

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 \$5.193/GJ for Direct Energy Regulated Services (DERS) gas customers for October 2004.

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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 September 24, 2004.

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 October 31, 2004, a GCFR of \$5.193/GJ should be implemented for DERS Gas Customers on October 01, 2004.

**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 Jul-04	Estimate Aug-04	Estimate Sep-04	Forecast Oct-04
1	Opening Cumulative DGA Balance	\$,000	(1,226)	(1,269)	(1,762)	(628)	2,992
<u>Gas Supply Costs</u>							
2	Purchases	\$,000	1	17,003	17,926	25,570	39,867
3	Deemed Purchases - COP/COS	\$,000	0	0	0	0	0
4	Storage	\$,000	0	0	0	0	0
5	Imbalances	\$,000	0	196	0	0	0
6	Total Gas Supply Costs	\$,000	1	17,199	17,926	25,570	39,867
<u>Adjustments</u>							
7	Fuel	\$,000	0	0	0	0	0
8	Transportation	\$,000	0	5	21	17	48
9	Rider D & TCPL (AB) Fuel Recovery	\$,000	0	(60)	(39)	(30)	(33)
10	Procurement and Portfolio Management	\$,000	0	29	29	29	29
11	Gas Supply - Related Bad Debts	\$,000	0	88	87	87	84
12	DGA Balance Carrying Costs	\$,000	0	(17)	(16)	(16)	(16)
13	Credit Charge	\$,000	0	35	21	24	27
14	Net Gas Costs	\$,000	1	17,279	18,028	25,679	40,006
<u>Recoveries</u>							
15	Calendar Sales	\$,000	(60)	15,588	18,315	28,218	36,822
16	Exchange Service (North Only)	\$,000	0	0	0	0	0
17	Transportation Imbalance Sales	\$,000	0	(7)	0	0	0
18	Excess System Sales	\$,000	0	1,003	648	883	0
19	Gas Sales to Others (South only)	\$,000	18	0	0	0	0
20	Balancing Charge Recovery (North only)	\$,000	0	0	0	0	0
21	Penalty Revenue	\$,000	0	201	199	199	192
22	Total Recoveries	\$,000	(42)	16,785	19,163	29,300	37,014
23	Current DGA Balance	\$,000	(43)	(494)	1,134	3,620	(2,992)
24	Closing Cumulative DGA Balance	\$,000	(1,269)	(1,762)	(628)	2,992	0

September 24, 2004

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

Line	Description	Units	A Actual Jul-04	B Estimate Aug-04	C Estimate Sep-04	D Forecast Oct-04
<u>Gas Supply Costs</u>						
1	Purchases	TJ	2,610	2,926	4,647	7,118
2	Deemed Purchases - COP/COS	TJ	0	0	0	0
3	Storage	TJ	0	0	0	0
4	Imbalances	TJ	33	0	0	0
5	Total Energy	TJ	2,643	2,926	4,647	7,118
<u>Adjustments</u>						
6	Fuel	TJ	0	0	0	0
7	Rider D & TCPL (AB) Fuel Recovery	TJ	(9)	(6)	(6)	(6)
8	Net Energy	TJ	2,633	2,920	4,641	7,112
<u>Recoveries</u>						
9	Calendar Sales	TJ	2,433	2,696	4,761	7,090
10	Transportation Imbalance Sales	TJ	(2)	0	0	0
11	Excess System Sales	TJ	157	120	174	0
12	Total Recoveries	TJ	2,588	2,816	4,935	7,090
13	DGA UFG	TJ	(45)	(104)	294	(22)

SPECIAL NOTES

INTRODUCTION

This section provided details of the Deferred Gas Account (DGA) components for July 2004.

Schedule R-1 shows the forecast and the actual DGA cost recovery components for July 2004 as of June 24, 2004 and September 24, 2004 respectively.

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-1 shows the forecast and actual DGA cost and recovery components for July 2004 as of June 24, 2004 and September 24, 2004 respectively.

SCHEDULE R-1
FORECAST & ACTUAL DGA COSTS AND RECOVERIES
July 2004

Line	Description	Units	Forecast June 24, 2004	Actual September 24, 2004	Actual less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	\$.000	18,090	17,003	(1,087)
2	Deemed Purchases - COP/COS	\$.000	0	0	0
3	Storage	\$.000	0	0	0
4	Imbalances	\$.000	0	196	196
5	Total Gas Supply Costs	\$.000	18,090	17,199	(891)
<u>Adjustments</u>					
6	Fuel	\$.000	0	0	0
7	Transportation	\$.000	13	5	(8)
8	Rider D & TCPL (AB) Fuel Recovery	\$.000	(206)	(60)	146
9	Procurement and Portfolio Management	\$.000	29	29	0
10	Gas Supply - Related Bad Debts	\$.000	87	88	0
11	DGA Balance Carrying Costs	\$.000	(16)	(17)	0
12	Credit Charge	\$.000	41	35	(5)
13	Net Gas Costs	\$.000	18,037	17,279	(758)
<u>Recoveries</u>					
14	Calendar Sales	\$.000	16,814	15,588	(1,226)
15	Exchange Service (North Only)	\$.000	0	0	0
16	Transportation Imbalance Sales	\$.000	0	(7)	(7)
17	Excess System Sales	\$.000	0	1,003	1,003
18	Gas Sales to Others (South only)	\$.000	0	0	0
19	Balancing Charge Recovery (North only)	\$.000	0	0	0
20	Penalty Revenue	\$.000	200	201	1
21	Total Recoveries	\$.000	17,014	16,785	(230)

September 24, 2004

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-2 shows the forecast and actual DGA energy balance for July 2004 as of June 24, 2004 and September 24, 2004. It also shows the normal and actual degree days for July 2004

SCHEDULE R-2
DGA ENERGY BALANCE & DEGREE DAYS
July 2004

Line	Description	Units	Forecast June 24, 2004	Actual September 24, 2004	Actual less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	TJ	2,665	2,610	(55)
2	Deemed Purchases - COP/COS	TJ	0	0	0
3	Storage	TJ	0	0	0
4	Imbalances	TJ	0	33	33
<hr/>					
5	Total Energy	TJ	2,665	2,643	(22)
<u>Adjustments</u>					
6	Fuel	TJ	0	0	0
7	Rider D & TCPL (AB) Fuel Recovery	TJ	(30)	(9)	21
<hr/>					
8	Net Energy	TJ	2,635	2,633	(1)
<u>Recoveries</u>					
9	Calendar Sales	TJ	2,626	2,433	(193)
10	Transportation Imbalance Sales	TJ	0	(2)	(2)
11	Excess System Sales	TJ	0	157	157
<hr/>					
12	Total Recoveries	TJ	2,626	2,588	(38)
<hr/>					
13	DGA UFG	TJ	(9)	(45)	(36)
14	Degree Days	DD	28	23	(5)

September 24, 2004

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-3 shows the actual DGA purchase gas components for July 2004 as of September 24, 2004.

SCHEDULE R-3
ACTUAL GAS PURCHASES
July 2004

Line	Description	Units	Actual September 24, 2004
1	Proprietary Supplies	\$,000	14,184
2		TJ	2,177
3		\$/GJ	6.516
4	Common Pool Supplies	\$,000	2,817
5		TJ	433
6		\$/GJ	6.503
7	Total Purchase	\$,000	17,001
8		TJ	2,610
9		\$/GJ	6.514

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**SECTION 2
RECONCILIATION MONTH SCHEDULES**

Schedule R-4 shows the actual DGA proprietary purchase gas components for July 2004 as of September 24, 2004.

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

July 2004

Line	Description	Units	Actual September 24, 2004
1	Long Term Indexed	\$,000	8,187
2		TJ	1,259
3		\$,000	7
4	Total Long Term	\$,000	8,187
5		TJ	1,259
6		\$/GJ	6.504
7	Short Term (31 days to 1 year)	\$,000	5,564
8		TJ	851
9		\$,000	7
10	Short Term (30 days)	\$,000	0
11		TJ	0
12		\$,000	0
13	Short Term (less than 30 days)	\$,000	433
14		TJ	67
15		\$,000	6
16	Total Short Term	\$,000	5,997
17		TJ	918
18		\$,000	7
19	Total Proprietary Supplies	\$,000	14,184
20		TJ	2,177
21		\$/GJ	6.516

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**SECTION 5
RECONCILIATION MONTH SCHEDULES**

Schedule R-5 shows the actual DGA common pool purchase gas components for July 2004 as of September 24, 2004.

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

July 2004

Line	Description	Units	Actual September 24, 2004
1	Long Term Indexed	\$,000	7
2		TJ	1
3		\$,000	7
4	Total Long Term	\$,000	7
5		TJ	1
6		\$,000	7
7	Short Term (31 days to 1 year)	\$,000	1,180
8		TJ	183
9		\$,000	6
10	Short Term (30 days)	\$,000	0
11		TJ	0
12		\$,000	0
13	Short Term (less than 30 days)	\$,000	1,630
14		TJ	250
15		\$,000	7
16	Total Short Term	\$,000	2,810
17		TJ	432
18		\$/GJ	6.502
19	Total Common Pool Supplies	\$,000	2,817
20		TJ	433
21		\$/GJ	6.503

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SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-6 shows the forecast and actual unit gas prices for July 2004 as of June 24, 2004 and September 24, 2004 respectively.

SCHEDULE R-6
FORECAST AND ACTUAL UNIT GAS PRICES
July 2004

Line	Description	Units	Forecast June 24, 2004	Actual September 24, 2004	Actual less Forecast
1	AECO Monthly Index	\$/GJ	6.7679	6.6132	(0.1547)
2	AECO Daily INDEX	\$/GJ	6.8212	6.6461	(0.1751)

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including June 24, 2004 on the AECO/NGX Intra-Alberta July (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 June 30, 2004 on the AECO/NGX Intra-Alberta July (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the July, AECO/NGX Intra-Alberta Settlement prices on 17, 18, 21, 22, 23 June 2004.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in July 2004 as reported by NGX and includes all weekend deals.

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-7 shows the actual contract storage and transportation costs for July 2004 as of September 24, 2004.

The TCPL (AB) transaction costs reflect Firm Transaction 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
July 2004

Line	Description	Units	Actual September 24, 2004
1	Contract Storage	\$,000	0
3	Transportation -- AP FSR	\$,000	5
	Total		5

Schedule R-8 shows the actual Rider D recoveries and actual TCPL (AB) fuel recovery for July 2004 as of September 24, 2004

The Rider D recoveries reflect the charges that were debited to the ATCO Pipelines exchange revenue deferred account for non-customer account specific gas that was physically delivered to TCPL (AB) interconnections.

The TCPL (AB) fuel recovery also reflects the charges that were debited to the ATCO Pipelines exchange revenue deferred account for non-customer account specific gas that was physically delivered to TCPL (AB) interconnections.

SCHEDULE R-8
RIDER D & TCPL (AB) FUEL RECOVERIES
July 2004

Line	Description	Units	Actual September 24, 2004
1	Rider D Recovery	\$,000	60
	Total	\$,000	60

Schedule R-9 shows the breakdown of energy and unit prices used to calculate the Rider D and TCPL (AB) fuel recovery.

SCHEDULE R-9
RIDER D & TCPL (AB) FUEL RECOVERY
July 2004

<u>Line</u>	<u>Description</u>	<u>UNIT</u>	<u>Actual</u> <u>September 24, 2004</u>
<u>RIDER D RECOVERY</u>			
1	Deemed Gas Cost	\$/GJ	6.480
2	Physical Flow to TCPL (AB)	TJ	4,904
3	Rider D -- S	%	0.190
4	Deemed Rider D Quantity	GJ	9,318
<u>TCPL (AB) FUEL RECOVERY</u>			
5	AECO Monthly Index	\$/GJ	N/A

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 S - Actual Spot Gas Purchases by Trade Day

July 2004

Direct Energy Regulated Services

Common Pool Supplies (Nova Inventory Transfer Location)

DAY	Yesterday (YD)			AECO YD Daily Average \$/GJ	Same Day (SD)					AECO Daily Index \$/GJ
	Avg. Cost		Total Cost \$		Fixed GJ's	Avg. Cost \$/GJ	Index Related GJ's	Avg. Cost \$/GJ	Total Cost \$	
	GJ's	\$/GJ								
2	(15,000)	6.2600	(93,900.00)	6.2492	0	0.0000	0	0.0000	0.00	6.2670
4	(10,000)	6.4500	(64,500.00)	6.4405	0	0.0000	0	0.0000	0.00	6.4458
7	42,500	6.6026	280,612.50	6.5873	0	0.0000	0	0.0000	0.00	6.6015
8	62,000	6.5274	404,700.00	6.5334	0	0.0000	0	0.0000	0.00	6.5000
10	8,000	6.2425	49,940.00	6.2379	0	0.0000	0	0.0000	0.00	6.2254
11	(5,000)	6.0500	(30,250.00)	6.0897	0	0.0000	0	0.0000	0.00	6.1718
12	(16,000)	6.2381	(99,810.00)	6.1744	0	0.0000	0	0.0000	0.00	6.2970
13	20,000	6.3123	126,245.00	6.2938	0	0.0000	0	0.0000	0.00	6.2956
14	15,000	6.3800	95,700.00	6.3684	0	0.0000	0	0.0000	0.00	6.3808
15	25,000	6.4270	160,675.00	6.3929	0	0.0000	0	0.0000	0.00	6.3426
18	(32,000)	6.3180	(202,177.00)	6.3301	0	0.0000	0	0.0000	0.00	6.3337
19	(20,000)	6.3300	(126,600.00)	6.3501	0	0.0000	0	0.0000	0.00	6.3636
21	5,000	6.5450	32,725.00	6.5508	0	0.0000	0	0.0000	0.00	6.5856
23	17,000	6.8129	115,820.00	6.7707	0	0.0000	0	0.0000	0.00	6.8017
24	(3,000)	6.6000	(19,800.00)	6.6301	(3,000)	6.6000	0	0.0000	(19,800.00)	6.6813
25	(22,000)	6.6445	(146,180.00)	6.6539	0	0.0000	0	0.0000	0.00	6.7546
27	25,000	6.5236	163,090.00	6.5294	0	0.0000	0	0.0000	0.00	6.5572
29	23,500	6.6883	157,175.00	6.6842	0	0.0000	0	0.0000	0.00	6.6875
31	(5,000)	6.7550	(33,775.00)	6.7687	0	0.0000	0	0.0000	0.00	6.7564
	115,000			TOTALS (GJ)	(3,000)		0			

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

July 2004

Direct Energy Regulated Services

Proprietary Pool Supplies (ON- System ATCO South)

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
7	0	0.0000	0.00	0.0000	0	0.0000	5,000	6.5365	32,682.50	6.6015
8	0	0.0000	0.00	0.0000	0	0.0000	37,000	6.4350	238,095.00	6.5000
27	0	0.0000	0.00	0.0000	0	0.0000	20,000	6.4922	129,844.00	6.5572
28	0	0.0000	0.00	0.0000	0	0.0000	5,000	6.4884	32,442.00	6.5534
	0			TOTALS (GJ)	0		67,000			

Schedule R 10 G S - Actual Spot Gas Purchases by Delivery Day
July 2004
PEAKING Demand Supply Contracts

Common Pool Supplies (Nova Inventory Transfer Location)

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost	Total Cost	Index
		\$/GJ	\$	\$/GJ
3	27,500	6.4534	177,469	6.4434
4	60,000	6.4558	387,348	6.4458
7	5,000	6.6115	33,058	6.6015
8	5,000	6.5100	32,550	6.5000
9	25,000	6.3228	158,070	6.3128
13	5,000	6.3056	31,528	6.2956
14	5,000	6.3908	31,954	6.3808
15	5,000	6.3526	31,763	6.3426
16	5,000	6.3349	31,675	6.3249
17	5,000	6.3186	31,593	6.3086
18	5,000	6.3437	31,719	6.3337
23	2,500	6.8279	17,070	6.8017
24	2,500	6.8279	17,070	6.6813
25	2,500	6.8279	17,070	6.7546
26	0	0.0000	0	6.7386
27	10,000	6.5672	65,672	6.5572
29	2,500	6.6975	16,744	6.6875
30	5,000	6.7359	33,680	6.7259
31	5,000	6.7664	33,832	6.7564
TOTALS (GJ)	182,500			

Schedule R 10 H S - Actual Spot Gas Purchases by Delivery Day

July 2004

PEAKING Demand Supply Contracts

Proprietary Pool Supplies (ON- System ATCO South)

DAY	Index Related	Same Day (SD)		AECO Daily
	GJ's	Avg. Cost \$/GJ	Total Cost \$	Index \$/GJ
1	0	0.0000	0	6.2686
2	0	0.0000	0	6.2670
3	0	0.0000	0	6.4434
4	0	0.0000	0	6.4458
5	0	0.0000	0	6.3887
6	0	0.0000	0	6.5645
7	0	0.0000	0	6.6015
8	25,000	6.5000	162,500	6.5000
9	5,000	6.2810	31,405	6.3128
10	5,000	6.2810	31,405	6.2254
11	5,000	6.2810	31,405	6.1718
12	0	0.0000	0	6.2970
13	0	0.0000	0	6.2956
14	0	0.0000	0	6.3808
15	0	0.0000	0	6.3426
16	0	0.0000	0	6.3249
17	0	0.0000	0	6.3086
18	0	0.0000	0	6.3337
19	0	0.0000	0	6.3636
20	0	0.0000	0	6.5196
21	0	0.0000	0	6.5856
22	0	0.0000	0	6.7001
23	0	0.0000	0	6.8017
24	0	0.0000	0	6.6813
25	0	0.0000	0	6.7546
26	0	0.0000	0	6.7386
27	5,000	6.5572	32,786	6.5572
28	0	0.0000	0	6.5534
29	0	0.0000	0	6.6875
30	0	0.0000	0	6.7259
31	0	0.0000	0	6.7564
TOTALS (GJ)	45,000			

**SECTION 3
FORECAST MONTH SCHEDULES**

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

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 October 2004.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for October 2004.

Schedule F-1 shows the forecast of gas purchases for October 2004 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
October 2004**

Line	Description	Units	Forecast September 24, 2004
1	AECO Monthly Index	TJ	1,048
2	AECO Daily Index	TJ	4,830
3	Other	TJ	1,240
	Total	TJ	7,118

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Schedule F-2 shows the forecast of the unit gas prices for October 2004.

SCHEDULE F-2
FORECAST UNIT GAS PRICES
October 2004

Line	Description	UNIT	Forecast September 24, 2004
1	AECO Monthly Index	\$/GJ	5.3034
2	AECO Daily Index (1)	\$/GJ	5.7452

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including September 24, 2004 on the AECO/NGX Intra-Alberta October (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the October, AECO/NGX Intra-Alberta Settlement prices on 20, 21, 22, 23, 24 September 2004.

**SECTION 3
FORECAST MONTH SCHEDULES**

In order to zero the forecast balance of the DGA on October 31, 2004, a GCFR of \$5.193/GJ should be implemented on October 01, 2004. Schedule F-3 shows how this rate is calculated.

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

October 2004

Line	Description	Units	Reference	Value
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, line 1, Column E	2,992
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 14, Column E	40,006
3	Exchange Service Estimate	\$,000	Schedule M-1, Line 16, Column E	0
4	Transportation Imbalance Sales Estimate	\$,000	Schedule M-1, Line 17, Column E	0
5	Excess System Sales Estimate	\$,000	Schedule M-1, Line 18, Column E	0
6	Gas Sales to Other Estimate	\$,000	Schedule M-1, Line 19, Column E	0
7	Balancing Charge Recovery Estimate	\$,000	Schedule M-1, Line 20, Column E	0
8	Penalty Revenue Estimate	\$,000	Schedule M-1, Line 21, Column E	192
9	Net Monthly Gas Cost Recovery	\$,000	Line 2 less Line 1 less Lines 3 - 8	36,822
10	Forecast Monthly Sales	TJ	Schedule M-2, Line 9, Column D	7,090
11	GCFR Less UFG Cost	\$/GJ	Line 9 divided by Line 10	5.193

SPECIAL NOTES

September 24, 2004

Appendix 1 to DERS GCFR Filing

Disposition of Major Contracts – October Update

DERS has updated Appendix 1 respecting the disposition of major contracts to reflect revisions to the status of the three outstanding contracts. Two contracts have been assigned and one contract will be terminated effective November 1, 2004. The contract to be terminated provided no commercial benefit to customers, as volumes were in the order of 150 GJ per day and pricing was index based. As the disposition of all major contracts has now been provided, Appendix 1 will not be provided in subsequent filings.

ATCO Gas Contracts to be Assigned to Direct Energy June 1, 2004 Effective Date

Contract #	Company	Area	Pipeline	Delivery Point	AP FSR	Contact	Phone	Sent	Received
NORTH									
0100-200-003	Advantage Oil & Gas Limited	North	APN	APNAT	No	Ms. Glenda Wiens	781-8135	Apr/27	May/03
0100-067-002	Anadarko Canada Corporation	North	NGTL	NGTL	No	Ms. Matilda Machado	231-0432	Apr/26	Apr/30
0100-082-017	Anadarko Canada Corporation	North	APN	Saddle Hills	Yes	Ms. Matilda Machado	231-0432	Apr/26	Apr/30
0100-011-121	Anterra Resources Services Inc.	North	APN	Norbuck	Yes	LM - Mr. Owen Pinnell	215-2427	Apr/28	May/14
0100-068-001	Canadian Natural Resources	North	APN	APNAT	No	Mr. Kevin O'Hearn	514-7761	Apr/26	May/03
0100-021-007	Coastal Resources Limited	North	APN	FBA	Yes	Ms. Aleli Roces	266-1930	Apr/27	Apr/30
0100-008-005	Imperial Oil Resources	North	APN	APNAT	No	Mr. Chuck Spaetgens	237-3808	Apr/26	May/14
0100-021-006	Imperial Oil Resources	North	APN	Westlock	Yes	Mr. Chuck Spaetgens	237-3808	Apr/26	May/14
0100-099-148	Keyspan Energy Canada Partners	North	Other	Crestmere	No	Ms. Louise Dame	205-7675	Apr/26	Jun/01
0100-047-002	Pan-Alberta Gas Ltd.	North	Other	Saddle Hills	No	Ms. Joyce Reid	410-5591	Apr/26	Sep/01
0100-000-231	Paramount Energy Operating Corp	North	AGN	Ardmore	No	Mr. Pete Saunders	269-4485	Apr/26	Apr/30
0100-000-232	Paramount Energy Operating Corp	North	AGN	Cold Lake	No	Mr. Pete Saunders	269-4485	Apr/26	Apr/30
0100-015-044	Penn West Petroleum Ltd	North	APN	Fayban	Yes	Ms. Joy Stuckle	777-2561	Apr/27	May/14
0100-082-021	Penn West Petroleum Ltd	North	APN	Saddle Hills	Yes	Ms. Joy Stuckle	777-2561	Apr/27	May/14
0100-011-127	Pure Oil & Gas Co Ltd	North	APN	Norbuck	Yes	Mr. Ben Anderson	290-0078 850-1102	Apr/28	***
0100-000-190	Suncor Energy Inc	North	Other	Ft Mc Murray	No	Ms. Katalin Kiss	205-7976	Apr/27	Jun/01
0100-074-001	Suncor Energy Inc	North	NGTL	NGTL	No	Ms. Katalin Kiss	205-7976	Apr/27	Jun/01
0100-011-137	Talisman Energy Canada	North	APN	Norbuck	Yes	Ms. Chelsey Norris	237-1383	Apr/27	May/14
0100-014-016	Trifecta Resources Corp.	North	APN	House Mtn.	Yes	Mr. Bill Pollock	266-6566	Apr/28	May/03
0100-025-010	Ultima Ventures Corp.	North	APN	Cherhill B	Yes	Mr. Michael Wihak	264-5709	Apr/29	May/14
0100-025-010	Ridgmar Canada Inc.	North	APN	Cherhill B	Yes	Mr. Larry Caine	266-1518	Apr/29	Apr/30
0100-001-006	Enerplus Resources Corporation	South	APS	Brooks	Yes	Mr. Rick New	298-8856	Apr/28	Jun/01
SOUTH									
0100-017-031	Linray Energy Inc	South	APS	Arrowwood	Yes	Mr. P. Murray Palin	271-7277	Apr/28	May/04
0100-004-006	Shell Canada Products Ltd.	South	APS	APSAT	No	Ms. Pat Butler	216-3574	Apr/27	Jun/01
0100-001-008	Acclaim Energy Partnership (Arc Resources Ltd.)	South	APS	Brooks	Yes	Mr. Michael Shonfield	539-6465	Apr/27	Sep/01
								Met Deadline Date After Deadline Date	

*** This one contract will be terminated effective November 1, 2004 @ mutual agreement of all parties.

September 24, 2004

CREDIT CHARGE SCHEDULE

SEPTEMBER 24, 2004

LEGEILD	hp	Basis points (100 hp = 1%)
LC	LC	Letter of credit
POG	POG	Parental company guarantee

Supply Sources	Security Type	Credit Charge (hp)	DATA					COST OF CREDIT					
			June's Payable	July's Payable	August's Payable	Sept's Payable	Oct's Payable	Actual Jul-04	Estimate Aug-04	Estimate Sep-04	Forecast Oct-04		
(SOUTH)													
ATCO Gas Supply Contracts													
ATCO Gas and Pipeline Ltd	POG	400	5795,181	92,041	79,120	59,863							
Shell Canada Ltd. (Coral as agent)	POG	400	8,164,308	8,067,812	7,640,260	6,547,710	\$ 1,944	\$ 4812	\$ 436	\$ 20	\$ 4,962	\$ 2,183	
Enbridge Resources Corporation			6,296	4,139	3,951	3,408							
Linney Energy Inc.			3,277	3,448	3,438	3,689							
Forecast (with credit support)	POG	400					6,860,132					1,903	
Forecast (no credit support)							82,209						
PG&E Supply Contracts													
Counterparty 11	POG	400	128,521	2,028,390	1,267,644	1,777,086	606	1,025	913	692	822	585	
Counterparty 12	POG	400	1,060,620	1,687,684	2,279,843	1,756,132	822	1,196	1,248	585	1,365	1,037	
Counterparty 13	POG	400	2,839,069	1,469,363	2,073,106	3,111,302	206	1,066	1,555	372	206	26	
Counterparty 14	POG	400	110,691	608,983	1,001,734	1,116,349		481	644	22			
Counterparty 15	POG	400	100,115			77,999	170	-	22	275			
Counterparty 16	POG	400	366,761	174,253	186,433	826,742	145	110	292	275			
Counterparty 17	POG	400	436,406				46	-	3	3			
Counterparty 18	POG	400	57,447	97,364		9,629	464	446	993	1,079			
Counterparty 19	POG	400	466,901	1,111,293	280,332	3,238,396	-	290	460	135			
Counterparty 20	POG	400			1,044,048	404,496			16	19			
Counterparty 21	POG	400				57,904			1,151	1,382			
Counterparty 99	POG	400				4,145,052				5,789			
Forecast													
Natural Gas Exchange*													
Required LC	LC	550	516,883	626,481	1,428,086	1,562,547	12,083,891	14,194	6,875	6,875	6,875	6,875	
POG to Bank to support LC	POG	400	37,500,000	15,000,000	15,000,000	15,000,000	15,000,000	10,323	5,000	5,000	5,000	5,000	
			Commodity - Cost of Credit - South					\$ 35,238	\$ 21,388	\$ 23,580	\$ 27,216		

* The Natural Gas Exchange credit charges based upon the full amount of the letter of credit and supporting parental guarantee.

The letter of credit and parental guarantee amounts for Natural Gas Exchange are for counterparty must cover approximately

55 days of credit exposure. The letter of credit to the Natural Gas Exchange was reduced from \$75,000,000 to \$30,000,000 on July 22.

** Parental guarantees for Sunor Energy Inc., Counterparty 5 and Counterparty 15 were issued in late July; credit recovery commenced in August.