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May 14, 2025

Filed Electronically

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

Attention: Ramona Sladic, Secretary of the Commission

Dear Ramona Sladic:

**Re: Foothills Pipe Lines Ltd. (Foothills)
Application for Approval of Reimbursement for Reclamation Obligations Costs
Incurred to February 28, 2025 (Application)
Amendment to Application**

On March 20, 2025, Foothills filed the Application with the Commission for approval of reimbursement from the Foothills Pipeline Trust for Reclamation Obligations¹ costs incurred to February 28, 2025.²

Foothills encloses blackline pages of the amendments to the Application to revise the amount for which Foothills seeks reimbursement. The amendment is required to address an administrative error. The effect of this revision is that the total amount for which Foothills seeks reimbursement for the Reclamation Obligations under the Application has been reduced from \$5,590,245 to \$5,548,615.

If the Commission has questions about the Application, please contact me or Foothills' representatives listed in the Application.

Yours truly,
Foothills Pipe Lines Ltd.

Original signed by

Matthew Wharton
Manager, Regulatory Tolls and Tariffs
Canadian Natural Gas Pipelines

Enclosure

cc: Foothills System Customers

¹ As defined in the Trust Agreement.

² Filing ID: C33841.

CANADA ENERGY REGULATOR

IN THE MATTER OF the *Canadian Energy Regulator Act*
and the Regulations made thereunder;

AND IN THE MATTER OF an Application by Foothills Pipe
Lines Ltd., pursuant to directions contained in the MH-001-2013
Decision and Sections 4.04 and 4.05(a)(i) of the Amended and
Restated Foothills Pipeline Trust Agreement for Commission
approval of reimbursement from the Foothills Pipeline Trust for
Reclamation Obligations costs incurred to February 28, 2025.

FOOTHILLS PIPE LINES LTD.

**APPLICATION FOR APPROVAL OF REIMBURSEMENT FOR
RECLAMATION OBLIGATIONS COSTS INCURRED TO FEBRUARY 28, 2025**

MARCH 2025
AMENDED MAY 2025

To: The Secretary
Canada Energy Regulator
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta
T2R 0A8

9. Foothills completed a number of decommissioning activities authorized pursuant to Decommissioning Exemption Order XG/XO-100-2008 (Decommissioning Exemption Projects or DEPs).
10. Through the Application, Foothills seeks reimbursement of the actual costs incurred for the authorized projects identified in Appendix 1 (Reclamation Obligations Projects). As at February 28, 2025, the actual costs incurred for the Reclamation Obligations Projects subject to this Application is ~~\$5,590,245~~\$5,548,615 which is the amount for which Foothills is seeking reimbursement from the Trust (Reclamation Obligations).
11. The Reclamation Obligations subject to this Application consist of ~~\$5,590,245~~\$5,548,615 of costs associated with the authorized decommissioning activities that have been completed, as detailed in Appendix 1, Table 1.
12. Qualifying activities intended to be funded from the Trust as Reclamation Obligations meet the following three criteria:
 - 1) the costs for which reimbursement is being sought are costs that were incurred to perform qualifying Reclamation Obligations;
 - 2) the costs are reflected in Foothills' Abandonment Cost Estimate (ACE) approved by the Commission; and
 - 3) the Reclamation Obligations for which reimbursement is being sought reflect a level of activities and costs that are consistent with those addressed in Foothills' Funding Plan.
13. The Reclamation Obligations that are requested for reimbursement are for facilities and costs that are reflected in the derivation of the ACE for the Foothills System approved as part of the 2021 ACE Review (2021 ACE).⁴ The Reclamation Obligations do not include DEPs where a decommissioned facility was replaced by a similar facility authorized pursuant to Streamlining Order XG/XO-100-2012, as such replacement would not reduce the number of facilities to be abandoned that are reflected in the 2021 ACE.
14. The Reclamation Obligations subject to the Application reflect a level of activities and costs that is consistent with those addressed in the Foothills System Funding Plan included in the 2021 ACE Review (2021 Review Funding Plan).⁵ Funding from the Trust is not expected to have a material impact on the coverage for other future costs of decommissioning and abandonment activities for the Foothills System.

⁴ The Foothills system's 2021 ACE was approved on March 27, 2024 (Filing IDs: C29054 and C28982).

⁵ See the Set-Aside and Collection Mechanisms submission, Attachment 1 – Abandonment Funding Plan (Filing ID: C26570).

Conclusion

21. The costs of the Reclamation Obligations were prudently incurred and reflect qualifying activities intended to be funded from the Trust. Authorizing the reimbursement of these costs is appropriate and impacts on the coverage for other future costs of Reclamation Obligations have been addressed in the 2021 Review Funding Plan.

Relief Requested

22. Foothills requests an order of the Commission:
- (a) authorizing the Trustee of the Trust Agreement to release
~~\$5,590,245~~\$5,548,615 to Foothills Pipe Lines Ltd. for reimbursement of the actual costs of the Reclamation Obligations; and
 - (b) granting such further and other relief as Foothills may request or the Commission may consider appropriate.

Respectfully submitted,
Calgary, Alberta
March 20, 2025

Foothills Pipe Lines Ltd.

Original signed by

Matthew Wharton
Manager, Regulatory Tolls and Tariffs
Canadian Natural Gas Pipelines

Table 1: Completed Reclamation Obligations Projects and Costs (Initial Claims)¹

Reclamation Obligations Project	Description	Process/Application and Filing ID	Authorization	Actual Costs ² (February 28, 2025)
Crowsnest Compressor Station (Units E and F)	Work consisted of the decommissioning of the 15 MW and 10 MW Avon RFB-30 units at Units E and F, located on the Foothills Pipeline BC, Zone 8, respectively, including the isolation of the high-pressure gas system, power gas, fuel gas, glycol/water, compressed air, and domestic water systems by physically cutting and capping of the applicable piping. Buildings were removed including building concrete foundations, below-grade structural supports, applicable piling, piping, mechanical equipment and above grade building structure. Electrical equipment and supports were removed, where required. All work took place within the existing compressor station boundaries.	Decommissioning Exemption Order 2024 Year-End Report (Filing ID: C33229)	Decommissioning Exemption Order XG/XO-100-2008	\$5,391,773
Elko Sales Meter Station	Work consisted of the conversion of the meter station, located on the Foothills Pipeline BC, Zone 8, to a permanent by-pass by removing all unnecessary piping, installing blind flanges, and removing metering equipment (i.e., TEG, heaters, meter, flow computer, etc.). All work took place within the existing meter station boundaries.	Decommissioning Exemption Order 2024 Year-End Report (Filing ID: C33229)	Decommissioning Exemption Order XG/XO-100-2008	\$198,472 <u>\$156,842</u>
Total				\$5,590,245 <u>\$5,548,615</u>

¹ As described at paragraph 16 of the Application, to the extent Foothills incurs additional costs in relation to the Reclamation Obligations Projects beyond the Reclamation Obligations incurred as at February 28, 2025, that are subject to this Application, Foothills would seek reimbursement through separate applications.

² The submissions to the Commission under the various Authorizations previously reported forecast project costs to completion.