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October 31, 2019

Canada Energy Regulator
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta T2R 0A8

Filed Electronically

Attention: Ms. L. George, Secretary of the Commission

Dear Ms. George:

**Re: Foothills Pipe Lines Ltd. (Foothills)
Statement of Rates and Charges effective January 1, 2020**

Foothills encloses for filing pursuant to section 229(1)(a) of the *Canadian Energy Regulator Act* rates and charges for transportation service on Foothills Zones 6, 7, 8 and 9 to be effective January 1, 2020 (Effective 2020 Rates).

The following attachments are included with this letter:

- Attachment 1 consists of supporting Schedules A through G
- Attachments 2 and 3 are black-lined and clean copies, respectively, of the Table of Effective Rates for 2020

The rates and charges are based on the methodology approved in Decision TG-8-2004, as amended by Order TG-03-2007.

The filing also includes the Foothills' Abandonment Surcharges effective January 1, 2020, which are included in the Table of Effective Rates for 2020. The supporting information on the Abandonment Surcharge calculations are provided in the attached Schedule G.

Foothills met with shippers and interested parties on October 24, 2019 and presented the preliminary 2020 revenue requirement, preliminary Effective 2020 Rates and preliminary Abandonment Surcharges. Based on this consultation, Foothills is not aware of any objections to its proposal for establishing the Effective 2020 Rates.

Foothills understands that any party that is opposed to the rates and charges will advise the Commission accordingly.

Foothills will notify its shippers and interested parties of this filing and post a copy of it on TC Energy's Foothills System website at:

<http://www.tccustomerexpress.com/934.html>

Communication regarding this filing should be directed to:

Laura Albrecht
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Yours truly,
Foothills Pipe Lines Ltd.

Original signed by

Bernard Pelletier
Director, Regulatory Tolls and Tariffs
Canadian Natural Gas Pipelines

Attachments

cc: Foothills Firm Shippers
Interruptible Shippers and Interested Parties

Attachment 1

**Foothills Pipe Lines Ltd.
Supporting Schedules A through G
Effective 2020 Rates**

SUMMARY

Foothills Pipe Lines Ltd.

TRANSPORTATION RATES

Effective: January 1, 2020

REVENUE REQUIREMENT	Schedule	Amount (\$000)			
		Zone 6	Zone 7	Zone 8	Zone 9
Estimated Costs of Service:					
Operating & Maintenance	A	32,482	6,943	17,641	8,536
Return on Rate Base	B	3,389	123	9,706	5,671
Depreciation & Amortization	C	11,836	1,186	22,603	20,564
Taxes: Income and Other	D	6,951	1,087	14,390	11,092
Emissions Compliance Costs		4,407	n/a	20,511	2,485
Fuel Tax		n/a	n/a	5,611	703
Methane Emissions Costs		1,605	273	878	410
Sub-Total		60,670	9,612	91,340	49,461
Adjustments:					
Previous Under / (Over)	E	(5,106)	(2,057)	(2,811)	(2,550)
Total Revenue Requirement		55,564	7,555	88,529	46,911
Other Service Revenue					
STFT		-	-	-	(2,654)
Interruptible/Overrun		-	-	(2,912)	(5,233)
SGS		-	-	-	(4)
FT Service Revenue Requirement		55,564	7,555	85,617	39,020

BILLING DETERMINANTS

FT Contract MDQ (TJ/d)	F	2,159.68	1,120.89	2,844.28	952.59
Total FT MDQ x Distance	F	817,416.53	139,023.49	485,518.54	190,336.13
Estimated STFT MDQ (TJ/d)		-	-	-	50.00
Estimated Interruptible/Overrun Deliveries (TJ)		-	-	32,188.69	33,036.87
Estimated SGS Deliveries (TJ)		-	-	-	60.76

TRANSPORTATION RATES

Effective Rates					
Demand Rate (\$/GJ / Km / Month)		0.0056645474	0.0045283284	0.0146950612	0.0170835998
Overrun Service (\$/GJ / Km)		0.0002042952	0.0001633168	n/a	n/a
Interruptible Rate (\$/GJ / Km)		n/a	n/a	0.0005299858	0.0006161298
Full Haul Rates					
Demand Rate (\$/GJ)		0.0702942474	0.0184147073	0.0822441622	0.1450537653
Overrun Service (\$/GJ)		0.0773236902	0.0202561827	n/a	n/a
Interruptible Rate (\$/GJ)		n/a	n/a	0.0904685761	0.1595591418

SCHEDULE A

**OPERATING AND MAINTENANCE EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2020**

(\$000)

	<u>Total</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>	<u>Zone 9</u>
Operations, Maintenance and Administrative Costs	32,478	16,464	2,800	9,007	4,207
Electrical power					
Jenner, Acme and Crawling Valley	3,871	3,871	-	-	-
De/re Facilities at Empress	6,960	6,960	-	-	-
BC	923	-	-	923	-
Saskatchewan	787	-	-	-	787
	<u>12,541</u>	<u>10,831</u>	<u>-</u>	<u>923</u>	<u>787</u>
Compressor Repair	3,240	505	-	1,300	1,435
Pipeline Integrity Program	13,059	2,547	3,817	5,292	1,403
Government Agency Costs Recovery	<u>4,283</u>	<u>2,135</u>	<u>326</u>	<u>1,119</u>	<u>704</u>
Total	<u><u>65,602</u></u>	<u><u>32,482</u></u>	<u><u>6,943</u></u>	<u><u>17,641</u></u>	<u><u>8,536</u></u>

SCHEDULE B

Page 1 of 2

**DEEMED AVERAGE CAPITALIZATION AND
RETURN ON RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2020**

ZONE 6

	AMOUNT (\$000)	RATIO %	COST RATE %	COST COMPONENT %
Debt - Funded	35,560	54.88	2.50	1.37
- Unfunded/(Prefunded)	3,314	5.12	2.75	0.14
	<u>38,874</u>	<u>60.00</u>		<u>1.51</u>
Common Equity	25,916	40.00	10.10	4.04
	<u>64,790</u>	<u>100.00</u>		<u>5.55</u>
Rate Base	61,064			
GPUC	<u>3,726</u>			
Total Capitalization	<u>64,790</u>			
Return on Rate Base	<u>3,389</u>	=	61,064	X 5.55%

ZONE 7

	AMOUNT (\$000)	RATIO %	COST RATE %	COST COMPONENT %
Debt - Funded	910	40.50	2.50	1.01
- Unfunded/(Prefunded)	438	19.50	2.75	0.54
	<u>1,348</u>	<u>60.00</u>		<u>1.55</u>
Common Equity	898	40.00	10.10	4.04
	<u>2,246</u>	<u>100.00</u>		<u>5.59</u>
Rate Base	2,204			
GPUC	<u>42</u>			
Total Capitalization	<u>2,246</u>			
Return on Rate Base	<u>123</u>	=	2,204	X 5.59%

SCHEDULE B

**DEEMED AVERAGE CAPITALIZATION AND
RETURN ON RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2020**

ZONE 8

	AMOUNT (\$000)	RATIO %	COST RATE %	COST COMPONENT %
Debt - Funded	75,460	42.38	2.50	1.06
- Unfunded/(Prefunded)	<u>31,371</u>	<u>17.62</u>	2.75	<u>0.47</u>
	106,831	60.00		1.53
Common Equity	<u>71,220</u>	<u>40.00</u>	10.10	<u>4.04</u>
Total Capitalization	<u><u>178,051</u></u>	<u><u>100.00</u></u>		<u><u>5.57</u></u>
Rate Base	174,261			
GPUC	<u>3,790</u>			
Total Capitalization	<u><u>178,051</u></u>			
Return on Rate Base	<u><u>9,706</u></u>	=	174,261	X 5.57%

ZONE 9

	AMOUNT (\$000)	RATIO %	COST RATE %	COST COMPONENT %
Debt - Funded	63,070	58.83	2.50	1.47
- Unfunded/(Prefunded)	<u>1,251</u>	<u>1.17</u>	2.75	<u>0.04</u>
	64,321	60.00		1.51
Common Equity	<u>42,880</u>	<u>40.00</u>	10.10	<u>4.04</u>
Total Capitalization	<u><u>107,201</u></u>	<u><u>100.00</u></u>		<u><u>5.55</u></u>
Rate Base	102,181			
GPUC	<u>5,020</u>			
Total Capitalization	<u><u>107,201</u></u>			
Return on Rate Base	<u><u>5,671</u></u>	=	102,181	X 5.55%

SCHEDULE B-1

Page 1 of 2

RATE BASE - 2020

(\$000)

ZONE 6

Month	Net Plant Month End	Materials Supplies & Prepaid	Working Capital	Linepack	Rate Base End Month
January Opening Balance	53,765	993	6,003	2,577	63,338
January	53,787	992	4,385	2,577	61,741
February	54,343	992	4,489	2,577	62,401
March	53,909	992	4,563	2,577	62,041
April	53,144	991	4,045	2,577	60,757
May	52,545	991	4,451	2,577	60,564
June	53,195	990	5,740	2,577	62,502
July	52,839	990	4,361	2,577	60,767
August	51,595	989	4,736	2,577	59,897
September	50,572	989	4,538	2,577	58,676
October	49,974	989	4,730	2,577	58,270
November	52,233	988	5,730	2,577	61,528
December	51,823	988	5,962	2,577	61,350
Average Rate Base - 13 Month					<u><u>61,064</u></u>

ZONE 7

Month	Net Plant Month End	Materials Supplies & Prepaid	Working Capital	Linepack	Rate Base End Month
January Opening Balance	229	-	600	1,039	1,868
January	177	-	410	1,039	1,626
February	176	-	1,178	1,039	2,393
March	175	-	494	1,039	1,708
April	174	-	512	1,039	1,725
May	173	-	503	1,039	1,715
June	473	-	1,727	1,039	3,239
July	458	-	2,359	1,039	3,856
August	394	-	875	1,039	2,308
September	357	-	779	1,039	2,175
October	301	-	1,250	1,039	2,590
November	320	-	18	1,039	1,377
December	309	-	718	1,039	2,066
Average Rate Base - 13 Month					<u><u>2,204</u></u>

RATE BASE - 2020

(\$000)

ZONE 8

Month	Net Plant Month End	Materials Supplies & Prepaid	Working Capital	Linepack	Rate Base End Month
January Opening Balance	153,820	2,030	6,871	1,473	164,194
January	152,388	2,030	5,018	1,473	160,909
February	152,128	2,029	5,387	1,473	161,017
March	151,707	2,029	5,394	1,473	160,603
April	152,294	2,028	5,399	1,473	161,194
May	155,624	2,028	5,684	1,473	164,809
June	168,461	2,027	5,672	1,473	177,633
July	175,230	2,027	5,287	1,473	184,017
August	175,329	2,027	5,933	1,473	184,762
September	175,649	2,026	5,468	1,473	184,616
October	177,192	2,026	6,617	1,473	187,308
November	177,292	2,025	6,487	1,473	187,277
December	177,460	2,025	6,099	1,473	187,057
Average Rate Base - 13 Month					<u><u>174,261</u></u>

ZONE 9

Month	Net Plant Month End	Materials Supplies & Prepaid	Working Capital	Linepack	Rate Base End Month
January Opening Balance	104,272	751	2,230	2,316	109,569
January	102,873	751	691	2,316	106,631
February	101,302	750	1,273	2,316	105,641
March	100,030	750	1,374	2,316	104,470
April	98,895	749	1,119	2,316	103,079
May	97,683	749	864	2,316	101,612
June	96,483	749	2,410	2,316	101,958
July	95,446	748	1,742	2,316	100,252
August	94,048	748	1,672	2,316	98,784
September	92,674	747	1,909	2,316	97,646
October	95,837	747	1,561	2,316	100,461
November	94,634	746	1,715	2,316	99,411
December	93,881	746	1,893	2,316	98,836
Average Rate Base - 13 Month					<u><u>102,181</u></u>

**DEPRECIATION AND AMORTIZATION
FOR THE PERIOD ENDING DECEMBER 31, 2020**

(\$000)

ZONE 6

Month	Depreciation	Amortization	Depreciation & Amortization
January	1,019	-	1,019
February	722	-	722
March	728	-	728
April	893	-	893
May	730	-	730
June	729	-	729
July	1,501	-	1,501
August	1,504	-	1,504
September	1,405	-	1,405
October	938	-	938
November	822	-	822
December	845	-	845
TOTAL	<u><u>11,836</u></u>	<u><u>-</u></u>	<u><u>11,836</u></u>

ZONE 7

Month	Depreciation	Amortization	Depreciation & Amortization
January	57	-	57
February	7	-	7
March	7	-	7
April	7	-	7
May	7	-	7
June	7	-	7
July	196	-	196
August	196	-	196
September	197	-	197
October	198	-	198
November	143	-	143
December	165	-	165
TOTAL	<u><u>1,186</u></u>	<u><u>-</u></u>	<u><u>1,186</u></u>

**DEPRECIATION AND AMORTIZATION
FOR THE PERIOD ENDING DECEMBER 31, 2020**

(\$000)

ZONE 8

Month	Depreciation	Amortization	Depreciation & Amortization
January	1,809	-	1,809
February	1,833	-	1,833
March	1,840	-	1,840
April	1,844	-	1,844
May	1,850	-	1,850
June	1,863	-	1,863
July	1,900	-	1,900
August	1,921	-	1,921
September	1,926	-	1,926
October	1,932	-	1,932
November	1,940	-	1,940
December	1,945	-	1,945
TOTAL	<u><u>22,603</u></u>	<u><u>-</u></u>	<u><u>22,603</u></u>

ZONE 9

Month	Depreciation	Amortization	Depreciation & Amortization
January	1,640	-	1,640
February	1,710	-	1,710
March	1,711	-	1,711
April	1,713	-	1,713
May	1,715	-	1,715
June	1,717	-	1,717
July	1,718	-	1,718
August	1,721	-	1,721
September	1,722	-	1,722
October	1,723	-	1,723
November	1,736	-	1,736
December	1,737	-	1,737
TOTAL	<u><u>20,564</u></u>	<u><u>-</u></u>	<u><u>20,564</u></u>

DEPRECIATION BY ACCOUNT - 2020

(\$000)

ZONE 6

CER Account No and Description	Depreciation Rate	Gross Plant at 31-Dec-2019	Additions & Retirements	Gross Plant at 31-Dec-2020	Depreciation For Year
460-Land	0.00%	222	-	222	-
461-Land Rights	3.00%	3,412	-	3,412	-
462-Compressor Structures	3.00%	34,621	-	34,621	1,039
465-Pipeline Mains	3.00%	309,327	2,951	312,278	3,172
466-Compressor Equipment	3.00%	174,397	6,536	180,933	5,311
466-Compressor Overhaul	7.69%	24,393	-	24,393	1,876
468-Communications	3.00%	74	-	74	2
482-Leasehold Improvements	10.00%	923	1	924	67
483-Computer Equipment	24.41%	1,656	(282)	1,374	309
483-Office Furniture & Equipment	8.90%	310	-	310	28
484-Transportation Equipment	30.00%	78	(35)	43	23
485-Heavy Work Equipment	2.19%	80	-	80	-
486-Tools & Work Equipment	2.01%	599	-	599	-
488-Communication STR	5.21%	139	74	213	9
496-Unclassified Plant	3.00%	8,836	-	8,836	-
TOTAL Gas Plant in Service		<u>559,067</u>	<u>9,245</u>	<u>568,312</u>	<u>11,836</u>
Composite Depreciation Rate	2.10%				

DEPRECIATION BY MONTH - 2020

(\$000)

Month	Gross Plant Start Month	Additions In Month	Retirements In Month	Gross Plant End Month	Depreciation By Month
January	559,067	1,041	-	560,108	1,019
February	560,108	1,279	-	561,387	722
March	561,387	294	-	561,681	728
April	561,681	129	-	561,810	893
May	561,810	129	-	561,939	730
June	561,939	1,380	-	563,319	729
July	563,319	1,144	-	564,463	1,501
August	564,463	259	-	564,722	1,504
September	564,722	382	-	565,104	1,405
October	565,104	340	-	565,444	938
November	565,444	3,081	-	568,525	822
December	568,525	435	(648)	568,312	845
TOTAL		<u>9,893</u>	<u>(648)</u>		<u>11,836</u>

DEPRECIATION BY ACCOUNT - 2020

(\$000)

ZONE 7

CER Account No and Description	Depreciation Rate	Gross Plant at 31-Dec-2019	Additions & Retirements	Gross Plant at 31-Dec-2020	Depreciation For Year
461-Land Rights	3.00%	1,081	-	1,081	-
465-Pipeline Mains	3.00%	75,060	1,195	76,255	1,098
482-Leasehold Improvements	10.00%	133	-	133	5
483-Computer Equipment	24.41%	313	(58)	255	77
483-Office Furniture & Equipment	8.90%	47	1	48	4
486-Tools & Work Equipment	2.01%	27	-	27	-
488-Communication STR	5.21%	25	12	37	2
496-Unclassified Plant	3.00%	23,072	-	23,072	-
TOTAL Gas Plant in Service		<u>99,758</u>	<u>1,150</u>	<u>100,908</u>	<u>1,186</u>
Composite Depreciation Rate	1.18%				

DEPRECIATION BY MONTH - 2020

(\$000)

Month	Gross Plant Start Month	Additions In Month	Retirements In Month	Gross Plant End Month	Depreciation By Month
January	99,758	5	-	99,763	57
February	99,763	6	-	99,769	7
March	99,769	6	-	99,775	7
April	99,775	6	-	99,781	7
May	99,781	5	-	99,786	7
June	99,786	308	-	100,094	7
July	100,094	181	-	100,275	196
August	100,275	132	-	100,407	196
September	100,407	160	-	100,567	197
October	100,567	141	-	100,708	198
November	100,708	162	-	100,870	143
December	100,870	154	(116)	100,908	164
TOTAL		<u>1,266</u>	<u>(116)</u>		<u>1,186</u>

SCHEDULE C-1

DEPRECIATION BY ACCOUNT - 2020

(\$000)

ZONE 8

CER Account No and Description	Depreciation Rate	Gross Plant at 31-Dec-2019	Additions & Retirements	Gross Plant at 31-Dec-2020	Depreciation For Year
401-Franchises and Consents	0.00%	468	-	468	-
402-Other Intangibles	3.00%	3,367	-	3,367	101
460-Land	0.00%	51	-	51	-
461-Land Rights	3.00%	874	-	874	-
462-Compressor Structures	3.00%	21,375	-	21,375	641
463-Meas & Reg Structures	3.00%	1,773	-	1,773	53
465-Pipeline Mains	3.00%	311,200	19,250	330,450	9,610
466-Compressor Equipment	3.00%	250,942	26,513	277,455	7,857
466-Compressor Overhaul	7.69%	40,973	-	40,973	3,150
467-Meas & Reg Equipment	3.00%	13,792	1	13,793	414
468-Communications	3.00%	451	-	451	14
482-Leasehold Improvements	10.00%	335	2	337	34
482-Leasehold Improvements	6.67%	205	-	205	(1)
482-Leasehold Improvements	5.61%	597	-	597	60
483-Computer Equipment	24.41%	2,729	307	3,036	432
483-Office Furniture & Equipment	8.90%	220	1	221	-
484-Transportation Equipment	30.00%	617	-	617	-
485-Heavy Work Equipment	2.19%	918	-	918	20
486-Tools & Work Equipment	2.01%	2,476	-	2,476	50
488-Communication STR	5.21%	605	86	691	34
496-Unclassified Plant	3.00%	4,469	-	4,469	134
TOTAL Gas Plant in Service		<u>658,437</u>	<u>46,160</u>	<u>704,597</u>	<u>22,603</u>
Composite Depreciation Rate	3.32%				

DEPRECIATION BY MONTH - 2020

(\$000)

Month	Gross Plant Start Month	Additions In Month	Retirements In Month	Gross Plant End Month	Depreciation By Month
January	658,437	377	-	658,814	1,809
February	658,814	1,572	-	660,386	1,833
March	660,386	1,420	-	661,806	1,840
April	661,806	2,430	-	664,236	1,844
May	664,236	5,180	-	669,416	1,850
June	669,416	14,699	-	684,115	1,863
July	684,115	8,668	-	692,783	1,900
August	692,783	2,020	-	694,803	1,921
September	694,803	2,247	-	697,050	1,926
October	697,050	3,475	-	700,525	1,932
November	700,525	2,040	-	702,565	1,940
December	702,565	2,114	(82)	704,597	1,945
TOTAL		<u>46,242</u>	<u>(82)</u>		<u>22,603</u>

DEPRECIATION BY ACCOUNT - 2020

(\$000)

ZONE 9

CER Account No and Description	Depreciation Rate	Gross Plant at 31-Dec-2019	Additions & Retirements	Gross Plant at 31-Dec-2020	Depreciation For Year
460-Land	0.00%	130	-	130	-
461-Land Rights	3.00%	1,307	-	1,307	-
462-Compressor Structures	3.00%	41,655	-	41,655	1,250
463-Meas & Reg Structures	3.00%	4,496	-	4,496	135
464-Other Structures	3.00%	1,632	-	1,632	49
465-Pipeline Mains	3.00%	334,528	2,417	336,945	10,062
466-Compressor Equipment	3.00%	205,084	2,996	208,080	6,187
466-Compressor Overhaul	7.69%	20,652	-	20,652	1,588
467-Meas & Reg Equipment	3.00%	17,095	4,311	21,406	534
468-Communications	3.00%	637	-	637	19
482-Leasehold Improvements	10.00%	654	2	656	10
483-Computer Equipment	24.41%	1,882	245	2,127	466
483-Office Furniture & Equipment	8.90%	167	-	167	15
484-Transportation Equipment	30.00%	351	(42)	309	(69)
485-Heavy Work Equipment	2.19%	172	-	172	-
486-Tools & Work Equipment	2.01%	735	-	735	-
488-Communication STR	5.21%	162	80	242	10
496-Unclassified Plant	3.00%	10,254	-	10,254	308
TOTAL Gas Plant in Service		<u>641,593</u>	<u>10,009</u>	<u>651,602</u>	<u>20,564</u>
Composite Depreciation Rate	3.18%				

DEPRECIATION BY MONTH - 2020

(\$000)

Month	Gross Plant Start Month	Additions In Month	Retirements In Month	Gross Plant End Month	Depreciation By Month
January	641,593	241	-	641,834	1,640
February	641,834	139	-	641,973	1,710
March	641,973	439	-	642,412	1,711
April	642,412	577	-	642,989	1,713
May	642,989	503	-	643,492	1,715
June	643,492	517	-	644,009	1,717
July	644,009	681	-	644,690	1,718
August	644,690	323	-	645,013	1,721
September	645,013	348	-	645,361	1,722
October	645,361	4,886	-	650,247	1,723
November	650,247	533	-	650,780	1,736
December	650,780	985	(163)	651,602	1,738
TOTAL		<u>10,172</u>	<u>(163)</u>		<u>20,564</u>

SCHEDULE D

**TAXES: INCOME AND OTHER
FOR THE YEAR ENDING DECEMBER 31, 2020**

(\$000)

	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>	<u>Zone 9</u>
Return on Rate Base	3,389	123	9,706	5,671
Add:				
Depreciation and Amortization	11,836	1,186	22,603	20,564
Deduct:				
Return on Debt	922	34	2,666	1,543
Capital Cost Allowance	4,630	628	10,655	6,719
Compressor Overhaul Capitalized	-	-	-	-
Total Taxable Amount	<u>9,673</u>	<u>647</u>	<u>18,988</u>	<u>17,973</u>
Income Tax Rate (R)	26.04%	26.04%	26.04%	26.04%
Income Tax Provision (at R/(1-R) x Taxable Amount)	3,405	228	6,684	6,327
Taxes - Other than Income Tax	3,546	859	7,706	4,765
Total Taxes: Income and Other	<u><u>6,951</u></u>	<u><u>1,087</u></u>	<u><u>14,390</u></u>	<u><u>11,092</u></u>

ADJUSTMENT FOR (OVER) OR UNDER COLLECTION

(\$000)

ZONE 6

	<u>2018 Forecast</u>	<u>2018 Actual</u>	<u>2019 Forecast</u>		
Cost of Service					
Operating & Maintenance	27,526	26,126			28,479
Return on Rate Base	3,360	3,321			3,494
Depreciation & Amortization	12,051	12,062			10,101
Taxes: Income and Other	5,597	5,542			6,331
Emissions Compliance Costs	2,878	2,878			3,865
Methane Emissions Costs	-	-			536
Sub-Total	<u>51,412</u>	<u>49,929</u>			<u>52,806</u>
Adjustments:					
Previous (Over) / Under	(1,893)	(1,893)			(2,728)
Overrun Service	-	-			-
Total Firm Revenue Requirement	<u>49,519</u>	<u>48,036</u>			<u>50,078</u>
Service Revenue					
FT Service	53,734	53,733			53,603
Total Revenue Generated	<u>53,734</u>	<u>53,733</u>			<u>53,603</u>
Variance	<u>2018¹</u>	<u>2018</u>	<u>2018²</u>	<u>2019³</u>	<u>Total⁴</u>
Revenue Required minus Revenue Generated	(4,215)	(5,697)	(1,482)	(3,525)	(5,007)
Interest on Variance	(130)	(132)	(2)	(97)	(99)
BILLING ADJUSTMENT FOR TEST YEAR	<u>(4,345)</u>	<u>(5,829)</u>	<u>(1,484)</u>	<u>(3,622)</u>	<u>(5,106)</u>

ZONE 7

	<u>2018 Forecast</u>	<u>2018 Actual</u>	<u>2019 Forecast</u>		
Cost of Service					
Operating & Maintenance	5,941	4,251			3,991
Return on Rate Base	100	90			97
Depreciation & Amortization	272	272			658
Taxes: Income and Other	710	677			877
Methane Emissions Costs	-	-			83
Sub-Total	<u>7,023</u>	<u>5,290</u>			<u>5,706</u>
Adjustments:					
Previous (Over) / Under	(2,501)	(2,501)			(1,394)
Overrun Service	-	-			-
Total Firm Revenue Requirement	<u>4,522</u>	<u>2,789</u>			<u>4,312</u>
Service Revenue					
FT Service	5,435	5,432			4,598
Total Revenue Generated	<u>5,435</u>	<u>5,432</u>			<u>4,598</u>
Variance	<u>2018¹</u>	<u>2018</u>	<u>2018²</u>	<u>2019³</u>	<u>Total⁴</u>
Revenue Required minus Revenue Generated	(913)	(2,643)	(1,730)	(286)	(2,016)
Interest on Variance	(28)	(61)	(33)	(8)	(41)
BILLING ADJUSTMENT FOR TEST YEAR	<u>(941)</u>	<u>(2,704)</u>	<u>(1,763)</u>	<u>(294)</u>	<u>(2,057)</u>

Notes:

- Forecast 2018 as identified in the 2019 rates application.
- Estimate/Actual (over)/under collection from 2018.
- 2019 estimated (over)/under collection.
- Total adjustment from 2018 and 2019.

ADJUSTMENT FOR (OVER) OR UNDER COLLECTION

(\$000)

ZONE 8

	<u>2018 Forecast</u>	<u>2018 Actual</u>	<u>2019 Forecast</u>		
Cost of Service					
Operating & Maintenance	20,182	20,084		20,063	
Return on Rate Base	7,599	7,328		8,068	
Depreciation & Amortization	21,630	21,475		21,484	
Taxes: Income and Other	12,238	12,449		12,952	
Emissions Compliance Costs	11,900	11,876		16,660	
Fuel Tax	4,352	4,318		5,018	
Methane Emissions Costs	-	-		279	
Sub-Total	<u>77,901</u>	<u>77,530</u>		<u>84,524</u>	
Adjustments:					
Previous (Over) / Under	(6,587)	(6,587)		4,069	
STFT & IT Service	<u>(2,798)</u>	<u>(3,246)</u>		<u>(3,516)</u>	
Total Firm Revenue Requirement	<u>68,516</u>	<u>67,698</u>		<u>85,077</u>	
Service Revenue					
FT Service	<u>64,667</u>	<u>66,670</u>		<u>84,975</u>	
Total Revenue Generated	<u>64,667</u>	<u>66,670</u>		<u>84,975</u>	
Variance	<u>2018¹</u>	<u>2018</u>	<u>2018²</u>	<u>2019³</u>	<u>Total⁴</u>
Revenue Required minus Revenue Generated	3,849	1,028	(2,821)	102	(2,719)
Interest on Variance	<u>119</u>	<u>24</u>	<u>(95)</u>	<u>3</u>	<u>(92)</u>
BILLING ADJUSTMENT FOR TEST YEAR	<u>3,968</u>	<u>1,052</u>	<u>(2,916)</u>	<u>105</u>	<u>(2,811)</u>

ZONE 9

	<u>2018 Forecast</u>	<u>2018 Actual</u>	<u>2019 Forecast</u>		
Cost of Service					
Operating & Maintenance	9,115	8,462		10,397	
Return on Rate Base	5,989	5,973		6,176	
Depreciation & Amortization	20,289	20,280		20,471	
Taxes: Income and Other	10,532	10,592		11,613	
Emissions Compliance Costs	-	-		1,679	
Fuel Tax	423	349		576	
Methane Emissions Costs	-	-		163	
Sub-Total	<u>46,348</u>	<u>45,656</u>		<u>51,075</u>	
Adjustments:					
Previous (Over) / Under	(3,587)	(3,587)		9,934	
STFT, IT & SGS Service	<u>(8,339)</u>	<u>(7,863)</u>		<u>(12,742)</u>	
Total Firm Revenue Requirement	<u>34,422</u>	<u>34,206</u>		<u>48,267</u>	
Service Revenue					
FT Service	<u>26,273</u>	<u>25,876</u>		<u>50,869</u>	
Total Revenue Generated	<u>26,273</u>	<u>25,876</u>		<u>50,869</u>	
Variance	<u>2018¹</u>	<u>2018</u>	<u>2018²</u>	<u>2019³</u>	<u>Total⁴</u>
Revenue Required minus Revenue Generated	8,149	8,330	181	(2,602)	(2,421)
Interest on Variance	<u>251</u>	<u>194</u>	<u>(57)</u>	<u>(72)</u>	<u>(129)</u>
BILLING ADJUSTMENT FOR TEST YEAR	<u>8,400</u>	<u>8,524</u>	<u>124</u>	<u>(2,674)</u>	<u>(2,550)</u>

Notes:

1. Forecast 2018 as identified in the 2019 rates application.
2. Estimate/Actual (over)/under collection from 2018.
3. 2019 estimated (over)/under collection.
4. Total adjustment from 2018 and 2019.

SCHEDULE F

FIRM TRANSPORTATION VOLUMES AND HAUL DISTANCE

SHIPPER	Annual Average MDQ (TJ/d)	Haul Distance (Km)	Annual Average MDQ x Dist. (TJ x Km)	Zone Allocation (%)
Zone 6				
NOVA Gas Transmission Ltd.	2,159.678	378.49	817,416.5262	
	<u>2,159.678</u>		<u>817,416.5262</u>	50.08%
Zone 7				
NOVA Gas Transmission Ltd.	1,120.886	124.03	139,023.4906	
	<u>1,120.886</u>		<u>139,023.4906</u>	8.52%
Zone 8				
Access Gas Services Inc.	0.350	170.70	59.7450	
ARC Resources Ltd.	80.365	170.70	13,718.3102	
Avista Corporation	216.237	170.70	36,911.6559	
BP Canada Energy Group ULC	33.302	170.70	5,684.6514	
Canadian Natural Resources	52.508	170.70	8,963.0531	
Cascade Natural Gas Corporation	29.400	170.70	5,018.6015	
Castleton Commodities Merchant Trading L.P.	67.543	170.70	11,529.5901	
Cenovus Energy Inc.	51.631	170.70	8,813.4117	
CIMA ENERGY, LP	3.166	170.70	540.4614	
City of Glendale	4.362	170.70	744.5934	
City of Pasadena	4.362	170.70	744.5934	
Encana Corporation	119.181	170.70	20,344.1967	
FortisBC Energy Inc.	150.116	170.70	25,624.8115	
Hammerhead Resources Inc.	14.401	170.70	2,458.2759	
Husky Oil Operations Limited	12.500	170.70	2,133.7500	
Intermountain Gas Company	116.930	170.70	19,959.8913	
Jupiter Resources Inc.	49.250	170.70	8,406.9750	
Labatt Brewing Company Limited	0.270	170.70	46.0890	
Mercuria Commodities Canada Corporation	173.000	170.70	29,531.1000	
Murphy Canada, Ltd.	33.382	170.70	5,698.3494	
Northern California Power Agency	2.967	170.70	506.4669	
Northwest Natural Gas Company	157.267	170.70	26,845.4769	
NuVista Energy Ltd.	40.000	170.70	6,828.0000	
Pacific Gas and Electric Company	386.355	170.70	65,950.7985	
PacifiCorp	16.142	170.70	2,755.4394	
Paramount Resources Ltd.	21.187	170.70	3,616.6209	
Portland General Electric Company	128.122	170.70	21,870.4254	
Powerex Corp.	43.600	170.70	7,442.5200	
Puget Sound Energy, Inc.	126.160	170.70	21,535.5120	
Repsol Canada Energy Partnership	4.406	170.70	752.1042	
Sacramento Municipal Utility District	24.034	170.70	4,102.6038	
Seven Generations Energy Ltd.	62.819	170.70	10,723.2061	
Shell Energy North America (Canada) Inc.	69.175	170.70	11,808.1725	
Sierra Pacific Power Company	136.031	170.70	23,220.4917	
Southern California Gas Company	56.783	170.70	9,692.8581	
Tenaska Marketing Canada, a division of TMV Corp.	22.178	170.70	3,785.7156	
Tourmaline Oil Corp.	317.700	170.70	54,231.3900	
Turlock Irrigation District	17.098	170.70	2,918.6286	
	<u>2,844.280</u>		<u>485,518.536</u>	29.74%
Zone 9				
BP Canada Energy Group ULC	27.344	258.97	7,081.3188	
EDF Trading North America, LLC	117.609	258.97	30,457.0732	
Hammerhead Resources Inc.	1.601	258.97	414.7277	
Husky Oil Operations Limited	100.000	258.97	25,897.0000	
MDU Resources Group, Inc.	10.656	258.97	2,759.5843	
NJR Energy Services Company	30.000	258.97	7,769.1000	
Sequent Energy Canada Corp.	38.628	258.97	10,003.3672	
Shell Energy North America (Canada) Inc.	12.467	258.97	3,228.5146	
Tenaska Marketing Canada, a division of TMV Corp.	278.500	258.97	72,123.1450	
Tidal Energy Marketing Inc.	27.133	258.97	7,026.7193	
Tourmaline Oil Corp.	10.656	258.97	2,759.5843	
TransGas Limited	148.000	92.00	13,616.0000	
TransGas Limited	150.000	48.00	7,200.0000	
	<u>952.594</u>		<u>190,336.135</u>	11.66%

SCHEDULE G

ABANDONMENT SURCHARGE CALCULATIONS

Abandonment Surcharge calculations reflect the last approved ACE¹ and the last approved ACA, which is approximately \$7.83 million². The adjusted Foothills ACA is comprised of the Foothills ACA and tax true-ups totaling \$21 thousand to be contributed by Foothills³.

	Total	Zone 6	Zone 7	Zone 8	Zone 9
Billing Determinants (GJ/year)	2,590,342,076	790,442,148	410,244,276	1,041,006,352	348,649,300
Percentage of Total BDs	100.0%	30.51%	15.84%	40.19%	13.46%

Monthly Abandonment Surcharge Calculation
 (ACA) / (Total Foothills Billing Determinants) =
 (\$7.81 Million/year) / (2,590,342,076 GJ/year) * (366/12) = **0.0919685746 \$/GJ/Month**

Daily Abandonment Surcharge Calculation
 (ACA) / (Total Foothills Billing Determinants)
 (\$7.81 Million/year) / 2,590,342,076 GJ/year = **0.0030153631 \$/GJ/Day**

Note(s):

¹ NEB Letter Decision on Group 1 ACE Review 2016 Filings dated April 18, 2018 [Filing ID: A91357].

² NEB Letter on Foothills Revised Abandonment Surcharges dated June 18, 2019 [Filing ID: C00011].

³ Tax True-ups are amounts to be retained and/or contributed by Foothills related to (a) the tax differential arising from accrued surcharges receivable but not received in 2018, and (b) adjustment for the tax rate differential between Foothills and the Trust on income earned in the Trust.

Attachment 2

**Foothills Pipe Lines Ltd.
Table of Effective Rates
Blackline Version
Effective 2020 Rates**

TABLE OF EFFECTIVE RATES

1. Rate Schedule FT, Firm Transportation Service

	Demand Rate (\$/GJ/Km/Month)
Zone 6	<u>0.0056645474</u> 0.0053689132
Zone 7	<u>0.0045283284</u> 0.0029594363
Zone 8*	<u>0.0146950612</u> 0.0163193182
Zone 9	<u>0.0170835998</u> 0.0169980422

2. Rate Schedule OT, Overrun Transportation Service

	Commodity Rate (\$/GJ/Km)
Zone 6	<u>0.0002042952</u> 0.0001941634
Zone 7	<u>0.0001633168</u> 0.0001070262

3. Rate Schedule IT, Interruptible Transportation Service

	Commodity Rate (\$/GJ/Km)
Zone 8	<u>0.0005299858</u> 0.0005901781
Zone 9	<u>0.0006161298</u> 0.0006147237

4. Monthly Abandonment Surcharge**

All Zones	<u>0.0919685746</u> 0.0900602551 (\$/GJ/Month)
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5. Daily Abandonment Surcharge***

All Zones	<u>0.0030153631</u> 0.0029608851 (\$/GJ/Day)
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* For Zone 8, Shippers Haul Distance shall be 170.7 km.

**Monthly Abandonment Surcharge applicable to Rate Schedule Firm Transportation Service, and Short Term Firm Transportation Service for all zones.

***Daily Abandonment Surcharge applicable to Rate Schedule Overrun Transportation Service for Zone 6 & 7, Interruptible Transportation Service for Zone 8 & 9, and Small General Service for Zone 9.

Attachment 3

**Foothills Pipe Lines Ltd.
Table of Effective Rates
Clean Version
Effective 2020 Rates**

TABLE OF EFFECTIVE RATES
1. Rate Schedule FT, Firm Transportation Service

	Demand Rate (\$/GJ/Km/Month)
Zone 6	0.0056645474
Zone 7	0.0045283284
Zone 8*	0.0146950612
Zone 9	0.0170835998

2. Rate Schedule OT, Overrun Transportation Service

	Commodity Rate (\$/GJ/Km)
Zone 6	0.0002042952
Zone 7	0.0001633168

3. Rate Schedule IT, Interruptible Transportation Service

	Commodity Rate (\$/GJ/Km)
Zone 8	0.0005299858
Zone 9	0.0006161298

4. Monthly Abandonment Surcharge**

All Zones	0.0919685746 (\$/GJ/Month)
-----------	----------------------------

5. Daily Abandonment Surcharge***

All Zones	0.0030153631 (\$/GJ/Day)
-----------	--------------------------

* For Zone 8, Shippers Haul Distance shall be 170.7 km.

**Monthly Abandonment Surcharge applicable to Rate Schedule Firm Transportation Service, and Short Term Firm Transportation Service for all zones.

***Daily Abandonment Surcharge applicable to Rate Schedule Overrun Transportation Service for Zone 6 & 7, Interruptible Transportation Service for Zone 8 & 9, and Small General Service for Zone 9.