

**Electronic Notification**

December 29, 2005

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

Dear Ms. Grudecki:

**DIRECT ENERGY REGULATED SERVICES (DERS)  
REGULATED RATE TARIFF (RRT) TRANSITION RATES  
PERIOD JANUARY 1, 2006 THROUGH MARCH 31, 2006  
APPLICATION NO. 1437109**

The Alberta Energy and Utilities Board (the Board) is in receipt of a letter from DERS, a Business Unit of Direct Energy Marketing Limited, dated December 22, 2005, requesting acknowledgement of proposed energy rates applicable to its RRT Transition Rates for the quarter ending March 31, 2006 as follows:

Energy Charge applicable to:	<u>\$/kWh</u>
Rate E1 – Residential service	0.08189
Rate E2 – Small general service	0.08222
Rate E3 – Large general service	0.07800
Rate E4 – Oilfield service	0.07902
Rate E5 – Farm Service	0.08039
Rate E6 – Lighting service	0.06271
Rate E7 – Irrigation pumping service	0.07886
Rate E5 (REA) – Farm Service	0.08039
Rate E7 (REA) – Irrigation pumping service	0.07886

The Board has reviewed the request, and accepts that the above noted energy charges represent rates that were determined in accordance with the formula set out in Decision 2004-037, dated April 30, 2004. Consequently, the Board acknowledges that, as set out in DERS's Rider "P" and Rider "P (REA)" Energy Charge Schedules, the above noted energy charges are appropriate to be included in the applicable RRT Transition Rate Classification during the period January 1, 2006 through March 31, 2006.

The Board expects that DERS will continue to provide supporting documentation and reconciliations and adjustment determinations for energy and non-energy components with its next quarterly filing. The Board also expects that DERS, as noted in its letter, will file in early January, 2006, the outstanding signed copies of the Certification of Compliance from the Independent Advisor and the Consultation Party representatives.

Yours truly,

*(original signed by)*

L. Bayda  
Customer Service Manager  
Utilities Branch

pc: DERS RRT Transition Rate Email List – electronic notification only