

Electronic Notification

July 28, 2006

Corinne Grudecki
Manager, Government & Regulatory Affairs, Western Region
Direct Energy Regulated Services
111 – 5th Ave SW Suite 1000
Calgary AB T2P 3Y6

Dear Ms. Grudecki:

**DIRECT ENERGY REGULATED SERVICES (DERS)
REGULATED RATE TARIFF (RRT) ENERGY CHARGE RATES FOR AUGUST 2006
APPLICATION NO. 1471904**

The Alberta Energy and Utilities Board (the Board) is in receipt of a letter from DERS dated July 25, 2006, in which it has requested acknowledgement of energy charges applicable to its RRT service for the month ending August 31, 2006. Also, on July 25, 2006 DERS submitted a letter from Sheldon Fulton, Independent Advisor to the Energy Procurement Process, stating that he has reviewed the energy charges filed by DERS and concurred that they were calculated in accordance with the Energy Price Setting Plan for 2006 to 2011.

DERS' proposed energy charges are as follows:

| Rate Class | cents/kWh |
|---------------------------|------------------|
| Residential | 7.418 |
| Commercial | 7.495 |
| Industrial | 7.082 |
| Farming (Includes REA) | 7.281 |
| Irrigation (Includes REA) | 7.075 |
| Oil & Gas | 7.088 |
| Lighting | 4.496 |

The Board has reviewed the filing, and accepts that the above noted energy charges represent rates determined in accordance with the directions previously issued to DERS in Order U2006-108, dated April 28, 2006. Consequently, the Board acknowledges that the energy charges as set out above are applicable to DERS' RRT service for the period August 1, 2006 to August 31, 2006.

As directed in the *Regulated Rate Option Regulation*, AR 262/2005, sections 7(4) and 7(5), DERS must retain records sufficient to enable the Board to audit any previous monthly rates set by DERS and any amount overcharged to customers due to an incorrect rate calculation must be refunded to customers as soon as practicable after the error is discovered.

If any affected party objects to the calculation of the energy charge for the month in question, they should notify the Board and DERS in a timely manner of the nature of their objection, including the reason why it should be considered.

Yours truly,

A handwritten signature in cursive script that reads "Laurie Bayda".

Laurie J. Bayda
Customer Service Manager
Utilities Branch