

EXECUTIVE SUMMARY

This information package was developed to assist all parties participating in the monthly Gas Cost Flow Through Rate (GCFR) process for Direct Energy Regulated Services Deferred Gas Account (DGA).

This document contains information used to derive a GCFR of \$5.304/GJ for Direct Energy Regulated Services (DERS) Rate 1 & 3 Gas Customers and a GCFR of \$4.927/GJ for Direct Energy Regulated Services (DERS) Rate 5 Gas Customers for August 2006.

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INTRODUCTION

This section provides an overview of the Deferred Gas Account (DGA).

Schedules M-1 and M-2 show the DGA components as of July 25, 2006.

Schedule M-1 includes actual, estimated and forecast costs for the various gas supply components and actual, estimated and forecast dollars for the recovery components.

Schedule M-2 includes actual, estimated and forecast energy balance for the DGA.

In order to zero the forecast balance of the DGA on August 31, 2006, a GCFR of \$5.304/GJ for DERS Rate 1 & 3 Gas Customers and a GCFR of \$4.927/GJ for DERS Rate 5 Gas Customers should be implemented on August 01, 2006.

SECTION 1
DGA COST AND RECOVERY OVERVIEW

SCHEDULE M-1
MONTHLY DGA COSTS AND RECOVERIES

Line	Description	Units	A	B	C	D	E
			Previous Period Adjustment	Actual May-06	Estimate Jun-06	Estimate Jul-06	Forecast Aug-06
1	Opening Cumulative DGA Balance	\$,000	3,619	2,803	5,123	(444)	125
<u>Gas Supply Costs</u>							
2	Purchases	\$,000	(31)	17,818	11,412	9,437	10,945
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	4	(463)	8	(4)	0
6	Total Gas Supply Costs	\$,000	(27)	17,355	11,420	9,432	10,945
<u>Adjustments</u>							
7	Transportation	\$,000	0	19	9	3	4
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement	\$,000	(12)	29	29	28	28
10	Bad Debts	\$,000	692	82	85	136	136
11	DGA Balance	\$,000	149	(15)	(16)	16	16
12	Credit Charge	\$,000	0	27	20	15	16
13	Net Gas Costs	\$,000	802	17,496	11,547	9,631	11,145
<u>Recoveries</u>							
14	Calendar Sales	\$,000	34	18,735	5,522	10,022	10,904
15	Transportation Imbalance Sales	\$,000	0	3	0	0	0
16	Excess System Sales	\$,000	0	890	262	63	0
17	Penalty Revenue	\$,000	(47)	188	195	116	115
18	Total Recoveries	\$,000	(13)	19,816	5,980	10,200	11,019
19	Current DGA Balance	\$,000	(815)	2,320	(5,567)	569	(125)
20	Closing Cumulative DGA Balance	\$,000	2,803	5,123	(444)	125	0

July 25, 2006

**SCHEDULE M-2
MONTHLY DGA ENERGY BALANCE**

Line	Description	Units	A Actual May-06	B Estimate Jun-06	C Estimate Jul-06	D Forecast Aug-06
<u>Gas Supply Costs</u>						
1	Purchases	TJ	3,066	2,109	1,741	2,079
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	(62)	0	0	0
4	Total Energy	TJ	3,004	2,109	1,741	2,079
<u>Adjustments</u>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	Net Energy	TJ	3,004	2,109	1,741	2,079
<u>Recoveries</u>						
7	Calendar Sales	TJ	3,165	2,064	1,709	2,062
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	172	49	15	0
10	Total Recoveries	TJ	3,337	2,113	1,724	2,062
11	DGA UFG	TJ	333	4	(17)	(17)

SPECIAL NOTES

INTRODUCTION

This section provides details of the Deferred Gas Account (DGA) components for May 2006.

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-1 shows the forecast and actual DGA cost and recovery components for May 2006 as of April 24, 2006 and July 25, 2006 respectively.

SCHEDULE R-1
FORECAST & ACTUAL DGA COSTS AND RECOVERIES

May 2006

Line	Description	Units	Forecast April 24, 2006	Actual July 25, 2006	Actual less Forecast
	<u>Gas Supply Costs</u>				
1	Purchases	\$,000	26,199	17,818	(8,381)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	(463)	(463)
5	Total Gas Supply Costs	\$,000	26,199	17,355	(8,844)
	<u>Adjustments</u>				
6	Transportation	\$,000	18	19	1
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement and Portfolio Management	\$,000	29	29	0
9	Bad Debts	\$,000	85	82	(3)
10	DGA Balance	\$,000	(16)	(15)	1
11	Credit Charge	\$,000	31	27	(4)
12	Net Gas Costs	\$,000	26,345	17,496	(8,849)
	<u>Recoveries</u>				
13	Calendar Sales	\$,000	22,696	18,735	(3,961)
14	Transportation Imbalance Sales	\$,000	0	3	3
15	Excess System Sales	\$,000	0	890	890
16	Penalty Revenue	\$,000	195	188	(7)
17	Total Recoveries	\$,000	22,891	19,816	(3,075)

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-2 shows the forecast and actual DGA energy balance for May 2006 as of April 24, 2006 and July 25, 2006. It also shows the normal and actual degree days for May 2006.

SCHEDULE R-2
DGA ENERGY BALANCE & DEGREE DAYS
May 2006

Line	Description	Units	Forecast April 24, 2006	Actual July 25, 2006	Actual less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	TJ	3,870	3,066	(804)
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	(62)	(62)
<hr/>					
4	Total Energy	TJ	3,870	3,004	(866)
<u>Adjustments</u>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	Net Energy	TJ	3,870	3,004	(866)
<u>Recoveries</u>					
7	Calendar Sales	TJ	3,834	3,165	(669)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	172	172
<hr/>					
10	Total Recoveries	TJ	3,834	3,337	(497)
<hr/>					
11	DGA UFG	TJ	(36)	333	369
12	Degree Days	DD	187	148	(39)

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-3 shows the actual DGA purchase gas components for May 2006 as of July 25, 2006.

SCHEDULE R-3
ACTUAL GAS PURCHASES
May 2006

Line	Description	Units	Actual July 25, 2006
1	ON-System ATCO Supplies	\$,000	14,147
2		TJ	2,393
3		\$/GJ	5.911
4	Nova Inventory Transfer Supplies	\$,000	3,671
5		TJ	673
6		\$/GJ	5.455
7	Total Purchases	\$,000	17,818
8		TJ	3,066
9		\$/GJ	5.811

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for May 2006 as of July 25, 2006.

SCHEDULE R-4
ACTUAL GAS PURCHASES - ON-SYSTEM ATCO SUPPLIES

		May 2006	Actual July 25, 2006
Line	Description	Units	
1	Long Term Indexed	\$,000	8,759
2		TJ	1,405
3		\$/GJ	6.235
4	Total Long Term	\$,000	8,758
5		TJ	1,405
6		\$/GJ	6.235
7	Short Term (Monthly Index)	\$,000	965
8		TJ	155
9		\$/GJ	6.226
10	Short Term (Daily Index)	\$,000	4,423
11		TJ	833
12		\$/GJ	5.307
13	Total Short Term	\$,000	5,389
14		TJ	988
15		\$/GJ	5.451
16	Total ON-System ATCO Supplies	\$,000	14,148
17		TJ	2,393
18		\$/GJ	5.911

**SECTION 5
RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for May 2006 as of July 25, 2006.

**SCHEDULE R-5
ACTUAL GAS PURCHASES - NOVA INVENTORY TRANSFER SUPPLIES**

		May 2006	Actual July 25, 2006
Line	Description	Units	
1	Long Term Indexed	\$,000	0
2		TJ	0
3		\$/GJ	0.000
4	Total Long Term	\$,000	0
5		TJ	0
6		\$/GJ	0.000
7	Short Term (Monthly Index)	\$,000	0
8		TJ	0
9		\$/GJ	0.000
10	Short Term (Daily Index)	\$,000	3,671
11		TJ	673
12		\$/GJ	5.455
13	Total Short Term	\$,000	3,671
14		TJ	673
15		\$/GJ	5.455
16	Total Nova Inventory Transfer Supplies	\$,000	3,671
17		TJ	673
18		\$/GJ	5.455

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-6 shows the forecast and actual unit gas prices for May 2006 as of April 24, 2006 and July 25, 2006 respectively.

SCHEDULE R-6
FORECAST AND ACTUAL UNIT GAS PRICES
May 2006

Line	Description	Units	Forecast April 24, 2006	Actual July 25, 2006	Actual less Forecast
1	AECO Monthly Index	\$/GJ	6.4540	6.2260	(0.2280)
2	AECO Daily INDEX	\$/GJ	6.9528	5.8600	(1.0928)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including April 21, 2006 on the AECO/NGX Intra-Alberta May (Near Month) instrument as reported by NGX.
2. The actual unit price in Line 1 was the weighted average price of the transactions made up to and including April 30, 2006 on the AECO/NGX Intra-Alberta May (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the May, AECO/NGX Intra-Alberta Settlement prices on April 17, 18, 19, 20 & 21, 2006.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in May, 2006 as reported by NGX and includes all weekend deals.

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-7 shows the actual contract storage and transportation costs for May 2006 as of July 25, 2006.

The TCPL (AB) transportation costs reflect Firm Transportation Receipt charges on the NOVA Gas transmission system and the AP FSR transportation costs reflect Firm Service Receipt charges on the ATCO Pipelines system.

SCHEDULE R-7
TRANSPORTATION & STORAGE COSTS
May 2006

Line	Description	Units	Actual July 25, 2006
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	17
3	Transportation -- AP FSR	\$,000	1
4	Transportation -- Other	\$,000	0
	Total		19

SECTION 2
RECONCILIATION MONTH SCHEDULES

The R-10 schedules show the actual day gas sales and purchases for the reconciliation month as at the filing date.

Short term transaction totals in schedules R 10 B & D are shown only if all four of these criteria are satisfied:

1. Transactions are done for the same time frame (e.g. same day or yesterday).
2. Transactions are done for the same point (i.e. NIT, ATCO North or ATCO South).
3. Transactions are done using the same pricing regime (i.e. fixed vs. index based).
4. Both regulated and deregulated deals are transacting in the same direction (i.e. both selling or both buying).

Schedule R 10 A S - Actual Spot Gas Purchases by Trade Day

May 2006

Direct Energy Regulated Services

Nova Inventory Transfer Supplies

DAY	Yesterday (YD)			AECO YD	Same Day (SD)					AECO Daily
	Avg. Cost		Total Cost	Daily Average	Fixed	Avg. Cost	Index Related	Avg. Cost	Total Cost	Index
	GJ's	\$/GJ	\$	\$/GJ	GJ's	\$/GJ	GJ's	\$/GJ	\$	\$/GJ
1	0	0.0000	0.00	5.2091	40,000	5.5875	0	0.0000	223,500.00	5.5519
2	5,000	5.6700	28,350.00	5.5676	25,000	5.7260	0	0.0000	143,150.00	5.7209
3	6,000	5.6506	33,903.60	5.7331	89,000	5.6592	25,000	5.6506	644,930.00	5.6506
7	(15,000)	5.1347	(77,020.00)	5.5049	0	0.0000	0	0.0000	0.00	5.1969
8	0	0.0000	0.00	5.0069	0	0.0000	35,000	5.3493	187,225.00	5.3550
9	22,000	5.4036	118,880.00	5.1712	0	0.0000	30,000	5.4148	162,444.00	5.4098
10	0	0.0000	0.00	5.4051	0	0.0000	35,000	5.4140	189,488.50	5.4121
11	0	0.0000	0.00	5.3981	10,000	5.3725	0	0.0000	53,725.00	5.5465
12	0	0.0000	0.00	5.5091	40,000	5.2175	0	0.0000	208,700.00	5.2165
13	0	0.0000	0.00	5.2394	15,000	5.1000	0	0.0000	76,500.00	5.0672
14	(20,000)	5.1150	(102,300.00)	5.0971	5,000	5.1400	(15,000)	5.0964	(50,746.00)	5.0964
16	6,000	5.2694	31,616.40	5.1260	0	0.0000	0	0.0000	0.00	5.2694
17	(11,500)	5.1665	(59,415.00)	5.2638	0	0.0000	0	0.0000	0.00	5.2740
18	(13,000)	5.1500	(66,950.00)	5.2987	0	0.0000	0	0.0000	0.00	5.1578
19	0	0.0000	0.00	5.1649	(40,000)	5.1500	0	0.0000	(206,000.00)	5.1839
21	(23,000)	5.3639	(123,370.00)	5.3001	0	0.0000	0	0.0000	0.00	5.1068
25	0	0.0000	0.00	5.1166	15,000	4.9000	0	0.0000	73,500.00	4.9057
26	0	0.0000	0.00	4.8483	30,000	5.1100	0	0.0000	153,300.00	5.0399
27	(22,000)	5.1809	(113,980.00)	5.3946	65,000	5.0392	10,000	5.1083	378,633.00	5.1083
29	(10,000)	5.3075	(53,075.00)	5.0137	0	0.0000	0	0.0000	0.00	5.0273
30	5,000	5.1910	25,955.00	5.0137	0	0.0000	0	0.0000	0.00	5.3145
	(70,500)		(357,405.00)	TOTALS	294,000		120,000		2,238,349.50	

Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day

May 2006

Direct Energy Regulated Services

ON- System ATCO Supplies

YD table is not applicable for this schedule.

DAY	Yesterday (YD)			AECO YD	Same Day (SD)					AECO Daily
	Avg. Cost		Total Cost	Daily Average	Fixed	Avg. Cost	Index Related	Avg. Cost	Total Cost	Index
	GJ's	\$/GJ	\$	\$/GJ	GJ's	\$/GJ	GJ's	\$/GJ	\$	\$/GJ
1	14,786	5.7553	85,097.36	0.0000	0	0.0000	84,200	5.5083	463,798.98	5.5519
2	13,000	5.6600	73,580.00	0.0000	0	0.0000	89,100	5.6755	505,685.19	5.7209
3	0	0.0000	0.00	0.0000	0	0.0000	66,400	5.6039	372,101.84	5.6506
4	0	0.0000	0.00	0.0000	0	0.0000	42,000	5.5111	231,464.60	5.5578
8	0	0.0000	0.00	0.0000	0	0.0000	54,500	5.3072	289,241.25	5.3550
9	0	0.0000	0.00	0.0000	0	0.0000	43,200	5.3610	231,593.86	5.4098
10	0	0.0000	0.00	0.0000	0	0.0000	53,300	5.3634	285,871.43	5.4121
11	0	0.0000	0.00	0.0000	0	0.0000	29,300	5.4991	161,123.95	5.5465
12	0	0.0000	0.00	0.0000	0	0.0000	126,000	5.1589	650,024.10	5.2165
23	0	0.0000	0.00	0.0000	0	0.0000	(2,000)	5.5375	(11,075.00)	5.5775
24	500	4.9300	2,465.00	0.0000	0	0.0000	0	0.0000	0.00	5.1240
25	0	0.0000	0.00	0.0000	0	0.0000	18,000	4.8526	87,347.60	4.9057
26	0	0.0000	0.00	0.0000	0	0.0000	173,900	4.9347	858,138.43	5.0399
29	0	0.0000	0.00	0.0000	0	0.0000	25,300	4.9780	125,944.44	5.0273
	28,286		161,142.36	TOTALS	0		803,200		4,251,260.67	

Schedule R 10 D S - Actual Spot Gas Purchases by Trade Day

May 2006

Direct Energy Marketing Limited

ON- System ATCO Supplies

YD table is not applicable for this schedule.

DAY	Yesterday (YD)			AECO YD	Same Day (SD)					AECO Daily
	Avg. Cost		Total Cost	Daily Average	Fixed	Avg. Cost	Index Related	Avg. Cost	Total Cost	Index
	GJ's	\$/GJ	\$	\$/GJ	GJ's	\$/GJ	GJ's	\$/GJ	\$	\$/GJ
23	0	0.0000	0.00	0.0000	0	0.0000	(10,000)	5.5175	(55,175.00)	5.5775
	0		0.00	TOTALS	0		(10,000)		(55,175.00)	

Schedule R 10 G S - Actual Spot Gas Purchases by Delivery Day

May 2006

PEAKING Demand Supply Contracts

Nova Inventory Transfer Supplies

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost	Total Cost	Index
		\$/GJ	\$	\$/GJ
1	0	0.0000	0	5.5519
2	50,000	5.7459	287,295	5.7209
3	0	0.0000	0	5.6506
6	50,000	5.7813	289,065	5.4858
7	25,000	5.8013	145,033	5.1969
8	0	0.0000	0	5.3550
9	35,000	5.4305	190,068	5.4098
10	0	0.0000	0	5.4121
TOTALS	160,000		911,461	

Schedule R 10 I S - Long Term & Short Term(Monthly Index) Purchases
May 2006

Direct Energy Regulated Services

ON-System Atco Supplies

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume(GJ)</u>	<u>Price</u>	<u>Value</u>
180893	05/01/2006	05/31/2006	1,395,000	6.236	8,699,220
180894	05/01/2006	05/31/2006	985	6.103	6,011
180946	05/01/2006	05/31/2006	768	6.101	4,686
183174	05/01/2006	05/31/2006	7,753	6.226	48,270
185436	05/01/2006	05/31/2006	107	7.806	835
Total Long Term Indexed			1,404,613	6.236	8,759,022
247523	05/01/2006	05/31/2006	155,000	6.226	965,030
Total Short Term(Monthly Index)			155,000	6.226	965,030

SECTION 3
FORECAST MONTH SCHEDULES

This section provides details of the Deferred Gas Account (DGA) components for August 2006.

Schedule M-1 in Section 1 shows the forecast costs for the various gas supply categories, gas cost adjustments and the forecast dollars for the various recovery components for August 2006.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for August 2006.

Schedule F-1 shows the forecast of gas purchases for August 2006 by pricing mechanism. As shown in Schedule F-1, most of the gas purchases have AECO Monthly or Daily Index pricing mechanism.

Most of the Other purchase category is also influenced by AECO index pricing mechanism.

SCHEDULE F-1
FORECAST GAS PURCHASES
August 2006

Line	Description	Units	Forecast July 25, 2006
1	AECO Monthly Index	TJ	1,558
2	AECO Daily Index	TJ	506
3	Other	TJ	16
	Total	TJ	2,079

Schedule F-2 shows the forecast of the unit gas prices for August 2006.

SCHEDULE F-2
FORECAST UNIT GAS PRICES
August 2006

Line	Description	UNIT	Forecast July 25, 2006
1	AECO Monthly Index	\$/GJ	5.1942
2	AECO Daily Index (1)	\$/GJ	5.4866

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including July 24, 2006 on the AECO/NGX Intra-Alberta August (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the August, AECO/NGX Intra-Alberta Settlement prices on July 18, 19, 20, 21 & 24, 2006.

In order to zero the forecast balance of the DGA on August 31, 2006, a GCFR of \$5.304/GJ for DERS Rate 1 & 3 Gas Customers and a GCFR of \$4.927/GJ for DERS Rate 5 Gas Customers should be implemented on August 01, 2006. Schedule F-3 shows how this rate is calculated.

**SCHEDULE F-3
GAS COST FLOW THROUGH RATE DERIVATION**

August 2006

Line	Description	Units	Reference	Value
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	125
2	2005 Energy Related Deferral Recovery	\$,000	Appendix A, Line 5	876
3	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	11,145
4	Transportation Imbalance Sales Estimate	\$,000	Schedule M-1, Line 15, Column E	0
5	Excess System Sales Estimate	\$,000	Schedule M-1, Line 16, Column E	0
6	Penalty Revenue Estimate	\$,000	Schedule M-1, Line 17, Column E	115
7	Net Monthly Gas Cost Recovery	\$,000	Line 3 less Lines 1 - 2 less Lines 4 - 6	10,028
8	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	2,062
9	GCFR excluding AGS - DGA PPA	\$/GJ	Line 7 divided by Line 8	4.864
 DERS GCFR for Rates 1 & 3				
10	DERS Rates 1 & 3 Sales Forecast	TJ	Appendix A, Line 1	1,983
11	2005 Energy Related Deferral Recovery	\$,000	Appendix A, Line 3	871
12	Impact to rate of AGS - DGA PPA	\$/GJ	Line 11 divided by Line 10	0.439
13	GCFR excluding AGS - DGA PPA	\$/GJ	Line 9	4.864
14	GCFR for Rates 1 & 3	\$/GJ	Line 13 plus line 12	5.304
 DERS GCFR for Rate 5				
15	DERS Rate 5 Sales Forecast	TJ	Appendix A, Line 2	79
16	AGS - DGA PPA Rate 5	\$,000	Appendix A, Line 4	5
17	Impact to rate of AGS - DGA PPA	\$/GJ	Line 16 divided by Line 15	0.062
18	GCFR excluding AGS - DGA PPA	\$/GJ	Line 9	4.864
19	GCFR for Rate 5	\$/GJ	Line 17 plus line 18	4.927

SPECIAL NOTES

**SCHEDULE C - 1
COST OF CREDIT SUPPORT**

LEGEND:	bp	Basis points (100 bp = 1%)
	LC	Letter of credit
	PCG	Parental company guarantee

July 25, 2006

Supply Sources	Security Type	Credit Charge (bp)	April Payable	May Payable	June Payable	July Payable	August Payable	Actual May-06	Estimate Jun-06	Estimate Jul-06	Forecast Aug-06
(SOUTH)											
ATCO Gas Supply Contracts											
Acclaim Energy Partnership	N/A		5,938	6,011	5,799	0	0				
ATCO	PCG	40.0	48,585	48,264	39,636	52,827	0	29	27	27	18
Canetic Resources Inc.	N/A		0	0	0	5,826	0				
Enerplus Resources Corporation	N/A		4,687	4,686	4,363	4,659	0				
Linray Energy Inc.	N/A		5,337	0	0	0	0				
Shell Canada Limited	PCG	40.0	8,530,515	8,699,220	7,169,445	7,675,709	0	5,182	4,891	4,453	2,559
Forecast (with credit support)	PCG	40.0	0	0	0	0	7,165,399	0	0	0	1,926
Forecast (without credit support)			0	0	0	0	80,510				
Sub Total			8,595,062	8,758,181	7,219,243	7,739,021	7,245,909	5,211	4,918	4,480	4,503
DEML Supply Contracts											
Counterparty 1	PCG	40.0	51,039	170,733	0	0	0	63	57	0	0
Counterparty 2	PCG	40.0	190,293	0	0	0	0	63	0	0	0
Counterparty 3	PCG	40.0	1,032,332	79,766	180,015	0	0	366	77	60	0
Counterparty 4	PCG	40.0	475,300	424,744	402,525	0	0	273	253	134	0
Counterparty 5	PCG	40.0	2,530,275	1,225,149	123,726	0	0	1,173	443	41	0
Counterparty 6	PCG	40.0	894,784	690,199	421,819	0	0	484	347	141	0
Counterparty 7	PCG	40.0	744,867	53,623	0	0	0	263	18	0	0
Counterparty 8	N/A		457,356	99,292	348,422	189,481	0				
Counterparty 9	PCG	40.0	947,460	0	0	0	0	316	0	0	0
Counterparty 10	PCG	40.0	256,368	272,982	28,685	0	0	159	99	10	0
Counterparty 11	PCG	40.0	5,649,760	1,957,390	444,307	432,430	0	2,409	776	264	144
Counterparty 12	PCG	40.0	82,921	67,250	0	0	0	46	22	0	0
Counterparty 13	PCG	40.0	17,108	0	0	0	0	6	0	0	0
Counterparty 14	PCG	40.0	0	108,292	0	0	0	29	36	0	0
Counterparty 15	PCG	40.0	4,603	0	0	0	0	2	0	0	0
Counterparty 99	PCG	40.0	0	0	0	757,311	0	0	0	204	252
Forecast (with credit support)	PCG	40.0	0	0	0	0	2,866,434	0	0	0	771
Sub Total			13,334,466	5,149,420	1,949,499	1,379,222	2,866,434	5,652	2,128	854	1,167
Natural Gas Exchange											
Forecast			6,947,165	3,020,417	1,979,404	395,988	0				
Sub Total			6,947,165	3,020,417	1,979,404	395,988	832,224				
Required LC	L/C	47.5	25,000	25,000	20,000	15,000	15,000	7,813	6,164	4,777	4,777
PCG to Bank to Support LC	PCG	40.0	25,000	25,000	20,000	15,000	15,000	8,493	6,575	5,096	5,096
Sub Total								16,306	12,739	9,873	9,873
TOTAL			28,876,693	16,928,018	11,148,146	9,514,231	10,944,567	27,169	19,785	15,207	15,543

Footnote:
 * Natural Gas Exchange numbers include only the costs associated with the purchase and sale of natural gas. It does not include any NGX fees.
 ** The Natural Gas Exchange credit charge is based upon the full amount of the letter of credit and supporting parental guarantee. The parental guarantee charges for all other counterparties must cover approximately 55 days of credit exposure.
 ***The letter of credit to the Natural Gas Exchange was decreased to \$50,000,000 on April 1, to \$40,000,000 on June 1, and to \$30,000,000 on July 1, 2006. Effective March 13, the letter of credit charges were reduced to 37.5 basis points.

**APPENDIX A
2005 ENERGY-RELATED DEFERRAL COST RECOVERY
ALLOCATION BY ESTIMATED CONSUMPTION**

Total Deferral Cost For Recovery	\$3,119,030
Amount Filed in GCFR Previously	\$845,694
Remaining Deferral Cost to File in GCFR	<u>\$2,273,336</u>

Actual Consumption 2005 (TJ)	Rates 1 & 3	Rate 5	Total
January	14,029.22	-	14,029.22
February	9,851.71	-	9,851.71
March	8,866.60	-	8,866.60
April	5,549.79	0.05	5,549.85
May	3,635.86	65.75	3,701.61
June	2,986.11	58.04	3,044.16
July	2,075.64	105.10	2,180.74
August	2,550.91	78.54	2,629.45
September	3,669.17	25.20	3,694.38
October	5,583.95	5.84	5,589.79
November	7,361.39	0.03	7,361.42
December	9,384.19	-	9,384.19
Total Consumption 2005	75,544.55	338.56	75,883.11
Percentage	99.55%	0.45%	100.00%

Allocation by Rate Class	Rates 1 & 3	Rates 5	Total
	\$ 2,264,762	\$ 8,574	\$ 2,273,336

Forecast Consumption 2006 (TJ)	July 2006	August 2006	September 2006	Total
1 Rates 1 & 3	Filed	1,982.92	3,170.40	5,153.32
2 Rate 5	Filed	78.58	59.00	137.58
		2,061.50	3,229.40	5,290.90

Prorated Charges Based on Consumption	July 2006	August 2006	September 2006	Total
3 Rates 1 & 3	Filed	\$ 871,446	\$ 1,393,317	\$ 2,264,763
4 Rate 5	Filed	\$ 4,897	\$ 3,677	\$ 8,574
5 Total		\$ 876,343	\$ 1,396,994	\$ 2,273,337

Amounts Filed in GCFR	July 2006	August 2006	September 2006	Total
Rates 1 & 3	\$ 840,352	\$ -	\$ -	\$ 840,352
Rate 5	\$ 5,342	\$ -	\$ -	\$ 5,342
Total	\$ 845,694	\$ -	\$ -	\$ 845,694