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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-74-05

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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 Common Shares**

BEFORE: L.F. Kelsey, Commissioner
L.A. Boychuk, Commissioner August 11, 2005

O R D E R

WHEREAS:

- A. On August 5, 2005 FortisBC Inc. ("FortisBC" or "Company") filed with the Commission, pursuant to Section 50 of the Utilities Commission Act ("the Act"), for approval to issue up to 300,000 authorized \$100 par value common shares for a total of up to \$30 million; and
- B. FortisBC's rates are currently subject to regulation by the Commission using a deemed capital structure of 60 percent debt and 40 percent equity. The infusion of common share equity will increase the actual debt to equity ratio back to 40 percent; and
- C. The Commission has reviewed the Application together with the supporting information provided and finds that approval is warranted.

NOW THEREFORE the Commission pursuant to Section 50 of the Act, approves for FortisBC Inc. the issuance up to 300,000 authorized \$100 par value common shares to Fortis Pacific Holdings Ltd. for a total of up to \$30 million, subject to a resolution of the Board of Directors of FortisBC approving the share issue.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of August 2005.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner