

May 25, 2004

VIA E-MAIL AND COURIER

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 June 2004

Direct Energy Regulated Services, a business unit of Direct Energy Marketing Limited, (DERS), is filing with the Alberta Energy and Utilities Board (Board or EUB) proposed Gas Cost Flow-through Rates (GCFRs) for the month of June, 2004 for the service territories of ATCO Gas North and South. The GCFR Rate Schedules attached indicate a rate applicable for the North of \$8.257 per GJ, and a rate applicable for the South of \$8.313 per GJ. The DGA packages used to derive these rates are also attached.

DERS has also included an Appendix 1 to the June filing in response to the Board's directive at page 116 of Decision 2003-106 respecting the disposition of major contracts.

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

Yours truly,



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

cc: DERS GCFR Distribution List

Approved by Decision 2003-106
Effective June 1, 2004
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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 June 1, 2004 to June 30, 2004

\$8.257 per GJ

Approved by Decision 2003-106
Effective June 1, 2004
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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 June 1, 2004 to June 30, 2004

\$8.313 per GJ