

Electronic Notification

June 24, 2005

Ms. Corinne Grudecki
Senior Analyst
Government and Regulatory Affairs
Western Region
Direct Energy Marketing Limited
111 - 5 Avenue S.W. Suite 1000
Calgary, Alberta T2P 3Y6

Dear Ms. Grudecki:

**DIRECT ENERGY REGULATED SERVICES (DERS)
REGULATED RATE TARIFF (RRT) TRANSITION RATES
PERIOD JULY 1, 2005 THROUGH SEPTEMBER 30, 2005
APPLICATION NO. 1406447**

The Alberta Energy and Utilities Board (the Board) is in receipt of the letter from DERS, a Business Unit of Direct Energy Marketing Limited, dated June 23, 2005, requesting acknowledgement of proposed energy rates applicable to its RRT Transition Rates for the quarter ending September 30, 2005 as follows:

| Energy Charge applicable to: | <u>\$/kWh</u> |
|--|---------------|
| Rate E1 – Residential service | 0.06686 |
| Rate E2 – Small general service | 0.06779 |
| Rate E3 – Large general service | 0.06328 |
| Rate E4 – Oilfield service | 0.06447 |
| Rate E5 – Farm Service | 0.06474 |
| Rate E6 – Lighting service | 0.03944 |
| Rate E7 – Irrigation pumping service | 0.06065 |
| Rate E5 (REA) – Farm Service | 0.06474 |
| Rate E7 (REA) – Irrigation pumping service | 0.06065 |

The Board has reviewed the request, and accepts that the above noted energy charges represent rates that were determined in accordance with the formula set out in Decision 2004-037, dated April 30, 2004. The Board notes that DERS has included amounts for the disposition of its deferred electricity account, as acknowledged by the Board on April 1, 2005 in reference to Application No. 1392846. Consequently, the Board acknowledges that, as set out in DERS's Rider "P" and Rider "P (REA)" Energy Charge Schedules, the above noted energy charges are

appropriate to be included in the applicable RRT Transition Rate Classification during the period July 1, 2005 through September 30, 2005.

The Board notes that DERS will continue to provide supporting documentation and reconciliations and adjustment determinations for energy and non-energy components with its next quarterly filing.

Yours truly,

A handwritten signature in cursive script, appearing to read "B. Torrance".

B. Torrance
Manager, Edmonton Office
Utilities Branch

pc: DERS RRT Transition Rate Email List – electronic notification only