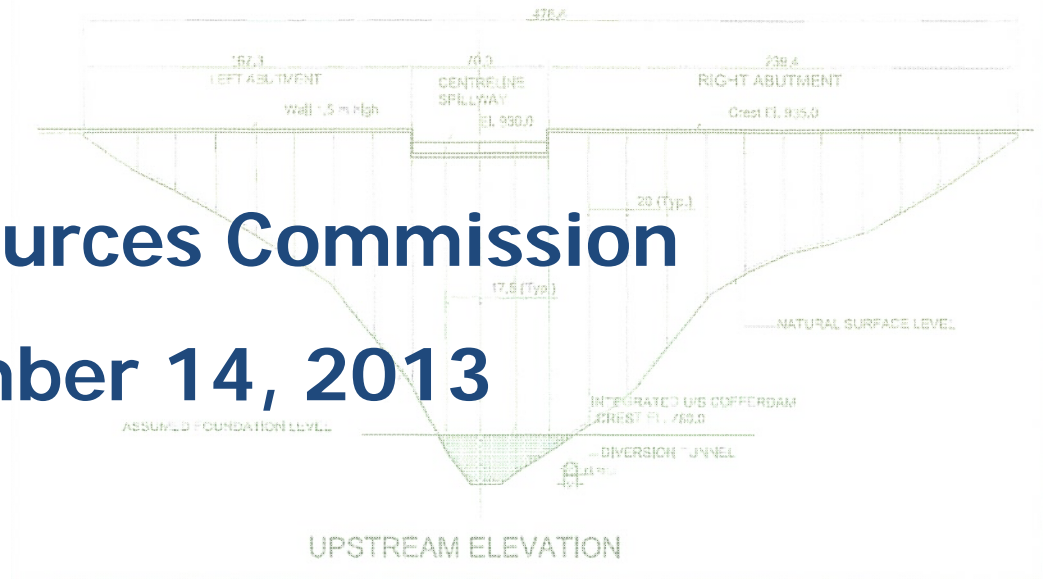


Similkameen Project

Water Resources Commission

November 14, 2013



Jon Unger and Tracy Loudon
Oregon Water Resources Department

Similkameen River Valley

(Below Princeton)



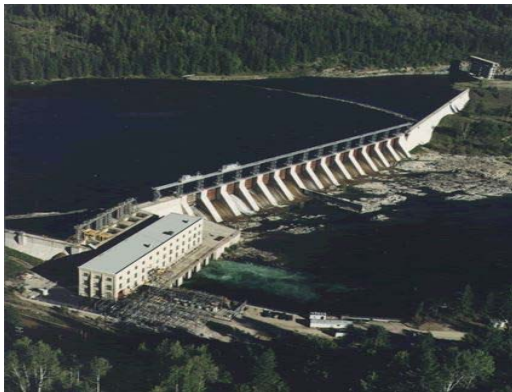


Project Overview

- **Proposed by FORTIS, Inc.**
- **Project Located on Similkameen River, BC**
- **154,000 acre-feet of water (77,000 OR; 77,000 WA)**
- **Similkameen ----- Okanogan ----- Columbia**
- **Would enhance summertime flows**
- **50 year commitment with option for renewal**
- **\$1,500 per acre-foot capital cost**
- **FORTIS proposing completion in 2019**

FORTIS, Inc. Profile

- **Largest investor-owned distribution utility in Canada**
- **Total Assets -- \$17 Billion**
- **2.4 million gas and electricity customers across Canada, New York State and the Caribbean**
- **2012 revenue totaling \$3.7 Billion**
- **Currently owns and operates hydroelectric assets**





Princeton, BC V0X, Canada

Allenby

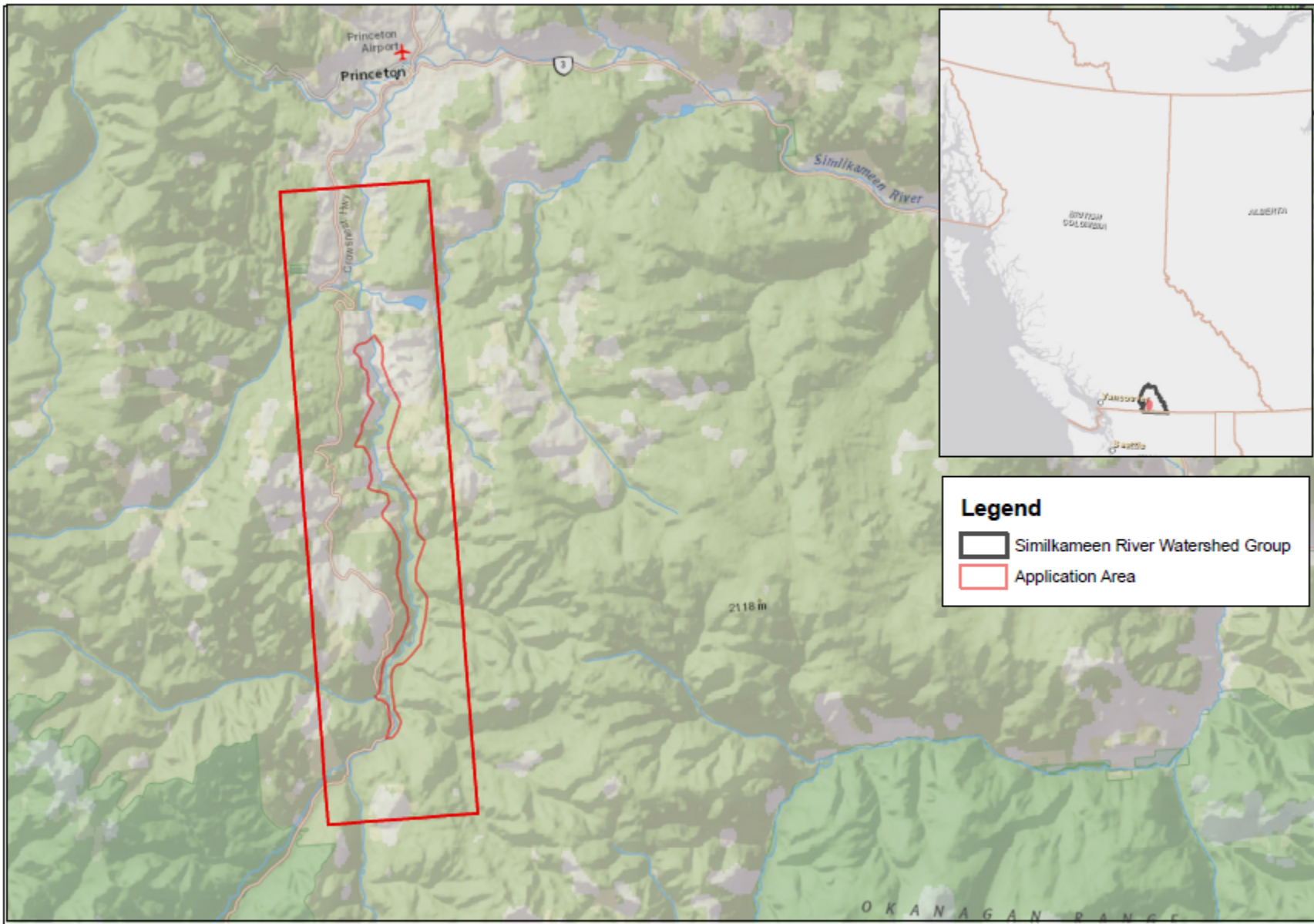
Dam Site

Copper Mountain Mine

Image © 2013 Province of British Columbia
© 2013 Google
Image © 2013 DigitalGlobe
Image Regional District Okanagan-Similkameen

Google earth

Imagery Date: 8/27/2006 49°23'02.44" N 120°33'04.44" W elev 2372 ft eye alt 12.31 mi



Suite 100, 1876 Springfield Rd.
 Kelowna, British Columbia, V1Y 7V7
 1-888-4FORTIS
<http://www.fortisbc.com>

Overview of Application Area

1:250,000

0 1.25 2.5 5 7.5 10
 Kilometers

Projection: BC Standard Albers - Datum: NAD83(CRS98)

Data has been developed using the most current available information, but errors or omissions may exist. Please forward any questions or corrections to the FortisBC Corporate Mapping Group. Data source: <http://open.alberta.ca/mapping/Default.aspx>

Benefits

- **Flood control for Princeton, BC**
- **Hydroelectric generation**
- **Summertime releases for irrigation**
- **Instream benefits**
- **Economic benefits / Jobs**

Potential Cost for Oregon

- **77,000 Acre-Feet available in Oregon**
 - 19,250 “In Stream”
 - 57,750 “Out of Stream”
- **50 year Cost if “In Stream” is paid by:**
 - Public = \$60 - \$80 per AF
 - “Out of Stream” Users = \$79 - \$105 Per AF

Financing Assumptions

- **\$115.5 Million paid up front in 2017**
- **Debt Service is for up to 50 years**
- **Interest rate is 4% - 5%**
- **Interest rates have ranged from 3% - 8% in the last decade**

Proposed Schedule

2013

January

- Memorandum of Understanding

June

- Discuss project parameters
 - Dam Height
 - Storage Capacity
 - Release Schedule

September

- Inform Public of Project
- Discussions with First Nations (Canada)
- Conceptual Engineering

- Legal Review of Formalized Agreement begins
- Commence Multi-year Studies (Canada)
- Financial Analysis
- Demand Analysis



Proposed Schedule

**2014
January**

**2015
January**

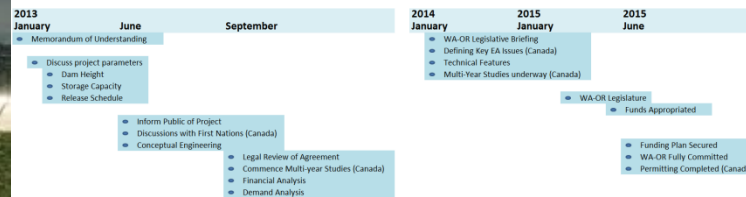
**2015
June**

- WA-OR Legislative Briefing
- Defining Key EA Issues (Canada)
- Technical Features
- Multi-Year Studies underway (Canada)

• WA-OR Legislature

• Funds Appropriated

- Funding Plan Secured
- WA-OR Fully Committed
- Permitting Completed (Canada)



Proposed Schedule

**2016
April**

- Complete EA (Canada)
- Contractor Selection by FORTIS
- Design and Pre-construction

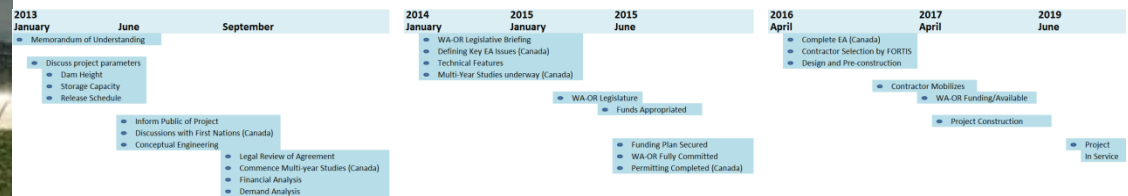
**2017
April**

- Contractor Mobilizes
- WA-OR Funding/Available

• Project Construction

**2019
June**

• Project In Service



Thank You

