BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER
NUMBER G-74-13

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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 Medium Term Note Debentures

BEFORE: L.F. Kelsey, Commissioner
D.M. Morton, Commissioner
N.E. MacMurchy, Commissioner May 9, 2013
B.A. Magnan, Commissioner
C. van Wermeskerken, Commissioner

O R D E R

WHEREAS:

A. On May 2, 2013, FortisBC Inc. (FortisBC) applied to the British Columbia Utilities Commission (Commission) pursuant to section 50(2) of the *Utilities Commission Act* (the Act) for approval to issue up to $300 million Medium Term Note (MTN) Debentures, pursuant to a Shelf Prospectus, from time to time during the 25 month life of the Shelf Prospectus (the Application);

B. FortisBC states that the proposed $300 million issue limit will provide for the financing of scheduled debt redemptions, anticipated capital expenditures and operating requirements, with additional capacity to deal with unexpected developments;

C. In the Application, FortisBC has restricted the issuance of each series of MTN Debentures to a period not to exceed 50 years;

D. FortisBC proposes to file within one week following the issuance of each series of MTN Debenture the pricing supplement to the Shelf Prospectus;

E. The Commission has reviewed the Application and finds that approval is warranted and in the public interest.

NOW THEREFORE pursuant to section 50(2) of the Act, the Commission orders as follows:

1. The Commission approves for FortisBC Inc. the authority to issue up to an aggregate of $300 million Medium Term Note Debentures (MTN) from time to time during the 25 month life of the Shelf Prospectus, effective from the date of this Order.

2. FortisBC must not issue MTN Debentures for a period that exceeds 50 years.

3. FortisBC must file with the Commission within one week of issue, a pricing supplement for each MTN Debenture issued.

4. FortisBC must file with the Commission within two weeks of issue an analysis of the alternative terms and indicative pricing that were available and a justification of the pricing decision made. The analysis must be in the same detail as required by directive 4 of Order G-51-09, which approved the 2009 MTN Debenture Application (2009 Application). This analysis must contain the information proposed in Recital D (ii) and (iii), an updated Table 2 of Actual Debenture Issue Fees from page 6 of the 2009 Application, detailed debenture issue fees for the newly issued debenture from Table A1.2 of the response to Information Request No. 1, the estimated Indicative Yields and Credit Spreads from Table A2.3.1 of the response to Information Request No. 1. If actual information is not available, then estimates are to be provided. FortisBC may request confidentiality of the submitted information if necessary.

5. FortisBC is to fully explain any differences between the indicative credit spreads and the actual credit spreads for each MTN Debenture issued.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of May 2013.

BY ORDER

Original signed by:

D.M. Morton
Commissioner