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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-146-08

TELEPHONE: (604) 660-4700
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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 Benvoulin Substation Project**

BEFORE: Liisa O'Hara, Commissioner September 26, 2008

O R D E R

WHEREAS:

- A. On September 24, 2008 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 Benvoulin Substation Project (the "Project"); and
- B. FortisBC is proposing the Project as the preferred solution to meet load growth and relieve distribution system capacity constraints in the south/central Kelowna area; and
- C. The Project has an estimated capital cost of approximately \$17.7 million and includes the construction of a new substation as well as the transmission and distribution connections necessary to integrate the substation into the existing network; and
- D. The Project is scheduled to commence in the first quarter of 2009 and to be completed by the end of 2010; and
- E. The Commission considers that a Procedural Conference is required to hear submissions on the regulatory process for review of the Application.

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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 Tuesday, October 28, 2008 commencing at 1:00 p.m. at the Best Western Inn at 2402 Highway 97 North in Kelowna, B.C. to address procedural matters which will include, but may not be limited to, the following:
 - identification of the principal issues arising from or related to the Application;
 - whether Intervenors intend to file evidence;
 - whether the review should proceed by an oral or written public hearing, or some other process;
 - if there is an oral hearing, the location(s) for the hearing;
 - whether there should be a Community Input Session;
 - steps and timetable associated with the regulatory review process; and
 - other matters that will assist the Commission to efficiently review the Application.
2. The initial Regulatory Timetable for the Procedural Conference and review of the Application is attached as Appendix A. The Commission will issue an updated Regulatory Timetable for the proceeding following the Procedural Conference.
3. FortisBC shall publish the notice of Application and Procedural Conference that is attached as Appendix B, in local newspapers in the Kelowna area, as soon as it is possible to do so.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of September 2008.

BY ORDER

Original signed by:

Liisa O'Hara
Commissioner

Attachments

FortisBC Inc. ("FortisBC")
for a Certificate of Public Convenience and Necessity
for the Benvoulin Substation Project

NOTICE OF APPLICATION AND PROCEDURAL CONFERENCE

REGULATORY TIMETABLE

| ACTION | DATE (2008) |
|--|-----------------------|
| Commission IR 1 | Wednesday, October 15 |
| Registration of Intervenors and Interested Parties with the Commission | Friday, October 17 |
| Procedural Conference | Tuesday, October 28 |
| FortisBC Response to Commission IR 1 | Wednesday, October 29 |

An Application by
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NOTICE OF APPLICATION AND PROCEDURAL CONFERENCE

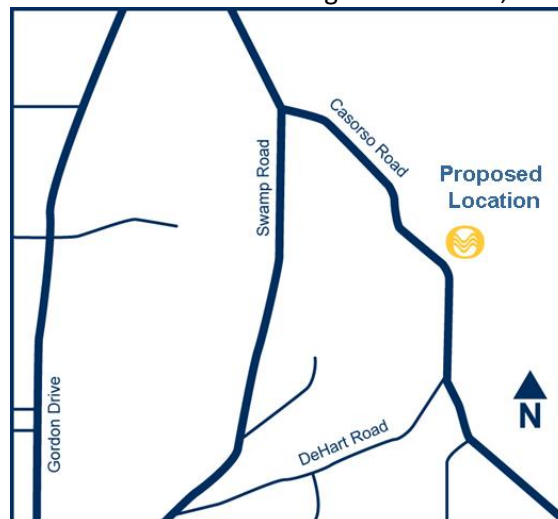
| | |
|-----------------|--|
| DATE | Tuesday, October 28, 2008 |
| TIME | 1:00 pm |
| LOCATION | Best Western Inn 2402 Highway 97 North Kelowna, BC |

THE APPLICATION

On September 24, 2008 FortisBC applied to the British Columbia Utilities Commission (the "Commission") for a Certificate of Public Convenience and Necessity (the "Application") for the Benvoulin Substation Project (the "Benvoulin Project").

FortisBC requests approval to construct a distribution source substation in the south/central Kelowna area together with a transmission line connected to the existing 138 kV 51 Line and the necessary distribution facilities to tie the substation into the existing distribution network. The Benvoulin Project is estimated to cost approximately \$17.7 million and will be completed by the end of 2010.

The Application states that the Benvoulin Project is the lowest cost alternative to meet the load growth, capacity requirements and backup supply planning criteria for the region. As a result of its public consultation, FortisBC proposes to locate the substation at the Gravel Pit Site along Casorso road, as shown on the map below.



THE REGULATORY PROCESS

The Commission will hold a Procedural Conference on Tuesday, October 28, 2008 commencing at 1:00 p.m. at the Best Western Inn in Kelowna, BC to hear submissions on the regulatory process for review of the Application. In its Opening Statement at the Procedural Conference, FortisBC is expected to provide an overview of the Application and Benvoulin Project. The procedural matters to be addressed will include, but may not be limited to, the following:

- identification of the principal issues arising from or related to the Application;
- whether Intervenors intend to file evidence;
- whether the review should proceed by an oral or written public hearing;
- whether there should be a Community Input Session; and
- steps and timetable associated with the regulatory review process.

INTERVENTION

Persons who expect to actively participate in the FortisBC proceeding should register as Intervenors with the Commission, and should identify the issues that they intend to pursue and the nature and extent of their anticipated involvement in the review process. Intervenors will each receive a copy of the Application and all correspondence and filed documentation, and should provide an e-mail address, if available.

Persons not expecting to actively participate, but who have an interest in the proceeding, should register as Interested Parties. Interested Parties will receive a copy of the Executive Summary in the Application, and all Orders and Decisions issued.

Intervenors and Interested Parties should register in writing, no later than Friday, October 17, 2008. Notification by mail, courier delivery, fax or e-mail is acceptable.

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:

British Columbia Utilities Commission, Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3 Telephone: 1-800-663-1385

FortisBC Inc., Head Office
Suite 100 – 1975 Springfield Road
Kelowna, BC V1Y 7V7

FortisBC Inc., Trail Office
1290 Esplanade
Trail, BC V1R 4L4

Internet www.fortisbc.com and www.b cuc.com

For further information, please contact Ms. Erica Hamilton, Commission Secretary, or Mr. Brian Williston, Director, Engineering and Energy Markets, as follows:

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

BC Toll Free: 1-800-663-1385
E-mail: Commission.Secretary@bcuc.com