

**EXECUTIVE SUMMARY**

This information package was developed to assist all parties participating in the monthly Gas Cost Flow Through Rate (GCFR) process for Direct Energy Regulated Services Deferred Gas Account (DGA).

This document contains information used to derive a GCFR of \$7.828/GJ for Direct Energy Regulated Services (DERS) Rate 1 & 3 Gas Customers and a GCFR of \$7.472/GJ for Direct Energy Regulated Services (DERS) Rate 5 Gas Customers for September 2006.

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## **INTRODUCTION**

This section provides an overview of the Deferred Gas Account (DGA).

Schedules M-1 and M-2 show the DGA components as of August 25, 2006.

Schedule M-1 includes actual, estimated and forecast costs for the various gas supply components and actual, estimated and forecast dollars for the recovery components.

Schedule M-2 includes actual, estimated and forecast energy balance for the DGA.

In order to zero the forecast balance of the DGA on September 30, 2006, a GCFR of \$7.828/GJ for DERS Rate 1 & 3 Gas Customers and a GCFR of \$7.472/GJ for DERS Rate 5 Gas Customers should be implemented on September 01, 2006.

**SECTION 1  
DGA COST AND RECOVERY OVERVIEW**

**SCHEDULE M-1  
MONTHLY DGA COSTS AND RECOVERIES**

Line	Description	Units	A	B	C	D	E
			Previous Period Adjustment	Actual Jun-06	Estimate Jul-06	Estimate Aug-06	Forecast Sep-06
1	Opening Cumulative DGA Balance	\$,000	5,123	3,724	(2,754)	(3,136)	(4,670)
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	(57)	11,653	9,606	12,075	18,850
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	0	610	(4)	(2)	0
6	<b>Total Gas Supply Costs</b>	\$,000	(57)	12,263	9,602	12,073	18,850
<b><u>Adjustments</u></b>							
7	Transportation	\$,000	0	9	4	4	13
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement	\$,000	(16)	29	28	28	28
10	Bad Debts	\$,000	1,105	87	136	136	134
11	DGA Balance	\$,000	235	(16)	16	16	16
12	Credit Charge	\$,000	0	20	15	16	17
13	<b>Net Gas Costs</b>	\$,000	1,268	12,392	9,802	12,273	19,058
<b><u>Recoveries</u></b>							
14	Calendar Sales	\$,000	(59)	5,452	9,241	10,615	23,614
15	Transportation Imbalance Sales	\$,000	0	1	0	0	0
16	Excess System Sales	\$,000	0	262	63	9	0
17	Penalty Revenue	\$,000	(73)	199	116	115	114
18	<b>Total Recoveries</b>	\$,000	(132)	5,914	9,419	10,739	23,728
19	Current DGA Balance	\$,000	(1,399)	(6,478)	(382)	(1,534)	4,670
20	<b>Closing Cumulative DGA Balance</b>	\$,000	3,724	(2,754)	(3,136)	(4,670)	0

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**SCHEDULE M-2  
MONTHLY DGA ENERGY BALANCE**

Line	Description	Units	A Actual Jun-06	B Estimate Jul-06	C Estimate Aug-06	D Forecast Sep-06
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	2,154	1,733	2,028	3,047
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	106	0	0	0
4	<b>Total Energy</b>	TJ	<b>2,260</b>	<b>1,733</b>	<b>2,028</b>	<b>3,047</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	<b>Net Energy</b>	TJ	<b>2,260</b>	<b>1,733</b>	<b>2,028</b>	<b>3,047</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	2,037	1,577	2,007	3,019
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	49	15	2	0
10	<b>Total Recoveries</b>	TJ	<b>2,086</b>	<b>1,592</b>	<b>2,008</b>	<b>3,019</b>
11	<b>DGA UFG</b>	TJ	(174)	(141)	(20)	(28)

**SPECIAL NOTES**

**INTRODUCTION**

This section provides details of the Deferred Gas Account (DGA) components for June 2006.

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-1 shows the forecast and actual DGA cost and recovery components for June 2006 as of May 25, 2006 and August 25, 2006 respectively.

**SCHEDULE R-1**  
**FORECAST & ACTUAL DGA COSTS AND RECOVERIES**

**June 2006**

Line	Description	Units	Forecast May 25, 2006	Actual August 25, 2006	Actual less Forecast
	<b><u>Gas Supply Costs</u></b>				
1	Purchases	\$,000	12,862	11,653	(1,209)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	610	610
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>12,862</b>	<b>12,263</b>	<b>(599)</b>
	<b><u>Adjustments</u></b>				
6	Transportation	\$,000	7	9	2
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement and Portfolio Management	\$,000	29	29	0
9	Bad Debts	\$,000	85	87	2
10	DGA Balance	\$,000	(16)	(16)	0
11	Credit Charge	\$,000	22	20	(2)
12	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>12,989</b>	<b>12,392</b>	<b>(598)</b>
	<b><u>Recoveries</u></b>				
13	Calendar Sales	\$,000	6,321	5,452	(869)
14	Transportation Imbalance Sales	\$,000	0	1	1
15	Excess System Sales	\$,000	0	262	262
16	Penalty Revenue	\$,000	195	199	4
17	<b>Total Recoveries</b>	<b>\$,000</b>	<b>6,516</b>	<b>5,914</b>	<b>(602)</b>

August 25, 2006

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-2 shows the forecast and actual DGA energy balance for June 2006 as of May 25, 2006 and August 25, 2006. It also shows the normal and actual degree days for June 2006.

**SCHEDULE R-2**  
**DGA ENERGY BALANCE & DEGREE DAYS**  
**June 2006**

Line	Description	Units	Forecast May 25, 2006	Actual August 25, 2006	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	2,382	2,154	(229)
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	106	106
<hr/>					
4	<b>Total Energy</b>	TJ	<b>2,382</b>	<b>2,260</b>	<b>(123)</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	<b>Net Energy</b>	TJ	<b>2,382</b>	<b>2,260</b>	<b>(123)</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	2,362	2,037	(325)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	49	49
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>2,362</b>	<b>2,086</b>	<b>(276)</b>
<hr/>					
11	<b>DGA UFG</b>	TJ	<b>(21)</b>	<b>(174)</b>	<b>(153)</b>
12	Degree Days	DD	72	55	(17)

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-3 shows the actual DGA purchase gas components for June 2006 as of August 25, 2006.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**June 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual August 25, 2006</b>
1	ON-System ATCO Supplies	\$,000	9,065
2		TJ	1,692
3		\$/GJ	5.359
4	Nova Inventory Transfer Supplies	\$,000	2,586
5		TJ	462
6		\$/GJ	5.602
7	Total Purchases	\$,000	11,651
8		TJ	2,153
9		\$/GJ	5.411

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for June 2006 as of August 25, 2006.

**SCHEDULE R-4**  
**ACTUAL GAS PURCHASES - ON-SYSTEM ATCO SUPPLIES**

		June 2006	Actual August 25, 2006
Line	Description	Units	
1	Long Term Indexed	\$,000	7,219
2		TJ	1,360
3		\$/GJ	5.310
4	Total Long Term	\$,000	7,219
5		TJ	1,360
6		\$/GJ	5.310
7	Short Term (Monthly Index)	\$,000	0
8		TJ	0
9		\$/GJ	0.000
10	Short Term (Daily Index)	\$,000	1,846
11		TJ	332
12		\$/GJ	5.558
13	Total Short Term	\$,000	1,846
14		TJ	332
15		\$/GJ	5.558
16	Total ON-System ATCO Supplies	\$,000	9,065
17		TJ	1,692
18		\$/GJ	5.359

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**SECTION 5**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for June 2006 as of August 25, 2006.

**SCHEDULE R-5**  
**ACTUAL GAS PURCHASES - NOVA INVENTORY TRANSFER SUPPLIES**

		June 2006	Actual August 25, 2006
Line	Description	Units	
1	Long Term Indexed	\$,000	0
2		TJ	0
3		\$/GJ	0.000
4	Total Long Term	\$,000	0
5		TJ	0
6		\$/GJ	0.000
7	Short Term (Monthly Index)	\$,000	0
8		TJ	0
9		\$/GJ	0.000
10	Short Term (Daily Index)	\$,000	2,586
11		TJ	462
12		\$/GJ	5.602
13	Total Short Term	\$,000	2,586
14		TJ	462
15		\$/GJ	5.602
16	Total Nova Inventory Transfer Supplies	\$,000	2,586
17		TJ	462
18		\$/GJ	5.602

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**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-6 shows the forecast and actual unit gas prices for June 2006 as of May 25, 2006 and August 25, 2006 respectively.

**SCHEDULE R-6**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**June 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast May 25, 2006</b>	<b>Actual August 25, 2006</b>	<b>Actual less Forecast</b>
1	AECO Monthly Index	\$/GJ	5.4007	5.3007	(0.1000)
2	AECO Daily INDEX	\$/GJ	5.3956	5.3336	(0.0620)

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including May 24, 2006 on the AECO/NGX Intra-Alberta June (Near Month) instrument as reported by NGX.
2. The actual unit price in Line 1 was the weighted average price of the transactions made up to and including May 31, 2006 on the AECO/NGX Intra-Alberta June (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the June, AECO/NGX Intra-Alberta Settlement prices on May 17, 18, 19, 23 & 24, 2006.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in June, 2006 as reported by NGX and includes all weekend deals.

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

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Schedule R-7 shows the actual contract storage and transportation costs for June 2006 as of August 25, 2006.

The TCPL (AB) transportation costs reflect Firm Transportation Receipt charges on the NOVA Gas transmission system and the AP FSR transportation costs reflect Firm Service Receipt charges on the ATCO Pipelines system.

**SCHEDULE R-7**  
**TRANSPORTATION & STORAGE COSTS**  
**June 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual August 25, 2006</b>
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	8
3	Transportation -- AP FSR	\$,000	1
4	Transportation -- Other	\$,000	0
	Total		9

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

The R-10 schedules show the actual day gas sales and purchases for the reconciliation month as at the filing date.

Short term transaction totals in schedules R 10 B & D are shown only if all four of these criteria are satisfied:

1. Transactions are done for the same time frame (e.g. same day or yesterday).
2. Transactions are done for the same point (i.e. NIT, ATCO North or ATCO South).
3. Transactions are done using the same pricing regime (i.e. fixed vs. index based).
4. Both regulated and deregulated deals are transacting in the same direction (i.e. both selling or both buying).

**Schedule R 10 A S - Actual Spot Gas Purchases by Trade Day**

**June 2006**

**Direct Energy Regulated Services**

Nova Inventory Transfer Supplies

DAY	Yesterday (YD)			AECO YD	Same Day (SD)					AECO Daily
	Avg. Cost		Total Cost	Daily Average	Fixed	Avg. Cost	Index Related	Avg. Cost	Total Cost	Index
	GJ's	\$/GJ	\$	\$/GJ	GJ's	\$/GJ	GJ's	\$/GJ	\$	\$/GJ
1	15,475	5.6087	86,794.51	5.6268	(5,000)	5.6800	0	0.0000	(28,400.00)	5.6333
4	(6,000)	5.4500	(32,700.00)	5.5251	0	0.0000	0	0.0000	0.00	5.4851
6	19,000	5.1666	98,165.00	5.5505	0	0.0000	0	0.0000	0.00	5.4666
7	23,000	5.1672	118,845.00	5.4587	0	0.0000	0	0.0000	0.00	5.1951
8	5,000	5.3836	26,918.00	5.1864	0	0.0000	10,000	5.1831	51,831.00	5.1831
9	0	0.0000	0.00	5.1450	0	0.0000	75,000	5.3670	402,525.00	5.3873
10	(5,000)	5.1800	(25,900.00)	5.3833	0	0.0000	0	0.0000	0.00	5.3292
11	(13,000)	5.1962	(67,550.00)	5.3466	0	0.0000	0	0.0000	0.00	5.0276
12	23,000	5.3861	123,880.00	4.9261	0	0.0000	0	0.0000	0.00	5.2085
13	29,100	5.7995	168,764.00	5.2651	0	0.0000	0	0.0000	0.00	5.3898
14	11,363	5.6231	63,895.29	5.4124	0	0.0000	0	0.0000	0.00	5.6231
15	8,000	6.1600	49,280.00	5.7128	0	0.0000	0	0.0000	0.00	5.8987
16	20,000	6.2378	124,756.80	5.8548	0	0.0000	0	0.0000	0.00	6.1956
17	26,000	6.2550	162,630.00	6.1664	0	0.0000	0	0.0000	0.00	6.2292
18	19,000	6.1676	117,184.40	6.2673	0	0.0000	0	0.0000	0.00	6.2193
19	11,363	6.1077	69,401.80	6.2732	0	0.0000	0	0.0000	0.00	6.1077
20	10,000	6.0633	60,633.00	6.1074	0	0.0000	0	0.0000	0.00	6.0633
21	31,363	5.7759	181,149.70	6.0800	0	0.0000	0	0.0000	0.00	5.8215
22	0	0.0000	0.00	5.8431	10,000	5.7025	15,000	5.7214	142,846.00	5.7214
23	25,263	5.3358	134,798.84	5.7561	20,000	5.4527	0	0.0000	109,055.00	5.4249
24	3,963	5.1307	20,333.03	5.4478	0	0.0000	0	0.0000	0.00	5.2155
26	4,363	5.2606	22,952.00	5.1999	0	0.0000	0	0.0000	0.00	5.2606
27	11,363	5.4380	61,791.99	5.2549	0	0.0000	0	0.0000	0.00	5.4380
28	0	0.0000	0.00	5.5220	5,000	5.3550	0	0.0000	26,775.00	5.3331
	272,616		1,566,023.36	<b>TOTALS</b>	30,000		100,000		704,632.00	

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**Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day**

**June 2006**

**Direct Energy Regulated Services**

ON- System ATCO Supplies

YD table is not applicable for this schedule.

DAY	Yesterday (YD)			AECO YD Daily Average \$/GJ	Same Day (SD)					AECO Daily Index \$/GJ
	Avg. Cost		Total Cost \$		Fixed GJ's	Avg. Cost \$/GJ	Index Related GJ's	Avg. Cost \$/GJ	Total Cost \$	
	GJ's	\$/GJ								
1	2,000	5.4800	10,960.00	0.0000	0	0.0000	0	0.0000	0.00	5.6333
5	9,000	5.3944	48,550.00	0.0000	0	0.0000	0	0.0000	0.00	5.5626
6	5,000	5.2000	26,000.00	0.0000	0	0.0000	0	0.0000	0.00	5.4666
7	3,900	5.0700	19,773.00	0.0000	0	0.0000	0	0.0000	0.00	5.1951
8	10,000	5.2500	52,500.00	0.0000	0	0.0000	27,000	5.1322	138,568.70	5.1831
9	0	0.0000	0.00	0.0000	0	0.0000	115,800	5.3131	615,252.60	5.3873
12	0	0.0000	0.00	0.0000	0	0.0000	11,500	5.1585	59,322.75	5.2085
13	900	5.5722	5,015.00	0.0000	0	0.0000	0	0.0000	0.00	5.3898
14	0	0.0000	0.00	0.0000	0	0.0000	24,100	5.5702	134,241.21	5.6231
15	20,000	6.1150	122,300.00	0.0000	3,500	5.8587	15,000	5.8487	108,235.95	5.8987
18	4,000	6.1100	24,440.00	0.0000	0	0.0000	0	0.0000	0.00	6.2193
19	10,000	6.0690	60,690.00	0.0000	0	0.0000	20,400	6.0577	123,577.08	6.1077
20	0	0.0000	0.00	0.0000	0	0.0000	30,000	6.0125	180,374.00	6.0633
21	20,000	5.8015	116,030.00	0.0000	0	0.0000	0	0.0000	0.00	5.8215
	84,800		486,258.00	<b>TOTALS</b>	3,500		243,800		1,359,572.29	

**Schedule R 10 G S - Actual Spot Gas Purchases by Delivery Day**

**June 2006**

**PEAKING Demand Supply Contracts**

Nova Inventory Transfer Supplies

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost	Total Cost	Index
		\$/GJ	\$	\$/GJ
1	0	0.0000	0	5.6333
29	10,000	5.3133	53,133	5.2983
30	0	0.0000	0	5.0280
<b>TOTALS</b>	10,000		53,133	

Schedule R 10 I S - Long Term & Short Term(Monthly Index) Purchases  
June 2006

**Direct Energy Regulated Services**

ON-System Atco Supplies

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume(GJ)</u>	<u>Price</u>	<u>Value</u>
180893	06/01/2006	06/30/2006	1,350,000	5.311	7,169,445
180894	06/01/2006	06/30/2006	1,120	5.178	5,799
180946	06/01/2006	06/30/2006	843	5.176	4,363
183174	06/01/2006	06/30/2006	7,479	5.238	39,176
185436	06/01/2006	06/30/2006	95	4.682	445
<b>Total Long Term Indexed</b>			<b>1,359,537</b>	<b>5.308</b>	<b>7,219,228</b>

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**SECTION 3**  
**FORECAST MONTH SCHEDULES**

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This section provides details of the Deferred Gas Account (DGA) components for September 2006.

Schedule M-1 in Section 1 shows the forecast costs for the various gas supply categories, gas cost adjustments and the forecast dollars for the various recovery components for September 2006.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for September 2006.

Schedule F-1 shows the forecast of gas purchases for September 2006 by pricing mechanism. As shown in Schedule F-1, most of the gas purchases have AECO Monthly or Daily Index pricing mechanism.

Most of the Other purchase category is also influenced by AECO index pricing mechanism.

**SCHEDULE F-1**  
**FORECAST GAS PURCHASES**  
**September 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast August 25, 2006</b>
1	AECO Monthly Index	TJ	1,285
2	AECO Daily Index	TJ	1,750
3	Other	TJ	12
	Total	TJ	3,047

Schedule F-2 shows the forecast of the unit gas prices for September 2006.

**SCHEDULE F-2**  
**FORECAST UNIT GAS PRICES**  
**September 2006**

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast August 25, 2006</b>
1	AECO Monthly Index	\$/GJ	6.3389
2	AECO Daily Index (1)	\$/GJ	6.0742

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including August 24, 2006 on the AECO/NGX Intra-Alberta September (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the September, AECO/NGX Intra-Alberta Settlement prices on August 18, 21, 22, 23 & 24 2006.

In order to zero the forecast balance of the DGA on September 30, 2006, a GCFR of \$7.828/GJ for DERS Rate

1 & 3 Gas Customers and a GCFR of \$7.472/GJ for DERS Rate 5 Gas Customers should be implemented on September 01, 2006. Schedule F-3 shows how this rate is calculated.

**SCHEDULE F-3  
GAS COST FLOW THROUGH RATE DERIVATION**

**September 2006**

Line	Description	Units	Reference	Value
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	(4,670)
2	2005 Energy Related Deferral Recovery	\$,000	Appendix A, Line 5	1,397
3	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	19,058
4	Transportation Imbalance Sales Estimate	\$,000	Schedule M-1, Line 15, Column E	0
5	Excess System Sales Estimate	\$,000	Schedule M-1, Line 16, Column E	0
6	Penalty Revenue Estimate	\$,000	Schedule M-1, Line 17, Column E	114
7	Net Monthly Gas Cost Recovery	\$,000	Line 3 less Lines 1 - 2 less Lines 4 - 6	22,217
8	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	3,019
9	GCFR excluding 2005 Deferral Cost Recovery	\$/GJ	Line 7 divided by Line 8	7.359
<b>DERS GCFR for Rates 1 &amp; 3</b>				
10	DERS Rates 1 & 3 Sales Forecast	TJ	Appendix A, Line 1	2,964
11	2005 Energy Related Deferral Cost Recovery	\$,000	Appendix A, Line 3	1,391
12	Impact to rate of 2005 Deferral Cost Recovery	\$/GJ	Line 11 divided by Line 10	0.469
13	GCFR excluding 2005 Deferral Cost Recovery	\$/GJ	Line 9	7.359
14	GCFR for Rates 1 & 3	\$/GJ	Line 13 plus line 12	7.828
<b>DERS GCFR for Rate 5</b>				
15	DERS Rate 5 Sales Forecast	TJ	Appendix A, Line 2	55
16	2005 Energy Related Deferral Cost Recovery	\$,000	Appendix A, Line 4	6
17	Impact to rate of 2005 Deferral Cost Recovery	\$/GJ	Line 16 divided by Line 15	0.113
18	GCFR excluding 2005 Deferral Cost Recovery	\$/GJ	Line 9	7.359
19	GCFR for Rate 5	\$/GJ	Line 17 plus line 18	7.472

**SPECIAL NOTES**

AGS - DGA PPA is the Imbalance and Production Adjustments Deferred Gas Account approved in the EUB Decision 2005-036 for Atco Gas South and allocated to the period June 2005 - October 2005 per attached Appendix A

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**SCHEDULE C - 1  
COST OF CREDIT SUPPORT**

<b>LEGEND:</b>	bp	Basis points (100 bp = 1%)
	LC	Letter of credit
	PCG	Parental company guarantee

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Supply Sources	Security Type	Credit Charge (bp)	May Payable	June Payable	July Payable	August Payable	September Payable	Actual Jun-06	Estimate Jul-06	Estimate Aug-06	Forecast Sep-06
<b>(SOUTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
Acclaim Energy Partnership	N/A		6,011	5,799	0	0	0				
ATCO	PCG	40.0	48,264	39,621	43,490	57,548	0	27	25	30	19
Canetic Resources Inc.	N/A		0	0	4,628	6,201	0				
Enerplus Resources Corporation	N/A		4,686	4,363	3,398	4,959	0				
Shell Canada Limited	PCG	40.0	8,699,220	7,169,445	7,675,709	8,158,658	0	4,891	4,453	4,752	2,720
Forecast (with credit support)	PCG	40.0	0	0	0	0	8,557,515	0	0	0	2,300
Forecast (without credit support)			0	0	0	0	76,067				
<b>Sub Total</b>			8,758,181	7,219,228	7,727,225	8,227,366	8,633,582	4,918	4,478	4,782	5,039
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	170,733	0	0	0	0	57	0	0	0
Counterparty 2	PCG	40.0	79,766	180,015	0	0	0	77	60	0	0
Counterparty 3	PCG	40.0	424,744	402,525	0	0	0	253	134	0	0
Counterparty 4	PCG	40.0	1,225,149	123,726	64,452	160,369	0	443	59	65	53
Counterparty 5	PCG	40.0	690,199	421,819	0	0	0	347	141	0	0
Counterparty 6	PCG	40.0	53,623	0	0	392,243	0	18	0	105	131
Counterparty 7	N/A		99,292	589,137	185,450	81,251	0				
Counterparty 8	PCG	40.0	272,982	28,685	0	12,054	0	99	10	3	4
Counterparty 9	PCG	40.0	1,957,390	444,307	812,770	264,620	0	776	367	342	88
Counterparty 10	PCG	40.0	67,250	0	0	0	0	22	0	0	0
Counterparty 11	PCG	40.0	0	0	0	264,067	0	0	0	71	88
Counterparty 12	PCG	40.0	108,292	0	0	0	0	36	0	0	0
Counterparty 13	PCG	40.0	0	0	0	4,048	0	0	0	1	1
Counterparty 99	PCG	40.0	0	0	0	1,407,880	0	0	0	378	469
Forecast (with credit support)	PCG	40.0	0	0	0	0	7,027,425	0	0	0	1,889
<b>Sub Total</b>			5,149,420	2,190,214	1,062,672	2,586,532	7,027,425	2,128	771	965	2,723
<b>Natural Gas Exchange</b>											
Forecast	N/A		3,020,417	1,979,404	752,848	1,251,872	0				
<b>Sub Total</b>			3,020,417	1,979,404	752,848	1,251,872	3,188,609				
Required LC	L/C	37.5	25,000,000	20,000,000	15,000,000	15,000,000	25,000,000	6164	4,777	4,777	4,623
PCG to Bank to Support LC	PCG	40.0	25,000,000	20,000,000	15,000,000	15,000,000	25,000,000	6,575	5,096	5,096	4,832
<b>Sub Total</b>								12,379	9,873	9,873	9,555
<b>TOTAL</b>			16,928,018	11,388,846	9,542,745	12,065,770	18,849,616	19,785	15,122	15,620	17,317

**Footnote:**

\*Natural Gas Exchange numbers include only the costs associated with the purchase and sale of natural gas. It does not include any NGX fees.

\*\* The Natural Gas Exchange credit charge is based upon the full amount of the letter of credit and supporting parental guarantee. The parental guarantee charges for all other counterparties must cover approximately 55 days of credit exposure.

\*\*\* The letter of credit to the Natural Gas Exchange was decreased to \$40,000,000 on June 1, and to \$30,000,000 on July 1, 2006.

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**APPENDIX A  
EUB DECISION 2005-036  
RATES 1 & 3 AND RATE 5 LOAD PROFILE, ESTIMATED CONSUMPTION AND PRORATION OF ATCO GAS  
SOUTH - DGA ADJUSTMENT TO FEBRUARY 29, 2004**

Total Deferral Cost Approved For Recovery	\$3,119,030
Amount Filed in GCFR Previously	<u>\$1,722,037</u>
Remaining Deferral Cost to File in GCFR	<u>\$1,396,993</u>

Actual Consumption 2005 (TJ)	Rates 1 & 3	Rate 5	Total
January	14,029.22	-	14,029.22
February	9,851.71	-	9,851.71
March	8,866.60	-	8,866.60
April	5,549.79	0.05	5,549.85
May	3,635.86	65.75	3,701.61
June	2,986.11	58.04	3,044.16
July	2,075.64	105.10	2,180.74
August	2,550.91	78.54	2,629.45
September	3,669.17	25.20	3,694.38
October	5,583.95	5.84	5,589.79
November	7,361.39	0.03	7,361.42
December	9,384.19	-	9,384.19
<b>Total Consumption 2005</b>	<b>75,544.55</b>	<b>338.56</b>	<b>75,883.11</b>
Percentage	99.55%	0.45%	100.00%

Allocation by Rate Class	Rates 1 & 3	Rates 5	Total
	\$ 1,390,760	\$ 6,233	\$ 1,396,993

Forecast Consumption 2006 (TJ)	July 2006	August 2006	September 2006	Total
1 Rates 1 & 3	Filed	Filed	2,963.94	2,963.94
2 Rate 5	Filed	Filed	55.16	55.16
			3,019.10	3,019.10

Prorated Charges Based on Consumption	July 2006	August 2006	September 2006	Total
3 Rates 1 & 3	Filed	Filed	\$ 1,390,760	\$ 1,390,760
4 Rate 5	Filed	Filed	\$ 6,233	\$ 6,233
5 Total			\$ 1,396,993	\$ 1,396,993

Amounts Filed in GCFR	July 2006	August 2006	September 2006	Total
Rates 1 & 3	\$ 840,352	\$ 871,446	\$ -	\$ 1,711,798
Rate 5	\$ 5,342	\$ 4,897	\$ -	\$ 10,239
Total	\$ 845,694	\$ 876,343	\$ -	\$ 1,722,037