

FILE



**Direct
Energy®**

Barbara Farmer

Licensing & Reporting Analyst

Regulatory Affairs

Telephone (713)354-4710

Email Barbara.farmer@directenergy.com

May 19, 2017

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

RE: Direct Energy Business Marketing, LLC Power License Renewal Docket No. 13-1278-EL-CRS

Dear Docketing Division,

Enclosed please find the original public power license renewal license application along with 3 copies on behalf of Direct Energy Business Marketing. The confidential version will be under separate cover and filed by Whitt Sturtevant law firm.

Sincerely,
Barbara Farmer

PUCO

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Public Utilities Commission

Original CRS Case Number	Version
13 - 1278 -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 Business Marketing, LLC
Address 194 Wood Ave. South, Iselin, NJ 08830
PUCO Certificate # and Date Certified 13-707E 06/30/2013
Telephone # (800) 437-7265 Web site address (if any) www.business.directenergy.com

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

Legal Name Direct Energy Business Marketing, LLC
Address 194 Wood Ave. South, Iselin, NJ 08830
Telephone # (800) 437-7265 Web site address (if any) www.business.directenergy.com

PUCO

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A-4 List all names under which the applicant does business in North AmericaDirect Energy Business Marketing,LLCDirect Energy Business**A-5 Contact person for regulatory or emergency matters**Name Teresa RingenbachTitle Sr. Manager, Gov't & Reg Affairs, MidwestBusiness address Fifth, Third Building, 21 E. State Street, Columbus, OH 43215Telephone # (614) 220-4369 X230Fax # (614) 220-4674 X230

E-mail address _____

A-6 Contact person for Commission Staff use in investigating customer complaintsName Nicole NadejaTitle Supervisor, Customer Escalations & Critical IssuesBusiness address 1001 Liberty Ave, Suite 12, Pittsburgh, PA 15222Telephone # (888) 925-9115

Fax # _____

E-mail address deb_customer_solutions@directenergy.com**A-7 Applicant's address and toll-free number for customer service and complaints**Customer Service address 1001 Liberty Ave, Suite 12, Pittsburgh, PA 15222Toll-free Telephone # (888) 925-9115

Fax # _____

E-mail address deb_customer_solutions@directenergy.com**A-8 Applicant's federal employer identification number # 80-0909818****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 of Applicant and Title

Sworn and subscribed before me this 15th day of May, 2017
Month Year


Signature of official administering oath

Print Name and Title

COLLEEN M. FROST
ID No. 2298543
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Apr. 1, 2018

My commission expires on _____

AFFIDAVITState of New JerseyBelm. NJ ss.
(Town)County of Middlesex:John Schultz, Affiant, being duly sworn/affirmed according to law, deposes and says that:He/She is the President (Office of Affiant) of Direct Energy Business Marketing, 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.

John Schuch
Signature of Affiant & Title

Sworn and subscribed before me this 15th day of May, 2017
Month Year

Colleen M. Frost
Signature of official administering oath

Print Name and Title

COLLEEN M. FROST
ID No. 2298543
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Apr. 1, 2018

My commission expires on _____

Exhibit A-10
Officers and Directors

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

Board Positions

John Schultz
Director & President, DEBM, LLC

One Hess Plaza
Woodbridge, NJ 07095
(732) 750-6197

Officers

Bray Dohrwardt
Secretary, DEBM, LLC

12 Greenway Plaza
Suite 250
Houston, TX 77046
(713) 877-3851

Erica Steele
Assistant Secretary, DEBM, LLC

1001 Liberty Avenue
Suite 1200
Pittsburgh, PA 15222
(412) 667-5262

Randy Kruger
Treasurer, DEBM, LLC

One Hess Plaza
Woodbridge, NJ 07095
(732) 750-6792

Erin Miles
Assistant Secretary, DEBM

12 Greenway Plaza
Suite 250
Houston, TX 77046
(713) 904-7062

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

Name: Direct Energy Business Marketing, LLC
Business Address: 194 Wood Avenue South, New Jersey, NJ 08830
License #/State of Issuance: Docket # GA-2013-03-1 (Gas)/D.C.
Docket # EA-2013-12(Power)/D.C.
Certificate No. 8425 (Power)/Delaware
Docket # 2013-00404 (Power)/Maine
License # IR-3108 (Gas)/Maryland
License # IR-3123 (Power)/Maryland
License # CS-108 (Power)/Massachusetts
License # GS-051(Gas)/Massachusetts
Docket 2013-00404 (Power)/Maine
DM 13-260 (Power)/New Hampshire
DM 13-121 (Gas)/New Hampshire
License # ESL0142 (Power)/New Jersey
License # GSL0128 (Gas)/New Jersey
Letter Order 2017 (Power & Gas)/New York
Certificate # 13-707E(2) (Power)/Ohio
Certificate # 13-303G(2) (Gas)/Ohio
License A-2013-2368464 (Power)/Pennsylvania
License A-2013-2365792 (Gas)/Pennsylvania
Docket # D-96-6(J6) (Power)/Rhode Island
License G-7 (Gas)/Virginia

**Direct Energy serving retail customers or engaged in the retail sale of electricity, or
electricity supply services, or natural gas:**

Name: Direct Energy Services, LLC
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046
License #/State of Issuance: Docket # 06-03-06RE02(Power)/Connecticut;
Registration # 01-04(Gas)/Connecticut;
Order No. 13816(Power)/D.C.;
Certificate No. 6790(Power)/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;
Docket # 2005-479(Power)/Maine;
Case No. U-14537(Gas)/Michigan;
License # ESL-0078(Power)/New Jersey;
License # GSL-0088(Gas)/New Jersey;
Letter Order 2017 (Power & Gas)/ New York;
License # DM 15-513 (Power)/ New Hampshire;

Certificate # 02-024G(7)(Gas)/Ohio;
Certificate # 00-019E(9)(Power)/Ohio;
License # A-110164(Power)/Pennsylvania;
License # A-125135(Gas)/Pennsylvania;
Docket # D-96-6(U2)(Power)/Rhode Island;
Docket # 2379(T1)(Gas)/Rhode Island;

States Not Currently Serving Customers

Case No. U-14724(Power)/Michigan;
License # 1341(Power)/California
License E-36(Power)/Virginia

Name: Direct Energy, LP
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046

License #/State of Issuance: Rep# 10040 (Power)/Texas

Name: CPL Retail Energy, LP
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046

License #/State of Issuance: Rep# 10023 (Power)/Texas

Name: WTU Retail Energy, LP
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046

License #/State of Issuance: Rep# 10022 (Power)/Texas

Name: First Choice Power, LLC
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046

License #/State of Issuance: Rep# 10008 (Power)/Texas

Name: Bounce Energy, Inc.
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046

License #/State of Issuance: License # 10162(Power)/Texas

Name: Gateway Energy Services Corporation
Business Address: 12 Greenway Plaza, Suite 600, Houston, TX 77046

License #/State of Issuance: License # A-2009-2137275(Power)/Pennsylvania;
License # IR-334 (Gas)/Maryland
License # IR-340 (Power); Maryland
License # GSL-0146 (Gas)/New Jersey
License # ESL-0166(Power); New Jersey

Name: Direct Energy Business, LLC
Business Address: 1001 Liberty Avenue, Pittsburgh, PA 15222

License #/State of Issuance: License # 1351 (Power)/California;
Docket # 00-05-14RE01(Power)/Connecticut;
Certificate # 5267 (Power)/Delaware;
License # EA-04-4-4(Power)/D.C.;

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Docket No. 04-0811(Power)/Illinois;
Docket No. 2011-201(Power)/Maine;
License # IR-437(Power)/Maryland;
License # CS-021(Power)/Massachusetts;
License # GS-052(Gas)/Massachusetts;
Docket # U-13609(Power)/Michigan;
License # ESL-0027(Power)/New Jersey;
License # GSL-0122(Gas)/New Jersey;
License # DM 15-373 (Power)/New Hampshire;
Letter Order 2017 (Power & Gas) /New York
Certificate # 00-005(9)(Power)/Ohio;
License # A-110025(Power)/Pennsylvania;
Docket # D-96-6(Z)(Power)/Rhode Island;
Certificate # 10011(Power)/Texas

State Not Currently Serving Customers
License # IR-2697(Gas)/Maryland

Exhibit B-2 Experience & Plans

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

DEBM has been serving the Ohio power market since the second quarter of 2013 and is setup to serve customers in First Energy, Duke Energy and American Electric Power of Ohio. DEBM is part of Direct Energy Business and plans to mirror the customer acquisitions and retention efforts as part of Direct Energy's business model. Upon enrollment by the customer, DEBM mails a confirmation letter detailing the terms and conditions of the contract as part of its "Welcome Kit" to new customers.

Regarding customer inquiries and complaints:

Normal customer service hours are Monday -- Friday, 8 AM – 6 PM, Eastern Standard Time. When customer concerns are directed to Direct Energy Business, issues are researched and responded to quickly and courteously by the Customer Relations department. Once the factors involved in the issues are established, contact with the customer is made in an attempt to reach an amicable resolution by a Customer Relations Representative. If a customer needs additional assistance, DEBM's Customer Relations Representative will inform the Supervisor of Customer Relations, who will assist with the customer inquiry. If a public agency is involved in the dispute resolution process, once an investigation is complete, the agency is notified of the results and, assuming concurrence, the matter is closed. If the customer disputes the investigation results, DEBM will inform the customer that PUCO Staff is available to mediate complaints.

Exhibit B-3 Disclosure of Liabilities and Investigations

Since the last application for certificate renewal, Direct Energy Business Marketing, LLC has not been the subject of any rulings, judgements, contingent liabilities, revocations of authority, regulatory investigations or any other matters that adversely impacts the financial or operational ability to provide the services for which we are seeking renewed certification.

Exhibit C-1
Annual Reports

Below are links to the two most recent annual reports for DEBM, LLC's ultimate parent company, Centrica plc. Due to the size of the documents, we are only providing links to the actual documents.

2016 https://www.centrica.com/sites/default/files/investors/2016_prelims_announcement

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

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Direct Energy Business Marketing, LLC

**Exhibit C-2
SEC Filings**

Direct Energy Business Marketing, 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.

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Direct Energy Business Marketing, LLC

**Exhibit C-3
Financial Statements**

Please see attached for Direct Energy Business Marketing, LLC's ultimate parent company Centrica, plc's 2015 Summary Financial Statements and 2016 Preliminary Financial Statements.

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)	-	(316)
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		863	(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.

Group Statement of Comprehensive Income

Year ended 31 December	Notes	2015 £m	2014 £m
Loss for the year		(884)	(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	S4	5	4
Net gains/(losses) on cash flow hedges	S4	20	(44)
Transferred to income and expense on cash flow hedges	S4	(12)	46
Transferred to assets and liabilities on cash flow hedges	S4	7	6
Taxation on cash flow hedges	S4	(6)	(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	S4	3	(15)
		(239)	(169)
Items that will not be recycled to the Group Income Statement:			
Net actuarial losses on defined benefit pension schemes	S4	(321)	(83)
Exchange gain on translation of actuarial reserve	S4	3	-
Taxation on net actuarial losses on defined benefit pension schemes	S4	50	18
		(268)	(65)
Reversal of revaluation reserve, net of taxation and exchange differences	S4	-	(10)
Share of other comprehensive (loss)/income of joint ventures and associates, net of taxation	S4	(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	S10	(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
Share 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	4,829	6,377
Interests in joint ventures and associates	14	1,839	2,395
Other intangible assets	15	1,775	1,991
Goodwill	15	2,048	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	860	621
		7,233	8,118
Assets of disposal groups classified as held for sale	12(b)	13	-
		7,246	8,118
Total assets		18,860	22,692
Current liabilities			
Derivative financial instruments	19	(1,460)	(1,565)
Trade and other payables	20	(5,034)	(5,667)
Current tax liabilities		(389)	(348)
Provisions for other liabilities and charges	21	(396)	(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	(5,993)	(5,351)
		(9,718)	(10,011)
Total liabilities		(17,518)	(19,621)
Net assets		1,342	3,071
Share capital	26	317	311
Share premium		1,135	931
Retained earnings		482	1,825
Other equity	34	(756)	(332)
Total shareholders' equity		1,178	2,735
Non-controlling interests	31(i)	164	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

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	6	(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		(804)	(50)
Operating cash flows before payments relating to taxes, interest and exceptional charges		2,827	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	5A	(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		621	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	2016			2015		
		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	5(c)	27,102	–	27,102	27,971	–	27,971
Cost of sales before exceptional items and certain re-measurements		(22,711)	–	(22,711)	(23,734)	–	(23,734)
Re-measurement of energy contracts	6	–	1,058	1,058	–	116	116
Cost of sales		(22,711)	1,058	(21,653)	(23,734)	116	(23,618)
Gross profit		4,391	1,058	5,449	4,237	116	4,353
Operating costs before exceptional items		(3,054)	–	(3,054)	(3,039)	–	(3,039)
Exceptional items – restructuring costs	6	–	(228)	(228)	–	–	–
Exceptional items – impairments	6	–	(176)	(176)	–	(2,284)	(2,284)
Exceptional items – impairment write-backs	6	–	161	161	–	16	16
Exceptional items – net gain on disposal	6	–	101	101	–	–	–
Exceptional items – other	6	–	131	131	–	(90)	(90)
Operating costs		(3,054)	(11)	(3,065)	(3,039)	(2,358)	(5,397)
Share of profits/(losses) of joint ventures and associates, net of interest and taxation	12(a)	130	(28)	102	200	(13)	187
Group operating profit/(loss)	5(c)	1,467	1,019	2,486	1,398	(2,255)	(857)
Financing costs	7	(337)	–	(337)	(334)	–	(334)
Investment income	7	37	–	37	55	–	55
Net finance cost		(300)	–	(300)	(279)	–	(279)
Profit/(loss) before taxation		1,167	1,019	2,186	1,119	(2,255)	(1,136)
Taxation on profit/(loss)	6, 8	(282)	(242)	(524)	(286)	538	252
Profit/(loss) for the year		885	777	1,662	833	(1,717)	(884)
Attributable to:							
Owners of the parent		895	777	1,672	863	(1,610)	(747)
Non-controlling interests		(10)	–	(10)	(30)	(107)	(137)
Earnings per ordinary share				Pence			Pence
Basic	10			31.4			(14.9)
Diluted	10			31.2			(14.9)
Interim dividend paid per ordinary share	9			3.60			3.57
Final dividend proposed per ordinary share	9			8.40			8.43

The notes on pages 29 to 68 form part of these Financial Statements.

Group Statement of Comprehensive Income

Year ended 31 December	2016 £m	2015 £m
Profit/(loss) for the year	1,662	(884)
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	8	5
Transfer of available-for-sale reserve gains to Income Statement	(5)	-
Net gains on cash flow hedges	161	20
Transferred to income and expense on cash flow hedges	(129)	(12)
Transferred to assets and liabilities on cash flow hedges	(4)	7
Taxation on cash flow hedges	(3)	(6)
	25	9
Exchange differences on translation of foreign operations	549	(256)
Share of other comprehensive (loss)/income of joint ventures and associates, net of taxation	(4)	3
	573	(239)
Items that will not be recycled to the Group Income Statement:		
Net actuarial losses on defined benefit pension schemes	(1,174)	(321)
Exchange (loss)/gain on translation of actuarial reserve	(7)	3
Taxation on net actuarial losses on defined benefit pension schemes	194	50
	(987)	(268)
Share of other comprehensive income/(loss) of joint ventures and associates, net of taxation	65	(8)
Other comprehensive loss net of taxation	(349)	(515)
Total comprehensive income/(loss) for the year	1,313	(1,399)
Attributable to:		
Owners of the parent	1,287	(1,227)
Non-controlling interests	26	(172)

Group Statement of Changes in Equity

	Share capital £m	Share premium £m	Retained earnings £m	Other equity £m	Total £m	Non-controlling interests £m	Total equity £m
1 January 2015	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
Share dividend	6	204	-	-	210	-	210
Dividends paid to equity holders (note 9)	-	-	(598)	-	(598)	-	(598)
Taxation on share-based payments	-	-	-	(2)	(2)	-	(2)
31 December 2015	317	1,135	482	(756)	1,178	164	1,342
Total comprehensive income	-	-	1,672	(385)	1,287	26	1,313
Employee share schemes	-	-	1	32	33	-	33
Share dividend	4	121	-	-	125	-	125
Dividends paid to equity holders (note 9)	-	-	(651)	-	(651)	-	(651)
Distributions to non-controlling interests	-	-	-	-	-	(12)	(12)
Issue of share capital	21	673	-	-	694	-	694
31 December 2016	342	1,929	1,504	(1,109)	2,666	178	2,844

The notes on pages 29 to 68 form part of these Financial Statements.

Group Balance Sheet

	Notes	31 December 2016 £m	31 December 2015 (restated) (i) £m	1 January 2015 (restated) (i) £m
Non-current assets				
Property, plant and equipment		5,298	4,629	6,377
Interests in joint ventures and associates	12(d)	1,697	1,839	2,395
Other intangible assets		1,769	1,775	1,991
Goodwill		2,614	2,049	2,609
Deferred tax assets		356	497	354
Trade and other receivables		66	61	87
Derivative financial instruments	13	582	440	313
Retirement benefit assets	14(d)	~	91	185
Securities	11(b)	219	233	263
		12,601	11,614	14,574
Current assets				
Trade and other receivables		5,102	4,905	6,226
Inventories		372	395	555
Derivative financial instruments	13	1,291	936	617
Current tax assets		241	126	88
Securities	11(b)	13	11	11
Cash and cash equivalents (i)	11(b)	2,036	1,158	775
		9,055	7,531	8,272
Assets of disposal groups classified as held for sale	15(c)	238	13	-
		9,293	7,544	8,272
Total assets		21,894	19,158	22,846
Current liabilities				
Derivative financial instruments	13	(1,100)	(1,460)	(1,565)
Trade and other payables		(5,525)	(5,034)	(5,867)
Current tax liabilities		(355)	(389)	(348)
Provisions for other liabilities and charges		(457)	(396)	(395)
Bank overdrafts, loans and other borrowings (i)	11(c)	(398)	(773)	(1,789)
		(7,835)	(8,052)	(9,764)
Liabilities of disposal groups classified as held for sale	15(c)	(42)	(46)	-
		(7,877)	(8,098)	(9,764)
Non-current liabilities				
Deferred tax liabilities		(245)	(98)	(663)
Derivative financial instruments	13	(493)	(508)	(588)
Trade and other payables		(69)	(70)	(83)
Provisions for other liabilities and charges		(3,099)	(2,839)	(3,203)
Retirement benefit obligations	14(d)	(1,137)	(210)	(123)
Bank overdrafts, loans and other borrowings	11(c)	(6,130)	(5,993)	(5,351)
		(11,173)	(9,718)	(10,011)
Total liabilities		(19,050)	(17,816)	(19,775)
Net assets		2,844	1,342	3,071
Share capital		342	317	311
Share premium		1,929	1,135	931
Retained earnings		1,504	482	1,825
Other equity		(1,109)	(756)	(332)
Total shareholders' equity		2,666	1,178	2,735
Non-controlling interests		178	164	336
Total shareholders' equity and non-controlling interests		2,844	1,342	3,071

(i) Cash and cash equivalents and current bank overdrafts, loans and other borrowings have been restated for 2015. An opening balance sheet for 2015 has been presented in accordance with the requirements of IAS 1: 'Presentation of financial statements'. See note 1 for further information.

The Financial Statements on pages 25 to 68, of which the notes on pages 29 to 68 form part, were approved and authorised for issue by the Board of Directors on 23 February 2017 and were signed below on its behalf by:

Iain Conn
Group Chief Executive

Jeff Bell
Group Chief Financial Officer

Group Cash Flow Statement

Year ended 31 December	Notes	2016 £m	2015 £m
Group operating profit/(loss) including share of results of joint ventures and associates		2,486	(857)
Less share of profit of joint ventures and associates, net of interest and taxation	12(a)	(102)	(187)
Group operating profit/(loss) before share of results of joint ventures and associates		2,384	(1,044)
Add back/(deduct):			
Depreciation, amortisation, write-downs and impairments		1,068	3,482
Profit on disposals		(126)	(14)
Decrease in provisions		(32)	(2)
Defined benefit pension service cost and contributions		(179)	(131)
Employee share scheme costs		46	45
Unrealised gains arising from re-measurement of energy contracts		(737)	(12)
Operating cash flows before movements in working capital		2,424	2,324
Decrease in inventories		90	138
Decrease in trade and other receivables		221	769
Increase/(decrease) in trade and other payables		140	(604)
Operating cash flows before payments relating to taxes, interest and exceptional charges		2,875	2,627
Taxes paid		(206)	(349)
Payments relating to exceptional charges		(273)	(81)
Net cash flow from operating activities		2,396	2,197
Purchase of businesses, net of cash acquired		(335)	(79)
Sale of businesses		35	8
Purchase of property, plant and equipment and intangible assets	5(e)	(829)	(970)
Sale of property, plant and equipment and intangible assets		13	9
Investments in joint ventures and associates		(17)	(13)
Dividends received from joint ventures and associates	12(c)	117	180
Repayments of loans to, and disposal of investments in, joint ventures and associates		94	190
Interest received		91	38
Sale of securities	11(b)	28	26
Net cash flow from investing activities		(603)	(611)
Issue and surrender of ordinary share capital, including issue for share awards		694	28
Payments for own shares		(17)	(11)
Distribution to non-controlling interests		(10)	-
Financing interest paid		(204)	(311)
Repayment of borrowings and finance leases	11(b)	(477)	(1,650)
Cash received from borrowings, net of linked deposit	11(b)	-	1,000
Equity dividends paid		(532)	(387)
Net cash flow from financing activities		(546)	(1,331)
Net increase in cash and cash equivalents		1,047	255
Cash and cash equivalents including overdrafts at 1 January		860	621
Effect of foreign exchange rate changes		53	(16)
Cash and cash equivalents including overdrafts at 31 December		1,960	860
Included in the following line of the Group Balance Sheet:			
Cash and cash equivalents	11(b)	2,036	1,158
Overdrafts included within current bank overdrafts, loans and other borrowings	11(b)	(76)	(298)

The notes on pages 29 to 68 form part of these Financial Statements.

ORIGINAL

Direct Energy Business Marketing, LLC

Exhibit C-4
Financial Arrangements Public Version
Redacted

Attached are Guaranty Agreements issued by Direct Energy Business Marketing, LLC's ultimate parent company, Centrica plc in favor of American Electric Power dba Ohio Power and First Energy Corp.

[REDACTED]
Guarantee

This Guarantee (this "Guarantee") is dated December 1, 2013 and made and entered into by [REDACTED] whose registered office is [REDACTED] ("Guarantor") for the benefit of [REDACTED] whose principal place of business is [REDACTED] ("Contract Party").

WHEREAS

- (A) [REDACTED], a wholly owned subsidiary of Guarantor has or will serve retail customers within the [REDACTED] service territory. In order to serve customers in the territory the Contract Party requires [REDACTED] to post collateral in an effort to mitigate damages and or obligations sustained as a result of an event of default. The transactions with the retail customers, individually and collectively, shall be referred to herein as the "Transactions", and [REDACTED] shall be referred to herein as the "Obligor";
- (B) Guarantor will directly or indirectly benefit from the Transactions; and
- (C) As a condition precedent to the Transactions, Contract Party has required that Guarantor unconditionally guarantee to Contract Party all payment obligations of Obligor under the Transactions.

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

PAYMENT GUARANTEE

1. Guarantor absolutely, irrevocably and unconditionally guarantees to Contract Party all payment obligations of Obligor set forth in the Transactions (collectively, the "Obligations") up to an aggregate amount that shall not exceed [REDACTED]. This Guarantee is a continuing guarantee of payment (and not of collection or performance) effective during the term of the Transactions.
2. Guarantor WAIVES any right to require as a condition to its Obligations hereunder that:
 - (i) presentment or demand be made upon Obligor; and
 - (ii) action be brought against Obligor or any other person or entity except Guarantor,should Contract Party seek to enforce the Obligations of Guarantor. Specifically, without limitation, Guarantor WAIVES any right to require, substantively or procedurally, that:
 - (a) a judgment previously be rendered against Obligor or any other person or entity except Guarantor;
 - (b) Obligor or any other person or entity be joined in any action against Guarantor; or
 - (c) an action separate from one against Guarantor be brought against Obligor or any other person or entity.
3. The Obligations of Guarantor are several from those of Obligor or any other person or entity, including, without limitation, any other surety for Obligor. This Guarantee is a primary obligation of Guarantor and shall be construed as an unconditional, absolute and continuing guarantee, irrespective of the validity or enforceability of the underlying agreements between Contract Party and Obligor or any other guaranteed amount, the absence of any action to enforce the same or any circumstances which might otherwise constitute a legal or equitable discharge or defence of a guarantor.
4. The Obligations of Guarantor hereunder shall in no way be affected or impaired by reason, and Guarantor WAIVES its right to prior notice, of the happening from time to time of any of the following:

- (i) acceptance of this Guarantee
 - (ii) the creation or existence of any of the guaranteed Obligations and of any action by Contract Party in reliance hereon or in connection herewith;
 - (iii) transactions between Contract Party and Obligor;
 - (iv) extensions (whether or not material) of the time for performance of all or any portion of the Obligations.
 - (v) the modification or amendment in any manner (whether or not material) of the Transactions or the Obligations;
 - (vi) any failure, delay or lack of diligence on the part of a Contract Party, or any other person or entity to enforce, assert or exercise any right, privilege, power or remedy conferred on a Contract Party or any other person or entity under the Transactions or at law, or any action on the part of a Contract Party or such other person or entity granting indulgence or extension of any kind;
 - (vii) any sale, exchange, release or non-perfection of any property standing as security for the liabilities hereby guaranteed or any liabilities incurred directly or indirectly hereunder of any setoff against any of said liabilities, or any release or amendment or waiver of or consent to departure from this Guarantee or any other guarantee, for all or any of the Obligations;
 - (viii) the settlement or compromise of any Obligations; and
 - (ix) a change of status, composition, structure or name of Obligor, including, without limitation, by reason of bankruptcy, liquidation, insolvency, merger, dissolution, consolidation or reorganisation.
5. The Obligations of Guarantor hereunder shall not be subject to any counterclaim, setoff, deduction, abatement or defence based upon any claim Guarantor or Obligor may have against Contract Party.
6. With the prior written consent of Contract Party, which consent shall not be unreasonably withheld, this Guarantee may be replaced by a guarantee or guarantees in substantially similar form made by a guarantor of equal or better creditworthiness, provided that this Guarantee shall continue to apply to all Obligations of the Guarantor under this Guarantee in respect of Transactions entered into prior to the time of such replacement and the replacement guarantee shall apply only to those Obligations incurred in respect of Transactions entered into after its execution and delivery.
7. The Guarantor may terminate this Guarantee by giving written notice of such termination to the Contract Party. No such terminations shall be effective until thirty (30) business days after receipt by Contract Party of such termination notice. No such termination shall affect the Obligations of the Guarantor under this Guarantee in respect of Transactions entered into prior to such termination notice becoming effective.

RESERVATION OF DEFENCES

8. Guarantor expressly reserves unto itself the right to assert defences that Obligor may have to payment or performance of any Obligation, except those arising out of the bankruptcy, insolvency, dissolution or liquidation of Obligor.

NOTICE

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

To Guarantor:



[REDACTED]

To Contract Party:

[REDACTED]

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

MISCELLANEOUS

11. This Guarantee shall in all respects be governed by, and construed in accordance with, the laws of the State of New York and the parties hereby submit to the exclusive jurisdiction of the United States District Court for the Southern District of New York or any New York State Court sitting in the Borough of Manhattan in New York City for the purposes of all legal proceedings arising out of or relating to this Guarantee and for no other purpose. **THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTEE.**
12. Except for increasing the value of the Obligations figure or extending the Termination Date in Clause I above, no term or provision of this Guarantee shall be amended, modified, altered, waived, supplemented or terminated except in writing signed by the parties hereto.
13. Neither Guarantor nor Contract Party may assign or transfer (whether by way of security or otherwise) this Guarantee or any interest or obligation in or under this Guarantee without the prior written consent of Contract Party or Guarantor respectively. Any purported transfer or assignment that is not in accordance with this Clause 12 shall be void. Subject to the foregoing this Guarantee shall be binding upon and inure to the benefit of and be enforceable by the respective successors, permitted assigns and transferees of Guarantor and Contract Party.
14. This Guarantee embodies the entire agreement and understanding between Guarantor and Contract Party and supersedes all prior agreements and understandings relating to the subject matter hereof.
15. The headings in this Guarantee are for purposes of reference only, and shall not affect the meaning hereof. References to Clauses are to clauses of this Guarantee.
16. This Guarantee may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one document.
17. Guarantor shall make payment in United States dollars and without deductions to Contract Party in immediately available funds of all sums due hereunder within five (5) business days of written demand for the same by Contract Party (which demand shall set forth the basis and the calculation of the amount for which demand is made and which shall in the absence of manifest error be conclusive).
18. In the event Contract Party engages in litigation to enforce this Guarantee, Guarantor agrees to pay, in addition to any amounts of Obligor which Guarantor has guaranteed to pay, any and all costs and expenses incurred by

Contract Party (including reasonable attorneys' fees) as a result of enforcing this Guarantee, provided such fees, costs and expenses are reasonable, and only if, and to the extent, Contract Party is successful in such litigation.

19. Guarantor warrants that this Guarantee is its legally binding obligation enforceable in accordance with its terms (except as the enforceability of this Guarantee may be limited by any applicable bankruptcy, insolvency, reorganisation, moratorium or similar laws affecting creditors' rights generally and by general principles of equity), and further warrants that all necessary consents and authorisations for the giving and implementation of this Guarantee have been obtained.
20. Until all amounts which may be or become payable under the Transactions have been irrevocably paid in full, Guarantor shall not by virtue of this Guarantee be subrogated to any rights of Contract Party or claim in competition with Contract Party against Obligor in connection with any matter relating to or arising from the Obligations or this Guarantee.

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

Executed and delivered as a deed as of the day and year first above written.

Signed as a deed by [REDACTED] as attorney for
[REDACTED]
under a power of attorney dated [REDACTED] in the
presence of:

By: [REDACTED]
Name: [REDACTED]
as attorney for [REDACTED]

WITNESSES

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Address: [REDACTED]

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

FORM OF GUARANTY

This Guaranty is made and given this 29 day of November, 2013, by [REDACTED]
[REDACTED] whose registered office is at [REDACTED]
[REDACTED] (hereinafter referred to as "Guarantor") in favor of the [REDACTED]
[REDACTED]
[REDACTED] a corporation organized under the laws of the
State of [REDACTED] (hereinafter referred to as "Beneficiary").

Guarantor enters into this Guaranty in consideration of the Beneficiary having entered as of July 22, 2013 into a Coordination Agreement under the Electric Generation Supplier Coordination Tariff (the "Agreement") with [REDACTED] (the entity on behalf of which the Guarantor offers this Guaranty, hereinafter referred to as "Supplier"). Guarantor acknowledges the benefit to it of said Agreement between Beneficiary and Supplier, as well as the benefit of extending the Guaranty.

1. Guarantor hereby unconditionally guarantees to Beneficiary the prompt, faithful and full payment on demand of indebtedness that now is or may hereafter become due and payable from Supplier to Beneficiary in connection with the Agreement. The guaranteed liabilities and obligations include, but are not limited to, payments owed on open account, payments owed on or made by notes, drafts, or other instruments evidencing indebtedness, including late fees on unpaid balances, which shall accrue as set forth in Article 12.1(e) of the Agreement, up to the aggregate amount that shall not exceed [REDACTED]

[REDACTED] Guarantor further promises to pay all reasonable attorneys' fees and other damages, costs, and expenses incurred by Beneficiary as a result of Supplier's failure to pay any monies due to Beneficiary in connection with the Agreement, or Guarantor's failure to fulfill its obligations under this Guaranty. In addition, Guarantor agrees to reimburse Beneficiary for all sums paid to Beneficiary by Supplier, which sums Beneficiary is subsequently required to return or repay for any reason, including, but not limited to, Supplier's bankruptcy, insolvency or a requirement of any

legislative enactment, proclamation or judicial proceeding providing for the postponement of the payment of debts or affecting the exercise of creditors' rights. Notwithstanding anything to the contrary herein, Guarantor expressly reserves unto itself all rights, counterclaims and other defences that Supplier may have under the Agreements except those arising out of the bankruptcy, insolvency, dissolution or liquidation of Supplier.

2. This Guaranty shall be a continuing guaranty of payment and not of collection or performance, and shall remain in full force and effect from the date this Guaranty is executed until the earlier of 1) the termination of the Agreement, or 2) the replacement of this Guaranty with another Guaranty or other form of security acceptable in form and substance to the Beneficiary.

3. Beneficiary hereby agrees to use reasonable efforts to inform Guarantor in writing of any dishonor or default by Supplier at least ten (10) business days prior to making demands on Guarantor for payment under this Guaranty. However, Beneficiary shall not be required to so inform Guarantor as a prerequisite to making demands on Guarantor for payment under this Guaranty, or enforcing any other of Beneficiary's rights and Guarantor's obligations under this Guaranty.

4. Guarantor shall make payment in United States dollars to Beneficiary via wire transfer of funds, free of any deductions or withholdings, all monies due to Beneficiary pursuant to this Guaranty within fifteen (15) business days after receiving written demand for payment from Beneficiary. Beneficiary's demand shall include the bank account to which the funds should be wire transferred.

5. Guarantor hereby WAIVES the giving of any notice, including, but not limited to, the following:

- (a) Notice of acceptance of this Guaranty by Beneficiary;
- (b) Notice that Supplier has entered into, and incurred indebtedness in connection with, Agreements with Beneficiary;
- (c) Notice of the modification or amendment in any manner (whether or not material) of the Transaction between Supplier and Beneficiary;
- (d) Notice of any extension (whether or not material) of the time for performance or other modification of terms for the payment of any sums due and payable to Beneficiary in connection with Agreements between Supplier and Beneficiary;
- (e) Notice of presentment, demand for payment, default, dishonor, protest or notice of protest with respect to any notes, drafts, or other instruments evidencing indebtedness, received from Supplier to Beneficiary; and
- (f) Notice of any defaults by or disputes with Supplier with respect to payment or performance in connection with Agreements between Supplier and Beneficiary.

6. Guarantor acknowledges that the modification of the Service Agreement between Supplier and Beneficiary shall not discharge or otherwise affect the liability of the Guarantor with respect thereto under this Guaranty.

7. For the purposes of this Guaranty, all sums to become due from Supplier to Beneficiary shall be deemed to have become immediately due and payable upon the occurrence, and written notice to the Supplier of any of the following: (a) Supplier defaults on its payment obligations to Beneficiary; (b) defaults on Coordination Agreement under the Electric Generation Supplier Coordination Tariff; (c) a petition under any chapter of the Bankruptcy Code, as amended, be filed by or against Supplier; (d) Supplier makes a general assignment for the benefit of creditors, suspends business, or commits any act amounting to a business failure; or (e) an attachment be levied or a tax lien be filed against any of Supplier's property.

8. Guarantor's obligations under this Guaranty are independent of all obligations of Supplier to Beneficiary. Beneficiary shall not be required to proceed first against Supplier or any other person, firm or corporation before resorting to Guarantor for payment under this Guaranty.

9. Demands on Guarantor for payment under this Guaranty shall be in writing and delivered personally or mailed recorded delivery, postage prepaid, or sent by facsimile, as follows:

To Guarantor:

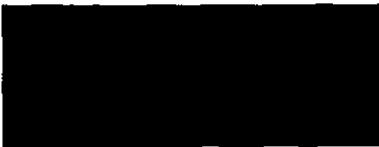


All demands for payment shall be effective when received by Guarantor. Guarantor may change the address to which demands for payment are to be sent upon written notice to Beneficiary.

10. Notices to Beneficiary under this Guaranty shall be in writing and shall be delivered in person or sent by Certified United States Mail (postage prepaid, return receipt requested), overnight express mail, courier service or facsimile transmission (with the original transmitted by any of the other aforementioned delivery methods) or telecommunication to the following persons and addresses:



With a copy to:



All notices given to Beneficiary shall be effective when received by the persons designated herein or substitute persons designated by Beneficiary. Beneficiary may change the persons and or addresses to which notices are to be sent upon written notice to Guarantor.

11. This Guaranty and each of its provisions may be waived, modified, varied, released, terminated or surrendered, in whole or in part, only by a duly authorized written instrument signed by Beneficiary and Guarantor. No failure by Beneficiary to exercise its rights under this Guaranty shall give rise to any estoppel against Beneficiary or excuse Guarantor from performing under this Guaranty. No waiver by Beneficiary of performance by Guarantor under any of the provisions of this Guaranty shall be construed as a waiver of any subsequent performance by Guarantor under the same or any other provisions of this Guaranty.

12. This Guaranty shall be binding upon and inure to the benefit of and be enforceable by the respective successors, permitted assigns and transferees of Guarantor and Beneficiary. Neither Guarantor nor Beneficiary may assign or transfer this Guaranty or any interest or obligation in or under this Guaranty without the prior express written consent of Beneficiary or Guarantor respectively. Guarantor, shall remain liable under this Guaranty, notwithstanding assumption of this Guaranty by a successor or assign, unless and until released in writing from its obligations hereunder by Beneficiary. Guarantor agrees that its obligations under this Guaranty shall extend to Agreements between Beneficiary and any successors and assigns of Supplier which are owned and or controlled, in whole or in part, by Guarantor.

13. This Guaranty shall in all respects be governed by, and construed in accordance with, the laws of the State of New York and the parties hereby submit to the exclusive jurisdiction of the courts of the State of New York. Each party hereby irrevocably waives any and all rights to trial by jury with respect to any legal proceeding arising out of or relating to this Guarantee.

14. This writing is the complete and exclusive statement of the terms of this Guaranty and supersedes all prior oral or written representations, understandings, and agreements between Beneficiary and Guarantor with respect to the subject matter hereof. Beneficiary and Guarantor agree that there are no conditions to the full effectiveness of this Guaranty.

15. Guarantor represents and warrants that, at the time of the execution and delivery of this Guaranty, nothing (whether financial condition or any other condition or situation) exists to impair the obligations and liabilities of Guarantor to Beneficiary under this Guaranty. Guarantor further represents and warrants that each of the persons signing this Guaranty on its behalf has been properly authorized by

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corporate action to do so. Each signatory on behalf of Guarantor represents and warrants that he or she is authorized to do so on behalf of Guarantor and by so signing, to bind Guarantor under this Guaranty.

16. Upon payment of this indebtedness owing to the Beneficiary, the Guarantor shall be subrogated to the rights of the Beneficiary against Supplier, and the Beneficiary agrees to take at the Guarantor's expense such steps as the Guarantor may reasonably request to implement such subrogation.

IN WITNESS WHEREOF, Guarantor has duly signed and sealed this Guaranty on this 29th day of November, 2013.

Signed as a deed by _____ as attorney for
_____ under a power of attorney dated _____ in
the presence of:

By: _____
Name: _____
as attorney for _____

WITNESS:

By: _____
Name: _____
Title: _____
Address: _____

Redacted

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Direct Energy Business Marketing, LLC

Exhibit C-5
Projected Financial Forecast – 2 Years
Ohio / Power

	2017	2018
Revenue		
Expenses		
Net Income		

Prepared by:
Linda Chice, Senior Analyst,
Financial Planning and Budgeting
Direct Energy
(732)516-3006

Direct Energy Business Marketing, LLC

Exhibit C-6
Credit Rating

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

As evidenced in Exhibit C-4 "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

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Direct Energy Business Marketing, LLC

Exhibit C-7
Applicant Credit Report

The Dun and Bradstreet Credit Report for Direct Energy Business Marketing, LLC is being filed under seal as this is not public information.

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Direct Energy Business Marketing, LLC

Exhibit C-8
Bankruptcy Information

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

Exhibit C-9
Merger Information

There have been no changes since the previous renewal that was submitted in 2015.

Exhibit C-10 Corporate Structure

Direct Energy Business Marketing, LLC ("DEBM") is an indirect wholly owned subsidiary of Centrica plc. DEBM is a subsidiary of Direct Energy Business, LLC ("DEB"), and DEB is a subsidiary of Direct Energy Services, LLC ("DES"). Gateway Energy Services Corporation is also a subsidiary of DES. DES is a subsidiary of Direct Energy Marketing Inc. ("DEMI").

Along with DES, Bounce Energy, Inc., First Choice Power, LLC, Energy America, LLC, Direct Energy, LP, CPL Retail Energy, LP and WTU Retail Energy, LP are also subsidiaries of DEMI and affiliates of Direct Energy Business Marketing and supply retail or wholesale services for electricity and/or natural gas to customers in North America. See also Exhibit C-10 – U.S. Operations.

Exhibit D-1
Operations

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Direct Energy Business Marketing, LLC, 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. Energy America, LLC is the wholesale trading affiliate of Direct Energy Services, LLC, US trading, has the contractual relationships with outside parties and partners to provide energy supply to end use customers. Please note, Energy America, LLC will ultimately be replaced with Direct Energy Business Marketing, LLC becoming the wholesale trading affiliate on behalf of Direct Energy. Direct Energy Business has the ability to purchase and sell power from the wholesale market on an hourly , daily, weekly and monthly basis. After buying or selling the power, Direct Energy Business then schedules the energy with the Control Areas. This process entails buying and scheduling transmission and ancillary services and properly creating and submitting NERC tags (via OATI software) to the Control Areas. Our Retail and Wholesale schedules are confirmed with the Control Areas to ensure flow prior to start and end of the schedule for verification of flow.

Exhibit D-2
Operations Expertise

Based on organizational changes implemented at the end of 2013, the supply and trading responsibilities for procuring power are now a function of Direct Energy Business. The current President of Direct Energy Business is John Schultz, who is located in our Iselin, New Jersey office. Mr. Schultz 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 for natural gas 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

John Schultz, President – Direct Energy Business

John.schultz@directenergy.com

(732) 516-2600

The current President Direct Energy Business Marketing, LLC is John Schultz. John Schultz is the President, Centrica North America and Direct Energy Business. As President, Centrica North America, he oversees alignment of all business units across the US and Canada. In his role as President, Direct Energy Business, John is responsible for our North American commercial, industrial and wholesale customer business.

John joined Direct Energy Business in November 2013, and prior to that he was Vice President of Sales and Operations for Hess Corporation's Energy Marketing business. He has 23 years of industry experience in a variety of roles including sales, marketing, natural gas and electric supply & trading, M&A and power plant development. He previously served as an Executive Committee Member of the Bayonne Energy Center and Newark Energy Center, two New Jersey-based power plants. John began his career in Alexandria, Virginia at the Eastern Group and subsequently worked for Statoil Energy, Inc., where he was responsible for their natural gas and electric supply operations.

John has a B.S in Agricultural Economics from Penn State University and has attended executive development programs at 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) 516-2602

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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Direct Energy Business Marketing, LLC

Exhibit D-4

FERC Power Marketer Permit

Direct Energy Business Marketing, LLC maintains a current FERC Market Based Rate Tariff, which is under docket ER13-1192.