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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-78-12**

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

and

An Application by FortisBC Energy Inc.
for Approval to Extend the Maturity Date of Indebtedness
Under the Term Credit Agreement

BEFORE: D.M. Morton, Commissioner June 14, 2012

O R D E R

WHEREAS:

- A. Pursuant to Order G-96-07 dated August 14, 2007, the British Columbia Utilities Commission (Commission) approved the incurrence of indebtedness by FortisBC Energy Inc. (FEI) (then Terasen Gas Inc.) under a credit agreement between FEI, the Canadian Imperial Bank of Commerce (CIBC) and other lenders, and CIBC as administrative agent for the lenders, providing for an unsecured revolving term credit facility for the principal amount of up to \$500 million with an initial term not to exceed five years (Term Credit Agreement);
- B. The Term Credit Agreement entered into on August 24, 2007, has an annual extension mechanism that permits FEI to request the lenders to extend the then current maturity date of the Term Credit Agreement for a further 365 days;
- C. By Order G-90-08, on June 12, 2008, the Commission approved an extension of the maturity date under the Term Credit Agreement to August 24, 2013;
- D. On May 29, 2012, FEI applied to the Commission, pursuant to sections 50(2) and 50(3) of the *Utilities Commission Act* (Act), for an extension of the maturity date under the Term Credit Agreement for a further 365 days, from the current maturity date of August 24, 2013, to an extended maturity date of August 24, 2014 (Application);
- E. Also in the Application, FEI requests the ability to approve future 365 day extensions of the Term Credit Agreement under the terms of the annual extension mechanism, on substantially the same terms, and at rates reflective of market conditions at the time of the extension, without the involvement of the Commission;
- F. The Commission has reviewed the Application and finds that approval is warranted.

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2

NOW THEREFORE pursuant to sections 50(2) and 50(3) of the Act, the Commission orders as follows:

1. The Commission approves for FEI the Application to extend the current maturity date under the Term Credit Agreement for a further 365 days.
2. The Commission does not approve for FEI to extend the maturity date for an additional 365 days each year, under the terms of the annual extension mechanism, without obtaining approval from the Commission.
3. FEI is to file with the Commission the updated Term Sheet which will disclose the upfront amendment fee for the extended term as granted by the lenders.

DATED at the City of Vancouver, In the Province of British Columbia, this 14th day of June 2012.

BY ORDER

Original signed by:

D.M. Morton
Commissioner