

March 24, 2006

VIA E-MAIL

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 Regulated Rate Tariff Transition Rates
for the Period April 1, 2006 through June 30, 2006**

Direct Energy Regulated Services (DERS) is filing with the Alberta Energy and Utilities Board (Board or EUB) Regulated Rate Tariff (RRT) transition rates for the period April 1, 2006 to June 30, 2006 (Q2 2006) for the service territory of ATCO Electric Ltd.

The derivation of these rates is detailed on the attached supporting schedules. The Q2 2006 Energy Rates include an Energy Charge Adjustment for the months of December 2005, January and February 2006 as detailed on Schedule 6 and a Non-Energy Adjustment relating to the deferral items from Q1 2006 as shown on Schedule 7. DERS has attached the signed Round 7 Certification of Compliance from the Independent Advisor, DERS and the Consultation Party representatives.

Attached for the Board's acknowledgement is DERS' Rider "P" Energy Charge Schedule applicable to Rates E1 through E7 for Q2 2006. These energy charges were determined in accordance with the Energy Price Setting Plan contained within the Settlement Agreement approved in Decision 2004-037. For the Board's information, DERS has also attached the Rider "P(REA)" Energy Charge Schedule applicable to REA farm and irrigation service for the Q2 2006 period.

Should you require additional information please contact Chad Painchaud at 403-290-6944

Yours truly,

<Original signed by C. Grudecki>

Corinne Grudecki
Manager, Government & Regulatory Affairs, Western Region
Direct Energy Marketing Limited
*Direct Energy Regulated Services
is a business unit of Direct Energy Marketing Limited*