

ORDER NUMBER

G-4-07

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SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, B.C. V6Z 2N3 CANADA web site: http://www.bcuc.com 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 a Certificate of Public Convenience and Necessity for the Black Mountain Substation Project

BEFORE: L.F. Kelsey, Panel Chair & Commissioner

L.A. O'Hara, Commissioner

January 16, 2007

ORDER

WHEREAS:

- A. On December 19, 2006 FortisBC Inc. ("FortisBC") applied (the "Application") to the British Columbia Utilities Commission ("Commission") for a Certificate of Public Convenience and Necessity ("CPCN") for the Black Mountain Substation Project ("the Project"); and
- B. FortisBC states that the Project is estimated to cost \$11.96 million and is required to serve the growing load in the Black Mountain area, as well as to maintain regional reliability and reduce the risk to the bulk power supply in the Kelowna area; and
- C. The Project consists of a new distribution substation, complete with a 138 kV ring bus, 138 kV/13 kV 32 MVA transformer and three distribution feeder circuits, one of which is new and will require approximately two kilometers of new right-of-way; and
- D. The Project is scheduled to go into service in the third quarter of 2008; and
- E. The Application states that FortisBC used newspaper advertisements, radio announcements and handdelivered invitations to advise the public in the area of the Project, and held a public information session in the area on October 26, 2006; and
- F. Approximately 30 people attended the public information session; and
- G. FortisBC proposes that the Application be disposed of by way of a written hearing; and
- H. The Commission considers that a Procedural Conference is required to hear submissions on the regulatory process for the review of the Project.

BRITISH COLUMBIA UTILITIES COMMISSION

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NOW THEREFORE the Commission orders as follows:

- 1. A Procedural Conference regarding the regulatory process for the review of the Project will be held on Monday, February 19, 2007 commencing at 1:00 p.m. at the Grand Okanagan Hotel to address procedural matters which will include, but may not be limited to, the following:
 - a) Format for Hearing
 - b) Regulatory Timetable
 - c) Issues List
- 2. FortisBC shall publish the Notice of the Procedural Conference that is attached as Appendix A, in local papers as soon as it is possible to do so. The number of insertions and choice of publications should ensure that affected stakeholders have a reasonable opportunity to be informed of the Project and the Procedural Conference.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of January 2007.

BY ORDER

Original signed by:

L.F. Kelsey Panel Chair & Commissioner

Attachment



APPENDIX A to Order No. G-4-07 Page 1 of 2

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

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

FORTISBC INC. CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY APPLICATION FOR THE BLACK MOUNTAIN SUBSTATION PROJECT

NOTICE OF PROCEDURAL CONFERENCE

DATE: Monday, February 19, 2007

TIME: 1:00 p.m.

LOCATION: Grand Okanagan Hotel

1310 Water Street

Kelowna, BC V1Y 9P3

THE APPLICATION

On December 19, 2006, FortisBC Inc. applied to the British Columbia Utilities Commission ("the Commission") for approval of a Certificate of Public Convenience and Necessity ("CPCN") to construct and operate the proposed Black Mountain Substation Project. The new substation will consist of one transformer and a 138 kilovolt ring bus. It will be located in east Kelowna on a new site immediately north of Highway 33 and the Joe Rich Road, and adjacent to the existing right-of-way for transmission lines 54 and 73 and a distribution feeder line. Transmission line 57, which supplies power to the Joe Rich Valley, will also be connected to the new substation. The substation will be connected to three distribution feeders on existing rights-of-way and approximately two kilometers of new right-of-way accessing the Gallagher Canyon Area. The distribution feeders will supply the Bell Mountain, Kirschner Mountain, Gaudie and Gallagher Canyon areas.

The Project is estimated to cost \$11.96 million, and is proposed to go into service in the third quarter of 2008. The Application states the Project is required to serve the growing load in the Black Mountain area, as well as to maintain regional reliability and to reduce risk to the bulk power supply in the Kelowna area.

THE REGULATORY PROCESS

The Commission will hold a Procedural Conference in Kelowna on Monday, February 19, 2006 to discuss procedural matters related to the hearing to consider the CPCN application for the Black Mountain Substation Project.

INTERVENTIONS

Persons who expect to actively participate in the proceeding should register as Intervenors with the Commission, in writing, by Wednesday, February 14, 2007, identifying their interest in the Application. Intervenors will receive copies of the Application as well as all correspondence and filed documentation and should provide an email address if available.

Persons not expecting to actively participate in the proceeding, but who have an interest in the Project, should register as Interested Parties with the Commission, in writing, by Wednesday, February 14, 2007, identifying their interest in the Application. Interested Parties will receive a copy of the Executive Summary of the Application and all Orders issued.

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's web site.

PUBLIC INSPECTION OF THE DOCUMENTS

The Application and supporting materials will be available for inspection at the following locations:

FortisBC Inc.
Head Office
Fifth Floor 1628 Dickson Avenue
Kelowna, B.C. V1Y 9X1
http://www.fortisbc.com

FortisBC Inc.
Trail Office
1290 Esplanade
Trail, B.C. V1R 4L4

British Columbia Utilities Commission

Sixth Floor, 900 Howe Street Vancouver, BC V6Z 2N3 Telephone: 1-800-663-1385 http://www.bcuc.com

Public Libraries

Castlegar, Creston, Grand Forks, Kelowna, Oliver, Penticton and Trail, BC

FURTHER INFORMATION

For further information, please contact the Commission Secretary, Mr. Robert Pellatt or Mr. Brian Williston, Director, Engineering and Commodity Markets as follows:

Commission Secretary

Telephone: (604) 660-4700 Facsimile: (604) 660-1102

E-mail: Commission.Secretary@bcuc.com

BC Toll Free: 1-800-663-1385

Mr. Brian Williston

Email: brian.williston@bcuc.com Telephone: (604) 660-4700