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The Public Utilities Commission of Ohio

Original CRS Case Number	Version
00 - 1758 -EL-CRS	August 2004

RENEWAL APPLICATION FOR RETAIL GENERATION PROVIDERS AND POWER MARKETERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-11 Corporate Structure). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may input information directly onto the form. You may also download the form, by saving it to your local disk, for later use.

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PUCO

A. RENEWAL INFORMATION

A-1 Applicant intends to be renewed as: (check all that apply)

☐ Retail Generation Provider ☐ Power Broker
☑ Power Marketer ☐ Aggregator

A-2 Applicant's legal name, address, telephone number, PUCO certificate number, and web site address

Legal Name Direct Energy Business, LLC
Address 1001 Liberty Avenue, Suite 1200 Pittsburgh, PA 15222
PUCO Certificate # and Date Certified 00-005E (7); 11/5/2012
Telephone # 800-830-5923 Web site address (if any) www.directenergybusiness.com

A-3 List name, address, telephone number and we b site address under which Applicant does business in Ohio

Legal Name Direct Energy Business, LLC
Address 1001 Liberty Avenue, Suite 1200 Pittsburgh, PA 15222
Telephone # 800-830-5923 Web site address (if any) www.directenergybusiness.com

This is to [illegible] accurate and complete [illegible] document delivered in the regular course of business
Technician [signature] Date Processed 10/2/14

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A-4 List all names under which the applicant does business in North America

Direct Energy Business, LLC

A-5 Contact person for regulatory or emergency matters

Name Teresa Ringenbach
Title Sr. Manager, Gov't. & Regulatory Affairs
Business address Fifth Third Building, 21 E State Street, Columbus, OH 43215
Telephone # 614-220-4369 ext 230 Fax # 614-220-4674
E-mail address (if any) teresa.ringenbach@directenergy.c

A-6 Contact person for Commission Staff use in investigating customer complaints

Name Jennifer Borelli
Title Manager, Customer Relations
Business address 1001 Liberty Avenue, Suite 1200 Pittsburgh, PA 15222
Telephone # 412-804-5521 Fax # 412-667-6113
E-mail address (if any) jennifer.borelli@directenergy.con

A-7 Applicant's address and toll-free number for customer service and complaints

Customer Service address 1001 Liberty Avenue, Suite 1200 Pittsburgh, PA 15222
Toll-free Telephone # 888-925-9115 Fax # 866-421-0257
E-mail address (if any) customerrelations@directenergy.c

A-8 Applicant's federal employer identification number # 25-1821047

A-9 Applicant's form of ownership (check one)

☐ Sole Proprietorship ☐ Partnership
☐ Limited Liability Partnership (LLP) ☑ Limited Liability Company (LLC)
☐ Corporation ☐ Other ____________

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

A-10 **Exhibit A-10 "Principal Officers, Directors & Partners"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.

A-11 **Exhibit A-11 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America.

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B. MANAGERIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

B-1 **Exhibit B-1 "Jurisdictions of Operation,"** provide a list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services.

B-2 **Exhibit B-2 "Experience & Plans,"** provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.

B-3 **Exhibit B-3 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.

B-4 Disclose whether the applicant, a predecessor of the applicant, or any principal officer of the applicant have ever been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☑ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-4 "Disclosure of Consumer Protection Violations"** detailing such violation(s) and providing all relevant documents.

B-5 Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☑ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-5 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"** detailing such action(s) and providing all relevant documents.

C. FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

C-1 **Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why.

C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

C-3 **Exhibit C-3 "Financial Statements,"** provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.

C-4 **Exhibit C-4 "Financial Arrangements,"** provide copies of the applicant's financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.,).

C-5 **Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant's CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.

C-6 **Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody's Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant.

C-7 **Exhibit C-7 "Credit Report,"** provide a copy of the applicant's credit report from Experion, Dun and Bradstreet or a similar organization.

C-8 **Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.

C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application.

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D. TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

D-1 **Exhibit D-1 "Operations"** provide a written description of the operational nature of the applicant's business. Please include whether the applicant's operations include the generation of power for retail sales, the scheduling of retail power for transmission and delivery, the provision of retail ancillary services as well as other services used to arrange for the purchase and delivery of electricity to retail customers.

D-2 **Exhibit D-2 "Operations Expertise,"** given the operational nature of the applicant's business, provide evidence of the applicant's experience and technical expertise in performing such operations.

D-3 **Exhibit D-3 "Key Technical Personnel,"** provide the names, titles, e-mail addresses, telephone numbers, and the background of key personnel involved in the operational aspects of the applicant's business.

D-4 **Exhibit D-4 "FERC Power Marketer License Number,"** provide a statement disclosing the applicant's FERC Power Marketer License number. (Power Marketers only)

Secretary - DEB, LLC
Signature of Applicant and Title

Sworn and subscribed before me this 1st **day of** October, 2014
Month **Year**

Signature of official administering oath

JoAnn L. McLaughlin
Print Name and Title

My commission expires on 4/23/2017

Joann L. McLaughlin
Commission Expires
04-23-2017
NOTARY PUBLIC STATE OF TEXAS

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AFFIDAVIT

State of Texas :

__________ ss.
(Town)

County of Harris :

Bray Dohrwardt, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the Secretary (Office of Affiant) of Direct Energy Business, LLC (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification renewal are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.

2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.

3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.

4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.

5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.

6. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.

7. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.

8. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.

9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.

10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)

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11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the renewal application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

SECRETARY - DEB, LLC
Signature of Affiant & Title

Sworn and subscribed before me this 1st day of October 2014
Month Year

JoAnn L. McLaughlin
Signature of official administering oath Print Name and Title

My commission expires on 4/23/2017

Joann L. McLaughlin
NOTARY PUBLIC STATE OF TEXAS
Commission Expires
04-23-2017

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Exhibit A-10
Officers and Directors

The following is a current list of the Officers and Directors of Direct Energy Business, LLC:

Board Positions

John Schultz Director & President, DEB, LLC	One Hess Plaza Woodbridge, NJ 07095 (732) 750-6197

Officers

Bray Dohrwardt Secretary, DEB, LLC	12 Greenway Plaza Suite 250 Houston, TX 77046 (713) 877-3851
Randy Kruger Treasurer, DEB, LLC	One Hess Plaza Woodbridge, NJ 07095 (732) 750-6792
Craig Galligan Assistant Secretary, DEB, LLC	1001 Liberty Avenue Suite 1200 Pittsburgh, PA 15222 (412) 667-5151

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Exhibit A-11
Corporate Structure

Direct Energy Business, LLC is an indirect wholly owned subsidiary of Centrica plc. Direct Energy Business, LLC is a subsidiary of Direct Energy Services, LLC. Direct Energy Services, LLC, Direct Energy Business Marketing, LLC, Direct Energy Small Business, LLC, Gateway Energy Services Corporation, Energetix DE, LLC, NYSEG Solutions, LLC, Direct Energy Source, LLC, Bounce Energy, Inc., Bounce Energy NY, LLC, Bounce Energy PA, LLC, Direct Energy, LP, CPL Retail Energy, LP, WTU Retail Energy, LP, First Choice Power Special Purpose, LP are the companies affiliated and/or subsidiaries with Direct Energy Business, LLC that supply retail or wholesale services for electricity and/or natural gas to customers in North America. See also Exhibit A-12 – U.S. Operations.

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Exhibit A-12
Corporate Structure

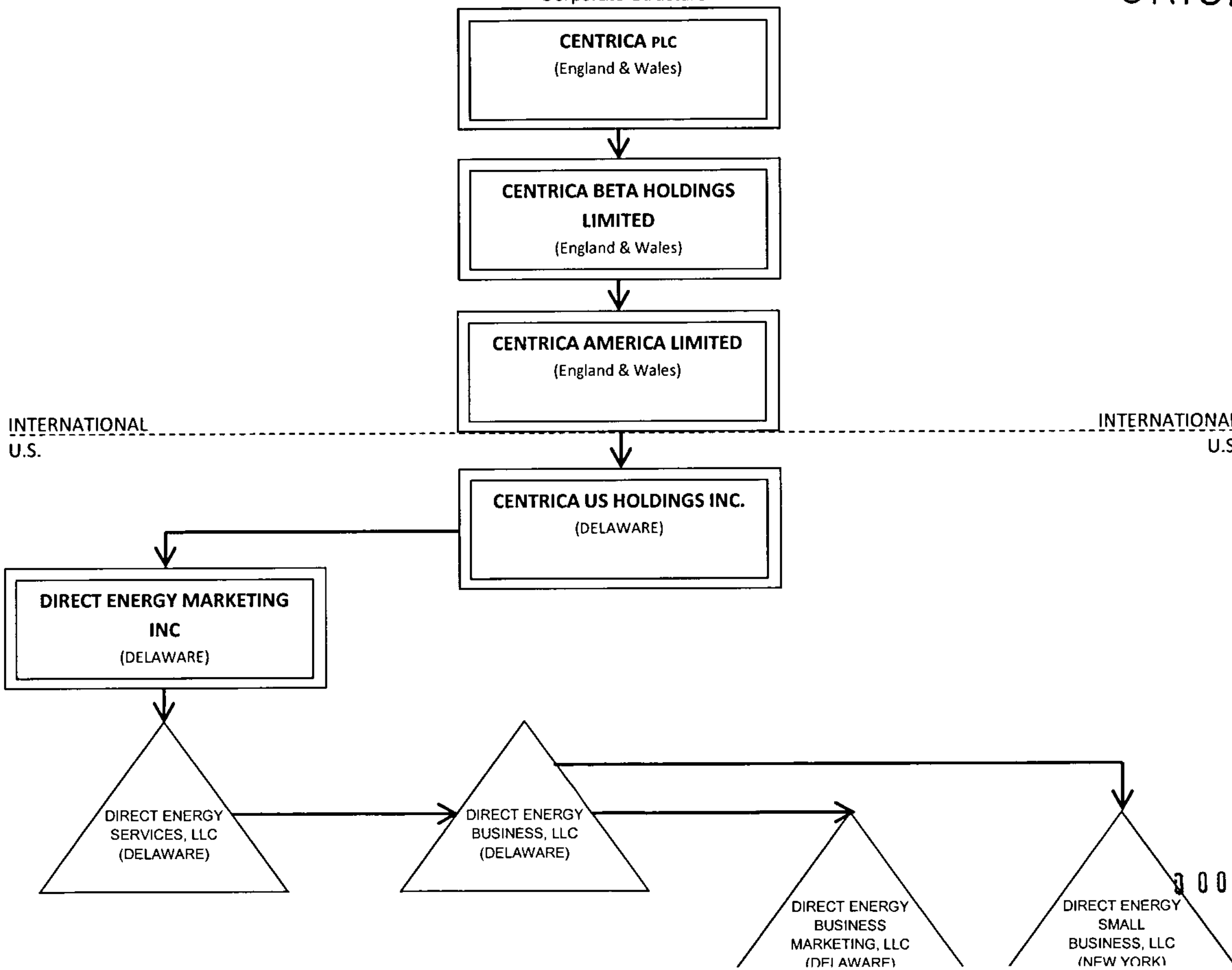

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Exhibit B-1
Jurisdictions of Operation – Direct Energy Business, LLC

	Name and Address	Issued by[1]	License Number	Date
1.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Arizona	R-1837770-1	April 9, 2013
2.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	California	ESP #1351	May 1, 2000
3.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Connecticut	Docket No. 00-05-14	September 27, 2000
4.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Delaware	Docket No. 99-400	August 18, 1999
5.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	District of Columbia	EA-04-4-4	May 11, 2004
6.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 1522	Illinois	Docket No. 04-0811	February 8, 2005
7.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 1522	Maine	Docket 2011-201	July 5, 2011
8.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Maryland	IR-437	March 27, 2002
9.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Massachusetts	CS-021	December 2, 1999
10.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Michigan	U-13609	November 7, 2002
11.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	New Jersey	ESL-0027	August 18, 1999
12.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	New York	Letter Dated 5/18/98	May 18, 1998
13.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Ohio	Certificate 00-005(5)	October 27, 2000
14.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Pennsylvania	A-110025	January 1, 1999
15.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Rhode Island	D-96-6(Z)	
16.	Direct Energy Business, LLC 1001 Liberty Avenue Pittsburgh, PA 15222	Texas	Certificate 10011	February 20, 2001

[1] State references are to Public Utility Commission or equivalent state agency.

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Exhibit B-1
Jurisdictions of Operation – Direct Energy Services, LLC

Other states in which Direct Energy Services, LLC is now or has been engaged in the retail sale of electricity or natural gas and the names under which the Applicant is engaged in such business(s):

Name:	Direct Energy Services, LLC ("Direct Energy")
Business Address:	12 Greenway Plaza, Suite 600, Houston, TX 77046

States where Direct Energy is licensed and now engaged in the retail sale of electricity or gas:

License #/State of Issuance:	Docket # 06-03-06/Connecticut; Power
License #/State of Issuance:	Registration # 01-04/Connecticut; Natural Gas
License #/State of Issuance:	Order No. 13816/District of Columbia; Power
License #/State of Issuance:	Certificate No. 6790/Delaware; Power
License #/State of Issuance:	Docket # 05-0722/Illinois; Power
License #/State of Issuance:	Docket # 05-0086/Illinois; Natural Gas
License #/State of Issuance:	License CS-047/Massachusetts; Power
License #/State of Issuance:	License GS-028/Massachusetts; Natural Gas
License #/State of Issuance:	License IR-719/Maryland; Power
License #/State of Issuance	License IR-791/Maryland; Natural Gas
License #/State of Issuance:	Docket # 2005-479/Maine; Power
License #/State of Issuance:	Case No. U-14537/Michigan; Natural Gas
License #/State of Issuance:	Docket # EE05090787L/New Jersey; Power
License #/State of Issuance:	License GLS-0077/New Jersey; Natural Gas
License #/State of Issuance:	Letter Order of 11/2/2004/New York; Power & Natural Gas
License #/State of Issuance:	License 02-024(3)/Ohio; Natural Gas
License #/State of Issuance:	Docket # 00-019E(6)/Ohio; Power
License #/State of Issuance:	License A-110164/Pennsylvania; Power
License #/State of Issuance:	License A-125135/Pennsylvania; Natural Gas
License #/State of Issuance:	Docket # D-96-6(U2)/Rhode Island; Power
License #/State of Issuance:	Docket # 2379(T1)/Rhode Island; Natural Gas

States where Direct Energy is licensed but NOT engaged in the retail sale of electricity or gas:

License #/State of Issuance:	Case No. U-14724/Michigan; Power
License #/State of Issuance:	License 1342/California; Power

Affiliate(s) other than a regulated electricity of natural gas utility engaged in the retail sale of electricity, or electricity supply services, or natural gas:

Name:	Direct Energy, LP
Business Address:	12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance:	Rep# 10040/Texas
Name:	CPL Retail Energy, LP
Business Address:	12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance:	Rep# 10023/Texas
Name:	WTU Retail Energy, LP
Business Address:	12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance:	Rep# 10022/Texas
Name:	First Choice Power Special Purpose, LP
Business Address:	12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance:	Rep# 10008/Texas

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Name: Gateway Energy Services Corporation
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: License # A-2009-2137275(Electric)/Pennsylvania; License # IR-334 (Gas)/Maryland & License # IR-340 (Electric); License # GE11070457L (Gas)/New Jersey & License # EE11070456L(Electric); New York

Name: *Bounce Energy, Inc.*
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: License # 10162(Electric)/Texas

Name: Bounce Energy PA, LLC
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: License # A-2011-2246617(Electric)/Pennsylvania

Name: Bounce Energy NY, LLC
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: New York

Name: NYSEG Solutions, LLC
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: New York

Name: Energetix DE, LLC
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: License # A-2009-2139967(Electric)/Pennsylvania; License # A-2009-2139809 (Gas)/Pennsylvania; New York

Name: Direct Energy Business Marketing, LLC fka HEM, LLC
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: License # A-2013-2368464(Electric)/Pennsylvania; License # A-2013-2364766 (Conservation Service Provider)/Pennsylvania; License # A-2013-2365792(Gas); Docket # 13-03(Electric); Certificate No. 8425/Delaware; Docket EA-2013-12(Electric)/D.C.; Docket GA-2013-03-1(Gas)/D.C.; License # CS-108(Electric)/Massachusetts; License # GS-051(Gas)/Massachusetts; Docket 2013-00404(Electric)/Maine; License # IR-3123(Electric)/Maryland; License # IR-3108(Gas)/Maryland; License; DM 13-260(Electric)/New Hampshire; DM 13-121(Gas)/New Hampshire; License # ESL0142(Electric)/New Jersey; License # GSL0128(Gas)/New Hampshire; Docket # 13-1278-EL-CRS(Electric)/Ohio; Docket # 13-0835-GA-CRS(Gas)/Ohio; License # G-7(Gas)/Virginia; New York; Other states in partial regulated markets include Arkansas, Indiana, Kentucky, Michigan, North Carolina, South Carolina, Tennessee, and West Virginia

Name: Direct Energy Small Business, LLC fka HSBS, LLC
Business Address: 12 Greenway Plaza, Suite 600,, Houston, TX 77046
License #/State of Issuance: License # A-2012-2292611(Electric)/Pennsylvania; License # A-2012-2301127 (Gas)/Pennsylvania; Maryland & License # IR-2796 (Electric); License # ESL0116(Electric)/New Jersey; License # GSL0113(Gas)/New Jersey; New York

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Exhibit B-2
Experience & Plans

Direct Energy Business, LLC is part of the Direct Energy family and its parent company is Centrica, plc. Direct Energy is one of North America's largest energy and energy-related services providers with over 6 million residential and commercial customer relationships. Direct Energy provides customers with choice and support in managing their energy costs through a portfolio of innovative products and services. A subsidiary of Centrica plc (LSE:CNA), one of the world's leading integrated energy companies, Direct Energy operates in 46 states including the District of Columbia and 10 provinces in Canada.

Direct Energy Business, formerly known as Strategic Energy, LLC, has been a power marketer since the fourth quarter of 2000 and has executed a number of campaigns since in the Duke Energy, Dayton Power and Light, The Illuminating Co., and more recently in the AEP-Columbus Southern Power, Cleveland Illuminating, Ohio Edison, Toledo Edison, and Vectren service territories. Direct Energy Business plans to continue customer acquisitions and retention efforts as part of Direct Energy's business model. Upon enrollment by the customer, Direct Energy Business mails a confirmation letter detailing the terms and conditions of the contract as part of its "Welcome Kit" to new customers.

Regarding customer inquiries and complaints:

Normal customer service hours are Monday – Friday, 8 AM – 5PM, Eastern Standard Time. When customer concerns are directed to Direct Energy Business, issues are researched and responded to quickly and courteously by the Customer Relations department. Once the factors involved in the issues are established, contact with the customer is made in an attempt to reach an amicable resolution by a Customer Relations Representative. If a customer needs additional assistance, Direct Energy Business's Customer Relations Representative will inform the Supervisor of Customer Relations, who will assist with the customer inquiry. If a public agency is involved in the dispute resolution process, once an investigation is complete, the agency is notified of the results and, assuming concurrence, the matter is closed. If the customer disputes the investigation results, Direct Energy Services will inform the customer that PUCO Staff is available to mediate complaints.

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Exhibit B-3
Disclosure of Liabilities and Investigations

In the interest of full disclosure, certain Direct Energy affiliates/entities have been the subject of regulatory and/or disciplinary proceedings, which are summarized directly below with more detailed explanations following.

- Energy America, LLC has been the subject of regulatory and disciplinary proceedings in Georgia and Michigan.
- Direct Energy, LP has been the subject of regulatory and disciplinary proceedings in Texas.
- Direct Energy Business, LLC has been the subject of a regulatory proceeding with the California ISO.
- Direct Energy Services, LLC has been the subject of regulatory and disciplinary proceedings in Michigan and with the Federal Energy Regulatory Commission (FERC).
- Direct Energy Marketing Limited (Canada) has been the subject of regulatory and/or disciplinary proceedings in Alberta and Ontario, Canada.
- CPL Retail Energy, LP was issued a notice of violation in 2011 as a result of the PUCT (TX) compliance audit program.
- Gateway Energy Services Corporation (formerly known as ECONnergy Energy Company, Inc.) had been the subject of regulatory and/or disciplinary proceedings in New York.
- Gateway Energy Services Corporation d/b/a Gateway Power Services was issued a notice of violation in 2011 as a result of the PUCT compliance audit program.
- First Choice Power Special Purpose, LP has been the subject of regulatory and disciplinary proceedings in Texas.

Energy America: Georgia

In July 2000, Energy America was a respondent in a proceeding before the Georgia Public Service Commission, docket number 12126-U. The proceeding resolved claims that Energy America had enrolled door-to-door customers without appropriate authorizations. Energy America did not admit to any acts which violated any Georgia laws or regulations. However, Energy America did agree to a stipulation implementing certain measures including establishing an energy fund to assist low income and elderly customers and paying costs and expenses to the Georgia PSC.

In July 2003, Energy America was a respondent in a proceeding before the Georgia Public Services Commission, docket number 16602-U. The proceeding resolved claims that Energy America had enrolled customers without the appropriate authorizations. Energy America did not admit to any acts which violated any Georgia laws or regulations. Pursuant to a stipulation, Energy America agreed to credit the accounts of complaining customers and to contribute to Georgia's Low-Income Heating Assistance Program.

On January 6, 2004, the Georgia Public Service Commission approved a Stipulation between Energy America and the staff of Georgia Public Service Commission to resolve a matter arising out of the Energy America's inadvertent failure to timely pay its provider of mailbox services (docket number 9557-U). Consistent with applicable rules, Energy America had maintained a mailbox, as among other things, the primary mailing address for certain payments, including Low Income Home Energy Assistance Program ("LIHEAP") payments, and other correspondence from Energy America's customers in the State. As a result of Energy America's inadvertent failure to pay the vendor, payments sent to Energy America at the mailbox address were not forwarded to Energy America resulting in the disconnection of service to several customers. In resolution of these issues, Energy America agreed to reinstate the accounts of all affected customers and made a voluntary contribution to the LIHEAP fund.

Energy America: Michigan

In July 2002, Energy America entered into an Assurance of Voluntary Compliance with the Michigan Attorney General's office to resolve alleged violations of the Michigan Consumer Protection Act. The assurance expired in August 2004 as Energy America had met all substantive terms of the Assurance. In the Assurance Energy America agreed to de-enroll any consumers that alleged they did not authorize the company to enroll them for natural gas service unless Energy America could establish by clear and convincing evidence the consumers allegations were invalid, to not make any false or misleading representations to consumers, to comply with written or verbal requests by consumers to stop soliciting them and to verify future consumer enrollments through taped third party verification or by sending confirmation letters. Energy America did not admit to any acts which violated any Michigan laws or regulations. As part of the Assurance, Energy America paid costs and expenses to the Michigan Attorney General's office.

Direct Energy, LP: Texas

On December 10, 2002, the Public Utility Commission of Texas ("PUCT") issued Notices of Violation ("NOVs") to 25 different Retail Electric Providers ("REPs") who missed the requisite 21-day timeframe for responding to customer complaints forwarded by the PUCT. In addition, there were a number of alleged violations for failing to provide sufficient documentation related to a complaint. Many of these cases were resolved through settlement agreements, which were subsequently approved by the PUCT. Republic Power, LP (d/b/a/ Energy America), now operating under the certificated name, Direct Energy, LP, received two NOVs and worked with PUCT Staff to reach a settlement in both cases. The settlements, which included recommended administrative penalties totaling $25,650, were filed on Aug. 18, 2003; however, the settlements were never placed on the PUCT's agenda for final orders. On March 9, 2007, and after first advising Direct Energy of the PUCT's plans to close out the cases, the PUCT Staff filed proposed final orders, which were subsequently approved by the PUCT on March 29, 2007.

Direct Energy, LP: Texas

On December 22, 2003, Republic Power (d/b/a Energy America) entered into a Stipulation and Settlement Agreement with the Public Utility Commission of Texas ("PUCT"), docket number 28306, to resolve certain technical violations of the Texas Commission's rules relating to the selection or changes of retail electric providers ("REP"). A Notice of Violation ("NOV") issued by the PUCT had alleged that (i) a pre-checked box on the Company's internet customer enrollment form failed to properly "provide a statement with a box that must be checked by the customer to indicate that the customer has read and agrees to select the REP to provide electric service and the time and date of the customer's enrollment"; (ii) the Company's "Term of Service" document did not contain a required "Electricity Facts Label"; and that (iii) the enrollment package e-mailed by the company to new customers enrolled via the internet failed to include a document entitled "Your Rights As A Customer." Republic Power acknowledged its technical violation of the checkbox requirement and, in fact, had corrected the technical violation prior to the NOV. No customer complaints were received by the PUCT regarding the violation.

The Stipulation and Settlement Agreement also addressed certain complaints that arose out of Republic Power's telemarketing efforts, as conducted by several third party telemarketing firms.

It was learned that in violation of Republic Power's instructions, the telemarketing firms had switched certain customers without obtaining proper approval or without making certain required disclosures required by PUCT rules. Republic Power addressed this situation by suspending telemarketing activities, terminating relationships with these vendors, and implementing a number of controls and compliance measures before resuming telemarketing activities. Pursuant to the Stipulation and Settlement Agreement, in consideration of an administrative penalty of $750,000, all matters that were the subject of the NOV and customer switching related complaints the occurred on or before August 31, 2003 were deemed fully resolved. As part of the settlement, the PUCT staff and Republic Power acknowledged that customer confusion about the restructured retail electric market may have been a contributing factor to the lodging of some customer complaints. The parties pledged to work together cooperatively to identify and expeditiously resolve any further problems.

These violations were technical and inadvertent in nature or the result of actions of third parties. Applicant resolved these issues in a responsible and reasonable manner and worked cooperatively with regulators to prevent their re-occurrence.

Direct Energy, LP: Texas

On August 24, 2007, Direct Energy and the Staff of the Public Utility Commission of Texas ("PUCT" or "Commission") filed a Settlement Agreement and Report to the Commission (Docket No. 34671) to resolve a matter related to differing interpretations of the existing PUCT rules for renewal of electric service with respect to small commercial customers. Direct Energy's renewal practice for small commercial customers was to send renewal notices to its customers whose contracts were about to expire. The notices offered to renew the contracts for another 24-month term, and would be effective if the customer did not take action by a specific, disclosed date. The notices included the appropriate disclosures of the renewal product's terms, including notice of an early cancellation fee. Each small commercial customer was also provided the opportunity to contact the Company to decline the renewal offer without penalty. This renewals approach allowed Direct Energy's customers to continue receiving service with the Company on a product comparable to their existing contract without taking any further action. Direct Energy believes that this approach provided a valuable and desirable service to customers and that this renewals practice is not prohibited by the PUCT's rules.

After investigating Direct Energy's renewal practices, the PUCT Staff concluded that Direct Energy and Staff interpreted the existing rules related to renewals differently and that Direct Energy's interpretation was incorrect. Specifically, the PUCT Staff believes that renewing customers for a time period greater than 31 days requires the customer's affirmative consent; however, it was explicitly noted in the Settlement Agreement that:

- Direct Energy and the PUCT Staff interpreted the PUCT rules "differently, and although Staff contends that the Company's interpretation of this rule was incorrect, Staff found no evidence of any willful or negligent violation."
- "Direct Energy fully cooperated with Staff's investigation."
- "After being notified of Staff's concerns regarding Direct Energy's contract renewal practices, the Company voluntarily modified its contract renewal practices to address the issues raised by Staff."

Direct Energy strongly believes that it correctly interpreted and adhered to the renewal rules in the Texas market and that its customers thought so as well. Approximately 5,200 small commercial customer renewals occurred during the period covered by the PUCT's investigation – of these, 25% elected to exercise their option to select another supplier; the other 75% remained with Direct Energy. It is important to note that the PUCT received only 3 customer complaints, with 2 of those arriving after publicity surrounding a settlement by another provider on the same issue.

On December 14, 2007, the Commission issued a Final Order approving a revised Settlement Agreement between Commission Staff and Direct Energy, in which Direct Energy agreed to: 1) provide notice to all affected customers that they are no longer subject to a term commitment and may choose another service plan or provider without being charged a cancellation fee; 2) provide refunds of early cancellation penalties that may have been levied; and 3) expend $695,000 to fund the development and presentation of an education program regarding the retail electric market in the Electric Reliability Council of Texas targeted to small commercial customers in lieu of paying an administrative penalty.

Direct Energy, LP: Texas

Prior to April 2009, Direct Energy, LP failed to render monthly bills to some of its Texas customers in accordance with PUCT rules as a result of the transition of its previous billing system to a comprehensive customer information and billing system. In response to the delayed billings, Direct Energy self-reported the issue to Commission Staff and worked to keep Staff informed of its progress to resolve the issue and work with impacted customers.

Commission Staff initiated an investigation in the matter and informed Direct Energy of same. Direct Energy fully cooperated with the investigation. Direct Energy developed and instituted corrective action plans related to its billing system which are designed to ensure that the billing system renders timely bills. In addition, Direct Energy prepared its call center to be responsive to customer needs; set up a special toll-free phone number dedicated to answering customer questions and working with customers on deferred payment plans; conducted an outreach program to contact affected customers to advise them of the issue and to assure them that Direct Energy would work with them on extended payment arrangements once the customers received their bills; and set letters to impacted customers with a gift card.

On June 19, 2009, Direct Energy and Commission Staff filed an Agreement resolving the violation. On August 14, 2009, the PUCT issued a Final Order approving the Settlement Agreement, in which Direct Energy agreed pay an administrative penalty of $200,000 for the violations of PUCT rules regarding customer billing. The agreement stipulated that Direct Energy complied with PUCT rules relating to bill payments and adjustments while resolving the issues presented, and that those actions ameliorated the impact on the small percentage of Direct Energy's customers who were impacted by the transition complications. In addition, the agreement acknowledged Direct Energy's efforts to conform to the Customer Protection Rules in good faith, and that there was no evidence of Direct Energy's willful violation of those rules, and that Direct Energy worked aggressively to resolve the problem and manage customer impacts.

Direct Energy, LP: Texas

In September 2013, Direct Energy, LP ("Direct Energy") entered into a Settlement Agreement with Staff of the Public Utility Commission of Texas ("Commission") to resolve the Commission's investigation of Direct Energy for violations of the Commission's substantive rules relating to telephonic enrollment, record retention, a customer's right of rescission, re-enrollment without affirmative consent, and informal complaint handling. The Settlement Agreement provides for a resolution of the issues and an administrative penalty of $28,000. The Settlement Agreement provides that Direct Energy worked diligently to keep Commission Staff informed of its progress to resolve the issues and was proactive in communicating with and working with affected customers to minimize the impacts to them. Direct Energy's mitigation efforts included the addition of 180 agents to the call center since December 2012, and setting a new company policy to respond to complaints in less than the 21-day requirement.

Direct Energy Business, LLC: California ISO

On August 22, 2008, the California ISO ("CAISO") issued a $93,364 penalty against Strategic Energy, LLC (n/k/a Direct Energy Business, LLC) in connection with a failure by our contracting partner San Diego Gas & Electric to adequately report load meter data for the April 27 – May 28, 2007 trading days. Strategic Energy quickly realized this error and promptly self-reported it to the CAISO; however, pursuant to the CAISO's tariff, which is approved by the FERC, a penalty is mandatory. Strategic Energy has worked with its Wholesale Compliance team to develop procedures to prevent future occurrences of this nature.

Direct Energy Services, LLC: Michigan

On February 28, 2013, the Michigan Public Service Commission (MPSC) issued an order accepting Direct Energy Services' (DES) self-report regarding allegations of slamming by field sales agents. Four agents purposefully manipulated DES's quality assurance measures by impersonating customers for third-party verification calls, thereby fraudulently enrolling multiple small business accounts. In response to several slamming complaints received by the MPSC, DES immediately terminated the agents, suspended sales and conducted a thorough investigation. DES submitted a formal self-report regarding the violations of applicable anti-slamming laws and regulations, proposing remedial quality assurance measures, retraining of agents, implementation of paper contracting, regular quality meetings with MPSC staff and a charitable donation to a regional organization. MPSC accepted DES's self-report without any changes to the proposed remedial actions, and after a six month suspension of small business field sales, MPSC approved DES's restarting of field sales in the region.

Direct Energy Services, LLC: FERC

On August 11, 2014, FERC issued an Order Approving Stipulation and Consent Agreement, resolving a nonpublic investigation conducted by FERC's Office of Enforcement stemming from a self-report by Direct Energy. The investigation examined whether Direct Energy violated the Commission's Anti-Market Manipulation Rule by manipulating natural gas prices during May 2012 in order to benefit its related financial positions. Direct Energy acted promptly when it became aware of the facts, and following an extensive self-report and cooperation during a subsequent non-public investigation conducted by Enforcement, Direct Energy agreed to pay a civil penalty of $20,000 to resolve any potential civil and administrative disputes arising from Enforcement's investigation.

Direct Energy Marketing Limited: Alberta, Canada

One of Direct Energy's Canadian affiliates is Direct Energy Marketing Limited, which operates a business unit in Alberta called Direct Energy Regulated Services (DERS). DERS is a regulated retail provider of natural gas and electricity. As such DERS is often involved in regulatory proceedings in the natural course of operating a regulated business. In addition, DERS is also subject to regular regulatory investigations and audits as required by Alberta legislation. None of these investigations or audits has resulted in any negative findings against DERS or its affiliates.

Direct Energy Marketing Limited: Ontario, Canada

Direct Energy's Canadian affiliate, Direct Energy Marketing Limited, also operates as a retail energy supplier business in Ontario, doing business as Direct Energy. On June 19, 2003 the Ontario Energy Board ("OEB") issued a Notice of Administrative Penalty ("Notice") against Direct Energy ("DE"). The Notice was based on a finding that in 21 instances customer contracts had been forged and that, as a consequence, DE had breached its retailer licenses by requesting a customer enrollment without the customer's written authorization to do so. A penalty totaling CDN$157,500 ($7,500 per instance) was imposed. Those incidents were addressed as follows:

- Offending sales agents were terminated on confirmation of the allegations and reported to the local police and OEB.
- All affected DE customer were notified, their contracts cancelled and they were reimbursed for any energy charges they incurred.
- All other customers enrolled by the offending sales agent were notified and given the opportunity to cancel their contracts and were fully reimbursed

In addition, strong internal controls were put in place to help prevent future instance.

Direct Energy Marketing Limited: Ontario, Canada

On April 23, 2009, the Ontario Energy Board ("OEB") issued a Notice of Administrative Penalty ("Notice") against Direct Energy Marketing Limited ("DE"). The Notice was based on a finding that a DE door-to-door agent was found to have made a false, misleading or deceptive statement to a consumer. The OEB determined that DE contravened section 88.4(2) of the Act, in that it engaged in an unfair practice as defined in section 2 of Ontario Regulation 200/02. The OEB also determined that DE contravened section 2.1 of the Code of Conduct for Gas Marketers.

The OEB made an Order on May 5, 2009, under subsection 112.5 of the *Ontario Energy Board Act, 1998* (the "Act") requiring Direct Energy Marketing Limited ("DE") to pay an administrative penalty in the amount of $15,000 for contravening an enforceable provision of the Act and the Code of Conduct for Gas Marketers.

Direct Energy Marketing Limited: Ontario, Canada

In 2009, the Ontario Energy Board commenced an inspection into Direct Energy's ("DE") business practice relating to the methodology employed to calculate early termination fees ("ETFs"). During the course of the investigation, DE determined that the methodology it used to calculate ETFs was at times inconsistent with its contractual terms with customers. Starting in 2004, DE's contracts provided that DE would calculate a customer's ETF by reference to the customer's "Projected Consumption." The term "Projected Consumption" was defined in DE's contracts as a customer's "average monthly natural gas or electricity consumption, as applicable (based on your most recent 12 months actual consumption as provided by your Utility)." As developed in 2004, and through 2010, however, DE's ETF calculator determined Projected Consumption by reference to the average annual consumption of DE's residential customers in 2003 (which was the year prior to the implementation of the contractual definition of "Projected Consumption"), for that subset of customers for which it was unable to access actual consumption data. The result was that not all customers' ETFs were determined in strict adherence to the contractual terms.

Invoices for 7,860 of these early termination inquiries resulted in overcharges to customers which totaled approximately $950,000. Another 6,627 invoices resulted in undercharges to customers which totaled approximately $2 million.

Direct Energy reimbursed all customers who paid an overcharge, with interest. Direct Energy also paid the Ontario Energy Board an administrative penalty of $700,000.

CPL Retail Energy, LP: Texas

CPL Retail Energy, LP entered into a settlement agreement in 2011 with Staff of the Public Utility Commission of Texas (Commission) in Docket No. 39285. This agreement resolves and concludes an investigation of CPL Retail Energy related to the Commission's substantive rules relating to consumer protection. The investigation was initiated as part of a compliance audit program applicable to all retail electric providers as instituted by the Commission. As part of the settlement, CPL Retail Energy agreed to pay an administrative penalty of $18,000 for alleged violations committed by the company."

Gateway Energy Services Corporation (formerly known as ECONnergy Energy Company, Inc.): New York

ECONnergy Energy Company was found by the New York State Consumer Protection Board to be in violation of the New York No Call Registry based on calls allegedly made by an independent marketing firm. This matter was appealed and settled on December 2, 2003 with ECONnergy being fined approximately $10,000.

On April 19, 2002, the Office of the Attorney General of the State of New York filed a lawsuit against ECONnergy Energy Company, Inc. ("ECONnergy") , alleging that ECONnergy violated various consumer protection laws. This matter was settled on December 6, 2002 when both parties executed a "Stipulation of Resolution" of the informal complaint made against ECONnergy Energy Company. As part of the settlement, ECONnergy was ordered to pay $25,000 and abide by certain monitoring requirements. These monitoring requirements included the implementation of a Comprehensive Statewide Quality Assurance Program, monthly marketing reports to be sent for a period of six months, and closer monitoring of the uniforms and identification of door to door representatives.

Gateway Energy Services Corporation d/b/a Gateway Power Services: Texas

Gateway Energy Services Corp. d/b/a Gateway Power Services (Gateway) entered into a settlement agreement in 2011 with Staff of the Public Utility Commission of Texas (Commission). This agreement resolves and concludes an investigation of Gateway related to the Commission's substantive rules relating to consumer protection. The investigation was initiated as part of a compliance audit program applicable to all retail electric provides as instituted by the Commission. As part of the settlement, Gateway agreed to pay an administrative penalty of $17,000 for alleged violations committed by the company.

First Choice Power Special Purpose, LP: Texas

First Choice Power Special Purpose, LP ("First Choice") entered into a settlement agreement in 2010 with Staff of the Public Utility Commission of Texas (Commission). This agreement resolves and concludes an investigation of First Choice related to the Commission's substantive rules relating to consumer protection. The investigation was initiated as part of a compliance audit program applicable to all retail electric provides as instituted by the Commission. As part of the settlement, First Choice agreed to pay an administrative penalty of $16,500 for alleged violations committed by the company.

First Choice Power Special Purpose, LP: Texas

First Choice Power Special Purpose, LP: In March 2013, a Settlement Agreement between the Staff of the Public Utility Commission of Texas (PUCT) and First Choice Power Special Purpose, L.P. (First Choice) regarding PUCT Staff's investigation of First Choice for violations concerning selection of a retail electric provider was approved by the PUCT. The Settlement Agreement provided for a resolution of the issues and an administrative penalty of $25,000. The violations related to nine separate customer complaints of an unauthorized switch received by the PUCT during the period January 2011 – October 2011. First Choice believes that it took reasonable efforts to comply with the enrollment requirements contained in PUCT rules, including taking steps to ensure that data provided by applicants was correct at the time of enrollment. In addition, First Choice has initiated review processes of submitted enrollments to look for signs of agent fraud, and has acted to remove such agents, where appropriate

ORIGINAL

Exhibit C-1
Annual Reports

Please see the previous two annual reports.

2012: http://www.centrica.com/files/reports/2012ar/files/pdf/centrica_annual_report_2012.pdf

2013: http://www.centrica.com/files/reports/2013ar/files/pdf/centar13_annualreport.pdf

ORIGINAL

Exhibit C-2
SEC Filings

Direct Energy Business, LLC is an indirect wholly owned subsidiary of Centrica plc. Centrica plc is headquartered in Winsor, UK. As a foreign entity, Centrica is not subject to SEC jurisdiction, and thus does not have SEC filings.

ORIGINAL

Exhibit C-3
Financial Statements

Please see attached for Direct Energy Services, LLC's parent company Centrica, plc's Summary Financial Statements for 2012 and 2013.

Exhibit C-4
Financial Arrangements

Public Version - Redacted

[redacted]

Guarantee

This Guarantee (this "**Guarantee**") is dated July 12, 2012 and made and entered into between

1. [redacted] whose registered office is [redacted] ("**Guarantor**"); and

2. [redacted] whose principal place of business is [redacted] ("**Contract Party**").

WHEREAS

(A) Contract Party and [redacted] a wholly owned subsidiary of Guarantor are contemplating entering into, transactions for the purchase and sale of natural gas and/or electricity, or options thereon, (the "**<u>Physical Transactions</u>**"), and are contemplating entering into, swap, option or other financially-settled derivative transactions, which transactions will be evidenced by one or more swap agreements, confirmations and/or master agreements (all such swap, option or other financially-settled derivative transactions and the agreements, evidencing same whether entered into prior to, on or after the date hereof are referred to herein as ("**<u>Derivative Transactions</u>**"). The Physical Transactions and the Derivative Transactions, individually and collectively, shall be referred to herein as the "**<u>Transactions</u>**", and [redacted] shall be referred to herein as the "**<u>Obligor</u>**";

(B) Guarantor will directly or indirectly benefit from the Transactions; and

(C) As a condition precedent to the Transactions, Contract Party has required that Guarantor unconditionally guarantee to Contract Party all payment obligations of Obligor under the Transactions.

NOW THEREFORE, to induce Contract Party to enter into the Transactions, Guarantor agrees as follows:

<u>PAYMENT GUARANTEE</u>

1. Guarantor absolutely, irrevocably and unconditionally guarantees to Contract Party all payment obligations of Obligor set forth in the Transactions (the "**<u>Obligations</u>**") up to an aggregate amount that shall not exceed [redacted] This Guarantee is a continuing guarantee of payment (and not of collection or performance) effective during the term of the Transactions.

2. Guarantor WAIVES any right to require as a condition to its obligations hereunder that:

   (i) presentment or demand be made upon Obligor; and

   (ii) action be brought against Obligor or any other person or entity except Guarantor,

   should Contract Party seek to enforce the obligations of Guarantor. Specifically, without limitation, Guarantor WAIVES any right to require, substantively or procedurally, that:

   (a) a judgment previously be rendered against Obligor or any other person or entity except Guarantor;

   (b) Obligor or any other person or entity be joined in any action against Guarantor; or

   (c) an action separate from one against Guarantor be brought against Obligor or any other person or entity.

3. The obligations of Guarantor are several from those of Obligor or any other person or entity, including, without limitation, any other surety for Obligor, and are primary payment obligations concerning which Guarantor is the principal obligor.

4. The obligations of Guarantor hereunder shall in no way be affected or impaired by reason, and Guarantor WAIVES its right to prior notice, of the happening from time to time of any of the following:

   (i) extensions (whether or not material) of the time for performance of all or any portion of the *Obligations*.

   (ii) the modification or amendment in any manner (whether or not material) of the Transactions or the Obligations;

   (iii) any failure, delay or lack of diligence on the part of a Contract Party, or any other person or entity to enforce, assert or exercise any right, privilege, power or remedy conferred on a Contract Party or any other person or entity under the Transactions or at law, or any action on the part of a Contract Party or such other person or entity granting indulgence or extension of any kind;

   (iv) the settlement or compromise of any Obligations; and

   (v) a change of status, composition, structure or name of Obligor, including, without limitation, by reason of bankruptcy, liquidation, insolvency, merger, dissolution, consolidation or reorganisation.

5. With the prior written consent of Contract Party, which consent shall not be unreasonably withheld, this Guarantee may be replaced by a guarantee or guarantees in substantially similar form made by a guarantor of equal or better creditworthiness, provided that this Guarantee shall continue to apply to all obligations of the Guarantor under this Guarantee in respect of Transactions entered into prior to the time of such replacement and the replacement guarantee shall apply only to those Obligations incurred in respect of Transactions entered into after its execution and delivery.

6. The Guarantor may terminate this Guarantee by giving written notice of such termination to the Contract Party. No such terminations shall be effective until five (5) business days after receipt by Contract Party of such termination notice. No such termination shall affect the obligations of the Guarantor under this Guarantee in respect of Transactions entered into prior to such termination notice becoming effective.

RESERVATION OF DEFENCES

7. Without limiting the defences and rights of Guarantor not expressly waived in this Guarantee, Guarantor expressly reserves unto itself all rights, counterclaims and other defences of Obligor relating to the Obligations, except those arising out of the bankruptcy, insolvency, dissolution or liquidation of Obligor.

NOTICE

8. All notices and communications made pursuant to this Guarantee shall be in writing and delivered personally or mailed recorded delivery, postage prepaid, or sent by facsimile, as follows:

   To Guarantor:

   [redacted]

   Attn: Group General Counsel and Company Secretary

   [redacted]

   To Contract Party:

   [redacted]

[redacted]

9. Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by facsimile shall be effective upon actual receipt if received during recipient's normal business hours or at the beginning of recipient's next business day after receipt if not received during recipient's normal business hours. Any party may change its address to which notice is to be given hereunder by providing notice of the same in accordance with Clause 9.

MISCELLANEOUS

10. This Guarantee shall in all respects be governed by, and construed in accordance with, the laws of the State of New York and the parties hereby submit to the exclusive jurisdiction of the courts of the State of New York.

11. Except for increasing the value of the Obligations figure in Clause 1 above, no term or provision of this Guarantee shall be amended, modified, altered, waived, supplemented or terminated except in writing signed by the parties hereto.

12. Neither Guarantor nor Contract Party may assign or transfer (whether by way of security or otherwise) this Guarantee or any interest or obligation in or under this Guarantee without the prior written consent of Contract Party or Guarantor respectively. Any purported transfer or assignment that is not in accordance with this Clause 12 shall be void. Subject to the foregoing this Guarantee shall be binding upon and enure to the benefit of and be enforceable by the respective successors, permitted assigns and transferees of Guarantor and Contract Party.

13. This Guarantee embodies the entire agreement and understanding between Guarantor and Contract Party and supersedes all prior agreements and understandings relating to the subject matter hereof.

14. The headings in this Guarantee are for purposes of reference only, and shall not affect the meaning hereof. References to Clauses are to clauses of this Guarantee.

15. This Guarantee may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one document.

16. Guarantor shall make payment in United Stated dollars and without deductions to Contract Party in immediately available funds of all sums due hereunder within ten (10) business days of written demand for the same by Contract Party (which demand shall set forth the basis and the calculation of the amount for which demand is made and which shall in the absence of manifest error be conclusive).

17. Guarantor warrants that this Guarantee is its legally binding obligation enforceable in accordance with its terms (except as the enforceability of this Guarantee may be limited by any applicable bankruptcy, insolvency, reorganisation, moratorium or similar laws affecting creditors' rights generally and by general principles of equity), and further warrants that all necessary consents and authorisations for the giving and implementation of this Guarantee have been obtained.

18. Until all amounts which may be or become payable under the Transactions have been irrevocably paid in full, Guarantor shall not by virtue of this Guarantee be subrogated to any rights of Contract Party or claim in competition with Contract Party against Obligor in connection with any matter relating to or arising from the Obligations or this Guarantee.

Guarantor has caused this Guarantee to be executed as a deed and Contract Party has signed the same as of the day and year first above written.

[redacted]

By: ____________________

[redacted]

By: ____________________

[redacted]

[redacted]

By: ____________________

Title:

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this "Guaranty"), dated as of June 3, 2014, is issued and delivered by [redacted] a public limited liability company (the "Guarantor"), for the account of [redacted] a [redacted] (the "Obligor"), and for the benefit of [redacted] the "Beneficiary").

Background Statement

WHEREAS, the Beneficiary and Obligor entered into that certain Certified Supplier Service Agreement, pertaining to Beneficiary's Electricity Customer Choice Program (the "Agreement"); and

WHEREAS, Beneficiary has required that the Guarantor deliver to the Beneficiary this *Guaranty as an inducement to enter into the* Agreement.

Agreement

NOW, THEREFORE, *in consideration of* the foregoing and for good and valuable consideration, the Guarantor hereby agrees as follows:

1. Guaranty: Limitation of Liability. Subject to any rights, setoffs, counterclaims and any other defenses that the Guarantor expressly reserves to itself under this Guaranty, the Guarantor absolutely and unconditionally guarantees the timely payment of the Obligor's payment obligations under the Agreement (the "Guaranteed Obligations"); provided, however, that the Guarantor's aggregate liability hereunder shall not exceed [redacted]

Subject to the other terms of this Guaranty, the liability of the Guarantor under this Guaranty is limited to payments expressly required to be made under the Agreement, and except as specifically provided therein, the Guarantor shall not be liable for or required to pay any consequential or indirect loss (including but not limited to loss of profits), exemplary damages, punitive damages, special damages, or any other damages or costs.

2. Effect of Amendments. The *Guarantor agrees that the Beneficiary and the* Obligor may modify, amend and supplement the Agreement and that the Beneficiary may delay or extend the date on which any payment must be made pursuant to the Agreement or delay or extend the date on which any act must be performed by the Obligor thereunder, all without notice to or further assent by the Guarantor, who shall remain bound by this Guaranty, notwithstanding any such act by the Beneficiary.

3. Waiver of Rights. The Guarantor *expressly waives (i) protest, (ii) notice of* acceptance of this Guaranty by the Beneficiary, and (iii) demand for payment of any of the Guaranteed Obligations.

4. Reservation of Defenses. Without limiting the Guarantor's own defenses and rights hereunder, the Guarantor reserves to itself **all** rights, setoffs, counterclaims and other defenses that the Obligor may have to payment of all or any portion of the Guaranteed Obligations except defenses arising from the bankruptcy, insolvency, dissolution or liquidation of the Obligor and other defenses expressly waived in this Guaranty.

5. Settlements Conditional. If any monies paid to the Beneficiary in reduction of the *indebtedness of the Obligor under the Agreement* have to be repaid by the Beneficiary by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force, the liability of the Guarantor under this Guaranty shall be computed as if such monies had never been paid to the Beneficiary

6. Notice. The Beneficiary will provide written notice to the Guarantor if the Obligor defaults under the Agreement.

7. Primary Liability of the Guarantor. The *Guarantor agrees that the Beneficiary may enforce* this Guaranty without the necessity at any time of resorting to or exhausting any other security or collateral. This is a continuing Guaranty of payment and not merely of collection.

8. Representations and Warranties. The Guarantor represents and warrants to the Beneficiary as of the date hereof that:

a. The Guarantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guaranty and to perform the provisions of this Guaranty on its part to be performed;

b. The *execution, delivery and* performance of this Guaranty by the Guarantor have been and remain duly authorized by all *necessary corporate action and do* not contravene any provision of its certificate of incorporation or by-laws or any law, regulation or contractual restriction binding on it or its assets;

c. All consents, authorizations, approvals, registrations and declarations required for the due execution, delivery and performance of this Guaranty *have been obtained from or, as* the case may be, filed with the relevant governmental authorities having jurisdiction *and remain in full force and* effect, and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance; and

d. This Guaranty constitutes the legal, valid and binding obligation of the Guarantor enforceable against it in accordance with its terms, except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights or by general equity principles.

9. Term of Guaranty. This Guaranty is a continuing guaranty of payment (and not of collection or performance) beginning June 3, 2014 and thereafter shall renew annually for a like period of twelve months until terminated by the parties, provided however, the Guarantor will remain liable hereunder for Guaranteed Obligations that were outstanding prior to any such termination.

10. Governing Law. This Guaranty shall be governed by and construed in accordance with the internal laws of the State of New York, including Section 5-1401 of the General Obligations Law of the State of New York, but otherwise without giving effect to principles of conflicts of law.

11. Expenses. The Guarantor agrees to pay all reasonable out-of-pocket expenses (including the reasonable fees and expenses of the Beneficiary's counsel) relating to the enforcement of the Beneficiary's rights hereunder in the event the Guarantor disputes its obligations under this Guaranty and it is finally determined (whether through settlement, arbitration or adjudication, including the exhaustion of all permitted appeals), that the Beneficiary is entitled to receive payment of a portion of or all of such disputed amounts. All payments under this Section 10 together with any payment of the Guaranteed Obligations shall remain subject to the aggregate amount limitations set forth in Section 1.

12. Waiver of Jury Trial. The Guarantor and the Beneficiary, through acceptance of this Guaranty, waive all rights to trial by jury in any action, proceeding or counterclaim arising or relating to this Guaranty

13. Entire Agreement Amendments. This Guaranty integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations and prior writings in respect to the subject matter hereof. This Guaranty may only be amended or modified by an instrument in writing signed by each of the Guarantor and the Beneficiary.

14. Headings. The headings of the various Sections of this Guaranty are for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

15. No Third-Party Beneficiary. This Guaranty is given by the Guarantor solely for the benefit of the Beneficiary, and is not to be relied upon by any other person or entity.

16. Assignment. Neither the Guarantor nor the Beneficiary may assign its rights or obligations under this Guaranty without the prior written consent of the other, which consent may not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Beneficiary may assign this Guaranty, without the Guarantor's consent, provided such assignment is made to an affiliate or subsidiary of the Beneficiary

Any purported assignment in violation of this Section 15 shall be void and without effect.

17. Notices. Any communication, demand or notice to be given hereunder will be duly given when delivered in writing or sent by facsimile to the Guarantor or to the Beneficiary, as applicable,

If to the Guarantor, at:

[redacted]

Attention: Group General Counsel and Company Secretary

[redacted]

With a copy to:

[redacted]

Attention: Principal Legal Counsel

[redacted]

If to the Beneficiary, at:

[redacted]

ATTN: CHIEF RISK OFFICER [redacted]

[redacted]

or such other address as **the** Guarantor or the Beneficiary shall from time to time specify. Notice shall be deemed given (a) when received, as evidenced by signed receipt, if sent by hand delivery, overnight courier or registered mail or (b) when received, as evidenced by transmission confirmation report, if sent by facsimile and received on or before 4 pm local time of recipient, or (c) the next business day, as evidenced by transmission confirmation report, if sent by facsimile and received after 4 pm local time of recipient.

GUARANTY AGREEMENT

IN **WITNESS WHEREOF,** the Guarantor has executed this Guaranty as of the day and year first above written.

[redacted]

By: ____________________

Name: [redacted]

Title: [redacted]

By: ____________________

Name: [redacted]

Title: [redacted]

357608

DEED OF AMENDMENT NO.7 TO GUARANTEE

WHEREAS, [redacted] ("Guarantor") issued a Guarantee dated ***June 2, 2008*** in favour of [redacted] ("Creditor") in respect of the trading activities of [redacted] as amended on [redacted]

AND WHEREAS Guarantor wishes to amend the Guarantee in the manner set forth below:

By execution of this Deed of Amendment, the Guarantee shall be amended as follows:

1. Expressions used in this Guarantee shall have the same meaning when used in this Deed of Amendment.

2. Section 11(b) of the Limitation on Guarantor's Liability is deleted in its entirety and replaced with the following in substitution therefor:

   "Guarantor's aggregate liability to Creditor under this Guaranty and all prior guaranties issued by Guarantor to the benefit of Creditor relating to the Obligations is limited to and shall not exceed [redacted]

3. Except as amended hereby, all other terms and conditions of the Guarantee shall remain the same and in full force and effect.

4. This Deed of Amendment shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF the Guarantor has caused this Deed of Amendment to be executed as a Deed by its duly authorized officers as of [redacted]

EXECUTED and **DELIVERED** as a **DEED**
By [redacted] action by a [redacted] and its [redacted]

[redacted]

[redacted]

Exhibit C-5
Forecasted Financial Statements

Public Version - Redacted

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Exhibit C-6
Credit Rating

Please see attached for Direct Energy Business, LLC parent company Centrica, plc's Credit Rating from Moody's Investor Service.

Please note that no Direct Energy company (including Direct Energy Business, LLC) maintains a credit rating. All Direct Energy companies (including Direct Energy Business, LLC) rely on the credit rating of the parent company, Centrica, plc.

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Centrica plc (LSE:CNA)

Multi-Utilities | Employees: 34,489 | S&P Issuer Credit Rating FC LT: A-

Maidenhead Road
Millstream
Windsor, Berkshire SL4 5GD
United Kingdom
Phone: 44 17 5349 4000
www.centrica.co.uk

Centrica plc operates as an integrated energy company in the United Kingdom, North America, Norway, and internationally. The company is engaged in the supply of gas and electricity to 11 million homes in the United Kingdom; provides installation, repair, and maintenance services for central heating, plumbing and drains, gas appliances, and kitchen appliances; and supplies gas and electricity, as well as provides energy related services to business customers. It is also involved in the production, processing, trading, and optimization of gas and oil, as well as development of new fields; and generation, trading, and optimization of power from thermal, nuclear, and wind sources. In addition, the company provides gas storage services in the United...

Key Statistics

	12 Months Dec-31-2011A	12 Months Dec-31-2012A	12 Months Dec-31-2013A	12 Months Dec-31-2014E	12 Months Dec-31-2015E
Total Revenue	22,824.00	23,942.00	26,571.00	28,036.23	28,334.45
Growth Over Prior Year	1.8%	4.9%	11.0%	5.4%	1.1%
Gross Profit Margin %	21.3%	21.3%	19.2%	-	-
EBITDA Margin %	13.0%	14.5%	13.7%	12.9%	13.4%
EBIT Margin %	*9.3%*	*10.6%*	*9.3%*	*8.0%*	*8.6%*
Net Income Margin %	1.8%	5.2%	3.6%	4.2%	4.6%
Diluted EPS Excl. Extra	0.09	0.24	0.18	0.23	0.26
Diluted EPS Excl. Extra	(76.5%)	181.2%	(23.4%)	(11.7%)	11.5%

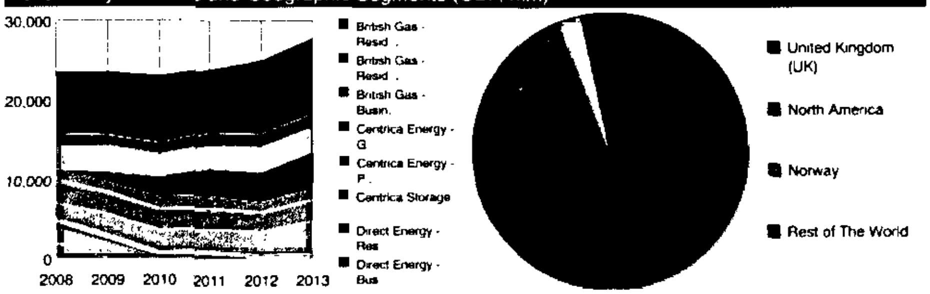
Estimates

Recommendat	Hold(2.74)
Target Price	3.32952000
LT Growth %	1.75%

Forward Multiples

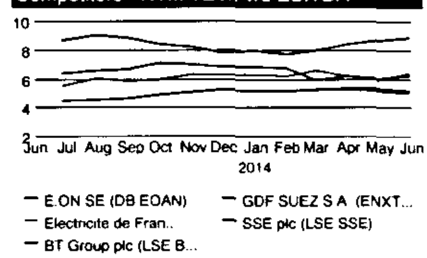
	FY2014	FY2015
P/E	*14.35x*	*12.87x*
TEV/REV	0.79x	0.79x
TEV/EBITDA	6.14x	5.85x
PEG	8.21x	7.36x
P/BV	3.14x	2.93x

Revenue by Business and Geographic Segments (GBP, mm)



* Segments with negative values, such as corporate eliminations, are excluded from the total and percentage calculations and do not appear on the charts

Competitors - NTM TEV/Fwd EBITDA



Top Holders

Holder	Common Stock Equivalent Held	% of Total Shares Outstanding	Market Value (GBP in mm)
Aberdeen Asset Management PLC	327,777,755	6.50	1,097.1
BNY Mellon Asset Management	271,395,045	5.38	908.4
Invesco Ltd.	258,200,185	5.12	864.2
BlackRock, Inc.	247,709,791	4.91	829.1
Legal & General Investment Management	164,684,405	3.27	551.2

Holders as of Wednesday, June 04, 2014

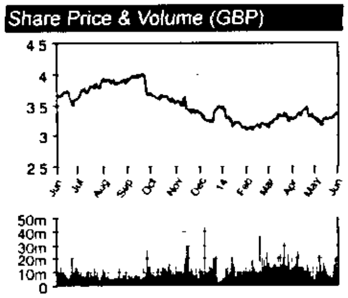
Capitalization

Share Price as of	3.35
Shares Out.	5,043.90
Market Capitalization	**16,881.92**
- Cash & Short Term	728.00
+ Total Debt	6,057.00
+ Pref. Equity	-
+ Total Minority Interest	65.00
= Total Enterprise Value	**22,275.92**
Book Value of Common	5,192.00
+ Pref. Equity	-
+ Total Minority Interest	65.00
+ Total Debt	6,057.00
= Total Capital	**11,314.00**

Market Data

Last (Delayed)	3.30	Market Cap (mm)	16,881.9
Open	3.35	Shares Out. (mm)	5,043.9
Previous Close	3.35	Float %	94.9%
Change on Day	(0.05)	Shares Sold	-
Change % on Day	(1.5%)	Dividend Yield %	5.1%
Day High/Low	3.36/3.28	Diluted EPS Excl....	0.18
52 wk High/Low	4.03/3.02	P/Diluted EPS	18.06x
Volume (mm)	14.21	Avg 3M Dly Vlm	13.73
Beta 5Y	0.33		

Share Price & Volume (GBP)



Key Executives and Board Members

Haythornthwaite,	Chairman, Chairman of Nominations Committee
Laidlaw, William	Chief Executive, Executive Director, Chairman
Luff, Nicholas L.	Group Finance Director, Executive Director,
Dawson, Grant	General Counsel, Company Secretary, Member
Shedden, Jill	Group Director of Human Resources and

Events

Date/Time	Event
Jun-10-2014	Company Conference Presentation
Jun-10-2014	Conference
Jul-31-2014	Earnings Release Date

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Exhibit C-7
Credit Report

Please see Exhibit C-6 for Direct Energy Business, LLC's parent company Centrica, plc's Credit Rating at A- with S&P.

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Research Update:

U.K. Energy Supplier Centrica 'A-' Rating Placed On CreditWatch Negative On Challenging Market Outlook

Primary Credit Analyst:
Mark J Davidson, London (44) 20-7176-6306; mark.j.davidson@standardandpoors.com

Secondary Contact:
Tania Tsoneva, CFA, London (44) 20-7176-3489; tania.tsoneva@standardandpoors.com

Table Of Contents

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Research Update:

U.K. Energy Supplier Centrica 'A-' Rating Placed On CreditWatch Negative On Challenging Market Outlook

Overview

- In our opinion, business risk for U.K. energy supplier Centrica PLC is rising as a result of intense political pressure in the U.K., and challenging wholesale markets in the U.K. and North America. These pressures have, in our opinion, affected Centrica's profitability prospects.
- In addition, we believe that Centrica's financial risk has moderately increased due to the prospect of lower operating cash flows than we anticipated in the near term, although we believe that the company's ratios will remain robust and that it maintains good financial flexibility as a result of its free cash flow generation.
- We are placing our 'A-' long-term corporate credit rating on Centrica on CreditWatch with negative implications.
- The CreditWatch placement reflects the possibility of a downgrade in the next 90 days to reflect rising business risk in Centrica's key markets and a related moderate weakening in its credit metrics.

Rating Action

On May 19, 2014, Standard & Poor's placed its 'A-' long-term corporate credit ratings on U.K. energy supplier Centrica PLC on CreditWatch with negative implications. At the same time, we affirmed our 'A-2' short-term corporate credit rating on Centrica.

Rationale

The CreditWatch placement reflects our opinion that pressures on Centrica's business and financial risk profiles are intensifying and increasing the probability of us lowering the ratings on the company in the near or medium term. These pressures have, in our opinion, affected Centrica's profitability prospects and may require the company to revise its investment approach.

On May 8, 2014, Centrica's interim management statement warned that the company's earnings are likely to fall in 2014, as a result of a range of pressures that in our view have been intensifying in the past six-12 months. These pressures include:

- Intense political pressure on U.K. energy suppliers to minimize price increases due to affordability concerns, with Centrica stating that it

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expects no change in residential energy prices this year;
- Increasingly competitive markets, with the arrival of new entrants and a loss of customers for Centrica;
- Weak spark spreads (a gas-fired power plant's theoretical margins from selling a unit of electricity) that are generating operating losses in Centrica's U.K. generation fleet, which is mostly gas-fired; and
- Challenging conditions in North America, which has been Centrica's main source of growth in recent years.

Last year, we revised downward Centrica's business risk profile to "satisfactory" from "strong," reflecting our opinion of an increasingly challenging operating environment in Centrica's upstream and downstream markets. Upstream, the U.K. has become a net importer of gas due to the depletion of domestic reserves, requiring Centrica to procure gas outside its home market. In the U.K., Centrica's mainly gas-fired power generation is unprofitable due to persistently low spark spreads, and the company has announced plans to sell three of its eight plants, adding to two that have been closed or mothballed.

In downstream markets, we consider Centrica as the most exposed of the 'Big Six' suppliers to the unfavorable political climate, because of its leading market positions, especially in gas, where it makes above-industry-average margins. We believe that retail margins (post tax) could reduce toward the industry average of about 3%, compared to about 5% that Centrica has historically reported. We also consider that event risk has increased, not least because the opposition Labor party appears committed to implementing a 20-month price freeze if it wins the 2015 general election. In addition, energy regulator Ofgem will decide this summer whether to launch its Competition and Markets Authority investigation into the Big Six suppliers. We note that Centrica does not have any regulated network activities, which can mitigate weakness in non-regulated segments at Centrica's more integrated peers.

These business risk pressures are partly offset by Centrica's leading position in the U.K. supply market, its leading position in gas, its significantly improved vertical integration following recent large upstream acquisitions, and its geographic diversification in North America.

We assess Centrica's financial risk profile as "modest" reflecting the company's currently strong credit metrics, the financial flexibility afforded by its free cash flow generation, a significant discretionary element to its capital expenditure plan, and its "strong" liquidity. That said, our updated base-case forecast indicates slightly weaker ratios than we previously projected, with Standard & Poor's-adjusted funds from operations (FFO) to debt declining below 50% in 2014 and 2015, and possibly to as low as 45% if retail margins decline toward 3%. This remains consistent with a "modest" financial risk profile, but leaves limited headroom for any further weakening. We are likely to raise, potentially significantly, our previously published ratio guidance of FFO to debt of 35% for Centrica as a result of our review of Centrica's business and financial risk profiles. This is because of our downward revision of its business risk profile at the end of last year.

Our base-case operating scenario for Centrica assumes:

- Gradually rising wholesale power and gas prices, flat customer numbers, reducing consumption, and continued low spark spreads.
- Post-tax margins in the retail segment of 3%-5%.
- Positive free operating cash flow, which will enable Centrica to maintain debt around current levels, assuming no acquisitions.

Based on these assumptions, we arrive at the following adjusted credit measures:

- EBITDA margins of 13%-17% in 2014 and 13%-17% in 2015.
- FFO to debt of 42%-48% in 2014 and 45%-50% in 2015.
- Debt to total capital of 40%-50% in 2014 and 2015.

Liquidity

We assess Centrica's liquidity position as "strong" under our criteria, as its sources of liquidity cover its needs over the next 12 months by 1.5x or more.

Centrica's principal liquidity sources over the next 12 months are as follows:

- Unrestricted cash of about £500 million on Dec. 31, 2013.
- An available £3.8 billion in undrawn committed bank facilities that mature in more than one year. The two core facilities, for £1,950 million and $1,425 million, expire in July 2017.
- Our estimate of FFO of about £3 billion for the next 12 months.

Centrica's principal liquidity uses over the next 12 months are as follows:

- Short-term debt maturities of about £700 million.
- Capital expenditure of about £1.3 billion.
- Dividend payments, which in 2013 were £870 million.

CreditWatch

The CreditWatch negative placement indicates a one-in-two probability of a downgrade in the next 90 days. A downgrade would reflect our opinion of rising business risk in Centrica's key markets, and a related moderate weakening in its credit metrics.

In the next 90 days, we will conduct an in-depth review of Centrica's business and financial risk profiles. This will include meeting with senior management, and determining the company's appetite for maintaining ratios in line with the current ratings.

We anticipate that any downgrade would likely be only one notch. Alternatively, if we believe that Centrica is able and willing to maintain metrics consistent with our assessment of its business risk profile, we could assign a negative outlook.

Upside scenario

We could remove the ratings from CreditWatch and affirm them if Centrica is able to demonstrate that it could sustain credit metrics that we consider commensurate with our opinion of its current business risk profile.

Ratings Score Snapshot

Corporate Credit Rating: A-/Watch Neg/A-2

Business risk: Satisfactory
- Country risk: Very low
- Industry risk: Moderately high
- Competitive position: Strong

Financial risk: Modest
- Cash flow/Leverage: Modest

Anchor: bbb+

Modifiers
- Diversification/Portfolio effect: Neutral (no impact)
- Capital structure: Neutral (no impact)
- Liquidity: Strong (no impact)
- Financial policy: Neutral (no impact)
- Management and governance: Satisfactory (no impact)
- Comparable rating analysis: Favorable (+1 notch)

Related Criteria And Research

Related criteria

- Key Credit Factors For The Unregulated Power And Gas Industry, March 28, 2014
- Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Jan. 2, 2014
- Corporate Methodology, Nov. 19, 2013
- Corporate Methodology: Ratios And Adjustments, Nov. 19, 2013
- Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Industry Risk, Nov. 19, 2013
- Methodology For Linking Short-Term And Long-Term Ratings For Corporate, Insurance, And Sovereign Issuers, May 7, 2013
- Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- 2008 Corporate Criteria: Rating Each Issue, April 15, 2008

Ratings List

Ratings Affirmed; CreditWatch/Outlook Action

	To	From
Centrica PLC		
Corporate Credit Rating	A-/Watch Neg/A-2	A-/Stable/A-2
British Gas Trading Ltd.		
Corporate Credit Rating	A-/Watch Neg/--	A-/Stable/--
Centrica PLC		
Senior Unsecured	A-/Watch Neg	A-

Ratings Affirmed

Centrica PLC		
Commercial Paper	A-2	A-2

Additional Contact:
Infrastructure Finance Ratings Europe; InfrastructureEurope@standardandpoors.com

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com and at spcapitaliq.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

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Exhibit C-8
Bankruptcy Information

Direct Energy Business, LLC has had no reorganizations, protection from creditors or any other form of bankruptcy filings. The same is true of the Officers of Direct Energy Business, LLC, referenced on Exhibit A-10.

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Exhibit C-9
Merger/Acquisition Information

Hess Corporation sold its retail energy marketing division, Hess Energy Marketing, LLC, to Direct Energy Business, LLC on November 1, 2013. Since the acquisition, Hess Energy Marketing, LLC has changed its name to Direct Energy Business Marketing, LLC. Additionally, as part of the acquisition, Hess Small Business Services, LLC was part of the retail energy marketing division. That has also since been renamed to Direct Energy Small Business, LLC.

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Exhibit D-1
Operations

Direct Energy Business maintains a 24-hour operation for buying and selling in both Retail and Wholesale markets. Energy America, LLC, who is the wholesale trading affiliate of Direct Energy, LP, for US trading, has the contractual relationships with outside parties and partners to provide energy supply to end use customers. Direct Energy Business has the ability to purchase and sell power from the wholesale market on an hourly, daily, weekly and monthly basis. After buying or selling the power, Direct Energy Business then schedules the energy with the Control Areas. This process entails buying and scheduling transmission and ancillary services and properly creating and submitting NERC tags (via OATI software) to the Control Areas. Our Retail and Wholesale schedules are confirmed with the Control Areas to ensure flow prior to start and at the end of the schedule for verification of flow.

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Exhibit D-2
Operations Expertise

Based on recent organizational changes at the end of 2013, the supply and trading responsibilities is now part of Direct Energy Business. The current President of Direct Energy Business is John Schultz, who is located in our Woodbridge, New Jersey office. Mr. Schultz has 19 years of experience in the energy industry and has held various positions in the field including natural gas and electricity trading and operations, commercial and industrial sales and energy infrastructure development.

His team for power is led by David Brast, Head of West Region, and Steve Dixon, Head of East Region.

David joined the company in August 2013. He is an experienced energy professional who previously held a role as Senior Vice President of Business Segments for NRG Energy. He has more than 20 years of experience specializing in risk management, power and gas trading and commercial operations. He has a Bachelor's degree in Accounting and Finance from Texas A&M University.

Steve is currently Head of East Region for Direct Energy Business. In this role, he is responsible for leading all aspects of our East Region Natural Gas and Power operations, sales, supply and trading for our commercial, industrial, and wholesale customer business.

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Exhibit D-3
Key Technical Personnel

John Schultz, President – Direct Energy Business
John.schultz@directenergy.com
(732) 750-6197

Mr. Schultz has 19 years of experience in the energy industry and has held various positions in the field including natural gas and electricity trading and operations, commercial and industrial sales and energy infrastructure development. Mr. Schultz was previously the Senior Vice President of Hess Energy Marketing, LLC and has since been promoted to President of Direct Energy Business, LLC ("DEB").

Mr. Schultz is a graduate of Penn State University and has attended executive development programs at both the Fuqua School of Business at Duke University and Harvard Business School.

Steve Dixon, Head of East Region – Direct Energy Business
Steve.dixon@directenergy.com
(732) 750-6240

Steve is currently Head of East Region for Direct Energy Business. In this role, he is responsible for leading all aspects of our East Region Natural Gas and Power operations, sales, supply and trading for our commercial, industrial, and wholesale customer business.

Steve joined DEB as Head of the East Region Gas Operations in November 2013, and prior to that he was Vice President of Natural Gas Operations for Hess Corporation's Energy Marketing business. He joined Hess Corporation in 1998, after serving in positions at Resource Energy, Aquila Energy, and Phillips Petroleum Company (now ConocoPhillips). He has more than twenty seven years of experience in the energy industry in a variety of roles including operations, sales, marketing, and trading.

Steve is originally from Houston, TX and has a B.S. in Business Administration from Lyon College and a MBA from the Walton College at the University of Arkansas. He has also attended executive development programs at both Harvard Business School and Harvard Law School.

David Brast, Head of West Region – Direct Energy Business
David.brast@directenergy.com
(713) 877-3642

David is the Head of West Region where his responsibility is overseeing retail supply, trading, asset optimization and power generation.

David joined the company in August 2013. He is an experienced energy professional who previously held a role as Senior Vice President of Business Segments for NRG Energy. He has more than 20 years of experience specializing in risk management, power and gas trading and commercial operations. He has a Bachelor's degree in Accounting and Finance from Texas A&M University.

Exhibit D-4
FERC Power Marketer License Number

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Direct Energy Business, LLC's license is under FERC's Docket No. ER11-1850.