



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-35-08

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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 a Certificate of Public Convenience and Necessity
for the Okanagan Transmission Reinforcement Project**

BEFORE: A.W.K. Anderson, Panel Chair
and Commissioner
N.F. Nicholls, Commissioner March 14, 2008

O R D E R

WHEREAS:

- A. On December 14, 2007 FortisBC Inc. ("FortisBC") applied (the "Application") to the British Columbia Utilities Commission (the "Commission") for a Certificate of Public Convenience and Necessity ("CPCN") for the Okanagan Transmission Reinforcement Project (the "Project"); and
- B. FortisBC states that the Project is estimated to cost \$141.4 million and is required to alleviate system constraints, enhance reliability, and serve emerging load in the Okanagan region of FortisBC's service territory; and
- C. The Project will replace the existing 28 kilometre 161 kilovolt ("kV") transmission line between Vaseux Lake and Penticton with two new 230 kV lines in double circuit configuration and upgrade 11 kilometres of 161 kV transmission line to 230 kV between Vaseux Lake and Oliver, all within the existing line corridor. Other major project components are upgrades to Vaseux Lake Terminal station near Oliver and RG Anderson Terminal station in Penticton to accommodate the voltage change from 161 to 230 kV, the construction of a new Bentley Terminal station approximately 300 metres from the existing Oliver Terminal station on Osoyoos Indian Band land, conversion of the Oliver Terminal station to a distribution substation, and installation of capacitor banks at the FA Lee and DG Bell Terminal stations in Kelowna; and

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- D. By Order No. G-160-07, the Commission established a Regulatory Timetable for a Procedural Conference on February 27, 2008 in Penticton, B.C.; and
- E. The Commission Panel has considered the submissions it received at and following the Procedural Conference, and has determined that an Oral Public Hearing is required for the regulatory review of the Application.

NOW THEREFORE the Commission orders as follows:

1. An Oral Public Hearing is established for the regulatory review of the Application, commencing at 9:00 a.m. on Monday, June 23, 2008 at the Penticton Lakeside Resort and Convention Centre in Penticton, B.C.
2. The Regulatory Timetable for the review of the Application is attached as Appendix A.
3. A Community Input Session will commence at 7:00 p.m. on Monday, June 23, 2008 at the Penticton Lakeside Resort and Convention Centre in Penticton, B.C.
4. The Issues List for the proceeding is attached as Appendix B, and the scope of the Oral Hearing is limited to the issues that are so identified on the Issues List. All other issues in the proceeding will be addressed through written submissions according to the Regulatory Timetable.
5. The review of matters related to electric and magnetic fields ("EMF") in the proceeding will be limited to evidence and developments that are subsequent to the evidence considered by the Commission in the Vancouver Island Transmission Reinforcement Project ("VITR") proceeding, and the impact of the Project will be considered in the context of determinations regarding EMF in the VITR Decision and subsequent developments.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of March 2008.

BY ORDER

Original signed by:

A.W. Keith Anderson
Panel Chair and Commissioner

Attachments

FortisBC Inc.
for a Certificate of Public Convenience and Necessity for
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REGULATORY TIMETABLE

ACTION	DATE (2008)
Commission Information Request No. 1	Tuesday, January 22
Registration of Intervenors and Interested Parties with the Commission	Friday, February 1
FortisBC Responses to Information Request No. 1	Monday, February 18
Procedural Conference	Wednesday, February 27
Commission Information Request No. 2 and Intervenor Information Request No. 1	Thursday, March 27
Participant Assistance/Cost Award Budgets	Monday, April 7
FortisBC Responses to Commission Information Request No. 2 And Intervenor Information Request No. 1	Thursday, April 17
Commission Information Request No. 3 and Intervenor Information Request No. 2	Thursday, April 24
FortisBC Responses to Commission Information Request No. 3 And Intervenor Information Request No. 2	Tuesday, May 13
Intervenor Written Evidence	Tuesday, May 20
Information Requests to Intervenors	Thursday, May 29
Intervenor Responses to Information Requests	Monday, June 16
Oral Public Hearing commences at 9:00 a.m.	Monday, June 23
Community Input Session commences at 7:00 p.m.	Monday, June 23
FortisBC Written Final Submission	Thursday, July 3
Intervenors Written Final Submissions	Thursday, July 17
FortisBC Written Reply Submission	Thursday, July 24

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PROCEEDING ISSUES LIST, VERSION 2, WITH ISSUES FOR ORAL HEARING IDENTIFIED

- 1. Need for project**
 - Reliability standards
 - Size
 - Timing of in-service
 - Demand/load forecast
 - Consideration of alternatives, including power supply options and DSM solutions (**ORAL**)
- 2. Consultation**
 - Adequacy
 - Response to consultation (adjustments to project)
- 3. Route (ORAL)**
 - Alternative routes
 - Adequacy of analysis of alternative routes
- 4. Community Contributions in Aid of Construction (CIAC) toward costs of alternate routes or options (ORAL)**
- 5. Schedule**
 - Achievability
 - Consequences of delay
 - Permits and approvals required
 - Risk analysis
- 6. Engineering Design**
 - Appropriateness
 - Double circuit between Vaseux and Anderson
 - Pole structure selection (**ORAL**)
 - Flexibility for future system expansion
 - Impacts on BCTC system
 - Bentley and Oliver substations

7. Cost Estimates

- Methodology and assumptions (**ORAL**)
- Accuracy of current estimate
- Escalation of cost estimates (**ORAL**)
- Calculation of benefits
- Cost risk analysis
- Possible cost control mechanism

8. Financial factors comparison

- Financial costs and rate impacts for project options
- DCF comparison of project options

9. Non-financial factors comparison

- Environmental and First Nations impacts of alternate routes or options (**ORAL**)
- Noise (**ORAL**)
- Corona emissions

10. Private property impacts (ORAL)

- Impact of current line vs. incremental impact of OTR
- ROW agreements

11. EMF (ORAL)

- Reliance on previous Commission decisions
- Subsequent developments (e.g., WHO 2007 Report)
- Impact of OTR on EMF levels within and near the ROW
- Precautionary measures included in OTR design