

**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 \$3.720 /GJ for Direct Energy Regulated Services (DERS) gas customers for October 2006.

**1 DGA COST AND RECOVERY OVERVIEW**

Schedule M-1: Monthly DGA Costs and Recoveries  
Schedule M-2: Monthly DGA Energy Balance  
Any special notes as required

**2 RECONCILIATION MONTH SCHEDULES**

Schedule R-1: Forecast and Actual DGA Costs and Recoveries  
Schedule R-2: DGA Energy Balance and Degree Days  
Schedule R-3: Actual Gas Purchases  
Schedule R-4: Actual Gas Purchases - ON - System ATCO South Supplies  
Schedule R-5: Actual Gas Purchases - Nova Inventory Transfer Supplies  
Schedule R-6: Forecast and Actual Unit Gas Prices  
Schedule R-7: Transportation and Storage Costs  
Schedule R-10: Actual Gas Purchases - Details  
Any special notes as required

**3 FORECAST MONTH SCHEDULES**

Schedule F-1: Forecast Gas Purchases  
Schedule F-2: Forecast Unit Gas Prices  
Schedule F-3: Gas Cost Flow Through Rate Derivation  
Any special notes as required

**4 OTHER SCHEDULES**

Schedule C-1: Cost of Credit Support

**5 APPENDIX**

As Applicable

## **INTRODUCTION**

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

Schedules M-1 and M-2 show the DGA components as of September 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 October 31, 2006, a GCFR of \$3.720 /GJ should be implemented for DERS Gas Customers on October 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 Jul-06	Estimate Aug-06	Estimate Sep-06	Forecast Oct-06
1	Opening Cumulative DGA Balance	\$,000	(2,754)	(2,479)	(2,323)	(3,866)	4,019
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	(2)	9,614	11,714	15,439	23,672
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	0	(10)	(2)	(5)	0
6	<b>Total Gas Supply Costs</b>	\$,000	(2)	9,604	11,712	15,434	23,672
<b><u>Adjustments</u></b>							
7	Transportation	\$,000	0	4	5	13	29
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement	\$,000	0	29	28	28	28
10	Bad Debts	\$,000	0	83	136	134	130
11	DGA Balance	\$,000	0	(16)	16	16	16
12	Credit Charge	\$,000	0	15	15	16	13
13	<b>Net Gas Costs</b>	\$,000	(2)	9,719	11,913	15,641	23,888
<b><u>Recoveries</u></b>							
14	Calendar Sales	\$,000	273	9,622	10,246	22,663	19,758
15	Transportation Imbalance Sales	\$,000	0	1	0	0	0
16	Excess System Sales	\$,000	0	63	9	749	0
17	Penalty Revenue	\$,000	0	190	115	114	111
18	<b>Total Recoveries</b>	\$,000	273	9,875	10,370	23,526	19,869
19	Current DGA Balance	\$,000	275	156	(1,542)	7,885	(4,019)
20	<b>Closing Cumulative DGA Balance</b>	\$,000	(2,479)	(2,323)	(3,866)	4,019	0

September 25, 2006

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

Line	Description	Units	A Actual Jul-06	B Estimate Aug-06	C Estimate Sep-06	D Forecast Oct-06
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	1,735	1,996	3,081	5,362
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	0	0	0	0
4	<b>Total Energy</b>	TJ	<b>1,734</b>	<b>1,996</b>	<b>3,081</b>	<b>5,362</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	<b>Net Energy</b>	TJ	<b>1,734</b>	<b>1,996</b>	<b>3,081</b>	<b>5,362</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	1,644	1,940	2,895	5,312
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	15	2	157	0
10	<b>Total Recoveries</b>	TJ	<b>1,659</b>	<b>1,941</b>	<b>3,052</b>	<b>5,312</b>
11	<b>DGA UFG</b>	TJ	(75)	(54)	(29)	(50)

**SPECIAL NOTES**

## **INTRODUCTION**

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

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

Schedule R-1 shows the forecast and actual DGA cost and recovery components for July 2006 as of June 26, 2006 and September 25, 2006 respectively.

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

**July 2006**

Line	Description	Units	Forecast June 26, 2006	Actual September 25, 2006	Actual less Forecast
	<b><u>Gas Supply Costs</u></b>				
1	Purchases	\$,000	11,283	9,614	(1,669)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	(10)	(10)
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>11,283</b>	<b>9,604</b>	<b>(1,680)</b>
	<b><u>Adjustments</u></b>				
6	Transportation	\$,000	3	4	1
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement and Portfolio Management	\$,000	28	29	1
9	Bad Debts	\$,000	136	83	(53)
10	DGA Balance	\$,000	16	(16)	(32)
11	Credit Charge	\$,000	17	15	(2)
12	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>11,484</b>	<b>9,719</b>	<b>(1,765)</b>
	<b><u>Recoveries</u></b>				
13	Calendar Sales	\$,000	11,509	9,622	(1,887)
14	Transportation Imbalance Sales	\$,000	0	1	1
15	Excess System Sales	\$,000	0	63	63
16	Penalty Revenue	\$,000	116	190	74
17	<b>Total Recoveries</b>	<b>\$,000</b>	<b>11,625</b>	<b>9,875</b>	<b>(1,750)</b>

September 25, 2006

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

Schedule R-2 shows the forecast and actual DGA energy balance for July 2006 as of June 26, 2006 and September 25, 2006. It also shows the normal and actual degree days for July 2006.

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

Line	Description	Units	Forecast June 26, 2006	Actual Sep 25, 2006	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	1,978	1,735	(243)
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	0	0
<hr/>					
4	<b>Total Energy</b>	TJ	<b>1,978</b>	<b>1,734</b>	<b>(244)</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	<b>Net Energy</b>	TJ	<b>1,978</b>	<b>1,734</b>	<b>(244)</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	1,962	1,644	(318)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	15	15
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>1,962</b>	<b>1,659</b>	<b>(303)</b>
<hr/>					
11	<b>DGA UFG</b>	TJ	<b>(16)</b>	<b>(75)</b>	<b>(59)</b>
12	Degree Days	DD	7	2	(5)

September 25, 2006

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

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

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

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual September 25, 2006</b>
1	ON-System ATCO Supplies	\$,000	8,972
2		TJ	1,621
3		\$/GJ	5.533
4	Nova Inventory Transfer Supplies	\$,000	633
5		TJ	111
6		\$/GJ	5.699
7	Total Purchases	\$,000	9,605
8		TJ	1,733
9		\$/GJ	5.544

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September 25, 2006

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

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

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

		<b>July 2006</b>	<b>Actual September 25, 2006</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
1	Long Term Indexed	\$,000	7,727
2		TJ	1,404
3		\$/GJ	5.502
4	Total Long Term	\$,000	7,727
5		TJ	1,404
6		\$/GJ	5.502
7	Short Term (Monthly Index)	\$,000	0
8		TJ	0
9		\$/GJ	0.000
10	Short Term (Daily Index)	\$,000	1,245
11		TJ	217
12		\$/GJ	5.737
13	Total Short Term	\$,000	1,245
14		TJ	217
15		\$/GJ	5.737
16	Total ON-System ATCO Supplies	\$,000	8,972
17		TJ	1,621
18		\$/GJ	5.533

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September 25, 2006

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

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

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

<b>Line</b>	<b>Description</b>	<b>July 2006</b>	<b>Actual September 25, 2006</b>
		<b>Units</b>	
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	633
11		TJ	111
12		\$/GJ	5.699
13	Total Short Term	\$,000	633
14		TJ	111
15		\$/GJ	5.699
16	Total Nova Inventory Transfer Supplies	\$,000	633
17		TJ	111
18		\$/GJ	5.699

September 25, 2006

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

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Schedule R-6 shows the forecast and actual unit gas prices for July 2006 as of June 26, 2006 and September 25, 2006 respectively.

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

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast June 26, 2006</b>	<b>Actual Sept 25, 2006</b>	<b>Actual less Forecast</b>
1	AECO Monthly Index	\$/GJ	5.6913	5.4923	(0.1990)
2	AECO Daily INDEX	\$/GJ	5.7670	5.5163	(0.2507)

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including June 23, 2006 on the AECO/NGX Intra-Alberta July (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 June 30, 2006 on the AECO/NGX Intra-Alberta July (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the July, AECO/NGX Intra-Alberta Settlement prices on June 19, 20, 21, 22, & 23, 2006.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in July, 2006 as reported by NGX and includes all weekend deals.

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September 25, 2006

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

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Schedule R-7 shows the actual contract storage and transportation costs for July 2006 as of September 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**  
**July 2006**

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

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September 25, 2006

**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**

**July 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	(15,000)	4.1667	(62,500.00)	5.0066	0	0.0000	0	0.0000	0.00	4.8877
4	12,000	5.0581	60,697.20	4.8934	0	0.0000	0	0.0000	0.00	5.0581
8	12,000	4.4358	53,230.00	4.7766	0	0.0000	0	0.0000	0.00	4.2251
11	19,500	5.2338	102,060.00	4.8435	0	0.0000	0	0.0000	0.00	5.0939
13	2,000	5.6250	11,250.00	5.2245	0	0.0000	0	0.0000	0.00	5.3644
14	7,000	5.6357	39,450.00	5.3634	0	0.0000	0	0.0000	0.00	5.6479
15	1,000	5.5665	5,566.50	5.6237	0	0.0000	0	0.0000	0.00	5.5665
16	10,600	5.6469	59,857.14	5.6138	0	0.0000	0	0.0000	0.00	5.6469
18	5,000	5.2000	26,000.00	5.5758	0	0.0000	0	0.0000	0.00	5.3436
24	10,000	5.9329	59,329.00	5.4544	0	0.0000	0	0.0000	0.00	5.9329
30	5,000	6.0500	30,250.00	6.2077	0	0.0000	0	0.0000	0.00	5.8498
31	17,000	7.1182	121,010.00	5.8087	0	0.0000	0	0.0000	0.00	6.6292
	86,100		506,199.84	<b>TOTALS</b>	0		0		0.00	

September 25, 2006

**Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day**  
**July 2006**  
**Direct Energy Regulated Services**  
ON- System ATCO Supplies

YD table is not applicable for this schedule.

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
6	6,000	4.8000	28,800.00	0.0000	0	0.0000	0	0.0000	0.00	4.9568
10	20,000	5.0350	100,700.00	0.0000	0	0.0000	0	0.0000	0.00	4.8547
11	5,500	5.1891	28,540.00	0.0000	0	0.0000	5,000	5.0439	25,219.50	5.0939
12	9,000	5.3400	48,060.00	0.0000	0	0.0000	0	0.0000	0.00	5.2415
13	18,000	5.5950	100,710.00	0.0000	0	0.0000	0	0.0000	0.00	5.3644
14	13,000	5.5600	72,280.00	0.0000	0	0.0000	0	0.0000	0.00	5.6479
17	15,000	5.3633	80,450.00	0.0000	0	0.0000	0	0.0000	0.00	5.5415
18	15,000	5.2100	78,150.00	0.0000	0	0.0000	0	0.0000	0.00	5.3436
19	18,000	5.3343	96,018.00	0.0000	0	0.0000	0	0.0000	0.00	5.2548
20	14,000	5.3700	75,180.00	0.0000	0	0.0000	0	0.0000	0.00	5.4075
25	21,000	6.0976	128,050.00	0.0000	0	0.0000	0	0.0000	0.00	6.2640
26	20,500	6.1671	126,425.00	0.0000	0	0.0000	0	0.0000	0.00	6.1609
27	14,000	6.4550	90,370.00	0.0000	0	0.0000	0	0.0000	0.00	6.2778
30	1,000	6.0000	6,000.00	0.0000	0	0.0000	0	0.0000	0.00	5.8498
31	22,000	7.2689	159,915.00	0.0000	0	0.0000	0	0.0000	0.00	6.6292
	212,000		1,219,648.00	<b>TOTALS</b>	0		5,000		25,219.50	

September 25, 2006

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

**July 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	4.8877
28	10,000	6.4452	64,452	6.4302
29	0	0.0000	0	6.1517
<b>TOTALS</b>	10,000		64,452	

Schedule R 10 I S - Long Term & Short Term Purchases  
July 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	07/01/2006	07/31/2006	1,395,000	5.502	7,675,709
180946	07/01/2006	07/31/2006	633	5.367	3,398
183174	07/01/2006	07/31/2006	7,841	5.492	43,065
185436	07/01/2006	07/31/2006	77	5.442	419
263586	07/01/2006	07/31/2006	862	5.369	4,628
<b>Total Long Term Indexed</b>			<b>1,404,413</b>	<b>5.502</b>	<b>7,727,219</b>

September 25, 2006

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

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

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

Schedule F-1 shows the forecast of gas purchases for October 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**

**October 2006**

**Forecast**  
**September**  
**25, 2006**

<u>Line</u>	<u>Description</u>	<u>Units</u>	
1	AECO Monthly Index	TJ	1,936
2	AECO Daily Index	TJ	3,414
3	Other	TJ	12
	Total	TJ	5,362

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September 25, 2006

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

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

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast September 25, 2006</b>
1	AECO Monthly Index	\$/GJ	4.6181
2	AECO Daily Index (1)	\$/GJ	4.2988

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including September 22, 2006 on the AECO/NGX Intra-Alberta October (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the October, AECO/NGX Intra-Alberta Settlement prices on September 18, 19, 20, 21 & 22, 2006.

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In order to zero the forecast balance of the DGA on October 31, 2006, a GCFR of \$3.720/GJ should be implemented on October 01, 2006. Schedule F-3 shows how this rate is calculated.

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

**October 2006**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Reference</b>	<b>Value</b>
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	4,019
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	23,888
3	Transportation Imbalance Sales Estimate	\$,000	Schedule M-1, Line 15, Column E	0
4	Excess System Sales Estimate	\$,000	Schedule M-1, Line 16, Column E	0
5	Penalty Revenue Estimate	\$,000	Schedule M-1, Line 17, Column E	111
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	19,758
7	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	5,312
8	GCFR	\$/GJ	Line 6 divided by Line 7	3.720

**SPECIAL NOTES**

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

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

**September 25, 2006**

Supply Sources	Security Type	Credit Charge (bp)	June Payable	July Payable	August Payable	September Payable	October Payable	Actual Jul-06	Estimate Aug-06	Estimate Sep-06	Forecast Oct-06
<b>(SOUTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
Acclaim Energy Partnership	N/A		5,799	0	0	0	0				
ATCO	PCG	40.0	39,621	43,484	47,136	55,558	0	25	28	31	18
Canetic Resources Inc.	N/A		0	4,628	6,070	5,987	0				
Enerplus Resources Corporation	N/A		4,363	3,398	4,234	4,788	0				
Shell Canada Limited	PCG	40.0	7,169,445	7,675,709	8,158,658	7,876,575	0	4,460	4,843	4,930	2,590
Forecast (with credit support)	PCG	40.0	0	0	0		6,442,250	0	0	0	
Forecast (without credit support)			0	0	0		57,254				
<b>Sub Total</b>			7,219,228	7,727,219	8,216,098	7,942,908	6,499,504	4,485	4,871	4,961	2,608
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	180,015	0	0	223,234	0	59	0	61	73
Counterparty 2	PCG	40.0	402,525	0	0	480,776	0	132	0	132	158
Counterparty 3	PCG	40.0	123,726	64,452	164,863	884,760	0	58	67	298	291
Counterparty 4	PCG	40.0	421,819	0	44,500	11,225	0	139	12	18	4
Counterparty 5	PCG	40.0	0	0	525,716	38,375	0	0	144	189	13
Counterparty 6	N/A		589,137	185,450	159,870	(38,220)	0				
Counterparty 7	PCG	40.0	28,685	0	12,054	139,717	0	9	3	42	46
Counterparty 8	PCG	40.0	444,307	812,770	520,055	142,522	0	369	419	216	47
Counterparty 9	PCG	40.0	0	0	264,067	0	0	0	72	90	0
Counterparty 10	PCG	40.0	0	0	0	265,875	0	0	0	73	87
Counterparty 11	PCG	40.0	0	0	4,048	0	0	0	1	1	0
Counterparty 99	PCG	40.0	0	0		2,269,900		0	0		
Forecast (with credit support)	PCG	40.0	0	0	0	0	15,515,822	0	0	0	
<b>Sub Total</b>			2,190,214	1,062,672	1,695,173	4,418,164	15,515,822	766	718	1,120	719
<b>Natural Gas Exchange</b>											
Forecast	N/A		1,979,404	752,848	1,791,439	2,329,476	0				
<b>Sub Total</b>			1,979,404	752,848	1,791,439	2,329,476	3,000,000				
<b>Required LC</b>											
Required LC	L/C	37.5	20,000,000	15,000,000	15,000,000	15,000,000	15,000,000	4,777	4,777	4,623	4,777
PCG to Bank to Support LC	PCG	40.0	20,000,000	15,000,000	15,000,000	15,000,000	15,000,000	5,096	5,096	4,932	5,096
<b>Sub Total</b>								9,873	9,873	9,555	9,873
<b>TOTAL</b>			11,388,846	9,542,739	11,702,710	14,690,548	25,015,326	15,124	15,462	15,636	13,200

**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.

September 25, 2006

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**DIRECT ENERGY REGULATED SERVICES SOUTH DGA**

**October 2006**