

September 26, 2008

To Whom It May Concern:

The letter that appears on page 2 of this document was sent to the Alberta Utilities Commission on September 24, 2008. On September 25th, Direct Energy Regulated Services reapplied for a different Gas Cost Flow-Through Rate (GCFR) than that which appears in the letter below. The new GCFR for which DERS has applied is \$5.840/GJ in the South. This results in a Rider F of \$5.890 /GJ in the South.

Sincerely,

<ORIGINAL SIGNED BY A. PRESTON>

Ashley Preston
Analyst, Government and Regulatory Affairs
Canada West
Direct Energy Marketing Limited

September 26 2008

Alberta Utilities Commission
10th Floor, 10055 – 106 St.
Edmonton, Alberta T5J 2Y2

Attention: Mike Hagan
Director, Rates
Edmonton Office

Dear Mr. Hagan:

**Re: Direct Energy Regulated Services Gas Cost Flow-through Rates for ATCO
Gas South Service Territory for October 2008**

Direct Energy Regulated Services (DERS) is filing with the Alberta Utilities Commission (Commission or AUC) a proposed revised Rider "F" of \$4.991/GJ for the month of October 2008 for the service territory of ATCO Gas South.

In compliance with the Alberta Energy and Utilities Board directive on page 98 of Decision 2007-103, DERS has added the approved margin to the GCFR to formulate Rider "F". The DGA package used to derive a GCFR rate of \$4.942/GJ is attached.

Additional price and weather data relating to the August 2008 and September 2008 periods as well as some explanatory notes relating to the prior period adjustments have been included in Appendix B.

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

Yours truly,

<Original signed by C. Severson>

Corinne Severson
Senior Manager, Government & Regulatory Affairs, Canada West
Direct Energy Marketing Limited
*Direct Energy Regulated Services
is a business unit of Direct Energy Marketing Limited*

Approved by Decision 2007-103
Effective October 1, 2008
Rider "F" Page 1 of 1

**DIRECT ENERGY REGULATED SERVICES
Rider "F"
ATCO GAS SOUTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates G1, G3 and G5.

Rider "F":

For customers served by ATCO Gas and Pipelines South:

For the Period October 1, 2008 to October 31, 2008

\$4.9914 per GJ