

Electronic Notification

December 24, 2007

Corinne Grudecki
Manager, Government & Regulatory Affairs, Western Region
Direct Energy Regulated Services
111 – 5th Ave SW Suite 1000
Calgary AB T2P 3Y6

Dear Ms. Grudecki:

**DIRECT ENERGY REGULATED SERVICES (DERS)
REGULATED RATE OPTION (RRO) ENERGY CHARGE RATES FOR
JANUARY 2008
APPLICATION NO. 1552564**

The Alberta Energy and Utilities Board (the EUB) is in receipt of a letter from DERS dated December 21, 2007 in which it requested acknowledgement of energy charges applicable to its RRO service for the month of January 2008. Also on December 21, 2007, DERS submitted a letter from the independent advisor to the Energy Procurement Process, stating that he had reviewed the energy charges filed by DERS and concurred that they were calculated in accordance with the Energy Price Setting Plan. DERS also filed signed copies of the Certification of Compliance from the consultation party representatives, the advisor and DERS for the month of December 2007.

DERS' proposed energy charges for the month of January 2008 are as follows:

Rate Class	cents/kWh
Residential	9.321
Commercial	9.306
Industrial	8.886
Farming (Includes REA)	9.177
Irrigation (Includes REA)	9.177
Oil & Gas	8.939
Lighting	7.618

EUB staff has reviewed the filing, and accepts that the above noted energy charges represent energy charge rates determined in accordance with the directions previously issued to DERS in Order U2006-108, dated April 28, 2006. DERS has included the 2008 pretax return margin of \$2.48 in the January 2008 RRT Energy charge calculation in accordance with the Board letter dated December 19, 2007. The return margin was approved in Decision 2006-107, dated

January 1, 2006. Consequently, the EUB acknowledges that the energy charges as set out above are applicable to DERS' RRO service for the month of January, 2008.

As directed in the *Regulated Rate Option Regulation*, AR 262/2005, sections 7(4) and 7(5), DERS must retain records sufficient to enable the EUB to audit any previous monthly rates set by DERS. Any amount overcharged to customers due to an incorrect rate calculation must be refunded to customers as soon as practicable after the error is discovered.

If any affected party objects to the calculation of the energy charge for the month in question, they should notify the EUB and DERS in a timely basis regarding the nature of their objection and include the reason why it should be considered.

Yours truly,

A handwritten signature in cursive script that reads "Laurie Bayda".

Laurie J. Bayda
Customer Service Manager
Utilities Branch