

March 2, 2000

Mr. M. L. Mantha
Secretary
National Energy Board
444 - Seventh Avenue S. W.
Calgary, Alberta
T2P 0X8

Dear Mr. Mantha:

RE: National Energy Board Order TG-6-81

Enclosed for filing with the National Energy Board are twenty (20) copies each of the following documents:

Foothills Pipe Lines Ltd.
Response to the Requirements
Of NEB Order TG-6-81, as amended
Summary of 1999 Actual vs. 1999
Budgeted Operating & Maintenance Expenses
March 1, 2000

Foothills Pipe Lines Ltd.
Report of the Difference between
2000 Budgeted and 1999 Budgeted
Operating & Maintenance Expenses
March 1, 2000

Foothills will post a copy of these documents on its website at www.foothillspipe.com. Copies of this letter are being served to Foothills' list of interested parties and paper copies of the filing will be provided upon request.

If you have any questions regarding this matter, please contact the undersigned at (403) 294-4495 or fax (403) 294-4174.

Yours truly,

Original signed by

Phil Cochrane
Senior Supervisor
Customer Service &
Regulatory Affairs

Encl.

Cc: Interested Parties TG-6-81

**FOOTHILLS PIPE LINES LTD.
Report of the Difference
Between
2000 Budgeted and 1999 Budgeted
Operating & Maintenance Expenses**

March 1, 2000

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**OPERATIONS & MAINTENANCE EXPENDITURES
RECOVERED IN COST OF SERVICE
(\$000's)**

<u>LINE</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
	FIELD OPERATIONS EXPENSE			
1	NOVA	2,841.8	2,860.3	(18.5)
2	AMOCO	1,580.4	1,401.7	178.7
3	TCPL *	3,839.6	4,608.5	(768.9)
4	Foothills	2,657.4	2,296.3	361.1
5		<u>10,919.2</u>	<u>11,166.8</u>	<u>(247.6)</u>
	ELECTRIC POWER			
6	Jenner, Acme and Crawling Valley	4,500.0	4,900.0	(400.0)
7	Decompression/Recompression at Empress	4,800.0	4,700.0	100.0
8	Saskatchewan	706.9	789.5	(82.6)
9		<u>10,006.9</u>	<u>10,389.5</u>	<u>(382.6)</u>
	MAINTENANCE & INTEGRITY PROGRAM			
10	Inventory & Maintenance Parts	250.0	210.0	40.0
11	Maintenance Projects	632.0	1,292.0	(660.0)
12	Communications	260.0	254.5	5.5
13	Integrity Program	450.0	150.0	300.0
14		<u>1,592.0</u>	<u>1,906.5</u>	<u>(314.5)</u>
15	FOOTHILLS' HEAD OFFICE COSTS	9,133.2	9,086.5	46.7
16	LAND PAYMENTS	1,010.9	775.0	235.9
17	INSURANCE	717.1	760.1	(43.0)
18	NEB & NPA COST RECOVERY	<u>2,788.7</u>	<u>2,023.1</u>	<u>765.6</u>
19	TOTAL	<u><u>36,168.0</u></u>	<u><u>36,107.5</u></u>	<u><u>60.5</u></u>

* Includes ANG

**OPERATIONS & MAINTENANCE EXPENDITURES
RECOVERED IN COST OF SERVICE
EXPLANATION OF DIFFERENCE BETWEEN THE
2000 BUDGET**

Integrity Program
(Page 1, Line 13)

2000 budgeted costs exceed 1999 by \$300,000 due to additional integrity digs scheduled in the year 2000.

Land Payments
(Page 1, Line 16)

2000 budgeted costs exceed 1999 by \$235,900 due to an increase in Alberta land values in the year 2000.

NOVA GAS TRANSMISSION LTD.
ZONE 6 OPERATING AGREEMENT
(\$000's)

<u>LINE</u>	<u>NEB ACCOUNT</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
		<u>Operating Expense</u>			
1	665	Pipeline	340.0	341.2	(1.2)
2	666	Compressor	1,023.8	1,019.2	4.6
3	688	Other General Expense	623.3	639.6	(16.3)
		<u>Maintenance Expense</u>			
4	865	Pipeline	38.0	38.0	-
5	866	Compressor	524.2	528.8	(4.6)
6		TOTAL	<u>2,549.3</u>	<u>2,566.8</u>	<u>(17.5)</u>

NOVA GAS TRANSMISSION LTD.
ZONE 7 OPERATING AGREEMENT
(\$000's)

<u>LINE</u>	<u>NEB ACCOUNT</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
		<u>Operating Expense</u>			
1	665	Pipeline	111.6	111.6	-
2	688	Other General Expense	57.0	58.0	(1.0)
		<u>Maintenance Expense</u>			
3	865	Pipeline	12.4	12.4	-
4		TOTAL	<u><u>181.0</u></u>	<u><u>182.0</u></u>	<u><u>(1.0)</u></u>

NOVA GAS TRANSMISSION LTD.
ZONE 9 OPERATING AGREEMENT
(\$000's)

<u>LINE</u>	<u>NEB ACCOUNT</u>	<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	
	<u>Operating Expense</u>				
1	688	Other General Expense	<u>111.5</u>	<u>111.5</u>	<u>-</u>

AMOCO CANADA PETROLEUM COMPANY LTD.
DECOMPRESSION/RECOMPRESSION FACILITY AT EMPRESS
(\$000's)

<u>LINE</u>	<u>NEB ACCOUNT</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
		<u>Operating Expense</u>			
1	660	Supervision	411.0	252.0	159.0
2	666	Compressor	353.4	478.9	(125.5)
3	688	Other General Expense	375.0	372.0	3.0
		<u>Maintenance Expense</u>			
4	866	Compressor	441.0	298.8	142.2
5		TOTAL	<u>1,580.4</u>	<u>1,401.7</u>	<u>178.7</u>

TRANSCANADA PIPELINES LIMITED
ZONE 8 OPERATING AGREEMENT
(\$000's)

<u>LINE</u>	<u>NEB ACCOUNT</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
		<u>Operating Expense</u>			
1	660	Supervision	56.9	56.9	-
2	664	Communication	57.7	57.7	-
3	665	Pipeline	218.0	218.0	-
4	667	Measuring and Regulating	64.7	64.7	-
5	688	Other General Expense	475.9	467.4	8.5
		<u>Maintenance Expense</u>			
6	865	Pipeline	171.0	171.0	-
7	867	Measuring and Regulating	46.2	46.2	-
8		TOTAL	<u>1,090.4</u>	<u>1,081.9</u>	<u>8.5</u>

TRANSCANADA PIPELINES LIMITED
ZONE 9 OPERATING AGREEMENT
(\$000's)

<u>LINE</u>	<u>NEB ACCOUNT</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
		<u>Operating Expense</u>			
1	660	Supervision	136.8	184.1	(47.3)
2	665	Pipeline	15.6	17.1	(1.5)
3	666	Compressor	2,190.5	2,806.8	(616.3)
4	667	Measuring and Regulating	19.8	10.2	9.6
5	688	Other General Expense	38.4	50.4	(12.0)
		<u>Maintenance Expense</u>			
6	860	Supervision	5.3	50.0	(44.7)
7	865	Pipeline	115.1	146.7	(31.6)
8	866	Compressor	211.9	249.7	(37.8)
9	867	Measuring and Regulating	15.8	11.6	4.2
10		TOTAL	<u><u>2,749.2</u></u>	<u><u>3,526.6</u></u>	<u><u>(777.4)</u></u>

ELECTRIC POWER
NEB ACCOUNT 666
(\$000's)

<u>LINE</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
	TRANSALTA			
1	Jenner, Acme and Crawling Valley	4,500.0	4,900.0	(400.0)
	AMOCO			
2	Decompression/Recompression at Empress	4,800.0	4,700.0	100.0
	TCPL			
3	Saskatchewan	706.9	789.5	(82.6)
4	TOTAL	<u><u>10,006.9</u></u>	<u><u>10,389.5</u></u>	<u><u>(382.6)</u></u>

FOOTHILLS HEAD OFFICE COSTS
CHARGES TO OPERATIONS
NEB ACCOUNT 721
(000's)

<u>LINE</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
1	Executive Management	3,236.4	3,312.0	(75.6)
2	Human Resources & Administration	721.0	716.0	5.0
3	General Corporate Costs - Administration	569.6	561.4	8.2
4	Customer Service & Regulatory Affairs	1,405.5	1,408.3	(2.8)
5	Rates & Project Development	104.9	102.5	2.4
6	Environmental & Socio-Economic Affairs	744.0	749.3	(5.3)
7	Engineering & Construction	274.0	333.6	(59.6)
8	Project Services	36.4	36.4	-
9	Information Services	543.5	536.6	6.9
10	General Corporate Costs - Information Services	298.0	248.5	49.5
11	Corporate Accounting	467.0	459.9	7.1
12	Budgets & Treasury	621.6	622.0	(0.4)
13	Salary Progression	<u>111.3</u>	<u>-</u>	<u>111.3</u>
14	Total	<u><u>9,133.2</u></u>	<u><u>9,086.5</u></u>	<u><u>46.7</u></u>

**FOOTHILLS FIELD COSTS
CHARGES TO OPERATIONS
NEB ACCOUNT 685
(000's)**

<u>LINE</u>		<u>2000 BUDGET</u>	<u>1999 BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
1	Engineering & Construction	1,028.1	872.2	155.9
2	Systems Planning	632.1	472.2	159.9
3	Operations	539.9	536.0	3.9
4	Project Services	405.9	415.9	(10.0)
5	Salary Progression	<u>51.4</u>	<u>-</u>	<u>51.4</u>
6	Total	<u><u>2,657.4</u></u>	<u><u>2,296.3</u></u>	<u><u>361.1</u></u>