.39	24.85	89,850	20.50	18.50	113,705
October	24.50	23.00	44,208	18.99	16.57	224,945
November	24.99	22.50	28,650	19.78	16.00	100,535
December 1 to December 11	23.60	21.00	12,850	17.85	15.75	86,910

	Trading of First Preference Shares, Series G		
	TSX		
	High	Low	Volume
	($)	($)	(#)
2008			
May	25.10	24.84	426,990
June	25.50	24.95	263,022
July	25.52	25.01	124,660
August	25.98	25.25	114,417
September	25.80	25.10	156,866
October	25.45	20.00	70,985
November	24.00	18.00	181,916
December 1 to December 11	19.95	17.00	181,571

USE OF PROCEEDS

The net proceeds of the Offering will be approximately $287 million, determined after deducting the underwriting fee and the expenses of the Offering, which are estimated to be $750,000. If the Over-Allotment Option is exercised in full, the net proceeds of the Offering, determined after deducting the underwriting fee and estimated expenses of the Offering, are expected to be approximately $330 million. The net proceeds from the Offering will be used to repay indebtedness under the Corporation's credit facility and for general corporate purposes. Indebtedness under the Corporation's credit facility that will be repaid was originally incurred primarily to repay $200 million of Terasen debt that matured on December 1, 2008 and for general corporate purposes.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated December 5, 2008 (the "Underwriting Agreement") between Fortis and Scotia Capital Inc. ("Scotia Capital"), CIBC World Markets Inc. ("CIBCWM"), RBC Dominion Securities Inc. ("RBCDS"), BMO Nesbitt Burns Inc. ("BMO Nesbitt Burns"), TD Securities Inc. ("TD Securities"), HSBC Securities (Canada) Inc. ("HSBC Securities"), National Bank Financial Inc. ("NB Financial"), Beacon Securities Limited and Canaccord Capital Corporation (collectively, the "Underwriters"), Fortis has agreed to issue and sell, and the Underwriters have agreed to purchase, as principals, on or about December 19, 2008 (the "Closing Date"), the Offered Shares offered hereby at the price of $25.65 per Common Share (the "Offering Price"), payable in cash to Fortis against delivery, subject to compliance with all of the necessary legal requirements and to the conditions contained in the Underwriting Agreement. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement. The Offering Price and other terms of the Offering were determined by negotiation between the Corporation and the Underwriters.

The Corporation has agreed to pay fees to the Underwriters in the amount of $1.026 per Offered Share, in consideration of services rendered by the Underwriters in connection with the Offering (the "Underwriters' Fee"). Assuming that the Over-Allotment Option (as defined below) is not exercised, the total price to the public will be $300,105,000, the Underwriters' Fee will be $12,004,200 and the net proceeds to Fortis will be approximately $287 million, after deducting the expenses of the Offering estimated at $750,000 which, together with the Underwriters' Fee, will be paid out of the general funds of the Corporation.

The Corporation has granted the Underwriters the option (the "Over-Allotment Option"), exercisable in whole or in part at any time until 30 days following the Closing Date, to purchase up to an additional 1,755,000 Offered Shares (the "Additional Shares") at the Offering Price. The Over-Allotment Option is exercisable in whole or in part only for the purpose of covering over-allotments, if any, and for market stabilization purposes. This short form prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable upon exercise of the Over-Allotment Option.

A purchaser who acquires Offered Shares forming part of the Over-Allotment Option acquires those securities under this Prospectus, regardless of whether the Over-Allotment Option is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering (the "Closing") will take place on the Closing Date, or such other date as may be agreed upon by the Corporation and the Underwriters, but not later than January 23, 2009. Certificates evidencing the Offered Shares will be available for delivery at the Closing or shortly thereafter.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period ending on the date the selling process for the Offered Shares ends and all stabilization arrangements relating to the Offered Shares are terminated, bid for or purchase Offered Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Offered Shares if the bid or purchase is made through the facilities of the TSX, in accordance with the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada; (ii) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Underwriter, or if the client's order was solicited, the solicitation occurred before the commencement of a prescribed restricted period; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. The Underwriters may engage in market stabilization or market balancing activities on the TSX where the bid for or purchase of the Offered Shares is for the purpose of maintaining a fair and orderly market in the Offered Shares, subject to price limitations applicable to such bids or purchases. Such transactions, if commenced, may be discontinued at any time.

The Offered Shares have not been, and will not be, registered under the United States *Securities Act of 1933*, as amended (the "1933 Act") or any state securities laws and, subject to certain exceptions, may not be offered, or delivered, directly or indirectly, or sold in the United States except in certain transactions exempt from the registration requirements of the 1933 Act and in compliance with any applicable state securities laws. The Underwriters have agreed that they will not offer or sell the Offered Shares within the United States, its territories, its possessions and other areas subject to its jurisdiction, except in accordance with the Underwriting Agreement pursuant to an exemption from the registration requirements of the 1933 Act provided by Rule 144A thereunder and in compliance with applicable state securities laws. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offered Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer is made otherwise than in reliance on Rule 144A.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint and several) and may be terminated at their discretion in certain circumstances, including upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any are purchased under the Underwriting Agreement. Under the terms of the Underwriting Agreement, the Underwriters may be entitled to indemnification by the Corporation against certain liabilities, including liabilities for misrepresentation in the Prospectus.

The Underwriters propose to offer the Offered Shares initially at the Offering Price set forth on the cover page of this Prospectus. After the Underwriters have made reasonable efforts to sell all the Offered Shares at such price, the Offering Price may be decreased, and further changed from time to time to an amount not greater than the Offering Price specified herein. The compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Corporation.

Each of Scotia Capital, CIBCWM, RBCDS, BMO Nesbitt Burns, TD Securities, HSBC Securities and NB Financial is a subsidiary of a Canadian chartered bank that has, either solely or as a member of a syndicate of financial institutions, extended credit facilities to, or holds other indebtedness of, the Corporation and/or its subsidiaries (the "Existing Indebtedness"). All or a portion of the net proceeds from the Offering will be used towards repaying indebtedness under a credit facility owing by the Corporation to certain of such banks or their affiliates. Consequently, the Corporation may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities legislation. None of these Underwriters will receive any direct benefit from the Offering other than the Underwriters' Fee relating to the Offering. The decision to distribute the Offered Shares hereunder and the determination of the terms of the Offering were made through negotiation between the Corporation and the Underwriters. No bank had any involvement in such decision or determination. As at December 10, 2008, an aggregate of approximately $957 million was outstanding under the Existing Indebtedness. Fortis and/or its subsidiaries are in compliance with their respective obligations under the Existing Indebtedness, other than with respect to certain of Belize Electricity's debt as previously disclosed in the Corporation's public disclosure. Since the execution of the agreements governing the Existing Indebtedness, no breach thereunder has been waived by the lenders thereunder. See "Use of Proceeds".

The TSX has conditionally approved the listing of the Offered Shares distributed under this Prospectus on the TSX. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX on or before March 3, 2009.

RISK FACTORS

An investment in the Offered Shares involves certain risks. A prospective purchaser of Offered Shares should carefully consider the risk factors described under:

(a) the heading "Risk Factors" found on pages 40 to 48 of the Corporation's Annual Information Form dated March 28, 2008;

(b) the heading "Business Risk Management" in the Management Discussion and Analysis of financial condition and results of operations found on pages 60 through 66 of the Corporation's 2007 Annual Report (the "MD&A");

(c) note 18 "Financial Risk Management" found on pages 24 through 28 in the Corporation's unaudited comparative interim consolidated financial statements as at September 30, 2008 and for the three and nine months ended September 30, 2008 and 2007; and

(d) the heading "Risk Factors" found on pages A-13 to A-17 of the Corporation's business acquisition report dated June 13, 2007 with respect to the acquisition by the Corporation of all of the outstanding shares of Terasen on May 17, 2007 (the "Terasen Acquisition"),

each of which is incorporated by reference herein. In addition, a prospective purchaser of Offered Shares should carefully consider the risk factors described below and in the other information contained in this Prospectus (including the documents incorporated by reference herein).

International Financial Reporting Standards

The Accounting Standards Board of the Canadian Institute of Chartered Accountants has announced that Canadian publicly accountable enterprises are required to adopt International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, effective January 1, 2011. IFRS will require increased financial statement disclosure as compared to Canadian GAAP and accounting policy differences between Canadian GAAP and IFRS will need to be addressed by Fortis. The Corporation is currently considering the impact a conversion to IFRS would have on its future financial reporting.

Defined Benefit Pension Plans

The market value of the Corporation's consolidated defined benefit pension plan assets has declined as a result of the recent volatility in the capital markets and their related indices. A reduction in the market value of the Corporation's consolidated defined benefit pension plan assets has the impact of increasing future pension expense and funding requirements, however, the impact is not estimable at this time. Any increase in pension expense at the Corporation's regulated utilities is eligible for recovery in future customer rates, subject to regulatory approval.

Ongoing Market Volatility

The financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continuing fluctuations in price will not occur. Accordingly, the market price of the Common Shares may decline even if its operating results, underlying asset values or prospects have not changed.

AUDITORS

The auditors of the Corporation are Ernst & Young LLP, Chartered Accountants ("Ernst & Young"), The Fortis Building, 7th Floor, 139 Water Street, St. John's, Newfoundland and Labrador A1C 1B2.

The auditors of Terasen during the period of May 2006 to July 2007 were PricewaterhouseCoopers LLP, Chartered Accountants ("PWC"), of Vancouver, British Columbia. PWC reports that, during the period from May 2006 to July 2007, it was independent of Terasen within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia. Following completion of the Terasen Acquisition, Ernst & Young became the auditors of Terasen and its subsidiaries.

LEGAL MATTERS

Certain legal matters relating to this Offering will be passed upon on behalf of the Corporation by Davies Ward Phillips & Vineberg LLP, Toronto and McInnes Cooper, St. John's and on behalf of the Underwriters by Stikeman Elliott LLP, Toronto. At the date hereof, partners and associates of each of Davies Ward Phillips & Vineberg LLP, McInnes Cooper and Stikeman Elliott LLP own beneficially, directly or indirectly, less than 1% of any securities of the Corporation or any associate or affiliate of the Corporation.

TRANSFER AGENT AND REGISTRAR

The Transfer Agent and Registrar for the Offered Shares is Computershare Trust Company of Canada in Toronto and Montréal.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the Short Form Prospectus of Fortis Inc. (the "Corporation") dated December 12, 2008 relating to the issue and sale of 11,700,000 Common Shares of the Corporation. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference, in the above-mentioned Prospectus, of our report to the shareholders of the Corporation on the consolidated balance sheets of the Corporation as at December 31, 2007 and 2006 and the consolidated statements of earnings, retained earnings, comprehensive income and cash flows for the years then ended. Our report is dated February 1, 2008.

St. John's, Canada	(Signed) Ernst & Young LLP
December 12, 2008	Chartered Accountants

AUDITORS' CONSENT

We have read the Short Form Prospectus of Fortis Inc. (the "Corporation") dated December 12, 2008 relating to the issue and sale of 11,700,000 Common Shares of the Corporation. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference, in the above-mentioned Prospectus, of our report to the shareholder of Terasen Inc. on the consolidated statements of financial position of Terasen Inc. as at December 31, 2006 and the consolidated statements of earnings, retained earnings and cash flows for the year then ended, included in the business acquisition report of the Corporation dated June 13, 2007. Our report is dated March 29, 2007.

Vancouver, Canada	(Signed) PricewaterhouseCoopers LLP
December 12, 2008	Chartered Accountants

CERTIFICATE OF FORTIS INC.

Dated: December 12, 2008

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

(Signed) H. STANLEY MARSHALL
President and
Chief Executive Officer

(Signed) BARRY V. PERRY
Vice-President, Finance and
Chief Financial Officer

On behalf of the Board of Directors

(Signed) GEOFFREY F. HYLAND
Director

(Signed) DAVID G. NORRIS
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: December 12, 2008

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

SCOTIA CAPITAL INC.	CIBC WORLD MARKETS INC.	RBC DOMINION SECURITIES INC.
(Signed) JOHN MATOVICH	(Signed) DAVID WILLIAMS	(Signed) DAVID DAL BELLO

BMO NESBITT BURNS INC.	TD SECURITIES INC.
(Signed) STEVEN BRAUN	(Signed) HAROLD R. HOLLOWAY
HSBC SECURITIES (CANADA) INC.	**NATIONAL BANK FINANCIAL INC.**
(Signed) ROD A. MCISAAC	(Signed) PAUL PRENDERGAST
BEACON SECURITIES LIMITED	**CANACCORD CAPITAL CORPORATION**
(Signed) JANE M. SMITH	(Signed) STEPHEN J. SWAFFIELD

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