

**Electronic Notification**

December 29, 2006

Ms. Corinne Grudecki  
Manager  
Government and Regulatory Affairs, Western Region  
Direct Energy Marketing Limited  
111 - 5 Avenue SW Suite 1000  
Calgary AB T2P 3Y6

Dear Ms. Grudecki:

**DIRECT ENERGY REGULATED SERVICES (DERS) – SOUTH  
GAS COST FLOW-THROUGH RATE (GCFR) – MONTH OF JANUARY 2007  
APPLICATION 1493809**

The Alberta Energy and Utilities Board (the Board) is in receipt of the filing dated December 21, 2006 from DERS, a Business Unit of Direct Energy Marketing Limited, requesting a GCFR of \$7.376 per gigajoule (GJ) to be effective during the month of January 2007 for customers served in the ATCO Gas South (AGS) service territory.

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 Rider "F" for DERS's ATCO Gas South Service Territory, for the period January 1, 2007 to January 31, 2007 the GCFR of \$7.376/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,



Laurie J. Bayda  
Customer Service Manager  
Utilities Branch

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