

Electronic Notification

April 30, 2007

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 MAY 2007
APPLICATION 1510431**

The Alberta Energy and Utilities Board (the Board) is in receipt of the monthly GCFR filing, dated April 24, 2007, from DERS, a Business Unit of Direct Energy Marketing Limited. DERS requested a GCFR of \$4.456 per gigajoule (GJ) for customers served in the ATCO Gas South service territory.

The Board has reviewed the filing and accepts that the above noted GCFR represents a rate determined 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 ATCO Gas South 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 May 1, 2007 to May 31, 2007 the GCFR of \$4.456/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 GCFRs requested by DERS.

Yours truly,



Laurie J. Bayda
Customer Service Manager
Utilities Branch

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