

**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 \$6.765/GJ for Direct Energy Regulated Services (DERS) gas customers for March 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 February 22, 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 March 31, 2005, a GCFR of \$6.652/GJ for ATCO Pipelines customers and a GCFR of \$6.765/GJ for DERS gas customers should be implemented on March

**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 Dec-04	Estimate Jan-05	Estimate Feb-05	Forecast Mar-05
1	Opening Cumulative DGA Balance	\$,000	(1,005)	(2,400)	(5,172)	1,559	(6,052)
	<b><u>Gas Supply Costs</u></b>						
2	Purchases	\$,000	16	110,227	115,924	75,260	73,516
3	Daily Trade Averaging Adjustment	\$,000	0	1	0	0	0
4	Storage	\$,000	0	(10)	638	10,238	0
5	Imbalances	\$,000	491	(570)	0	0	0
6	<b>Total Gas Supply Costs</b>	\$,000	508	109,647	116,562	85,498	73,516
	<b><u>Adjustments</u></b>						
7	Fuel	\$,000	0	0	0	0	0
8	Transportation	\$,000	0	255	178	127	101
9	TCPL (AB) Fuel Recovery	\$,000	0	(1)	0	0	0
10	Procurement and Portfolio Management	\$,000	29	29	29	29	29
11	Gas Supply - Related Bad Debts	\$,000	210	95	94	94	91
12	DGA Balance Carrying Costs	\$,000	63	(18)	(18)	(18)	(17)
13	Credit Charge	\$,000	0	93	108	82	68
14	<b>Net Gas Costs</b>	\$,000	810	110,101	116,953	85,812	73,787
	<b><u>Recoveries</u></b>						
15	Calendar Sales	\$,000	349	103,708	121,466	72,576	79,630
16	Transportation Imbalance Sales	\$,000	0	0	0	0	0
17	Excess System Sales	\$,000	0	3,401	2,002	5,411	0
18	Penalty Revenue	\$,000	(933)	219	216	215	209
19	<b>Total Recoveries</b>	\$,000	(584)	107,329	123,684	78,202	79,839
20	Current DGA Balance	\$,000	(1,395)	(2,772)	6,730	(7,611)	6,051
21	<b>Closing Cumulative DGA Balance</b>	\$,000	(2,400)	(5,172)	1,559	(6,052)	0

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

Line	Description	Units	A Actual Dec-04	B Estimate Jan-05	C Estimate Feb-05	D Forecast Mar-05
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	16,152	18,064	12,203	11,971
2	Storage	TJ	(1)	102	1,642	0
3	Imbalances	TJ	(113)	0	0	0
4	<b>Total Energy</b>	TJ	<b>16,038</b>	<b>18,167</b>	<b>13,846</b>	<b>11,971</b>
<b><u>Adjustments</u></b>						
5	TCPL (AB) Fuel Recovery	TJ	0	0	0	0
6	<b>Net Energy</b>	TJ	<b>16,038</b>	<b>18,167</b>	<b>13,846</b>	<b>11,971</b>
<b><u>Recoveries</u></b>						
7	Calendar Sales	TJ	14,703	16,889	12,130	11,722
8	Transportation Imbalance Sales	TJ	0	0	0	0
9	Excess System Sales	TJ	675	330	875	0
10	<b>Total Recoveries</b>	TJ	<b>15,379</b>	<b>17,219</b>	<b>13,005</b>	<b>11,722</b>
11	<b>DGA UFG</b>	TJ	(659)	(948)	(841)	(249)

**SPECIAL NOTES**

## **INTRODUCTION**

This section provides details of the Deferred Gas Account (DGA) components for December 2004.

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

Schedule R-1 shows the forecast and actual DGA cost and recovery components for December 2004 as of November 24, 2004 and February 22, 2005 respectively.

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

**December 2004**

Line	Description	Units	Forecast November 24, 2004	Actual February 22, 2005	Actual less Forecast
	<b><u>Gas Supply Costs</u></b>				
1	Purchases	\$,000	109,505	110,227	721
2	Daily Trade Averaging Adjustment	\$,000	0	1	1
3	Storage	\$,000	0	(10)	(10)
4	Imbalances	\$,000	0	(570)	(570)
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>109,505</b>	<b>109,647</b>	<b>142</b>
	<b><u>Adjustments</u></b>				
6	Fuel	\$,000	0	0	0
7	Transportation	\$,000	273	255	(18)
8	TCPL (AB) Fuel Recovery	\$,000	0	(1)	(1)
9	Procurement and Portfolio Management	\$,000	29	29	0
10	Gas Supply - Related Bad Debts	\$,000	93	95	2
11	DGA Balance Carrying Costs	\$,000	(18)	(18)	0
12	Credit Charge	\$,000	96	93	(2)
13	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>109,979</b>	<b>110,101</b>	<b>122</b>
	<b><u>Recoveries</u></b>				
14	Calendar Sales	\$,000	107,354	103,708	(3,646)
15	Transportation Imbalance Sales	\$,000	0	0	0
16	Excess System Sales	\$,000	0	3,401	3,401
17	Penalty Revenue	\$,000	214	219	5
18	<b>Total Recoveries</b>	<b>\$,000</b>	<b>107,568</b>	<b>107,329</b>	<b>(239)</b>

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**SECTION 2  
RECONCILIATION MONTH SCHEDULES**

Schedule R-2 shows the forecast and actual DGA energy balance for December 2004 as of November 24, 2004 and February 22, 2005. It also shows the normal and actual degree days for December 2004.

**SCHEDULE R-2  
DGA ENERGY BALANCE & DEGREE DAYS  
December 2004**

Line	Description	Units	Forecast November 24, 2004	Actual February 22, 2005	Actual less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	15,441	16,152	711
2	Storage	TJ	0	(1)	(1)
3	Imbalances	TJ	0	(113)	(113)
<hr/>					
4	<b>Total Energy</b>	TJ	<b>15,441</b>	<b>16,038</b>	<b>597</b>
<b><u>Adjustments</u></b>					
5	TCPL (AB) Fuel Recovery	TJ	0	0	0
<hr/>					
6	<b>Net Energy</b>	TJ	<b>15,441</b>	<b>16,038</b>	<b>597</b>
<b><u>Recoveries</u></b>					
7	Calendar Sales	TJ	15,168	14,703	(464)
8	Transportation Imbalance Sales	TJ	0	0	0
9	Excess System Sales	TJ	0	675	675
<hr/>					
10	<b>Total Recoveries</b>	TJ	<b>15,168</b>	<b>15,379</b>	<b>211</b>
<hr/>					
11	<b>DGA UFG</b>	TJ	<b>(274)</b>	<b>(659)</b>	<b>(385)</b>
12	Degree Days	DD	673	675	2

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

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Schedule R-3 shows the actual DGA purchase gas components for December 2004 as of February 22, 2005.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**December 2004**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual February 22, 2005</b>
1	ON-System ATCO North Supplies	\$,000	45,480
2		TJ	6,540
3		\$/GJ	6.954
4	Nova Inventory Transfer Supplies	\$,000	64,749
5		TJ	9,612
6		\$/GJ	6.736
7	Total Purchases	\$,000	110,229
8		TJ	16,152
9		\$/GJ	6.824

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

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Schedule R-4 shows the actual DGA ON-System ATCO North gas components for December 2004 as of February 22, 2005.

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

		<b>December 2004</b>	<b>Actual February 22, 2005</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
1	Long Term Indexed	\$,000	6,769
2		TJ	1,045
3		\$/GJ	6.478
4	Total Long Term	\$,000	6,769
5		TJ	1,045
6		\$/GJ	6.478
7	Short Term (Monthly Index)	\$,000	31,693
8		TJ	4,413
9		\$/GJ	7.182
10	Short Term (Daily Index)	\$,000	7,018
11		TJ	1,082
12		\$/GJ	6.486
13	Total Short Term	\$,000	38,711
14		TJ	5,495
15		\$/GJ	7.045
16	Total ON-System ATCO North Supplies	\$,000	45,480
17		TJ	6,540
18		\$/GJ	6.954

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**SECTION 5  
RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA Nova Inventory Transfer purchase gas components for December 2004 as of February 22, 2005.

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

		<b>December 2004</b>	<b>Actual February 22, 2005</b>
<b>Line</b>	<b>Description</b>	<b>Units</b>	
1	Long Term Indexed	\$,000	375
2		TJ	52
3		\$/GJ	7.212
4	Total Long Term	\$,000	375
5		TJ	52
6		\$/GJ	7.212
7	Short Term (Monthly Index)	\$,000	27,686
8		TJ	3,875
9		\$/GJ	7.145
10	Short Term (Daily Index)	\$,000	36,688
11		TJ	5,685
12		\$/GJ	6.453
13	Total Short Term	\$,000	64,374
14		TJ	9,560
15		\$/GJ	6.734
16	Total Nova Inventory Transfer Supplies	\$,000	64,749
17		TJ	9,612
18		\$/GJ	6.736

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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 December 2004 as of November 24, 2004 and February 22, 2005 respectively.

**SCHEDULE R-6**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**December 2004**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast November 24, 2004</b>	<b>Actual February 22, 2005</b>	<b>Actual less Forecast</b>
1	AECO Monthly Index	\$/GJ	7.3330	7.1717	(0.1613)
2	AECO Daily INDEX	\$/GJ	6.7776	6.4431	(0.3345)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including November 23, 2004 on the AECO/NGX Intra-Alberta December (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 November 30, 2004 on the AECO/NGX Intra-Alberta December (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the December, AECO/NGX Intra-Alberta Settlement prices on November 17, 18, 19, 22 & 23, 2004.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in December, 2004 as reported by NGX and includes all weekend deals.

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

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Schedule R-7 shows the actual contract storage and transportation costs for December 2004 as of February 22, 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**  
**December 2004**

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Actual February 22, 2005</b>
1	Transportation -- Other	\$,000	(1)
2	Contract Storage	\$,000	0
3	Transportation -- AP FSR	\$,000	23
4	Transportation -- AP OPR	\$,000	89
5	Transportation -- TCPL (AB)	\$,000	144
	Total		255

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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**

**December 2004**

**Direct Energy Regulated Services**

Nova Inventory Transfer Supplies

DAY	Yesterday (YD)			AECO YD Daily Average \$/GJ	Same Day (SD)					AECO Daily Index \$/GJ
	GJ's	Avg. Cost \$/GJ	Total Cost \$		Fixed GJ's	Avg. Cost \$/GJ	Index Related GJ's	Avg. Cost \$/GJ	Total Cost \$	
1	10,000	6.4125	64,125.00	6.1057	0	0.0000	0	0.0000	0.00	6.3125
3	(45,000)	5.9740	(268,830.00)	6.4505	0	0.0000	0	0.0000	0.00	6.1231
5	(70,000)	6.4214	(449,500.00)	5.9829	27,000	6.5278	20,000	6.5302	306,854.00	6.1032
6	0	0.0000	0.00	6.7942	0	0.0000	120,000	6.5232	782,788.00	6.5149
7	0	0.0000	0.00	6.1717	0	0.0000	100,000	6.6698	666,980.00	6.6598
8	0	0.0000	0.00	6.2454	0	0.0000	100,000	6.1955	619,550.00	6.1855
9	70,000	6.4686	452,800.00	6.0282	0	0.0000	0	0.0000	0.00	6.4061
10	(36,000)	5.9403	(213,850.00)	6.0282	0	0.0000	20,000	6.4041	128,082.00	6.4061
11	(90,000)	5.8353	(525,175.00)	6.0282	0	0.0000	20,000	6.0530	121,060.00	6.4061
12	10,000	0.9575	9,575.00	6.0282	0	0.0000	20,000	5.9775	119,550.00	6.4061
13	70,000	6.9664	487,650.00	6.3392	0	0.0000	0	0.0000	0.00	6.9825
14	40,000	6.3775	255,100.00	6.6567	0	0.0000	0	0.0000	0.00	6.5039
17	13,000	7.1000	92,300.00	7.0617	0	0.0000	0	0.0000	0.00	6.9433
20	100,000	6.8585	685,850.00	6.8509	139,500	6.8609	0	0.0000	957,100.00	6.8527
21	0	0.0000	0.00	6.7121	0	0.0000	40,000	6.7644	270,576.00	6.7544
22	70,000	6.6957	468,700.00	6.6415	47,000	6.6951	20,000	6.6847	448,364.00	6.6847
23	0	0.0000	0.00	6.1079	(15,000)	6.2333	0	0.0000	(93,500.00)	6.5683
24	(100,000)	4.9580	(495,798.01)	5.7473	0	0.0000	0	0.0000	0.00	5.8030
25	(32,150)	(12.6965)	408,192.86	5.7473	0	0.0000	0	0.0000	0.00	5.8030
26	(85,000)	6.1544	(523,120.00)	5.7473	10,000	6.0000	0	0.0000	60,000.00	5.8030
27	(60,000)	5.7920	(347,520.00)	5.8135	(15,000)	6.3000	(10,000)	6.2076	(156,576.00)	6.2076
29	119,000	5.9676	710,150.00	5.9625	34,000	5.9291	0	0.0000	201,590.00	5.8619
30	35,000	6.7543	236,400.00	6.7341	61,000	5.9098	0	0.0000	360,500.00	5.9102
31	(24,200)	5.2560	(127,194.96)	5.8474	38,000	6.2161	60,000	6.4284	621,916.00	6.4276
	(5,350)		919,854.89	<b>TOTALS</b>	326,500		510,000		5,414,834.00	

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**Schedule R 10 B N - Actual Spot Gas Purchases by Trade Day**

**December 2004**

**Direct Energy Marketing Limited**

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	
5	(7,150)	6.5070	(46,525.00)	6.7942	0	0.0000	0	0.0000	0.00	6.5149
	(7,150)		(46,525.00)	<b>TOTALS</b>	0		0		0.00	

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

**Schedule R 10 C N - Actual Spot Gas Purchases by Trade Day**

**December 2004**

**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	17,500	6.5997	115,494.75	6.5697
3	0	0.0000	0.00	0.0000	0	0.0000	8,000	6.1545	49,236.00	6.1032
4	0	0.0000	0.00	0.0000	0	0.0000	12,000	6.1545	73,854.00	6.1032
5	0	0.0000	0.00	0.0000	0	0.0000	12,000	6.1545	73,854.00	6.1032
6	0	0.0000	0.00	0.0000	0	0.0000	25,000	6.5449	163,622.50	6.5149
7	0	0.0000	0.00	0.0000	0	0.0000	40,000	6.6986	267,942.00	6.6598
8	0	0.0000	0.00	0.0000	0	0.0000	44,000	6.2255	273,922.00	6.1855
9	0	0.0000	0.00	0.0000	0	0.0000	34,000	6.3203	214,891.40	6.2821
10	0	0.0000	0.00	0.0000	0	0.0000	40,000	6.4414	257,656.00	6.4061
11	0	0.0000	0.00	0.0000	0	0.0000	40,000	6.4414	257,656.00	6.4061
12	0	0.0000	0.00	0.0000	0	0.0000	50,000	6.3550	317,751.00	6.4061
13	0	0.0000	0.00	0.0000	0	0.0000	52,500	6.5810	345,502.50	6.5510
14	0	0.0000	0.00	0.0000	0	0.0000	12,820	7.0173	89,961.65	6.9825
15	0	0.0000	0.00	0.0000	0	0.0000	8,000	6.5389	52,311.20	6.5039
16	0	0.0000	0.00	0.0000	0	0.0000	9,500	6.6723	63,386.85	6.6423
17	0	0.0000	0.00	0.0000	0	0.0000	1,500	6.8585	10,287.75	6.8479
18	0	0.0000	0.00	0.0000	0	0.0000	12,500	6.8585	85,731.25	6.8479
19	0	0.0000	0.00	0.0000	0	0.0000	1,500	6.8585	10,287.75	6.8479
20	0	0.0000	0.00	0.0000	0	0.0000	55,000	6.8873	378,803.50	6.8527
21	0	0.0000	0.00	0.0000	0	0.0000	64,000	6.7844	434,201.60	6.7544
22	0	0.0000	0.00	0.0000	0	0.0000	49,000	6.7290	329,720.30	6.6847
23	0	0.0000	0.00	0.0000	0	0.0000	51,500	6.5977	339,783.45	6.5683
24	0	0.0000	0.00	0.0000	0	0.0000	51,353	6.5989	338,874.31	6.9825
25	0	0.0000	0.00	0.0000	0	0.0000	51,353	6.5977	338,811.44	6.9825
26	0	0.0000	0.00	0.0000	0	0.0000	51,353	6.5999	338,923.06	6.9825
27	0	0.0000	0.00	0.0000	0	0.0000	43,500	6.5978	287,005.05	6.5683
28	0	0.0000	0.00	0.0000	0	0.0000	53,000	5.8628	310,728.90	6.5683
29	0	0.0000	0.00	0.0000	0	0.0000	34,500	5.8919	203,270.55	5.8619
30	0	0.0000	0.00	0.0000	0	0.0000	26,500	5.9642	158,050.25	5.9102
31	0	0.0000	0.00	0.0000	0	0.0000	26,500	5.9642	158,050.25	5.9102
	0		0.00	<b>TOTALS</b>	0		978,379		6,339,571.26	

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

**December 2004**

**PEAKING Demand Supply Contracts**

Nova Inventory Transfer Supplies

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost \$/GJ	Total Cost \$	Index \$/GJ
4	160,000	6.1580	985,283	6.1231
5	360,000	6.5685	2,364,655	6.5277
6	300,000	6.5338	1,960,128	6.5149
7	280,000	6.6784	1,869,944	6.6598
8	204,000	6.2112	1,267,092	6.1855
9	140,000	6.3028	882,394	6.2821
10	50,000	6.4311	321,555	6.4061
11	50,000	6.4264	321,320	6.0550
12	50,000	6.4264	321,320	5.9795
15	50,000	6.5219	326,095	6.5039
16	45,000	6.6573	299,579	6.6423
17	10,000	6.8729	68,729	6.8479
18	60,000	6.9683	418,098	6.9433
20	90,000	6.8677	618,093	6.8527
21	225,000	6.7718	1,523,665	6.7544
22	250,000	6.7033	1,675,825	6.6847
23	100,000	6.5823	658,230	6.5683
24	10,000	6.5873	65,873	6.1346
25	135,000	6.5780	888,036	6.5623
26	350,000	6.5829	2,304,003	5.8030
27	330,000	6.6071	2,180,339	6.2076
28	115,000	5.8563	673,475	5.8313
29	165,000	5.8887	971,639	5.8619
30	300,000	5.9468	1,784,050	5.9102
31	350,000	6.3050	2,206,750	6.4276
<b>TOTALS</b>	4,179,000		26,956,166	

**Schedule R 10 H N - Actual Spot Gas Purchases by Delivery Day**  
**December 2004**  
**PEAKING Demand Supply Contracts**  
ON- System ATCO North Supplies

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost \$/GJ	Total Cost \$	Index \$/GJ
1	10,000	6.6207	66,207	6.5697
3	6,000	6.1795	37,077	6.1032
4	12,000	6.1745	74,094	6.1231
5	12,000	6.5777	78,932	6.5277
6	6,500	6.5676	42,689	6.5149
8	2,000	6.2305	12,461	6.1855
15	4,000	6.5489	26,196	6.5039
20	24,000	6.9060	165,745	6.8527
21	2,000	6.7994	13,599	6.7544
23	10,000	6.6233	66,233	6.5683
24	3,000	6.6173	19,852	6.1346
25	3,000	6.6173	19,852	6.5623
26	3,000	6.6173	19,852	5.8030
27	3,000	6.6173	19,852	6.2076
29	2,000	5.9169	11,834	5.8619
<b>TOTALS</b>	102,500		674,474	

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

**December 2004**

**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	12/01/2004	12/31/2004	1,131	6.651	7,522
180885	12/01/2004	12/31/2004	4,228	7.052	29,815
180886	12/01/2004	12/31/2004	2,651	7.172	19,012
180887	12/01/2004	12/31/2004	13,950	7.172	100,045
180889	12/01/2004	12/31/2004	23,623	7.172	169,417
180890	12/01/2004	12/31/2004	50	6.741	337
180891	12/01/2004	12/31/2004	71	6.535	464
180945	12/01/2004	12/31/2004	174,700	6.448	1,126,417
183216	12/01/2004	12/31/2004	2,868	6.453	18,507
183217	12/01/2004	12/31/2004	57,641	6.453	371,963
183218	12/01/2004	12/31/2004	18,184	6.443	117,161
183219	12/01/2004	12/31/2004	613,302	6.408	3,930,035
185435	12/01/2004	12/31/2004	5,191	7.988	41,468
185506	12/01/2004	12/31/2004	18,110	6.682	121,017
191521	12/01/2004	12/31/2004	11,097	6.651	73,807
180940	12/01/2004	12/31/2004	78,551	6.455	507,010
180941	12/01/2004	12/31/2004	19,829	6.794	134,721
<b>Total Long Term Indexed</b>			<b>1,045,177</b>	<b>6.478</b>	<b>6,768,718</b>
188030	12/01/2004	12/31/2004	310,000	7.171	2,223,159
188118	12/01/2004	12/31/2004	372,000	7.171	2,667,791
190293	12/01/2004	12/31/2004	1,395,000	7.197	10,039,397
190753	12/01/2004	12/31/2004	11,231	6.413	72,028
188320	12/01/2004	12/31/2004	465,000	7.175	3,336,273
188345	12/01/2004	12/31/2004	620,000	7.176	4,449,418
188392	12/01/2004	12/31/2004	620,000	7.181	4,452,456
188532	12/01/2004	12/31/2004	620,000	7.181	4,452,456
<b>Total Short Term(Monthly Index)</b>			<b>4,413,231</b>	<b>7.182</b>	<b>31,692,976</b>

February 22, 2005

**Schedule R 10 J N - Long Term & Short Term(Monthly Index) Purchases  
December 2004**

**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	12/01/2004	12/31/2004	10,013	7.172	71,810
180944	12/01/2004	12/31/2004	42,253	7.172	303,026
<b>Total Long Term Indexed</b>			<b>52,266</b>	<b>7.212</b>	<b>374,836</b>
188014	12/01/2004	12/31/2004	310,000	7.172	2,223,227
188092	12/01/2004	12/31/2004	155,000	6.452	999,992
190236	12/01/2004	12/31/2004	310,000	7.172	2,223,227
190295	12/01/2004	12/31/2004	620,000	7.174	4,448,004
190298	12/01/2004	12/31/2004	310,000	7.174	2,224,002
190413	12/01/2004	12/31/2004	620,000	7.172	4,446,454
190531	12/01/2004	12/31/2004	620,000	7.177	4,449,554
190532	12/01/2004	12/31/2004	310,000	7.174	2,224,002
190615	12/01/2004	12/31/2004	620,000	7.174	4,448,004
<b>Total Short Term(Monthly Index)</b>			<b>3,875,000</b>	<b>7.145</b>	<b>27,686,466</b>

February 22, 2005

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

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

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

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

<b>Line</b>	<b>Description</b>	<b>Units</b>	<b>Forecast February 22, 2005</b>
1	AECO Monthly Index	TJ	5,803
2	AECO Daily Index	TJ	5,811
3	Other	TJ	357
	Total	TJ	11,971

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February 22, 2005

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

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

<b>Line</b>	<b>Description</b>	<b>UNIT</b>	<b>Forecast February 22, 2005</b>
1	AECO Monthly Index	\$/GJ	6.1881
2	AECO Daily Index (1)	\$/GJ	6.0912

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including February 18, 2005 on the AECO/NGX Intra-Alberta March (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the March, AECO/NGX Intra-Alberta Settlement prices on February 14, 15, 16, 17 & 18, 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**

**March 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	(6,052)
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 14, Column E	73,787
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	209
6	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 5	79,630
7	Net Energy	TJ	Schedule M-2, Line 6, Column D	11,971
8	GCFR Less UFG Cost	\$/GJ	Line 6 divided by Line 7	6.652

**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 March 31, 2005 a GCFR of \$6.765/GJ for DERSN Gas customers should be implemented on March 01, 2005.

Schedule F-4 shows how this rate is calculated.

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

		<b>March 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	11,622
2	AGN UFG	TJ	Line 1 * 1.703%	198
3	GCFR less UFG	\$/GJ	Schedule F-3, Line 8	6.652
4	DERSN Cost of UFG	\$/000	Line 2 * Line 3	1,317
5	DERSN UFG Recovery Rate	\$/GJ	Line 4 / Line 1	0.113
6	DERSN GCFR	\$/GJ	Line 3 + Line 5	6.765

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

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

**February 22, 2005**

Supply Sources	Security Type	Credit Charge (bp)	November Payable	December Payable	January Payable	February Payable	March Payable	Actual Dec-04	Estimate Jan-05	Estimate Feb-05	Forecast Mar-05
<b>(NORTH)</b>											
<b>ATCO Gas Supply Contracts</b>											
Advantage Oil & Gas Ltd.	N/A		102,424	100,045	91,894	77,671	0				
Anadarko Canada Corporation	PCG	40.0	595,180	578,820	65,960	55,751	0	359	211	37	19
Anterra Resources Services Inc.	N/A		34,184	29,815	37,718	16,924	0				
ATCO	PCG	40.0	21,186	41,468	39,434	7,064	0	19	25	15	2
Coastal Resources Limited	N/A		24,650	19,012	16,508	17,260	0				
Husky Energy	PCG	40.0	0	0	0	43,729	0	0	0	12	15
Imperial Oil Resources	PCG	40.0	1,194,103	1,295,834	1,119,455	1,088,352	0	758	743	675	363
Keyspan	N/A		89,803	117,161	158,285	75,955	0				
Pan-Alberta Gas Ltd.	N/A		85,545	121,017	137,644	55,923	0				
Paramount Energy Ltd	N/A		224,185	390,471	437,003	170,311	0				
Penn West Petroleum Ltd.	N/A		139,611	134,721	123,090	101,333	0				
Petrofund Corp.	N/A		89,838	73,807	61,871	57,600	0				
Ridgmar Canada Inc.	N/A		9,979	7,522	7,292	6,400	0				
Suncor Energy Inc.	PCG	40.0	2,771,682	4,233,061	4,226,048	2,840,556	0	2,100	2,585	2,198	947
Talisman Energy Canada	PCG	40.0	934	337	0	2,434	0	0	0	1	1
Trifecta Resources Corp.	N/A		3,165	464	161	0	0				
Forecast (with credit support)	PCG	40.0	0	0	0	0	1,792,606	0	0	0	498
Forecast (without credit support)			0	0	0	0	414,603				
<b>Sub Total</b>			5,386,469	7,143,555	6,522,363	4,617,263	2,207,209	3,236	3,564	2,938	1,845
<b>DEML Supply Contracts</b>											
Counterparty 1	PCG	40.0	0	0	614,488	863,016	0	0	171	445	288
Counterparty 2	PCG	40.0	4,555,932	6,672,645	4,090,723	3,456,975	0	2,393	3,361	2,324	1,152
Counterparty 3	PCG	40.0	4,389,847	3,601,566	9,357,510	2,810,567	0	2,464	3,800	3,900	937
Counterparty 4	PCG	40.0	8,710,015	14,102,921	11,296,303	10,443,476	0	6,821	7,839	6,666	3,481
Counterparty 5	PCG	40.0	5,902,800	18,300,955	19,496,537	4,861,473	0	7,051	11,516	7,849	1,620
Counterparty 6	PCG	40.0	4,288,647	9,701,906	7,145,305	3,104,430	0	4,125	5,219	3,244	1,035
Counterparty 7	PCG	40.0	0	(60,981)	0	0	0				
Counterparty 8	PCG	40.0	(23,943)	4,583,692	0	0	0	1,265	1,528	0	0
Counterparty 9	PCG	40.0	644,941	923,484	4,090,388	58,269	0	472	1,444	1,380	19
Counterparty 10	N/A		45,039	112,022	144,056	136,647	0				
Counterparty 11	PCG	40.0	11,850,260	2,755,956	8,581,181	2,072,505	0	4,716	3,302	3,436	691
Counterparty 12	PCG	40.0	13,939,141	14,159,028	13,383,042	11,789,802	0	8,579	8,437	7,736	3,930
Counterparty 13	PCG	40.0	201,671	65,973	0	0	0	86	22	0	0
Counterparty 14	PCG	40.0	(136,000)	368,877	0	937,356	0	57	123	260	312
Counterparty 16	PCG	40.0	0	4,433,598	5,124,907	1,491,179	0	1,232	2,901	2,123	497
Counterparty 17	PCG	40.0	2,276,100	2,223,227	2,042,094	1,726,032	0	1,376	1,308	1,160	575
Counterparty 18	PCG	40.0	335,015	5,029,492	14,416,150	3,438,401	0	1,509	5,681	5,760	1,146
Counterparty 19	PCG	40.0	884,195	999,992	961,864	868,452	0	573	601	562	289
Counterparty 99	PCG	40.0	0	0	0	10,629,303	0	0	0	2,953	3,543
Forecast (with credit support)	PCG	40.0	0	0	0	0	60,689,303	0	0	0	16,858
<b>Sub Total</b>			57,863,660	87,974,353	100,744,548	58,687,883	60,689,303	42,719	57,253	49,798	36,373

February 22, 2005

<b>Natural Gas Exchange</b>	N/A		6,455,576	11,709,991	6,652,323	6,543,989	0				
Forecast			0	0	0	0	10,619,037				
<b>Sub Total</b>			6,455,576	11,709,991	6,652,323	6,543,989	10,619,037				
Required LC	L/C	55.0	35,000,000	60,000,000	60,000,000	37,500,000	37,500,000	27,500	27,500	17,188	17,188
PCG to Bank to Support LC	PCG	40.0	35,000,000	60,000,000	60,000,000	37,500,000	37,500,000	20,000	20,000	12,500	12,500
<b>Sub Total</b>								47,500	47,500	29,688	29,688
<b>TOTAL</b>			69,705,705	106,827,899	113,919,234	69,849,135	73,515,549	93,455	108,317	82,424	67,906

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 increased to \$120,000,000 on December 1 and then reduced to \$75,000,000 on February 1, 2005.

February 22, 2005

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February 22, 2005

**DIRECT ENERGY REGULATED SERVICES NORTH DGA**

**March 2005**