

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER C-1-09**

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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 a Certificate of Public Convenience and Necessity
for the Benvoulin Substation Project**

BEFORE: L.A. O'Hara, Commissioner and Panel Chair
D.A. Cote, Commissioner January 20, 2009
P.E. Vivian, Commissioner

O R D E R

WHEREAS:

- A. On September 24, 2008 FortisBC Inc. ("FortisBC") applied (the "Application") to the British Columbia Utilities Commission (the "Commission") for a Certificate of Public Convenience and Necessity ("CPCN") for the Benvoulin Substation Project (the "Project"); and
- B. FortisBC is proposing the Project as the preferred solution to meet load growth and relieve capacity constraints in the south/central Kelowna area; and
- C. The Project has an estimated capital cost of approximately \$17.7 million and includes the construction of a new substation and the transmission and distribution egress necessary to connect the substation into the existing network; and
- D. The Project is scheduled to commence in the first quarter of 2009 and to be completed by the end of 2010; and
- E. By Order G-146-08 dated September 26, 2008, the Commission ordered a Procedural Conference in Kelowna on October 28, 2008, and established an initial Regulatory Timetable; and
- F. The Procedural Conference was held on October 28, 2008 to consider certain procedural matters and to discuss a Regulatory Timetable for the review of the Application; and
- G. By Order G-161-08 dated November 3, 2008, the Commission established a Written Public Hearing and Regulatory Timetable for the regulatory review of the Application; and

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- H. The Regulatory Timetable included a Community Input Session in Kelowna on December 2, 2008, providing at least 10 parties registered to make presentations to the Commission; and
- I. By letter dated November 27, 2008, the Commission cancelled the Community Input Session as only two parties registered to make presentations; and
- J. Submissions in the proceeding concluded with the Reply Submission of FortisBC on December 19, 2008; and
- K. The Commission Panel has considered the Application and the evidence and submissions in the proceeding and has determined that the Project is in the public interest and that a CPCN should be issued to FortisBC for the Project as set forth in the Decision that accompanies this Order.

NOW THEREFORE pursuant to Sections 45 and 46 of the Act the Commission orders as follows:

- 1. A CPCN is granted to FortisBC for construction and operation of the Benvoulin Substation Project as set out in the Application.
- 2. FortisBC shall comply with directions of the Commission Panel in the Decision that accompanies this Order.
- 3. FortisBC shall file with the Commission Quarterly Progress Reports on the Project showing planned versus actual schedule, planned versus actual costs, and any variances or difficulties that the Project may be encountering. The Quarterly Progress Reports will be filed within 30 days of the end of each reporting period and will be generally as set out in Appendix A to the Decision.
- 4. FortisBC shall file with the Commission a Final Report, within six months of the end or substantial completion of the Project, that provides a complete breakdown of the final costs of the Project, compares these costs to the updated cost estimate, and provides a detailed explanation and justification of all material cost variances.
- 5. Subject to paragraphs 3 and 4 of this Order, the format and content of the Progress Reports and the Final Report will be determined by FortisBC in consultation with Commission staff, or by determination of the Commission.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of January 2009.

BY ORDER

Original signed by:

Liisa A. O'Hara
Commissioner and Panel Chair