

**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 GCFR of \$9.636/GJ for Direct Energy Regulated Services (DERS) gas customers for September 2005.

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## **INTRODUCTION**

This section provides an overview of the Deferred Gas Account (DGA).

Schedules M-1 and M-2 show the DGA components as of August 25, 2005.

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 September 30, 2005, a GCFR of \$9.475/GJ for ATCO Pipelines customers and a GCFR of \$9.636/GJ for DERS gas customers should be implemented on September 01, 2005.

**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 Jun-05	Estimate Jul-05	Estimate Aug-05	Forecast Sep-05
1	Opening Cumulative DGA Balance	\$,000	3,523	1,684	(2,100)	420	(3,060)
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	541	17,690	16,051	22,196	35,551
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	832	187	0	0	0
6	<b>Total Gas Supply Costs</b>	\$,000	1,374	17,878	16,051	22,196	35,551
<b><u>Adjustments</u></b>							
7	Fuel	\$,000	0	0	0	0	0
8	Transportation	\$,000	0	22	25	15	27
9	TCPL (AB) Fuel Recovery	\$,000	0	(48)	0	0	0
10	Procurement and Portfolio Management	\$,000	0	29	29	29	29
11	Gas Supply - Related Bad Debts	\$,000	0	76	85	86	88
12	DGA Balance Carrying Costs	\$,000	0	(14)	(16)	(16)	(17)
13	Credit Charge	\$,000	0	20	15	15	26
14	<b>Net Gas Costs</b>	\$,000	1,374	17,961	16,188	22,325	35,704
<b><u>Recoveries</u></b>							
15	Calendar Sales	\$,000	(465)	13,237	17,321	17,543	38,563
16	Transportation Imbalance Sales	\$,000	0	0	0	0	0
17	Excess System Sales	\$,000	0	767	1,193	1,104	0
18	Penalty Revenue	\$,000	0	174	194	197	201
19	<b>Total Recoveries</b>	\$,000	(465)	14,178	18,708	18,844	38,764
20	Current DGA Balance	\$,000	(1,839)	(3,783)	2,520	(3,480)	3,060
21	<b>Closing Cumulative DGA Balance</b>	\$,000	1,684	(2,100)	420	(3,060)	0

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

Line	Description	Units	A Actual Jun-05	B Estimate Jul-05	C Estimate Aug-05	D Forecast Sep-05
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	2,617	2,310	2,818	4,070
2	Storage	TJ	0	0	0	0
3	Imbalances	TJ	56	0	0	0
4	<b>Total Energy</b>	TJ	<b>2,673</b>	<b>2,310</b>	<b>2,818</b>	<b>4,070</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	(7)	0	0	0
6	<b>Net Energy</b>	TJ	<b>2,666</b>	<b>2,310</b>	<b>2,818</b>	<b>4,070</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	2,488	2,142	2,830	3,994
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	111	180	128	0
10	<b>Total Recoveries</b>	TJ	<b>2,599</b>	<b>2,322</b>	<b>2,958</b>	<b>3,994</b>
11	<b>DGA UFG</b>	TJ	(67)	12	140	(76)

**SPECIAL NOTES**

## **INTRODUCTION**

This section provides details of the Deferred Gas Account (DGA) components for June 2005.

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

Schedule R-1 shows the forecast and actual DGA cost and recovery components for June 2005 as of May 25, 2005 and August 25, 2005 respectively.

**SCHEDULE R-1**  
**FORECAST & ACTUAL DGA COSTS AND RECOVERIES**  
**June 2005**

Line	Description	Units	Forecast May 25, 2005	Actual August 25, 2005	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	\$,000	18,211	17,690	(521)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Storage	\$,000	0	0	0
4	Imbalances	\$,000	0	187	187
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>18,211</b>	<b>17,878</b>	<b>(333)</b>
<b><u>Adjustments</u></b>					
6	Fuel	\$,000	0	0	0
7	Transportation	\$,000	16	22	6
8	TCPL (AB) Fuel Recovery	\$,000	0	(48)	(48)
9	Procurement and Portfolio Management	\$,000	29	29	0
10	Gas Supply - Related Bad Debts	\$,000	81	76	(6)
11	DGA Balance Carrying Costs	\$,000	(15)	(14)	1
12	Credit Charge	\$,000	19	20	0
13	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>18,341</b>	<b>17,961</b>	<b>(380)</b>
<b><u>Recoveries</u></b>					
14	Calendar Sales	\$,000	14,228	13,237	(991)
15	Transportation Imbalance Sales	\$,000	0	0	0
16	Excess System Sales	\$,000	0	767	767
17	Penalty Revenue	\$,000	186	174	(13)
18	<b>Total Recoveries</b>	<b>\$,000</b>	<b>14,415</b>	<b>14,178</b>	<b>(237)</b>

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**SECTION 2  
RECONCILIATION MONTH SCHEDULES**

Schedule R-2 shows the forecast and actual DGA energy balance for June 2005 as of May 25, 2005 and August 25, 2005. It also shows the normal and actual degree days for June 2005.

**SCHEDULE R-2  
DGA ENERGY BALANCE & DEGREE DAYS  
June 2005**

Line	Description	Units	Forecast May 25, 2005	Actual August 25, 2005	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	2,720	2,617	(103)
2	Storage	TJ	0	0	0
3	Imbalances	TJ	0	56	56
<hr/>					
4	<b>Total Energy</b>	TJ	<b>2,720</b>	<b>2,673</b>	<b>(47)</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	(7)	(7)
<hr/>					
6	<b>Net Energy</b>	TJ	<b>2,720</b>	<b>2,666</b>	<b>(54)</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	2,673	2,488	(185)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	111	111
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>2,673</b>	<b>2,599</b>	<b>(74)</b>
<hr/>					
11	<b>DGA UFG</b>	TJ	<b>(47)</b>	<b>(67)</b>	<b>(20)</b>
12	Degree Days	DD	26	17	(9)

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

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Schedule R-3 shows the actual DGA purchase gas components for June 2005 as of August 25, 2005.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**June 2005**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual August 25, 2005</b>
1	ON-System ATCO North Supplies	\$,000	13,572
2		TJ	2,020
3		\$/GJ	6.720
4	Nova Inventory Transfer Supplies	\$,000	4,123
5		TJ	598
6		\$/GJ	6.899
7	Total Purchases	\$,000	17,695
8		TJ	2,618
9		\$/GJ	6.759

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

Schedule R-4 shows the actual DGA ON-System ATCO North gas components for June 2005 as of August 25, 2005.

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

		June 2005	Actual August 25, 2005
<u>Line</u>	<u>Description</u>	<u>Units</u>	
1	Long Term Indexed	\$,000	2,105
2		TJ	317
3		\$/GJ	6.640
4	Total Long Term	\$,000	2,105
5		TJ	317
6		\$/GJ	6.640
7	Short Term (Monthly Index)	\$,000	8,337
8		TJ	1,260
9		\$/GJ	6.617
10	Short Term (Daily Index)	\$,000	3,129
11		TJ	443
12		\$/GJ	7.063
13	Total Short Term	\$,000	11,466
14		TJ	1,703
15		\$/GJ	6.733
16	Total ON-System ATCO North Supplies	\$,000	13,571
17		TJ	2,020
18		\$/GJ	6.718

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**SECTION 5  
RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for June 2005 as of August 25, 2005.

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

<u>Line</u>	<u>Description</u>	<u>June 2005</u>	<u>Actual August 25, 2005</u>
		<u>Units</u>	
1	Long Term Indexed	\$,000	273
2		TJ	51
3		\$/GJ	5.353
4	Total Long Term	\$,000	273
5		TJ	51
6		\$/GJ	5.353
7	Short Term (Monthly Index)	\$,000	0
8		TJ	0
9		\$/GJ	0.000
10	Short Term (Daily Index)	\$,000	3,850
11		TJ	547
12		\$/GJ	7.038
13	Total Short Term	\$,000	3,850
14		TJ	547
15		\$/GJ	7.038
16	Total Nova Inventory Transfer Supplies	\$,000	4,123
17		TJ	598
18		\$/GJ	6.895

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

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Schedule R-6 shows the forecast and actual unit gas prices for June 2005 as of May 25, 2005 and August 25, 2005 respectively.

**SCHEDULE R-6**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**June 2005**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast May 25, 2005</b>	<b>Actual August 25, 2005</b>	<b>Actual less Forecast</b>
1	AECO Monthly Index	\$/GJ	6.7256	6.6087	(0.1169)
2	AECO Daily INDEX	\$/GJ	6.5938	6.9529	0.3591

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including May 24, 2005 on the AECO/NGX Intra-Alberta June (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 May 31, 2005 on the AECO/NGX Intra-Alberta June (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the June, AECO/NGX Intra-Alberta Settlement prices on May 18, 19, 20, 23 & 24, 2005.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in June, 2005 as reported by NGX and includes all weekend deals.

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

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Schedule R-7 shows the actual contract storage and transportation costs for June 2005 as of August 25, 2005.

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**  
**June 2005**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual August 25, 2005</b>
1	Contract Storage	\$,000	0
2	Transportation -- AP OPR	\$,000	5
3	Transportation -- AP FSR	\$,000	16
	Total		22

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**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 N - Actual Spot Gas Purchases by Trade Day**

**June 2005**

**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	5,000	6.5540	32,770.00	6.5588	0	0.0000	0	0.0000	0.00	6.6108
3	2,000	6.7500	13,500.00	6.7341	0	0.0000	7,000	6.5660	45,962.00	6.5670
4	50,000	6.8122	340,610.00	6.8150	0	0.0000	0	0.0000	0.00	6.7508
6	5,000	7.0100	35,050.00	7.0203	0	0.0000	20,000	7.0067	140,134.00	7.0017
7	10,000	7.1205	71,205.00	7.1543	0	0.0000	0	0.0000	0.00	7.0226
8	10,000	6.8550	68,550.00	6.8358	0	0.0000	30,000	7.1152	213,456.00	7.1132
10	20,000	7.4125	148,250.00	7.3228	0	0.0000	0	0.0000	0.00	6.8641
11	(20,000)	6.8470	(136,940.00)	6.8316	0	0.0000	0	0.0000	0.00	7.0244
12	30,000	6.8700	206,100.00	6.8947	0	0.0000	0	0.0000	0.00	6.8094
13	0	0.0000	0.00	7.0475	0	0.0000	35,000	6.8961	241,363.50	6.8961
15	(26,000)	7.1908	(186,960.00)	7.1495	0	0.0000	45,000	7.1398	321,292.50	7.1340
16	15,000	7.2367	108,550.00	7.2126	0	0.0000	0	0.0000	0.00	7.1963
18	0	0.0000	0.00	7.4959	(10,000)	7.3500	0	0.0000	(73,500.00)	7.3921
19	15,000	7.5700	113,550.00	7.5155	0	0.0000	0	0.0000	0.00	7.5025
20	7,000	7.2600	50,820.00	7.2740	0	0.0000	0	0.0000	0.00	7.4285
21	50,000	7.2650	363,250.00	7.2683	0	0.0000	0	0.0000	0.00	7.2679
22	15,000	7.2400	108,600.00	7.2047	0	0.0000	0	0.0000	0.00	7.2647
23	0	0.0000	0.00	6.9262	0	0.0000	20,000	7.1570	143,140.00	7.1770
24	16,000	6.9019	110,430.00	6.8569	0	0.0000	30,000	7.0659	211,977.00	7.0443
25	(20,000)	6.7575	(135,150.00)	6.7599	0	0.0000	60,000	6.8108	408,645.00	6.8479
26	(15,000)	6.7700	(101,550.00)	6.8290	0	0.0000	0	0.0000	0.00	6.7786
27	(15,000)	6.6667	(100,000.00)	6.6825	0	0.0000	0	0.0000	0.00	6.8253
30	(5,000)	6.5400	(32,700.00)	6.4645	0	0.0000	0	0.0000	0.00	6.6415
	149,000		1,077,935.00	<b>TOTALS</b>	(10,000)		247,000		1,652,470.00	

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**Schedule R 10 C N - Actual Spot Gas Purchases by Trade Day**  
**June 2005**  
**Direct Energy Regulated Services**  
ON- System ATCO North 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	0	0.0000	0.00	0.0000	0	0.0000	5,000	6.4444	32,222.00	6.4444
2	0	0.0000	0.00	0.0000	0	0.0000	6,000	6.6208	39,724.80	6.6108
8	0	0.0000	0.00	0.0000	0	0.0000	12,000	7.1582	85,898.40	7.1132
9	0	0.0000	0.00	0.0000	0	0.0000	13,500	6.8669	92,703.60	6.8186
10	0	0.0000	0.00	0.0000	0	0.0000	12,000	6.8571	82,285.20	6.8641
11	0	0.0000	0.00	0.0000	0	0.0000	27,000	6.8515	184,991.70	7.0244
12	0	0.0000	0.00	0.0000	0	0.0000	27,000	6.8515	184,991.70	6.8094
13	0	0.0000	0.00	0.0000	0	0.0000	29,000	6.9189	200,646.90	6.8961
15	0	0.0000	0.00	0.0000	0	0.0000	11,000	7.1667	78,834.00	7.1340
16	0	0.0000	0.00	0.0000	0	0.0000	11,500	7.2228	83,062.45	7.1963
17	0	0.0000	0.00	0.0000	0	0.0000	132,000	7.2142	952,280.40	7.2198
18	0	0.0000	0.00	0.0000	0	0.0000	34,000	7.2147	245,299.80	7.3921
20	0	0.0000	0.00	0.0000	0	0.0000	2,000	7.4285	14,857.00	7.4285
21	0	0.0000	0.00	0.0000	0	0.0000	8,000	7.2679	58,143.20	7.2679
22	0	0.0000	0.00	0.0000	0	0.0000	4,000	7.2547	29,018.80	7.2647
23	0	0.0000	0.00	0.0000	0	0.0000	24,000	7.1712	172,108.00	7.1770
24	0	0.0000	0.00	0.0000	0	0.0000	63,000	7.0557	444,509.70	7.0443
27	0	0.0000	0.00	0.0000	0	0.0000	7,000	6.8253	47,777.10	6.8253
28	0	0.0000	0.00	0.0000	0	0.0000	10,000	6.6867	66,867.00	6.6867
30	0	0.0000	0.00	0.0000	0	0.0000	5,000	6.6015	33,007.50	6.6415
	0		0.00	<b>TOTALS</b>	0		443,000		3,129,229.25	

**Schedule R 10 G N - Actual Spot Gas Purchases by Delivery Day**

**June 2005**

**PEAKING Demand Supply Contracts**

Nova Inventory Transfer Supplies

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost	Total Cost	Index
		\$/GJ	\$	\$/GJ
1	0	0.0000	0	6.4444
7	50,000	7.0476	352,380	7.0226
8	0	0.0000	0	7.1132
<b>TOTALS</b>	50,000		352,380	

**Schedule R 10 I N - Long Term & Short Term(Monthly Index) Purchases**  
**June 2005**

**Direct Energy Regulated Services**

ON-System Atco North Supplies

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume(GJ)</u>	<u>Price</u>	<u>Value</u>
180884	06/01/2005	06/30/2005	847	5.011	4,245
180885	06/01/2005	06/30/2005	7,044	6.489	45,706
180886	06/01/2005	06/30/2005	1,039	5.404	5,615
180887	06/01/2005	06/30/2005	13,500	5.404	72,959
180889	06/01/2005	06/30/2005	11,298	5.404	61,059
180891	06/01/2005	06/30/2005	5	6.608	33
183216	06/01/2005	06/30/2005	360	6.963	2,507
183217	06/01/2005	06/30/2005	1,697	6.963	11,816
183218	06/01/2005	06/30/2005	5,685	6.906	39,263
183219	06/01/2005	06/30/2005	109,128	6.976	761,263
185435	06/01/2005	06/30/2005	288	8.303	2,391
185506	06/01/2005	06/30/2005	3,330	6.523	21,723
191521	06/01/2005	06/30/2005	10,149	5.011	50,859
180941	06/01/2005	06/30/2005	17,163	5.119	87,857
180945	06/01/2005	06/30/2005	135,000	6.948	937,979
<b>Total Long Term Indexed</b>			<b>316,533</b>	<b>6.640</b>	<b>2,105,274</b>
188030	06/01/2005	06/30/2005	300,000	6.614	1,984,299
188118	06/01/2005	06/30/2005	360,000	6.614	2,381,159
188345	06/01/2005	06/30/2005	600,000	6.619	3,971,598
<b>Total Short Term(Monthly Index)</b>			<b>1,260,000</b>	<b>6.617</b>	<b>8,337,056</b>

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Schedule R 10 J N - Long Term & Short Term(Monthly Index) Purchases  
June 2005

**Direct Energy Regulated Services**

Nova Inventory Transfer Supplies

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume(GJ)</u>	<u>Price</u>	<u>Value</u>
180939	06/01/2005	06/30/2005	9,690	5.404	52,369
180944	06/01/2005	06/30/2005	40,890	5.404	220,986
<b>Total Long Term Indexed</b>			<b>50,580</b>	<b>5.404</b>	<b>273,355</b>

August 25, 2005

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

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This section provides details of the Deferred Gas Account (DGA) components for September 2005.

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 September 2005.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for September 2005.

Schedule F-1 shows the forecast of gas purchases for September 2005 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**  
**September 2005**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast August 25, 2005</b>
1	AECO Monthly Index	TJ	1,719
2	AECO Daily Index	TJ	2,111
3	Other	TJ	240
	Total	TJ	4,070

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Schedule F-2 shows the forecast of the unit gas prices for September 2005.

**SCHEDULE F-2**  
**FORECAST UNIT GAS PRICES**  
**September 2005**

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast August 25, 2005</b>
1	AECO Monthly Index	\$/GJ	8.6458
2	AECO Daily Index (1)	\$/GJ	8.8182

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including August 24, 2005 on the AECO/NGX Intra-Alberta September (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the September, AECO/NGX Intra-Alberta Settlement prices on August 18, 19, 22, 23 & 24, 2005.

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Schedule F-3 shows the derivation for the amount of recovery required from all customers not including UFG.

**SCHEDULE F-3**  
**GAS COST FLOW THROUGH RATE DERIVATION**

**September 2005**

<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	(3,060)
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 14, Column E	35,704
3	Transportation Imbalance Sales Estimate	\$,000	Schedule M-1, Line 16, Column E	0
4	Excess System Sales Estimate	\$,000	Schedule M-1, Line 17, Column E	0
5	Penalty Revenue Estimate	\$,000	Schedule M-1, Line 18, Column E	201
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	38,563
7	Net Energy	TJ	Schedule M-2, Line 6, Column D	4,070
8	GCFR Less UFG Cost	\$/GJ	Line 6 divided by Line 7	9.475

**SPECIAL NOTES**

Due to the change of fuel allocation from deliveries to receipts, the GCFR for Atco Pipeline customers is shown on line 8 above.

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In order to zero the forecast balance of the DGA on September 30, 2005 a GCFR of \$9.636/GJ for DERSN Gas customers should be implemented on September 01, 2005.

Schedule F-4 shows how this rate is calculated.

**SCHEDULE F-4**  
**DERS NORTH GAS COST FLOW THROUGH RATE DERIVATION**

		<b>September 2005</b>		
<b>Line Description</b>	<b>Units</b>	<b>Reference</b>	<b>Value</b>	
1 DERSN Sales Forecast (Excludes APN Sales)	TJ	Schedule M-2, Line 7, Column D	3,990	
2 AGN UFG	TJ	Line 1 * 1.703%	68	
3 GCFR less UFG	\$/GJ	Schedule F-3, Line 8	9,475	
4 DERSN Cost of UFG	\$,000	Line 2 * Line 3	644	
5 DERSN UFG Recovery Rate	\$/GJ	Line 4 / Line 1	0.161	
6 DERSN GCFR	\$/GJ	Line 3 + Line 5	9.636	

**SCHEDULE C - 1  
COST OF CREDIT SUPPORT**

<b>LEGEND:</b>	bp	Basis points (100 bp = 1%)
	LC	Letter of credit
	PCG	Parental company guarantee

**August 25, 2005**

Supply Sources	Security Type	Credit Charge (bp)	May Payable	June Payable	July Payable	August Payable	September Payable	Actual Jun-05	Estimate Jul-05	Estimate Aug-05	Forecast Sep-05
<b>(NORTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
Advantage Oil & Gas Ltd.	N/A		75,391	72,959	75,391	80,094	0				
Anadarko Canada Corporation	PCG	40.0	54,114	52,369	54,114	57,490	0	33	32	34	19
Anterra Resources Services Inc.	N/A		39,332	45,706	46,027	51,410	0				
ATCO	PCG	40.0	(407,420)	2,391	1,778	4,548	0	0	1	2	2
Coastal Resources Limited	N/A		8,053	5,615	16,025	6,230	0				
Imperial Oil Resources	PCG	40.0	1,258,876	999,038	1,135,061	1,467,148	0	697	648	786	489
Keyspan	N/A		44,385	39,263	35,427	41,688	0				
Pan-Alberta Gas Ltd.	N/A		40,363	21,723	15,041	24,696	0				
Paramount Energy Ltd	N/A		79,325	14,323	6,385	15,161	0				
Penn West Petroleum Ltd.	N/A		93,693	87,857	91,727	96,449	0				
Petrofund Corp.	N/A		65,827	50,859	79,038	55,793	0				
Ridgmar Canada Inc.	N/A		7,968	4,245	7,527	4,622	0				
Suncor Energy Inc.	PCG	40.0	1,246,948	982,249	788,693	1,167,366	0	688	546	587	389
Talisman Energy Canada	PCG	40.0	427	0	0	0	0	0	0	0	0
Trifecta Resources Corp.	N/A		480	33	203	0	0				
Forecast (with credit support)	PCG	40.0	0	0	0	0	1,802,649	0	0	0	501
Forecast (without credit support)			0	0	0	0	272,343				
<b>Sub Total</b>			2,607,762	2,378,630	2,352,437	3,072,695	2,074,992	1,418	1,227	1,409	1,400
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	(5,171,329)	(4,077,574)	0	0	0	0	0	0	0
Counterparty 2	PCG	40.0	4,612,050	3,971,598	4,463,638	4,501,825	0	2,641	2,564	2,738	1,501
Counterparty 3	PCG	40.0	133,730	395,988	36,063	125,046	0	155	142	47	42
Counterparty 4	PCG	40.0	3,250,146	3,286,639	2,253,909	3,337,024	0	1,996	1,722	1,678	1,112
Counterparty 5	PCG	40.0	4,727,130	152,483	104,994	0	0	1,618	80	35	0
Counterparty 6	PCG	40.0	1,635,856	904,165	289,700	83,800	0	796	382	120	28
Counterparty 7	PCG	40.0	1,545,807	464,795	0	1,110,355	0	644	155	308	370
Counterparty 8	N/A		0	85,253	0	0	0				
Counterparty 9	PCG	40.0	0	211,977	0	0	0	49	71	0	0
Counterparty 10	PCG	40.0	2,710,437	2,626,223	2,612,828	2,871,738	0	1,633	1,601	1,669	957
Counterparty 11	PCG	40.0	585,795	1,050,010	102,903	179,064	0	487	379	84	60
Counterparty 12	PCG	40.0	4,931,929	2,613,744	139,759	2,122,730	0	2,370	910	636	708
Counterparty 13	PCG	40.0	168,424	568,523	0	0	0	214	190	0	0
Counterparty 14	PCG	40.0	32,884	0	0	0	0	11	0	0	0
Counterparty 99	PCG	40.0	0	0	0	2,613,600	0	0	0	726	871
Forecast (with credit support)	PCG	40.0	0	0	0	0	27,890,808	0	0	0	7,747
<b>Sub Total</b>			19,162,859	12,253,824	10,003,794	16,945,182	27,890,808	12,614	8,196	8,041	13,396
<b>Natural Gas Exchange</b>											
Forecast	N/A		4,635,535	2,290,546	2,508,424	1,074,046	0				
<b>Sub Total</b>			4,635,535	2,290,546	2,508,424	1,074,046	5,584,831				

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Required LC	L/C	47.5	15,000,000	7,500,000	7,500,000	7,500,000	15,000,000	2,969	2,969	2,969	5,938					
PCG to Bank to Support LC	PCG	40.0	15,000,000	7,500,000	7,500,000	7,500,000	15,000,000	2,500	2,500	2,500	5,000					
<b>Sub Total</b>								5,469	5,469	5,469	10,938					
<b>TOTAL</b>								26,406,156	16,923,000	14,864,655	21,091,923	35,550,631	19,501	14,892	14,919	25,734

Footnote:  
\* The Natural Gas Exchange numbers include only the costs associated to 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. The letter of credit to the Natural Gas Exchange was reduced to \$15,000,000 on June 1, 2005 and it will be increased to \$30,000,000 effective September 1, 2005.