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February 14, 2022

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Mr. Patrick Wruck, Commission Secretary

Dear Mr. Wruck:

Re: FortisBC Energy Inc. (FEI)

Application for Approval of a Modification Agreement to the Operating Agreement between the Westbank First Nation and FEI

FEI hereby applies for approval from the British Columbia Utilities Commission (BCUC), pursuant to section 23(1)(g) of the *Utilities Commission Act* (UCA) of a Modification Agreement dated February 7, 2022 (Modification Agreement No. 2)¹ to the Operating Agreement between FEI and the Westbank First Nation (WFN) dated August 8, 2006 (WFN Operating Agreement).

Background:

By Order C-3-07, dated February 15, 2007, the BCUC approved, among other things, the WFN Operating Agreement for a period of 15 years, effective February 15, 2007. By Order G-234-21, dated August 5, 2021, the BCUC approved a Modification Agreement, dated July 26, 2021 (Modification Agreement No. 1), entered into between the WFN and FEI amending the expiry of the WFN Operating Agreement to February 15, 2022.

Modification Agreement No. 2 extends the term of the WFN Operating Agreement to October 15, 2022, to facilitate ongoing discussions between FEI and WFN regarding terms to a new operating agreement.

Order Sought

Due to the expiry of the WFN Operating Agreement on February 15, 2022, FEI requests approval from the BCUC, pursuant to section 23(1)(g) of the UCA, of the executed Modification Agreement No. 2 to the WFN Operating Agreement, on a permanent basis

¹ Modification Agreement No. 2, dated February 7, 2022. was executed by the WFN and FEI on February 14, 2022.

effective February 16, 2022. Should the BCUC be unable to make a determination on permanent approval before the expiry of the existing agreement, then FEI requests approval of Modification Agreement No. 2 to the WFN Operating Agreement on an interim basis, effective February 16, 2022. A draft form of final Order is provided in Appendix B.

If further information is required, please contact Ilva Bevacqua, Manager of Regulatory Compliance and Administration at (604) 592-7664.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Counsel for WFN, Arbutus Law Group LLP, Emily Boyle emily@arbutuslaw.ca; Kathryn Deo kathryn@arbutuslaw.ca.

Appendix A

**FEI – WESTBANK FIRST NATIONS
MODIFICATION AGREEMENT DATED FEBRUARY 7, 2022**

MODIFICATION AGREEMENT

THIS AGREEMENT ("Modification Agreement") made as of the 7th day of February, 2022.

BETWEEN:

WESTBANK FIRST NATION, a Self-Governing First Nation as represented
by its duly elected Chief and Council, having its administrative offices at #301-515 Highway
97, Kelowna, British Columbia

(hereinafter "Westbank")

OF THE FIRST PART

AND:

FORTISBC ENERGY INC. (formerly Terasen Gas Inc.), a body corporate duly
incorporated under the laws of the Province of British Columbia, and having
an office in the Province of British Columbia located at 16705 Fraser Highway,
Surrey, British Columbia

(hereinafter "FortisBC")

OF THE SECOND PART

WHEREAS:

- A. The parties entered into an operating agreement dated August 8, 2006 and modified by agreement dated July 26, 2021 (collectively the "Westbank Operating Agreement") which is due to expire on February 15, 2022;
- B. The parties have agreed to extend the term of the Westbank Operating Agreement for an additional period of eight (8) months to expire on October 15, 2022 on the same terms and conditions as the Westbank Operating Agreement.

NOW THEREFORE, in consideration of the mutual promises herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

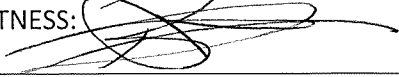
- 1. The parties agree to extend the term of the Westbank Operating Agreement to October 15, 2022.
- 2. This Modification Agreement shall be read together with the Westbank Operating Agreement and any capitalized terms used herein which are not otherwise defined shall the meanings given to them in the Westbank Operating Agreement.
- 3. This Modification Agreement is subject to the applicable laws of Westbank, Canada or the Province of British Columbia and those orders or provisions of the BCUC applicable to FortisBC.
- 4. Words importing the singular include the plural and vice versa; words importing the masculine gender include the feminine and neuter genders; and words importing persons include individuals, sole proprietors, corporations, partnerships and unincorporated associations.

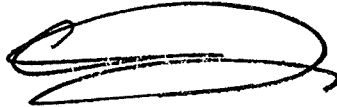
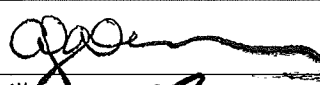
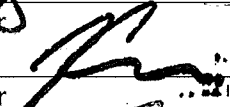

5. This Modification Agreement may be executed in counterparts with the same effect as if all parties had signed the same document. All counterparts will be construed together and will constitute one agreement. Delivery of an executed counterpart of this Modification Agreement by facsimile or other means of electronic transmission shall be as effective as delivery of an originally executed counterpart.
6. All unamended terms and conditions in the Westbank Operating Agreement shall remain in full force and effect.
7. This Modification Agreement shall have effect as of February 7, 2022.

[Remainder of Page Intentionally Left Blank. Signature Page Follows.]

IN WITNESS of this Modification Agreement, the parties have caused this Modification Agreement to be duly executed as of the day and year first above written.


Signed by a quorum of the Westbank First Nation Council this 7th day of February, 2022.

WITNESS: )
)
Witness Signature)
515 Hwy 97 South)
Address)
Kelowna BC V1Z 3J2)
Recording Clerk)
Occupation)
(As to all signatures))
)

)
Chief)
)
Councillor)
)
Councillor)
)
Councillor)
Councillor)

Signed on behalf of FortisBC Energy Inc. this 14 day of February, 2022.

WITNESS:)
)
Witness Signature)
)
Address)
)
)
Occupation)
(As to all signatures))
)

)
Authorized Signatory: Doug Slater)
VP, External and Indigenous Relations)

ORDER NUMBER

G-xx-xx

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

and

FortisBC Energy Inc.
Application for Approval of a Modification Agreement to the Operating Agreement between
the Westbank First Nation and FortisBC Energy Inc.

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On February 14, 2022, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) pursuant to section 23(1)(g) of the *Utilities Commission Act* for approval of a Modification Agreement, dated February 7, 2022 (Modification Agreement No. 2) entered into between the Westbank First Nation (WFN) and FEI, modifying the Operating Agreement between WFN and FEI dated August 8, 2006 (WFN Operating Agreement) (Application);
- B. The WFN Operating Agreement expires February 15, 2022. By BCUC Order C-3-07, dated February 15, 2007, the BCUC, among other things, approved the WFN Operating Agreement for a period of 15 years, effective February 15, 2007 and by Order G-234-21, dated August 5, 2021, the BCUC approved a Modification Agreement dated July 26, 2021 (Modification Agreement No. 1) amending the expiry of the WFN Operating Agreement to February 15, 2022;
- C. The BCUC has reviewed the Application and determines that approval is warranted.

NOW THEREFORE pursuant to section 23(1)(g) of the *Utilities Commission Act*, the BCUC orders that Modification Agreement No. 2 to the WFN Operating Agreement between FEI and WFN is approved on a permanent basis, effective February 16, 2022, which extends the expiry date of the WFN Operating Agreement to now expire on October 15, 2022.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner