



**ORDER NUMBER  
G-100-20**

IN THE MATTER OF  
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.  
Application under Sections 50(2) and 50(7)  
of the *Utilities Commissions Act* for COVID-19 Financing

**BEFORE:**

T. A. Loski, Panel Chair  
K. A. Keilty, Commissioner

on April 29, 2020

**ORDER**

**WHEREAS:**

- A. On April 17, 2020, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) pursuant to sections 50(2) and 50(7) of the *Utilities Commission Act* (UCA) for approval to:
1. increase its borrowing capacity through the establishment of a new credit facility with a term not to exceed eighteen months and the principal amount of up to \$300 million with one or more lenders; and
  2. issue common shares to FortisBC Holdings Inc., the holding company of FEI, in the amount of up to \$50 million on or before December 31, 2020, to ensure that FEI maintains its currently approved deemed capital structure for regulated purposes (Application).
- B. FEI states that the Application was filed in response to the growing impact of the global COVID-19 pandemic in British Columbia and the State of Emergency declared in the province. While FEI's current liquidity position is strong, the COVID-19 pandemic is expected to have a negative effect on FEI's cash flows, the extent of the impact is outside FEI's control and remains uncertain at this time, the economic effects are likely to continue for a prolonged period of time even after the State of Emergency is lifted, and there is significant volatility and reduction in access to liquidity currently being experienced in the financial markets. Therefore, FEI requires the flexibility and capacity to act in a timely manner if and when necessary;
- C. FEI requests that all information related to the Application be held confidential by the BCUC due to its commercially sensitive nature; and
- D. The BCUC has reviewed the Application and considers that approval is warranted.

**NOW THEREFORE** pursuant to sections 50(2) and 50(7) of the UCA, the BCUC orders as follows:

1. FEI is approved to:
  - a. Increase the amount of its borrowing capacity by establishing a new credit facility with a term not to exceed eighteen months and the principal amount of up to \$300 million with one or more lenders.
  - b. Issue common shares to FortisBC Holdings Inc., in the amount of up to \$50 million on or before December 31, 2020, to ensure that FEI maintains its currently approved deemed capital structure for regulated purposes of 61.5 percent debt and 38.5 percent equity.
2. If FEI undertakes any of the proposed financing measures approved in this order, FEI shall file with the BCUC the relevant details within one week of entering into such arrangements.
3. The BCUC will hold information pertaining to this Application and any related compliance filings confidential on the basis that these documents contain commercially sensitive information.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 29<sup>th</sup> day of April 2020.

BY ORDER

*Original signed by:*

T. A. Loski  
Commissioner