



FOR IMMEDIATE RELEASE

November 2, 2000

**Canadian Niagara Power Company Limited Invests in
Newly Formed Electric Distribution Companies in Ontario**

(FORT ERIE, ONTARIO) - Canadian Niagara Power Company Limited announced today that it has acquired a 10 per cent interest in each of two newly formed regional electric distribution companies in Ontario. The companies are the result of mergers of 12 separate municipal electric utilities. The mergers represent unprecedented public/private partnerships in the electric distribution sector in Ontario.

Westario Power Holdings Inc. represents a newly merged regional electric distribution company serving 20,000 customers in the counties of Bruce, Grey and Huron. Customers had been served by the former municipal electric utilities of Saugeen Shores, Kincardine, Hanover, Brockton, Wingham, Huron-Kinloss, Mildmay-Teeswater, and Minto. *Rideau St. Lawrence Holdings Inc.* represents a newly merged regional electric distribution company serving 6,000 customers in the counties of Leeds-Grenville and Stormont-Dundas. Customers had been served by the former municipal electric utilities of South Dundas, Prescott, Cardinal, and Westport.

“Canadian Niagara Power has been proactively seeking opportunities presented by the restructuring of the electricity industry occurring in Ontario,” explains Bill Daley, Vice President of Corporate Development. “Our investment in these partnerships is consistent with Canadian Niagara Power’s strategy to grow our presence in Ontario.”

Canadian Niagara Power first presented the partnership proposal to municipal officials and hydro commissions last February and the parties have worked together for several months finalizing details of the merger. Completion of the deals is subject to Ontario Energy Board review and approval.

“The new owners are confident that a single larger regional utility company, properly managed, will result in improved efficiencies while maintaining the quality customer service customers have come to expect from their local utilities,” according to Mark Kraemer, Mayor of Saugeen Shores. “Furthermore, having Canadian Niagara Power as an experienced private sector partner provides the shareholders with an added level of confidence and risk management as we move forward in the newly restructured electric industry in Ontario.”

Canadian Niagara Power is jointly owned by Fortis Inc. and Niagara Mohawk Holdings, Inc. Headquartered in Fort Erie, Ontario, Canadian Niagara Power is an innovative Ontario-based electric transmission and distribution utility company that provides residential, commercial and industrial energy services. Founded in 1892, the Company began generating electricity in 1905 from its Rankine Generating Station located on the Canadian side of the Niagara River. Fortis Inc. is a diversified holding company whose principal assets are electric utility companies. Fortis Inc. is listed on the Toronto Stock Exchange and trades under the ticker symbol FTS. Niagara Mohawk is an investor-owned utility based in New York State listed on the New York Stock Exchange under the ticker symbol NMK.

----30----

For Further Information please contact:

Bill Daley, Vice President Corporate Development
Canadian Niagara Power Company Limited
(905) 994-3631