

**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 Rider F of \$5.8896/GJ for Direct Energy Regulated Services (DERS) gas customers for October 2008.

**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: Rider F 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 24, 2008.

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, 2008, a Rider F of \$5.8896/GJ should be implemented for DERS Gas Customers on October 01, 2008.

**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-08	Estimate Aug-08	Estimate Sep-08	Forecast Oct-08
1	Opening Cumulative DGA Balance	\$,000	3,931	4,118	(7,144)	(408)	1,601
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	0	20,948	16,037	15,656	29,308
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	0	25	(1)	0	0
6	<b>Total Gas Supply Costs</b>	\$,000	0	20,973	16,035	15,656	29,308
<b><u>Adjustments</u></b>							
7	Transportation	\$,000	0	4	5	15	22
8	TCPL (AB) Fuel Recovery	\$,000	0	0	0	0	0
9	Procurement	\$,000	0	26	26	26	26
10	Bad Debts	\$,000	0	209	196	200	189
11	Working Capital	\$,000	0	42	40	41	38
12	Credit Charge	\$,000	0	18	17	15	18
13	<b>Net Gas Costs</b>	\$,000	0	21,272	16,318	15,951	29,600
<b><u>Recoveries</u></b>							
14	Net Calendar Sales*	\$,000	187	9,436	22,528	17,469	27,901
15	Transportation Imbalance Sales	\$,000	0	13	0	0	0
16	Excess System Sales	\$,000	0	451	423	386	0
17	Penalty Revenue	\$,000	0	110	103	105	99
18	<b>Total Recoveries</b>	\$,000	187	10,010	23,054	17,960	28,000
19	Current DGA Balance	\$,000	187	(11,262)	6,736	2,009	(1,600)
20	<b>Closing Cumulative DGA Balance</b>	\$,000	4,118	(7,144)	(408)	1,601	0

\* Net Calendar Sales excludes 2008 return margin amounts.

September 24, 2008

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

Line	Description	Units	A Actual Jul-08	B Estimate Aug-08	C Estimate Sep-08	D Forecast Oct-08
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	2,056	2,039	2,409	4,800
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	0	0	0	0
4	<b>Total Energy</b>	TJ	<b>2,056</b>	<b>2,039</b>	<b>2,409</b>	<b>4,800</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	<b>Net Energy</b>	TJ	<b>2,056</b>	<b>2,039</b>	<b>2,409</b>	<b>4,800</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	1,555	1,782	2,494	4,778
8	Transportation Imbalance Sales	TJ	1	0	0	0
9	Excess System Sales	TJ	55	62	66	0
10	<b>Total Recoveries</b>	TJ	<b>1,611</b>	<b>1,844</b>	<b>2,559</b>	<b>4,778</b>
11	<b>Load Balancing / UFG Estimate</b>	TJ	(444)	(195)	151	(22)

**SPECIAL NOTES**

**INTRODUCTION**

This section provides details of the Deferred Gas Account (DGA) components for July 2008.

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

Schedule R-1 shows the forecast and actual DGA cost and recovery components for July 2008 as of June 24, 2008 and September 24, 2008 respectively.

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

**July 2008**

Line	Description	Units	Forecast June 24, 2008	Actual Sept 24, 2008	Actual less Forecast
	<b><u>Gas Supply Costs</u></b>				
1	Purchases	\$,000	17,894	20,948	3,054
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	25	25
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>17,894</b>	<b>20,973</b>	<b>3,079</b>
	<b><u>Adjustments</u></b>				
6	Transportation	\$,000	10	4	(6)
7	TCPL (AB) Fuel Recovery	\$,000	0	0	0
8	Procurement	\$,000	26	26	0
9	Gas Supply - Related Bad Debts	\$,000	196	209	13
10	Working Capital	\$,000	40	42	3
11	Credit Charge	\$,000	17	18	1
12	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>18,183</b>	<b>21,272</b>	<b>3,089</b>
	<b><u>Recoveries</u></b>				
13	Net Calendar Sales*	\$,000	10,108	9,436	(672)
14	Transportation Imbalance Sales	\$,000	0	13	13
15	Excess System Sales	\$,000	0	451	451
16	Penalty Revenue	\$,000	103	110	7
17	<b>Total Recoveries</b>	<b>\$,000</b>	<b>10,211</b>	<b>10,010</b>	<b>(201)</b>

\* Net Calendar Sales excludes 2008 return margin amounts.

September 24, 2008

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

Schedule R-2 shows the forecast and actual DGA energy balance for July 2008 as of June 24, 2008 and September 24, 2008. It also shows the normal and actual degree days for July 2008.

**SCHEDULE R-2**  
**DGA ENERGY BALANCE & DEGREE DAYS**  
**July 2008**

Line	Description	Units	Forecast June 24, 2008	Actual Sept 24, 2008	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	1,664	2,056	391
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	0	0
<hr/>					
4	<b>Total Energy</b>	TJ	<b>1,664</b>	<b>2,056</b>	<b>391</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	<b>Net Energy</b>	TJ	<b>1,664</b>	<b>2,056</b>	<b>391</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	1,666	1,555	(111)
8	Transportation Imbalance Sales	TJ	0	1	1
9	Excess System Sales	TJ	0	55	55
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>1,666</b>	<b>1,611</b>	<b>(55)</b>
<hr/>					
11	<b>DGA UFG</b>	TJ	<b>2</b>	<b>(444)</b>	<b>(446)</b>
12	Degree Days	DD	28	25	(3)

September 24, 2008

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

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Schedule R-3 shows the actual DGA purchase gas components for July 2008 as of September 24, 2008.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**July 2008**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual September 24, 2008</b>
1	ON-System ATCO Supplies	\$,000	19,640
2		TJ	1,929
3		\$/GJ	10.180
4	Nova Inventory Transfer Supplies	\$,000	1,305
5		TJ	126
6		\$/GJ	10.359
7	Total Purchases	\$,000	20,946
8		TJ	2,055
9		\$/GJ	10.191

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September 24, 2008

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

Schedule R-4 shows the actual DGA ON-System ATCO South gas components for July 2008 as of September 24, 2008.

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

		<b>July 2008</b>	<b>Actual September 24, 2008</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
1	Long Term Indexed	\$,000	12,140
2		TJ	1,123
3		\$/GJ	10.814
4	Total Long Term	\$,000	12,140
5		TJ	1,123
6		\$/GJ	10.814
7	Short Term (Monthly Index)	\$,000	1,001
8		TJ	93
9		\$/GJ	10.762
10	Short Term (Daily Index)	\$,000	6,499
11		TJ	714
12		\$/GJ	9.106
13	Total Short Term	\$,000	7,500
14		TJ	807
15		\$/GJ	9.297
16	Total ON-System ATCO Supplies	\$,000	19,640
17		TJ	1,929
18		\$/GJ	10.180

September 24, 2008

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

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for July 2008 as of September 24, 2008.

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

		<b>July 2008</b>	<b>Actual September 24, 2008</b>
<b>Line</b>	<b>Description</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	1,305
11		TJ	126
12		\$/GJ	10.359
13	Total Short Term	\$,000	1,305
14		TJ	126
15		\$/GJ	10.359
16	Total Nova Inventory Transfer Supplies	\$,000	1,305
17		TJ	126
18		\$/GJ	10.359

September 24, 2008

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

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Schedule R-6 shows the forecast and actual unit gas prices for July 2008 as of June 24, 2008 and September 24, 2008 respectively.

**SCHEDULE R-6**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**July 2008**

Line	Description	Units	Forecast June 24, 2008	Actual September 24, 2008	Actual less Forecast
1	AECO Monthly Index	\$/GJ	10.6227	10.7996	0.1769
2	AECO Daily INDEX	\$/GJ	11.0745	9.0776	(1.9969)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including June 20, 2008 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, 2008 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 16, 17, 18, 19 & 20, 2008.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in July, 2008 as reported by NGX and includes all weekend deals.

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September 24, 2008

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

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Schedule R-7 shows the actual contract storage and transportation costs for July 2008 as of September 24, 2008.

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 2008**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual September 24, 2008</b>
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	3
3	Transportation -- AP FSR	\$,000	1
4	Transportation -- Other	\$,000	0
	Total		4

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September 24, 2008

**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 2008**

**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
2	13,500	10.6656	143,985.00	10.6544	0	0.0000	0	0.0000	0.00	11.0505
3	15,500	10.7110	166,020.50	10.5604	0	0.0000	0	0.0000	0.00	10.7110
4	23,000	11.1999	257,598.00	11.0592	0	0.0000	0	0.0000	0.00	10.6087
5	0	0.0000	0.00	11.0342	35,000	11.0486	0	0.0000	386,700.00	11.0457
13	(2,000)	9.3500	(18,700.00)	9.3573	0	0.0000	0	0.0000	0.00	9.2060
14	4,000	9.5650	38,260.00	9.4216	0	0.0000	0	0.0000	0.00	9.4845
15	(10,000)	9.3820	(93,820.00)	9.0194	15,000	9.2000	0	0.0000	138,000.00	9.3820
18	10,000	9.0000	90,000.00	8.9165	10,000	8.4650	0	0.0000	84,650.00	8.5269
20	(10,000)	8.5588	(85,588.00)	8.5321	0	0.0000	0	0.0000	0.00	8.6157
24	(800)	7.7200	(6,176.00)	7.7405	0	0.0000	0	0.0000	0.00	7.8057
25	(5,000)	7.7500	(38,750.00)	7.6679	0	0.0000	0	0.0000	0.00	7.6919
26	(15,200)	7.3825	(112,213.50)	7.3996	0	0.0000	0	0.0000	0.00	7.5148
27	(10,000)	7.5010	(75,010.00)	7.5301	0	0.0000	0	0.0000	0.00	7.4052
	13,000		265,606.00	<b>TOTALS</b>	60,000		0		609,350.00	

September 24, 2008

**Schedule R 10 C S - Actual Spot Gas Purchases by Trade Day**  
**July 2008**  
**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
1	(1,000)	11.1500	(11,150.00)	0.0000	0	0.0000	0	0.0000	0.00	11.1507
2	12,500	10.7100	133,875.00	0.0000	0	0.0000	0	0.0000	0.00	11.0505
6	13,400	10.5373	141,200.00	0.0000	0	0.0000	0	0.0000	0.00	11.0367
7	0	0.0000	0.00	0.0000	0	0.0000	44,000	10.5939	466,133.60	10.6469
8	0	0.0000	0.00	0.0000	0	0.0000	25,000	10.1340	253,350.00	10.1840
9	0	0.0000	0.00	0.0000	0	0.0000	31,900	9.7437	310,823.05	9.7820
10	0	0.0000	0.00	0.0000	0	0.0000	76,000	9.6446	732,985.85	9.6951
11	0	0.0000	0.00	0.0000	0	0.0000	116,200	9.8001	1,138,768.23	9.7883
14	3,000	9.5500	28,650.00	0.0000	0	0.0000	13,500	9.4333	127,349.50	9.4845
15	0	0.0000	0.00	0.0000	0	0.0000	53,800	9.3315	502,036.60	9.3820
16	0	0.0000	0.00	0.0000	0	0.0000	46,000	9.0044	414,202.40	9.0544
17	0	0.0000	0.00	0.0000	0	0.0000	15,800	8.8819	140,334.02	8.9319
18	0	0.0000	0.00	0.0000	0	0.0000	90,000	8.4797	763,173.00	8.5269
21	0	0.0000	0.00	0.0000	0	0.0000	5,500	8.5087	46,798.00	8.5560
22	7,000	8.1029	56,720.00	0.0000	0	0.0000	11,000	8.1885	90,073.20	8.2362
23	0	0.0000	0.00	0.0000	0	0.0000	41,800	8.2016	342,827.86	8.2477
24	(1,200)	7.7100	(9,252.00)	0.0000	0	0.0000	24,500	7.7606	190,134.65	7.8057
25	0	0.0000	0.00	0.0000	0	0.0000	36,000	7.6265	274,555.20	7.6919
30	0	0.0000	0.00	0.0000	0	0.0000	24,800	7.2928	180,861.18	7.3416
31	0	0.0000	0.00	0.0000	0	0.0000	22,000	7.4695	164,329.00	7.5170
	33,700		340,043.00	<b>TOTALS</b>	0		677,800		6,138,735.34	

Schedule R 10 I S - Long Term & Short Term Purchases  
July 2008

**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>
180946	07/01/2008	07/31/2008	347	10.675	3,704
185436	07/01/2008	07/31/2008	5,712	10.687	61,046
180893	07/01/2008	07/31/2008	1,116,000	10.815	12,069,094
263586	07/01/2008	07/31/2008	592	10.945	6,480
<b>Total Long Term Indexed</b>			<b>1,122,651</b>	<b>10.814</b>	<b>12,140,323</b>
490320	07/01/2008	07/31/2008	93,000	10.762	1,000,875
<b>Total Short Term(Monthly Index)</b>			<b>93,000</b>	<b>10.762</b>	<b>1,000,875</b>

September 24, 2008

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

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This section provides details of the Deferred Gas Account (DGA) components for October 2008.

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 2008.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for October 2008.

Schedule F-1 shows the forecast of gas purchases for October 2008 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 2008**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast September 24, 2008</b>
1	AECO Monthly Index	TJ	1,749
2	AECO Daily Index	TJ	3,047
3	Other	TJ	4
	Total	TJ	4,800

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September 24, 2008

Schedule F-2 shows the forecast of the unit gas prices for October 2008.

**SCHEDULE F-2**  
**FORECAST UNIT GAS PRICES**  
**October 2008**

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast September 24, 2008</b>
1	AECO Monthly Index	\$/GJ	6.0719
2	AECO Daily Index (1)	\$/GJ	6.1255

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including September 22, 2008 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 16, 17, 18, 19 & 22, 2008.

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In order to zero the forecast balance of the DGA on October 31, 2008, a Rider F of \$5.8896/GJ should be implemented on October 01, 2008. Schedule F-3 shows how this rate is calculated.

**SCHEDULE F-3**  
**RIDER F RATE DERIVATION**

**October 2008**

<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	1,601
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 13, Column E	29,600
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	99
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	27,901
7	Forecast Monthly Sales	TJ	Schedule M-2, Line 7, Column D	4,778
8	GCFR	\$/GJ	Line 6 divided by Line 7	5.840
9	2008 Approved Return Margin	\$/GJ	Decision 2007-103	0.0496
10	Rider F	\$/GJ	Line 8 + Line 9	5.8896

**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, 2008**

Supply Sources	Security Type	Credit Charge (bp)	June Payable	July Payable	August Payable	September Payable	October Payable	Actual Jul-08	Estimate Aug-08	Estimate Sep-08	Forecast Oct-08
<b>(SOUTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
ATCO	PCG	40.0	53,975	61,046	56,976	45,974	0	34	36	32	15
Canetic Resources Inc.	N/A		8,178	6,480	4,698	2,374	0				
Enerplus Resources Corporation	N/A		5,284	3,704	2,603	3,219	0				
Shell Canada Limited	PCG	40.0	10,360,548	12,069,094	9,438,458	7,627,500	0	6,713	6,686	5,296	2,508
Forecast (with credit support)	PCG	40.0	0	0	0	0	6,806,600	0	0	0	1,865
Forecast (without credit support)			0	0	0	0	26,109				
<b>Sub Total</b>			10,427,985	12,140,324	9,502,735	7,679,067	6,832,709	6,747	6,722	5,328	4,388
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	95,876	462,776	114,760	124,123	0	158	189	73	41
Counterparty 2	PCG	40.0	101,065	0	0	0	0	33	0	0	0
Counterparty 3	PCG	40.0	1,334,077	1,119,571	1,353,744	949,941	0	745	751	720	312
Counterparty 4	PCG	40.0	1,609,405	1,095,016	897,864	228,629	0	829	618	368	75
Counterparty 5	N/A		195,516	72,201	263,473	64,262	0				
Counterparty 6	PCG	40.0	232,261	153,837	65,643	21,881	0	119	70	28	7
Counterparty 7	PCG	40.0	192,320	190,190	106,813	188,610	0	115	94	88	62
Counterparty 8	PCG	40.0	941,231	1,286,300	334,840	420,051	0	662	529	229	138
Counterparty 9	PCG	40.0	4,077,809	2,275,174	705,674	1,246,722	0	1,964	966	581	410
Counterparty 10	PCG	40.0	0	0	0	235,562	0	0	0	65	77
Counterparty 99	PCG	40.0	0	0	0	2,910,972	0	0	0	798	957
Forecast (with credit support)	PCG	40.0	0	0	0	0	16,876,158	0	0	0	4,624
<b>Sub Total</b>			8,779,560	6,655,065	3,842,811	6,390,753	16,876,158	4,625	3,217	2,950	6,703
<b>Natural Gas Exchange</b>											
Natural Gas Exchange	N/A		3,164,696	1,699,545	2,269,301	1,200,237	0				
Forecast			0	0	0	0	5,599,321				
<b>Sub Total</b>			3,164,696	1,699,545	2,269,301	1,200,237	5,599,321				
<b>Required LC</b>											
Required LC	L/C	37.5	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	3,185	3,185	3,082	3,185
PCG to Bank to Support LC	PCG	40.0	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	3,397	3,397	3,288	3,397
<b>Sub Total</b>								6,582	6,582	6,370	6,582
<b>TOTAL</b>			22,372,241	20,494,934	15,614,847	15,270,057	29,308,188	17,954	16,521	14,648	17,673

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 24, 2008

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September 24, 2008

**DIRECT ENERGY REGULATED SERVICES SOUTH DGA**

**October 2008**