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November 3, 2023

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

Filed Electronically

Attention: Ms. Ramona Sladic, Secretary of the Commission

Dear Ramona Sladic:

**Re: Foothills Pipe Lines Ltd. (Foothills)
Statement of Rates and Charges effective January 1, 2024**

Foothills encloses for filing with the Commission 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, 2024 (Effective 2024 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 2024

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

The filing also includes the Foothills Abandonment Surcharges effective January 1, 2024, which are included in the Table of Effective Rates for 2024. The supporting information on the Abandonment Surcharge calculations are provided in the attached Schedule G.

Foothills met with customers and interested parties on October 27, 2023 and presented the preliminary 2024 revenue requirement, preliminary Effective 2024 Rates and preliminary Abandonment Surcharges. Based on this consultation, Foothills is not aware of any objections to its proposal for establishing the Effective 2024 Rates.

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

Foothills will notify its customers 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:

Martin Gonzalez
Regulatory Project Manager
Tolls and Tariffs, Canadian Natural Gas Pipelines

Foothills Pipe Lines Ltd.
450 – 1 Street SW
Calgary, Alberta T2P 5H1

Telephone: (403) 920-5657
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Email: martin_gonzalez@tcenergy.com

Yours truly,
Foothills Pipe Lines Ltd.

Original signed by

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

Attachments

cc: Foothills Firm Customers
Interruptible Customers and Interested Parties

Ashley Mitchell
Senior Legal Counsel
Canadian Law, Natural Gas Pipelines

Foothills Pipe Lines Ltd.
450 – 1 Street SW
Calgary, Alberta T2P 5H1

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Foothills Pipe Lines Ltd.

Attachment 1
Supporting Schedules A through G
Effective 2024 Rates

FOOTHILLS PIPE LINES LTD.

FOOTHILLS SYSTEM

**STATEMENT OF RATES AND CHARGES
EFFECTIVE JANUARY 1, 2024**

INDEX

SCHEDULE

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Numbers within the attached schedules may not add due to rounding

TRANSPORTATION RATES
FOR THE YEAR ENDED DECEMBER 31, 2024

LINE NO.	DESCRIPTION	SCH. REF.	ZONE 6	ZONE 7	ZONE 8	ZONE 9
(a)		(b)	(c)	(d)	(e)	(f)
<u>Effective Rates</u>						
1	Demand Rate (\$/GJ / Km / Month)		0.0072763640	0.0041846605	0.0252747369	0.0196209008
2	Overrun Service (\$/GJ / Km)		0.0002624262	0.0001509222	n/a	n/a
3	Interruptible Rate (\$/GJ / Km)		n/a	n/a	0.0009115479	0.0007076390
<u>Full Haul Rates</u>						
4	Demand Rate (\$/GJ)		0.0902960987	0.0170171620	0.1414556587	0.1665975305
5	Overrun Service (\$/GJ)		0.0993256924	0.0187188805	n/a	n/a
6	Interruptible Rate (\$/GJ)		n/a	n/a	0.1556012265	0.1832572718

REVENUE REQUIREMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	SCH. REF.	ZONE 6	ZONE 7	ZONE 8	ZONE 9
(a)		(b)	(c)	(d)	(e)	(f)
<u>Estimated Costs of Service:</u>						
1	Operating & Maintenance	A	36,978	6,649	22,993	9,525
2	Return on Rate Base	B	6,121	150	72,527	5,643
3	Depreciation & Amortization	C	14,342	68	51,851	13,038
4	Income and Other Taxes	D	4,901	852	11,449	4,735
5	Emissions Compliance Costs		7,562	n/a	27,263	1,904
6	Fuel Tax		n/a	n/a	4,270	446
7	Methane Emissions		115	18	121	37
8	Sub-Total		70,019	7,737	190,474	35,329
9	Previous Under / (Over)	E	(1,731)	(598)	(21,916)	1,134
10	Total Revenue Requirement		68,289	7,139	168,558	36,464
<u>Other Service Revenue</u>						
11	STFT		-	-	-	-
12	Interruptible/Overrun		-	-	(1,249)	(4,846)
13	SGS		-	-	-	(5)
14	FT Service Revenue Requirement		68,289	7,139	167,309	31,613

BILLING DETERMINANTS
FOR THE YEAR ENDED DECEMBER 31, 2024

LINE NO.	DESCRIPTION	SCH. REF.	ZONE 6	ZONE 7	ZONE 8	ZONE 9
(a)		(b)	(c)	(d)	(e)	(f)
1	FT Contract MDQ (TJ/d)	F	2,066.32	1,146.21	3,231.61	821.04
2	Total FT MDQ x Distance	F	782,082.59	142,164.80	551,635.05	134,265.84
3	Estimated STFT MDQ (TJ/d)		-	-	-	-
4	Estimated Interruptible/Overrun Deliveries (TJ)		-	-	8,029.58	26,442.62
5	Estimated SGS Deliveries (TJ)		-	-	-	60.83

OPERATING AND MAINTENANCE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	ZONE 6	ZONE 7	ZONE 8	ZONE 9	TOTAL
(a)		(b)	(c)	(d)	(e)	(f)
1	Operations, Maintenance and Administrative Costs	15,216	2,919	9,326	5,976	33,438
	<u>Electrical Power</u>					
2	Jenner, Acme and Crawling Valley	12,804	-	-	-	12,804
3	De/re Facilities at Empress	3,032	-	-	-	3,032
4	BC	-	-	755	-	755
5	Saskatchewan	-	-	-	693	693
6	Total Electrical Power	15,837	-	755	693	17,284
7	Compressor Repair Expense	560	-	1,246	285	2,091
8	Pipe Integrity Expense	2,426	3,195	9,588	1,921	17,130
9	CER Cost Recovery	2,939	534	2,078	650	6,202
10	Total	36,978	6,649	22,993	9,525	76,145

Foothills Pipe Lines (Alta.) Ltd.- Zone 6

AVERAGE CAPITALIZATION AND OVERALL RATE OF RETURN
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	DESCRIPTION	SCH. REF.	AMOUNT (\$000)	RATIO	COST RATE	COST COMPONENT
(a)	(b)	(c)	(d)	(e)	(f)	
1	Debt - Funded		45,419	50.12%	5.80%	2.91%
2	Debt - Unfunded		8,958	9.88%	4.55%	0.45%
3	Total Debt		54,377	60.00%		3.36%
4	Common Equity		36,252	40.00%	10.10%	4.04%
5	Total Capitalization and Rate of Return		90,629	100%		7.40%
6	Rate Base	B-1	82,713			
7	Gas Plant Under Construction (GPUC)		7,916			
8	Total Capitalization		90,629			
9	Return on Rate Base	D	6,121 =	82,713 X	7.40%	

Foothills Pipe Lines (Alta.) Ltd.- Zone 7

AVERAGE CAPITALIZATION AND OVERALL RATE OF RETURN
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	SCH. REF.	AMOUNT (\$000)	RATIO	COST RATE	COST COMPONENT
(a)	(b)	(c)	(d)	(e)	(f)	
1	Debt - Funded		1,064	49.64%	5.70%	2.83%
2	Debt - Unfunded		224	10.42%	5.02%	0.52%
3	Total Debt		1,288	60.00%		3.35%
4	Common Equity		858	40.00%	10.10%	4.04%
5	Total Capitalization and Rate of Return		2,146	100%		7.39%
6	Rate Base	B-1	2,024			
7	GPUC		122			
8	Total Capitalization		2,146			
9	Return on Rate Base	D	150 =	2,024 X	7.39%	

Foothills Pipe Lines (South B.C.) Ltd.- Zone 8

AVERAGE CAPITALIZATION AND OVERALL RATE OF RETURN
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	DESCRIPTION	SCH. REF.	AMOUNT (\$000)	RATIO	COST RATE	COST COMPONENT
(a)	(b)	(c)	(d)	(e)	(f)	(f)
1	Debt - Funded		489,989	49.34%	5.82%	2.87%
2	Debt - Unfunded		105,898	10.66%	4.51%	0.48%
3	Total Debt		595,887	60.00%		3.35%
4	Common Equity		397,258	40.00%	10.10%	4.04%
5	Total Capitalization		993,146	100%		7.39%
6	Rate Base	B-1	981,426			
7	GPUC		11,720			
8	Total Capitalization		993,146			
9	Return on Rate Base	D	72,527 =	981,426 X	7.39%	

Foothills Pipe Lines (Sask.) Ltd.- Zone 9

AVERAGE CAPITALIZATION AND OVERALL RATE OF RETURN
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	DESCRIPTION	SCH. REF.	AMOUNT (\$000)	RATIO	COST RATE	COST COMPONENT
(a)	(b)	(c)	(d)	(e)	(f)	(f)
1	Debt - Funded		44,297	51.12%	5.79%	2.96%
2	Debt - Unfunded		7,692	8.88%	4.46%	0.40%
3	Total Debt		51,989	60.00%		3.36%
4	Common Equity		34,659	40.00%	10.10%	4.04%
5	Total Capitalization		86,648	100%		7.40%
6	Rate Base	B-1	76,252			
7	GPUC		10,396			
8	Total Capitalization		86,648			
9	Return on Rate Base	D	5,643 =	76,252 X	7.40%	

Foothills Pipe Lines (Alta.) Ltd.- Zone 6

AVERAGE RATE BASE SUMMARY
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	MONTH	NET PLANT MONTH END	MATERIALS		WORKING CAPITAL	LINEPACK	RATE BASE END MONTH
			SUPPLIES & PREPAID				
(a)		(b)	(c)		(d)	(e)	(f)
1	January Opening Balance	60,589	4,084		3,539	2,577	70,789
2	January	59,827	4,084		3,832	2,577	70,320
3	February	60,137	4,084		4,914	2,577	71,712
4	March	61,949	4,084		5,430	2,577	74,039
5	April	68,532	4,084		5,779	2,577	80,973
6	May	67,810	4,084		5,374	2,577	79,844
7	June	68,953	5,544		5,261	2,577	82,336
8	July	70,288	5,544		5,519	2,577	83,929
9	August	78,617	5,544		5,352	2,577	92,091
10	September	78,192	5,544		5,667	2,577	91,981
11	October	77,120	5,544		6,700	2,577	91,943
12	November	75,558	5,544		7,177	2,577	90,857
13	December	80,357	5,544		5,977	2,577	94,456
14	Average Rate Base - 13 Month						<u>82,713</u>

Foothills Pipe Lines (Alta.) Ltd.- Zone 7

AVERAGE RATE BASE SUMMARY
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	MONTH	NET PLANT MONTH END	MATERIALS		WORKING CAPITAL	LINEPACK	RATE BASE END MONTH
			SUPPLIES & PREPAID				
(a)		(b)	(c)		(d)	(e)	(f)
1	January Opening Balance	160	-		332	1,039	1,531
2	January	160	-		365	1,039	1,563
3	February	160	-		329	1,039	1,528
4	March	161	-		364	1,039	1,564
5	April	162	-		736	1,039	1,937
6	May	164	-		2,003	1,039	3,206
7	June	168	-		889	1,039	2,096
8	July	174	-		2,395	1,039	3,608
9	August	180	-		534	1,039	1,753
10	September	185	-		922	1,039	2,145
11	October	187	-		553	1,039	1,779
12	November	188	-		486	1,039	1,713
13	December	422	-		424	1,039	1,886
14	Average Rate Base - 13 Month						<u>2,024</u>

Foothills Pipe Lines (South B.C.) Ltd.- Zone 8

AVERAGE RATE BASE SUMMARY
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	MONTH	NET PLANT MONTH END	MATERIALS		WORKING CAPITAL	LINEPACK	RATE BASE END MONTH
			SUPPLIES & PREPAID				
(a)		(b)	(c)		(d)	(e)	(f)
1	January Opening Balance	960,313	3,652		5,091	1,736	970,791
2	January	958,579	3,652		5,421	1,736	969,388
3	February	957,067	3,652		5,554	1,736	968,009
4	March	956,592	3,652		5,958	1,736	967,938
5	April	955,840	3,652		6,366	1,736	967,593
6	May	958,320	3,652		8,520	1,736	972,228
7	June	966,587	3,652		6,382	1,736	978,357
8	July	973,651	3,652		6,719	1,736	985,758
9	August	978,971	3,652		6,978	1,736	991,336
10	September	981,690	3,652		7,186	1,736	994,263
11	October	985,622	3,652		9,810	1,736	1,000,820
12	November	983,005	3,652		6,325	1,736	994,718
13	December	985,204	3,652		6,750	1,736	997,342
14	Average Rate Base - 13 Month						<u>981,426</u>

Foothills Pipe Lines (Sask.) Ltd.- Zone 9

AVERAGE RATE BASE SUMMARY
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	MONTH	NET PLANT MONTH END	MATERIALS		WORKING CAPITAL	LINEPACK	RATE BASE END MONTH
			SUPPLIES & PREPAID				
(a)		(b)	(c)		(d)	(e)	(f)
1	January Opening Balance	72,545	2,241		1,155	2,316	78,258
2	January	71,291	2,241		1,864	2,316	77,712
3	February	70,739	2,241		1,102	2,316	76,398
4	March	70,097	2,241		1,275	2,316	75,930
5	April	69,150	2,241		1,119	2,316	74,827
6	May	68,303	2,241		1,096	2,316	73,957
7	June	68,167	2,241		1,479	2,316	74,203
8	July	69,735	2,241		1,591	2,316	75,883
9	August	68,790	2,241		1,354	2,316	74,701
10	September	71,876	2,241		1,207	2,316	77,641
11	October	70,899	2,241		1,402	2,316	76,858
12	November	69,909	2,241		1,308	2,316	75,775
13	December	71,503	2,241		3,072	2,316	79,133
14	Average Rate Base - 13 Month						<u>76,252</u>

Foothills Pipe Lines (Alta.) Ltd.- Zone 6

DEPRECIATION

FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	Canada Energy Regulator (CER) Account No and Description (a)	DEPRECIATION RATE (b)	GROSS PLANT AT 31-DEC-2023 (c)	ADDITIONS & RETIREMENTS (d)	GROSS PLANT AT 31-DEC-2024 (e)	DEPRECIATION FOR YEAR (f)
1	460-Land	0.00%	222	-	222	-
2	461-Land Rights	3.00%	3,412	-	3,412	-
3	462-Compressor Structures	3.00%	36,954	398	37,352	1,117
4	465-Pipeline Mains	3.00%	315,580	13,786	329,366	3,492
5	466-Compressor Equipment	3.00%	192,609	14,532	207,141	6,030
6	466-Compressor Overhaul	7.69%	39,306	3,297	42,603	3,197
7	468-Communications	3.00%	447	-	447	13
8	482-Leasehold Improvements	10.00%	1,013	29	1,042	68
9	483-Computer Equipment	24.41%	1,235	365	1,600	266
10	483-Office Furniture & Equipment	8.90%	358	(7)	351	33
11	484-Transportation Equipment	30.00%	408	-	408	-
12	485-Heavy Work Equipment	2.19%	110	-	110	106
13	486-Tools & Work Equipment	2.01%	470	(4)	466	9
14	488-Communication Structure	5.21%	204	(1)	203	11
15	496-Unclassified Plant	3.00%	8,836	-	8,836	-
16	Total Gas Plant in Service (GPIS) and Depreciation Expense		<u>601,164</u>	<u>32,395</u>	<u>633,559</u>	<u>14,342</u>
17	Composite Depreciation Rate	<u>2.32%</u>				

Foothills Pipe Lines (Alta.) Ltd.- Zone 7

DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	CER Account No and Description	DEPRECIATION RATE	GROSS PLANT AT 31-DEC-2023	ADDITIONS & RETIREMENTS	GROSS PLANT AT 31-DEC-2024	DEPRECIATION FOR YEAR
	(a)	(b)	(c)	(d)	(e)	(f)
1	461-Land Rights	3.00%	1,081	-	1,081	-
2	465-Pipeline Mains	3.00%	74,584	236	74,820	-
3	482-Leasehold Improvements	10.00%	150	5	155	7
4	483-Computer Equipment	24.41%	217	59	276	54
5	483-Office Furniture & Equipment	8.90%	52	(1)	51	5
6	486-Tools & Work Equipment	2.01%	25	(1)	24	-
7	488-Communication Structure	5.21%	34	-	34	2
8	496-Unclassified Plant	3.00%	23,072	-	23,072	-
9	Total GPIS and Depreciation Expense		99,215	298	99,513	68
10	Composite Depreciation Rate	0.07%				

Foothills Pipe Lines (South B.C.) Ltd.- Zone 8

DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	CER Account No and Description	DEPRECIATION RATE	GROSS PLANT AT 31-DEC-2023	ADDITIONS & RETIREMENTS	GROSS PLANT AT 31-DEC-2024	DEPRECIATION FOR YEAR
	(a)	(b)	(c)	(d)	(e)	(f)
1	401-Franchises and Consents	0.00%	468	-	468	-
2	402-Other Intangibles	3.00%	3,367	-	3,367	-
3	460-Land	0.00%	51	-	51	-
4	461-Land Rights	3.00%	874	-	874	-
5	462-Compressor Structures	3.00%	29,579	1,573	31,152	901
6	463-Meas & Reg Structures	3.00%	1,790	107	1,897	56
7	465-Pipeline Mains	3.00%	1,110,228	50,293	1,160,521	33,944
8	466-Compressor Equipment	3.00%	275,712	6,719	282,431	8,301
9	466-Compressor Overhaul	7.69%	74,700	9,072	83,772	6,203
10	467-Meas & Reg Equipment	3.00%	18,120	429	18,549	553
11	468-Communications	3.00%	26,241	2,925	29,166	818
12	482-Leasehold Improvements	10.00%	1,254	39	1,293	87
13	483-Computer Equipment	24.41%	3,387	528	3,915	854
14	483-Office Furniture & Equipment	8.90%	262	(4)	258	21
15	484-Transportation Equipment	30.00%	1,194	(187)	1,007	32
16	485-Heavy Work Equipment	2.19%	950	-	950	21
17	486-Tools & Work Equipment	2.01%	2,764	(1)	2,763	56
18	488-Communication Structure	5.21%	231	(2)	229	4
19	496-Unclassified Plant	3.00%	4,469	-	4,469	-
20	Total GPIS and Depreciation Expense		1,555,641	71,491	1,627,132	51,851
21	Composite Depreciation Rate					3.26%

Foothills Pipe Lines (Sask.) Ltd.- Zone 9

DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000)

LINE NO.	CER Account No and Description (a)	DEPRECIATION RATE (b)	GROSS PLANT AT 31-DEC-2023 (c)	ADDITIONS & RETIREMENTS (d)	GROSS PLANT AT 31-DEC-2024 (e)	DEPRECIATION FOR YEAR (f)
1	460-Land	0.00%	130	-	130	-
2	461-Land Rights	3.00%	1,307	-	1,307	-
3	462-Compressor Structures	3.00%	40,951	-	40,951	1,229
4	463-Meas & Reg Structures	3.00%	5,151	-	5,151	155
5	464-Other Structures	3.00%	1,328	-	1,328	-
6	465-Pipeline Mains	3.00%	336,523	1,286	337,809	248
7	466-Compressor Equipment	3.00%	228,146	5,416	233,562	6,875
8	466-Compressor Overhaul	7.69%	30,291	2,920	33,211	2,491
9	467-Meas & Reg Equipment	3.00%	23,726	-	23,726	712
10	468-Communications	3.00%	1,147	(496)	651	34
11	482-Leasehold Improvements	10.00%	638	32	670	9
12	483-Computer Equipment	24.41%	3,354	407	3,761	833
13	483-Office Furniture & Equipment	8.90%	191	(8)	183	18
14	484-Transportation Equipment	30.00%	354	249	603	127
15	485-Heavy Work Equipment	2.19%	328	-	328	-
16	486-Tools & Work Equipment	2.01%	1,770	(10)	1,760	-
17	488-Communication Structure	5.21%	221	(1)	220	11
18	496-Unclassified Plant	3.00%	9,865	-	9,865	296
19	Total GPIS and Depreciation Expense		685,421	9,795	695,216	13,038
20	Composite Depreciation Rate	<u>1.89%</u>				

SCHEDULE OF FLOW-THROUGH INCOME TAXES
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	SCH. REF.	ZONE 6	ZONE 7	ZONE 8	ZONE 9
(a)		(b)	(c)	(d)	(e)	(f)
1	Return on Rate Base	B	6,121	150	72,527	5,643
	<u>Add:</u>					
2	Depreciation and Amortization	C	14,342	68	51,851	13,038
	<u>Deduct:</u>					
3	Return on Debt		2,779	68	32,878	2,562
4	Capital Cost Allowance		9,139	446	74,465	9,608
5	Capitalized Repair and Overhaul Costs		4,840	-	11,315	4,390
6	Debt Issue Costs		3	1	28	3
7	Sub-Total		16,761	515	118,686	16,562
8	Total Taxable Amount		3,702	(297)	5,693	2,119
9	Income Tax Rate		23.00%	23.00%	27.00%	27.00%
10	Taxes Thereon (Tax Rate/(1-Tax Rate))		1,106	(89)	2,105	784
11	Other Taxes		3,795	941	9,344	3,951
12	Total Income and Other Taxes		4,901	852	11,449	4,735

Foothills Pipe Lines (Alta.) Ltd.- Zone 6

ADJUSTMENT FOR (OVER) OR UNDER COLLECTION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	2022 FORECAST	2022 ACTUAL	2023 FORECAST	
(a)		(b)	(c)	(d)	
	<u>Cost of Service</u>				
1	Operating & Maintenance	23,504	22,865	26,717	
2	Return on Rate Base	2,773	2,545	4,553	
3	Depreciation & Amortization	13,957	13,067	12,482	
4	Income and Other Taxes	5,812	5,607	3,598	
5	Emissions Compliance Costs	4,664	5,957	2,979	
6	Methane Emissions Costs	135	171	114	
7	Sub-Total	50,844	50,212	50,443	
	<u>Adjustments</u>				
8	Previous (Over) / Under	(7,482)	(7,482)	1,801	
9	Overrun Service	-	-	-	
10	Total Firm Revenue Requirement	43,362	42,730	52,244	
	<u>Service Revenue</u>				
11	FT Service	41,022	41,022	53,317	
12	Total Revenue Generated	41,022	41,022	53,317	
	<u>Variance</u>	<u>2022</u> ¹	<u>2022</u>	<u>2022</u> ²	<u>2023</u> ³
13	Revenue Required minus Revenue Generated	2,340	1,708	(632)	(1,073)
14	Interest on Variance	80	104	24	(49)
15	Billing Adjustment for Test Year	2,420	1,812	(608)	(1,122)
					<u>TOTAL</u> ⁴
					(1,706)
					(25)
					(1,731)

Notes:

- 1 Forecast 2022 as identified in the 2023 rates application.
- 2 Estimate/Actual (over)/under collection from 2022.
- 3 2023 estimated (over)/under collection.
- 4 Total adjustment from 2022 and 2023.

Foothills Pipe Lines (Alta.) Ltd.- Zone 7

ADJUSTMENT FOR (OVER) OR UNDER COLLECTION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	2022 FORECAST	2022 ACTUAL	2023 FORECAST		
(a)	(b)	(c)	(d)			
<u>Cost of Service</u>						
1	Operating & Maintenance	4,616	4,527	2,799		
2	Return on Rate Base	90	89	108		
3	Depreciation & Amortization	62	62	51		
4	Income and Other Taxes	836	860	827		
5	Methane Emissions Costs	23	25	16		
6	Sub-Total	<u>5,627</u>	<u>5,563</u>	<u>3,801</u>		
<u>Adjustments</u>						
4	Previous (Over) / Under	(252)	(252)	(1,231)		
8	Overrun Service	-	-	-		
9	Total Firm Revenue Requirement	<u>5,375</u>	<u>5,311</u>	<u>2,570</u>		
<u>Service Revenue</u>						
10	FT Service	<u>6,095</u>	<u>6,095</u>	<u>3,056</u>		
11	Total Revenue Generated	<u>6,095</u>	<u>6,095</u>	<u>3,056</u>		
<u>Variance</u>						
12	Revenue Required minus Revenue Generated	<u>2022</u> ¹ (720)	<u>2022</u> (784)	<u>2022</u> ² (64)	<u>2023</u> ³ (487)	<u>TOTAL</u> ⁴ (551)
13	Interest on Variance	(25)	(48)	(23)	(24)	(47)
14	Billing Adjustment for Test Year	(745)	(832)	(87)	(511)	(598)

Notes:

- 1 Forecast 2022 as identified in the 2023 rates application.
- 2 Estimate/Actual (over)/under collection from 2022.
- 3 2023 estimated (over)/under collection.
- 4 Total adjustment from 2022 and 2023.

Foothills Pipe Lines (South B.C.) Ltd.- Zone 8

ADJUSTMENT FOR (OVER) OR UNDER COLLECTION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	2022 FORECAST	2022 ACTUAL	2023 FORECAST		
(a)		(b)	(c)	(d)		
<u>Cost of Service</u>						
1	Operating & Maintenance	23,247	22,595	18,154		
2	Return on Rate Base	8,119	8,225	31,067		
3	Depreciation & Amortization	24,996	24,975	32,690		
4	Income and Other Taxes	13,413	13,696	(17,053)		
5	Emissions Compliance Costs	21,822	13,998	23,290		
6	Fuel Tax	5,529	4,495	4,465		
7	Methane Emissions Costs	108	108	211		
8	Sub-Total	<u>97,234</u>	<u>88,092</u>	<u>92,826</u>		
<u>Adjustments</u>						
9	Previous (Over) / Under	(3,339)	(3,339)	(6,783)		
10	STFT & IT Service	(1,840)	(1,638)	(2,485)		
11	Total Firm Revenue Requirement	<u>92,054</u>	<u>83,115</u>	<u>83,558</u>		
<u>Service Revenue</u>						
12	FT Service	<u>90,150</u>	<u>89,961</u>	<u>95,695</u>		
13	Total Revenue Generated	<u>90,150</u>	<u>89,961</u>	<u>95,695</u>		
<u>Variance</u>						
14	Revenue Required minus Revenue Generated	<u>2022</u> ¹ 1,904	<u>2022</u> (6,846)	<u>2022</u> ² (8,751)	<u>2023</u> ³ (12,137)	<u>TOTAL</u> ⁴ (20,888)
15	Interest on Variance	65	(416)	(481)	(547)	(1,028)
16	Billing Adjustment for Test Year	<u>1,969</u>	<u>(7,262)</u>	<u>(9,232)</u>	<u>(12,684)</u>	<u>(21,916)</u>

Notes:

- 1 Forecast 2022 as identified in the 2023 rates application.
- 2 Estimate/Actual (over)/under collection from 2022.
- 3 2023 estimated (over)/under collection.
- 4 Total adjustment from 2022 and 2023.

Foothills Pipe Lines (Sask.) Ltd.- Zone 9

ADJUSTMENT FOR (OVER) OR UNDER COLLECTION
FOR THE YEAR ENDED DECEMBER 31, 2024
(\$000s)

LINE NO.	DESCRIPTION	2022 FORECAST	2022 ACTUAL	2023 FORECAST		
(a)		(b)	(c)	(d)		
<u>Cost of Service</u>						
1	Operating & Maintenance	11,482	10,668	8,781		
2	Return on Rate Base	4,223	3,725	5,632		
3	Depreciation & Amortization	21,475	21,429	22,172		
4	Income and Other Taxes	6,261	7,094	8,827		
5	Emissions Compliance Costs	1,106	1,435	1,000		
6	Fuel Tax	1,257	976	405		
7	Methane Emissions Costs	36	51	48		
8	Sub-Total	<u>45,839</u>	<u>45,378</u>	<u>46,866</u>		
<u>Adjustments</u>						
9	Previous (Over) / Under	(4,279)	(4,279)	(8,187)		
10	STFT, IT & SGS Service	(14,537)	(13,378)	(5,646)		
11	Total Firm Revenue Requirement	<u>27,023</u>	<u>27,720</u>	<u>33,032</u>		
<u>Service Revenue</u>						
12	FT Service	32,002	32,619	31,901		
13	Total Revenue Generated	<u>32,002</u>	<u>32,619</u>	<u>31,901</u>		
<u>Variance</u>						
14	Revenue Required minus Revenue Generated	2022 ¹ (4,979)	2022 (4,898)	2022 ² 81	2023 ³ 1,132	TOTAL ⁴ 1,212
15	Interest on Variance	(170)	(298)	(128)	50	(78)
16	Billing Adjustment for Test Year	(5,149)	(5,196)	(47)	1,182	1,134

Notes:

- 1 Forecast 2022 as identified in the 2023 rates application.
- 2 Estimate/Actual (over)/under collection from 2022.
- 3 2023 estimated (over)/under collection.
- 4 Total adjustment from 2022 and 2023.

**FIRM TRANSPORTATION VOLUMES AND HAUL DISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024**

LINE NO.	CUSTOMER	ANNUAL AVERAGE MDQ (TJ/D)	HAUL DISTANCE (KM)	ANNUAL AVERAGE MDQ x DIST. (TJ x KM)	ZONE ALLOCATION (%)
	(a)	(b)	(c)	(d)	(e)
Zone 6					
1	NOVA Gas Transmission Ltd.	2,066.323	378.49	782,082.592	
2	Total Zone 6	<u>2,066.323</u>		<u>782,082.592</u>	48.57%
Zone 7					
3	NOVA Gas Transmission Ltd.	1,146.213	124.03	142,164.798	
4	Total Zone 7	<u>1,146.213</u>		<u>142,164.798</u>	8.83%
Zone 8					
5	Access Gas Services Inc.	0.350	170.70	59.745	
6	ARC Resources Ltd.	183.995	170.70	31,407.947	
7	Avista Corporation	226.151	170.70	38,603.976	
8	BP Canada Energy Group ULC	33.302	170.70	5,684.651	
9	Canadian Natural Resources	77.071	170.70	13,156.020	
10	Cascade Natural Gas Corporation	39.581	170.70	6,756.477	
11	Castleton Commodities Merchant Trading L.P.	70.511	170.70	12,036.228	
12	Cenovus Energy Inc.	64.131	170.70	10,947.162	
13	City of Glendale	4.362	170.70	744.593	
14	FortisBC Energy Inc.	150.047	170.70	25,612.997	
15	Hammerhead Resources Inc.	24.630	170.70	4,204.341	
16	Intermountain Gas Company	224.694	170.70	38,355.266	
17	Labatt Brewing Company Limited	0.270	170.70	46.089	
18	Mercuria Commodities Canada Corporation	173.000	170.70	29,531.100	
19	Murphy Canada, Ltd.	57.093	170.70	9,745.775	
20	Northwest Natural Gas Company	157.243	170.70	26,841.302	
21	NuVista Energy Ltd.	40.000	170.70	6,828.000	
22	Ovintiv Canada ULC	119.181	170.70	20,344.197	
23	Pacific Gas and Electric Company	386.355	170.70	65,950.799	
24	PacifiCorp	16.142	170.70	2,755.439	
25	Paramount Resources Ltd.	21.187	170.70	3,616.621	
26	Portland General Electric Company	128.122	170.70	21,870.425	
27	Powerex Corp.	43.600	170.70	7,442.520	
28	Puget Sound Energy, Inc.	126.160	170.70	21,535.512	
29	Repsol Canada Energy Partnership	4.406	170.70	752.104	
30	Shell Energy North America (Canada) Inc.	69.175	170.70	11,808.173	
31	Sierra Pacific Power Company	136.031	170.70	23,220.492	
32	Southern California Gas Company	56.783	170.70	9,692.858	
33	Tenaska Marketing Canada, a division of TMV Corp.	22.215	170.70	3,792.112	
34	Tourmaline Oil Corp.	561.688	170.70	95,880.142	
35	Turlock Irrigation District	14.130	170.70	2,411.991	
36	Total Zone 8	<u>3,231.605</u>		<u>551,635.053</u>	34.26%
Zone 9					
37	ARC Resources Ltd.	18.724	258.97	4,848.954	
38	BP Canada Energy Group ULC	29.546	258.97	7,651.528	
39	EDF Trading North America, LLC	67.566	258.97	17,497.567	
40	Montana-Dakota Utilities Co.	10.656	258.97	2,759.584	
41	Sequent Energy Canada LLC	31.652	258.97	8,196.918	
42	Tenaska Marketing Canada, a division of TMV Corp.	179.242	258.97	46,418.301	
43	Tidal Energy Marketing Inc.	30.000	258.97	7,769.100	
44	Tourmaline Oil Corp.	10.656	258.97	2,759.584	
45	TransGas Limited	225.000	48.00	10,800.000	
46	TransGas Limited	148.000	92.00	13,616.000	
47	TransGas Limited	70.000	170.69	11,948.300	
48	Total Zone 9	<u>821.042</u>		<u>134,265.837</u>	8.34%

ABANDONMENT SURCHARGE CALCULATION
FOR THE YEAR ENDED DECEMBER 31, 2024

LINE No.	DESCRIPTION	TOTAL	ZONE 6	ZONE 7	ZONE 8	ZONE 9
(a)		(b)	(c)	(d)	(e)	(f)
1	Billing Determinants (GJ/year) ¹	2,693,590,184	756,274,218	419,513,958	1,190,797,184	327,004,824
2	Percentage of Total BDs	100%	28.1%	15.6%	44.2%	12.1%
3	Monthly Abandonment Surcharge Calculation					
4	(ACA) / (Total Foothills Billing Determinants) =					
5	(\$8.00 Million/year) / (2,693,590,184 GJ/year) * (366/12) =	0.0906071487 SGJ/Month				
6	Daily Abandonment Surcharge Calculation					
7	(ACA) / (Total Foothills Billing Determinants)					
8	(\$8.00 Million/year) / 2,693,590,184 GJ/year =	0.0029707262 SGJ/Day				

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 \$170 thousand to be contributed by Foothills³.

Notes:

- 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 2022, and (b) adjustment for the tax rate differential between Foothills and the Trust on income earned in the Trust.

Foothills Pipe Lines Ltd.

Attachment 2
Table of Effective Rates
Blackline Version
Effective 2024 Rates

TABLE OF EFFECTIVE RATES

1. Rate Schedule FT, Firm Transportation Service

Demand Rate
(\$/GJ/Km/Month)

Zone 6	<u>0.0072763640</u> 0.0059841968
Zone 7	<u>0.0041846605</u> 0.0019358505
Zone 8*	<u>0.0252747369</u> 0.0152423554
Zone 9	<u>0.0196209008</u> 0.0156366328

2. Rate Schedule OT, Overrun Transportation Service

Commodity Rate
(\$/GJ/Km)

Zone 6	<u>0.0002624262</u> 0.0002164148
Zone 7	<u>0.0001509222</u> 0.0000700088

3. Rate Schedule IT, Interruptible Transportation Service

Commodity Rate
(\$/GJ/Km)

Zone 8	<u>0.0009115479</u> 0.0005512304
Zone 9	<u>0.0007076390</u> 0.0005654892

4. Monthly Abandonment Surcharge**

All Zones	<u>0.0906071487</u> 0.0919386987 (\$/GJ/Month)
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5. Daily Abandonment Surcharge***

All Zones	<u>0.0029707262</u> 0.0030226421 (\$/GJ/Day)
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* For Zone 8, Customers 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.

Foothills Pipe Lines Ltd.

Attachment 3
Table of Effective Rates
Clean Version
Effective 2024 Rates

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

	Demand Rate (\$/GJ/Km/Month)
Zone 6	0.0072763640
Zone 7	0.0041846605
Zone 8*	0.0252747369
Zone 9	0.0196209008

2. Rate Schedule OT, Overrun Transportation Service

	Commodity Rate (\$/GJ/Km)
Zone 6	0.0002624262
Zone 7	0.0001509222

3. Rate Schedule IT, Interruptible Transportation Service

	Commodity Rate (\$/GJ/Km)
Zone 8	0.0009115479
Zone 9	0.0007076390

4. Monthly Abandonment Surcharge**

All Zones	0.0906071487 (\$/GJ/Month)
-----------	----------------------------

5. Daily Abandonment Surcharge***

All Zones	0.0029707262 (\$/GJ/Day)
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* For Zone 8, Customers 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.