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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-74-10

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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 of
a Fifth Amending Agreement to the Credit Agreement**

BEFORE: D.A. Cote, Commissioner April 15, 2010
L.F. Kelsey, Commissioner

O R D E R

WHEREAS:

- A. On August 12, 2004, the British Columbia Utilities Commission (Commission) by Order G-77-04 approved for FortisBC Inc. (FortisBC) an amended credit agreement for indebtedness with a total not to exceed \$100 million (Facility A), payable in more than one year from its date of issue; and
- B. On August 12, 2005, the Commission approved by Order G-73-05 an Amended and Restated Credit Agreement (the Credit Agreement), which contained an additional \$50 million credit facility (Facility B) effective May 12, 2005, payable in 364 days. The term of Facility B may be extended for an additional 364 days; however, if the request for extension is not granted, then Facility B will automatically convert into a non-revolving term credit facility (Conversion) that will mature 6 months from the date of Conversion (Maturity Date). The Credit Agreement also extended the term of Facility A from 18 months less a day to 3 years, which is within the scope approved by Order G-77-04; and
- C. By Order G-52-07 dated May 10, 2007, the Commission approved FortisBC's application to amend the Credit Agreement (the Second Amending Agreement) including the extension of the Facility A maturity date to May 12, 2010 a \$50 million reduction to the Facility A amount; the extension of the Facility B maturity date to May 8, 2008 and a \$50 million increase to the Facility B amount; and
- D. The Second Amending Agreement also removed the Material Adverse Change clause and adds an accordion feature that allows the Company to request additional financing under the Credit Agreement; and
- E. On March 31, 2010, FortisBC applied, pursuant to sections 50(2) and 50(3) of the *Utilities Commission Act* (Act) for approval to amend the terms of the Credit Agreement (the Application) subject to approval of FortisBC's Board of Directors; and

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- F. The proposed amendments to the terms of the Credit Agreement include the extension of the Facility A maturity date to May 8, 2013 a \$50 million increase to the Facility A amount, the extension of the Facility B maturity date to May 5, 2011 and a \$50 million decrease to the Facility B amount; and
- G. FortisBC has requested that the extension fees and the pricing grids for Facility A and Facility B be held in confidence; and
- H. The Commission has reviewed the Application and supporting material and finds that approval of the Application is warranted and in the public interest.

NOW THEREFORE pursuant to sections 50(2) and 50(3) of the Act:

- 1. The Commission approves for FortisBC the Application to enter into the Fifth Amending Agreement.
- 2. The Commission will keep confidential the extension fees and pricing grids for Facility A and Facility B.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of April 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner