

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-39-07

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**An Application by Fortis Inc.
for Approval of the Acquisition of the Issued and Outstanding Shares of Terasen Inc.**

BEFORE: L.A. Zaozirny, Panel Chair & Commissioner
A.W. Keith Anderson, Commissioner March 30, 2007
R.J. Milbourne, Commissioner

ORDER

WHEREAS:

- A. On March 1, 2007, Fortis Inc. ("Fortis") applied pursuant to Section 54 of the *Utilities Commission Act* ("the Act") for an Order approving the acquisition of all of the issued and outstanding shares of Terasen Inc. which would cause Fortis to have indirect control of certain public utilities regulated by the British Columbia Utilities Commission (the "Commission", the "Application"); and
- B. The public utilities are Terasen Gas Inc. ("TGI"), Terasen Gas (Vancouver Island) Inc. ("TGVI"), Terasen Gas (Whistler) Inc. ("TGW") and Terasen Energy Services Inc. ("TES"), collectively the Terasen Utilities; and
- C. TGI, TGVI, TGW and TES are wholly-owned subsidiaries of Terasen Inc.; and
- D. Fortis, 3211953 Nova Scotia Company (the "Vendor") and Kinder Morgan, Inc. ("KMI") have entered into an agreement dated February 26, 2007 under which Fortis will acquire all of the issued and outstanding shares of Terasen Inc.; and
- E. Section 54(9) of the Act states:

"The Commission may give its approval under this section subject to conditions and requirements it considers necessary or desirable in the public interest, but the commission must not give its approval under this section unless it considers that the public utility and the users of the service of the public utility will not be detrimentally affected."; and

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-39-07

2

- F. Fortis and TGI are jointly undertaking communication and consultation with key stakeholders of the Terasen Utilities and have submitted a summary of comments as part of the materials filed in support of its Application and have filed an update on March 28, 2007 noting that no issues have been raised; and
- G. Fortis had proposed a written regulatory schedule (p. 13, para. 45) in its Application, suggesting a procedural conference on March 26, 2007, followed by Intervenor written submissions and Fortis reply comments; and
- H. By Order No. G-22-07, the Commission established a Written Public Hearing Process and a Regulatory Timetable setting deadlines for the registration of Intervenors and Interested Parties (March 26, 2007), for a response by Fortis to an initial Commission Information Request (March 19, 2007), for Intervenor Information Requests and Fortis Responses (April 2 and April 5, 2007, respectively) and for a Procedural Conference to be held on March 29, 2007 to consider the further regulatory review of the Application.
- I. In accordance with Order No. G-22-07, the Commission held a Procedural Conference on March 29, 2007 at which Fortis presented a further proposed schedule which was accepted by parties, as modified by the British Columbia Old Age Pensioners' Organization et al., during the comment process; and
- J. The Commission has determined that an amendment to the Regulatory Timetable is warranted.

NOW THEREFORE the Commission orders as follows:

1. The Regulatory Timetable for the review of the Application is amended to provide for the filing of Intervenor submissions and Fortis Reply Submissions and is attached as Appendix A to this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of March 2007.

BY ORDER

Original signed by

L.A. Zaozirny
Panel Chair & Commissioner

Attachments

AMENDED REGULATORY AGENDA AND TIMETABLE

An Application by Fortis Inc.
for Approval of the Acquisition of the Issued and Outstanding Shares of Terasen Inc.

ACTION	DATES (2007)
Intervenor Information Requests	Monday, April 2
Fortis Responses to Intervenor Information Requests	Thursday, April 5
Intervenor Submissions	Friday, April 13
Fortis Reply Submissions	Monday, April 16