

National Energy
Board



Office national
de l'énergie

Files 4750-F006-1
4750-F006-2
4400-F006-10
27 March 2002

Mr. Steven Jakymiw
Advisor, Regulatory Affairs
Foothills Pipe Lines Ltd.
3100-707 Eighth Avenue SW
Calgary, AB
T2P 3W8
Facsimile 294-4171

Dear Mr. Jakymiw:

**Foothills Pipe Lines Ltd. (Foothills) Applications for:
2002 O&M Expense Budgets, dated 30 November 2001 and
2002/2003 Interruptible Tolls for Zone 9, dated 8 March 2002**

The National Energy Board (the Board) has considered the above-noted applications and the 28 February 2002 submission respecting O&M expenses, and has decided to approve the 2002 O&M budgets for all zones and the interruptible tolls for Zone 9, as applied for, on a final basis. A copy of Order TG-1-2002 is attached.

Foothills is required to serve a copy of this letter and the attached toll order on all interested parties pursuant to Order TG-6-81, as well as on existing firm and interruptible shippers.

Yours truly,

A handwritten signature in black ink, appearing to read 'Mantha', with a long horizontal line extending to the right.

Michel L. Mantha
Secretary

Attachment

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ORDER TG-1-2002

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

IN THE MATTER OF a submission by Foothills, dated 30 November 2001, regarding the 2002 Operating and Maintenance (O&M) Expense Budgets for Foothills Pipe Lines (Alta.) Ltd. Zones 6 and 7, Foothills Pipe Lines (South B.C.) Ltd. Zone 8, and Foothills Pipe Lines (Sask.) Ltd. Zone 9, pursuant to Order TG-6-81, as amended, Paragraph 2(a), and filed with the Board under File 4750-F6-2; and

IN THE MATTER OF an application by Foothills dated 8 March 2002 for new interruptible tolls for Zone 9 effective 1 April 2002, filed pursuant to the provisions of Board Order TG-10-87, under File 4400-F006-10.

BEFORE the Board on 27 March 2002.

WHEREAS the Board, by Order TG-4-82, as amended, prescribed the tolls Foothills may charge in respect of natural gas transmitted by it through its pipeline in each month of the term of the said Order;

AND WHEREAS Foothills submitted on 30 November 2001, pursuant to paragraph 2(a) of Order TG-6-81, as amended, its forecast of O&M expenses for the twelve-month period ending 31 December 2002;

AND WHEREAS the Board, by Order TGI-1-2001, dated 14 December 2001, approved interim O&M expense budgets for each of Zones 6, 7, 8 and 9 to be effective 1 January 2002 and which are to remain in effect until the day before the Board's final order concerning these budgets comes into effect;

AND WHEREAS Foothills submitted on 28 February 2002, pursuant to NEB Order TG-6-81, its summary of 2001 actual vs. 2001 budgeted O&M expenses and its report of the difference between 2002 budgeted and 2001 budgeted O&M expenses;

AND WHEREAS, pursuant to Order TG-10-87, Foothills filed with the Board on 8 March 2002 an application for new interruptible tolls for Zone 9 to be effective 1 April 2002;

AND WHEREAS the 15 day time period for interested parties to file comments, established by paragraph 3 of Order TG-6-81, dated 8 October 1981, has expired;

AND WHEREAS the Board has received no comments from interested parties on the 2002 O&M expense budget submission, or the applied-for interruptible tolls;

.../2

AND WHEREAS the Board having considered the 2002 O&M budgets and the applied-for interruptible tolls and the supporting information included with the application, finds the amounts to be just and reasonable;

IT IS ORDERED THAT:

1. The O&M expense budgets for the twelve-month period ending on the 31st day of December 2002 are approved with the following amounts being authorized:

(1) Foothills (Alta.) Zone 6	\$	29,121,300
(2) Foothills (Alta.) Zone 7	\$	1,421,400
(3) Foothills (South B.C.) Zone 8	\$	2,434,100
(4) Foothills (Sask.) Zone 9	\$	13,752,500

2. The approved final tolls for transportation, per hundred kilometres (100 km), for interruptible service on Zone 9 effective 1 April 2002 are as follows:

Tier 1 (IT-1) \$1.196 per 10^3m^3 per 100 km
Tier 2 (IT-2) \$1.076 per 10^3m^3 per 100 km

NATIONAL ENERGY BOARD



Michel L. Mantha
Secretary

ORDER TG-1-2002