

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 GCFR of \$4.897/GJ for Direct Energy Regulated Services (DERS) gas customers for July 2007.

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: Gas Cost Flow Through 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 June 25, 2007.

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 July 31, 2007, a GCFR of \$4.897/GJ should be implemented for DERS Gas Customers on July 01, 2007.

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 Apr-07 | Estimate May-07 | Estimate Jun-07 | Forecast Jul-07 |
| 1 | Opening Cumulative DGA Balance | \$,000 | 7,727 | 7,967 | 9,935 | 3,055 | 2,816 |
| <u>Gas Supply Costs</u> | | | | | | | |
| 2 | Purchases | \$,000 | 0 | 43,932 | 21,842 | 13,398 | 11,778 |
| 3 | Daily Trade Averaging Adjustment | \$,000 | 0 | 0 | 0 | 0 | 0 |
| 4 | Storage | \$,000 | 0 | 0 | 0 | 0 | 0 |
| 5 | Imbalances | \$,000 | 1 | (300) | 25 | 5 | 0 |
| 6 | Total Gas Supply Costs | \$,000 | 1 | 43,631 | 21,866 | 13,403 | 11,778 |
| <u>Adjustments</u> | | | | | | | |
| 7 | Transportation | \$,000 | 0 | 33 | 13 | 37 | 12 |
| 8 | TCPL (AB) Fuel Recovery | \$,000 | 0 | 0 | 0 | 0 | 0 |
| 9 | Procurement | \$,000 | 0 | 28 | 28 | 28 | 28 |
| 10 | Bad Debts | \$,000 | 0 | 134 | 147 | 151 | 143 |
| 11 | DGA Balance | \$,000 | 0 | 16 | 18 | 18 | 17 |
| 12 | Credit Charge | \$,000 | 0 | 35 | 28 | 17 | 13 |
| 13 | Net Gas Costs | \$,000 | 1 | 43,878 | 22,099 | 13,655 | 11,992 |
| <u>Recoveries</u> | | | | | | | |
| 14 | Calendar Sales | \$,000 | 241 | 44,785 | 14,869 | 13,118 | 9,054 |
| 15 | Transportation Imbalance Sales | \$,000 | 0 | 1 | 0 | 0 | 0 |
| 16 | Excess System Sales | \$,000 | 0 | 948 | 226 | 169 | 0 |
| 17 | Penalty Revenue | \$,000 | 0 | 114 | 125 | 129 | 122 |
| 18 | Total Recoveries | \$,000 | 241 | 45,847 | 15,219 | 13,416 | 9,176 |
| 19 | Current DGA Balance | \$,000 | 240 | 1,969 | (6,880) | (239) | (2,816) |
| 20 | Closing Cumulative DGA Balance | \$,000 | 7,967 | 9,935 | 3,055 | 2,816 | 0 |

June 25, 2007

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

| Line | Description | Units | A Actual Apr-07 | B Estimate May-07 | C Estimate Jun-07 | D Forecast Jul-07 |
|--------------------------------|--------------------------------------|-------|-----------------------|-------------------------|-------------------------|-------------------------|
| <u>Gas Supply Costs</u> | | | | | | |
| 1 | Purchases | TJ | 6,118 | 3,144 | 2,024 | 1,858 |
| 2 | Storage | TJ | 0 | 0 | 0 | 0 |
| 3 | Imbalances | TJ | (43) | 0 | 0 | 0 |
| 4 | Total Energy | TJ | 6,075 | 3,144 | 2,024 | 1,858 |
| <u>Adjustments</u> | | | | | | |
| 5 | TCPL (AB) Fuel Recovery | TJ | 0 | 0 | 0 | 0 |
| 6 | Net Energy | TJ | 6,075 | 3,144 | 2,024 | 1,858 |
| <u>Recoveries</u> | | | | | | |
| 7 | Calendar Sales | TJ | 5,866 | 3,337 | 1,986 | 1,849 |
| 8 | Transportation Imbalance Sales | TJ | 0 | 0 | 0 | 0 |
| 9 | Excess System Sales | TJ | 131 | 33 | 26 | 0 |
| 10 | Total Recoveries | TJ | 5,997 | 3,370 | 2,012 | 1,849 |
| 11 | Load Balancing / UFG Estimate | TJ | (78) | 225 | (13) | (9) |

SPECIAL NOTES

INTRODUCTION

This section provides details of the Deferred Gas Account (DGA) components for April 2007.

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-1 shows the forecast and actual DGA cost and recovery components for April 2007 as of March 26, 2007 and June 25, 2007 respectively.

SCHEDULE R-1
FORECAST & ACTUAL DGA COSTS AND RECOVERIES

April 2007

| Line | Description | Units | Forecast March 26, 2007 | Actual June 25, 2007 | Actual less Forecast |
|------|----------------------------------|---------------|-------------------------------|----------------------------|----------------------------|
| | <u>Gas Supply Costs</u> | | | | |
| 1 | Purchases | \$,000 | 37,233 | 43,932 | 6,699 |
| 2 | Daily Trade Averaging Adjustment | \$,000 | 0 | 0 | 0 |
| 3 | Storage | \$,000 | 0 | 0 | 0 |
| 4 | Imbalances | \$,000 | 0 | (300) | (300) |
| 5 | Total Gas Supply Costs | \$,000 | 37,233 | 43,631 | 6,399 |
| | <u>Adjustments</u> | | | | |
| 6 | Transportation | \$,000 | 74 | 33 | (41) |
| 7 | TCPL (AB) Fuel Recovery | \$,000 | 0 | 0 | 0 |
| 8 | Procurement | \$,000 | 28 | 28 | 0 |
| 9 | Gas Supply - Related Bad Debts | \$,000 | 138 | 134 | (4) |
| 10 | DGA Balance | \$,000 | 17 | 16 | 0 |
| 11 | Credit Charge | \$,000 | 36 | 35 | (1) |
| 12 | Net Gas Costs | \$,000 | 37,525 | 43,878 | 6,353 |
| | <u>Recoveries</u> | | | | |
| 13 | Calendar Sales | \$,000 | 40,562 | 44,785 | 4,223 |
| 14 | Transportation Imbalance Sales | \$,000 | 0 | 1 | 1 |
| 15 | Excess System Sales | \$,000 | 0 | 948 | 948 |
| 16 | Penalty Revenue | \$,000 | 117 | 114 | (3) |
| 17 | Total Recoveries | \$,000 | 40,679 | 45,847 | 5,168 |

June 25, 2007

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-2 shows the forecast and actual DGA energy balance for April 2007 as of March 26, 2007 and June 25, 2007. It also shows the normal and actual degree days for April 2007.

SCHEDULE R-2
DGA ENERGY BALANCE & DEGREE DAYS
April 2007

| Line | Description | Units | Forecast March 26, 2007 | Actual June 25, 2007 | Actual less Forecast |
|--------------------------------|--------------------------------|-------|-------------------------------|----------------------------|----------------------------|
| <u>Gas Supply Costs</u> | | | | | |
| 1 | Purchases | TJ | 5,343 | 6,118 | 774 |
| 2 | Storage | TJ | 0 | 0 | 0 |
| 3 | Imbalances | TJ | 0 | (43) | (43) |
| <hr/> | | | | | |
| 4 | Total Energy | TJ | 5,343 | 6,075 | 732 |
| <u>Adjustments</u> | | | | | |
| 5 | TCPL (AB) Fuel Recovery | TJ | 0 | 0 | 0 |
| <hr/> | | | | | |
| 6 | Net Energy | TJ | 5,343 | 6,075 | 732 |
| <u>Recoveries</u> | | | | | |
| 7 | Calendar Sales | TJ | 5,313 | 5,866 | 553 |
| 8 | Transportation Imbalance Sales | TJ | 0 | 0 | 0 |
| 9 | Excess System Sales | TJ | 0 | 131 | 131 |
| <hr/> | | | | | |
| 10 | Total Recoveries | TJ | 5,313 | 5,997 | 684 |
| <hr/> | | | | | |
| 11 | DGA UFG | TJ | (30) | (78) | (48) |
| 12 | Degree Days | DD | 322 | 380 | 58 |

June 25, 2007

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-3 shows the actual DGA purchase gas components for April 2007 as of June 25, 2007.

SCHEDULE R-3
ACTUAL GAS PURCHASES
April 2007

| Line | Description | Units | Actual June 25, 2007 |
|-------------|----------------------------------|--------------|---------------------------------|
| 1 | ON-System ATCO Supplies | \$,000 | 13,749 |
| 2 | | TJ | 1,948 |
| 3 | | \$/GJ | 7.060 |
| 4 | Nova Inventory Transfer Supplies | \$,000 | 30,174 |
| 5 | | TJ | 4,169 |
| 6 | | \$/GJ | 7.238 |
| 7 | Total Purchases | \$,000 | 43,924 |
| 8 | | TJ | 6,117 |
| 9 | | \$/GJ | 7.181 |

June 25, 2007

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for April 2007 as of June 25, 2007.

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

| | April 2007 | Actual June 25, 2007 | |
|-------------|-------------------------------|---------------------------------|--------|
| Line | Description | Units | |
| 1 | Long Term Indexed | \$,000 | 8,929 |
| 2 | | TJ | 1,272 |
| 3 | | \$/GJ | 7.021 |
| 4 | Total Long Term | \$,000 | 8,929 |
| 5 | | TJ | 1,272 |
| 6 | | \$/GJ | 7.021 |
| 7 | Short Term (Monthly Index) | \$,000 | 0 |
| 8 | | TJ | 0 |
| 9 | | \$/GJ | 0.000 |
| 10 | Short Term (Daily Index) | \$,000 | 4,821 |
| 11 | | TJ | 676 |
| 12 | | \$/GJ | 7.133 |
| 13 | Total Short Term | \$,000 | 4,821 |
| 14 | | TJ | 676 |
| 15 | | \$/GJ | 7.133 |
| 16 | Total ON-System ATCO Supplies | \$,000 | 13,749 |
| 17 | | TJ | 1,948 |
| 18 | | \$/GJ | 7.060 |

June 25, 2007

**SECTION 5
RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for April 2007 as of June 25, 2007.

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

| | | April 2007 | Actual June 25, 2007 |
|-------------|--|-------------------|---------------------------------|
| Line | Description | Units | |
| 1 | Long Term Indexed | \$,000 | 0 |
| 2 | | TJ | 0 |
| 3 | | \$/GJ | 0.000 |
| 4 | Total Long Term | \$,000 | 0 |
| 5 | | TJ | 0 |
| 6 | | \$/GJ | 0.000 |
| 7 | Short Term (Monthly Index) | \$,000 | 6,169 |
| 8 | | TJ | 840 |
| 9 | | \$/GJ | 7.343 |
| 10 | Short Term (Daily Index) | \$,000 | 24,006 |
| 11 | | TJ | 3,329 |
| 12 | | \$/GJ | 7.211 |
| 13 | Total Short Term | \$,000 | 30,174 |
| 14 | | TJ | 4,169 |
| 15 | | \$/GJ | 7.238 |
| 16 | Total Nova Inventory Transfer Supplies | \$,000 | 30,174 |
| 17 | | TJ | 4,169 |
| 18 | | \$/GJ | 7.238 |

June 25, 2007

Schedule R-6 shows the forecast and actual unit gas prices for April 2007 as of March 26, 2007 and June 25, 2007 respectively.

SCHEDULE R-6
FORECAST AND ACTUAL UNIT GAS PRICES
April 2007

| Line | Description | Units | Forecast March 26, 2007 | Actual June 25, 2007 | Actual less Forecast |
|-------------|--------------------|--------------|--|-------------------------------------|-------------------------------------|
| 1 | AECO Monthly Index | \$/GJ | 6.9707 | 7.0207 | 0.0500 |
| 2 | AECO Daily INDEX | \$/GJ | 6.9662 | 7.1475 | 0.1813 |

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including March 23, 2007 on the AECO/NGX Intra-Alberta April (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 March 31, 2007 on the AECO/NGX Intra-Alberta April (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the April, AECO/NGX Intra-Alberta Settlement prices on March 19, 20, 21, 22 & 23, 2007.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in April, 2007 as reported by NGX and includes all weekend deals.

June 25, 2007

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-7 shows the actual contract storage and transportation costs for April 2007 as of June 25, 2007.

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
April 2007

| Line | Description | Units | Actual June 25, 2007 |
|-------------|--------------------------|--------------|---------------------------------|
| 1 | Contract Storage | \$,000 | 0 |
| 2 | Transportation -- AP OPR | \$,000 | 31 |
| 3 | Transportation -- AP FSR | \$,000 | 1 |
| 4 | Transportation -- Other | \$,000 | 1 |
| | Total | | 33 |

June 25, 2007

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

April 2007

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 | 5,000 | 6.9949 | 34,974.50 | 7.2121 | 40,000 | 7.2050 | 0 | 0.0000 | 288,200.00 | 6.9949 |
| 2 | 65,400 | 7.2552 | 474,489.00 | 7.2362 | 122,000 | 7.2611 | 15,000 | 7.2701 | 994,911.50 | 7.2701 |
| 3 | 0 | 0.0000 | 0.00 | 7.1449 | 145,000 | 7.2471 | 0 | 0.0000 | 1,050,825.00 | 7.2210 |
| 4 | 62,200 | 7.2378 | 450,191.00 | 7.2384 | 50,000 | 7.1720 | 15,000 | 7.1498 | 465,847.00 | 7.1498 |
| 5 | 21,000 | 7.2362 | 151,960.20 | 7.3806 | 116,800 | 7.2234 | 0 | 0.0000 | 843,696.00 | 7.2362 |
| 6 | 32,000 | 7.5238 | 240,760.00 | 7.5158 | 22,000 | 7.4223 | 20,000 | 7.4305 | 311,900.00 | 7.4305 |
| 7 | 11,500 | 7.5349 | 86,651.35 | 7.3512 | 62,000 | 7.5327 | 0 | 0.0000 | 467,030.00 | 7.5349 |
| 8 | (40,000) | 7.3425 | (293,700.00) | 7.3435 | 0 | 0.0000 | 0 | 0.0000 | 0.00 | 7.3697 |
| 9 | 23,000 | 7.3678 | 169,460.00 | 7.4011 | 0 | 0.0000 | 0 | 0.0000 | 0.00 | 7.3570 |
| 10 | 49,000 | 7.6470 | 374,705.00 | 7.6360 | 10,000 | 7.2850 | 0 | 0.0000 | 72,850.00 | 7.4256 |
| 11 | (24,200) | 7.5014 | (181,534.00) | 7.4463 | 120,000 | 7.6346 | 0 | 0.0000 | 916,150.00 | 7.6240 |
| 12 | (10,000) | 7.4681 | (74,681.00) | 7.4037 | 61,000 | 7.4787 | 0 | 0.0000 | 456,200.00 | 7.4681 |
| 13 | (5,000) | 7.2500 | (36,250.00) | 7.3030 | 27,900 | 7.4200 | 45,000 | 7.4026 | 540,135.00 | 7.4014 |
| 14 | (17,000) | 7.2237 | (122,802.50) | 7.2213 | 0 | 0.0000 | 0 | 0.0000 | 0.00 | 7.2798 |
| 15 | (5,000) | 7.1700 | (35,850.00) | 7.1471 | 25,000 | 7.2740 | 4,000 | 7.2741 | 210,946.40 | 7.2741 |
| 16 | 0 | 0.0000 | 0.00 | 7.0710 | 25,000 | 7.1360 | 0 | 0.0000 | 178,400.00 | 7.1511 |
| 17 | 17,000 | 7.0294 | 119,500.00 | 7.0183 | 62,800 | 7.0399 | 0 | 0.0000 | 442,103.00 | 7.0743 |
| 18 | 61,100 | 6.9781 | 426,364.50 | 6.9880 | 85,000 | 7.0188 | 72,700 | 7.0146 | 1,106,564.09 | 7.0167 |
| 19 | 25,000 | 6.9200 | 173,000.00 | 6.8739 | 139,000 | 6.9900 | 55,000 | 6.9908 | 1,356,105.00 | 6.9910 |
| 20 | 14,000 | 6.8600 | 96,040.00 | 6.8012 | 145,700 | 6.8915 | 170,000 | 6.8641 | 2,170,985.00 | 6.8693 |
| 21 | 10,000 | 6.8400 | 68,400.00 | 6.7289 | 15,000 | 6.8700 | 0 | 0.0000 | 103,050.00 | 6.8296 |
| 22 | 0 | 0.0000 | 0.00 | 6.7266 | 25,000 | 6.7240 | 0 | 0.0000 | 168,100.00 | 6.7290 |
| 23 | (30,000) | 6.7595 | (202,785.00) | 7.0713 | 0 | 0.0000 | 75,000 | 6.7570 | 506,775.00 | 6.7595 |
| 24 | 0 | 0.0000 | 0.00 | 7.0598 | 0 | 0.0000 | 20,000 | 7.0709 | 141,418.00 | 7.0709 |
| 25 | 0 | 0.0000 | 0.00 | 6.8577 | 32,000 | 7.0450 | 20,000 | 7.0570 | 366,580.00 | 7.0570 |
| 26 | 0 | 0.0000 | 0.00 | 6.8299 | 21,900 | 6.9850 | 0 | 0.0000 | 152,971.50 | 6.8806 |

June 25, 2007

| | | | | | | | | | | |
|---------|---|--------|------|--------------|---------------|-----------|---------|--------|---------------|--------|
| 27 | 0 | 0.0000 | 0.00 | 7.2139 | 15,000 | 6.7950 | 0 | 0.0000 | 101,925.00 | 6.8985 |
| 28 | 0 | 0.0000 | 0.00 | 7.1644 | 10,000 | 6.8600 | 0 | 0.0000 | 68,600.00 | 7.1555 |
| 29 | 0 | 0.0000 | 0.00 | 7.0777 | 20,000 | 7.0150 | 0 | 0.0000 | 140,300.00 | 7.1693 |
| 30 | 0 | 0.0000 | 0.00 | 6.8865 | 33,000 | 7.0821 | 15,000 | 7.0686 | 339,739.00 | 7.0711 |
| 265,000 | | | | 1,918,893.05 | TOTALS | 1,431,100 | 526,700 | | 13,962,306.49 | |

Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day

April 2007

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 |
| 2 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 38,400 | 7.2635 | 278,916.84 | 7.2701 |
| 3 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 28,000 | 7.1846 | 201,169.50 | 7.2210 |
| 4 | 7,500 | 7.1100 | 53,325.00 | 0.0000 | 0 | 0.0000 | 36,100 | 7.1342 | 257,545.78 | 7.1498 |
| 5 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 60,800 | 7.1766 | 436,337.76 | 7.2362 |
| 6 | 6,000 | 7.5000 | 45,000.00 | 0.0000 | 0 | 0.0000 | 1,000 | 7.2272 | 7,227.20 | 7.4305 |
| 10 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 18,500 | 7.4115 | 137,113.60 | 7.4256 |
| 11 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 22,900 | 7.5945 | 173,913.60 | 7.6240 |
| 12 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 21,200 | 7.4396 | 157,719.72 | 7.4681 |
| 13 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 120,600 | 7.3803 | 890,059.56 | 7.4014 |
| 16 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 29,100 | 7.1164 | 207,086.01 | 7.1511 |
| 17 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 26,100 | 7.0414 | 183,781.73 | 7.0743 |
| 18 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 37,200 | 6.9802 | 259,662.84 | 7.0167 |
| 19 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 38,200 | 6.9526 | 265,588.20 | 6.9910 |
| 20 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 60,900 | 6.8301 | 415,954.56 | 6.8693 |
| 23 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 19,100 | 6.7334 | 128,607.95 | 6.7595 |
| 24 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 14,500 | 7.0393 | 102,070.55 | 7.0709 |
| 25 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 18,500 | 7.0210 | 129,888.00 | 7.0570 |
| 26 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 22,380 | 6.8543 | 153,399.53 | 6.8806 |
| 27 | 7,500 | 6.8578 | 51,433.50 | 0.0000 | 0 | 0.0000 | 30,000 | 6.8330 | 204,991.50 | 6.8985 |
| 30 | 0 | 0.0000 | 0.00 | 0.0000 | 0 | 0.0000 | 11,300 | 7.0588 | 79,764.43 | 7.0711 |
| | 21,000 | | 149,758.50 | TOTALS | 0 | | 654,780 | | 4,670,798.86 | |

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

April 2007

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 | 100,000 | 7.1985 | 719,850 | 6.9949 |
| 2 | 125,000 | 7.2815 | 910,183 | 7.2701 |
| 3 | 50,000 | 7.2760 | 363,800 | 7.2210 |
| 4 | 110,000 | 7.1930 | 791,228 | 7.1498 |
| 5 | 300,000 | 7.4080 | 2,222,401 | 7.2362 |
| 7 | 25,000 | 7.5899 | 189,748 | 7.5349 |
| 8 | 0 | 0.0000 | 0 | 7.3697 |
| 9 | 100,000 | 7.3820 | 738,200 | 7.3570 |
| 10 | 125,000 | 7.5360 | 941,995 | 7.4256 |
| 11 | 0 | 0.0000 | 0 | 7.6240 |
| 12 | 40,000 | 7.4931 | 299,724 | 7.4681 |
| 13 | 0 | 0.0000 | 0 | 7.4014 |
| TOTALS | 975,000 | | 7,177,128 | |

Schedule R 10 I S - Long Term & Short Term Purchases
April 2007

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> |
|--------------------------------|-------------|------------|-------------------|--------------|------------------|
| 185436 | 04/01/2007 | 04/30/2007 | 6,558 | 6.978 | 45,763 |
| 180946 | 04/01/2007 | 04/30/2007 | 979 | 6.896 | 6,751 |
| 263586 | 04/01/2007 | 04/30/2007 | 1,281 | 7.158 | 9,170 |
| 180893 | 04/01/2007 | 04/30/2007 | 1,263,000 | 7.021 | 8,867,144 |
| Total Long Term Indexed | | | 1,271,818 | 7.021 | 8,928,828 |

Schedule R 10 J S - Long Term & Short Term(Monthly Index) Purchases
April 2007

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> |
|--|-------------|------------|-------------------|--------------|------------------|
| 295463 | 04/01/2007 | 04/30/2007 | 840,000 | 7.343 | 6,168,524 |
| Total Short Term(Monthly Index) | | | 840,000 | 7.343 | 6,168,524 |

SECTION 3
FORECAST MONTH SCHEDULES

This section provides details of the Deferred Gas Account (DGA) components for July 2007.

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 July 2007.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for July 2007.

Schedule F-1 shows the forecast of gas purchases for July 2007 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
July 2007

| Line | Description | Units | Forecast June 25, 2007 |
|-------------|--------------------|--------------|-----------------------------------|
| 1 | AECO Monthly Index | TJ | 1,498 |
| 2 | AECO Daily Index | TJ | 347 |
| 3 | Other | TJ | 12 |
| | Total | TJ | 1,858 |

June 25, 2007

Schedule F-2 shows the forecast of the unit gas prices for July 2007.

SCHEDULE F-2
FORECAST UNIT GAS PRICES
July 2007

| Line | Description | UNIT | Forecast June 25, 2007 |
|-------------|----------------------|-------------|-----------------------------------|
| 1 | AECO Monthly Index | \$/GJ | 6.3715 |
| 2 | AECO Daily Index (1) | \$/GJ | 6.2045 |

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including June 22, 2007 on the AECO/NGX Intra-Alberta July (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the July, AECO/NGX Intra-Alberta Settlement prices on June 18, 19, 20, 21 & 22, 2007.

In order to zero the forecast balance of the DGA on July 31, 2007, a GCFR of \$4.897/GJ should be implemented on July 01, 2007. Schedule F-3 shows how this rate is calculated.

SCHEDULE F-3
GAS COST FLOW THROUGH RATE DERIVATION

July 2007

| Line | Description | Units | Reference | Value |
|-------------|---|--------------|-------------------------------------|--------------|
| 1 | Opening Cumulative DGA Balance | \$,000 | Schedule M-1, Line 1, Column E | 2,816 |
| 2 | Net Gas Cost Estimate | \$,000 | Schedule M-1, Line 13, Column E | 11,992 |
| 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 | 122 |
| 6 | Net Monthly Gas Cost Recovery | \$,000 | Line 2 less Line 1 less Lines 3 - 5 | 9,054 |
| 7 | Forecast Monthly Sales | TJ | Schedule M-2, Line 7, Column D | 1,849 |
| 8 | GCFR | \$/GJ | Line 6 divided by Line 7 | 4.897 |

SPECIAL NOTES

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

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

June 25, 2007

| Supply Sources | Security Type | Credit Charge (bp) | March Payable | April Payable | May Payable | June Payable | July Payable | Actual Apr-07 | Estimate May-07 | Estimate Jun-07 | Forecast Jul-07 |
|-----------------------------------|---------------|--------------------|---------------|---------------|-------------|--------------|--------------|---------------|-----------------|-----------------|-----------------|
| (SOUTH) | | | | | | | | | | | |
| ATCO Gas Supply Contracts | | | | | | | | | | | |
| ATCO | PCG | 40.0 | 53,402 | 45,763 | 66,540 | 62,068 | 0 | 31 | 33 | 40 | 20 |
| Canetic Resources Inc. | N/A | | 7,042 | 9,170 | 7,174 | 7,343 | 0 | | | | |
| Enerplus Resources Corporation | N/A | | 5,489 | 6,751 | 5,166 | 5,654 | 0 | | | | |
| Shell Canada Limited | PCG | 40.0 | 11,852,576 | 8,867,144 | 9,249,896 | 8,658,749 | 0 | 6,456 | 5,449 | 5,515 | 2,847 |
| Forecast (with credit support) | PCG | 40.0 | 0 | 0 | 0 | 0 | 8,236,438 | 0 | 0 | 0 | 2,257 |
| Forecast (without credit support) | | | 0 | 0 | 0 | 0 | 79,007 | | | | |
| Sub Total | | | 11,918,509 | 8,928,828 | 9,328,776 | 8,733,814 | 8,315,445 | 6,487 | 5,482 | 5,555 | 5,124 |
| DEML Supply Contracts | | | | | | | | | | | |
| Counterparty 1 | PCG | 40.0 | 0 | 362,821 | 284,204 | 0 | 0 | 99 | 197 | 97 | 0 |
| Counterparty 2 | PCG | 40.0 | 5,327,471 | 6,823,099 | 1,555,719 | 309,199 | 0 | 3,679 | 2,669 | 511 | 102 |
| Counterparty 3 | PCG | 40.0 | 1,329,736 | 1,892,546 | 896,863 | 1,128,671 | 0 | 970 | 868 | 614 | 371 |
| Counterparty 4 | PCG | 40.0 | 0 | 174,750 | 0 | 442,573 | 0 | 48 | 57 | 121 | 146 |
| Counterparty 5 | N/A | | 767,946 | 45,196 | (97,505) | 130,689 | 0 | | | | |
| Counterparty 6 | PCG | 40.0 | 0 | 0 | 0 | 92,100 | 0 | 0 | 0 | 25 | 30 |
| Counterparty 7 | PCG | 40.0 | 2,546,702 | 7,285,462 | 1,458,401 | 169,501 | 0 | 2,861 | 2,795 | 542 | 56 |
| Counterparty 8 | PCG | 40.0 | 280,124 | 428,611 | 143,168 | 102,835 | 0 | 213 | 180 | 77 | 34 |
| Counterparty 9 | PCG | 40.0 | 3,794,087 | 2,554,112 | 1,252,831 | 781,787 | 0 | 1,989 | 1,183 | 640 | 257 |
| Counterparty 10 | PCG | 40.0 | 1,824,591 | 53,325 | 24,316 | 0 | 0 | 634 | 24 | 8 | 0 |
| Counterparty 11 | PCG | 40.0 | 386,800 | 499,925 | 0 | 0 | 0 | 268 | 164 | 0 | 0 |
| Counterparty 12 | PCG | 40.0 | 578,950 | 790,810 | 409,125 | 65,800 | 0 | 413 | 372 | 157 | 22 |
| Counterparty 13 | PCG | 40.0 | 12,895,078 | 1,377,980 | 901,003 | 0 | 0 | 4,758 | 700 | 306 | 0 |
| Counterparty 14 | PCG | 40.0 | 0 | 0 | 131,400 | 259,102 | 0 | 0 | 36 | 116 | 85 |
| Counterparty 99 | PCG | 40.0 | 0 | 0 | 0 | 867,944 | 0 | 0 | 0 | 238 | 285 |
| Forecast (with credit support) | PCG | 40.0 | 0 | 0 | 0 | 0 | 2,816,785 | 0 | 0 | 0 | 772 |
| Sub Total | | | 29,731,485 | 22,288,637 | 6,959,525 | 4,350,201 | 2,816,785 | 15,932 | 9,245 | 3,452 | 2,160 |
| Natural Gas Exchange | | | | | | | | | | | |
| Forecast | N/A | | 3,060,487 | 11,758,771 | 5,327,565 | 145,200 | 0 | | | | |
| Sub Total | | | 3,060,487 | 11,758,771 | 5,327,565 | 145,200 | 645,626 | | | | |
| Required LC | L/C | 37.5 | 25,000,000 | 20,000,000 | 20,000,000 | 12,500,000 | 7,500,000 | 6,164 | 6,370 | 3,853 | 2,389 |
| PCG to Bank to Support LC | PCG | 40.0 | 25,000,000 | 20,000,000 | 20,000,000 | 12,500,000 | 7,500,000 | 6,575 | 6,795 | 4,110 | 2,548 |
| Sub Total | | | | | | | | 12,739 | 13,165 | 7,963 | 4,937 |
| TOTAL | | | 44,710,481 | 42,976,236 | 21,615,866 | 13,229,215 | 11,777,856 | 35,158 | 27,892 | 16,970 | 12,221 |

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.

June 25, 2007

