

Electronic Notification

January 27, 2006

Ms. Corinne Grudecki
Senior Analyst
Government and Regulatory Affairs, Western Region
Direct Energy Marketing Limited
111 - 5 Avenue S.W. Suite 1000
Calgary, Alberta T2P 3Y6

Dear Ms. Grudecki:

**DIRECT ENERGY REGULATED SERVICES (DERS) – SOUTH
GAS COST FLOW-THROUGH RATE (GCFR)
MONTH OF FEBRUARY 2006
APPLICATION 1442812**

The Alberta Energy and Utilities Board (the Board) is in receipt of the filing from DERS, a Business Unit of Direct Energy Marketing Limited, dated January 25, 2006, in which it has requested a GCFR of \$5.616 per gigajoule (GJ), for customers served in the ATCO Gas South (AGS) service territory, to be effective during the month of February 2006.

The Board has reviewed the filing and accepts that DERS determined the above noted GCFR in accordance with the directions previously issued to gas utilities subject to the Board's jurisdiction in Decision 2001-75, dated October 30, 2001, and more specifically to AGS in Decision 2002-034, dated March 21, 2002 and to DERS in Decision 2003-106, dated December 18, 2003. Consequently, the Board acknowledges that, as set out in DERS's Rider "F" for the ATCO Gas South Service Territory, for the period February 1, 2006 to February 28, 2006 the GCFR of \$5.616/GJ is appropriate to be applied to all energy sold to customers served under Rates G1, G3 and G5.

As directed in Decision 2001-75, a 30-day review period is provided for parties to raise any concerns with a gas cost recovery rate. As DERS is the Default Supply Provider for ATCO Gas, the 30-day review period would be similarly applicable to the GCFR requested by DERS.

Yours truly,



B. Torrance
Manager, Edmonton Office
Utilities Branch

pc: ATCO Gas South GCRR/DERS South GCFR list – electronic notification