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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-153-15**

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**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**FortisBC Inc.
Application for Approval of the Agreement for the
Supply of Electricity Wholesale Service with the District of Summerland
(Updated Tariff Supplement No. 4 (v))**

BEFORE:

C. A. Brown, Commissioner
H. G. Harowitz, Commissioner
K. A. Keilty, Commissioner
D. M. Morton, Commissioner

September 24, 2015

O R D E R

WHEREAS:

- A. On September 14, 2015, FortisBC Inc. (FortisBC) filed an update to Tariff Supplement No. 4 (v) – the Agreement for the Supply of Electricity Wholesale Service to the District of Summerland (New Agreement) for approval by the British Columbia Utilities Commission (Commission);
- B. The New Agreement is effective for a five year term from August 1, 2015 to July 31, 2020. Upon a written mutual agreement by both parties, the New Agreement may be renewed prior to February 1, 2020 for an additional five year term under the same terms and conditions;
- C. By Order G-101-08 dated June 19, 2008, the Commission accepted the predecessor Electricity Wholesale Service Agreement between FortisBC and the District of Summerland (Predecessor Agreement). The Predecessor Agreement had a four year term from April 1, 2006 to March 31, 2010 with an option to renew for an additional five year term;
- D. The power factor in the Predecessor Agreement was 0.90 lagging and in Order G-101-08 the Commission directed FortisBC to submit a report by September 30, 2008, on the effect of increasing the power factor from 0.90 to 0.95;
- E. After reviewing the report received on September 30, 2008, the Commission issued Letter L-9-09 on January 29, 2009, directing FortisBC to modify Clause 6.10 in each of the Wholesale Agreements in Tariff Supplement No. 1, Tab 4 upon the renewal dates of the agreements to read “The customer shall endeavour

to regulate its load so that the Power Factor at each Point of Delivery will be no less than 95 percent lagging”;

- F. Clause 6.10 of the New Agreement has been amended to increase the power factor from 90 percent to 95 percent;
- G. The New Agreement is substantially in the same form as the Predecessor Agreement but has been amended to remove the 15 MW restriction on generation facilities owned and operated by the District of Summerland and also to allow it to obtain electricity from generation owned and operated by a third party within the District of Summerland’s boundary; and
- H. The Commission reviewed the New Agreement and is satisfied that the New Agreement is in the public interest.

NOW THEREFORE pursuant to section 61 of the *Utilities Commission Act*, the British Columbia Utilities Commission approves the Agreement for the Supply of Electricity Wholesale Service between the District of Summerland and FortisBC Inc. as Tariff Supplement No. 4(v).

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of September 2015.

BY ORDER

Original Signed by:

D. M. Morton
Commissioner