

**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 **\$9.707/GJ** for Direct Energy Regulated Services (DERS) gas customers for March 2008.

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## **INTRODUCTION**

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

Schedules M-1 and M-2 show the DGA components as of February 25, 2008.

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 March 31, 2008, a Rider F of \$9.707/GJ should be implemented for DERS Gas Customers on March 01, 2008.

**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 Dec-07	Estimate Jan-08	Estimate Feb-08	Forecast Mar-08
1	Opening Cumulative DGA Balance	\$,000	(1,762)	383	(3,833)	(20,387)	(16,117)
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	6	66,193	80,988	66,760	56,906
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	3	488	(4)	(3)	0
6	<b>Total Gas Supply Costs</b>	\$,000	9	66,681	80,984	66,757	56,906
<b><u>Adjustments</u></b>							
7	Transportation	\$,000	0	54	61	62	51
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement	\$,000	(43)	28	26	26	26
10	Bad Debts	\$,000	258	125	182	184	187
11	DGA Balance Carrying Costs	\$,000	231	15	37	37	38
12	Credit Charge	\$,000	0	44	54	55	43
13	<b>Net Gas Costs</b>	\$,000	455	66,947	81,343	67,121	57,250
<b><u>Recoveries</u></b>							
14	Net Calendar Sales*	\$,000	2,754	61,582	63,447	70,033	73,269
15	Transportation Imbalance Sales	\$,000	0	3	0	0	0
16	Excess System Sales	\$,000	0	1,040	1,246	1,262	0
17	Penalty Revenue	\$,000	(154)	106	95	96	98
18	<b>Total Recoveries</b>	\$,000	2,600	62,731	64,788	71,391	73,367
19	Current DGA Balance	\$,000	2,145	(4,216)	(16,554)	4,270	16,117
20	<b>Closing Cumulative DGA Balance</b>	\$,000	383	(3,833)	(20,387)	(16,117)	0

\* Net Calendar Sales excludes 2008 return margin amounts.

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

Line	Description	Units	A Actual Dec-07	B Estimate Jan-08	C Estimate Feb-08	D Forecast Mar-08
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	10,682	11,824	9,290	7,623
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	72	0	0	0
4	<b>Total Energy</b>	TJ	<b>10,754</b>	<b>11,824</b>	<b>9,290</b>	<b>7,623</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	<b>Net Energy</b>	TJ	<b>10,754</b>	<b>11,824</b>	<b>9,290</b>	<b>7,623</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	10,013	9,573	9,070	7,587
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	170	184	177	0
10	<b>Total Recoveries</b>	TJ	<b>10,183</b>	<b>9,756</b>	<b>9,247</b>	<b>7,587</b>
11	<b>Load Balancing / UFG Estimate</b>	TJ	(571)	(2,068)	(43)	(37)

**SPECIAL NOTES**

## **INTRODUCTION**

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

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-1 shows the forecast and actual DGA cost and recovery components for December 2007 as of November 26, 2007 and February 25, 2008 respectively.

**SCHEDULE R-1**  
**FORECAST & ACTUAL DGA COSTS AND RECOVERIES**

**December 2007**

Line	Description	Units	Forecast November 26, 2007	Actual February 25, 2008	Actual less Forecast
	<b><u>Gas Supply Costs</u></b>				
1	Purchases	\$,000	60,403	66,193	5,790
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	488	488
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>60,403</b>	<b>66,681</b>	<b>6,279</b>
	<b><u>Adjustments</u></b>				
6	Transportation	\$,000	49	54	5
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement	\$,000	28	28	0
9	Gas Supply - Related Bad Debts	\$,000	127	125	(2)
10	Working Capital	\$,000	15	15	0
11	Credit Charge	\$,000	37	44	7
12	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>60,659</b>	<b>66,947</b>	<b>6,288</b>
	<b><u>Recoveries</u></b>				
13	Net Calendar Sales*	\$,000	58,880	61,582	2,702
14	Transportation Imbalance Sales	\$,000	0	3	3
15	Excess System Sales	\$,000	0	1,040	1,040
16	Penalty Revenue	\$,000	108	106	(2)
17	<b>Total Recoveries</b>	<b>\$,000</b>	<b>58,988</b>	<b>62,731</b>	<b>3,743</b>

\* Net Calendar Sales excludes 2008 return margin amounts.

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-2 shows the forecast and actual DGA energy balance for December 2007 as of November 26, 2007 and February 25, 2008. It also shows the normal and actual degree days for December 2007.

**SCHEDULE R-2**  
**DGA ENERGY BALANCE & DEGREE DAYS**  
**December 2007**

Line	Description	Units	Forecast Nov 26, 2007	Actual Feb 25, 2008	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	9,631	10,682	1,052
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	72	72
<hr/>					
4	<b>Total Energy</b>	TJ	<b>9,631</b>	<b>10,754</b>	<b>1,124</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	<b>Net Energy</b>	TJ	<b>9,631</b>	<b>10,754</b>	<b>1,124</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	9,574	10,013	439
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	170	170
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>9,574</b>	<b>10,183</b>	<b>609</b>
<hr/>					
11	<b>Load Balancing/UFG</b>	TJ	<b>(57)</b>	<b>(571)</b>	<b>(515)</b>
12	Degree Days	DD	666	719	53

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-3 shows the actual DGA purchase gas components for December 2007 as of February 25, 2008.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**December 2007**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual February 25, 2008</b>
1	ON-System ATCO Supplies	\$,000	19,838
2		TJ	3,179
3		\$/GJ	6.240
4	Nova Inventory Transfer Supplies	\$,000	46,353
5		TJ	7,503
6		\$/GJ	6.178
7	Total Purchases	\$,000	66,191
8		TJ	10,682
9		\$/GJ	6.196

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for December 2007 as of February 25, 2008.

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

	<b>December 2007</b>	<b>Actual February 25, 2008</b>	
<b>Line</b>	<b>Description</b>	<b>Units</b>	
1	Long Term Indexed	\$,000	8,420
2		TJ	1,342
3		\$/GJ	6.272
4	Total Long Term	\$,000	8,420
5		TJ	1,342
6		\$/GJ	6.272
7	Short Term (Monthly Index)	\$,000	4,500
8		TJ	713
9		\$/GJ	6.311
10	Short Term (Daily Index)	\$,000	6,919
11		TJ	1,124
12		\$/GJ	6.157
13	Total Short Term	\$,000	11,419
14		TJ	1,837
15		\$/GJ	6.217
16	Total ON-System ATCO Supplies	\$,000	19,838
17		TJ	3,179
18		\$/GJ	6.240

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**SECTION 5**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for December 2007 as of February 25, 2008.

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

		<b>December 2007</b>	<b>Actual February 25, 2008</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
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	18,266
8		TJ	2,914
9		\$/GJ	6.268
10	Short Term (Daily Index)	\$,000	28,087
11		TJ	4,589
12		\$/GJ	6.120
13	Total Short Term	\$,000	46,353
14		TJ	7,503
15		\$/GJ	6.178
16	Total Nova Inventory Transfer Supplies	\$,000	46,353
17		TJ	7,503
18		\$/GJ	6.178

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-6 shows the forecast and actual unit gas prices for December 2007 as of November 26, 2007 and February 25, 2008 respectively.

**SCHEDULE R-6**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**December 2007**

Line	Description	Units	Forecast November 26, 2007	Actual February 25, 2008	Actual less Forecast
1	AECO Monthly Index	\$/GJ	6.2993	6.2567	(0.0426)
2	AECO Daily INDEX	\$/GJ	6.2410	6.1341	(0.1069)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including November 23, 2007 on the AECO/NGX Intra-Alberta December (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 November 30, 2007 on the AECO/NGX Intra-Alberta December (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the December, AECO/NGX Intra-Alberta Settlement prices on November 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 December, 2007 as reported by NGX and includes all weekend deals.

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-7 shows the actual contract storage and transportation costs for December 2007 as of February 25, 2008.

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**  
**December 2007**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual February 25, 2008</b>
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	51
3	Transportation -- AP FSR	\$,000	1
4	Transportation -- Other	\$,000	1
	Total		54

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**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**

**December 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	0	0.0000	0.00	6.1629	49,400	6.0800	86,000	6.1637	830,431.00	6.2362
2	(3,000)	6.1548	(18,464.40)	6.0654	0	0.0000	0	0.0000	0.00	6.1548
3	0	0.0000	0.00	6.1565	0	0.0000	45,000	6.0600	272,702.00	6.0581
4	0	0.0000	0.00	6.0683	8,000	6.1600	80,000	6.1738	543,188.00	6.1726
5	0	0.0000	0.00	6.2964	40,000	6.1338	30,000	6.1538	429,963.00	6.1496
6	0	0.0000	0.00	6.1426	0	0.0000	100,000	6.3114	631,140.00	6.3064
7	30,000	6.0467	181,400.00	6.1650	55,000	6.1591	160,000	6.1381	1,320,844.00	6.1373
8	0	0.0000	0.00	6.1989	78,000	6.1780	0	0.0000	481,885.00	6.1758
9	(12,000)	6.0583	(72,700.00)	6.0867	0	0.0000	0	0.0000	0.00	6.1772
10	0	0.0000	0.00	6.1685	0	0.0000	70,000	6.0811	425,674.00	6.0782
11	0	0.0000	0.00	6.2188	5,000	6.2200	60,000	6.1776	401,758.00	6.1743
12	10,000	6.4800	64,800.00	6.4695	0	0.0000	25,000	6.2526	156,315.00	6.2491
13	29,859	6.4288	191,957.54	6.1457	0	0.0000	90,000	6.4305	578,742.00	6.4288
14	0	0.0000	0.00	5.7709	15,000	6.1717	295,000	6.1604	1,909,884.50	6.1681
16	(59,000)	6.1818	(364,728.20)	6.1256	0	0.0000	0	0.0000	0.00	6.2796
17	0	0.0000	0.00	6.1098	0	0.0000	55,000	6.1252	336,886.50	6.1218
18	8,500	6.1012	51,860.00	6.0705	0	0.0000	30,000	6.1422	184,266.00	6.1422
19	(1,000)	6.0950	(6,095.00)	6.0868	40,000	6.0781	60,000	6.0804	607,949.00	6.0804
20	0	0.0000	0.00	6.0338	0	0.0000	40,000	6.0891	243,566.00	6.0879
21	28,000	6.2893	176,100.00	6.3495	0	0.0000	700,000	6.0035	4,202,420.00	6.0089
22	(17,000)	6.3309	(107,625.30)	6.2917	13,000	6.3685	0	0.0000	82,790.00	6.3309
23	(18,000)	6.2348	(112,226.40)	5.9224	0	0.0000	0	0.0000	0.00	6.2348
24	0	0.0000	0.00	6.2619	(40,000)	5.9750	0	0.0000	(239,000.00)	5.9415
25	(20,000)	5.9450	(118,900.00)	5.9797	0	0.0000	0	0.0000	0.00	6.1811
27	30,000	6.0250	180,750.00	5.9841	0	0.0000	60,000	5.8452	350,712.00	5.8452
28	0	0.0000	0.00	5.9872	0	0.0000	200,000	5.9991	1,199,828.00	5.9943
30	19,250	6.2338	120,000.65	6.1704	0	0.0000	0	0.0000	0.00	6.2338

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34,300	6.1980	212,591.58
59,909		378,720.47

6.2895

**TOTALS**

0	0.0000	120,000	6.1741	740,897.00
263,400		2,306,000		15,692,841.00

6.1806

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

**December 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
1	0	0.0000	0.00	0.0000	0	0.0000	20,000	6.1825	123,651.00	6.2362
3	0	0.0000	0.00	0.0000	0	0.0000	31,500	6.1139	192,588.90	6.0581
4	0	0.0000	0.00	0.0000	0	0.0000	37,200	6.2279	231,679.22	6.1726
5	0	0.0000	0.00	0.0000	0	0.0000	33,800	6.2046	209,715.48	6.1496
6	0	0.0000	0.00	0.0000	0	0.0000	28,100	6.3615	178,757.44	6.3064
7	0	0.0000	0.00	0.0000	0	0.0000	98,100	6.1933	607,559.52	6.1373
10	0	0.0000	0.00	0.0000	0	0.0000	32,000	6.1332	196,262.40	6.0782
11	0	0.0000	0.00	0.0000	0	0.0000	59,000	6.2324	367,708.70	6.1743
12	0	0.0000	0.00	0.0000	0	0.0000	49,500	6.3056	312,126.70	6.2491
13	0	0.0000	0.00	0.0000	0	0.0000	37,000	6.4854	239,960.60	6.4288
14	0	0.0000	0.00	0.0000	0	0.0000	140,400	6.2154	872,637.54	6.1681
17	0	0.0000	0.00	0.0000	0	0.0000	35,100	6.1768	216,805.68	6.1218
18	0	0.0000	0.00	0.0000	0	0.0000	30,200	6.1972	187,155.44	6.1422
19	0	0.0000	0.00	0.0000	0	0.0000	45,400	6.1337	278,472.16	6.0804
20	0	0.0000	0.00	0.0000	0	0.0000	42,600	6.1417	261,637.54	6.0879
21	0	0.0000	0.00	0.0000	0	0.0000	217,500	6.0555	1,317,075.75	6.0089
27	0	0.0000	0.00	0.0000	0	0.0000	47,400	5.8982	279,574.48	5.8452
28	0	0.0000	0.00	0.0000	0	0.0000	112,200	6.0526	679,098.18	5.9943
31	0	0.0000	0.00	0.0000	0	0.0000	26,700	6.2288	166,309.02	6.1806
	0		0.00	<b>TOTALS</b>	0		1,123,700		6,918,775.75	

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

**December 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	550,000	6.1714	3,394,245	6.2362
3	100,000	6.0831	608,310	6.0581
4	360,000	6.2224	2,240,072	6.1726
6	0	0.0000	0	6.3064
7	225,000	6.1632	1,386,720	6.1373
10	50,000	6.1032	305,160	6.0782
11	0	0.0000	0	6.1743
20	10,000	6.1129	61,129	6.0879
21	20,000	6.0339	120,678	6.0089
22	0	0.0000	0	6.3309
27	400,000	5.9859	2,394,340	5.8452
31	75,000	6.1981	464,858	6.1806
<b>TOTALS</b>	1,790,000		10,975,512	

Schedule R 10 I S - Long Term & Short Term Purchases  
December 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>
180946	12/01/2007	12/31/2007	990	6.132	6,070
180893	12/01/2007	12/31/2007	1,333,000	6.272	8,360,176
185436	12/01/2007	12/31/2007	7,234	6.325	45,754
263586	12/01/2007	12/31/2007	1,195	6.394	7,641
<b>Total Long Term Indexed</b>			<b>1,342,419</b>	<b>6.272</b>	<b>8,419,641</b>
397295	12/01/2007	12/31/2007	93,000	6.312	586,988
380651	12/01/2007	12/31/2007	310,000	6.312	1,956,627
397233	12/01/2007	12/31/2007	93,000	6.309	586,756
382568	12/01/2007	12/31/2007	217,000	6.312	1,369,639
<b>Total Short Term(Monthly Index)</b>			<b>713,000</b>	<b>6.311</b>	<b>4,500,010</b>

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Schedule R 10 J S - Long Term & Short Term(Monthly Index) Purchases  
**December 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>
398429	12/01/2007	12/31/2007	279,000	6.272	1,749,804
397759	12/01/2007	12/31/2007	930,000	6.270	5,830,821
385087	12/01/2007	12/31/2007	310,000	6.267	1,942,677
386262	12/01/2007	12/31/2007	310,000	6.267	1,942,677
396505	12/01/2007	12/31/2007	155,000	6.267	971,339
396497	12/01/2007	12/31/2007	310,000	6.267	1,942,677
383730	12/01/2007	12/31/2007	310,000	6.267	1,942,677
380778	12/01/2007	12/31/2007	310,000	6.269	1,943,452
<b>Total Short Term(Monthly Index)</b>			<b>2,914,000</b>	<b>6.268</b>	<b>18,266,124</b>

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**SECTION 3**  
**FORECAST MONTH SCHEDULES**

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

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 March 2008.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for March 2008.

Schedule F-1 shows the forecast of gas purchases for March 2008 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**  
**March 2008**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast February 25, 2008</b>
1	AECO Monthly Index	TJ	3,538
2	AECO Daily Index	TJ	4,073
3	Other	TJ	12
	Total	TJ	7,623

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Schedule F-2 shows the forecast of the unit gas prices for March 2008.

**SCHEDULE F-2**  
**FORECAST UNIT GAS PRICES**  
**March 2008**

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast February 25, 2008</b>
1	AECO Monthly Index	\$/GJ	7.1568
2	AECO Daily Index (1)	\$/GJ	7.7330

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including February 22, 2008 on the AECO/NGX Intra-Alberta March (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the March, AECO/NGX Intra-Alberta Settlement prices on February 15, 19, 20, 21 & 22, 2008.

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In order to zero the forecast balance of the DGA on March 31, 2008, a Rider F of \$9.707/GJ should be implemented on March 01, 2008. Schedule F-3 shows how this rate is calculated.

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

**March 2008**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Reference</b>	<b>Value</b>
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	(16,117)
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	57,250
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	98
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	73,269
7	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	7,587
8	GCFR	\$/GJ	Line 6 divided by Line 7	9.658
9	2008 Approved Return Margin	\$/GJ	Decision 2007-103	0.0496
10	Rider F	\$/GJ	Line 8 + Line 9	9.707

**SPECIAL NOTES**

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

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

**February 25, 2008**

Supply Sources	Security Type	Credit Charge (bp)	November Payable	December Payable	January Payable	February Payable	March Payable	Actual Dec-07	Estimate Jan-08	Estimate Feb-08	Forecast Mar-08
<b>(SOUTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
ATCO	PCG	40.0	36,759	45,754	57,026	43,351	0	25	31	31	14
Canetic Resources Inc.	N/A		8,976	7,641	7,940	7,127	0				
Enerplus Resources Corporation	N/A		7,008	6,070	6,197	5,482	0				
Shell Canada Limited	PCG	40.0	7,530,762	8,360,176	8,152,761	8,592,952	0	4,766	5,074	5,124	2,731
Forecast (with credit support)	PCG	40.0	0	0	0	0	9,251,595	0	0	0	2,535
Forecast (without credit support)			0	0	0	0	88,744				
<b>Sub Total</b>			7,583,505	8,419,641	8,223,924	8,648,912	9,340,339	4,791	5,105	5,155	5,280
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	0	586,988	572,982	1,601,299	0	161	356	633	509
Counterparty 3	PCG	40.0	2,124,790	2,505,151	270,625	281,348	0	1,385	925	169	89
Counterparty 4	PCG	40.0	765,231	501,673	4,527,797	620,062	0	389	1,411	1,708	197
Counterparty 5	PCG	40.0	4,308,728	7,536,124	5,169,054	3,706,150	0	3,481	3,976	2,771	1,178
Counterparty 6	PCG	40.0	1,255,586	5,346,803	5,832,645	4,950,432	0	1,878	3,414	3,338	1,573
Counterparty 7	PCG	40.0	1,749,840	1,942,677	1,894,441	1,996,911	0	1,108	1,179	1,191	635
Counterparty 8	N/A		(763,495)	199,820	961,916	290,598	0				
Counterparty 9	PCG	40.0	0	0	69,100	0	0	0	19	23	0
Counterparty 10	PCG	40.0	1,976,451	5,644,787	8,561,074	8,368,110	0	2,196	4,263	5,201	2,659
Counterparty 11	PCG	40.0	8,069,994	4,632,863	5,369,673	4,233,092	0	3,922	3,045	2,984	1,345
Counterparty 12	PCG	40.0	214,203	454,465	370,038	242,161	0	195	256	192	77
Counterparty 13	PCG	40.0	2,130,120	3,550,238	3,160,851	1,883,729	0	1,673	2,072	1,590	599
Counterparty 14	PCG	40.0	0	0	3,787,332	231,500	0	0	1,038	1,350	74
Counterparty 15	PCG	40.0	117,147	191,100	725,227	40,712	0	91	264	258	13
Counterparty 16	PCG	40.0	0	0	1,893,666	0	0	0	519	643	0
Counterparty 17	PCG	40.0	691,399	3,088,283	1,930,527	1,856,572	0	1,073	1,578	1,165	590
Counterparty 18	PCG	40.0	712,383	2,588,719	379,181	3,730,241	0	943	983	1,151	1,186
Counterparty 19	PCG	40.0	0	1,216,409	1,293,743	998,456	0	333	768	713	317
Counterparty 20	PCG	40.0	2,029,933	3,055,545	2,318,170	2,274,160	0	1,505	1,673	1,411	723
Counterparty 21	PCG	40.0	3,175,598	10,798,292	7,299,885	5,048,749	0	4,002	5,668	3,863	1,605
Counterparty 22	PCG	40.0	213,700	243,422	634,480	0	0	137	257	216	0
Counterparty 99	PCG	40.0	0	0	0	8,413,630	0	0	0	2,305	2,674
Forecast (with credit support)	PCG	40.0	0	0	0	0	38,116,696	0	0	0	10,443
<b>Sub Total</b>			28,771,608	54,083,359	57,022,407	50,767,912	38,116,696	24,472	33,664	32,875	26,486
<b>Natural Gas Exchange</b>											
Forecast	N/A		2,769,207	2,648,625	14,560,787	5,815,008	0				
<b>Sub Total</b>			2,769,207	2,648,625	14,560,787	5,815,008	9,448,946				
Required LC	L/C	37.5	12,500,000	22,500,000	22,500,000	27,500,000	17,500,000	7,166	7,166	8,193	5,574
PCG to Bank to Support LC	PCG	40.0	12,500,000	22,500,000	22,500,000	27,500,000	17,500,000	7,644	7,644	8,740	5,945
<b>Sub Total</b>								14,810	14,810	16,933	11,519
<b>TOTAL</b>			39,124,320	65,151,625	79,807,118	65,231,832	56,905,981	44,073	53,579	54,963	43,285

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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.

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