

FortisAlberta announces 2007 third quarter earnings

Calgary, AB – October 25, 2007 (TSX:FTS) – FortisAlberta Inc. today released its 2007 third quarter results.

Increased customer demand, spurred by the strong growth in Alberta's economy, and increased income tax recovery led to net earnings in the third quarter of \$14.6 million compared to net earnings of \$12.3 million for the same quarter in 2006. Earnings were partially offset by higher operating costs due to economic pressures and higher interest expense.

Revenue was \$69.7 million, \$5.1 million higher than for the third quarter in 2006. The increase was primarily due to higher distribution revenues associated with customer growth.

"Meeting the needs of our customers and providing safe and reliable electricity in a cost-effective manner continue to be the top priorities for the company," says Karl Smith, President and CEO, FortisAlberta.

The company has invested approximately \$157.9 million in capital projects year-to-date. "A significant portion of this capital investment is driven by customer demand for new connections. Capital investments reflect the rapid growth in Alberta's economy and the need to meet customer requirements for a reliable supply of electricity," adds Smith.

Among the projects completed during the third quarter, the company constructed a new \$1.5 million distribution line out of the recently built Blackmud substation to support customer demand in the Leduc/Nisku area. "Projects such as building new distribution lines at Christina Lake and ongoing reinforcement work in the Bassano area have enhanced reliability by offloading existing lines and expanding distribution load to support oil and gas customers in these service areas," says Smith.

FortisAlberta is committed to the safety of its employees and the public. During the quarter, FortisAlberta, through a partnership with other Alberta utilities and the Government of Alberta, launched an electrical safety campaign targeted at workers across Alberta in an effort to educate them about the hazards of working near high-voltage lines.

For a full copy of FortisAlberta's financial statements, management discussion and analysis and annual information form, please visit www.fortisalberta.com and click on the Investor Centre.

FortisAlberta is an electric distribution company with approximately 442,800 customers and approximately 105,500 kilometres of power lines. It 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 of assets. 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.

FortisAlberta may include forward-looking statements in this release which reflect management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expects", "intend" and similar expressions have been used to identify the forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to the Company's management. By their very nature, forward-looking statements are based on underlying factors or assumptions which are subject to inherent risks and uncertainties surrounding future expectations generally. Such risk factors or assumptions include, but are not limited to, general economic, market and business conditions, regulatory developments, weather and competition. FortisAlberta cautions readers that a number of factors could cause actual results, performance or

achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain of these risks or factors, reference should be made to FortisAlberta continuous disclosure materials filed from time to time with Canadian Securities Regulatory Authorities. FortisAlberta 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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