

**Direct Energy**  
**Gas Tariff Application 2003-04**  
**Working Capital Requirement**  
**Summary**

Line	Description	2003 Forecast (August 1 onwards)			2004 Forecast		
		Percent	Total	Working Capital	Percent	Total	Working Capital
	<b>Cash Expense</b>						
1	Gas Cost	-0.44%	\$556,900,577	<b>-\$2,474,199</b>	-0.45%	\$1,227,877,540	<b>-\$5,536,932</b>
2	Distribution Tariff	1.74%	\$132,109,203	\$2,304,990	1.74%	\$319,503,512	\$5,553,309
3	Municipal Franchise Fee (Tax)	1.74%	\$51,523,289	\$898,958	1.74%	\$115,839,997	\$2,013,422
4	Salary and Wages	8.51%	\$1,006,279	\$85,681	8.51%	\$2,523,747	\$214,720
5	ATCO ITEK Agreement	-1.81%	\$20,258,210	<b>-\$367,513</b>	-1.82%	\$47,691,806	<b>-\$868,372</b>
6	Insurance	14.73%	\$17,391	\$2,562	14.73%	\$50,068	\$7,374
7	Income Tax Instalments	6.40%	\$0	\$0	6.40%	\$0	\$0
8	Depreciation Expense - Integration Capex	10.57%	\$508,982	\$53,796	10.56%	\$1,221,558	\$129,030
9	GST			\$1,646,196			\$3,643,987
	<b>Working Capital Requirements - Cash Expenses</b>			<b><u>\$2,150,472</u></b>			<b><u>\$5,156,538</u></b>
	<b>Other Items</b>						
10	PEP Plan			\$7,790,400			\$29,229,667
11	Capital Base			\$5,853,297			\$5,598,195
12	Deferred Costs - Hearing Costs			\$426,471			\$176,471
13	Deferred Costs - Other Opex			\$1,614,573			\$668,099
14	Customer Deposits			<b>-\$11,667,071</b>			<b>-\$11,667,071</b>
	<b>Working Capital Requirements - Other Items</b>			<b><u>\$4,017,670</u></b>			<b><u>\$24,005,360</u></b>

	<u>2003 (August 1 onwards)</u>	<u>2004</u>
Cost of Capital	10%	10%
Working Capital Cost Total	<b>\$382,450</b>	<b>\$2,916,190</b>
GCCR Working Capital Cost	<b>-\$247,420</b>	<b>-\$553,693</b>
Retail Working Capital Cost	\$629,870	\$3,469,883