

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- 101-08

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 Agreements for the
Supply of Electricity to Wholesale Customers**

BEFORE: L.F. Kelsey, Commissioner June 19, 2008

O R D E R

WHEREAS:

- A. On April 9, 2008, pursuant to Section 61 of the Utilities Commission Act (the “Act”), FortisBC Inc. (“FortisBC”) applied (the “Application”) to the British Columbia Utilities Commission (the “Commission”) for approval of Agreements for the Supply of Electricity Wholesale Service with the City of Penticton, the District of Summerland, the City of Kelowna, the City of Grand Forks, and the Corporation of the City of Nelson (Nelson Hydro), identified as Tariff Supplement No. 1, Tab 4; and
- B. The Agreements are duly executed extensions of predecessor agreements contained in FortisBC’s Electric Tariff Supplement No. 1, Tab 4; and
- C. On May 10, 2001, the Commission accepted the predecessor agreements for filing under Order No. G-45-01; and
- D. On June 9, 2008, FortisBC provided a response to a Commission Staff request; and
- E. The Commission notes that the power factor in these agreements is 0.90 lagging; and

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F. The Commission has reviewed FortisBC's application and supporting documents and finds that the changes are of a minor nature and the Commission has concluded that it should be accepted for filing pursuant to Section 71 of the Act pending a Commission review and determination of increasing the power factor.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 61 of the Act, the following Agreements for the Supply of Electricity Wholesale Service, that are set out in this Order, are accepted for filing subject to a Commission review and determination of the FortisBC report on increasing the power factor:
 - The City of Penticton and FortisBC, dated April 1, 2006, for a four year term from April 1, 2006 to March 31, 2010 with an option to renew for an additional five year term.
 - The District of Summerland and FortisBC, dated April 1, 2006, for a four year term from April 1, 2006 to March 31, 2010 with an option to renew for an additional five year term.
 - The City of Kelowna and FortisBC, dated November 1, 2004, for a five year term from November 1, 2004 to October 31, 2009.
 - The City of Grand Forks and FortisBC, dated April 1, 2006, for a four year term from April 1, 2006 to March 31, 2010 with an option to renew for an additional five year term.
 - The Corporation of the City of Nelson and FortisBC, dated November 1, 2004, for a five year term from January 1, 2005 to December 31, 2009 with an automatic renewal for an additional five year term.
2. FortisBC is to submit a report by September 30, 2008 on the effect of increasing the power factor from 0.90 to 0.95 in these wholesale agreements. The report will include the estimated impact on system capacity and losses, and estimated costs to FortisBC and their customers.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of June 2008.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner