

**COLUMBIA BASIN TRUST  
BOARD OF DIRECTORS MEETING NO. 198  
October 19, 2018  
MINUTES – IN CAMERA**

In-camera minutes related to “Project Legacy” are now released for public record as Columbia Basin Trust and Columbia Power Corporation have publicly disclosed entering into an agreement with Fortis Inc. to purchase its 51% interest in Waneta Expansion.

Meeting No. 198 was held via teleconference.

**Directors in Attendance:**

R. Jensen, Chair	C. Andrews
L. Binks	W. Booth
J. Carver	C. Evans
M. McConnachie	A. Naqvi
L. Parker	D. Raven
J. Townsend	

**Directors absent:**

V. Thomas

**Staff in Attendance:**

J. Strilaeff	A. Ambrosone
C. Lloyd	M. Jillings
J. Davis	J. Medlar, Recording Secretary

The meeting was called to order at 11:00 am (PT).

Chair Jensen provided the following confidentiality disclosure in advance of any Board discussion.

*The Confidential Information provided to this Board Meeting may constitute material information of Fortis and, subject to certain limited exceptions, any disclosure by you may be in violation of applicable prohibitions on tipping, and any trading in the securities of Fortis may be in violation of applicable prohibitions on insider trading.*

**WANETA EXPANSION – PROJECT LEGACY**

The Board was provided an update that Fortis is conducting a process for the purpose of selling its 51% interest in the Waneta Expansion facility (WAX).

The Board was advised that Columbia Power and Columbia Basin Trust have a right of first refusal (ROFR) under the shareholder/partnership agreement with Fortis. Fortis will be assessing the WAX market value through a phased process and may, at any time, issue a Transfer Notice triggering a 30-day response period under the ROFR.

Staff have received direction from the Executive Committee and Columbia Power Board to form a transaction advisory team of legal, strategic, and financial advisors, and proceed with due diligence, in collaboration with the Province, to develop a recommendation on acquisition of the interest, based on 50/50 ownership, to be brought forward to both Columbia Power and Trust Boards of Directors for approval.

The Board discussed benefits and risks of acquisition of the interest, proposed financing options, and the timeline of next steps. Directors were advised that there may be need to call additional meetings due to the time sensitive nature of the transaction. J. Strilaeff agreed to provide the Board with regular updates on project progress in the interim.

In the event the Confidential Information becomes public ahead of a Fortis announcement, Directors were advised to decline all comment and direct all enquiries to the Trust CEO.

There were no resolutions arising.

The meeting concluded at 12:15 pm.

**Certified Correct:**

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**R. Jensen, Chair**

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**J. Medlar, Recording Secretary**