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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-165-10**

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

and

**An Application by Terasen Gas (Vancouver Island) Inc.
for Approval to Issue Debentures**

BEFORE: L.F. Kelsey, Commissioner

November 4, 2010

O R D E R

WHEREAS:

- A. On October 29, 2010, Terasen Gas (Vancouver Island) Inc. (TGVI) applied to the British Columbia Utilities Commission (Commission), pursuant to section 50(2) of the *Utilities Commission Act*, for approval to issue unsecured debentures in an aggregate principal amount not to exceed \$125 million in one series with a term to maturity not exceeding 30 years (plus additional days if necessary to provide for the maturity date to be a business day);
- B. The debentures will have a coupon not to exceed 6.00% per annum, with interest payable semi-annually in arrears;
- C. The proceeds of the issue of the debentures will be used to reduce TGVI's floating rate debt;
- D. TGVI requested that the terms of the debentures be kept confidential;
- E. The Commission has reviewed the Application and finds that approval is warranted.

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

- 1. TGVI's Application to issue unsecured debentures in an aggregate principal amount not to exceed \$125 million in one series having a term to maturity not exceeding 30 years (plus additional days if necessary to provide for the maturity date to be a business day), provided that the debentures will have a coupon not to exceed 6.00% per annum, is approved.

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2. TGVI is to advise the Commission of the actual term and pricing within 30 days following issuance of the debentures.
3. The Commission will keep confidential the terms of the debentures as requested by TGVI.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of November 2010.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner