

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 Rider F of \$5.479/GJ for Direct Energy Regulated Services (DERS) gas customers for February 2009.

1 DGA COST AND RECOVERY OVERVIEW

Schedule M-1: Monthly DGA Costs and Recoveries
Schedule M-2: Monthly DGA Energy Balance
Any special notes as required

2 RECONCILIATION MONTH SCHEDULES

Schedule R-1: Forecast and Actual DGA Costs and Recoveries
Schedule R-2: DGA Energy Balance and Degree Days
Schedule R-3: Actual Gas Purchases
Schedule R-4: Actual Gas Purchases - ON - System ATCO South Supplies
Schedule R-5: Actual Gas Purchases - Nova Inventory Transfer Supplies
Schedule R-6: Forecast and Actual Unit Gas Prices
Schedule R-7: Transportation and Storage Costs
Schedule R-10: Actual Gas Purchases - Details
Any special notes as required

3 FORECAST MONTH SCHEDULES

Schedule F-1: Forecast Gas Purchases
Schedule F-2: Forecast Unit Gas Prices
Schedule F-3: Rider F Rate Derivation
Any special notes as required

4 OTHER SCHEDULES

Schedule C-1: Cost of Credit Support

5 APPENDIX

As Applicable

INTRODUCTION

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

Schedules M-1 and M-2 show the DGA components as of January 26, 2009.

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 February 28, 2009, a Rider F of \$5.479/GJ should be implemented for DERS Gas Customers on February 01, 2009.

**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 Nov-08	Estimate Dec-08	Estimate Jan-09	Forecast Feb-09
1	Opening Cumulative DGA Balance	\$,000	(375)	(2,398)	(1,819)	4,060	267
<u>Gas Supply Costs</u>							
2	Purchases	\$,000	0	40,372	75,482	56,427	42,637
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	1,755	0	0	0	0
6	Total Gas Supply Costs	\$,000	1,755	40,372	75,482	56,427	42,637
<u>Adjustments</u>							
7	Transportation	\$,000	0	23	64	52	40
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement	\$,000	0	26	26	26	26
10	Bad Debts	\$,000	0	184	182	177	181
11	Working Capital	\$,000	0	37	37	36	37
12	Credit Charge	\$,000	0	32	48	54	43
13	Net Gas Costs	\$,000	1,755	40,673	75,838	56,771	42,963
<u>Recoveries</u>							
14	Net Calendar Sales*	\$,000	(267)	39,904	81,212	52,296	42,601
15	Transportation Imbalance Sales	\$,000	0	0	0	0	0
16	Excess System Sales	\$,000	0	1,252	410	590	0
17	Penalty Revenue	\$,000	0	96	96	93	95
18	Total Recoveries	\$,000	(267)	41,252	81,717	52,979	42,696
19	Current DGA Balance	\$,000	(2,023)	579	5,879	(3,792)	(267)
20	Closing Cumulative DGA Balance	\$,000	(2,398)	(1,819)	4,060	267	0

* Net Calendar Sales excludes 2009 return margin amounts.

January 26, 2009

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

Line	Description	Units	A Actual Nov-08	B Estimate Dec-08	C Estimate Jan-09	D Forecast Feb-09
<u>Gas Supply Costs</u>						
1	Purchases	TJ	6,155	11,666	9,570	7,877
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	0	0	0	0
4	Total Energy	TJ	6,155	11,666	9,570	7,877
<u>Adjustments</u>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	Net Energy	TJ	6,155	11,666	9,570	7,877
<u>Recoveries</u>						
7	Sales	TJ	5,839	11,320	9,403	7,807
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	191	70	109	0
10	Total Recoveries	TJ	6,030	11,389	9,512	7,807
11	Load Balancing / UFG Estimate	TJ	(125)	(277)	(58)	(69)

SPECIAL NOTES

INTRODUCTION

This section provides details of the Deferred Gas Account (DGA) components for November 2008.

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-1 shows the forecast and actual DGA cost and recovery components for November 2008 as of October 27, 2008 and January 26, 2009 respectively.

SCHEDULE R-1
FORECAST & ACTUAL DGA COSTS AND RECOVERIES

November 2008

Line	Description	Units	Forecast October 27, 2008	Actual January 26, 2009	Actual less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	\$,000	48,171	40,372	(7,799)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	0	0
5	Total Gas Supply Costs	\$,000	48,171	40,372	(7,799)
<u>Adjustments</u>					
6	Transportation	\$,000	59	23	(36)
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement	\$,000	26	26	0
9	Bad Debts	\$,000	182	184	2
10	Working Capital	\$,000	37	37	0
11	Credit Charge	\$,000	34	32	(2)
12	Net Gas Costs	\$,000	48,508	40,673	(7,835)
<u>Recoveries</u>					
13	Net Calendar Sales*	\$,000	48,692	39,904	(8,788)
14	Transportation Imbalance Sales	\$,000	0	0	0
15	Excess System Sales	\$,000	0	1,252	1,252
16	Penalty Revenue	\$,000	96	96	1
17	Total Recoveries	\$,000	48,788	41,252	(7,536)

* Net Calendar Sales excludes 2009 return margin amounts.

January 26, 2009

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-2 shows the forecast and actual DGA energy balance for November 2008 as of October 27, 2008 and January 26, 2009. It also shows the normal and actual degree days for November 2008.

SCHEDULE R-2
DGA ENERGY BALANCE & DEGREE DAYS
November 2008

Line	Description	Units	Forecast October 27, 2008	Actual January 26, 2009	Actual less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	TJ	7,185	6,155	(1,031)
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	0	0
<hr/>					
4	Total Energy	TJ	7,185	6,155	(1,031)
<u>Adjustments</u>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	Net Energy	TJ	7,185	6,155	(1,031)
<u>Recoveries</u>					
7	Calendar Sales	TJ	7,123	5,839	(1,285)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	191	191
<hr/>					
10	Total Recoveries	TJ	7,123	6,030	(1,093)
<hr/>					
11	DGA UFG	TJ	(62)	(125)	(63)
12	Degree Days	DD	526	403	(123)

January 26, 2009

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-3 shows the actual DGA purchase gas components for November 2008 as of January 26, 2009.

SCHEDULE R-3
ACTUAL GAS PURCHASES
November 2008

Line	Description	Units	Actual January 26, 2009
1	ON-System ATCO Supplies	\$,000	19,056
2		TJ	2,916
3		\$/GJ	6.535
4	Nova Inventory Transfer Supplies	\$,000	21,314
5		TJ	3,239
6		\$/GJ	6.581
7	Total Purchases	\$,000	40,370
8		TJ	6,155
9		\$/GJ	6.559

January 26, 2009

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for November 2008 as of January 26, 2009.

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

		November 2008	Actual January 26, 2009
Line	Description	Units	
1	Long Term Indexed	\$,000	8,326
2		TJ	1,267
3		\$/GJ	6.573
4	Total Long Term	\$,000	8,326
5		TJ	1,267
6		\$/GJ	6.573
7	Short Term (Monthly Index)	\$,000	3,180
8		TJ	480
9		\$/GJ	6.625
10	Short Term (Daily Index)	\$,000	7,551
11		TJ	1,169
12		\$/GJ	6.457
13	Total Short Term	\$,000	10,731
14		TJ	1,649
15		\$/GJ	6.506
16	Total ON-System ATCO Supplies	\$,000	19,056
17		TJ	2,916
18		\$/GJ	6.535

January 26, 2009

SECTION 5
RECONCILIATION MONTH SCHEDULES

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for November 2008 as of January 26, 2009.

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

	November 2008	Actual January 26, 2009
Line	Description	Units
1	Long Term Indexed	\$,000
2		TJ
3		\$/GJ
4	Total Long Term	\$,000
5		TJ
6		\$/GJ
7	Short Term (Monthly Index)	\$,000
8		TJ
9		\$/GJ
10	Short Term (Daily Index)	\$,000
11		TJ
12		\$/GJ
13	Total Short Term	\$,000
14		TJ
15		\$/GJ
16	Total Nova Inventory Transfer Supplies	\$,000
17		TJ
18		\$/GJ

January 26, 2009

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-6 shows the forecast and actual unit gas prices for November 2008 as of October 27, 2008 and January 26, 2009 respectively.

SCHEDULE R-6
FORECAST AND ACTUAL UNIT GAS PRICES
November 2008

Line	Description	Units	Forecast October 27, 2008	Actual January 26, 2009	Actual less Forecast
1	AECO Monthly Index	\$/GJ	6.5728	6.5568	(0.0160)
2	AECO Daily INDEX	\$/GJ	6.8365	6.3758	(0.4607)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including October 24, 2008 on the AECO/NGX Intra-Alberta November (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 October 31, 2008 on the AECO/NGX Intra-Alberta November (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the November, AECO/NGX Intra-Alberta Settlement prices on October 20, 21, 22, 23, & 24, 2008.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in November, 2008 as reported by NGX and includes all weekend deals.

January 26, 2009

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-7 shows the actual contract storage and transportation costs for November 2008 as of January 26, 2009.

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
November 2008

Line	Description	Units	Actual January 26, 2009
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	21
3	Transportation -- AP FSR	\$,000	1
4	Transportation -- Other	\$,000	0
	Total		23

January 26, 2009

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

November 2008

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	(10,000)	5.4000	(54,000.00)	4.4307	0	0.0000	0	0.0000	0.00	5.6746
2	(23,000)	5.1930	(119,439.00)	4.6279	0	0.0000	0	0.0000	0.00	5.1930
3	0	0.0000	0.00	5.7684	15,000	4.3200	0	0.0000	64,800.00	4.8178
4	0	0.0000	0.00	6.0781	20,000	5.7800	0	0.0000	115,600.00	5.7306
5	10,000	6.0961	60,961.00	6.3587	0	0.0000	60,000	6.0994	365,966.00	6.0961
6	10,000	6.1846	61,846.00	6.1769	0	0.0000	0	0.0000	0.00	6.3642
7	0	0.0000	0.00	5.9079	0	0.0000	120,000	6.1231	734,772.00	6.1668
9	(16,000)	6.3413	(101,460.80)	6.8919	0	0.0000	0	0.0000	0.00	6.3413
10	10,000	6.8575	68,575.00	6.8385	0	0.0000	0	0.0000	0.00	6.9094
11	0	0.0000	0.00	6.4024	0	0.0000	30,000	6.8155	204,465.00	6.8130
13	0	0.0000	0.00	6.0680	0	0.0000	50,000	5.8747	293,735.00	5.8727
14	0	0.0000	0.00	6.5480	0	0.0000	90,000	6.3418	570,759.30	6.0896
15	(10,000)	6.4979	(64,978.80)	6.4036	0	0.0000	0	0.0000	0.00	6.5298
16	0	0.0000	0.00	6.6832	0	0.0000	10,000	6.4139	64,139.00	6.4089
17	18,000	6.7136	120,845.00	6.6952	0	0.0000	20,000	6.6665	133,330.00	6.6665
18	10,000	6.7685	67,685.25	6.7707	0	0.0000	50,000	6.6822	334,110.00	6.6797
19	0	0.0000	0.00	7.0778	40,000	6.8150	50,000	6.7896	612,080.00	6.7871
20	20,000	6.9795	139,590.00	7.0436	0	0.0000	40,000	7.0434	281,736.00	7.0384
21	0	0.0000	0.00	7.0093	75,000	6.9550	180,000	6.9475	1,772,184.00	6.9511
22	(39,000)	6.9601	(271,445.60)	6.9701	0	0.0000	30,000	7.0700	212,100.00	7.0644
23	(50,500)	7.0655	(356,808.50)	7.0577	0	0.0000	15,000	7.0856	106,284.00	7.0806
24	(42,700)	6.6434	(283,674.90)	6.6471	8,000	6.9738	20,000	7.0782	197,354.00	7.0782
25	0	0.0000	0.00	6.6582	10,000	6.6200	20,000	6.6797	199,794.00	6.6797
26	0	0.0000	0.00	6.7244	0	0.0000	30,000	6.6944	200,832.00	6.6944
27	0	0.0000	0.00	6.3725	0	0.0000	30,000	6.7339	202,017.00	6.7339
28	0	0.0000	0.00	6.7860	0	0.0000	75,000	6.3595	476,959.50	6.3441
29	12,600	6.8187	85,915.62	6.7436	0	0.0000	0	0.0000	0.00	6.8187

January 26, 2009

(100,600)	(646,389.73)
-----------	--------------

TOTALS

168,000	920,000	7,143,016.80
---------	---------	--------------

Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day
November 2008
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
3	0	0.0000	0.00	0.0000	0	0.0000	28,200	4.8363	136,382.46	4.8178
4	0	0.0000	0.00	0.0000	0	0.0000	50,600	5.7507	290,984.61	5.7306
5	0	0.0000	0.00	0.0000	0	0.0000	19,400	6.1273	118,870.34	6.0961
6	0	0.0000	0.00	0.0000	0	0.0000	47,000	6.4002	300,807.40	6.3642
7	0	0.0000	0.00	0.0000	0	0.0000	66,000	6.1540	406,164.60	6.1668
10	12,000	6.8708	82,450.00	0.0000	0	0.0000	39,000	6.9404	270,676.60	6.9094
11	0	0.0000	0.00	0.0000	0	0.0000	47,000	6.8439	321,661.00	6.8130
12	0	0.0000	0.00	0.0000	0	0.0000	41,000	6.4156	263,040.60	6.3966
13	0	0.0000	0.00	0.0000	0	0.0000	52,000	5.8860	306,070.40	5.8727
14	0	0.0000	0.00	0.0000	0	0.0000	168,000	6.0225	1,011,788.40	6.0896
17	0	0.0000	0.00	0.0000	0	0.0000	42,000	6.6875	280,873.00	6.6665
18	0	0.0000	0.00	0.0000	0	0.0000	29,000	6.7144	194,716.30	6.6797
19	0	0.0000	0.00	0.0000	0	0.0000	35,500	6.8246	242,274.55	6.7871
20	0	0.0000	0.00	0.0000	0	0.0000	33,500	7.0812	237,218.90	7.0384
21	0	0.0000	0.00	0.0000	0	0.0000	107,250	6.9763	748,208.18	6.9511
24	0	0.0000	0.00	0.0000	0	0.0000	51,400	7.1073	365,316.48	7.0782
25	0	0.0000	0.00	0.0000	0	0.0000	48,000	6.7101	322,085.60	6.6797
26	0	0.0000	0.00	0.0000	0	0.0000	50,300	6.7275	338,394.82	6.6944
27	0	0.0000	0.00	0.0000	0	0.0000	45,300	6.7692	306,646.17	6.7339
28	0	0.0000	0.00	0.0000	0	0.0000	156,900	6.4113	1,005,933.75	6.3441
	12,000		82,450.00	TOTALS	0		1,157,350		7,468,114.16	

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

November 2008

PEAKING Demand Supply Contracts

Nova Inventory Transfer Supplies

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost \$/GJ	Total Cost \$	Index \$/GJ
1	0	0.0000	0	5.6746
6	30,000	6.3792	191,376	6.3642
7	0	0.0000	0	6.1668
10	10,000	6.9244	69,244	6.9094
11	0	0.0000	0	6.8130
19	40,000	6.8121	272,484	6.7871
20	45,000	7.0634	317,853	7.0384
21	0	0.0000	0	6.9511
26	25,000	6.7194	167,985	6.6944
27	20,000	6.7589	135,178	6.7339
28	0	0.0000	0	6.3441
TOTALS	170,000		1,154,120	

Schedule R 10 I S - Long Term & Short Term Purchases
November 2008

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>
180946	11/01/2008	11/30/2008	440	6.432	2,830
263586	11/01/2008	11/30/2008	717	6.703	4,806
180893	11/01/2008	11/30/2008	1,260,000	6.574	8,283,618
536832	11/01/2008	11/30/2008	5,494	6.314	34,690
Total Long Term Indexed			1,266,651	6.573	8,325,944
533731	11/01/2008	11/30/2008	180,000	6.622	1,191,924
533730	11/01/2008	11/30/2008	150,000	6.617	992,520
535026	11/01/2008	11/30/2008	150,000	6.637	995,520
Total Short Term(Monthly Index)			480,000	6.625	3,179,964

January 26, 2009

Schedule R 10 J S - Long Term & Short Term(Monthly Index) Purchases
November 2008

Direct Energy Regulated Services

Nova Inventory Transfer Supplies

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume(GJ)</u>	<u>Price</u>	<u>Value</u>
534914	11/01/2008	11/30/2008	600,000	6.567	3,940,080
535402	11/01/2008	11/30/2008	390,000	6.567	2,561,052
531079	11/01/2008	11/30/2008	900,000	6.567	5,910,120
Total Short Term(Monthly Index)			1,890,000	6.567	12,411,252

SECTION 3
FORECAST MONTH SCHEDULES

This section provides details of the Deferred Gas Account (DGA) components for February 2009.

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 February 2009.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for February 2009.

Schedule F-1 shows the forecast of gas purchases for February 2009 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
February 2009

Line	Description	Units	Forecast January 26, 2009
1	AECO Monthly Index	TJ	4,065
2	AECO Daily Index	TJ	3,811
3	Other	TJ	1
	Total	TJ	7,877

Schedule F-2 shows the forecast of the unit gas prices for February 2009.

SCHEDULE F-2
FORECAST UNIT GAS PRICES
February 2009

Line	Description	UNIT	Forecast January 26, 2009
1	AECO Monthly Index	\$/GJ	5.5812
2	AECO Daily Index (1)	\$/GJ	5.2340

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including January 23, 2009 on the AECO/NGX Intra-Alberta February (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the February, AECO/NGX Intra-Alberta Settlement prices on January 19, 20, 21, 22 & 23, 2009.

In order to zero the forecast balance of the DGA on February 28, 2009, a Rider F of \$5.479/GJ should be implemented on February 01, 2009. Schedule F-3 shows how this rate is calculated.

**SCHEDULE F-3
RIDER F RATE DERIVATION**

February 2009

Line	Description	Units	Reference	Value
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	267
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	42,963
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	95
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	42,601
7	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	7,807
8	GCFR	\$/GJ	Line 6 divided by Line 7	5.457
9	2008 Approved Return Margin	\$/GJ	Decision 2008-374	0.0223
10	Rider F	\$/GJ	Line 8 + Line 9	5.479

SPECIAL NOTES

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

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

January 26, 2009

Supply Sources	Security Type	Credit Charge (bp)	October Payable	November Payable	December Payable	January Payable	February Payable	Actual Nov-08	Estimate Dec-08	Estimate Jan-09	Forecast Feb-09
(SOUTH)											
ATCO Gas Supply Contracts											
ATCO	PCG	40.0	31,493	34,690	33,809	30,673	0	20	21	20	10
Canetic Resources Inc.	N/A		2,907	4,806	6,404	2,914	0				
Enerplus Resources Corporation	N/A		1,684	2,830	6,162	4,843	0				
Shell Canada Limited	PCG	40.0	6,612,858	8,283,618	8,915,445	8,117,449	0	4,516	5,166	5,253	2,758
Forecast (with credit support)	PCG	40.0	0	0	0	0	6,591,397	0	0	0	1,806
Forecast (without credit support)			0	0	0	0	3,349				
Sub Total			6,648,942	8,325,944	8,961,820	8,155,879	6,594,746	4,536	5,187	5,273	4,574
DEML Supply Contracts											
Counterparty 1	PCG	40.0	0	0	1,703,295	1,551,606	0	0	467	1,004	527
Counterparty 2	PCG	40.0	128,908	3,541,670	5,071,637	149,000	0	1,014	2,554	1,764	51
Counterparty 3	PCG	40.0	101,446	639,277	462,420	270,631	0	210	337	231	92
Counterparty 4	PCG	40.0	2,903,273	1,578,785	12,359,690	2,990,736	0	1,419	3,905	5,018	1,016
Counterparty 5	PCG	40.0	1,703,720	2,307,572	1,271,857	0	0	1,211	1,107	432	0
Counterparty 6	PCG	40.0	0	0	1,043,283	1,827,383	0	0	286	855	621
Counterparty 7	N/A		(359,628)	(296,904)	474,490	831,531	0				
Counterparty 8	PCG	40.0	1,156,520	3,265,528	3,281,785	1,994,705	0	1,288	1,973	1,661	678
Counterparty 9	PCG	40.0	1,602,425	117,554	942,955	0	0	577	297	320	0
Counterparty 10	PCG	40.0	111,826	57,792	61,595	0	0	54	36	21	0
Counterparty 11	PCG	40.0	0	0	495,650	120,600	0	0	136	201	41
Counterparty 12	PCG	40.0	933,051	8,480,807	8,832,388	7,940,634	0	2,640	5,208	5,176	2,698
Counterparty 13	PCG	40.0	194,508	0	0	23,901	0	66	0	7	8
Counterparty 14	PCG	40.0	0	550,288	843,205	513,588	0	151	412	427	174
Counterparty 15	PCG	40.0	1,530,046	2,008,764	779,408	5,423,457	0	1,070	874	1,751	1,842
Counterparty 16	PCG	40.0	3,331,862	2,414,384	2,534,244	81,153	0	1,793	1,488	883	28
Counterparty 17	PCG	40.0	775,926	106,284	1,520,659	612,307	0	293	452	684	208
Counterparty 18	PCG	40.0	395,088	66,200	0	2,088,348	0	152	22	572	709
Counterparty 19	PCG	40.0	2,968,956	5,171,639	17,303,813	9,161,436	0	2,426	6,441	8,389	3,112
Counterparty 99	PCG	40.0	0	0	0	7,485,998	0	0	0	2,051	2,543
Forecast (with credit support)	PCG	40.0	0	0	0	0	30,058,313	0	0	0	8,235
Sub Total			17,477,927	30,009,640	58,982,374	43,067,014	30,058,313	14,364	25,995	31,447	22,584
Natural Gas Exchange	N/A		3,231,729	782,888	7,125,577	4,614,636	0				
Forecast			0	0	0	0	5,984,328				
Sub Total			3,231,729	782,888	7,125,577	4,614,636	5,984,328				
Required LC	L/C	*** 37.5 / 60	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	8,164	10,192	10,192	9,205
PCG to Bank to Support LC	PCG	40.0	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	4,932	6,795	6,795	6,137
Sub Total								13,096	16,987	16,987	15,342
TOTAL			27,358,598	39,118,472	75,069,771	55,837,529	42,637,387	31,996	48,169	53,707	42,500

January 26, 2009

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.

*** Effective Jan 1/09, DERS converted to a committed letter of credit facility whereby a fixed amount of credit has been reserved for regulated gas purchasing. The utilized portion of the facility bears a rate of 60 basis points whereas the unutilized portion is 20 basis points