

September 26, 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 North Service Territory for October 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 October 2005 for the service territory of ATCO Gas North. The GCFR Rate Schedule attached indicates a rate applicable for the North of \$11.805 per GJ.

In addition, DERS has also determined a GCFR applicable to customers of ATCO Pipelines North of \$11.608 per GJ for September 2005. The DGA package used to derive these rates is also attached.

Additional price and weather data relating to the August and September 2005 period as well as some explanatory notes relating to the prior period adjustments have been included in the attached document titled Appendix B - North.

Should you require additional information please contact the undersigned at 403-290-4635.

Yours truly,

<Original signed by C. Grudecki>

Corinne Grudecki
Senior Analyst, 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 October 1, 2005
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**DIRECT ENERGY REGULATED SERVICES
Rider "F" GAS COST FLOW-THROUGH
ATCO GAS NORTH SERVICE TERRITORY**

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

Gas Cost Flow-through Rate:

For customers served by ATCO Gas and Pipelines North:

For the Period October 1, 2005 to October 31, 2005 **\$11.805 per GJ**

To be applied to customers served under ATCO Pipeline North Sales Rates.

Gas Cost Flow-through Rate:

For customers served by ATCO Pipelines North:

For the Period October 1, 2005 to October 31, 2005 **\$11.608 per GJ**