

March 24, 2005

Alberta Energy and Utilities Board
10th Floor, 10055 – 106 St.
Edmonton, Alberta T5J 2Y2

Attention: Becky Torrance
Manager, Edmonton Office
Utilities Branch

Dear Ms. Torrance:

**Re: Direct Energy Regulated Services Gas Cost Flow-through Rates for ATCO
Gas South Service Territory for April 2005**

Direct Energy Regulated Services (DERS) is filing with the Alberta Energy and Utilities Board (Board or EUB) a proposed Gas Cost Flow-through Rate (GCFR) for the month of April 2005 for the service territory of ATCO Gas South. The GCFR Rate Schedule attached indicates a rate applicable for the South of \$6.932 per GJ. The DGA package used to derive this rate is also attached.

DERS has included the R-10 A S (DETAIL) schedule as a separate attachment labeled South – Detailed Reconciliation Schedules (Apr 05) in order to reconcile to the R-5 schedule. Additional price and weather data relating to the February and March 2005 period as well as some explanatory notes relating to the prior period adjustments have been included in the attached document titled Appendix A - South.

Should you require additional information please contact the undersigned at 403-290-7745 or Corinne Grudecki at 403-290-4635.

Yours truly,



Gary Newcombe, P. Eng.
Director, Government & Regulatory Affairs, Western Region
Direct Energy Marketing Limited
*Direct Energy Regulated Services
is a business unit of Direct Energy Marketing Limited*

Approved by Decision 2003-106
Effective April 1, 2005
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**DIRECT ENERGY REGULATED SERVICES
Rider "F" GAS COST FLOW-THROUGH
ATCO GAS SOUTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates G1, G3 and G5.

Gas Cost Flow-through Rate:

For customers served by ATCO Gas and Pipelines South:

For the Period April 1, 2005 to April 30, 2005

\$6.932 per GJ