



FORTE BUSINESS SOLUTIONS LTD.

July 25, 2006

Direct Energy Regulated Services
111 – 5th Avenue SW, 1000
Calgary, Alberta
T2P 3Y6

Gary Newcombe:

Please accept this letter as a confirmation that I have reviewed the Rates to be filed by DERS for the month of August 2006. My concurrence with the calculated Rates is limited to the Energy Charge component only and based on a review of the calculations I would concur that they have been determined in accordance with the Energy Price Setting Plan (EPSP) for 2006 to 2011.

I would also confirm that the calculations for the Alternative Financial Arrangements and the New RRO, based on procurement of products at or better than Target Prices, are correct and for the New RRO, that these prices represent forward prices during the June 18 to July 21 time period for 7X24 and 7X16 products.

Further, I would concur that the Rate determination model included with the Rate submissions does correctly represent the treatment of risk margins, Losses and other Adders as agreed in the EPSP, with the exception of the Return Margin charge which I believe has been separately agreed with the EUB.

Thanks



Sheldon Fulton
President