

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-52-07

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 FortisBC Inc.
for Approval of
a Second Amending Agreement to the Credit Agreement**

BEFORE: L.F. Kelsey, Commissioner
L.A. Zaorzirny, Commissioner May 10, 2007

O R D E R

WHEREAS:

- A. On August 12, 2004 the Commission, by Order No. 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 July 28, 2005, FortisBC filed an Amended and Restated Credit Agreement ("the Credit Agreement"), which extended the term of Facility A from 18 months less a day to 3 years, which is within the scope approved by Order No. G-77-04; and
- C. The Credit Agreement also 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"); and
- D. On August 12, 2005 the Commission approved by Order No. G-73-05, the Credit Agreement for Facility B, where indebtedness, with a total not to exceed \$50 million, could under circumstances described therein, be outstanding for a term of 6 months from the Conversion; and

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-52-07

2

- E. On April 23, 2007 FortisBC applied, pursuant to Section 50(2) of the Utilities Commission Act (“Act”), for approval to amend the terms of the Credit Agreement (“the Application”); and
- F. The proposed amendments to the terms of the Credit Agreement include 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 (the “Second Amending Agreement”); and
- G. The Second Amending Agreement also removes the Material Adverse Change clause and adds an accordion feature that allows the Company to request additional financing under the Credit Agreement; and
- H. The Commission has reviewed the Application together with the supporting information provided and finds that approval is warranted.

NOW THEREFORE pursuant to Section 50(2) of the Act, the Commission approves for FortisBC the Application to enter into the Second Amending Agreement.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of May 2007.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner