

September 23, 2005

Alberta Energy and Utilities Board
10th Floor, 10055 – 106 St.
Edmonton, Alberta T5J 2Y2

**Attention: Becky Torrance
Manager, Edmonton Office
Utilities Branch**

Dear Ms. Torrance:

**Re: Direct Energy Regulated Services Regulated Rate Tariff Transition Rates
for the Period October 1, 2005 through December 31, 2005**

Direct Energy Regulated Services (DERS) is filing with the Alberta Energy and Utilities Board (Board or EUB) Regulated Rate Tariff (RRT) transition rates for the period October 1, 2005 to December 31, 2005 (Q4 2005) for the service territory of ATCO Electric Ltd.

The derivation of these rates is detailed on the attached supporting schedules. The Q4 2005 Energy Rates include an Energy Charge Adjustment for the months of June, July and August 2005 as detailed on Schedule 6 and a Non-Energy Adjustment relating to the deferral items from Q3 2005 as shown on Schedule 7. DERS has attached the signed Round 5 Certification of Compliance from DERS and the Consultation Party Representatives. At this time, DERS has been unable to obtain a signed copy of the Certification of Compliance from the Independent Advisor. DERS will file the document with the EUB as soon as possible.

Attached for the Board's acknowledgement is DERS' Rider "P" Energy Charge Schedule applicable to Rates E1 through E7 for Q4 2005. These energy charges were determined in accordance with the Energy Price Setting Plan contained within the Settlement Agreement approved in Decision 2004-037. For the Board's information, DERS has also attached the Rider "P(REA)" Energy Charge Schedule applicable to REA farm and irrigation service for the Q4 2005 period.

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

Yours truly,

<Original signed by C. Grudecki>

Corinne Grudecki
Senior Analyst, Government & Regulatory Affairs, Western Region
Direct Energy Marketing Limited
*Direct Energy Regulated Services
is a business unit of Direct Energy Marketing Limited*

cc: Chris Burt, EUB
DERS RRT Negotiation Consultation Parties