



**Foothills Pipe Lines Ltd.**

March 1, 2001

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

Dear Mr. Mantha:

**RE: Foothills Pipe Lines Ltd.  
Recovery of Special Charge Extension  
File No. 4775-F6**

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Pursuant to National Energy Board Order AO-13-TG-4-82, Foothills Pipe Lines Ltd. ("Foothills") was required to provide the Board on a six-month basis with an update as to its discussions concerning the Special Charge, commencing with the filing of its Annual Surveillance Report on February 28, 2001.

As the Board is aware, the above-noted Order was issued at the end of November, 2000. No formal discussions have commenced with interested parties to address the matters related to Special Charge, due to the short period of time that has expired since the Order was issued. While this issue remains a priority for Foothills, the company's has been required to focus its limited resources other priorities. Also, for the last several months limited industry resources have been focused on the ongoing industry discussions regarding the TransCanada system.

This issue remains a priority to Foothills and its interested parties. We anticipate that discussions will commence later this year and more information will be available at the time of our next required filing.

Yours truly,

Phil Cochrane  
Manager  
Public & Regulatory Affairs

**cc: Interested Parties TG-6-81**