

**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 **\$8.231/GJ** for Direct Energy Regulated Services (DERS) gas customers for December 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 November 24, 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 December 31, 2006, a GCFR of **\$8.231/GJ** should be implemented for DERS Gas Customers on December 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 Sep-06	Estimate Oct-06	Estimate Nov-06	Forecast Dec-06
1	Opening Cumulative DGA Balance	\$,000	(2,653)	(2,364)	4,445	(4,784)	(6,845)
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	0	14,546	32,026	55,473	75,082
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	(3)	845	(5)	2	0
6	<b>Total Gas Supply Costs</b>	\$,000	(3)	15,391	32,021	55,475	75,082
<b><u>Adjustments</u></b>							
7	Transportation	\$,000	(581)	22	44	58	60
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement and Portfolio Management	\$,000	(1)	28	28	28	28
10	Bad Debts	\$,000	115	140	130	126	125
11	DGA Balance Carrying Costs	\$,000	66	17	16	15	15
12	Credit Charge	\$,000	0	15	18	37	61
13	<b>Net Gas Costs</b>	\$,000	(405)	15,614	32,258	55,740	75,371
<b><u>Recoveries</u></b>							
14	Calendar Sales	\$,000	31	21,484	22,269	52,621	82,109
15	Transportation Imbalance Sales	\$,000	0	1	0	0	0
16	Excess System Sales	\$,000	0	818	648	951	0
17	Penalty Revenue	\$,000	(147)	119	111	107	107
18	<b>Total Recoveries</b>	\$,000	(116)	22,422	23,029	53,680	82,216
19	Current DGA Balance	\$,000	289	6,809	(9,229)	(2,060)	6,845
20	<b>Closing Cumulative DGA Balance</b>	\$,000	(2,364)	4,445	(4,784)	(6,845)	0

November 24, 2006

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

Line	Description	Units	A Actual Sep-06	B Estimate Oct-06	C Estimate Nov-06	D Forecast Dec-06
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	2,840	5,920	7,949	10,042
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	167	0	0	0
4	<b>Total Energy</b>	TJ	<b>3,007</b>	<b>5,920</b>	<b>7,949</b>	<b>10,042</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	<b>Net Energy</b>	TJ	<b>3,007</b>	<b>5,920</b>	<b>7,949</b>	<b>10,042</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	2,746	5,986	7,767	9,975
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	178	120	133	0
10	<b>Total Recoveries</b>	TJ	<b>2,924</b>	<b>6,107</b>	<b>7,900</b>	<b>9,975</b>
11	<b>DGA UFG</b>	TJ	(83)	187	(50)	(67)

**SPECIAL NOTES**

**INTRODUCTION**

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

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-1 shows the forecast and actual DGA cost and recovery components for September 2006 as of August 25, 2006 and November 24, 2006 respectively.

**SCHEDULE R-1**  
**FORECAST & ACTUAL DGA COSTS AND RECOVERIES**

**September 2006**

Line	Description	Units	Forecast Aug 25, 2006	Actual Nov 24, 2006	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	\$,000	18,850	14,546	(4,303)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	845	845
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>18,850</b>	<b>15,391</b>	<b>(3,458)</b>
<b><u>Adjustments</u></b>					
6	Transportation	\$,000	13	22	9
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement and Portfolio Management	\$,000	28	28	0
9	Bad Debts	\$,000	134	140	6
10	DGA Balance	\$,000	16	17	1
11	Credit Charge	\$,000	17	15	(2)
12	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>19,058</b>	<b>15,614</b>	<b>(3,444)</b>
<b><u>Recoveries</u></b>					
13	Calendar Sales	\$,000	23,614	21,484	(2,130)
14	Transportation Imbalance Sales	\$,000	0	1	1
15	Excess System Sales	\$,000	0	818	818
16	Penalty Revenue	\$,000	114	119	5
17	<b>Total Recoveries</b>	<b>\$,000</b>	<b>23,728</b>	<b>22,422</b>	<b>(1,306)</b>

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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

**SCHEDULE R-2**  
**DGA ENERGY BALANCE & DEGREE DAYS**  
**September 2006**

Line	Description	Units	Forecast Aug 25, 2006	Actual Nov 24, 2006	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	3,047	2,840	(207)
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	167	167
<hr/>					
4	<b>Total Energy</b>	TJ	<b>3,047</b>	<b>3,007</b>	<b>(40)</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	<b>Net Energy</b>	TJ	<b>3,047</b>	<b>3,007</b>	<b>(40)</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	3,019	2,746	(273)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	178	178
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>3,019</b>	<b>2,924</b>	<b>(95)</b>
<hr/>					
11	<b>DGA UFG</b>	TJ	<b>(28)</b>	<b>(83)</b>	<b>(55)</b>
12	Degree Days	DD	140	118	(22)

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-3 shows the actual DGA purchase gas components for September 2006 as of November 24, 2006.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**September 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual November 24, 2006</b>
1	ON-System ATCO Supplies	\$,000	9,922
2		TJ	1,837
3		\$/GJ	5.400
4	Nova Inventory Transfer Supplies	\$,000	4,618
5		TJ	1,002
6		\$/GJ	4.609
7	Total Purchases	\$,000	14,540
8		TJ	2,839
9		\$/GJ	5.121

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for September 2006 as of November 24, 2006.

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

		<b>September 2006</b>	<b>Actual November 24, 2006</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
1	Long Term Indexed	\$,000	7,929
2		TJ	1,359
3		\$/GJ	5.834
4	Total Long Term	\$,000	7,929
5		TJ	1,359
6		\$/GJ	5.834
7	Short Term (Monthly Index)	\$,000	0
8		TJ	0
9		\$/GJ	0.000
10	Short Term (Daily Index)	\$,000	1,993
11		TJ	478
12		\$/GJ	4.167
13	Total Short Term	\$,000	1,993
14		TJ	478
15		\$/GJ	4.167
16	Total ON-System ATCO Supplies	\$,000	9,922
17		TJ	1,837
18		\$/GJ	5.400

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**SECTION 5  
RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for September 2006 as of November 24, 2006.

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

		<b>September 2006</b>	<b>Actual November 24, 2006</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
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	4,618
11		TJ	1,002
12		\$/GJ	4.609
13	Total Short Term	\$,000	4,618
14		TJ	1,002
15		\$/GJ	4.609
16	Total Nova Inventory Transfer Supplies	\$,000	4,618
17		TJ	1,002
18		\$/GJ	4.609

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-6 shows the forecast and actual unit gas prices for September 2006 as of August 25, 2006 and November 24, 2006 respectively.

**SCHEDULE R-6**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**September 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast August 25, 2006</b>	<b>Actual November 24, 2006</b>	<b>Actual less Forecast</b>
1	AECO Monthly Index	\$/GJ	6.3389	5.8245	(0.5144)
2	AECO Daily INDEX	\$/GJ	6.0742	4.4546	(1.6196)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including August 24, 2006 on the AECO/NGX Intra-Alberta September (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 August 31, 2006 on the AECO/NGX Intra-Alberta September (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the September, AECO/NGX Intra-Alberta Settlement prices on August 18, 21, 22, 23 & 24, 2006.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in September, 2006 as reported by NGX and includes all weekend deals.

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-7 shows the actual contract storage and transportation costs for September 2006 as of November 24, 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**  
**September 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual Nov 24, 2006</b>
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	21
3	Transportation -- AP FSR	\$,000	1
4	Transportation -- Other	\$,000	0
	Total		22

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**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**

**September 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	28,000	4.8364	135,420.00	4.7417	0	0.0000	0	0.0000	0.00	4.7775
2	(5,000)	4.7200	(23,600.00)	4.7214	0	0.0000	0	0.0000	0.00	4.7850
3	(30,000)	4.7117	(141,350.00)	4.8188	0	0.0000	0	0.0000	0.00	4.7553
4	(24,000)	4.9775	(119,460.00)	4.7336	0	0.0000	0	0.0000	0.00	4.8270
5	0	0.0000	0.00	4.7669	(10,000)	5.1340	0	0.0000	(51,340.00)	5.1127
6	0	0.0000	0.00	5.0351	(15,000)	5.4457	0	0.0000	(81,685.00)	5.4233
9	(15,000)	4.6233	(69,350.00)	5.0417	0	0.0000	0	0.0000	0.00	4.7801
10	(12,000)	4.6940	(56,327.50)	4.8454	0	0.0000	0	0.0000	0.00	4.6719
11	(2,000)	4.9100	(9,820.00)	4.6339	0	0.0000	0	0.0000	0.00	4.7397
13	(11,000)	4.4864	(49,350.00)	4.9036	50,000	4.7630	0	0.0000	238,150.00	4.7476
14	0	0.0000	0.00	4.7497	15,000	4.3400	30,000	4.4037	197,211.00	4.4137
15	74,000	6.2501	462,510.00	4.5001	60,000	3.8250	0	0.0000	229,500.00	4.0769
16	50,000	6.7850	339,250.00	4.0118	20,000	4.9250	0	0.0000	98,500.00	4.8768
17	5,000	4.5800	22,900.00	6.6662	25,000	4.6000	0	0.0000	115,000.00	4.6669
18	11,000	4.6214	50,835.00	7.0300	50,000	4.3560	0	0.0000	217,800.00	4.4173
19	25,000	4.4850	112,125.00	4.4610	70,000	4.5896	0	0.0000	321,275.00	4.5857
20	(20,000)	4.3000	(86,000.00)	4.6348	65,000	4.4781	0	0.0000	291,075.00	4.4810
21	10,000	3.9750	39,750.00	4.4782	64,000	4.2498	15,000	4.2233	335,339.50	4.2233
22	33,000	3.9194	129,340.00	4.2567	65,000	3.9704	10,000	3.9814	297,889.00	3.9814
23	0	0.0000	0.00	4.0029	7,000	3.9000	0	0.0000	27,300.00	3.8658
24	(17,000)	3.8000	(64,600.00)	3.9079	0	0.0000	0	0.0000	0.00	3.8495
26	48,000	3.9700	190,560.00	3.7892	0	0.0000	0	0.0000	0.00	3.8762
27	7,000	3.8500	26,950.00	3.8616	0	0.0000	0	0.0000	0.00	3.9101
28	7,000	3.6200	25,340.00	3.9433	0	0.0000	0	0.0000	0.00	3.8435
29	8,000	3.6500	29,200.00	3.8695	0	0.0000	0	0.0000	0.00	3.5431
	170,000		944,322.50	<b>TOTALS</b>	466,000		55,000		2,236,014.50	

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**Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day**  
**September 2006**  
**Direct Energy Regulated Services**  
ON- System ATCO Supplies

YD table is not applicable for this schedule.

DAY	Yesterday (YD)			AECO YD Daily Average \$/GJ	Same Day (SD)					AECO Daily Index \$/GJ
	Avg. Cost		Total Cost \$		Fixed GJ's	Avg. Cost \$/GJ	Index Related GJ's	Avg. Cost \$/GJ	Total Cost \$	
	GJ's	\$/GJ								
13	0	0.0000	0.00	0.0000	0	0.0000	56,800	4.6999	266,954.68	4.7476
14	0	0.0000	0.00	0.0000	5,000	4.5400	53,300	4.3682	255,526.71	4.4137
15	0	0.0000	0.00	0.0000	0	0.0000	111,300	3.8959	433,612.71	4.0769
18	6,500	4.6223	30,045.00	0.0000	0	0.0000	29,200	4.3758	127,772.66	4.4173
19	14,500	4.4900	65,105.00	0.0000	0	0.0000	15,800	4.5505	71,898.06	4.5857
20	(5,200)	4.2769	(22,240.00)	0.0000	0	0.0000	24,800	4.4401	110,115.30	4.4810
21	0	0.0000	0.00	0.0000	0	0.0000	20,000	4.1837	83,674.25	4.2233
22	0	0.0000	0.00	0.0000	0	0.0000	75,000	3.9309	294,817.50	3.9814
23	0	0.0000	0.00	0.0000	0	0.0000	12,000	3.8258	45,909.60	3.8658
24	(11,500)	3.7513	(43,140.00)	0.0000	0	0.0000	0	0.0000	0.00	3.8495
26	5,200	3.9212	20,390.00	0.0000	0	0.0000	10,500	3.8455	40,377.60	3.8762
27	8,000	3.9100	31,280.00	0.0000	0	0.0000	22,700	3.8701	87,851.27	3.9101
28	0	0.0000	0.00	0.0000	0	0.0000	2,600	3.8085	9,902.10	3.8435
29	0	0.0000	0.00	0.0000	0	0.0000	5,000	3.4972	17,486.00	3.5431
	17,500		81,440.00	<b>TOTALS</b>	5,000		439,000		1,845,898.44	

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

**September 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	4.7775
15	150,000	4.5652	684,780	4.0769
18	0	0.0000	0	4.4173
<b>TOTALS</b>	150,000		684,780	

Schedule R 10 I S - Long Term & Short Term Purchases  
September 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>
<b>Total -</b>					
180893	09/01/2006	09/30/2006	1,350,000	5.835	7,876,575
180946	09/01/2006	09/30/2006	804	5.700	4,582
183174	09/01/2006	09/30/2006	7,131	5.702	40,662
185436	09/01/2006	09/30/2006	123	8.434	1,037
263586	09/01/2006	09/30/2006	1,122	5.701	6,397
<b>Total Long Term Indexed</b>			<b>1,359,180</b>	<b>5.834</b>	<b>7,929,254</b>

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**SECTION 3**  
**FORECAST MONTH SCHEDULES**

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

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

Schedule F-1 shows the forecast of gas purchases for December 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**  
**December 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast November 24, 2006</b>
1	AECO Monthly Index	TJ	5,302
2	AECO Daily Index	TJ	4,727
3	Other	TJ	12
	Total	TJ	10,042

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

**SCHEDULE F-2  
FORECAST UNIT GAS PRICES  
December 2006**

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast November 24, 2006</b>
1	AECO Monthly Index	\$/GJ	7.3983
2	AECO Daily Index (1)	\$/GJ	7.5656

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including November 23, 2006 on the AECO/NGX Intra-Alberta December (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the December, AECO/NGX Intra-Alberta Settlement prices on **November 17, 20, 21, 22 & 23 2006.**

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In order to zero the forecast balance of the DGA on December 31, 2006, a GCFR of \$8.231/GJ should be implemented on December 01, 2006. Schedule F-3 shows how this rate is calculated.

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

**December 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Reference</b>	<b>Value</b>
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	(6,845)
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	75,371
3	Transportation Imbalance Sales Estimate	\$,000	Schedule M-1, Line 15, Column E	0
4	Excess System Sales Estimate	\$,000	Schedule M-1, Line 16, Column E	0
5	Penalty Revenue Estimate	\$,000	Schedule M-1, Line 17, Column E	107
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	82,109
7	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	9,975
8	GCFR	\$/GJ	Line 6 divided by Line 7	8.231

**SPECIAL NOTES**

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

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

**November 24, 2006**

Supply Sources	Security Type	Credit Charge (bp)	August Payable	September Payable	October Payable	November Payable	December Payable	Actual Sep-06	Estimate Oct-06	Estimate Nov-06	Forecast Dec-06
<b>(SOUTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
ATCO	PCG	40.0	46,286	41,699	41,420	57,586	0	27	25	30	19
Canetic Resources Inc.	N/A		6,070	6,397	5,979	6,812	0				
Enerplus Resources Corporation	N/A		4,234	4,582	4,855	5,241	0				
Shell Canada Limited	PCG	40.0	8,158,658	7,876,575	5,894,573	11,239,072	0	4,930	4,205	5,082	3,695
Forecast (with credit support)	PCG	40.0	0	0	0	0	11,719,647	0	0	0	3,211
Forecast (without credit support)			0	0	0	0	91,739				
<b>Sub Total</b>			8,215,248	7,929,253	5,946,827	11,308,711	11,811,386	4,957	4,230	5,112	6,925
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	0	241,010	693,113	172,849	0	66	269	283	57
Counterparty 2	PCG	40.0	0	481,163	2,832,104	4,181,066	0	132	934	2,108	1,375
Counterparty 3	N/A		164,863	975,081	264,750	0	0				
Counterparty 4	PCG	40.0	44,500	30,576	206,250	3,842,520	0	23	67	1,123	1,263
Counterparty 5	PCG	40.0	525,716	77,326	67,836	0	0	200	44	23	0
Counterparty 6	N/A		159,870	38,220	409,509	(36,542)	0				
Counterparty 7	PCG	40.0	0	0	0	14,209	0	0	0	4	5
Counterparty 8	PCG	40.0	0	0	3,107,774	7,996,710	0	0	851	3,247	2,629
Counterparty 9	PCG	40.0	12,054	160,579	452,042	3,969,146	0	48	177	1,241	1,305
Counterparty 10	PCG	40.0	520,055	358,494	3,712,326	3,661,967	0	275	1,135	2,264	1,204
Counterparty 11	PCG	40.0	0	0	89,858	839,846	0	0	25	261	276
Counterparty 12	PCG	40.0	264,067	0	314,550	0	0	90	86	107	0
Counterparty 13	PCG	40.0	0	0	66,700	325,775	0	0	18	112	107
Counterparty 14	PCG	40.0	0	268,775	2,175,448	5,930,120	0	74	684	2,364	1,950
Counterparty 15	PCG	40.0	4,048	0	0	0	0	1	0	0	0
Counterparty 99	PCG	40.0	0	0	0	8,605,716	0	0	0	2,358	2,829
Forecast (with credit support)	PCG	40.0	0	0	0	0	52,540,674	0	0	0	14,395
<b>Sub Total</b>			1,695,173	2,631,224	14,392,260	39,503,382	52,540,674	909	4,290	15,495	27,395
<b>Natural Gas Exchange</b>											
Forecast	N/A		1,791,439	3,161,233	11,035,404	3,710,123	0				
<b>Sub Total</b>			1,791,439	3,161,233	11,035,404	3,710,123	10,729,701				
<b>Required LC</b>											
Required LC	L/C	37.5	15,000,000	15,000,000	15,000,000	25,000,000	40,000,000	4,623	4,777	7,705	12,740
PCG to Bank to Support LC	PCG	40.0	15,000,000	15,000,000	15,000,000	25,000,000	40,000,000	4,932	5,096	8,219	13,589
<b>Sub Total</b>								9,555	9,873	15,924	26,329
<b>TOTAL</b>			11,701,860	13,721,710	31,374,491	54,522,216	75,081,761	15,421	18,393	36,531	60,649

Footnote:

\* **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.

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**DIRECT ENERGY REGULATED SERVICES SOUTH DGA**

**December 2006**