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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-77-04

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**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**An Application by FortisBC Inc. for Approval to Issue
Unsecured Debentures and to Enter into an Amended Credit Agreement**

BEFORE: L.F. Kelsey, Commissioner
K.L. Hall, Commissioner August 12, 2004

O R D E R

WHEREAS:

- A. On July 09, 2004 FortisBC Inc. ("FortisBC") filed with the Commission, pursuant to Section 50(2) of the Utilities Commission Act ("the Act"), for approval to issue senior unsecured debentures in an aggregate principal amount not to exceed \$150 million for a term of between 10 and 30 years at an interest rate not to exceed 7.75 percent ("the Application"); and
- B. The Application also requests pursuant to Section 50(2) of the Act for approval to enter into an amended Credit Agreement which provides the Company with indebtedness up to a total of \$100 million payable more than one year from its date of issue; and
- C. On July 29, 2004 FortisBC revised its Application to reduce the all-in interest rates applicable to the debt financing to a range that would not exceed 6.5 percent for a 10 year term and 7.5 percent for a 30 year term; and
- D. The Commission has reviewed the Application together with the supporting information provided.

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NOW THEREFORE

1. The Commission approves for FortisBC Inc. the Application to issue senior unsecured debentures to an aggregate principal amount not to exceed \$150 million for terms between 10 to 30 years with all-in rates in the range of 6.5 percent for a 10 year term to 7.5 percent for a 30 year term.
2. The Commission approves for FortisBC Inc. the Application to enter into an amended Credit Agreement for indebtedness with a total not to exceed \$100 million payable in more than one year from its date of issue.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of August 2004.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner