



File 4775-F006-1-2
23 December 2004

Ms. Céline Bélanger
Vice President, Regulatory Services
TransCanada PipeLines Limited
450 - 1st Street S.W.
Calgary, Alberta T2P 5H1
Facsimile (403) 920-2347

Dear Ms. Bélanger:

**Foothills Pipe Lines Ltd. (Foothills)
Short Term Firm Transportation (STFT) Service Application**

On 3 December 2004, Foothills filed an STFT service application with the National Energy Board pursuant to Part IV of the *National Energy Board Act* for an order or orders approving an STFT service on Foothills' Zone 9 and associated amendments to the Foothills' Gas Transportation Tariff – Phase 1 to be effective 1 January 2005. Foothills also filed an amendment to this application on 7 December 2004. The Board has completed its examination of Foothills STFT service application, as amended, and comments received from Tenaska Marketing Canada dated 8 December 2004, BP Canada Energy Company, the Canadian Association of Petroleum Producers, Cargill Power & Gas Markets, EnCana Corporation, Nexen Marketing, and Oxy Energy Canada, LLC (OEC) dated 9 December 2004. The Board notes that all parties who filed comments recommended that the Board approve the implementation of Foothills' proposed STFT service effective 1 January 2005.

The Board approves the proposed STFT service on Foothills' Zone 9 and associated amendments to the Foothills' Gas Transportation Tariff – Phase 1 to be effective 1 January 2005. Foothills is directed to serve forthwith a copy of this letter and attached Order TG-10-2004 on all of its interested parties (TG-6-81), and its firm and interruptible shippers.

OEC requested that the Board order Foothills to allow any party that requested a short term transportation service prior to 31 October 2004 and then was forced to contract for a one year term effective 1 November 2004 to protect their markets, be given the option to terminate that transportation contract and recontract for Foothills' new STFT service commencing 1 January 2005.

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In the Board's view, there is no evidence to suggest that Foothills did not act in a prudent and expeditious manner in establishing an STFT service after it had received requests from shippers. Therefore, the Board denies OEC's request.

Yours truly,

A handwritten signature in cursive script that reads "Charlene Gaudet". The signature is written in black ink and is positioned above the typed name and title.

Michel L. Mantha
Secretary

National Energy
Board



Office national
de l'énergie

ORDER TG-10-2004

IN THE MATTER OF the *National Energy Board Act* and the Regulations made thereunder, and the *Northern Pipeline Act*; and

IN THE MATTER OF an application by Foothills Pipe Lines Ltd. (Foothills) dated 3 December 2004, and as amended on 7 December 2004, pursuant to Part IV of the *National Energy Board Act* for approval of a short term firm transportation service and associated amendments to its Gas Transportation Tariff – Phase I (STFT Application).

BEFORE the Board on 23 December 2004.

WHEREAS Foothills filed its STFT Application on 3 December 2004 as well as an amendment to this application on 7 December 2004.

AND WHEREAS comments recommending approval of the STFT Application were received from Tenaska Marketing Canada dated 8 December 2004, and from BP Canada Energy Company, the Canadian Association of Petroleum Producers, Cargill Power & Gas Markets, EnCana Corporation, Nexen Marketing, and Oxy Energy Canada, LLC dated 9 December 2004;

AND WHEREAS the Board has considered Foothills' STFT Application, as amended, as well as comments received;

THEREFORE, IT IS ORDERED, pursuant to Part IV of the NEB Act, that:

Foothills' proposed STFT service on Zone 9 and associated amendments to the Foothills' Gas Transportation Tariff – Phase 1 are approved and are to be effective 1 January 2005.

NATIONAL ENERGY BOARD

A handwritten signature in black ink that reads "Charlene Gaudet".

Michel L. Mantha
Secretary