

December 22, 2005

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

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

Dear Ms. Torrance:

**Re: Direct Energy Regulated Services Gas Cost Flow-through Rates for ATCO  
Gas South Service Territory for January 2006**

Direct Energy Regulated Services (DERS) is filing with the Alberta Energy and Utilities Board (Board or EUB) a proposed Gas Cost Flow-through Rate (GCFR) for the month of January 2006 for the service territory of ATCO Gas South. The GCFR Rate Schedule attached indicates a rate applicable for the South customers of \$15.599 per GJ. The DGA package used to derive this rate is also attached.

Additional price and weather data relating to the November and December 2005 period as well as some explanatory notes relating to the prior period adjustments have been included in the attached document titled Appendix B - South.

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*

Approved by Decision 2003-106  
Effective January 1, 2006  
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**DIRECT ENERGY REGULATED SERVICES  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS SOUTH SERVICE TERRITORY**

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

Gas Cost Flow-through Rate:

For customers served by ATCO Gas and Pipelines South:

For the Period January 1, 2006 to January 31, 2006

**\$15.599 per GJ**