

FILE



Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, OH 43215-3793

00-1936-EL-CRS

October 28, 2016

RE: Direct Energy Services, LLC Ohio Power License Renewal (Original CRS Case Number 00-1936-EL-CRS)

Dear Docketing Division:

Enclosed please find the Ohio power license renewal for Direct Energy Services, LLC. Please note the motion for protective order is being filed in person on October 31, 2016 by Ashley Hoffman.

If there are any questions or comments regarding this submission, please contact me at 713-877-3534 or Barbara Farmer at 713-354-4710.

Respectfully,

Otibo Arthur
Compliance Analyst

Enclosures

2016 OCT 31 AM 11:22
PUCO

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Public Utilities Commission

| | |
|--------------------------|----------|
| Original CRS Case Number | Version |
| 00 - 1936 -EL-CRS | May 2016 |

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 C-10 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.

A. RENEWAL INFORMATION

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

- Retail Generation Provider
- Power Marketer
- Power Broker
- Aggregator

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

Legal Name Direct Energy Services, LLC
 Address 12 Greenway Plaza, Suite 250 - Houston, TX 77046
 PUCO Certificate # and Date Certified 00-019E - 12-2-2000
 Telephone # (713) 877-3500 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 12 Greenway Plaza, Suite 250- Houston, TX 77046
 Telephone # (713) 877-3500 Web site address (if any) www.directenergy.com

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

Direct Energy Services, LLC _____

A-5 Contact person for regulatory or emergency matters

Name Teresa Ringenbach
Title Sr. Manager, Gov't & Regulatory Affairs
Business address 21 E. State Street, 19th Floor, Columbus, OH 43215
Telephone # (614)633-6829 Fax # (614) 220-4674
E-mail address teresa.ringenbach@directenergy.Com

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

Name Dione Sandell
Title Regional Manager Complaints
Business address 6502 S. Yale Avenue, Suite 300 Tulsa, OK 74136
Telephone # (866) 670-6771 Fax # (888) 522-6528
E-mail address dione.sandell@directenergy.com

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

Customer Service address 6502 S. Yale Avenue, Suite 300, Tulsa, OK 74136
Toll-free Telephone # (888) 566-9988 Fax # (800) 457-9686
E-mail address csdirectenergy@directenergy.com

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.

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. (This is generally only applicable to publicly traded companies who publish annual reports.)

- C-2** **Exhibit C-2 “SEC Filings.”** provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. 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. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).
- 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.,).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU’s collateral requirements.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

1. The applicant itself stating that it is investment grade rated by Moody’s, Standard & Poor’s or Fitch and provide evidence of rating from the rating agencies.
2. Have a parent company or third party that is investment grade rated by Moody’s, Standard & Poor’s or Fitch guarantee the financial obligations of the applicant to the LDU(s).
3. Have a parent company or third party that is not investment grade rated by Moody’s, Standard & Poor’s or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company’s financials must be included in the application if the applicant is relying on this option.
4. Posting a Letter of Credit with the LDU(s) as the beneficiary.

If the applicant is not taking title to the electricity or natural gas, enter “N/A” in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

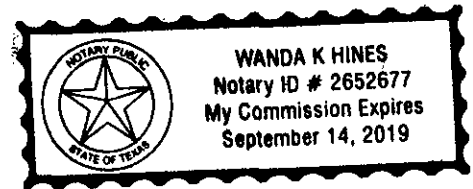
- C-5 **Exhibit C-5 “Forecasted Financial Statements,”** provide two years of forecasted income statements for the applicant’s **ELECTRIC related business activities in the state of Ohio Only**, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.
- 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, Fitch IBCA, Moody’s Investors Service, Standard & Poor’s, 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 an 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. If an applicant or its parent does not have such a credit rating, enter “N/A” in Exhibit C-6.
- C-7 **Exhibit C-7 “Credit Report,”** provide a copy of the applicant’s credit report from Experian, Dun and Bradstreet or a similar organization. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter “N/A” for Exhibit C-7.
- 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 two most recent years preceding the application.
- C-10 **Exhibit C-10 “Corporate Structure,”** provide a description of the applicant’s corporate structure, not an internal organizational chart, 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. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.

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)

[Signature] CO-SECRETARY
 Signature of Applicant and Title



Sworn and subscribed before me this 28th day of October, 2016
 Month Year

[Signature]
 Signature of official administering oath

Wanda K. Hines -notary
 Print Name and Title

My commission expires on 9/14/19

AFFIDAVITState of Texas :Houston ss.
(Town)County of Harris :Paolo Berard, Affiant, being duly sworn/affirmed according to law, deposes and says that:He/She is the Co-Secretary (Office of Affiant) of Direct Energy Services, LLC (Name of Applicant);

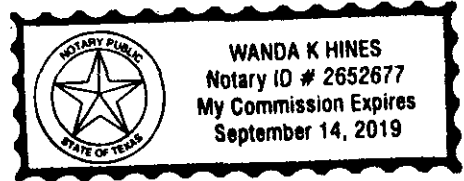
That he/she is authorized to and does make this affidavit for said Applicant,

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)

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.

PR
Signature of Affiant & Title CO-SECRETARY



Sworn and subscribed before me this 28th day of October, 2016
Month Year

Wanda K. Hines
Signature of official administering oath

Wanda K. Hines - notary
Print Name and Title

My commission expires on 9/14/19

Exhibit A-10

Principal Officers & Directors

Direct Energy Services, LLC

Board Positions

| Name | Position | Appointed | Phone Number |
|---------------|-----------------|------------------|---------------------|
| Asthana, Manu | Director | 08/14/2014 | (713)877-3642 |
| Schultz, John | Director | 08/14/2014 | (732)516-2600 |

Officers

| Name | Position | Appointed | Phone Number |
|-----------------|---------------------|------------------|---------------------|
| Galligan, Craig | Assistant Secretary | 08/14/2014 | (412)667-5151 |
| Miles, Erin | Assistant Treasurer | 04/01/2016 | (713)904-7062 |
| Asthana, Manu | Co-President | 08/14/2014 | (713)877-3642 |
| Schultz, John | Co-President | 08/14/2014 | (732)516-2600 |
| Berard, Paolo | Co-Secretary | 09/15/2016 | (713)877-3533 |
| Dohrwardt, Bray | Co-Secretary | 09/15/2016 | (713)877-3851 |
| Kruger, Randy | Co-Treasurer | 08/14/2014 | (732)516-3001 |
| Streich, Julie | Co-Treasurer | 04/01/2016 | (713)904-7251 |

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

Name: Direct Energy Services, LLC
Business Address: 12 Greenway Plaza, Suite 250
Houston, TX 77046

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

License #/State of Issuance: Docket # 06-06-06(Electric)/Connecticut
Registration # 01-04/Connecticut (Gas)
Order No. 13816(Power)/D.C.
Certificate No. 6790(Electric)/Delaware
Docket # 05-0722(Power)/Illinois
Docket # 05-0086(Gas)/Illinois
License # CS-047(Power)/Massachusetts
License # GS-028(Gas)/Massachusetts
License # IR-719(Power)/Maryland
License # IR-791(Gas)/Maryland
Case No. U-14537(Gas)/Michigan
DM 15-513(power)New Hampshire
License # ESL-0078(Power)/New Jersey
License # GSL-0088(Gas)/New Jersey
Letter Order 2016 (Power & Gas)/New York
License # 02-024G (Gas)/Ohio
License # 00-019E (Power)/Ohio
License # A-110164(Power)/Pennsylvania
License # A-125135(Gas)/Pennsylvania
Docket # 2379(T1)(Gas)/Rhode Island
Docket # D-96-6(U2)(Power)/Rhode Island

States Not Currently Serving Customers

Case No. U-14724(Power)/Michigan;
License # 1341(Power)/California
Docket # 2005-479(Power)/Maine

Affiliate(s) currently authorized to provide retail natural gas service or retail/wholesale electric service in other jurisdictions:

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, LLC
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046
License #/State of Issuance: Rep# 10008/Texas

Updated
07/08/2016

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 GSL-0146 (Gas) / New Jersey & License # ESL-0166
 (Electric);

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

Name: Direct Energy Business Marketing, LLC
Business Address: 1 Hess Plaza, Woodbridge, NJ 07095
 Docket # GA-2013-03-1/D.C.(Gas)/Docket # EA-2013- 12/ D.C.
 (Power)/Certificate No. 8425/Delaware(Power)/License # IR3108/
 Maryland(Gas)/License # IR-3123/Maryland(Power)/License # CS-
 108/Massachusetts(Power)/License # GS-051/Massachusetts(Gas)/
 Docket 2013-00404/Maine(Power)/DM 13-260/New Hampshire
 (Power)/DM 13-121/New Hampshire(Gas)/Docket # 2005-
 479/Maine(Power)/License # ESL0142/New Jersey(Power)/
 License # GSL0128/New Jersey(Gas)/License #13-
 707E/Ohio(Power)/License#13-303G(Gas)
 Letter Order 2015/New York(Power & Gas)/License G-7/Virginia(Gas)
 License A-2013-2368464/Pennsylvania(Power)/License A-2013-
 2365792/Pennsylvania(Natural Gas)/License A-2013-2364766/
 Pennsylvania(Power)/Docket # D-96-6(J6)/Rhode Island(Power)

Name: Direct Energy Business, LLC
Business Address: 1001 Liberty Avenue, Pittsburgh, PA 15222
License #/State of Issuance: License#1837770-1(Power)/Arizona; License#1351(Power)
 California;License#0013(Natural Gas)California; Docket#00-05-14
 (Power)Connecticut; Docket No.99-400(Power)/Delaware;
 License#EA-04-4-4(Power)/Maine; License#IR-437 (Power) Illinois;
 Docket No. 2011-201(Power)/ Maine; License# GS-
 052(Gas)/Massachusetts; Docket # U-13609(Power) Michigan; DM15-
 373 (Power) New Hampshire; License# ESL 0027(Power)/New Jersey;
 License#GSL-0122(Gas)/New Jersey; Letter Order 2015(Power&Gas)/
 New York; Certificate# 00-005(Power)/Ohio; License# A-110025
 (Power)/Pennsylvania; Docket# D96-6(Z)(Power)/Rhode Island;
 Certificate# 10011(Power)/Texas
 License #IR-2697(Gas)/Maryland

Exhibit B-2
Experience & Plans

Direct Energy Services, LLC ("DES") 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 and serves nearly 6 million residential and commercial customers across North America. 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 50 states plus the District of Columbia and 10 provinces in Canada.

DES, formerly known as Energy America, LLC, first entered the Duke Energy Ohio CHOICE program as a marketer in the fourth quarter of 2002. We have since made entry into the other Ohio utility districts and initiated marketing campaigns in the First Energy utilities (Ohio Edison, Toledo Edison, and Cleveland Electric Illuminating), American Electric Power utilities (Ohio Power and Columbus Southern Power), and Dayton Power and Light. DES will continue efforts for expansion through customer acquisition and retention efforts as part of Direct Energy's business model. Upon enrollment by the customer, DES mails a confirmation letter detailing the terms and conditions of the contract as part of its "Welcome Kit" to new customers.

DES has marketed and acquired customers in all service territories in Ohio. As of August 2016, DES serves approximately 70,000 customers in the combined service territories. The most current volume supplied for the Ohio customer base was 117,600 MWh in August, 2016.

Regarding customer inquiries and complaints:

Normal customer service hours are Monday – Friday, 8 AM – 8PM, Eastern Standard Time and Saturday from 8 AM – 5 PM Eastern Standard Time. When customer concerns are received at DES's Customer Care center, the issue is researched to determine all factors influencing the concern. Once the factors involved in the issues are established, contact with the customer is made in an attempt to reach an amicable resolution through our Office of the President department. 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, DES will inform the customer that PUCO Staff is available to mediate complaints.

Exhibit B-3 Summary of DES, LLC Regulatory Proceedings

In the interest of full disclosure, Direct Energy Services, LLC has been the subject of legal and regulatory proceedings since the last electric service registration. Those proceedings are detailed below.

Direct Energy Services, LLC: Connecticut

In October 2014, the PURA re-opened Direct's licensing docket as a result of Direct's self-report regarding a process breakdown that resulted in a failure to send renewal notices to customers. The PURA intends to fully examine Direct's compliance with the Connecticut General Statutes, and determine if civil penalties will be applied. Direct had already begun to issue refunds to impacted customers when it submitted the information about its renewal notices.

Direct Energy Services, LLC: Connecticut

In June 2013, the Connecticut Public Utilities Regulatory Authority ("PURA") opened an investigation into the trade practices of three electric suppliers in the state, which included Direct Energy ("Direct"). The PURA alleged that it had received numerous customer complaints regarding billing, slamming and quality of service against Direct. In October 2013, Direct answered a series of interrogatories issued by the PURA. PURA staff and the Office of Consumer Counsel propounded additional interrogatories in mid-2015, which Direct Energy has answered. The case remains open at PURA, with a final decision expected in early 2017.

Direct Energy Services, LLC: FERC

In August 2014, FERC issued an Order Approving Stipulation and Consent Agreement, resolving a nonpublic investigation conducted by FERC's Office of Enforcement ("Enforcement") stemming from a self-report by Direct Energy. The investigation examined whether Direct Energy violated the FERC'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 and to disgorge profits related to this activity.

Direct Energy Services, LLC: Michigan

In February 2013, the Michigan Public Service Commission ("MPSC") issued an order accepting Direct Energy Services' ("Direct") self-report regarding allegations of slamming by field sales agents. Four agents purposefully manipulated Direct'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, Direct immediately terminated the agents, suspended sales and conducted a thorough investigation. Direct 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 Direct's self-report without any changes to the proposed remedial actions, and after a six month suspension of small business field sales, MPSC approved Direct's restarting of field sales in the region.

**Exhibit C-1
Annual Reports**

Please see the previous two annual reports.

2015: <https://www.centrica.com/investors/financial-reporting/2015-annual-report>

2014: http://www.centrica.com/files/reports/2014ar/Centrica_AR2014_Annual_Report.pdf

ORIGINAL

Direct Energy Services, LLC

Exhibit C-2
SEC Filings

Direct Energy Services, 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.

11
ORIGINAL

Direct Energy Services, LLC

Exhibit C-3
Financial Statements

Please see attached for Direct Energy Services, LLC's parent company Centrica plc's Summary Financial Statements for 2015 and 2014.

Group Income Statement

| Year ended 31 December | Notes | 2015 | | | 2014 | | |
|---|-------|-------------------------|--|-------------------------|-------------------------|--|-------------------------|
| | | Business performance £m | Exceptional items and certain re-measurements £m | Results for the year £m | Business performance £m | Exceptional items and certain re-measurements £m | Results for the year £m |
| Group revenue | 4(b) | 27,971 | - | 27,971 | 29,408 | - | 29,408 |
| Cost of sales before exceptional items and certain re-measurements | 5 | (23,734) | - | (23,734) | (25,043) | - | (25,043) |
| Re-measurement of energy contracts | 7 | - | 116 | 116 | - | (1,134) | (1,134) |
| Cost of sales | 5 | (23,734) | 116 | (23,618) | (25,043) | (1,134) | (26,177) |
| Gross profit | | 4,237 | 116 | 4,353 | 4,365 | (1,134) | 3,231 |
| Operating costs before exceptional items | 5 | (3,039) | - | (3,039) | (2,903) | - | (2,903) |
| Exceptional items – impairments | 7 | - | (2,268) | (2,268) | - | (1,938) | (1,938) |
| Exceptional items – onerous provisions | 7 | - | (90) | (90) | - | - | - |
| Exceptional items – gains on disposals | 7 | - | - | - | - | 341 | 341 |
| Operating costs | 5 | (3,039) | (2,358) | (5,397) | (2,903) | (1,597) | (4,500) |
| Share of profits of joint ventures and associates, net of interest and taxation | 6, 7 | 200 | (13) | 187 | 106 | 26 | 132 |
| Group operating loss | 4(c) | 1,398 | (2,255) | (857) | 1,568 | (2,705) | (1,137) |
| Financing costs | 8 | (334) | - | (334) | (318) | - | (318) |
| Investment income | 8 | 55 | - | 55 | 52 | - | 52 |
| Net finance cost | | (279) | - | (279) | (266) | - | (266) |
| Loss before taxation | | 1,119 | (2,255) | (1,136) | 1,302 | (2,705) | (1,403) |
| Taxation on loss | 7, 9 | (286) | 538 | 252 | (375) | 773 | 398 |
| Loss for the year | | 833 | (1,717) | (884) | 927 | (1,932) | (1,005) |
| Attributable to: | | | | | | | |
| Owners of the parent | | 663 | (1,610) | (747) | 903 | (1,915) | (1,012) |
| Non-controlling interests | | (30) | (107) | (137) | 24 | (17) | 7 |
| Earnings per ordinary share | | | | Pence | | | Pence |
| Basic | 10 | | | (14.9) | | | (20.2) |
| Diluted | 10 | | | (14.9) | | | (20.2) |
| Interim dividend paid per ordinary share | 11 | | | 3.57 | | | 5.10 |
| Final dividend proposed per ordinary share | 11 | | | 8.43 | | | 8.40 |

The notes on pages 92 to 168 form part of these Financial Statements.

ORIGINAL

Group Statement of Comprehensive Income

| Year ended 31 December | Notes | 2015 £m | 2014 £m |
|--|-------|----------------|------------|
| Loss for the year | | (684) | (1,005) |
| Other comprehensive income/(loss): | | | |
| Items that will be or have been recycled to the Group Income Statement: | | | |
| Gains on revaluation of available-for-sale securities, net of taxation | \$4 | 5 | 4 |
| Net gains/(losses) on cash flow hedges | \$4 | 20 | (44) |
| Transferred to income and expense on cash flow hedges | \$4 | (12) | 46 |
| Transferred to assets and liabilities on cash flow hedges | \$4 | 7 | 6 |
| Taxation on cash flow hedges | \$4 | (8) | (1) |
| | | 9 | 7 |
| Exchange differences on translation of foreign operations | | (256) | (165) |
| Share of other comprehensive income/(loss) of joint ventures and associates, net of taxation | \$4 | 3 | (15) |
| | | (239) | (169) |
| Items that will not be recycled to the Group Income Statement: | | | |
| Net actuarial losses on defined benefit pension schemes | \$4 | (321) | (83) |
| Exchange gain on translation of actuarial reserve | \$4 | 3 | |
| Taxation on net actuarial losses on defined benefit pension schemes | \$4 | 50 | 18 |
| | | (268) | (65) |
| Reversal of revaluation reserve, net of taxation and exchange differences | \$4 | - | (10) |
| Share of other comprehensive (loss)/income of joint ventures and associates, net of taxation | \$4 | (8) | 21 |
| Other comprehensive loss net of taxation | | (515) | (223) |
| Total comprehensive loss for the year | | (1,399) | (1,228) |
| Attributable to: | | | |
| Owners of the parent | | (1,227) | (1,234) |
| Non-controlling interests | \$10 | (172) | 6 |

Group Statement of Changes in Equity

| | Share capital (note 25) £m | Share premium £m | Retained earnings £m | Other equity (note S4) £m | Total £m | Non-controlling interests (note S10) £m | Total equity £m |
|--|----------------------------------|---------------------|-------------------------|---------------------------------|-------------|---|--------------------|
| 1 January 2014 | 321 | 931 | 4,255 | (315) | 5,192 | 65 | 5,257 |
| Total comprehensive (loss)/income | - | - | (1,012) | (222) | (1,234) | 6 | (1,228) |
| Employee share schemes | - | - | - | 71 | 71 | - | 71 |
| Purchase of treasury shares | - | - | (2) | (420) | (422) | - | (422) |
| Cancellations of shares held in treasury | (10) | - | (549) | 559 | - | - | - |
| Investment by non-controlling interests | - | - | - | - | - | 283 | 283 |
| Distribution paid to non-controlling interests | - | - | - | - | - | (18) | (18) |
| Dividends paid to equity holders (note 11) | - | - | (867) | - | (867) | - | (867) |
| Taxation on share-based payments | - | - | - | (5) | (5) | - | (5) |
| 31 December 2014 | 311 | 931 | 1,825 | (332) | 2,735 | 336 | 3,071 |
| Total comprehensive loss | - | - | (747) | (480) | (1,227) | (172) | (1,399) |
| Employee share schemes | - | - | 2 | 58 | 60 | - | 60 |
| Scrip dividend | 6 | 204 | - | - | 210 | - | 210 |
| Dividends paid to equity holders (note 11) | - | - | (598) | - | (598) | - | (598) |
| Taxation on share-based payments | - | - | - | (2) | (2) | - | (2) |
| 31 December 2015 | 317 | 1,135 | 482 | (756) | 1,178 | 164 | 1,342 |

The notes on pages 92 to 168 form part of these Financial Statements.

Group Balance Sheet

| 31 December | Notes | 2015 £m | 2014 £m |
|---|-------|-----------------|-----------------|
| Non-current assets | | | |
| Property, plant and equipment | 13 | 4,629 | 6,377 |
| Interests in joint ventures and associates | 14 | 1,839 | 2,395 |
| Other intangible assets | 15 | 1,775 | 1,991 |
| Goodwill | 15 | 2,049 | 2,609 |
| Deferred tax assets | 16 | 497 | 354 |
| Trade and other receivables | 17 | 61 | 87 |
| Derivative financial instruments | 19 | 440 | 313 |
| Retirement benefit assets | 22(d) | 91 | 185 |
| Securities | 24 | 233 | 263 |
| | | 11,614 | 14,574 |
| Current assets | | | |
| Trade and other receivables | 17 | 4,905 | 6,226 |
| Inventories | 18 | 395 | 555 |
| Derivative financial instruments | 19 | 936 | 617 |
| Current tax assets | | 128 | 88 |
| Securities | 24 | 11 | 11 |
| Cash and cash equivalents | 24 | 560 | 621 |
| | | 7,233 | 8,118 |
| Assets of disposal groups classified as held for sale | 12(b) | 13 | - |
| | | 7,248 | 8,118 |
| Total assets | | 18,860 | 22,692 |
| Current liabilities | | | |
| Derivative financial instruments | 19 | (1,460) | (1,565) |
| Trade and other payables | 20 | (5,084) | (5,667) |
| Current tax liabilities | | (389) | (348) |
| Provisions for other liabilities and charges | 21 | (399) | (395) |
| Financial liabilities | 24 | (475) | (1,635) |
| | | (7,754) | (9,610) |
| Liabilities of disposal groups classified as held for sale | 12(b) | (46) | - |
| | | (7,800) | (9,610) |
| Non-current liabilities | | | |
| Deferred tax liabilities | 16 | (98) | (663) |
| Derivative financial instruments | 19 | (508) | (588) |
| Trade and other payables | 20 | (70) | (83) |
| Provisions for other liabilities and charges | 21 | (2,839) | (3,203) |
| Retirement benefit obligations | 22(d) | (210) | (123) |
| Financial liabilities | 24 | (5,983) | (5,351) |
| | | (9,718) | (10,011) |
| Total liabilities | | (17,518) | (19,621) |
| Net assets | | | |
| Share capital | 25 | 317 | 311 |
| Share premium | | 1,135 | 931 |
| Retained earnings | | 482 | 1,825 |
| Other equity | 24 | (758) | (332) |
| Total shareholders' equity | | 1,178 | 2,735 |
| Non-controlling interests | 210 | 184 | 336 |
| Total shareholders' equity and non-controlling interests | | 1,342 | 3,071 |

The Financial Statements on pages 88 to 168, of which the notes on pages 92 to 168 form part, were approved and authorised for issue by the Board of Directors on 18 February 2016 and were signed below on its behalf by:

Iain Conn
Chief Executive

Jeff Bell
Group Chief Financial Officer

ORIGINAL

Group Cash Flow Statement

| Year ended 31 December | Notes | 2015 £m | 2014 £m |
|--|-------|----------------|--------------|
| Group operating loss including share of results of joint ventures and associates | | (857) | (1,137) |
| Less share of profit of joint ventures and associates, net of interest and taxation | G | (187) | (132) |
| Group operating loss before share of results of joint ventures and associates | | (1,044) | (1,269) |
| Add back/(deduct): | | | |
| Depreciation, amortisation, write-downs and impairments | | 3,482 | 3,288 |
| Profit on disposals | | (14) | (372) |
| Decrease in provisions | | (2) | (37) |
| Defined benefit pension service cost and contributions | | (131) | (83) |
| Employee share scheme costs | | 45 | 39 |
| Unrealised (gains)/losses arising from re-measurement of energy contracts | | (12) | 1,160 |
| Operating cash flows before movements in working capital | | 2,324 | 2,726 |
| Decrease in inventories | | 138 | 4 |
| Decrease/(increase) in trade and other receivables | | 769 | (631) |
| Decrease in trade and other payables | | (604) | (50) |
| Operating cash flows before payments relating to taxes, interest and exceptional charges | | 2,627 | 2,049 |
| Taxes paid | 9(d) | (349) | (707) |
| Payments relating to exceptional charges | | (81) | (125) |
| Net cash flow from operating activities | | 2,197 | 1,217 |
| Purchase of businesses | | (79) | (131) |
| Sale of businesses | | 8 | 658 |
| Purchase of property, plant and equipment and intangible assets | 4(f) | (970) | (1,456) |
| Sale of property, plant and equipment and intangible assets | | 9 | 17 |
| Investments in joint ventures and associates | | (13) | (26) |
| Dividends received from joint ventures and associates | 14(a) | 180 | 138 |
| Repayments of loans to, and disposal of investments in, joint ventures and associates | | 190 | 109 |
| Interest received | | 38 | 35 |
| Sale of securities | 24(c) | 26 | 5 |
| Net cash flow from investing activities | | (611) | (651) |
| Issue and surrender of ordinary share capital for share awards | | 28 | 32 |
| Payments for own shares | S4 | (11) | (7) |
| Purchase of treasury shares under share repurchase programme | | - | (422) |
| Investment by non-controlling interests | S10 | - | 119 |
| Distribution to non-controlling interests | S10 | - | (18) |
| Financing interest paid | | (311) | (296) |
| Repayment of borrowings and finance leases | 24(c) | (1,650) | (518) |
| Cash received from borrowings, net of linked deposit | 24(c) | 1,000 | 1,311 |
| Equity dividends paid | | (387) | (864) |
| Net cash flow from financing activities | | (1,331) | (663) |
| Net increase/(decrease) in cash and cash equivalents | | 255 | (97) |
| Cash and cash equivalents at 1 January | | 821 | 719 |
| Effect of foreign exchange rate changes | | (16) | (1) |
| Cash and cash equivalents at 31 December | | 860 | 621 |
| Included in the following line of the Group Balance Sheet: | | | |
| Cash and cash equivalents | 24(c) | 860 | 621 |

The notes on pages 92 to 168 form part of these Financial Statements.

GROUP INCOME STATEMENT

| Year ended 31 December | Notes | 2014 | | | 2013 | | |
|---|-------|-------------------------|--|-------------------------|-------------------------|--|-------------------------|
| | | Business performance £m | Exceptional items and certain re-measurements £m | Results for the year £m | Business performance £m | Exceptional items and certain re-measurements £m | Results for the year £m |
| Group revenue | 4(b) | 29,408 | - | 29,408 | 26,571 | - | 26,571 |
| Cost of sales before exceptional items and certain re-measurements | 5 | (25,043) | - | (25,043) | (21,464) | - | (21,464) |
| Exceptional items – onerous provision | 7 | - | - | - | - | (125) | (125) |
| Re-measurement of energy contracts | 7 | - | (1,134) | (1,134) | - | 413 | 413 |
| Cost of sales | 5 | (25,043) | (1,134) | (26,177) | (21,464) | 288 | (21,176) |
| Gross profit | | 4,365 | (1,134) | 3,231 | 5,107 | 288 | 5,395 |
| Operating costs before exceptional items | 5 | (2,903) | - | (2,903) | (2,735) | - | (2,735) |
| Exceptional items – impairments | 7 | - | (1,938) | (1,938) | - | (939) | (939) |
| Exceptional items – gains on disposals | 7 | - | 341 | 341 | - | - | - |
| Operating costs | 5 | (2,903) | (1,597) | (4,500) | (2,735) | (939) | (3,674) |
| Share of profits of joint ventures and associates, net of interest and taxation | 6, 7 | 106 | 26 | 132 | 146 | 25 | 171 |
| Group operating (loss)/profit | 4(c) | 1,568 | (2,705) | (1,137) | 2,518 | (626) | 1,892 |
| Financing costs | 8 | (318) | - | (318) | (297) | - | (297) |
| Investment income | 8 | 52 | - | 52 | 54 | - | 54 |
| Net finance cost | | (266) | - | (266) | (243) | - | (243) |
| (Loss)/profit before taxation | | 1,302 | (2,705) | (1,403) | 2,275 | (626) | 1,649 |
| Taxation on (loss)/profit | 7, 9 | (375) | 773 | 398 | (942) | 243 | (699) |
| (Loss)/profit for the year | | 927 | (1,932) | (1,005) | 1,333 | (383) | 950 |
| Attributable to: | | | | | | | |
| Owners of the parent | | 903 | (1,915) | (1,012) | 1,333 | (383) | 950 |
| Non-controlling interests | | 24 | (17) | 7 | - | - | - |
| Earnings per ordinary share | | | | Pence | | | Pence |
| Basic | 10 | | | (20.2) | | | 18.4 |
| Diluted | 10 | | | (20.2) | | | 18.3 |
| Interim dividend paid per ordinary share | 11 | | | 5.10 | | | 4.92 |
| Final dividend proposed per ordinary share | 11 | | | 8.40 | | | 12.08 |

The notes on pages 96 to 165 form part of these Financial Statements.

GROUP STATEMENT OF COMPREHENSIVE INCOME

ORIGINAL

| Year ended 31 December | Notes | 2014 £m | 2013 £m |
|--|-------|----------------|--------------|
| (Loss)/profit for the year | | (1,005) | 950 |
| Other comprehensive income/(loss): | | | |
| Items that will be or have been recycled to the Group Income Statement: | | | |
| Gains on revaluation of available-for-sale securities, net of taxation | S4 | 4 | 3 |
| Net losses on cash flow hedges | S4 | (44) | (25) |
| Transferred to income and expense on cash flow hedges | S4 | 46 | 34 |
| Transferred to assets and liabilities on cash flow hedges | S4 | 6 | - |
| Taxation on cash flow hedges | S4 | (1) | (1) |
| | | 7 | 8 |
| Exchange differences on translation of foreign operations | | (165) | (217) |
| Share of other comprehensive (loss)/income of joint ventures and associates, net of taxation | S4 | (15) | 18 |
| | | (169) | (188) |
| Items that will not be recycled to the Group Income Statement: | | | |
| Net actuarial losses on defined benefit pension schemes | S4 | (83) | (179) |
| Taxation on net actuarial losses on defined benefit pension schemes | S4 | 18 | 31 |
| | | (65) | (148) |
| Reversal of revaluation reserve, net of taxation and exchange differences | S4 | (10) | (17) |
| Share of other comprehensive income/(loss) of joint ventures and associates, net of taxation | S4 | 21 | (15) |
| Other comprehensive loss net of taxation | | (223) | (368) |
| Total comprehensive (loss)/income for the year | | (1,228) | 582 |
| Attributable to: | | | |
| Owners of the parent | | (1,234) | 590 |
| Non-controlling interests | | 6 | (8) |

GROUP STATEMENT OF CHANGES IN EQUITY

| | Share capital (note 25) £m | Share premium £m | Retained earnings £m | Other equity (note 9) £m | Total £m | Non-controlling interests (note 10) £m | Total equity £m |
|--|----------------------------------|---------------------|-------------------------|--------------------------------|--------------|--|--------------------|
| 1 January 2013 | 321 | 929 | 4,186 | 491 | 5,927 | - | 5,927 |
| Total comprehensive income/(loss) | - | - | 950 | (360) | 590 | (8) | 582 |
| Employee share schemes | - | 2 | (15) | 70 | 57 | - | 57 |
| Purchase of treasury shares | - | - | (2) | (500) | (502) | - | (502) |
| Amounts arising on acquisition | - | - | - | - | - | 81 | 81 |
| Distribution paid to non-controlling interests | - | - | - | - | - | (8) | (8) |
| Dividends paid to equity holders (note 11) | - | - | (864) | - | (864) | - | (864) |
| Taxation on share-based payments | - | - | - | - | (18) | - | (18) |
| 31 December 2013 | 321 | 931 | 4,255 | (315) | 5,192 | 65 | 5,257 |
| Total comprehensive (loss)/income | - | - | (1,012) | (222) | (1,234) | 6 | (1,228) |
| Employee share schemes | - | - | - | 71 | 71 | - | 71 |
| Purchase of treasury shares | - | - | (2) | (420) | (422) | - | (422) |
| Cancellations of shares held in treasury | (10) | - | (549) | 559 | - | - | - |
| Investment by non-controlling interests | - | - | - | - | - | 283 | 283 |
| Distribution paid to non-controlling interests | - | - | - | - | - | (18) | (18) |
| Dividends paid to equity holders (note 11) | - | - | (867) | - | (867) | - | (867) |
| Taxation on share-based payments | - | - | - | (5) | (5) | - | (5) |
| 31 December 2014 | 311 | 931 | 1,825 | (332) | 2,735 | 336 | 3,071 |

The notes on pages 96 to 165 form part of these Financial Statements.

GROUP BALANCE SHEET

| 31 December | Notes | 2014 £m | 2013 £m |
|---|-------|------------|------------|
| Non-current assets | | | |
| Property, plant and equipment | 13 | 6,377 | 7,448 |
| Interests in joint ventures and associates | 14 | 2,395 | 2,658 |
| Other intangible assets | 15 | 1,991 | 1,905 |
| Goodwill | 15 | 2,609 | 2,819 |
| Deferred tax assets | 16 | 354 | 105 |
| Trade and other receivables | 17 | 87 | 150 |
| Derivative financial instruments | 19 | 313 | 227 |
| Retirement benefit assets | 22 | 185 | 205 |
| Securities | 24 | 263 | 202 |
| | | 14,574 | 15,717 |
| Current assets | | | |
| Trade and other receivables | 17 | 6,226 | 5,448 |
| Inventories | 18 | 555 | 530 |
| Derivative financial instruments | 19 | 617 | 573 |
| Current tax assets | | 88 | 151 |
| Securities | 24 | 11 | 9 |
| Cash and cash equivalents | 24 | 621 | 719 |
| | | 8,118 | 7,428 |
| Assets of disposal groups classified as held for sale | | - | 301 |
| | | 8,118 | 7,729 |
| Total assets | | 22,692 | 23,446 |
| Current liabilities | | | |
| Derivative financial instruments | 19 | (1,565) | (506) |
| Trade and other payables | 20 | (5,667) | (5,630) |
| Current tax liabilities | | (348) | (645) |
| Provisions for other liabilities and charges | 21 | (395) | (258) |
| Bank overdrafts, loans and other borrowings | 24 | (1,635) | (859) |
| | | (9,610) | (7,898) |
| Liabilities of disposal groups classified as held for sale | | - | (9) |
| | | (9,610) | (7,997) |
| Non-current liabilities | | | |
| Deferred tax liabilities | 16 | (663) | (1,426) |
| Derivative financial instruments | 19 | (588) | (431) |
| Trade and other payables | 20 | (83) | (64) |
| Provisions for other liabilities and charges | 21 | (3,203) | (2,934) |
| Retirement benefit obligations | 22 | (123) | (165) |
| Bank overdrafts, loans and other borrowings | 24 | (5,351) | (5,172) |
| | | (10,011) | (10,192) |
| Total liabilities | | (19,621) | (18,189) |
| Net assets | | | |
| Share capital | 25 | 311 | 321 |
| Share premium | | 931 | 931 |
| Retained earnings | | 1,825 | 4,255 |
| Other equity | S4 | (332) | (315) |
| Total shareholders' equity | | 2,735 | 5,192 |
| Non-controlling interests | S10 | 336 | 65 |
| Total shareholders' equity and non-controlling interests | | 3,071 | 5,257 |

The Financial Statements on pages 92 to 165, of which the notes on pages 96 to 165 form part, were approved and authorised for issue by the Board of Directors on 19 February 2015 and were signed below on its behalf by:

Iain Conn
Chief Executive

GROUP CASH FLOW STATEMENT

ORIGINAL

| Year ended 31 December | Notes | 2014 £m | 2013 £m |
|--|-------|--------------|----------------|
| Group operating (loss)/profit including share of results of joint ventures and associates | | (1,137) | 1,892 |
| Less share of profit of joint ventures and associates, net of interest and taxation | 6 | (132) | (171) |
| Group operating (loss)/profit before share of results of joint ventures and associates | | (1,269) | 1,721 |
| Add back/(deduct): | | | |
| Depreciation, amortisation, write-downs and impairments | | 3,288 | 2,319 |
| Profit on disposals | | (372) | (21) |
| (Decrease)/increase in provisions | | (37) | 162 |
| Defined benefit pension service cost and contributions | | (83) | (87) |
| Employee share scheme costs | | 39 | 43 |
| Unrealised losses/(gains) arising from re-measurement of energy contracts | | 1,160 | (400) |
| Operating cash flows before movements in working capital | | 2,726 | 3,737 |
| Decrease in inventories | | 4 | 78 |
| Increase in trade and other receivables ^{a)} | | (631) | (456) |
| (Decrease)/increase in trade and other payables ^{a)} | | (50) | 697 |
| Operating cash flows before payments relating to taxes, interest and exceptional charges | | 2,049 | 4,056 |
| Taxes paid | 9(d) | (707) | (892) |
| Payments relating to exceptional charges | | (125) | (224) |
| Net cash flow from operating activities | | 1,217 | 2,940 |
| Purchase of businesses | | (131) | (1,115) |
| Sale of businesses | | 658 | 140 |
| Purchase of property, plant and equipment and intangible assets | 4(f) | (1,456) | (1,615) |
| Sale of property, plant and equipment and intangible assets | | 17 | 17 |
| Investments in joint ventures and associates | | (26) | (51) |
| Dividends received from joint ventures and associates | 14(e) | 138 | 193 |
| Repayments of loans to, and disposal of investments in, joint ventures and associates | | 109 | 59 |
| Interest received | | 35 | 29 |
| Sale/(purchase) of securities | 23(c) | 5 | (8) |
| Net cash flow from investing activities | | (651) | (2,351) |
| Issue and surrender of ordinary share capital for share awards, net of payments for own shares | | 25 | 20 |
| Purchase of treasury shares under share repurchase programme | | (422) | (502) |
| Investment by non-controlling interests | S10 | 119 | - |
| Distribution to non-controlling interests | S10 | (18) | (8) |
| Financing interest paid | | (296) | (248) |
| Repayment of borrowings | 24(c) | (518) | (400) |
| Cash received from borrowings, net of linked deposit | 24(e) | 1,311 | 1,209 |
| Equity dividends paid | | (864) | (862) |
| Net cash flow from financing activities | | (663) | (791) |
| Net decrease in cash and cash equivalents | | (97) | (202) |
| Cash and cash equivalents at 1 January | | 719 | 931 |
| Effect of foreign exchange rate changes | | (1) | (10) |
| Cash and cash equivalents at 31 December | | 621 | 719 |
| Included in the following line of the Group Balance Sheet: | | | |
| Cash and cash equivalents | 24(c) | 621 | 719 |

a) Includes net outflow of £840 million of cash equivalents in 2014 & 2013 (442 million in 2012). See note 24(f)

The notes on pages 96 to 165 form part of these Financial Statements.

Exhibit C-4 - REDACTED
Financial Arrangements - CONFIDENTIAL



Exhibit C-5 - Projected Financial Forecast - REDACTED

Direct Energy Services, LLC

Ohio / Electric



Direct Energy Services, LLC

Exhibit C-6
Credit Rating

Direct Services, LLC's is a fully owned subsidiary of Centrica plc. As such, Direct Energy Services, LLC relies on the credit rating of our parent company,

As evidenced in Exhibit C-7 "Credit Report", which is also summarized in the table below, Centrica plc maintains a long term credit rating of Baa1 with Moody's, and an A- with Fitch and is rated as having a "Stable" outlook by both Rating Agency..

Agency Credit Ratings:

| Rating Agency | Long Term Rating | Outlook | Short Term Rating |
|----------------------|-------------------------|----------------|--------------------------|
| Moody's | Baa1 | Stable | P-2 |
| S&P | BBB+ | Negative | A-2 |
| Fitch | A- | Stable | F2 |

Exhibit C-7
Credit Report

ORIGINAL

Please find attached a recent credit report for Direct Energy Services, LLC's ultimate parent company, Centrica plc from "creditriskmonitor". This report provides data from the leading credit organizations.



Centrica PLC

Millstream Maidenhead Road
WINDSOR, SL4 5GD United Kingdom

Phone: +44 1753494000

Ticker: CNA

Latest Financial Statements as of 12/31/2015

Business Summary

Centrica plc is an integrated energy company. The Company operates through three segments: International Downstream, International Upstream and Centrica Storage. It offers Hive Active Heating 2, which is an advancement of its smart thermostat. The International Downstream segment includes the operations of British Gas, Direct Energy and Bord Gais Energy. Through British Gas Residential, it supplies gas and electricity to residential customers in the United Kingdom. Through Direct Energy, it provides residential energy supply, residential and business services and business energy supply. The International Upstream segment consists of the operations of Centrica Energy, which is engaged in production, processing, trading and optimization of gas and oil. The Centrica Storage segment includes the operations of Centrica Storage Limited, which provides gas storage services in the United Kingdom. Its brands include British Gas, Centrica Storage, Direct Energy, Dyno and Hive.

Employees: 38,848 (as of 12/31/2015)

Credit Scores

| | | |
|--|-----------------------|------------|
| FRISK® Score | 7 | 7/8/2016 |
| Probability of bankruptcy range: 0.34% - 0.55% | | |
| Z" Score | -0.44 (Fiscal Danger) | 12/31/2015 |

Auditor Information

| | |
|-------------|----------------------------|
| Last Audit: | 12/31/2015 |
| Auditors: | PricewaterhouseCoopers LLP |
| Opinion: | <u>Unqualified</u> |

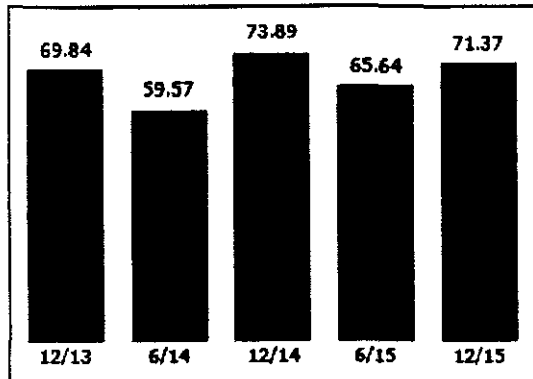
Agency Credit Ratings

| Rating Agency | Long Term Rating | Outlook | Short Term Rating | Watch |
|----------------|------------------|----------|-------------------|-------|
| Moody's | Baa1 | Stable | P-2 | OFF |
| S&P | BBB+ | Negative | A-2 | |
| Fitch | A- | Stable | F2 | |

DBT Index

| 3/2016 | 4/2016 | 5/2016 |
|--------|--------|--------|
| 8 | 9 | 8 |

(Includes DBT Indexes from Subsidiaries)

Days Sales Outstanding**Fourth Quarter and Year-to-Date Results (all values in British Pounds)**

Sales for the 6 months ended 12/31/2015 decreased 8.35% to 12.52 billion from last year's comparable period amount of 13.66 billion. Sales for the 12 months ended 12/31/2015 decreased 4.89% to 27.97 billion from 29.41 billion for the same period last year.

Gross profit margin decreased 10.96% for the period to 1.86 billion (14.86% of revenues) from 2.09 billion (15.29% of revenues) for the same period last year. Gross profit margin decreased 2.93% for the year-to-date period to 4.24 billion (15.15% of revenues) from 4.37 billion (14.84% of revenues) for the comparable 12 month period last year.

Operating income for the period decreased 1.95% to (2.20) billion compared with operating income of (2.16) billion for the same period last year. Operating income for the year-to-date period increased 24.63% to (857.00) million compared with operating income of (1.14) billion for the equivalent 12 months last year.

Net loss for the period increased 16.31% to (1.80) billion compared with net loss of (1.55) billion for the same period last year. Net loss for the year-to-date period decreased 26.19% to (747.00) million compared with net loss of (1.01) billion for the equivalent 12 months last year.

Net cash from operating activities was 2.20 billion for the 12 month period, compared to net cash from operating activities of 1.22 billion for last year's comparable period.

Working capital at 12/31/2015 of (554.00) million increased 62.87% from the prior year end's balance of (1.49) billion.

Inventories decreased by 160.00 million for the year-to-date period, compared to a 25.00 million increase in the prior year's comparable period.

Accounts payable decreased by 633.00 million for the year-to-date period, compared to a 37.00 million increase in the prior year's comparable period.

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Exhibit C-8
Bankruptcy Information

ORIGINAL

Over the past two years, Direct Energy Services, LLC has not sought financial reorganization, protection from creditors or had any other form of bankruptcy filing . The same is true of the Board Leaders and Officers of Direct Energy Services, LLC that are referenced on Exhibit A-14.

Exhibit C-9
Merger Information

ORIGINAL

There have been no changes since the previous renewal that was submitted in 2014.

Exhibit C-10
Corporate Structure

ORIGINAL

Please see attached for a graphical depiction of the organization structure of Direct Energy Services, LLC ("DES") and the affiliated companies reporting structure.

As depicted in the graphical structure, the ultimate parent company of DES is Centrica plc, that is domiciled in England and Wales. Direct Energy Marketing Inc. is the North American parent of DES. The wholesale trading affiliate of DES is currently Energy America, LLC. The new trading affiliate is reference in Exhibit D-1.

DES is the parent company of Direct Energy Business, LLC; Gateway Energy Services Corporation; and Direct Energy Solutions.

Direct Energy Business, LLC is the parent company of Direct Energy Business Marketing, LLC.

In addition, DES is affiliated with Bounce Energy, Inc.; First Choice Power, LLC; Direct Energy, LP; CPL Retail Energy, LP; and WTU Retail Energy, LP through our North American parent company Direct Energy Marketing, Inc.

Exhibit D-1
Operations

ORIGINAL

Direct Energy Services, LLC, ("DES") part of the Direct Energy family, has operational backing with one of DE's affiliates to maximize efficiency in providing high quality service to customers. Direct Energy maintains a 24-hour operation for buying and selling in both Retail and Wholesale markets. Currently, Energy America, LLC is the wholesale trading affiliate of DES's US trading, has the contractual relationships with outside parties and partners to provide energy supply to end use customers. Please note there is an internal initiative to merge Energy America, LLC with Direct Energy Business Marketing, LLC, another affiliate of DES. The merger is planned for 2017 and once complete, Direct Energy Business Marketing, LLC will provide the wholesale trading activity for DES.

Direct Energy 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 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 end of the schedule for verification of flow.

Exhibit D-2
Operations Expertise

ORIGINAL

John Schultz is a Director of Direct Energy Services, LLC. He is located in our Iselin, New Jersey office. He has 20+ 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. Head o

His team is led by David Brast, SVP, North American Power & Gas, and Steve Dixon, Head of North American Sales.

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 in excess of 20 years' 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 North American Sales for Direct Energy Business. In this role, he is responsible for leading all aspects in developing a best in class customer facing sales team .

Exhibit D-3
Key Technical Personnel

ORIGINAL

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

Mr. Schultz has in excess of 20 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, SVP, North American Sales – Direct Energy Business
Steve.dixon@directenergy.com
(732) 750-6240

Steve is currently SVP of North American Sales for Direct Energy Business. In this role, he is responsible for leading all aspects of developing a best in class customer-facing sales team.

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, SVP North American Power & Gas – Direct Energy Business
David.brast@directenergy.com
(713) 877-3642

David is the SVP of North American Power & Gas 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.

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Exhibit D-4
FERCE Power Marketer License Number

| Federal Regulatory Body | License / Holder | Name / Type | Docket No. | Effective Date (MBR Granted) |
|--|--------------------------------|--------------------|-------------------|---|
| FERC | Direct Energy Services, LLC | MBR Tariff | ER11-1846-000 | 01/06/2011 |