



## Foothills System – Zone 8

### Notice of Upcoming Rate Filing Calpine Bankruptcy Settlement

March 4, 2008



### 2008 Rates Timeline



- In January 2008, Foothills received its portion of funds related to the Calpine Corporation bankruptcy settlement in the amount of \$44.4 million
- Foothills is proposing to refund the proceeds from the bankruptcy settlement to Zone 8 shippers over a 2 year period (2008 and 2009)
- On March 14<sup>th</sup>, Foothills expects to file with the NEB for a rate reduction on Zone 8 effective April 1, 2008
- The FT Rate for Zone 8 will be reduced from 9.2 ¢/GJ to 5.7¢/GJ, effective April 1, 2008

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## Zone 8 – Revised 2008 Revenue Requirement including Calpine Settlement refund



	Effective January 1, 2008	Revision Effective April 1, 2008
<b>Costs</b>		
O&M	19,056	19,056
Return & Depr.	35,435	35,435
Taxes (Income + Other)	18,643	18,643
Special Charge	555	555
	73,689	73,689
<b>Adjustments</b>		
Previous (Over) Under	9,277	9,277
G&A Settlement	(833)	(833)
	82,132	82,132
<b>Revenue</b>		
STFT	(3,920)	(2,798)
Interruptible	(266)	(190)
Calpine Settlement	-	(23,500)
<b>Total</b>	(4,186)	(26,488)
<b>Firm Rev Rqmt</b>	77,946	55,644

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## Zone 8 – Revised 2008 Rates including Calpine Settlement refund



	Firm Revenue Requirement (\$000)	Annual Rate (¢/GJ)
<b>November 30, 2007 Filing</b> Effective January 1, 2008	77,946	9.2
<b>Revision to reflect Calpine Settlement</b>	55,644	6.6

### Calculation of FT Rate Effective April 1, 2008

$$\begin{aligned} \text{FT Rate} &= [6.6\text{¢/GJ} \times 12 \text{ months} - 9.2\text{¢/GJ} \times 3 \text{ months}] / 9 \text{ months} \\ &= 5.7\text{¢/GJ} \end{aligned}$$

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## Contacts



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