

# Newfoundland Power Successfully Witnesses the Dawn of a New Century

For immediate release:

January 1, 2000

(St. John's, NF): The diligence and commitment of Newfoundland Power's employees to ensure electrical service to customers was not disrupted by the Y2K phenomenon has culminated into a successful transition to the Year 2000.

"For more than 100 years, Newfoundland Power has provided safe, reliable electric service to its customers. We are very pleased to continue this tradition of service into the new century," says Philip Hughes, President and Chief Executive Officer, Newfoundland Power.

Although confident that its systems would operate normally, Newfoundland Power had contingency plans in place for critical operations. More than 300 employees were stationed at company facilities across the province to address any problems that may have occurred during the transition to the next century.

Newfoundland Power extends its sincere appreciation to all employees and their families for their support and commitment to customers and the company leading up to and during the Year 2000 transition.

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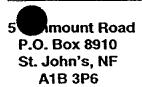
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#### **Newfoundland Power Reports Improved Performance in 1999**

For immediate release:

February 10, 2000

(St. John's, NF): Newfoundland Power Inc. (ME:NFL, TSE:FTS) released its year-end results today reporting improved performance in 1999.

"Newfoundland Power successfully increased earnings, improved productivity, provided a higher level of service to customers and implemented considerable measures to improve system reliability in 1999," says Philip G. Hughes, President and Chief Executive Officer.

Newfoundland Power's earnings applicable to common shares were \$22.9 million in 1999, an increase of \$1.3 million from \$21.6 million in 1998. The company's earnings per share increased by six per cent in 1999 to \$2.21 compared to \$2.09 in 1998. Revenues increased by two per cent in 1999 to \$342.0 million from \$335.8 million in 1998.

Newfoundland Power's increase in earnings is a result of a combination of factors that include higher energy sales, aggressive cost control measures and increased production at Newfoundland Power's hydroelectric plants.

"During 1999, Newfoundland Power aggressively targeted reductions in operating and maintenance costs, leveraged its use of technology to provide a higher quality of service for customers and focused on further improving system reliability," explains Hughes.

Productivity initiatives over the past two years have successfully reduced Newfoundland Power's gross operating cost per customer by 12 per cent. At the same time, Newfoundland Power has significantly increased its customer satisfaction rating. In 1999, the company achieved a customer satisfaction rating of 88 per cent – its highest ever annual rating and a 26 per cent improvement over its 1996 customer satisfaction rating.

In 1999, Newfoundland Power invested \$42 million in capital projects to increase the integrity and performance of its electrical system. In 2000, the company will invest a further \$42 million in capital projects to support reliability, customer service and lower operating and maintenance costs over the long-term.

In 1999, Newfoundland Power achieved a number of corporate milestones including the implementation of an Environmental Management System for its generating facilities and related corporate functions, and becoming the first North American electric utility to make the successful transition to the year 2000.

Effective January 1, 2000, the Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) granted Newfoundland Power a 0.7 per cent increase in rates based on a rate of return on equity of 9.59 per cent. The company's rate of return on equity was 9.25 per cent in 1999. This increase resulted from the application of the automatic adjustment mechanism approved by the PUB in 1998.

"Newfoundland Power is committed to growing our business in a manner that reflects customers' changing needs," says Hughes. "We will continue to focus on defining our company as a leading Canadian electric utility in terms of operating efficiency, customer service and reliability."

	Year Ended December 31st	
	1999	1998
Earnings Applicable to		
Common Shares	\$22.9 million	\$21.6 million
Earnings Per Common Share	\$2.21	\$2.09
Revenue	\$342.0 million	\$335.8 million
Energy Sales	4,500 GWh	4,440 GWh
Capital Expenditures	\$42 million	\$45 million

All the common shares of Newfoundland Power Inc. are owned by Fortis Inc., a diversified holding company with assets exceeding \$1 billion. Newfoundland Power's first preference shares series A, B and D are listed on the Montreal Exchange. The common shares of Fortis Inc. are traded on the Montreal Exchange and The Toronto Stock Exchange under the symbol FTS.

With a customer base of approximately 214,000 accounts, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of electrical supply while relentlessly pursuing employee and community safety.

For more information on Newfoundland Power's programs, services and community partnerships, please visit <u>www.newfoundlandpower.com</u>.

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#### **NEWS RELEASES**



The Atlantic Salmon Federation (ASF) and Newfoundland Power launched ASF's 2000 Fish Friends public education program today at C.C. Loughlin School in Corner Brook. The Fish Friends program, which involves raising salmon fry in classrooms and then releasing them back into Newfoundland waterways, is designed for use in elementary grade levels.

"Over the next few weeks, the ASF and Newfoundland Power's Environmental Coordinators will deliver live salmon eggs to participating schools throughout the province," says Don Ivany, Regional Director, ASF. "Students will observe the salmon eggs and monitor water quality and temperature throughout the spring. Once the eggs hatch, students will feed the salmon fry, clean their aquariums and release them back into local waters in May or June."

Newfoundland Power is the corporate sponsor of the Fish Friends program in Newfoundland and Labrador. "Fish Friends is closely tied to Newfoundland Power's focus on education and the environment," says Bob Pike, Manager, Corporate Communications, Newfoundland Power. "Not only does this program provide students with hands-on learning opportunities, but it teaches the importance of sustainable fish populations."

"Community partners like Newfoundland Power and the Salmonid Council of Newfoundland and Labrador make the delivery of Fish Friends possible," stresses Ivany. ASF first introduced Fish Friends to 16 schools in the province in 1993. Now, more than 70 schools throughout the province use the Fish Friends curriculum to promote learning of fish habitat, bio-diversity, life cycles, adaptation, freshwater ecology and stewardship. This year, the ASF will introduce a new incubation unit or "Eco-Chamber" to the program.

The Atlantic Salmon Federation is an international, non-profit organization, which promotes the conservation and wise management of the Atlantic salmon and its environment. ASF has a network of seven regional councils (Nova Scotia, Newfoundland, Prince Edward Island, New Brunswick, Quebec, Maine and New England), which have a membership of over 150 river associations and 40,000 volunteers. The regional councils cover the freshwater range of the Atlantic salmon in Canada and the United States.

For more information on Fish Friends, visit their web site at: <a href="https://www.fishfriends.net">wwww.fishfriends.net</a>



p.O. Box 8910 St. John's, NF A1B 3P6

# Newfoundland Power Contributes \$15,000 to St. John Ambulance

For immediate release:

March 30, 2000

(St. John's, NF): The Newfoundland and Labrador Council of-St. John Ambulance received a \$15,000 commitment from Newfoundland Power today in support of its Capital Infrastructure Campaign.

"We are pleased to be a major sponsor of this important health initiative," says Philip Hughes, President and Chief Executive Officer, Newfoundland Power. "Our company's support will assist St. John Ambulance in upgrading vehicles and equipment that will allow them to carry on and expand the vital services they provide to our communities."

"The St. John Ambulance campaign is a major initiative being undertaken in the province. The goal of the campaign is to raise \$300,000," says Ian Kelly, President of the Newfoundland and Labrador Council of St. John Ambulance. The organization, most known for first aid training, will utilize these funds to replace and/or refurbish existing mobile first aid posts, add new mobile posts, upgrade and modernize equipment, provide uniforms for volunteers, maintain supplies and material and expand their volunteer services to communities not currently being served.

Newfoundland Power's \$15,000 commitment will be spread over a three-year period.

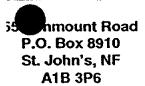
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For more information, please contact:

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Mr. Robert Pike Manager, Corporate Communication Newfoundland Power Office: (709) 737-5674





## Newfoundland Power's State-of-the-art System Control Centre to Support Improved Reliability and Service

For immediate release:

March 31, 2000

(St. John's, NF): Provincial Mines and Energy Minister, Paul Dicks and Newfoundland Power President and Chief Executive Officer, Philip G. Hughes, officially opened Newfoundland Power's new System Control Centre this morning.

"This centre is state-of-the-art. From St. John's we are able to monitor and, for the most part, control our entire electrical grid," said Hughes. "Our investment in System Control Centre technology over the past year will benefit our customers through greater reliability, faster service restoration, improved generating efficiencies and a higher level of employee and public safety."

Newfoundland Power's new System Control Centre was constructed throughout 1999 at a cost of \$5 million. The majority of the cost, approximately \$3 million, is associated with the installation of a world class System Control and Data Acquisition (SCADA) system developed in Calgary with the assistance of Newfoundland Power employees.

"If one were to think of the electrical system as the human body, our SCADA system would be the electronic brain linking system operations to strategic information functions," explained Hughes. The company's new SCADA system has the ability to remotely monitor generation at hydro plants in areas as far away as Rose Blanche, as well as control hydro plant conditions, substations and power lines through expanded automation devices.

"Newfoundland Power's new System Control Centre technology is customerfocused," said Minister Dicks. "Not only will it further contribute to the company's improved operating efficiency but it will significantly enhance our province's economy. This is a prime example of utilizing technology to better meet existing and future customers' needs."

Further additions to the System Control Centre will be made throughout 2000 to build upon the centre's system monitoring capabilities.

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#### **Newfoundland Power Reports Strong First Quarter Results**

For immediate release:

April 25, 2000

(St. John's, NF): Newfoundland Power Inc. (ME:NFL; TSE:FTS) released its first quarter results today reporting continued performance improvement.

Newfoundland Power's earnings applicable to common shares were \$9.7 million in the first quarter 2000 compared to \$8.7 million in the first quarter 1999. The company's earnings per share increased by 10.6 per cent in the first quarter 2000 to \$0.94 compared to \$0.85 for the same period in 1999.

"Newfoundland Power has increased earnings, improved productivity and further reduced operating costs in the first three months of 2000," says Philip G. Hughes, President and Chief Executive Officer.

In the first three months of 2000, revenues increased by approximately three per cent to \$112.1 million, an increase of \$3.3 million over the first quarter 1999. This increase was largely due to two extra billing days in the first quarter 2000 compared to the same period in 1999.

Energy sales for the first quarter 2000 were 1,532 Gigawatt hours (GWh), a 40 GWh or 2.7 per cent increase over the same quarter of 1999. However, the impact of higher energy sales on purchased power costs was reduced through increased efficiencies at the company's hydroelectric plants.

Newfoundland Power's annualized operating cost per customer decreased a further two per cent since year-end 1999 for a total reduction of 14 per cent since 1996.

"Our company's commitment to aggressively control operating costs, achieve continual productivity improvements and improve production efficiency at our hydroelectric plants is well reflected in our first quarter results," says Hughes. "Building on our successes in these areas in 1999, we are setting the pace for a successful year in 2000."

In 2000, the company will invest \$42 million in capital projects to support reliability and customer service improvements, and lower operating and maintenance costs over the long-term.

Newfoundland Power's commitment to listening to customers and responding to their service expectations resulted in a first quarter customer satisfaction rating of 89 per cent. In 1999, the company achieved its highest ever annual customer satisfaction rating of 88 per cent.

"Newfoundland Power is continually increasing its ability to better meet customers' demands for superior, cost-effective service," says Hughes. "Throughout 2000 we will continue to aggressively pursue our vision of defining Newfoundland Power as a leading Canadian electric utility in terms of operating efficiency, customer service and reliability."

	First Quarter Results	
	2000	1999
Earnings Applicable to		
Common Shares	\$9.7 million	\$8.7 million
Earnings Per Common Share	\$0.94	\$0.85
Revenue	\$112.1 million	\$108.8 million
Energy Sales	1,532 GWh	1,492 GWh

All the common shares of Newfoundland Power Inc. are owned by Fortis Inc., a utility holding company with assets exceeding \$1.3 billion. Newfoundland Power's first preference shares series A, B and D are listed on the Montreal Exchange under the symbol NFL. The common shares of Fortis Inc. are traded on The Toronto Stock Exchange under the symbol FTS.

With a customer base of approximately 214,000 accounts, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of electrical supply while relentlessly pursuing employee and community safety.

For more information on Newfoundland Power's programs, services and community partnerships, please visit <u>www.newfoundlandpower.com</u>. Fortis Inc. information can be accessed at www.fortisinc.com.

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# Newfoundland Power Employees Win Provincial Safety Award

For immediate release:

May 10, 2000

(St. John's, NF) Newfoundland Power's Eastern Region employees are the recipients of the *Provincial Leadership Recognition Health and Safety Program Award*. Environment and Labour Minister Oliver Langdon made the announcement earlier today at a special awards ceremony in St. John's.

Philip Hughes, President and Chief Executive Officer, Newfoundland Power, praised the company's employees on their safety record. "Newfoundland Power employees have long been recognized as leaders in workplace safety," says Hughes. "This prestigious safety award recognizing our Eastern Region employees in Burin, Gander, Clarenville and Port Union is an honor all employees throughout our company share."

The Workplace Health, Safety and Compensation Commission and the Minister of Environment and Labour administer the *Provincial Leadership Recognition Awards*. The *Health and Safety Award* is awarded to the company (in this case Eastern Region) that has demonstrated leadership and commitment resulting in the implementation of an outstanding health and safety system.

The announcement of today's award is timely in that next week is North American Occupational Health & Safety Week.

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St. John's, NF A1B 3P6

### 3<sup>rd</sup> Annual EnviroFest Promises Something for Everyone!

For immediate release:

June 1, 2000

(Stephenville, NF): Newfoundland Power will host its third annual EnviroFest this evening from 6:00 to 9:00 p.m. at Stephenville Middle School on Queen Street.

"EnviroFest is a family event that provides an opportunity for environmentally-minded groups and individuals to come together to learn more about our environment and what we can do to protect it," says Joe Ryan, Coordinator, EnviroFest 2000.

EnviroFest 2000 will feature more than 15 local environment groups, schools and government agencies with interactive demonstrations and displays on the environment.

"Last year more than 100 community groups and 2,500 community members took part in our eight EnviroFest events across the island," says Ryan. "We're hoping to top that number this year."

In November 1997, Newfoundland Power employees launched the Newfoundland Power Environmental Commitment Program to demonstrate their long-term commitment to protecting and enhancing the environment. Since that time, employees have helped initiate, organize and complete more than 80 environmental projects across Newfoundland.

"There is no cost to attend EnviroFest and the event promises something for everyone," says Ryan. "This year's door prize is a mountain bike ... you can walk in and pedal home!"

For further information, please contact: Joe Ryan

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#### **Newfoundland Power Reports Progress in Tax Reassessments**

For immediate release:

June 1, 2000

(St. John's, NF): Newfoundland Power Inc. (ME:NFL; TSE:FTS) reported today that it has substantially reduced the potential liability associated with income tax reassessments issued by Canada Customs and Revenue Agency in July 1995 for the years 1988 to 1993.

"As a result of Newfoundland Power's diligence, determination and commitment to efficiently manage the business, the potential liability of \$40.3 million reflected in the notes to the company's 1999 financial statements has been significantly reduced by approximately \$29.7 million to \$10.6 million," says Barry V. Perry, Vice President, Finance and Chief Financial Officer.

In July 1995, Canada Customs and Revenue Agency disallowed certain amounts capitalized for regulatory and accounting purposes but claimed as expenses for tax purposes between 1989 and 1993. The new Notices of Reassessment allow such deductions.

The remaining issue to be sorted out between Newfoundland Power and Canada Customs and Revenue Agency is the company's practice of recording revenue as customers are billed. "Since the inception of Newfoundland Power we have recorded revenue on a billed basis," says Perry. "This is in accordance with generally accepted accounting principles and complies with Newfoundland & Labrador Board of Commissioners of Public Utilities' (PUB) Orders."

Newfoundland Power says the \$10.6 million outstanding under the revised assessments is also not payable by the company and will continue to pursue having the matter resolved.

As a result of the reduction of liability, Newfoundland Power will receive a refund of part of the funds deposited in relation to the dispute. The refund will be used to reduce currently outstanding short-term debt.

Although the reduction in liability will not translate into a decrease in electrical rates, it will play a key role in reducing business risk and the cost of power over the long-term.

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For further information, please contact: Mr. Barry V. Perry Vice President, Finance & CFO Newfoundland Power Inc. Phone: (709) 737-5690



P.O. Box 8910 St. John's, NF A1B 3P6

#### **Gander EnviroFest a Great Success!**

For immediate release:

June 8, 2000

(Gander, NF): Approximately 700 people participated in Newfoundland Power's EnviroFest 2000 last night at St. Martin's Hall in Gander.

"Last night marked our third annual environment celebration and by all accounts it was our most successful," says Jack Sturge, Environmental Coordinator and Customer Service Coordinator, Newfoundland Power.

Newfoundland Power employees and retirees organized the event in partnership with 16 local environment groups who provided interactive demonstrations and displays on environmental protection.

"EnviroFest provides us with the opportunity to promote environmental awareness in our community," explains Sturge. "It's a way that we are able to give something back to our community."

Last week, Newfoundland Power employees in the Gander area participated in salmon fry releases at the Terra Nova River. Earlier this week, they delivered environmental lessons to grade three students at Gander Academy and helped cleanup the school grounds. Next Monday, they will partner with Glovertown Academy for an environmental poster contest.

"Newfoundland Power implemented its Environmental Commitment Program in November 1997," says Sturge. "From collecting more than 600 bags of garbage along the Gander Bay Road with the 288 Ardent Sea Cadets Corps to delivering salmon fry to local Fish Friends schools, our environmental experiences and partnerships have been very rewarding."

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For further information, please contact:
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#### **Newfoundland Power and Cadets Clean Up Gander Bay Road**

For immediate release:

June 15, 2000

(Gander, NF): Building on a partnership formed by a mutual concern for the environment, Newfoundland Power employees, retirees and family members partnered with the 288 Ardent Sea Cadets to once again clean up Gander Bay Road on Saturday, June 10, 2000.

"This was our sixth clean up effort with the Sea Cadets and, by many accounts, it was our most successful," says Jack Sturge, Newfoundland Power 's environmental coordinator for the Gander Area.

A record number of 61volunteers (30 Newfoundland Power volunteers and 31 Sea Cadets) participated in Saturday's clean up. In three years, Newfoundland Power and Sea Cadet volunteers have collected more than 735 bags of garbage along Gander Bay Road.

The roadside cleanups are part of Newfoundland Power's employeedriven Environmental Commitment Program. "Our employees adopted 5.2 kilometres of Gander Bay Road in November 1997 in an effort to demonstrate our commitment to protecting and enhancing our environment," says Sturge. "Since then we've held regular cleanups each spring and fall."

Last Saturday's clean up took place on "Cadets Caring for Canada Day". "I can say from my experience with the 288 Ardent Sea Cadets that these young people are truly committed to our environment. They set a positive example for all of us," says Sturge.

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For further information, please contact: Jack Sturge Environmental Coordinator Newfoundland Power Inc. (709) 651-6610



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### **Vandals Cause Outage in Conception Bay North**

For immediate release:

June 23, 2000

(St. John's, NF): Vandals caused a power outage on Wednesday, June 21, 2000, that affected approximately 12,000 Newfoundland Power customers in the Conception Bay North area including the communities of Bay Roberts, Harbour Grace and Carbonear.

"Vandals damaged a sensitive piece of equipment by throwing rocks over the fence of the Bay Roberts substation," says Phonse Delaney, Manager, Avalon Region. "We consider this to be a very serious offence," says Delaney. "Besides the inconvenience to customers and the cost to Newfoundland Power, damaging electrical equipment is an extremely dangerous activity that can result in serious harm to the individuals involved."

Power was restored to the area approximately one hour after the disruption occurred. The RCMP is currently conducting an investigation of the incident.

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#### **NEWS RELEASES**

Electricity Rates Decrease Effective July 1, 2000 - 6/29/00

Newfoundland Power customers will see an average rate decrease of approximately 1.1 per cent effective July 1, 2000. For a residential customer with a monthly residential electrical bill of \$100, this decrease will mean a reduction of approximately \$1.10 per month.

The decrease is a result of the annual review of the Rate Stabilization Account (RSA) and Municipal Tax Adjustment (MTA).

During the 1980's, the Newfoundland & Labrador Board of Commissioners of Public Utilities (PUB) approved the establishment of the RSA and MTA. The RSA helps to reduce large swings in electrical rates as a result of fluctuations in the cost of oil used at Newfoundland and Labrador Hydro's (Hydro) thermal generating plants. The MTA was established as a means to collect and pay municipal taxes.

"The price of oil in 1999 put an upward pressure on the RSA," says Bob Pike, Manager of Corporate Communications. "However, the quantity of oil Hydro used for generation in 1999 was lower because of the mild winter and because they were able to produce more electricity at their hydro developments."

Because this rate adjustment is based only on the balance in the RSA and MTA as of December 31, 1999, it does not reflect the impact of changes in the price of oil that have occurred in 2000.

Since the inception of these accounts in 1987, the impact on electricity rates has been a total of eight increases and five decreases. However, the net affect over the thirteen years has been a reduction of 2.4 per cent.

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## Newfoundland Power's Board of Directors To Meet in Gander

For immediate release:

July 12, 2000

(St. John's, NF): Newfoundland Power's board of directors will meet in Gander from July 12 to 14.

While in Gander, Newfoundland Power's senior management team and members of its board of directors will visit several commercial customers in an effort to better understand issues affecting customers in central Newfoundland.

"Customer visits play a critical role in our company's strategic planning and development," explains Philip Hughes, President and Chief Executive Officer, Newfoundland Power. "The feedback we receive from our customers helps us improve our service and ensure that as a company we remain customer-focused."

Stuckless Forest Products, James Paton Memorial Hospital, Newfoundland Bonding & Composites and NAV Canada are the customers scheduled for visits during the meetings.

"Supporting the development of Newfoundland-based businesses through customer visits, and holding our board meetings outside the capital city, is part of our ongoing commitment to the province's business community," says Mr. Bruce Chafe, Chair, Board of Directors, Newfoundland Power.

Frank Howard, President of Riverview Chev Olds in Grand Falls-Windsor, is a member of Newfoundland Power's Board of Directors.

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#### Lower Taxes, Reduced Operating Costs and Improved Reliability Highlight Newfoundland Power's Second Quarter

For immediate release:

July 17, 2000

(St. John's, NF): Newfoundland Power Inc. (ME:NFL; TSE:FTS) released its second quarter results today reporting continued performance improvement.

"Newfoundland Power continues to increase earnings by improving reliability, reducing operating costs and resolving a long standing tax issue," says Philip G. Hughes, President and Chief Executive Officer. "Our efforts to upgrade the electrical system have led to improved customer service and lower maintenance and operating costs."

System reliability significantly improved during the first half of 2000. The number of outages and length of service interruptions improved by 15 per cent and 65 per cent respectively compared to the same period last year.

In the first half of 2000, the company's operating expenses were reduced by \$3.3 million when compared to the same period in 1999. The majority of this reduction, approximately \$2.0 million, results from lower labour costs associated with a 1999 early retirement program, aggressive cost control measures and productivity initiatives. The remaining \$1.3 million reduction results from the adoption of new accounting rules for pensions.

The successful resolution of an outstanding income tax issue also contributed to higher earnings during the second quarter by lowering taxes for 1999 and 2000. As a result of numerous representations by the company, a \$40.3 million contingent liability shown in the company's 1999 financial statements has been significantly reduced to \$10.6 million and income tax expense for the second quarter has been reduced by \$1.5 million. The company continues to pursue the resolution of a remaining income tax issue in an effort to eliminate the potential liability.

The company has also announced a new early retirement program. The severance and pension costs of \$2.0 million related to this program have been expensed in the quarter.

For the quarter, earnings applicable to common shares were \$9.0 million or \$0.87 per share compared to \$7.3 million or \$0.71 for the same quarter last year. On a year to date basis, earnings applicable to common shares were \$18.7 million compared to \$16.0 million for the same period last year and earnings per share were \$1.81 compared to \$1.56 for the same period in 1999.

All the common shares of Newfoundland Power Inc. are owned by Fortis Inc., a utility holding company with assets exceeding \$1.3 billion. Newfoundland Power's first preference shares series A, B and D are listed on the Montreal Exchange under the symbol NFL. The common shares of Fortis Inc. are traded on The Toronto Stock Exchange under the symbol FTS.

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#### Break In at Kenmount Road Substation Puts Public Safety at Risk

For immediate release:

July 25, 2000

(*St. John's, NF*): Newfoundland Power is working with the Royal Newfoundland Constabulary (RNC) to investigate a serious offence at its Kenmount Road substation.

"On Tuesday, July 25, 2000, a break in at our Kenmount Road substation was reported to our System Control Centre," says Earl Ludlow, Vice President, Operations. "The break in was immediately reported to the RNC which is currently investigating the matter."

The person(s) involved in the crime, cut the lock on the main gates and the latch on the door to the Kenmount Road substation control building. As a result, the gates to the substation were left wide open.

"Because of this criminal activity, a child or community member could have wandered into the substation and been seriously injured or killed," explains Ludlow. "This is completely unacceptable and very disturbing."

All proper safe guards such as gates, locks, fencing, barbed wire and warning signs are in place at all Newfoundland Power substations.

"To ensure public safety was not further jeopardized by criminal activity, a complete check of substations on the Avalon Peninsula was ordered by Newfoundland Power this morning," says Ludlow. "This check is partially complete and so far indicates that the Kenmount Road substation was the only property illegally entered."

Newfoundland Power will continue to work with the RNC in the investigation of this serious offence.

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#### \$5,000 Reward Offered

For immediate release:

July 27, 2000

Fort Townshend: The Royal Newfoundland Constabulary (RNC) and Newfoundland Power announced this morning that they have partnered to address a very serious public safety issue.

"Newfoundland Power has come to the RNC for assistance in putting an end to a very dangerous activity – namely people putting themselves and children at risk of death by damaging electrical equipment and unlawfully entering the utility's substation premises," says Constable Pat Doyle, chief investigator in the investigation.

"In doing so, Newfoundland Power has issued a \$5,000 reward to be paid to the person for the information leading to the arrest and conviction of the person(s) responsible for these types of crimes."

The RNC and Newfoundland Power's announcement comes two days after an overnight break in at the utility's Kenmount Road substation in which the gates to the substation were left wide open making the substation yard accessible to the public.

"Our partnership with the RNC is based on the priority of protecting public safety," says Philip G. Hughes, President and Chief Executive Officer, Newfoundland Power. "Irresponsible actions such as those discovered yesterday pose a direct threat to our public safety and cannot be allowed to continue."

The RNC has been investigating the Kenmount Road substation break in since early Tuesday morning. "It is very possible that the person(s) involved in yesterday's break in – or an innocent bystander such as a child – could have been injured or killed," stresses Doyle. "Such offences are serious and criminal."

Individuals with information regarding substation break ins or vandalism to electrical equipment are encouraged to contact their local RNC or RCMP detachment.

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For further information, please contact:
Sgt. Bob Garland
Media Relations Officer
Royal Newfoundland Constabulary
682-6066

Charlotte McCardle Corporate Communications Newfoundland Power Inc. 737-5319 (office) / 682-1067 (cell)



55 Kenmount Road P.O. Box 8910 St. John's, NF A1B 3P6

## Major Electrical System Upgrade To Take Place in Western Newfoundland

For immediate release:

August 18, 2000

(Corner Brook, NF): Twenty Newfoundland Power linecrews from Port Aux Basques to Grand Falls-Windsor will join forces to carry out a major electrical system upgrade in Western Newfoundland from August 21 to September 1, 2000.

"Over the next two weeks, our crews will carry out an insulator replacement blitz at a cost of approximately \$300,000 to improve reliability and service to customers in the Corner Brook, Stephenville and Port Aux Basques areas," says Verbon Hewlin, Manager, Western Region.

Newfoundland Power crews will replace approximately 4,500 distribution insulators over the two-week period. Insulator failures are a common cause of outages for electrical utilities and are often the result of vandalism, a manufacturers' defect or salt spray contamination.

"To carry out this upgrade it will be necessary to schedule a number of power outages," explains Hewlin. "Although we realize that scheduled outages are not always convenient for our customers, they are essential to ensure the safety of our linecrews as they work on the lines."

In 2000, Newfoundland Power will invest \$42 million in improving system reliability and service to customers. The company invests in reliability improvements in a number of ways ranging from replacing transformers and insulators to conducting infra-red thermoscanning on power lines and equipment.

"Newfoundland Power's reliability performance year-to-date continues to show measurable improvement over the same periods in 1998 and 1999," says Hewlin. "This improvement reflects the positive impact of our company's reliability initiatives and, to some extent, more favorable weather conditions."

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For further information please contact:

Mr. Verbon Hewlin Manager, Western Region Phone: (709) 637-7801



P.O. Box 8910 St. John's, NF A1B 3P6

### \$1,000 Reward Offered

For immediate release:

September 11, 2000

(Carbonear, NF): Vandalism to a new Newfoundland Power pole and insulators resulted in numerous power outages to customers along the Cape Shore over the weekend.

"Vandals put themselves and the public at risk of injury by destroying the majority of insulators on a new pole by the Gooseberry Cove Park," says Phonse Delaney, Manager, Avalon Region.

"Damaging electrical equipment is an extremely dangerous activity that puts the individuals involved at risk of death," stresses Delaney. "It can also mean potential harm to innocent community members, such as children, who may happen to be in proximity to the damaged equipment."

As a result of the vandalism, Newfoundland Power customers along the Cape Shore experienced a number of power outages over the weekend.

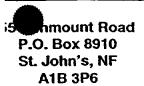
Newfoundland Power will pay \$1,000 to the person for the information leading to the arrest and conviction of the person(s) responsible for this crime.

Individuals with information regarding vandalism to electrical equipment are encouraged to contact their local RCMP or RNC detachment, or Newfoundland Power.

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For further information, please contact:
Phonse Delaney
Manager, Avalon Region
Newfoundland Power Inc.
(709) 945-4453





#### Newfoundland Power Files \$39 million Capital Budget for 2001

For immediate release:

September 22, 2000

(St. John's, NF): Newfoundland Power filed its 2001 capital budget with the Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) today.

"Our proposed capital budget for 2001 is approximately \$39 million," says Philip G. Hughes, President and Chief Executive Officer. "More than half of the expenditures are directly related to improving reliability, enhancing customer service and ensuring the safety of the public and our employees."

Newfoundland Power's 2001 capital budget responds to customers' expectations for reliable service and keeping electrical rates the lowest in Atlantic Canada by taking a proactive approach to maintaining the provincial electrical system.

"Our customers consistently tell us through quarterly customer research that their main concerns are reliable service and low-cost electricity," explains Hughes. "Our proposed budget will enable our company to continue our focus of improving reliability while minimizing costs over the long-term."

This year Newfoundland Power has submitted its capital budget application earlier than usual. Obtaining regulatory approval earlier in the year will enable the company to commence detailed construction planning earlier and order materials well in advance of projects.

"By seeking approval now, we hope to be ready to begin capital work without delay should the winter be mild," says Hughes. "This will enable Newfoundland Power to better allocate resources, increase productivity and keep costs down for customers."

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For more information, please contact: Charlotte McCardle Corporate Communications Newfoundland Power Office: (709) 737-5319



55 Kenmount Road P.O. Box 8910 St. John's, NF A1B 3P6

## **Newfoundland Power Linecrews to Assist with Disaster Recovery in Belize**

For immediate release:

October 4, 2000

(St. John's, NF): Six Newfoundland Power line staff and three of the company's technical experts will arrive in Belize tomorrow to assist with disaster recovery efforts associated with hurricane Keith.

"The last of our employees will depart St. John's today with their equipment and tools to help restore electricity to the citizens of Belize," says Bob Pike, Manager, Corporate Communications. "They are equipped to start restoration efforts the minute they land in Central America."

Hurricane Keith hit Belize on Saturday and continued to hammer the small country, which is situated between Mexico and Guatemala, until yesterday. Reports from Belize indicate that considerable damage has occurred and that thousands of residents are without electricity.

Newfoundland Power has responded to crises experienced by other utilities in the past. "In 1988, we had line staff and technical experts depart for Jamaica in the wake of hurricane Gilbert," says Pike. "And in 1998 we were on stand-by to assist with the Quebec ice-storm crisis."

Preparing to depart for crisis assistance efforts at such short notice presents a number of challenges. "We've had people working around the clock arranging passports and inoculations for our staff, and organizing equipment to be shipped," explains Pike.

"However, the fact that our employees are ready to serve and assist at a moment's notice makes all the difference," says Pike. "We've got some of the best line staff in the country and they have once again stepped up to the plate and volunteered to take part in these restoration efforts — efforts that are dangerous, exhausting and mean leaving one's family with little notice."

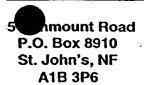
Due to the extensive damage of the hurricane, it is expected that Newfoundland Power staff will be in Belize for two to three weeks. Three line staff from Newfoundland Power's sister company, Maritime Electric, will meet Newfoundland Power staff en route to Belize this evening.

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For further information, please contact: Robert Pike Manager, Corporate Communications Office: 737-5674

Cell: 685-4242





#### **PUB Approves \$39 Million Capital Budget for 2001**

For immediate release:

October 11, 2000

(St. John's, NF): The Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) has approved Newfoundland Power's 2001 capital budget.

"In 2001, Newfoundland Power will invest approximately \$39 million to further enhance customer service, reliability and safety by improving its electrical system," says Bob Pike, Manager, Corporate Communications.

Newfoundland Power's 2001 capital budget, which was filed with the PUB on September 22, 2000, responds to customers' expectations for reliable service and keeping electrical rates the lowest in Atlantic Canada by taking a proactive approach to maintaining the provincial electrical system.

"Newfoundland Power continues to focus on improving reliability while minimizing costs over the long-term," explains Pike. "This focus is driven by our customers' expectations for reliable service and low-cost electricity, as well as our company's commitment to support the growing provincial economy by making Newfoundland attractive to businesses and potential investors."

Since 1996, Newfoundland Power has successfully increased customer satisfaction with its service by 25 per cent, while at the same time reducing operating cost per customer by approximately 15 per cent and keeping electrical rates the lowest in Atlantic Canada.

Newfoundland Power submitted its capital budget application earlier than usual this year.

"By receiving approval of our 2001 capital budget earlier in the year, we will be ready to begin capital work earlier," says Pike. "This is yet another way that Newfoundland Power can increase productivity and keep costs down for our customers."

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For more information, please contact:
Bob Pike
Manager, Corporate Communications
Newfoundland Power
Office: (709) 737-5674 / Cellular: (709) 685-4242



P.O. Box 8910 St. John's, NF A1B 3P6

### \$1,000 Reward Offered

For immediate release:

October 16, 2000

(Carbonear, NF): Vandalism to insulators on five Newfoundland Power poles resulted in a four-hour long power outage to customers along the Cape Shore on Sunday, October 15.

"Vandals put themselves and the public at risk of injury by destroying insulators on a series of poles between Cuslett and St. Bride's," says Phonse Delaney, Manager, Avalon Region. "One of the insulators completely shattered causing the power line to burn through the pole's crossarm."

"Damaging electrical equipment is an extremely dangerous activity that puts the individuals involved at risk of death," stresses Delaney. "It can also mean potential harm to innocent community members, such as children, who may happen to be in proximity of the damaged equipment."

As a result of the vandalism, Newfoundland Power customers along the Cape Shore experienced a four-hour long power outage while crews completed repairs.

Newfoundland Power will pay \$1,000 to the person for the information leading to the arrest and conviction of the person(s) responsible for this crime.

Individuals with information regarding vandalism to electrical equipment are encouraged to contact their local RCMP or RNC detachment, or Newfoundland Power.

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For further information, please contact: Phonse Delaney Manager, Avalon Region Newfoundland Power Inc. (709) 945-4453



55 Kenmount Road P.O. Box 8910 St. John's, NF A1B 3P6

## Newfoundland Power Further Improves Performance in Third Quarter

For immediate release:

October 20, 2000

(St. John's, NF): Newfoundland Power Inc. (ME:NFL; TSE:FTS) has reported further performance improvements in the third quarter of 2000.

Third quarter results released earlier today indicate that the company has further improved earnings, system reliability and customer satisfaction while reducing operating costs.

"On a year-to-date basis we have improved earnings per share by 16 per cent. Earnings per share were \$2.09 at the end of the third quarter 2000 compared to \$1.80 for the same period in 1999," says Philip G. Hughes, President and Chief Executive Officer.

"This improvement is a direct result of our company's efforts to upgrade the provincial electrical system in a manner that improves reliability and customer service, while at the same time minimizing long-term maintenance and operating costs."

Newfoundland Power's system reliability has significantly improved in the first three quarters of 2000 as a result of the company's reliability initiatives and favorable weather conditions. The number of outages and length of service interruptions have been reduced by 34 per cent and 56 per cent, respectively, compared to the same period last year.

In the third quarter, Newfoundland Power received a customer satisfaction rating of 90 per cent, placing the company's year-to-date average at an all time high of 89 per cent. Since 1996, customer satisfaction has increased by 27 per cent.

In the first three quarters of 2000, the company's operating expenses were reduced by \$2.8 million compared to the same period in 1999. Approximately \$1.3 million of this reduction resulted from lower labor costs associated with a 1999 early retirement program, aggressive cost control measures and productivity initiatives. The remainder of the reduction resulted from the adoption of new accounting rules for pensions.

In May 2000, the Canada Customs and Revenue Agency reversed its position with regards to a reassessment of the company's general expenses capitalized. As a result, income taxes for 2000 have been reduced by \$1.8 million to record the full deductibility of general expenses capitalized for both 1999 and 2000. This has contributed to higher year-to-date earnings.

In the third quarter 2000, earnings applicable to common shares were \$2.9 million compared to \$2.5 million for the same quarter last year. On a year-to-date basis, earnings applicable to common shares were \$21.6 million compared to \$18.6 million for the same period last year.

All the common shares of Newfoundland Power Inc. are owned by Fortis Inc., a utility holding company with assets exceeding \$1.3 billion. Newfoundland Power's first preference shares series A, B and D are listed on the Montreal Exchange under the symbol NFL. The common shares of Fortis Inc. are traded on The Toronto Stock Exchange under the symbol FTS.

With a customer base of approximately 215,000 accounts, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of electrical supply while relentlessly pursuing employee and community safety.

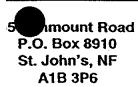
For more information on Newfoundland Power's programs, services and community partnerships, please visit <u>www.newfoundlandpower.com</u>.

Fortis Inc. information can be accessed at www.fortisinc.com.

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For further information, please contact:
Mr. Barry Perry
Vice President, Finance
& Chief Financial Officer
Newfoundland Power Inc.
Phone: (709) 737-5690





#### Newfoundland Power to be Awarded APEGN Environmental Award

For immediate release:

October 27, 2000

(St. John's, NF): The Association of Professional Engineers and Geoscientists of Newfoundland (APEGN) announced today that Newfoundland Power will be awarded the APEGN 2000 Environmental Award for the company's Rose Blanche Hydroelectric Plant.

"Hydro plants are often controversial because of their effects on migratory fish and fish habitat," says Colin Karasek, P. Eng., Chair of APEGN's Environment Committee. "However, this has not been the case for Newfoundland Power's Rose Blanche Project. The selection of the development site, the environmental planning, and fisheries considerations and compensation have made Newfoundland Power's newest plant a strong model to follow in hydro plant construction."

"Overall, the Rose Blanche Project has demonstrated that hydro projects can be selected, designed and executed in an environmentally friendly manner," says Karasek.

The Rose Blanche Project was the first hydroelectric development undertaken by Newfoundland Power since 1983. Environmental planning accounted for approximately \$1 million, or seven per cent, of the total cost for the Rose Blanche project. This is greater than the actual project management cost of developing the plant. The Rose Blanche hydro plant will displace 38,000 barrels of oil and eliminate approximately 19,000 tonnes of greenhouse gas emissions annually in Newfoundland.

"Newfoundland Power is very honored to be the recipient of APEGN's Environmental Award," says John Evans, P. Eng., Vice President, Engineering and Energy Supply, Newfoundland Power. "It means a great deal to our company and, in particular, the employees who worked on this project to see our environmental focus recognized in this manner."

In developing the Rose Blanche Hydro Plant, Newfoundland Power worked in partnership with various environmental organizations, such as the Department of Fisheries and Oceans, to ensure minimal impact on the surrounding environment. In addition to refurbishing an existing fishway, the company created two new fishways, constructed a 1-km long fisheries habitat compensation channel and installed a valve on the hydro plant to ensure a minimum flow of water at all times for fish.

The hydro plant, which was officially opened in August 1999, has a six-megawatt capacity and provides a more secure and reliable supply of electricity to customers in the Port Aux Basque area. Customers on the southwest coast were previously served by a 185-km transmission line connection that traversed some of the roughest terrain in Newfoundland.

The Atlantic Salmon Federation, Newfoundland and Labrador Division, nominated Newfoundland Power for the APEGN award. Newfoundland Power will be presented with the award during APEGN's Annual General Meeting in Gander tomorrow evening.

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For further information, please contact: Steve McLean, Executive Director, APEGN

Office: (709) 753-7714



55 Kenmount Road P.O. Box 8910 St. John's, NF A1B 3P6

#### **Newfoundland Power Rates to Remain Stable**

For immediate release:

November 9, 2000

(St. John's, NF): Newfoundland Power Inc., a subsidiary of Fortis Inc., (ME:NFL; TSE:FTS) reported today that its customers will enjoy stable electrical rates heading into 2001.

"The application of the automatic adjustment formula will not change Newfoundland Power's rates for 2001," says Bob Pike, Manager, Corporate Communications.

The automatic adjustment formula adopted in 1998 by the Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) is tied to long-term Canada bond yields and investment in the business. The formula is applied on an annual basis in November to determine Newfoundland Power's electrical rates for the coming year.

On November 8, 2000, Newfoundland Power submitted the results of the operation of the automatic adjustment formula for 2001 to the PUB for its review.

"The automatic adjustment formula was adopted to reflect the impact of current market conditions on electrical rates without the expense of associated hearings," explains Pike.

In 2000, Newfoundland Power further increased customer satisfaction, reduced operating costs and improved reliability while continuing to offer customers the lowest electrical rates in Atlantic Canada.

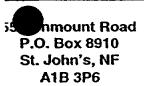
All the common shares of Newfoundland Power Inc. are owned by Fortis Inc., a utility holding company with assets exceeding \$1.3 billion. Newfoundland Power's first preference shares series A, B and D are listed on the Montreal Exchange under the symbol NFL. The common shares of Fortis Inc. are traded on The Toronto Stock Exchange under the symbol FTS.

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For further information, please contact: Bob Pike Manager, Corporate Communications Newfoundland Power Inc. Phone: (709) 737-5674

Cellular: (709) 685-4242





For Immediate Release

November 9, 2000

Newfoundland Power Donates a "Blower Door" So EcoTeams Can Help Homeowners Get a Grip on Energy Costs

Media event to showcase the first high tech tool of it's kind to come to GF-W & Gander

Newfoundland Power is working with the Conservation Corps Newfoundland & Labrador to help residents pinpoint home energy leaks using a new state of the art scientific tool called a blower door. They are so excited about this new technology that they will be showing the media how it works during a special demonstration on November 10 at 11:30 am at 57 Southcott Drive.

"The service provided by the EcoTeams is of great value," says Keith Wellon, Manager of Customer Service, Newfoundland Power. "Their suggestions can help reduce customers' energy bills and improve the comfort of their home. For such a small investment of time and money, customers can enjoy years of benefits. Newfoundland Power is actively involved in raising environmental awareness in communities throughout Newfoundland," explains Wellon. "Working with the Conservation Corps is yet another way we can assist in promoting positive environmental actions that benefit our families and communities."

Homeowners who book an EnerGuide for Houses\* evaluation receive a scientific rating of their home's performance. "This rating helps residents plan home improvements and retrofits for maximum comfort, energy efficiency and savings," explains Geoff Beaton, Supervisor of the Grand Falls-Windsor EcoTeam. "Residents also get a Home Energy Plan showing how their energy savings can pay for recommended improvements and a follow-up rating, after renovations, which reflects their homes improved energy efficiency.

Residents can book an EnerGuide for Houses evaluation by calling the Conservation Corps EcoTeam at 489-1325.

\*EnerGuide for Houses was developed by and is a licensed trademark of Natural Resources Canada.

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For information contact:

Geoff Beaton, Tel: 489-1325

Supervisor, Grand Falls-Windsor EcoTeam Conservation Corps Newfoundland & Labrador



55 Kenmount Road P.O. Box 8910 St. John's, NF A1B 3P6

## **Public Safety Advisory**

# Newfoundland Power Reminds Customers to Watch Out for Downed Power Lines

For immediate release:

December 2, 2000

(St. John's, NF): Newfoundland Power wants to remind customers to watch out for downed power lines resulting from yesterday's storm.

Contact with a power line can be deadly!

If you encounter a downed power line, you should stay away from it and call Newfoundland Power immediately at 737-5711 or toll free at 1-800-474-5711.

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For further information, please contact: Charlotte McCardle Corporate Communications Newfoundland Power

Office: (709) 737-5319 Cellular: (709) 682-1067