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October 31, 2012

Filed Electronically

National Energy Board 444 Seventh Avenue S.W. Calgary, Alberta T2P 0X8

Attention: Ms. Sheri Young, Secretary of the Board

Dear Ms. Young:

Re: Foothills Pipe Lines Ltd. (Foothills) Statement of Final 2012 Rates and Charges

Foothills applies to the Board pursuant to Part IV of the *National Energy Board Act* for approval of final 2012 rates and charges for transportation services on Foothills Zones 6, 7, 8 and 9 for the period of January 1, 2012 to December 31, 2012 at the same level as the interim 2012 rates and charges (Interim 2012 Rates) approved by the Board in Order TGI-005-2011.

In its application for approval of the Statement of Rates and Charges effective January 1, 2012, filed on October 31, 2011, Foothills indicated that it is a co-applicant to the Business and Services Restructuring and Mainline 2012-2013 Tolls Application filed with the Board on September 1, 2011.¹ Given the inter-relationship between Foothills' rates and charges and that application, the Board set Foothills 2012 rates and charges as interim in Order TGI-005-2011 issued December 9, 2011. The RH-003-2011 proceeding established to consider that application has not yet been completed and a determination is unlikely to be released prior to the end of 2012.

Accordingly, Foothills proposes to finalize rates and charges for Foothills Zones 6, 7, 8 and 9 for the period of January 1, 2012 to December 31, 2012 at the interim level approved in Order TGI-005-2011.

¹NEB File Number: OF-Tolls-Group1-T211-2011-04 01.

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A copy of this Application in its entirety will be posted on TransCanada's Foothills System website at:

http://www.transcanada.com/customerexpress/934.html

In preparing this filing, Foothills presented its proposal for Final 2012 Rates to Foothills shippers and interested parties, and met with shippers and interested parties on October 16, 2012. Foothills understands that any party opposed to the Final 2012 Rates will advise the Board accordingly.

Please direct all notices and communications regarding this filing to:

Ms. Carolyn Shaw Project Manager Regulatory Services TransCanada PipeLines Limited 450 1 Street S.W. Calgary, Alberta T2P 5H1 Telephone: (403) 920-7172 Facsimile: (403) 920-2347 Email: carolyn_shaw@transcanada.com

Yours truly, Foothills Pipe Lines Ltd.

Original Signed by

Kristine Delkus Senior Vice-President, Pipelines and Regulatory Affairs

Attachments

cc: Foothills Firm and Interruptible Shippers

Ms. Rosemary Stevens Legal Counsel Law and Regulatory Research TransCanada PipeLines Limited 450 1 Street S.W. Calgary, Alberta T2P 5H1 Telephone: (403) 920-5594 Facsimile: (403) 920-2347 Email: rosemary_stevens@transcanada.com