



The Public Utilities Commission of Ohio

51

Original CRS Case Number	Version
00 - 1936-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.
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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 Services, LLC
Address 1001 Liberty Avenue, 12th Floor, Pittsburgh, PA 15222
PUCO Certificate # and Date Certified 00-019(5) December 15, 2008
Telephone # (866) 348-4193 Web site address (if any) www.directenergy.com

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

Legal Name Direct Energy Services, LLC
Address 3050 Plainfield Road, Dayton, OH 45432
Telephone # (937) 660-7094 Web site address (if any) www.directenergy.com

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

See attached organization chart

(Exhibit A-11)

A-5 Contact person for regulatory or emergency matters

Name Teresa Ringenbach

Title Manager, Gov't & Regulatory Affairs

Business address 9605 El Camino Lane, Plain City, OH 43064

Telephone # (614) 504-5544

Fax # _____

E-mail address (if any) teresa.ringenbach@directenergy.ca

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

Name George Papadogiannis

Title Manager

Business address 2225 Sheppard Ave. East, 2nd Fl., Toronto, Ontario M2J5C2

Telephone # (416) 758-4259

Fax # _____

E-mail address (if any) george.papadogiannis@directenergy.ca

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

Customer Service address PMB #1, 7385 N. State Rt. 3, Westerville, OH 43082

Toll-free Telephone # (888) 566-9988

Fax # (800) 457-9686

E-mail address (if any) contactdirectenergy@directenergy.ca

A-8 Applicant's federal employer identification number # 20-1340064

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

☐ Sole Proprietorship

☐ Limited Liability Partnership (LLP)

☐ Corporation

☐ Partnership

☒ Limited Liability Company (LLC)

☐ 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.

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.

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)

 MANIAGUE, COMPLIANCE
Signature of Applicant and Title

Sworn and subscribed before me this 1st day of November 2010
Month Year


Signature of official administering oath

Kevin Macken, Paralegal/Notary
Print Name and Title

My commission expires on January 14, 2014

Commonwealth of Pennsylvania

County of Allegheny

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal

Kevin C. Macken, Notary Public
City of Pittsburgh, Allegheny County

SS: My Commission Expires Jan. 14, 2014
Member, Pennsylvania Association of Notaries

AFFIDAVIT

State of Pennsylvania :

Pittsburghss.
(Town)

County of Allegheny :

Carl Boyd

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

He/She is the Mngr., Compliance (Office of Affiant) of Direct Energy Services, 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)

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal
Kevin C. Macken, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Jan. 14, 2014
Member, Pennsylvania Association of Notaries

Commonwealth of Pennsylvania

County of Allegheny } ss:

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.

[Signature] MANAGER, COMPLIANCE
Signature of Affiant & Title

Sworn and subscribed before me this 1st day of November 2010
Month Year

Kevin C. Macken
Signature of official administering oath

Kevin Macken, Notary
Print Name and Title

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal
Kevin C. Macken, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Jan. 14, 2014
Member, Pennsylvania Association of Notaries

My commission expires on January 14, 2014

Exhibit A-10
"Principal Officers, Directors & Partners"

Direct Energy Services, LLC

Maura Clark President, DEB	1001 Liberty Avenue Suite 1200 Pittsburgh, PA 15222 (412) 804-5555
Paul Dobson VP, Finance DEB	1001 Liberty Avenue Suite 1200 Pittsburgh, PA 15222 (412) 304-9830
Georganne Hodges VP, Finance	12 Greenway Plaza Suite 600 Houston, TX 77046 (713) 877-3524
Lisa Delsante Secretary	1001 Liberty Avenue Suite 1200 Pittsburgh, PA 15222 (412) 667-5151
John Franciscus Asst. Secretary	1001 Liberty Avenue Suite 1200 Pittsburgh, PA 15222 (412) 667-5270
Bray Dohrwardt Vice President	12 Greenway Plaza Suite 600 Houston, TX 77046 (713) 877-3851

Exhibit A-11
"Corporate Structure"

The following entities from the attached organizational chart are retail and/or wholesale entities: Direct Energy Marketing, Inc.; Energy America, LLC; Direct Energy Services, LLC; Strategic Energy, LLC; Direct Energy, LP; WTU Retail Energy, LP; and CPL Retail Energy LP.

Exhibit B-1
"Jurisdictions of Operation"

Direct Energy Services, LLC

Jurisdictions of Operation

Direct Energy Services, LLC or an affiliate currently is licensed and active in the following states:

Power

California
Connecticut
Delaware
District of Columbia
Illinois
Maine
Maryland
Massachusetts
Michigan
New Jersey
New York
Ohio
Pennsylvania
Rhode Island
Texas

Gas

Connecticut
Illinois
Massachusetts
Michigan
New York
Ohio
Pennsylvania
Rhode Island

Direct Energy Services, LLC or an affiliate is licensed but currently inactive in the following states:

Power

California
Delaware
District of Columbia
Michigan
Ohio
Rhode Island

Gas

Maryland
New Jersey

Exhibit B-2
"Experience and Plans"

Direct Energy Services, LLC

Experience & Plans

It is Direct Energy's intention to continue to fully comply with Sec. 4929.22, Ohio Rev. Code and all the rules promulgated by the Public Utilities Commission of Ohio as contained in chapter 4901:1-29, Ohio Admin. Code.

In addition to meeting requirements specified in the Commission's Rules, Direct Energy has implemented, or is in the process of implementing, a number of measures designed to minimize consumer complaints arising from marketing and sales activities.

Direct Energy has a procedure for complaint handling and dispute resolution. Complaints are generally received through one of the following avenues: (1) placing a call to our toll free customer service lines, (2) faxing a complaint to 1-800-457-9686, or (3) mailing a letter to Direct Energy at P.O. Box 642156, Omaha, NE, 68164. These methods of contact and dispute resolution are detailed for the customer in the written contract. In addition, there is a process through which Direct Energy can receive consumer complaints directly from PUCO. Direct Energy has established a complaint resolution group that can be contacted by the PUCO at the following e-mail address: contactdirectenergy@directenergy.com. This e-mail address is staffed by members of Direct Energy's complaint escalation team to ensure that there is always someone available to immediately start working on a complaint received from a state regulatory agency. Direct Energy promptly responds to complaints received either directly from a customer or from the State's Commission. Any resolution via the State's regulatory Commission includes direct communication with the customer to resolve the issues raised by the complaint.

In addition to applicable legal and regulatory requirements, the contract with the customer guides the respective rights and responsibilities of both Direct Energy and the customer. As a result, the residential customer's rights and responsibilities are fully set forth in the terms and conditions of service. Specifically, the language includes, but is not limited to, the following:

- The length of the agreement;
- Pricing and billing arrangements;
- Customer's right of rescission/cancellation; and,
- Who to contact in the event the customer has a dispute involving Direct Energy's service

Exhibit B-3
"Disclosure of Liabilities and Investigations"

Direct Energy Services, LLC
As of July 7, 2010

Direct Energy Services, LLC ("Direct Energy") has never been the subject of regulatory or disciplinary proceedings, however, in the interest of full disclosure, certain affiliates of Direct Energy have been the subject of regulatory and disciplinary proceedings, which are detailed below.

- Energy America, LLC ("Energy America") has been the subject of regulatory and disciplinary proceedings in New Jersey, Michigan, Georgia, and Texas. However, Energy America has paid fines to or entered into amicable agreements with the States identified to resolve the matters and has worked cooperatively with regulators to assure that they will not occur again.
- In 2007, Energy America had a proceeding pending before the Federal Energy Regulatory Commission ("FERC"). However, the underlying complaint was dismissed by the FERC with prejudice.
- Direct Energy LP has been the subject of a regulatory proceeding in Texas.
- Direct Energy Business, LLC (formerly known as Strategic Energy, LLC) has been the subject of a regulatory proceeding with the California ISO.

Energy America: New Jersey

In December 1999, Energy America, was a respondent in a proceeding before the New Jersey Board of Public Utilities, docket number ES99110852U. A Consent Order was issued in February 2000 resolving claims that Energy America has improperly marketed to New Jersey customers. Prior to the Consent Order being issued Energy America met certain conditions, including submitting all agent training materials to the Board of Public Utilities staff for review, providing Board of Public Utilities Staff with a dress rehearsal of its revised sales presentation, submitting its third party verification program for review and receiving approval from the Board of Public Utilities and the Division of Consumer Affairs to resume marketing. As part of the Consent Order Energy America agreed to continue its practice of allowing consumers to cancel their contracts at no cost and to contact all New Jersey customers enrolled with Energy America by mail and provide them with an opt-out letter and return postage paid envelope. While Energy America did not admit to any acts which violated any New Jersey laws or regulations, Energy America agreed to make payment to the State of New Jersey for the purposes of further consumer education and funding future investigative and enforcement activities and to pay attorneys' fees and costs incurred by the Board of Public Utilities and the Division of Consumer Affairs in connection with this matter.

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.

Energy America: Federal Energy Regulatory Commission

On March 15, 2007, the Illinois Attorney General filed a complaint with the Federal Energy Regulatory Commission ("FERC"), alleging that (i) certain electricity suppliers engaged in price manipulation in an auction that Commonwealth Edison Company and the Ameren Companies held in September 2006 and (ii) that the resulting prices are unjust and unreasonable. Energy America was a participant in the auction and was named as a defendant along with fourteen other energy providers. On October 4, 2007, the FERC dismissed the complaint with prejudice.

Energy America and 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.

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 that 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 is working cooperatively with regulators to prevent their re-occurrence.

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 Business, LLC (formerly known as Strategic Energy LLC): California ISO

On August 22, 2008, the California ISO ("CAISO") issued a \$93,364 penalty against Strategic Energy, 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.

Exhibit C-1
“Annual Reports”

Direct Energy Services, LLC, is a wholly-owned subsidiary of Centrica, plc. Therefore, Direct Energy Services, LLC’s financial affairs are part of the audited, consolidated financial statement and annual report of its parent corporation, Centrica, plc.

Centrica, plc’s reports are each over 100 pages in length. For your convenience, you may find Centrica’s Annual Reports from 2008 and 2009, as well as previous years’ reports at <http://www.centrica.com/index.asp?pageid=448>.

Exhibit C-2
"SEC Filings"

Direct Energy Services, LLC, is a wholly-owned subsidiary of Centrica, plc. Therefore, Direct Energy Services, LLC's financial affairs are part of the audited, consolidated financial statement and annual report of its parent corporation, Centrica, plc. Centrica, plc does not file with the SEC because it is a United Kingdom company.

Exhibit C-3
"Financial Statements"

Direct Energy Services, LLC, is a wholly-owned subsidiary of Centrica, plc. Therefore, Direct Energy Services, LLC's financial affairs are part of the audited, consolidated financial statement and annual report of its parent corporation, Centrica, plc. Please see Exhibit C-1 which contains the Annual Reports for Centrica, plc, which include financial statements. Also see Exhibit C-6 which contains a Support Agreement.

Direct Energy Services, LLC

Exhibit C-4
"Financial Arrangements"

Exhibit C-4

"Financial Arrangements"

(Summary of
Master Services Agreement)

_____ has entered into a Master Services Agreement with _____ whereby _____, as a wholesaler, will provide services to _____, a competitive retail natural gas supplier. This exhibit will summarize the provisions under the Master Services Agreement and is responsive to Section VII "Contractual Arrangements for Capability Standards" of the Renewal Certification Filing Instructions.

1. _____ will provide 100% of the natural gas required by _____ in order for _____ to perform its obligations under existing and future agreements to supply natural gas to its customers.
2. _____ will provide any other services related to the provision of natural gas service for _____ as _____ may reasonably request from time to time. _____ will pay _____ an amount equal to the cost paid by _____ to purchase the natural gas supplied to _____ in connection with this agreement.
3. _____ will reimburse _____ for reasonable fees and expenses incurred by _____ in connection with its purchase or provision of natural gas or related services to _____.
4. The term of this agreement will be for one year provided that it will extend automatically for subsequent one-year terms unless earlier terminated by _____ or by _____ upon 60 days' prior written notice to the other party.

5. may assign certain rights and obligations related to natural gas pipeline transportation and similar assets and services to in order to allow to perform its obligations under this agreement. Such rights and obligations shall be considered assigned rights and hereby covenants to comply with the provisions of this agreement in connection therewith.

6. will also provide maintenance, administration, scheduling, and contracting services where and when requires.

7. will comply with any third party requests and will perform any special billing procedures as required by .

8. shall have the right to terminate or reduce any of the services provided by upon two days' prior written notice to .

9. If the agreement expires or is validly terminated, there will be no liability or obligation on the part of or (or any of their respective representatives), except that each party shall continue to be liable for any willful breach of this agreement by it occurring prior to termination and each party shall pay any amounts outstanding and payable by it hereunder as of the date of expiration or termination.

10. Upon the expiration or termination of this agreement for any reason, will take all actions necessary to assign or otherwise allocate the assigned rights to or its designee and to assist to enter into alternate arrangements to receive services similar to the services with applicable counterparties.

11. shall invoice on a monthly basis for all fees.

12. shall pay for all fees within 30 days of the receipt of the invoice.

13. If _____ fails to pay any fees within the 30 day period, interest shall accrue on the unpaid portion from the date that the payment was due until the date of payment at the interest rate.

14. If during the term of the agreement any governmental authority imposes a tax on the services rendered to _____ by _____, _____ agrees to pay, or remit to _____ so that _____ may pay the amount of such tax imposed upon the services rendered.

15. _____ shall have no liability for and shall not be obligated to pay for any property taxes of any kind or type applicable to the property of _____ or any income taxes of any kind or type applicable to the income of _____.

16. _____ and _____ shall each be considered as independent contractors.

17. Neither _____ nor any of its representatives shall be liable for any default or delay in the performance of its obligations if such a default or delay is caused by a Force Majeure event. Upon the occurrence of a Force Majeure event, _____ will be excused from any further performance of any obligation for as long as the Force Majeure occurs and a reasonable period of time thereafter.

18. Neither _____ nor _____ will be liable for any loss of profits, loss of business, loss of use or of data, interruption of business, or for indirect, special, punitive, exemplary, incidental, consequential or indirect damages of any kind.

19. _____ will indemnify, defend and hold harmless _____ from and against any and all claims, losses, demands, costs or liabilities resulting from or in connection with claims arising from _____'s performance of the services. However,

will not indemnify if such third party claims are based on
gross negligence or intentional misconduct.

20. If breaches its duties under this agreement, may
demand either renewal of performance of the breached service at
's expense or a
refund of the fees paid to by for the breached service. These are
the sole and exclusive remedies of under this agreement.

21. Notices are to be in writing and can be given by personal delivery, mail, overnight
courier, or by facsimile.

22. Neither nor intend to confer third-party
beneficiary rights upon any other person.

23. The agreement between and may be amended,
supplemented or modified only by a written instrument duly executed by each party.

24. Any waiver by any party to a term or condition of this agreement in any one or
more instances shall not be deemed or construed as a future waiver.

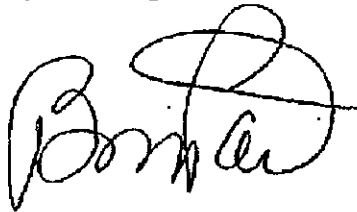
July 14, 2004

To: Public Utility Commission of Ohio

Dear Sirs/Mesdames:

I am writing in connection with proposed licensure in Ohio. More particularly, I am writing to certify, in my capacity as Legal Counsel to _____, and without personal liability, that (a) _____ is a wholly-owned direct subsidiary of _____, which in turn is a wholly-owned direct subsidiary of _____, and (b) _____ is an indirect wholly-owned subsidiary of _____. For information relating to _____'s business please visit www._____.com.

Very Best Regards,



Brandon Parent
Legal Counsel

Exhibit C-5
"Forecasted Financial Statements"

(Confidential and Proprietary – Submitted Under Seal)

Exhibit C-6
"Credit Rating"

The current credit rating for Centrica, plc as reported by Standard & Poor's on May 29, 2009, is A/A1.

The current credit rating for Centrica, plc as reported by Moody's Investors Service on July 13, 2009, is A3.

Attached is a redacted version of the Support Agreement. An unredacted version was submitted under seal.

SUPPORT AGREEMENT

This Support Agreement is made as of August 6, 2004 by and between _____, a company incorporated _____ ("Parent"), and _____, a Delaware limited liability company ("Subsidiary").

WHEREAS:

- (A) Parent is the indirect owner of 100% of the outstanding common stock of Subsidiary; and
- (B) Parent and Subsidiary desire to take certain actions to enhance and maintain the financial condition of Subsidiary.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Execution and Delivery of this Agreement

Each of Parent and Subsidiary represents that the execution and delivery of this Support Agreement has been duly authorized by it and this Support Agreement will constitute its legal, valid and binding obligation in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

2. Stock Ownership

Parent is the indirect owner of 100% of the common stock of Subsidiary.

3. Liquidity Provision

If, during the term of this Support Agreement, Subsidiary is unable to make timely payment of any obligations of Subsidiary, Parent, promptly upon notice from Subsidiary, shall provide to Subsidiary up to an aggregate of US\$ _____ in the form of cash or liquid assets.

4. Notices

Any notice, instruction, request, consent, demand or other communication required or contemplated by this Support Agreement shall be in writing, shall be given or made or communicated by United States first class mail, facsimile transmission or hand delivery, addressed as follows:

If to Parent:

If to Subsidiary:

5. **Successors**

This Support Agreement shall be binding upon the parties hereto and their respective successors and assigns.

6. **Obligations of Parent**

This Support Agreement is not, and nothing herein contained, and nothing done pursuant hereto by Parent shall constitute or shall be construed or deemed to constitute an evidence of indebtedness, or any obligation or liability, of Parent as guarantor, endorser, surety or otherwise in respect of any securities of Subsidiary of any subsidiary of Subsidiary.

7. **Governing Law**

This Support Agreement shall be governed by and construed in accordance with the laws of the State of New York.

8. **Remedies**

The parties to this Support Agreement acknowledge and agree that breach of any of the covenants of Parent set forth herein may not be compensable by payment of money damages and, therefore, that the covenants of Parent set forth herein may be enforced in equity by a decree requiring specific performance. Such remedies shall be cumulative and non-exclusive and shall be in addition to any other rights and remedies Subsidiary may have under this Support Agreement.

IN WITNESS WHEREOF the parties hereto have set their hands as of the day and year first above written.

By:
Director

By: ...
Company Secretary

By:
Authorised Signatory

Exhibit C-7
"Credit Report"

Please see the attached Dun & Bradstreet credit report for Direct Energy Services, LLC.



ATTN: Ruth Hudson

Report Printed: August 05, 2010

Live Report : DIRECT ENERGY SERVICES, LLC

D-U-N-S® Number: 15-235-8441

Trade Names: (FOREIGN PARENT IS CENTRICA PLC, WINDSOR, ENGLAND.) - DIRECT ENERGY

Endorsement/Billing Reference: ruth.hudson@directenergy.com

D&B Address

Address 263 Tresser Blvd 8th Fl
Stamford, CT - 06901

Location Type Headquarters (Subsidiary)

Web www.directenergyservices.com

Phone 800 260-0300

Fax

Added to Portfolio: 03/04/2008

Last View Date: 08/06/2010

Endorsement: ruth.hudson@directenergy.com

Company Summary

Currency: Shown in USD unless otherwise indicated

Score Bar

PAYDEX®

78

Commercial Credit Score Class

2

Financial Stress Class

4

Credit Limit - D&B Conservative 600,000.00

D&B Rating 1R3

Corporate Linkage

This is a Headquarters (Subsidiary) location

DIRECT ENERGY SERVICES, LLC
Stamford, CT
D-U-N-S® Number 15-235-8441

The Parent Company is
CENTRICA PLC
ENGLAND
D-U-N-S® Number 77-855-7603

D&B PAYDEX®

D&B PAYDEX® 78

Lowest Risk: 100; Highest Risk: 1
When weighted by amount, Payments to suppliers
average 3 days beyond terms

D&B Company Overview

This is a headquarters (subsidiary) location
Branch(es) or Division(s) Y
exist

Public Filings

The following data includes both open and closed
filings found in D&B's database on this company.

Record Type	Number of Records	Most Recent Filing Date
Bankruptcies	0	-
Judgments	0	-
Liens	0	-
Suits	0	-
UCCs	5	08/20/09

The public record items contained herein may have
been paid, terminated, vacated or released prior to
today's date.

Commercial Credit Score Class

Commercial Credit Score Class: 2

Lowest Risk: 1; Highest Risk: 5

D&B 3-month PAYDEX®

3-month D&B PAYDEX®: 78

Lowest Risk: 100; Highest Risk: 1
When weighted by amount, Payments to suppliers
average 3 Days Beyond Terms

Financial Stress Score Class

Financial Stress Score Class: 4

Lowest Risk: 1; Highest Risk: 5

Manager	LOIS HEDG- PETH, MEMBER
Year Started	2004
Employees	260 (1 Here)
SIC	4924
Line of business	Natural gas distribution
NAICS	221210
History Status	CLEAR

Corporate Linkage

Parent

Company	City, Country	D-U-N-S® NUMBER
CENTRICA PLC	Windsor, UNITED KINGDOM	77-855-7603

Subsidiaries (Domestic)

Company	City, State	D-U-N-S® NUMBER
DIRECT ENERGY BUSINESS LLC	PITTSBURGH, Pennsylvania	80-077-0810

Branches (Domestic)

Company	City, State	D-U-N-S® NUMBER
DIRECT ENERGY SERVICES, LLC	BETHESDA, Maryland	60-293-9592
DIRECT ENERGY SERVICES, LLC	WALLINGFORD, Connecticut	61-469-6085
DIRECT ENERGY SERVICES, LLC	PITTSBURGH, Pennsylvania	82-715-6550

Affiliates (Domestic)

Company	City, State	D-U-N-S® NUMBER
CPL RETAIL ENERGY LP	HOUSTON, Texas	01-774-0544
BASTROP ENERGY PARTNERS, L.P.	CEDAR CREEK, Texas	02-949-6531
DIRECT ENERGY, LP	HOUSTON, Texas	03-971-3354
CENTRICA US HOLDINGS INC	WILMINGTON, Delaware	12-426-5781
DIRECT ENERGY US HOME SERVICES	MIAMISBURG, Ohio	13-292-9097
DIRECT ENERGY INC	STAMFORD, Connecticut	14-875-8951
DIRECT ENERGY	HOUSTON, Texas	60-685-5018

Affiliates (International)

Company	City, Country	D-U-N-S® NUMBER
Direct Energy Marketing Limited	Toronto, CANADA	24-703-0505
CENTRICA RESOURCES(NIGERIA) LIMITED	LAGOS, NIGERIA	55-773-8241

CENTRICA TRUSTEES LTD	Windsor , UNITED KINGDOM	52-571-2097
VENTURE PRODUCTION LTD	Aberdeen , UNITED KINGDOM	54-378-2163
CENTRICA QUEST LTD	Windsor , UNITED KINGDOM	54-425-8502
CENTRICA TRADING LTD	Slough , UNITED KINGDOM	54-429-2436
CENTRICA BETA HOLDINGS LTD	Windsor , UNITED KINGDOM	73-437-9808
CENTRICA HOLDINGS LTD	Windsor , UNITED KINGDOM	34-825-9537
CENTRICA DELTA LTD	DOUGLAS , UNITED KINGDOM	36-483-8750
CENTRICA JERSEY LIMITED	Jersey , UNITED KINGDOM	21-754-8291

Predictive Scores

Currency: Shown in USD unless otherwise indicated

Credit Capacity Summary

This credit rating was assigned because of D&B's assessment of the company's creditworthiness. For more information, see the D&B Rating Key

D&B Rating : 1R3

Number of employees: 1R Indicates 10 or more employees
Composite credit appraisal: 3 is fair

The Rating was changed on March 23, 2010 because of changes to D & B's file on this business.

The 1R and 2R ratings categories reflect company size based on the total number of employees for the business. They are assigned to business files that do not contain a current financial statement. In 1R and 2R Ratings, the 2, 3, or 4 creditworthiness indicator is based on analysis by D&B of public filings, trade payments, business age and other important factors. 2 is the highest Composite Credit Appraisal a company not supplying D&B with current financial information can receive.

Below is an overview of the company's rating history since 07-10-2004

Number of
Employees Total: 260 (1 here)

D&B Rating	Date Applied
1R3	03-23-2010
1R2	06-03-2008
2R2	06-07-2006
—	07-10-2004

Payment Activity:	(based on 30 experiences)
Average High Credit:	41,011
Highest Credit:	500,000
Total Highest Credit:	903,000

D&B Credit Limit Recommendation

Conservative credit Limit	600,000
Aggressive credit Limit:	1,000,000

Risk category for this business : LOW

This recommended Credit Limit is based on the company profile and on profiles of other companies with similarities in size, industry, and credit usage.

Risk is assessed using D&B's scoring methodology and is one factor used to create the recommended limits. See Help for details.

Financial Stress Class Summary

The Financial Stress Class of 4 for this company shows that firms with this class had a failure rate of 0.84% (84 per 10,000), which is 1.75 times higher than the average of businesses in D & B's database.

(Lowest Risk:1; Highest Risk:5)

Probability of Failure:

- The Financial Stress Class of this business is based on the following factors:**

- Notes:**

- | Norms | National % |
|--------------------------|------------|
| This Business | 11 |
| Region: NORTHEAST | 48 |
| Industry: INFRASTRUCTURE | 43 |
| Employee range: 100-499 | 75 |
| Years in Business: 6-10 | 43 |

Higher risk than other companies with a comparable number of years in business.

Lowest Risk:1;Highest Risk :5

- Among Companies with this Classification: **4.60 %**
-

- Average compared to businesses in D&Bs database: **20.10 %**
- Credit Score Percentile : **82** (Highest Risk: 1; Lowest Risk: 100)
- Credit Score : **520** (Highest Risk: 101; Lowest Risk: 670)

The Credit Score Class of this business is based on the following factors:

- No record of open lien(s), or judgment(s) in the D & B files.
- Business does not own facilities.

Notes:

- The Credit Score Class indicates that this firm shares some of the same business and payment characteristics of other companies with this classification. It does not mean the firm will necessarily experience delinquency.
- The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 90 days past due or more by creditors. The calculation of this value is based on an inquiry weighted sample.
- The Percentile ranks this firm relative to other businesses. For example, a firm in the 80th percentile has a lower risk of paying in a severely delinquent manner than 79% of all scorable companies in D&Bs files.
- The Credit Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.
- All Credit Class, Percentile, Score and Incidence statistics are based on sample data from

Norms	National %
This Business	82
Region: NORTHEAST	50
Industry: INFRASTRUCTURE	42
Employee range: 100-499	75
Years in Business: 6-10	54

This business has a Credit Score Percentile that shows:

- Lower risk than other companies in the same region.
- Lower risk than other companies in the same industry.
- Lower risk than other companies in the same employee size range.
- Lower risk than other companies with a comparable number of years in business.

Trade Payments

Currency: Shown in USD unless otherwise indicated

D&B PAYDEX®

The D&B PAYDEX is a unique, weighted indicator of payment performance based on payment experiences as reported to D&B by trader references. Learn more about the D&B PAYDEX

Timeliness of historical payments for this company.

Current PAYDEX is	78	Equal to 3 days beyond terms (Pays more promptly than the average for its industry of 9 days beyond terms)
Industry Median is	74	Equal to 9 days beyond terms
Payment Trend currently is	↔	Unchanged, compared to payments three months ago

Indications of slowness can be the result of dispute over merchandise, skipped invoices etc. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

Total payment Experiences in D&Bs File (HQ)	30
Payments Within Terms (not weighted)	61 %
Trade Experiences with Slow or Negative Payments(%)	30.00%
Total Placed For Collection	0
Average High Credit	41,011
Largest High Credit	500,000
Highest Now Owing	200,000

Highest Past Due

20,000

D&B PAYDEX® : 78

(Lowest Risk:100; Highest Risk:1)

When weighted by amount, payments to suppliers average 3 days beyond terms

3-Month D&B PAYDEX® : 78

(Lowest Risk:100; Highest Risk:1)

Based on payments collected over last 3 months.

When weighted by amount, payments to suppliers average 3 days beyond terms

D&B PAYDEX® Comparison**Current Year**

PAYDEX® of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Natural gas distribution, based on SIC code 4924.

Shows the trend in D&B PAYDEX scoring over the past 12 months.

	9/09	10/09	11/09	12/09	1/10	2/10	3/10	4/10	5/10	6/10	7/10	8/10
This Business	73	73	72	71	72	71	70	76	77	77	78	78
Industry Quartiles												
Upper				78			78			78		
Median				74			74			74		
Lower				69			69			69		

- Current PAYDEX for this Business is 78, or equal to 3 days beyond terms
- The 12-month high is 78, or equal to 3 DAYS BEYOND terms
- The 12-month low is 70, or equal to 15 DAYS BEYOND terms

Previous Year

Shows PAYDEX of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Natural gas distribution, based on SIC code 4924.

Previous Year	09/08	12/08	03/09	06/09
This Business	63	70	69	63
Industry Quartiles				
Upper	78	78	78	78
Median	74	74	73	74
Lower	69	68	68	68

Based on payments collected over the last 4 quarters.

- Current PAYDEX for this Business is 78, or equal to 3 days beyond terms
- The present industry median Score is 74, or equal to 9 days beyond terms
- Industry upper quartile represents the performance of the payers in the 75th percentile
- Industry lower quartile represents the performance of the payers in the 25th percentile

Payment Habits

For all payment experiences within a given amount of credit extended, shows the percent that this Business paid within terms. Provides number of experiences to calculate the percentage, and the total credit value of the credit extended.

\$ Credit Extended	# Payment Experiences	Total Amount	% of Payments Within Terms
Over 100,000	3	800,000	100%
50,000-100,000	0	0	0%
15,000-49,999			

5,000-14,999	3	75,000	67%
1,000-4,999	1	10,000	100%
Under 1,000	8	15,500	47%
	7	1,750	68%

Based on payments collected over last 12 months.

For all Payment experiences reflect how bills are met in relation to the terms granted. In some instances, payment beyond terms can be the result of disputes over merchandise, skipped invoices etc.

Payment Summary

There are 30 payment experience(s) in D&Bs file for the most recent 12 months, with 15 experience(s) reported during the last three month period.

The highest Now Owes on file is 200,000 . The highest Past Due on file is 20,000

Below is an overview of the companys currency-weighted payments, segmented by its suppliers primary industries:

	Total Revd (#)	Total Amts	Largest High Credit	Within Terms (%)	Days Slow <31 31-60 61-90 90+ (%)(%)		
Top Industries							
Nonclassified	4	800,250	500,000	100	0	0	0
Computer maintenance	3	25,000	20,000	45	0	0	0
Trucking non-local	3	2,050	1,000	50	1	0	0
Help supply service	2	42,500	40,000	100	0	0	0
Whol office supplies	2	17,500	15,000	0	0	7	0
Radiotelephone commun	2	12,500	10,000	100	0	0	0
Telephone communictns	2	750	500	100	0	0	0
Misc equipment rental	1	1,000	1,000	0	0	100	0
Pulp mill	1	500	500	0	0	100	0
Mechanical contractor	1	100	100	100	0	0	0
Whol service paper	1	100	100	50	0	50	0
Newspaper-print/publ	1	0	0	0	0	0	0
Photocopying service	1	0	0	0	0	0	0
Other payment categories							
Cash experiences	5	700	500				
Payment record unknown	0	0	0				
Unfavorable comments	1	50	50				
Placed for collections:							
With D&B	0	0	0				
Other	0	N/A	0				
Total in D&Bs file	30	903,000	500,000				

Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

Indications of slowness can be result of dispute over merchandise, skipped invoices etc.

Detailed payment history for this company

Date Reported (mm/yy)	Paying Record	High Credit	Now Owes	Past Due	Settled Terms	Days Within (months)
-----------------------------	---------------	-------------	----------	----------	------------------	----------------------------

07/10	Ppt	200,000	200,000	0	1 mo
	Ppt	100,000	0	0	4-5 mos
	Ppt	40,000	40,000	0	1 mo
	(004)	100		Cash account	1 mo
06/10	Ppt	500,000	50	0	1 mo
	Ppt	10,000	0	0	1 mo
	Ppt	2,500	0	0 N30	4-5 mos
	Ppt	2,500	0	0	1 mo
	Ppt-Slow 120	20,000	20,000	20,000	2-3 mos
	Ppt-Slow 120	2,500	50	0	1 mo
	Slow 120	2,500	2,500	2,500	
	Slow 150+	15,000	0	0 N30	6-12 mos
	(013) Satisfactory .	500	0	0	6-12 mos
	(014) Bad debt .	50	50	50	2-3 mos
	(015) Satisfactory .	0	0	0	2-3 mos
04/10	(016)	50		Cash account	6-12 mos
	(017) Cash own option .	0	0	0	6-12 mos
03/10	Slow 60	1,000	1,000	Lease Agreement	
01/10	(019) Cash own option .	500		Cash account	1 mo
10/09	Ppt-Slow 30	50	0	0 N15	6-12 mos
	Slow 90+	1,000	0	0	6-12 mos
08/09	Ppt	250	0	0	6-12 mos
06/09	Ppt	250	100	0	1 mo
01/09	Slow 60	500	0	0	6-12 mos
10/08	Slow 60-120	2,500	0	0	6-12 mos
09/08	Ppt	0	0		6-12 mos
	(027) Cash own option .	50		Cash account	6-12 mos
08/08	Ppt	1,000	0	0	6-12 mos
	Ppt	100	0	0 N30	6-12 mos
08/08	Ppt-Slow 60	100	100	100	2-3 mos

Payments Detail Key: ■ 30 or more days beyond terms

Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc. Each experience shown is from a separate supplier. Updated trade experiences replace those previously reported.

Public Filings

Currency: Shown in USD unless otherwise indicated ■

Summary

The following data includes both open and closed filings found in D&B's database on this company.

Record Type	# of Records	Most Recent Filing Date
Bankruptcy Proceedings	0	-
Judgments	0	-
Liens	0	-
Suits	0	-

The following Public Filing data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

UCC Filings

Collateral	Accounts receivable including proceeds and products
Type	Original
Sec. Party	NIAGARA MOHAWK POWER CORPORATION, SYRACUSE, NY
Debtor	DIRECT ENERGY SERVICES, LLC
Filing No.	8190051 3
Filed With	SECRETARY OF STATE/UCC DIVISION, DOVER, DE
Date Filed	2006-06-05
Latest Info Received	07/06/06

Collateral	Account(s) and proceeds - General intangibles(s) and proceeds - Contract rights and proceeds
Type	Original
Sec. Party	NATIONAL GRID NY, BROOKLYN, NY THE BROOKLYN UNION GAS COMPANY, BROOKLYN, NY
Debtor	DIRECT ENERGY SERVICES, LLC
Filing No.	2009 2682166
Filed With	SECRETARY OF STATE/UCC DIVISION, DOVER, DE
Date Filed	2009-08-20
Latest Info Received	09/21/09

Collateral	Account(s) and proceeds - Chattel paper and proceeds - General intangibles(s) and proceeds
Type	Original
Sec. Party	NATIONAL FUEL GAS DISTRIBUTION CORPORATION, WILLIAMSVILLE, NY
Debtor	DIRECT ENERGY SERVICES, LLC, WALLINGFORD, CT
Filing No.	2007 4400312
Filed With	SECRETARY OF STATE/UCC DIVISION, DOVER, DE
Date Filed	2007-11-19
Latest Info Received	12/20/07

Collateral	RIGHTS
Type	Original
Sec. Party	CON EDISON OF NEW YORK, INC. RETAIL CHOICE OPERATIONS, NEW YORK, NY
Debtor	DIRECT ENERGY BUSINESS, LLC, PITTSBURGH, PA
Filing No.	0906035512527
Filed With	SECRETARY OF STATE/UCC DIVISION, ALBANY, NY
Date Filed	2009-06-03
Latest Info Received	06/11/09

Collateral	RIGHTS
Type	Original
Sec. Party	CON EDISON OF NEW YORK, INC., NEW YORK, NY
Debtor	DIRECT ENERGY SERVICES LLC
Filing No.	0807255839626
Filed With	SECRETARY OF STATE/UCC DIVISION, ALBANY, NY
Date Filed	2008-07-25
Latest Info Received	08/04/08

The public record items contained herein may have been paid, terminated, vacated or released prior to today's date.

Government Activity

Activity summary

Borrower (Dir/Guar)	NO
Administrative Debt	NO
Contractor	YES
Grantee	NO
Party excluded from federal program(s)	NO

Possible candidate for socio-economic program consideration

Labour Surplus Area	N/A
Small Business	N/A
8(A) firm	N/A

The details provided in the Government Activity section are as reported to Dun & Bradstreet by the federal government and other sources.

History & Operations

Currency: Shown in USD unless otherwise indicated

Company Overview

Company Name:	DIRECT ENERGY SERVICES, LLC
Doing Business As :	(FOREIGN PARENT IS CENTRICA PLC, WINDSOR, ENGLAND.) , DIRECT ENERGY
Street Address:	263 Tresser Blvd 8th Fl Stamford , CT 06901
Phone:	800 260-0300
URL:	http://www.directenergyservices.com
History	Is clear
Present management control	6 years

History

The following information was reported: **03/22/2010**

Officer(s):	LOIS HEDG-PETH, MEMBER BILL CRONIN, MEMBER
-------------	---

The Connecticut Secretary of State's business registrations file showed that Direct Energy Services, LLC was registered as a corporation on

July 6, 2004.
verbally on Feb 25 2009.
Business started 2004 by members.

RECENT EVENTS :

On June 3, 2008, sources stated that Direct Energy Services, LLC, Stamford, CT, announced the successful completion of its acquisition of Strategic Energy, L.L.C., Pittsburgh, PA on June 2, 2008. With this acquisition, Strategic Energy, L.L.C. will operate as a subsidiary of Direct Energy Services, LLC. Financial terms of the acquisition were not disclosed.

LOIS HEDG-PETH. Antecedents are undetermined.

BILL CRONIN. 2004-present active here.

Operations

03/22/2010

Subsidiary of Centrica Plc, Windsor, started 1997 which operates as a holding company. Parent company owns 100% of capital stock.

Foreign Parent is Centrica Plc, Windsor, England. DUNS# 778557603.

Description:

Provides natural gas distribution (100%).

Terms are on contractual basis. Sells to undetermined. Territory : Undetermined.

Nonseasonal.

Employees:

260 which includes partners. 1 employed here.

Facilities:

Rents 2,000 sq. ft. in a building.

Branches:

Maintains a branch location in Bethesda, MD and Wallingford, CT.

Subsidiaries:

This business has multiple subsidiaries, detailed subsidiary information is available in D & B's linkage or family tree products.

SIC & NAICS

SIC:

Based on information in our file, D&B has assigned this company an extended 8-digit SIC. D&B's use of 8-digit SICs enables us to be more specific about a company's operations than if we use the standard 4-digit code.

The 4-digit SIC numbers link to the description on the Occupational Safety & Health Administration (OSHA) Web site. Links open in a new browser window.

4924 0000 Natural gas distribution

NAICS:

221210 Natural Gas Distribution

Financials

Currency: Shown in USD unless otherwise indicated

Company Financials: D&B

D&B currently has no financial information on file for this company.

You can ask D&B to make a personalized request to this company on your behalf to obtain its latest financial information by clicking the Request Financial Statements button below.

Additional Financial Data

On March 22, 2010, attempts to contact the management of this business have been unsuccessful. Outside sources confirmed name and location.

Request Financial Statements

Key Business Ratios

D & B has been unable to obtain sufficient financial information from this company to calculate business ratios. Our check of additional outside sources also found no information available on its financial performance.

To help you in this instance, ratios for other firms in the same industry are provided below to support your analysis of this business.

Based on this Number of Establishments

41

Industry Norms Based On 41 Establishments

	This Business	Industry Median	Industry Quartile
Profitability			
Return on Sales	UN	5.7	UN
Return on Net Worth	UN	11.0	UN
Short-Term Solvency			
Current Ratio	UN	1.1	UN
Quick Ratio	UN	0.5	UN
Efficiency			
Assets/Sales	UN	167.3	UN
Sales / Net Working Capital	UN	8.9	UN
Utilization			
Total Liabilities / Net Worth	UN	191.4	UN

UN = Unavailable

Associations

All Credit Files Created from this D&B Live Report

Company Name	Type	Status	Date Created
DIRECT ENERGY SERVICES, LLC	Application - #FCN4P9KQ4	Approved	03/04/2008 09:39 AM CST
DIRECT ENERGY SERVICES, LLC	Application - #FCCXWHPQN	Approved	05/05/2008 03:45 PM CDT
DIRECT ENERGY SERVICES, LLC	Application - #FCCTEVWHD	Approved	07/08/2008 09:55 AM CDT
DIRECT ENERGY SERVICES, LLC	Application - #FCKETL34	Approved	07/08/2008 02:03 PM CDT
DIRECT ENERGY SERVICES, LLC	Application - #FCGHYWA4W	Approved	11/20/2009 02:14 PM CST

All Credit Files with Same D-U-N-S® Number as this D&B Live Report

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Detailed Trade Risk Insight™

Detailed Trade Risk Insight provides detailed updates on over 1.5 billion commercial trade experiences collected from more than 260 million unique supplier/purchaser relationships.

Days Beyond Terms - Past 3 & 12 Months**3 months** from Jun 10 to Aug 10**20**
DaysDollar-weighted average of **9** payment experiences
reported from **7** companies**12 months** from Sep 09 to Aug 10**25**
DaysDollar-weighted average of **14** payment
experiences reported from **9** companies**Derogatory Events Last 11 Months from Aug 09 to Jun 10**

No Derogatory trade Event has been reported on this company for the past 13 Months

Total Amount Current and Past Due - 11 month trend from Aug 09 to Jun 10

Status	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Total	32,260	21,263	26,227	38,431	32,655	29,835	13,690	54,564	66,379	27,992	34,543
Current	26,086	19,970	24,820	28,091	20,996	27,239	12,328	47,264	64,485	23,247	11,202
1-30 Days Past Due	3,784	938	-	10,340	11,895	638	1,207	5,719	399	4,205	23,341
31-60 Days Past Due	1,222	-	832	-	-	1,753	-	1,440	1,354	399	-
61-90 Days Past Due	1,027	107	219	-	-592	14	14	-	-	-	-
90+ Days Past Due	141	248	356	-	356	141	141	141	141	141	-

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Exhibit C-8
“Bankruptcy Information”

Direct Energy Services, LLC, has not been involved in any bankruptcy proceeding since the last filing for certification in July 2008.

Exhibit C-9
"Merger Information"

Direct Energy Services, LLC has no additional dissolution, merger, or acquisition information since its last certification.

Exhibit D-1 "Operations"

Direct Energy Services, LLC, has the resources and expertise to successfully procure and deliver natural gas, interface with distribution companies, and provide excellent customer service. Extensive experience in both the gas and electric industry in other states provides the institutional knowledge for Direct Energy Services, LLC, to successfully serve the retail natural gas market in Ohio.

In providing service to its Ohio customers, Direct Energy Services, LLC, will draw on the technical capability of its own personnel, who have industry-leading experience in providing energy services in retail markets, and the technical ability of its parent company, Centrica plc. Centrica plc is a diversified energy company with substantial operations in Western Europe and North America. In North America, Centrica's affiliates supply energy and essential home services to residential customers and provide electricity and a multitude of products and services that support wise energy use and conservation.

As part of Centrica, Direct Energy Services, LLC, has over five million commercial and residential customer relationships for gas, electric, and related services across North America.

Overall, Direct Energy Services, LLC, has over 500 employees across the United States.

Direct Energy Services, LLC, has familiarity with Electronic Data Interchange ("EDI"). Direct Energy Services, LLC, will continue to use its current EDI vendor, Energy Services Group ("ESG"). Over 100 energy companies have utilized ESG for compliant systems and ongoing management of billing and transactions for natural gas and electric utility service territories. ESG has worked with commercial and industrial energy suppliers, residential energy suppliers, metering companies, financial organizations, ISOs, natural gas and electricity distribution companies, and other energy market participants. Moreover, ESG has been a pioneer in the development and utilization of competitive energy data exchange protocols. Working hand in hand with their clients' operations, ESG was the first company to be certified by an energy company trading partner for EDI protocols in Connecticut, Rhode Island, Virginia, Maryland, New Jersey, New York and Pennsylvania.

Exhibit D-2
"Operations Expertise"

The principals and management of Direct Energy Services, LLC, have extensive experience in the energy industry, including particular experience in the areas of natural gas, power supply, energy marketing, deregulation, economic and financial planning, strategic planning and acquisitions in the energy industry, customer contracting and customer relations, utility system planning and project development, scheduling, balancing, risk management, billing and accounting.

Direct Energy Services, LLC, already has experience as a competitive supplier in the Midwest region and familiarity with operations in the region. Moreover, through its experience as a competitive gas supplier in Ohio, Direct Energy Services is familiar with the issues and interests of Ohio customers.

Exhibit D-3
"Key Technical Personnel"

Jay Hellums
Senior Vice President, Energy Management
jay.hellums@directenergy.com
(713) 877-3642

Jay has more than four years electric sales and electric system operational experience. As Senior Vice President for Midstream and Trading, Jay is responsible for all gas and power trading, marketing and asset optimization activities in Direct Energy's North American markets.

Before joining Direct Energy, Jay was Managing Director and Head of European Operations at El Paso Merchant Energy in the United Kingdom, where he was in charge of the formation and management of pan-European gas and power trading and marketing operations. Prior to joining El Paso, Jay held senior management positions with Enron Corporation and Bankers Trust.

He received a BBA in Finance from the University of Houston and an MBA from Rice University in Houston, Texas.

Wildred Dangcil
Senior Portfolio Manager
wildred.dangcil@directenergy.com
(713)-877-3643

Will has more than four years of electric sales and electric system operational experience. He has worked for Direct since 1999, and previously worked for CNG Retail Service Corporation as a Senior Power Scheduler. Will has over 12 years of energy trading experience with over 7 years of OASIS transmission reservation and OATI tagging experience. He holds a B.S. in Economics from Fairleigh Dickinson University.

David Zager
Sr. Manager, NEPOOL Portfolio Management
david.zager@directenergy.com
(713) 877-3809

David has 8 years power industry experience at Direct Energy, Energy New England and AES New Energy in various forward and real time trading positions across the Eastern Interconnect. David's responsibilities include use of various ISO interfaces such as PJM, NYISO, and ISO-NE, as well as different control areas in ECAR and MAIN. His responsibilities also include short term physical transactions which would need to be scheduled and tagged appropriately. Additional responsibilities include OASIS procurement and capacity on the tie lines and NERC tag requirements for the transaction in OATI.

Exhibit D-4
“FERC Power Marketer License Number”

Federal Regulatory Body	License/Holder	Name/Type	Docket No.	Effective Date (MBR Granted)
FERC	Direct Energy Services, LLC	MBR Tariff	ER06-386-002	6-Feb-06

The new recently filed electronic tariff docket for Direct Energy Services, LLC is ER11-1846-000.