

News Release

FOR IMMEDIATE RELEASE

FortisBC receives regulatory approval for amalgamation of gas utilities

SURREY, B.C. – February 27, 2014: The BC Utilities Commission (BCUC) has determined that the amalgamation of *FortisBC Energy Inc.*, *FortisBC Energy (Vancouver Island) Inc.*, *FortisBC Energy (Whistler) Inc.* and *Terasen Gas Holdings Inc.* is beneficial and in the public interest. The BCUC also approved adoption of a common rate structure for the majority of natural gas customers.

Following the BCUC decision, the amalgamation must receive consent from the Lieutenant Governor in Council.

“Amalgamating our natural gas utilities in B.C. and adopting common natural gas rates is the right thing to do for customers and represents good energy policy,” said John Walker, President and CEO of FortisBC. “This decision is a significant step forward in providing greater stability, fairness and simplicity in rates for our customers.”

Following all necessary approvals, FortisBC would amalgamate the regulated natural gas utilities into one legal entity under the name *FortisBC Energy Inc.* The utilities have operated under a common management structure since the mid-2000s. The change would eliminate rate discrepancies across the majority of the service territory, and would be phased in over a three-year period.

In addition to common rates, customers across most of FortisBC’s natural gas service territory would have access to energy efficiency programs and products such as renewable natural gas. The cost of large projects, such as upgrades to natural gas infrastructure and service expansions, would be shared among a wider customer base, lessening the cost to each customer over the long-term.

For further background on common natural gas rates in B.C., visit fortisbc.com/commonrates.

FortisBC is a regulated utility focused on providing safe and reliable energy, including natural gas, electricity, and propane. FortisBC employs 2,200 British Columbians and serves approximately 1.1 million customers in 135 B.C. communities. FortisBC is indirectly wholly owned by Fortis Inc., the largest investor-owned distribution utility in Canada. FortisBC owns and operates four regulated hydroelectric generating plants, approximately 7,000 kilometres of transmission and distribution power lines, and approximately 47,000 kilometres of natural gas transmission and distribution pipelines. FortisBC Inc., FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., and FortisBC Energy (Whistler) Inc. do business as FortisBC. 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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