

July 25, 2007

Alberta Energy and Utilities Board  
10<sup>th</sup> Floor, 10055 – 106 St.  
Edmonton, Alberta T5J 2Y2

**Attention: Becky Torrance**  
**Manager, Edmonton Office**  
**Utilities Branch**

Dear Ms. Torrance:

**Re: Direct Energy Regulated Services Gas Cost Flow-through Rates for ATCO  
Gas South Service Territory for August 2007**

Direct Energy Regulated Services (DERS) is filing with the Alberta Energy and Utilities Board (Board or EUB) a proposed Gas Cost Flow-through Rate (GCFR) for the month of August 2007 for the service territory of ATCO Gas South. The GCFR Rate Schedule attached indicates a rate applicable for ATCO Gas South customers of \$5.702 per GJ.

Additional price and weather data relating to the June and July 2007 periods as well as some explanatory notes relating to the prior period adjustments have been included in Appendix B.

Should you require additional information please contact the undersigned at 403-290-4635 or Sarah Puddicombe at 403-290-6851.

Yours truly,

*<Original signed by C. Grudecki>*

Corinne Grudecki  
Manager, Government & Regulatory Affairs, Canada West  
Direct Energy Marketing Limited  
*Direct Energy Regulated Services*  
*is a business unit of Direct Energy Marketing Limited*

Approved by Decision 2003-106  
Effective August 1, 2007  
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**DIRECT ENERGY REGULATED SERVICES  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS SOUTH SERVICE TERRITORY**

**To be applied to all energy sold to customers served under Rates G1, G3 and G5.**

Gas Cost Flow-through Rate:

For customers served by ATCO Gas and Pipelines South:

For the Period August 1, 2007 to August 31, 2007

**\$5.702 per GJ**