



ORDER NUMBER
G-112-17

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

and

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

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
H. G. Harowitz, Commissioner
M. Kresivo, Commissioner
B. A. Magnan, Commissioner
R. I. Mason, Commissioner
R. D. Revel, Commissioner

on July 20, 2017

ORDER

WHEREAS:

- A. On June 21, 2017, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission) pursuant to section 50(3) of the *Utilities Commission Act* for approval of the following:
- A 365-day extension to the current maturity date of FEI's term credit agreement to August 24, 2022, on substantially the same terms and on market prices available at the time of extension;
 - Approval to subsequently extend the term credit agreement for additional periods of not more than 365 days without further Commission approval, where there are no other material changes to the term credit agreement; and
 - For the Commission to keep confidential the extension fees and proposed pricing grid for the term credit agreement which were filed as Appendix A to FEI's June 21, 2017 application (together, the Application);
- B. Pursuant to Order G-96-07 dated August 14, 2007, the Commission approved the incurrence of indebtedness by 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;

- C. By Orders G-90-08, G-78-12, G-92-13, and G-77-14, the Commission approved 365-day extensions of the maturity date under the term credit agreement to August 24, 2013, August 24, 2014, August 24, 2015, and August 24, 2016, respectively;
- D. By Order G-109-15 dated June 25, 2015, the Commission approved an application to terminate the \$200 million FortisBC Energy (Vancouver Island) Inc. (FEVI) credit agreement as a result of the amalgamation of FEI, FEVI, FortisBC Energy (Whistler) Inc. and Terasen Gas Holdings Inc., and to amend the FEI term credit agreement to include the \$200 million increase to the principal amount for a total of \$700 million (Term Credit Agreement). The Commission also approved an extension of the Term Credit Agreement to August 24, 2018;
- E. By Order G-105-16 dated July 7, 2016, the Commission approved a three-year extension of the maturity date under the Term Credit Agreement to August 24, 2021;
- F. The Commission reviewed the Application and finds that approval of a 365-day extension to the current maturity date of the Term Credit Agreement to August 24, 2022 is warranted. The Commission does not consider that approval of FEI's request for further 365-day extension(s) of the Term Credit Agreement, as described in Recital A, is warranted; and
- G. The Commission considers FEI's request to keep confidential the extension fees and proposed pricing grid for the Term Credit Agreement, which were filed as Appendix A to the Application, is warranted.

NOW THEREFORE pursuant to section 50(3) of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. FortisBC Energy Inc.'s application to extend the maturity date of its Term Credit Agreement to August 24, 2022 is approved.
2. FortisBC Energy Inc.'s application for approval to subsequently extend the maturity date of the Term Credit Agreement for periods of not greater than 365 days without further Commission approval, where there are no other material changes to the Term Credit Agreement, is denied.
3. FortisBC Energy Inc. must file with the Commission by no later than thirty days from the date of this order, the updated term sheet that discloses the upfront amendment fee for the extended Term Credit Agreement as granted by the lenders.
4. The Commission will keep confidential the extension fees and proposed pricing grid for the Term Credit Agreement which were filed as Appendix A to the Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of July 2017.

BY ORDER

Original signed by:

D. M. Morton
Commissioner