



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110164

November 28, 2005

DIRECT ENERGY SERVICE LLC
263 TRESSOR BLVD 8TH FL
STAMFROD CT 06901-

DOCUMENT
FOLDER

ATTENTION: JAMES STEFFES

RE: License Bond or Other Financial Security

Dear Mr. Steffes:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by Direct Energy Service LLC expires on January 27, 2006.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

DOCKETED
DEC 8 2005

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763 or Darren Gill at (717) 783-5244, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert A. Rosenthal".

Robert A. Rosenthal
Director, Bureau of Fixed Utility Services

cc: J. McNulty, Secretary

January 6, 2006

James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg. 2nd Fl.
400 Commonwealth Street
P.O. Box 3265
Harrisburg, PA 17105-3265

DOCUMENT
FOLDER

Re: Direct Energy Services, LLC's Bond Extension Certificate (Docket No. A-110164)

Dear Secretary McNulty:

Enclosed please find an original Extension Certificate for Direct Energy Services, LLC's Bond in support of its electric supplier license (No. A-110164). This extension certificate will extend our current bond from January 27, 2006 to January 27, 2007.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Enver Acevedo
Manager, Government and Regulatory Affairs
203-328-3568

DOCKETED

JAN 18 2006

SECRETARY'S OFFICE

2565 JAN 12 11 51 20

RECEIVED

9

EXTENSION CERTIFICATE

To Be Filed With The Oblige

To be attached to and form a part of Bond No. 8196-66-89

Executed by **Federal Insurance Company** as Surety

Principal: Direct Energy Services, LLC

Obligee: Pennsylvania Public Utility Commission

Description: License & Permit Bond

In the Sum of: \$250,000.00 Two Hundred Fifty Thousand Dollars & NO/100

Bond Dated:

DOCKETED
JAN 18 2006

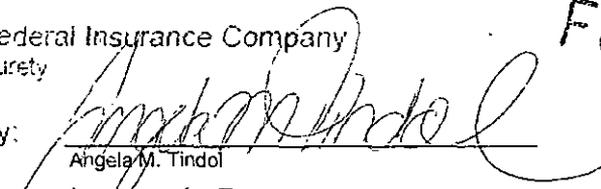
Said Principal and said Surety hereby agree that the term of said bond is extended from -
January 27, 2006 to January 27, 2007 subject to all other provisions, conditions and limitations
of said bond upon the express condition that the Surety's liability during the original term of said
bond and during any extended term shall not be cumulative and shall in no event exceed the
sum of \$250,000.00.

In witness whereof, the said Principal and said Surety have signed this certificate this 20 day
of December, 2005.

Direct Energy Services, LLC
Principal

By: 

Federal Insurance Company
Surety

By: 
Angela M. Tindol
Attorney-in-Fact

**DOCUMENT
FOLDER**

RECEIVED
2006 JAN 12 11 01 AM
SECRETARY OF REVENUE

This Notice pertains to the following Surety Bond issued by a member insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb Surety Bond, you will receive notice(s) for such other Surety Bonds.

Issuing Company: Federal Insurance Company
Policy Number: 8196-66-89
Principal Name: Direct Energy Services, LLC
Obligee Name: Pennsylvania Public Utility Commission

**POLICYHOLDER DISCLOSURE NOTICE
TERRORISM RISK INSURANCE ACT OF 2002
(POLICIES WITH NO TERRORISM EXCLUSION OR SUBLIMIT AND NO
PREMIUM CHARGE)**

You are hereby notified that pursuant to the Terrorism Risk Insurance Act of 2002 (the "Act") effective November 26, 2002, we are making available to you coverage for losses arising out of certain acts of international terrorism. Terrorism is defined as any act certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Coverage for acts of terrorism is already included in the captioned Surety Bond.

You should know that, effective November 26, 2002, any losses caused by acts of terrorism covered by your policy will be partially reimbursed by the United States under the formula set forth in the Act. Under this formula, the United States of America pays 90% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the coverage. The portion of your annual premium that is attributable to coverage for such acts of terrorism is zero, because we could not distinguish (and separately charge for) acts of terrorism from other causes of loss when we calculated your premium.

If you have any questions about this notice, please contact your agent or broker.

Terrordisclosure | Zeropremium



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Dan W. Burton, Teresa D. Kelly, Angela M. Tindol and Benjamin D. Wilcox of Houston, Texas -----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 7th day of November, 2005

Kenneth C. Wendel, Assistant Secretary

John P. Smith, Vice President

STATE OF NEW JERSEY
County of Somerset

ss.

On this 7th day of November, 2005 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE KALBACHER
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 8, 2009

Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 20th day of December, 2005.



Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No: A-110164

November 27, 2006

DIRECT ENERGY SERVICE LLC
263 TRESSOR BLVD 8TH FL
STAMFORD CT 06901-

ATTENTION: JAMES STEFFES

**DOCUMENT
FOLDER**

RE: License Bond or Other Financial Security

Dear Mr. Steffes:

RECEIVED
2006 NOV 27 PM 3:10
PA PUC
SECRETARY'S BUREAU

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by Direct Energy Service LLC expires on January 27, 2007.

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In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

DOCKETED
APR 19 2007

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Rosenthal". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert A. Rosenthal
Director, Bureau of Fixed Utility Services

cc: J. McNulty, Secretary



Direct Energy.

PA Public Utilities Commission
Secretary's Bureau
400 North Street
Harrisburg, PA 17120
717-772-7777

RECEIVED
2007 JAN -3 AM 9:00
PA P.U.C.
SECRETARY'S BUREAU

A-110164

December 22, 2006

RE: Direct Energy Services, LLC License & Permit Bond

Dear Sir or Madam:

Enclosed please find Direct Energy Services, LLC's original executed extension certificate for Bond No. 8196-66-89 in the amount of \$250,000.00 for the term of January 27, 2007 – January 27, 2008.

Please do not hesitate to contact me with any questions or concerns at 203-328-3556 or via e-mail at lisa.hawke@directenergy.com.

Thank you,

Lisa Hawke
Analyst, Government & Regulatory Affairs

DOCUMENT
FOLDER

DOCKETED
JAN 04 2007

263 Tresser Blvd
One Stamford Plaza, 8th Floor
Stamford, CT 06901
Tel: 203-328-3540 Fax: 203-328-3545

RECEIVED

2007 JAN -3 AM 9:00

PA P.U.C.
SECRETARY'S BUREAU

EXTENSION CERTIFICATE

To Be Filed With The Obligee

To be attached to and form a part of Bond No. 8196-66-89

Executed by **Federal Insurance Company** as Surety

Principal: Direct Energy Services, LLC

Obligee: Pennsylvania Public Utility Commission

Description: License & Permit Bond

In the Sum of: \$250,000.00 Two Hundred Fifty Thousand Dollars & NO/100

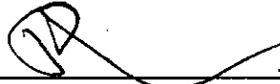
Bond Dated:

Said Principal and said Surety hereby agree that the term of said bond is extended from -
January 27, 2007 to January 27, 2008 subject to all other provisions, conditions and limitations
of said bond upon the express condition that the Surety's liability during the original term of said
bond and during any extended term shall not be cumulative and shall in no event exceed the
sum of \$250,000.00.

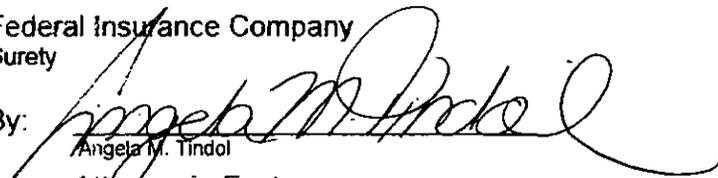
In witness whereof, the said Principal and said Surety have signed this certificate this 13th day
of December, 2006.

Direct Energy Services, LLC

Principal

By: 

Federal Insurance Company
Surety

By: 

Angela M. Tindol

Attorney-in-Fact



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Dan W. Burton, Teresa D. Kelly, Angela M. Tindol and Benjamin D. Wilcox of Houston, Texas

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 7th day of November, 2005

Kenneth C. Wendel
Kenneth C. Wendel, Assistant Secretary

John P. Smith
John P. Smith, Vice President

STATE OF NEW JERSEY

ss.

County of Somerset

On this 7th day of November, 2005 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE KALBACHER
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 8, 2009

Katherine Kalbacher

Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 13th

day of December, 2006.



Kenneth C. Wendel
Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com

213 Market Street, 9th Floor, P.O. Box 865, Harrisburg, PA 17108-0865
Tel: (717) 237-7160 ■ Fax: (717) 237-7161 ■ www.WolfBlock.com

Kevin J. Moody
Direct Dial: (717) 237-7187
Direct Fax: (717) 237-2767
E-mail: kmoody@wolfblock.com

ORIGINAL

December 14, 2006

VIA HAND DELIVERY

James McNulty, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
2nd Fl., 400 North Street
Harrisburg, PA 17105-3265

DOCUMENT FOLDER

RECEIVED
2006 DEC 14 PM 3:35
PA PUC
SECRETARY'S BUREAU

Re: License Bond or Other Financial Security
Direct Energy Services LLC, Docket No. A-110164

Dear Secretary McNulty:

This letter confirms that, in response to Mr. Robert Rosenthal's letter dated November 27, 2006, I discussed the renewal of Direct Energy's bond yesterday with Mr. James Shurskis of the Bureau of Fixed Utility Services, and that Direct Energy is confirming that the renewal of its bond, in the amount of \$250,000, is in process. I will provide the necessary documentation to the Commission when that has been completed.

Please contact me at your convenience if you or Commission Staff have any questions concerning this matter. Thank you.

Sincerely,



Kevin J. Moody

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

KJM/jls

cc: James Shurskis
James Steffes
Frank Lacey

HAR:70217.1/DIR023-216494

H2

EXTENSION CERTIFICATE

To Be Filed With The Obligee

DOCUMENT
FOLDER

To be attached to and form a part of Bond No. 8196-66-89

Executed by **Federal Insurance Company** as Surety

A-110164

Principal: Direct Energy Services, LLC

Obligee: Pennsylvania Public Utility Commission

Description: License & Permit Bond

In the Sum of: \$700,000.00 Seven Hundred Thousand Dollars & NO/100

Bond Dated: January 27, 2005

RECEIVED

JAN 22 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Said Principal and said Surety hereby agree that the term of said bond is extended from -
January 27, 2008 to January 27, 2009 subject to all other provisions, conditions and limitations
of said bond upon the express condition that the Surety's liability during the original term of said
bond and during any extended term shall not be cumulative and shall in no event exceed the
sum of \$250,000.00.

In witness whereof, the said Principal and said Surety have signed this certificate this 7th day
of January, 2008.

Direct Energy Services, LLC

Principal

By:

Robert J. Pate

Federal Insurance Company

Surety

By:

Angela M. Tindol
Angela M. Tindol
Attorney-in-Fact

B3826

Federal Insurance Company
Mountain View Road P.O. Box 1613
Warren, NJ 070611615

RIDER

To be attached to and form a part of Bond No. 8196-66-89

Issued by: Federal Insurance Company

On Behalf of: Direct Energy Services, LLC

In favor of: Pennsylvania Public Utility Commission

In the amount of: Two Hundred Fifty Thousand Dollars & NO/100

(\$250,000.00-----)

Effective: 1/27/2005

It is hereby stipulated and agreed that the above described bond is hereby amended as follows:

The Bond Amount is Hereby INCREASED FROM: Two Hundred Fifty Thousand and 00/100 (\$250,000.00) TO: Seven Hundred Thousand and 00/100 (\$700,000.00)

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions or limitations of said bond other than as above stated.

This rider is effective as of January 27, 2008.

Signed, sealed and dated this 7th day of January, 20 08.

Direct Energy Services, LLC

BY: Robert J. Porter

Federal Insurance Company

BY: Angela M. Tindol

Angela M. Tindol, Attorney-in-Fact

RECEIVED

JAN 22 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

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Kenneth C. Wendel, Assistant Secretary

John P. Smith, Vice President

STATE OF NEW JERSEY
County of Somerset ss.

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Notarial Seal



KATHERINE KALBACHER
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 8, 2009

Notary Public

CERTIFICATION

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- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 7th day of January, 2008.

RECEIVED

JAN 22 2008



PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656
e-mail: surety@chubb.com



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Dan W. Burton, Teresa D. Kelly, Angela M. Tindol and Benjamin D. Wilcox of Houston, Texas -----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 7th day of November, 2005

Kenneth C. Wendel, Assistant Secretary

John P. Smith, Vice President

STATE OF NEW JERSEY
County of Somerset ss.

On this 7th day of November, 2005 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE KALBACHER
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 8, 2009

Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President; any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 7th day of January, 2008.

RECEIVED

JAN 22 2008



PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656

e-mail: surety@chubb.com



ORIGINAL

Mr. James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, Room-N201
PO Box 3265
Harrisburg, PA 17105-3265

RECEIVED

OCT 31 2006

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

October 25, 2006

A-125135
A-110164

DOCUMENT
FOLDER

RE: Direct Energy Services, LLC Corporate Information

Dear Secretary McNulty:

Enclosed please find updated Corporate Information for Direct Energy Services, LLC.

Please do not hesitate to contact me with any questions or concerns at 203-328-3574 or via e-mail at cindy.holahan@directenergy.com.

Thank you,

Cindy Holahan
Analyst, Government & Regulatory Affairs

57

Corporate Information

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

Officers:

Deryk I. King
Chief Executive Officer
(416) 590-3504

Phillip W. Tonge
President
(713) 877-3501

Jay Hellums
Senior Vice President, Energy Procurement
(713) 877-3642

Bill Cronin
Chief Operations Officer
(203) 328-3566

David Clarke
Chief Financial Officer and Senior Vice President, Finance
(416) 590-3348

Jamey Seely
Secretary
(713) 877-3507

Brandon Parent
Assistant Secretary
(416) 590-3696

Lisa Delsante
Assistant Secretary
(203) 328-3572

James Steffes
Vice President, Government & Regulatory Affairs
(713) 877-3818

Badar Khan
Senior Vice President, Growth Markets
(203) 328-3567

Nathan Kroeker
Vice President, Finance
(713) 877-3744

Directors:

Bill Cronin
(203) 328-3566



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110164

November 26, 2007

DIRECT ENERGY SERVICE LLC
263 TRESSOR BLVD 8TH FL
STAMFROD CT 06901-

DOCUMENT
FOLDER

ATTENTION: JAMES STEFFES

RE: License Bond or Other Financial Security

Dear Mr. Steffes:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by Direct Energy Service LLC expires on January 27, 2008.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

DOCKETED
NOV 28 2007

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,



Robert Wilson, Director
Bureau of Fixed Utility Services

cc: J. McNulty, Secretary

A 110164

RECEIVED

JUNE 6 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

THE TORONTO-DOMINION BANK
GLOBAL TRADE FINANCE
500 ST. JACQUES ST. 19TH FLOOR
MONTREAL, QUEBEC H2Y 1J1
TEL: 1-866-661-6866
FAX: 1-866-661-6706

JUNE 7 2008

DOCUMENT
FOLDER

COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PA 17120

ATTN: MRS. JAMES MCNULTY TEL: (717) 785-5375

IRREVOCABLE STANDBY LETTER OF CREDIT NO. 18195916
ISSUED FOR ACCOUNT OF DIRECT ENERGY SERVICES LLC ON

WE ENCLOSE THE ABOVE MENTIONED GUARANTEE

PLEASE ADDRESS ANY FUTURE CORRESPONDENCE TO THE ABOVE
ADDRESS QUOTING OUR REFERENCE NO. G195916 TO THE ATTENTION
OF THE UNDERSIGNED

ALSO UPON EXPIRY OF THE LETTER OF CREDIT KINDLY RETURN THE
ORIGINAL CREDIT DIRECTLY TO US FOR CANCELLATION

YOURS TRULY

[Handwritten Signature]

AUTHORIZED SIGNATURE
GUARANTEE DEPT.

Fani Vrentas V.S.

POOR ORIGINAL

THE TORONTO DOMINION BANK
GLOBAL TRADE FINANCE
500 ST JACQUES ST 9TH FLOOR
MONTREAL QUEBEC H2Y 1S1
TEL: 1-866-661-6866
FAX: 1-866-661-6766

IRREVOCABLE STANDBY LETTER OF
CREDIT NO. C195916

PLACE AND DATE OF ISSUE: MONTREAL 17 JUNE 2008
DATE AND PLACE OF EXPIRY: 17 JUNE 2009 AT OUR COUNTERS

APPLICANT: DIRECT ENERGY SERVICES LLC ON BEHALF OF STRATEGIC ENERGY LLC
BENEFICIARY: PENNSYLVANIA PUBLIC UTILITY COMMISSION
21 CANTON CENTER 9TH FLOOR HARRISBURG PA USA
PITTSBURGH PA 15222 17105 3265

ISSUING BANK:
THE TORONTO DOMINION BANK
GLOBAL TRADE FINANCE
500 ST JACQUES ST 9TH FLOOR
MONTREAL QUEBEC CANADA H2Y 1S1

AMOUNT: US DOLLARS 16,184,980.00
SIXTEEN MILLION ONE HUNDRED EIGHTY FOUR THOUSAND SEVEN HUNDRED EIGHTY EIGHT / 100

WE THE TORONTO DOMINION BANK GLOBAL TRADE FINANCE
500 ST JACQUES ST 9TH FLOOR MONTREAL QUEBEC CANADA
HEREBY ISSUE OUR IRREVOCABLE LETTER OF CREDIT
NO. C195916 IN YOUR FAVOR EFFECTIVE JUNE 17 2008

FOR THE ACCOUNT OF DIRECT ENERGY SERVICES LLC ON BEHALF
OF STRATEGIC ENERGY LLC FOR AN AGGREGATE AMOUNT OF
USD 16,184,980.00 (SIXTEEN MILLION ONE HUNDRED EIGHTY FOUR
THOUSAND SEVEN HUNDRED EIGHTY EIGHT UNITED STATES DOLLARS)

THIS LETTER OF CREDIT WILL EXPIRE ON JUNE 17 2009. WE ARE
ADVISED THAT THIS LETTER OF CREDIT IS TO COVER SERVICES
DELIVERED THROUGH JUNE 17 2009.

WE ARE ALSO ADVISED THAT THIS LETTER OF CREDIT IS BEING ISSUED
FOR THE PURPOSE TO ASSURE COMPLIANCE WITH THE APPLICABLE
PROVISIONS OF THE PUBLIC UTILITY CODE 66 PA C S SECTION 2810
ET SEQ AND THE RULES AND REGULATIONS OF THE PENNSYLVANIA
PUBLIC UTILITY COMMISSION BY STRATEGIC ENERGY LLC AS AN
LICENSED ELECTRIC GENERATION SUPPLIER TO ENSURE THE PAYMENT
OF GROSS RECEIPTS MAY AS REQUIRED BY SECTION 2810 OF THE PUBLIC
UTILITY CODE 66 PA C S SECTION 2810 AND TO ENSURE THE SUPPLY
OF ELECTRICITY AT RETAIL IN ACCORDANCE WITH CONTRACTS
AGREEMENTS OR ARRANGEMENTS.

WE ARE ADVISED FOR INFORMATION PURPOSES ONLY THAT

POOR ORIGINAL

THE TORONTO-DOMINION BANK
GLOBAL TRADE FINANCE
500 ST. JACQUES ST. SUITE 1000
MONTRÉAL, QUÉBEC H3B 5A1
TEL: 1-866-661-6666
FAX: 1-866-661-6766

CONTINUATION OF IRREVOCABLE STANDBY LETTER OF CREDIT NO. G195916
DATE OF ISSUE: 17 JUNE 2008 DATE OF EXPIRY: 17 JUNE 2009

APPLICANT: DIRECT ENERGY SERVICES LLC ON BEHALF OF STRATEGIC ENERGY SERVICES LLC
BENEFICIARY: PENNSYLVANIA PUBLIC UTILITY COMMISSION

1. PAYMENTS MADE PURSUANT TO THIS LETTER OF CREDIT SHALL ENSURE FIRST TO THE BENEFIT OF THE COMMONWEALTH AND SECOND TO ANY AND ALL RETAIL ELECTRIC GENERATION CUSTOMERS TO WHOM STRATEGIC ENERGY LLC MAY BE HELD LEGALLY LIABLE FOR FAILURE TO SUPPLY ELECTRIC GENERATION PURSUANT TO CONTRACT AGREEMENTS OR ARRANGEMENTS.

2. ANY CLAIMS MADE BY THE COMMONWEALTH SHALL HAVE PRIORITY OVER CLAIMS MADE BY PRIVATE INDIVIDUALS.

3. PROCEEDS OF THE LETTER OF CREDIT MAY NOT BE USED TO PAY PENALTIES OR FINES BELEVIED AGAINST STRATEGIC ENERGY LLC FOR VIOLATIONS OF THE LAW OR FOR PAYMENT OF ANY OTHER TAX OBLIGATIONS OWED TO THE COMMONWEALTH.

THE SAID AMOUNT IS AVAILABLE BY DRAFT(S) ON US\$ BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION (PUC) AT SIGHT ACCOMPANIED BY:

A. THE ORIGINAL LETTER OF CREDIT AND AMENDMENTS THERE TO, IF ANY.

B. THE PUC'S LETTER REQUESTING PAYMENT UNDER THIS CREDIT AND BEING FORWARDED SIGNED BY AN OFFICER OF THE PUC. SUCH LETTER FROM PUC SHALL INCLUDE A STATEMENT OF THE AMOUNT OWED THE PUC AND THAT SUCH AMOUNT IS DUE TO THE PUC PURSUANT TO THE PUBLIC UTILITY CODE, GROSS RECEIPTS TAX OR ELECTRICITY SUPPLY OBLIGATIONS OF STRATEGIC ENERGY SERVICES LLC LICENSE TO OFFER, RENDER, PURCHASE OR SUPPLY ELECTRICITY OR ELECTRIC GENERATION SERVICES TO THE PUBLIC IN THE COMMONWEALTH OF PENNSYLVANIA AND THAT DIRECT ENERGY SERVICES LLC ON BEHALF OF STRATEGIC ENERGY LLC INTENDS TO PAY SAID AMOUNT.

EACH DRAFT(S) MUST BE MARKED "DRAWN UNDER THE TORONTO-DOMINION BANK, MONTRÉAL, QUÉBEC, CANADA, LETTER OF CREDIT NO. G195916" DATED AS OF JUNE 17, 2008.

PARTIAL DRAWINGS ARE PERMITTED UNDER THIS CREDIT.

POOR ORIGINAL

THE TORONTO DOMINION BANK
GLOBAL TRADE FINANCE
500 ST. JACQUES ST. 9TH FLOOR
MONTREAL QUEBEC H2Y 1S1
TEL: 1-800-661-6766
FAX: 1-866-661-6766

CONTINUATION OF REVOCABLE STANDBY LETTER OF CREDIT NO. 0195916
DATE OF ISSUE: 17 JUNE 2008 DATE OF EXPIRY: 17 JUNE 2009
APPLICANT: DIRECT ENERGY SERVICES SAISON EN FAVOR OF STRATEGIC
BENEFICIARY: PENNSYLVANIA PUBLIC UTILITY COMMISSION

THIS LETTER OF CREDIT IS NON-ASSIGNABLE OR TRANSFERABLE
TO ANY THIRD PARTY.

THIS LETTER OF CREDIT EXPIRES AT THE TORONTO DOMINION BANK
GLOBAL TRADE FINANCE, 500 ST. JACQUES ST. W. 9TH FLOOR,
MONTREAL, QUEBEC, CANADA H2Y 1S1 ATIN. STANDBY LETTER
OF CREDIT DEPARTMENT AT OUR CLOSE OF BUSINESS ON JUNE 17, 2009.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE
STRICTLY CASHY EXTENDED FOR PERIODS OF ONE YEAR EACH FROM THE
PRESENT OR ANY FUTURE EXPIRY DATE UNLESS WE NOTIFY YOU IN
WRITING AT LEAST NINETY (90) DAYS PRIOR TO SUCH EXPIRY DATE THAT
WE EXPECT NOT TO FURTHER EXTEND THIS LETTER OF CREDIT UPON RECEIPT
OF SUCH NOTICE YOU MAY DRAW ON THIS LETTER OF CREDIT UP TO THE
EXTENDED BALANCE BY PRESENTATION OF YOUR SIGHT DRAFT DRAWN ON THE
TORONTO DOMINION BANK, ON OR BEFORE THE THEN RELEVANT EXPIRY
DATE.

THIS LETTER OF CREDIT IS SUBJECT TO UNIFORM CUSTOMS AND
PRACTICE FOR DOCUMENTARY CREDITS, 2007 REVISION, IFC (PUBLICATION
NO. 600).

WE HEREBY AGREE WITH YOU THAT YOUR DRAFTS DRAWN HEREUNDER AND
IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE
ONLY HONORED IF PRESENTED TO US AT OUR ADDRESS SHOWN ABOVE BEFORE
OUR CLOSE OF BUSINESS ON THE ABOVE MENTIONED EXPIRY DATE.

POOR ORIGINAL


Lina BELTROCCO, SIS


Pam Ventas, SIS



7/15/08
files to Fus
BCS
ASSmnts

Via Overnight Mail

June 30, 2008

DOCUMENT
FOLDER

Pennsylvania Public Utility Commission
Attn: Mr. James J. McNulty, Secretary
Room B-20, North Office Building
North Street and Commonwealth Avenue
P.O. Box 3265
Harrisburg, PA, 17105-3265
717-783-1740

RE: Update to registration information for Direct Energy Services, LLC – License #A-110164

Mr. McNulty:

Pursuant to 52 Pa Code § 54.34, please allow this correspondence to serve as notice that Direct Energy Services, LLC, (“Direct Energy”) (License #A-110164) acquired Strategic Energy, LLC, (“Strategic Energy”) (License #A-110025).

The former corporate parent of Strategic Energy, as should be reflected in PUC files, was Great Plains Energy, Inc. of Kansas City, MO. **The new corporate owner of Strategic Energy is Direct Energy Services, LLC, an indirect wholly owned subsidiary of Centrica plc.** Thus, Direct Energy Services, LLC, is now affiliated with Strategic Energy, LLC, a retail electricity supplier operating in Pennsylvania. At this time, Strategic Energy is not changing its name or its services.

Regulatory approvals from FTC and FERC for this transaction were issued on May 2, 2008, and May 13, 2008, respectively. Approval from CFIUS was issued on May 28, 2008, and the transaction closed on June 2, 2008.

Additionally, Direct Energy has made changes to its officers. Please find attached Direct Energy’s updated list of officers, Attachment A.

If you have any questions regarding this notice, please contact me.

Sincerely,

Steven D. Williams
Compliance Analyst

12 Greenway Plaza
Suite 600
Houston, TX 77046
Tel: 713-877-3503

RECEIVED

JUN 30 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

B 13654

ATTACHMENT A

ATTACHMENT A

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

Officers:

Deryk I. King
Chief Executive Officer
(416) 590-3504

Phillip W. Tonge
President
(713) 877-3501

Jay Hellums
Senior Vice President, Energy Procurement
(713) 877-3642

Bill Cronin
Chief Operations Officer
(203) 328-3566

David Clarke
Chief Financial Officer and Senior Vice President, Finance
(416) 590-3348

Jamey Seely
Secretary
(713) 877-3507

Brandon Parent
Assistant Secretary
(416) 590-3696

Lisa Delsante
Assistant Secretary
(203) 328-3572

James Steffes
Vice President
(713) 877-3818

Nathan Kroeker
Vice President, Finance
(713) 877-3744

Maura Clark
President, C&I Energy
(203) 328-3543

Directors:

Bill Cronin
(203) 328-3566

A-110164

RECEIVED

OCT 9 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

09 OCTOBER 2008

THE TORONTO-DOMINION BANK
GLOBAL TRADE FINANCE
500 ST. JACQUES ST. 9TH FLOOR
MONTREAL, QUEBEC H2Y 1K1
TEL: 866-661-6866
FAX: 866-661-6766

TO: PENNSYLVANIA PUBLIC UTILITIES
COMMISSION
HARRISBURG, PA
PO BOX 325
HARRISBURG, PA 17105-0325

WARRANT
ORDER

RE: IRREVOCABLE STANDBY LETTER OF CREDIT NO. 0195916
ISSUED FOR ACCOUNTS OF DIRECT ENERGY SERVICES LLC ON

ENCLOSED THE ABOVE-MENTIONED GUARANTEE (AMENDMENT NO. 0001)

PLEASE ADDRESS ANY FUTURE CORRESPONDENCE TO THE ABOVE
ADDRESS, QUOTING OUR REFERENCE NO. 0195916 TO THE ATTENTION
OF THE UNDERSIGNED.

UPON EXPIRY OF THE LETTER OF CREDIT KINDLY RETURN THE
ORIGINAL CREDIT DIRECTLY TO US FOR CANCELLATION.

POOR ORIGINAL

THE TORONTO-DOMINION BANK
THE TORONTO-DOMINION BANK
GLOBAL TRADE FINANCE

500 ST. JACQUES ST. 9TH FLOOR,
MONTREAL QUEBEC H2Y 1S1
TEL: 1-866-661-6866
FAX: 1-866-661-6766

DATE OF AMENDMENT: 08 OCTOBER 2008

AMENDMENT TO OUR STANDBY LETTER OF CREDIT NUMBER CI95916

PLACE AND DATE OF ISSUE: MONTREAL 08 OCTOBER 2008

APPLICANT: DIRECT ENERGY SERVICES, LLC ONE PENNSYLVANIA PUBLIC UTILITY
BEHALF OF STRATEGIC ENERGY LLC COMMISSIONER P.O. BOX 3265
CAMDEN CENTER 9TH FLOOR HARTSBURG PA 17033
PITTSBURGH PA 15222 TEL: 724-051238

ISSUING BANK:
THE TORONTO-DOMINION BANK
GLOBAL TRADE FINANCE
500 ST. JACQUES ST. 9TH FLOOR
MONTREAL, QUEBEC, CANADA H2Y 1S1

THIS AMENDMENT IS TO BE
CONSIDERED AS PART OF THE
ABOVE MENTIONED CREDIT AND
MUST BE ATTACHED THERE TO

THE ABOVE MENTIONED CREDIT IS AMENDED AS FOLLOWS:

WHERE IT READS IN THE EXE:

DIRECT ENERGY SERVICES, LLC ON BEHALF OF STRATEGIC ENERGY, LLC

CHANGE TO NOW READ:

DIRECT ENERGY SERVICES, LLC ON BEHALF OF DIRECT ENERGY
BUSINESS, LLC

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.


Lisa Beltracco, 653


Marc Piewinski, 6165

POOR ORIGINAL



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

November 23, 2009

Docket No. A-110164

DIRECT ENERGY SERVICES LLC
12 GREENWAY PLAZA STE 600
HOUSTON TX 77046

KJR

ATTENTION: STEVEN D WILLIAMS

ORIGINAL

RE: License Bond or Other Financial Security

Dear Mr. Williams:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the expiration of the bond or other approved security provided by Direct Energy Services LLC occurs on January 27, 2010.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in cursive script that reads "Robert Wilson".

Robert Wilson, Director
Bureau of Fixed Utility Services

Cc: J. McNulty, Secretary

EXTENSION CERTIFICATE

To Be Filed With The Oblige

A-110164

To be attached to and form a part of Bond No. 8196-66-89

Executed by **Federal Insurance Company** as Surety

Principal: Direct Energy Services, LLC

Oblige: Pennsylvania Public Utility Commission

Description: License & Permit Bond

DOCUMENT
FOLDER

In the Sum of: Seven Hundred Thousand Dollars & NO/100 _____ DOLLARS (\$700,000.00)

Bond Dated: 1/27/2005

Said Principal and said Surety hereby agree that the term of said bond is extended from -
January 27, 2009 to January 27, 2010 subject to all other provisions, conditions and limitations
of said bond upon the express condition that the Surety's liability during the original term of said
bond and during any extended term shall not be cumulative and shall in no event exceed the
sum of \$700,000.00.

In witness whereof, the said Principal and said Surety have signed this certificate this 18th day
of November, 2008.

Direct Energy Services, LLC
Principal

By: [Signature]

Federal Insurance Company
Surety

By: [Signature]
Candace D. Bosheers

Attorney-in-Fact

RECEIVED

DEC 9 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Candace D. Bosheers, Dan W. Burton, Teresa D. Kelly and Benjamin D. Wilcox of Houston, Texas

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 11th day of November, 2008.

Kenneth C. Wendel
Kenneth C. Wendel, Assistant Secretary

David B. Norris, Jr.
David B. Norris, Jr., Vice President

STATE OF NEW JERSEY
County of Somerset ss.

On this 11th day of November, 2008 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with David B. Norris, Jr., and knows him to be Vice President of said Companies; and that the signature of David B. Norris, Jr., subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr., and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal:



KATHERINE KALBACHER
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 8, 2009

Katherine Kalbacher
Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

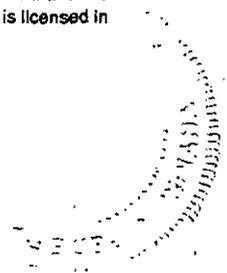
I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 11th day of November, 2008



Kenneth C. Wendel
Kenneth C. Wendel, Assistant Secretary



IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656 e-mail: surety@chubb.com



Direct Energy.

ORIGINAL

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KOR

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA OVERNIGHT MAIL

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17105
(717) 772-7777

January 10, 2010

**RE: Docket No. A-110164
Direct Energy Services, LLC Bond**

Dear Secretary McNulty:

Enclosed please find the extension certificate of the bond to ensure the financial responsibility of the supply of electricity at retail.

Please do not hesitate to contact me with any questions or concerns at 713-877-3924 or via e-mail at steven.williams@directenergy.com.

Thank you,

Steven D. Williams
Compliance Analyst

12 Greenway Plaza
Suite 600
Houston, TX 77046

Tel: 713-877-3924 Fax: 713-877-3682

44400



Direct Energy

Business

Carl Boyd

Manager of Regulatory Compliance & Licensing

Direct Energy Business

412.667.5272

carl.boyd@directenergy.com

May 5, 2010

DOCUMENT FOLDER



James J. McNulty, Secretary
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

RE: Docket No. ~~M-2010-2157434~~ – Additional Requirements Regarding Registration as a PJM Load Serving Entity

Secretary McNulty:

Pursuant to the Commission's March 2010 correspondence to Licensed Electric Generation Suppliers, enclosed please find the following documents submitted on behalf of Direct Energy Services, LLC and Direct Energy Business, LLC evidencing registration as PJM Load Serving Entities:

- Direct Energy Services, LLC (A-110164) – PJM Membership Agreements for Energy America, LLC, the wholesale energy services affiliate of Direct Energy Services, LLC
- Direct Energy Business, LLC (A-110025) – PJM Membership Agreements for Direct Energy Business, LLC (fka Strategic Energy, LLC)

If there are any questions or comments regarding this submission, please feel free to contact me.

Sincerely,

Carl W. Boyd
Manager Regulatory Compliance & Licensing

enclosures

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June 8, 2005

Mr. James Steffes
Energy America, LLC
263 Tresser Boulevard
One Stamford Plaza, 8th Floor
Stamford, CT 06901

Reference: New Membership and Transmission Service Agreements with PJM Interconnection

Dear Mr. O'Leary:

Welcome to PJM Interconnection. A copy of the full set of executed Membership and Transmission Service Agreements is enclosed for your records.

You may call me directly if you have any questions regarding doing business as a PJM member. My direct number is 610-666-4746.

Sincerely,

A handwritten signature in cursive script that reads "Joanne M. Grosser".

Joanne M. Grosser
Analyst
Member Relations

Enclosures

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Attachment A

Application for Membership
Between
The PJM Interconnection, L.L.C.
and
Energy America, LLC
("Applicant")

This Application for Membership Agreement ("Agreement") is entered into between PJM Interconnection, L.L.C. ("PJM") and Applicant. The purpose of this Agreement is to apply to become a member of the PJM and to participate under the PJM Agreement which was accepted by the Federal Energy Regulatory Commission (FERC) on November 25, 1997 as amended and became effective on January 1, 1998. The Applicant has read and understands the terms and conditions of the Agreement. The Applicant agrees to accept the concepts and obligations set forth in the Agreement.

The Applicant also commits to supply data required for coordination of planning and operating, including data for capacity accounting, and agrees to pay all costs and expenses in accordance with Schedule 3 of the PJM Agreement and all other applicable costs under the Tariff.

The Applicant will pay the annual fee of \$5,000 for the remainder of the year of application upon notification of PJM OI application approval per Schedule 3.

The Applicant recognizes that it shall become a member of the PJM Agreement effective as of the date that FERC notifies the parties of approval of Schedule 4 submitted by the Applicant to PJM.

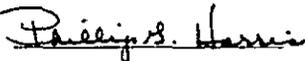
This Agreement will remain in effect until notice of termination is given in writing by the authorized representative of either the Applicant or PJM. Any financial obligations must be satisfied prior to termination of the Applicant's obligations and responsibilities under the PJM Agreement.

Energy America, LLC (Applicant):

By: 

Name: Bill Cronin Title: Senior Vice-President, Date: November 12, 2004
Northern Region-US Corporate

PJM Interconnection, L.L.C.

By: 

Name: Phillip G. Harris

Title: President & CEO

Date: 2/15/05

ATTACHMENT A

**Form of Service Agreement For
Firm Point-To-Point Transmission Service**

- 1.0 This Service Agreement, dated as of 2/15/03, is entered into, by and between the Office of the Interconnection of PJM Interconnection L.L.C. (the Transmission Provider) and Energy America, LLC ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (1) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representatives as indicated below.

Transmission Provider

PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

Transmission Customer:

Energy America, LLC
263 Tresser Blvd.
One Stamford Plaza, 8th Floor
Stamford, CT 06901

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 21, 2003

SCHEDULE 4

STANDARD FORM OF AGREEMENT TO BECOME A MEMBER OF THE LLC

Any entity which wishes to become a Member of the LLC shall, pursuant to Section 11.6 of this Agreement, tender to the President an application, upon the acceptance of which it shall execute a supplement to this Agreement in the following form:

Additional Member Agreement

1. This Additional Member Agreement (the "Supplemental Agreement"), dated as of January 15, 2015, is entered into among Energy America, LLC ("Energy America") and the President of the LLC acting on behalf of its Members.

2. Energy America has demonstrated that it meets all of the qualifications required of a Member to the Operating Agreement. If expansion of the PJM Region is required to integrate Energy America's facilities, a copy of Attachment J from the PJM Tariff marked to show changes in the PJM Region boundaries is attached hereto. Energy America agrees to pay for all required metering, telemetering and hardware and software appropriate for it to become a member.

3. Energy America agrees to be bound by and accepts all the terms of the Operating Agreement as of the above date.

4. Energy America hereby gives notice that the name and address of its initial representative to the Members Committee under the Operating Agreement shall be:

James Steffes, 263 Tresser Boulevard, One Stamford Plaza, 8th Floor, Stamford, CT 06901

5. The President of the LLC is authorized under the Operating Agreement to execute this Supplemental Agreement on behalf of the Members.

6. The Operating Agreement is hereby amended to include Energy America as a Member of the LLC thereto, effective as of February 15, 2015, the date the President of the LLC countersigned this Agreement.

IN WITNESS WHEREOF, Energy America and the Members of the LLC have caused this Supplemental Agreement to be executed by their duly authorized representatives.

Members of the LLC

By: Philip G. Harris 2/15/15
Name: Philip G. Harris
Title: President and CEO

Energy America, LLC

By: William Cronin
Name: William Cronin
Title: Senior Vice President, Northern Region
U.S. Corporate

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- 7.0 The Tariff is incorporated herein and made a part hereof.
- 8.0 For Short-Term Firm Point-To-Point Transmission Service requested under this Agreement, the confirmation procedures set forth in this section 8.0 shall apply. Whenever PJM notifies the Transmission Customer that a request for Short-Term Firm Point-To-Point Transmission Service can be accommodated, the Transmission Customer shall confirm, by the earlier of (i) 15 days after PJM approves the request for service, or (ii) 12:00 noon on the day before the Service Commencement Date, that it will commence the requested service. Failure of the Transmission Customer to provide such confirmation will be deemed a withdrawal and termination of the request for the service, and any deposit submitted with the request will be refunded with interest.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Office of the Interconnection:

By: Phillip S. Harris 2/15/05
Name Title Date

Energy America, LLC:

By: William M. [Signature] Senior Vice President,
Northern Region -
U.S. Corporate November 12, 2004
Name Title Date

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Issued On: March 20, 2003

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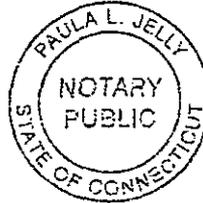
CERTIFICATION

I, William Cronin, certify that I am a duly authorized officer of Energy America, LLC (Network Customer) and that Energy America, LLC (Network Customer) will not request service under this Service Agreement to assist an Eligible Customer to avoid the reciprocity provision of this Open-Access Transmission Tariff.

William Cronin
(Name)
Senior Vice President,
Northern Region-U.S. Corporate
(Title)

Subscribed and sworn before me this 12 day of November 2004

Paula L. Jelly
(Notary Public)



PAULA L. JELLY
NOTARY PUBLIC
STATE OF CONNECTICUT
Com. Expires 4-30-08

My Commission expires: 4/30/08

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Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 20, 2003

ATTACHMENT B

**Form of Service Agreement For Non-Firm Point-To-Point
Transmission Service**

- 1.0 This Service Agreement, dated as of 2/15/03, is entered into, by and between the Office of the Interconnection of PJM Interconnection, L.L.C. (the Transmission Provider) and Energy America, LLC (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Transmission Provider to be a *Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.*
- 3.0 Service under this Agreement shall be provided upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The *Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.*
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative as indicated below.

Transmission Provider:

PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

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Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 21, 2003

Transmission Customer:

Energy America, LLC
263 Tresser Blvd.
One Stamford Plaza, 8th Floor
Stamford, CT 06901

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7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Office of the Interconnection:

By: Phillip S. Harris 2/15/05
Name Title Date

Energy America, LLC:

By: William J. [Signature] November 12, 2004
Name Title Date
Senior Vice President
Northern Region -
U.S. Corporate

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 21, 2003

ATTACHMENT F-1

**Form of Umbrella Service Agreement for
Network Integration Transmission Service
Under State Required Retail Access Programs**

- 1.0 This Service Agreement dated as of 2/15/01, including the Specifications For Network Integration Transmission Service Under State Required Retail Access Programs attached hereto and incorporated herein, is entered into, by and between PJM Interconnection, L.L.C. ("Transmission Provider") and Energy America, LLC, a transmission customer participating in a state required retail access program and/or a program providing for the contractual provision of default service or provider of last resort service ("Network Customer").
- 2.0 The Network Customer has been determined by the Transmission Provider to have a valid request for Network Integration Transmission Service under the Tariff and to have satisfied the conditions for service imposed by the Tariff to the extent necessary to obtain service with respect to its participation in a state required retail access program.
- 3.0 To the extent required, the Transmission Provider has determined that an adequate deposit under Section 29.2 of the Tariff has been made.
- 4.0 Service under this Service Agreement shall commence on May 1, 2004, and shall terminate on such date as mutually agreed upon by the parties, unless state law or regulations specify a limited period for service, or unless earlier terminated for default under Section 7.3 of the Tariff.
- 5.0 The Transmission Provider agrees to provide, and the Network Customer agrees to take, Network Integration Transmission Service in accordance with the Tariff, including the Operating Agreement of the PJM Interconnection, L.L.C. ("Operating Agreement") (which is the Network Operating Agreement under the Tariff and is incorporated herein by reference) and this Service Agreement, as they may be amended from time to time.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider

PJM Interconnection, L.L.C.
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403-2497

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 21, 2003

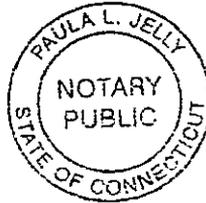
CERTIFICATION

I, William Cronin, certify that I am a duly authorized officer of Energy America, LLC (Transmission Customer) and that Energy America, LLC (Transmission Customer) will not request service under this Service Agreement to assist an Eligible Customer to avoid the reciprocity provision of this Open-Access Transmission Tariff.

William Cronin
(Name)
Senior Vice President,
Northern Region - U.S. Corporate
(Title)

Subscribed and sworn before me this 12 day of November, 2004.

Paula L. Jelly
(Notary Public)



PAULA L. JELLY
NOTARY PUBLIC
STATE OF CONNECTICUT
Com. Expires 4-30-08

My Commission expires: 4/30/08

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Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 21, 2003

- 3.2 Network Resources: The Network Customer, as necessary, shall designate from time to time its Network Resources. Such Network Resources must be acceptable to the Transmission Provider as Network Resources in accordance with the Tariff and the Operating Agreement. Designations of resources that have not previously been accepted as Network Resources of any Network Customer or Transmission Customer shall include the information set forth in Section 29.2(v) of the Tariff. Changes in the designation of Network Resources will be treated as an application for modification of service. The Network Customer shall confirm the acceptance of a Network Resource within 15 days of the completion of a System Impact Study or 30 days after completion of a Facilities Study, as is applicable. The Transmission Provider will maintain a current list of Network Resources, which shall be updated from time to time.
- 3.3 Hourly Load: The Network Customer and/or the EDCs delivering to the Network Customer's load shall provide to the Transmission Provider, on a daily basis, hourly loads and an associated bus distribution for the Network Load. For Network Load within the area comprised of the PJM Control Area and PJM West Region, hourly loads required under this Section shall include all losses within such area, including 500 kV transmission losses, other transmission losses, and distribution losses. The Network Customer shall notify the Transmission Provider whether the Network Customer or the EDC or both will submit the hourly loads.
- 3.4 Energy Schedules: The Network Customer shall schedule energy for its hourly loads in accordance with the Appendix to Attachment K of the Tariff.
- 3.5 Interruptible Loads: The Network Customer shall inform or shall arrange for each EDC delivering to Network Customer's load to inform Transmission Provider about the amount and location of any interruptible loads included in the Network Load. This information shall include the summer and winter peak load for each interruptible load (had such load not been interruptible), that portion of each interruptible load subject to interruption, the conditions under which an interruption can be implemented, and any limitations on the duration and frequency of interruptions.
- 3.6 Procedures for Load Determination: The procedures by which an EDC will determine the peak and hourly loads reported to the Transmission Provider under Sections 3.1 and 3.3 may be set forth in a separate schedule to the Tariff for each EDC.
- 4.0 Energy Imbalance Service: The Network Customer will receive Energy Imbalance Service from the Transmission Provider in accordance with Schedule 4 of the Tariff. Energy Imbalance Service is considered to be PJM Interchange and will be charged at the hourly locational marginal price determined pursuant to Section 2 of the Appendix to Attachment K of the Tariff.

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 20, 2003

- 5.0 Reconciliation Billing: For Network Load within the area comprised of the PJM Control Area and PJM West Region, to the extent required, the Transmission Provider will reconcile the Network Customer's hourly energy responsibilities as initially reported to Transmission Provider and its hourly energy consumption based on, or estimated from, metered usage, and provide corresponding charges and credits to Network Customer. Such reconciliation, if required, shall be made at the same rates as Energy Imbalance Service.
- 6.0 Designation of party subject to reciprocal service obligation: The Network Customer shall comply with Section 6 of the Tariff.
- 7.0 Name(s) of any Intervening Systems providing transmission service: To the extent any Network Resources are located outside the area comprised of the PJM Control Area and PJM West Region, the list of Network Resources maintained by the Transmission Provider referenced in Section 3.2 of these specifications, shall identify any intervening systems needed to deliver those Network Resources to the Network Customer's retail load.
- 8.0 Charges: Service under this Service Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)
- 8.1 Embedded Cost Transmission Charge: The embedded cost transmission charge shall be determined in accordance with the formula set forth in Section 34 of the Tariff.
- 8.2 System Impact and Facilities Study Charges: To the extent Network Resources are located outside, or a new resource is added to, the PJM region, a System Impact Study and/or Facilities Study Agreement and related charges may be required pursuant to Section 32 of the Tariff.

- 8.3 Direct Assignment Facilities Charge: To the extent that facilities or portions of facilities must be constructed by a Transmission Owner for the sole use or benefit of the Network Customer to accommodate the service requested by the Network Customer, the Network Customer shall be responsible for the cost of such Direct Assignment Facilities, and the charges for such facilities shall be specified at the time that the Transmission Provider determines the facilities that are needed to provide the requested service.
- 8.4 Ancillary Services Charge: In addition to Energy Imbalance Service, Transmission Provider shall bill the Network Customer for ancillary services in accordance with Schedules 1, 1-A, 2, 3, 5, 6, and 9 of the Tariff. To the extent required, the ancillary services charges shall also be reconciled based on any differences between the Network Customer's hourly energy responsibilities as initially reported to Transmission Provider and its hourly energy consumption based on, or estimated from, metered usage.
- 8.5 Other Supporting Facilities Charge: None.
- 8.6 Losses: For Non-Zone Network Load, losses of 3 percent for on-peak hours and 2.5 percent for off-peak hours shall be supplied as set forth in the Appendix to Attachment K of the Tariff.
- 8.7 Other Charges: Transmission Provider shall charge Network Customer any and all other charges set forth in the Tariff applicable to providing Network Integration Service.
- 9.0 Designated Agent: To the extent that a Designated Agent for one or more Network Customers provides to the Transmission Provider any of the information required by these Specifications, it shall provide the information separately for each Network Customer.

CERTIFICATION

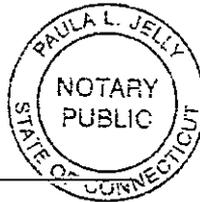
I, William Cronin, certify that I am a duly authorized officer of Energy America, LLC (Transmission Customer) and that Energy America, LLC (Transmission Customer) will not request service under this Service Agreement to assist an Eligible Customer to avoid the reciprocity provision of this Open-Access Transmission Tariff.

William Cronin
(Name)

Senior Vice President,
Northern Region -
U.S. Corporate
(Title)

Subscribed and sworn before me this 12 day of November, 2004.

Paula L. Jelly
(Notary Public)



PAULA L. JELLY
NOTARY PUBLIC
STATE OF CONNECTICUT
Com. Expires 4-30-08

My Commission expires: 4/30/08

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SPECIFICATIONS FOR
NETWORK INTEGRATION TRANSMISSION SERVICE
PURSUANT TO STATE REQUIRED RETAIL ACCESS PROGRAMS

- 1.0 Term of Service: The term of service under this Service Agreement shall be from _____, until terminated by mutual agreement of the parties, unless state law or regulations specify a limited period for service or unless earlier terminated for default under Section 7.3 of the Tariff.
- 2.0 Network Operating Agreement: In accordance with Section 29.1 of the Tariff, the Network Customer must be a member of PJM Interconnection, L.L.C. and a signatory to the Operating Agreement.
- 3.0 Network Load and Network Resources: The Network Customer shall be responsible for the Transmission Provider receiving the information pertaining to Network Load and Network Resources described in this section. Such information shall be provided in accordance with procedures established by the Transmission Provider. With respect to service requests under this umbrella Service Agreement, the Transmission Provider will deem the provision of the information specified in this section as complying with the application requirements set forth in Section 29.2 of the Tariff.
- 3.1 Network Load: For Network Load within the area comprised of the PJM Control Area and the PJM West Region, the Network Customer shall arrange for each electric distribution company ("EDC") delivering to the Network Customer's load to provide directly to the Transmission Provider, on a daily basis, the Network Customer's peak load, by bus, coincident with the annual peak load of the Zone as determined under Section 34.1 of the Tariff. The peak load shall be expressed in terms of tenths of a megawatt and shall include all losses within the PJM Control Area and PJM West Region, including 500 kV transmission losses, other transmission losses, and distribution losses. Unless a more specific bus distribution is available, the EDC may provide a bus distribution for the Network Customer's peak load proportional to the bus distribution for all of the load in the Zone. The information must be submitted directly to the Transmission Provider by the EDC, unless the Transmission Provider approves in advance another arrangement. For Non-Zone Network Load, the Network Customer shall provide to the Transmission Provider, on a daily basis, the Network Customer's peak load, by interconnection at the border of the area comprised of the PJM Control Area and PJM West Region, coincident with the annual peak load of such area as determined under Section 34.1 of the Tariff. The peak load for such Non-Zone Network Load shall be expressed in terms of tenths of a megawatt and shall not include losses within the PJM Control Area or PJM West Region. A service request shall be granted upon submission of the information set forth in this Section 3.1 without any further confirmation procedures.

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: March 20, 2003

Effective: March 21, 2003

Network Customer

Energy America, LLC
263 Tresser Blvd.
One Stamford Plaza, 8th Floor
Stamford, CT 06901

IN WITNESS WHEREOF, the Transmission Provider and the Network Customer have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider

By: Philip S. Harris 2/15/05
Name Title Date

Network Customer

By: William J. [Signature] Senior Vice President November 12, 2004
Name Title Date
Northern Region - U.S.
CORPORATE

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COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

November 22, 2010

Docket No. A-110164

DIRECT ENERGY SERVICES LLC
12 GREENWAY PLAZA STE 600
HOUSTON TX 77046

ORIGINAL

ATTENTION: STEVEN D WILLIAMS

RE: License Bond or Other Financial Security

Dear Mr. Williams:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes an original of a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the expiration of the bond or other approved security provided by Direct Energy Services LLC occurs on January 27, 2011.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained. Provide an original of any documentation submitted as proof; including bond, letter of credit, continuation certificate, amendment, etc.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in cursive script that reads "Robert Wilson".

Robert Wilson, Director
Bureau of Fixed Utility Services

Cc: R. Chiavetta, Secretary



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

November 22, 2010

Docket No. A-110164

DIRECT ENERGY SERVICES LLC
12 GREENWAY PLAZA STE 600
HOUSTON TX 77046

ATTENTION: STEVEN D WILLIAMS

RE: License Bond or Other Financial Security

Dear Mr. Williams:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes an *original* of a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the expiration of the bond or other approved security provided by Direct Energy Services LLC occurs on January 27, 2011.

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Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in cursive script that reads "Robert Wilson".

Robert Wilson, Director
Bureau of Fixed Utility Services

Cc: R. Chiavetta, Secretary



**Direct
Energy**
Business

Carl Boyd
Manager, Compliance
Direct Energy Business
412.667.5272
carl.boyd@directenergy.com

January 20, 2011

ORIGINAL

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

RE: License Bond or Other Financial Security – Direct Energy Services, LLC (Docket No. A-110164)

Secretary McNulty:

Pursuant to the November 2010 correspondence from the commission, attached please find an extension certificate for License Bond 8196-66-89 for Direct Energy Services, LLC (Docket No. A-110164).

If there are any questions or comments regarding this submission, please feel free to contact me.

Sincerely,

Carl W. Boyd
Manager, Compliance

cc: James Shurskis, Bureau of Fixed Utility Services (via fax)

RECEIVED

JAN 20 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

W3551
© 2008

EXTENSION CERTIFICATE

To Be Filed With The Obligee

To be attached to and form a part of Bond No. 8196-66-89

Executed by Federal Insurance Company as Surety

Principal: Direct Energy Services, LLC

Obligee: Pennsylvania Public Utility Commission

Description: License & Permit Bond

In the Sum of: Five Hundred Seventy Five Thousand Eight Hundred Eighty Two & NO/100----- DOLLARS (\$575,882.00)

Bond Dated: 1/27/2005

Said Principal and said Surety hereby agree that the term of said bond is extended from -
January 27, 2011 to January 27, 2012 subject to all other provisions, conditions and limitations
of said bond upon the express condition that the Surety's liability during the original term of said
bond and during any extended term shall not be cumulative and shall in no event exceed the
sum of \$575,882.00.

In witness whereof, the said Principal and said Surety have signed this certificate this 3 day
of November, 2010

Direct Energy Services, LLC
Principal

By: 

Federal Insurance Company
Surety
By: 
Candace D. Bosheers
Attorney-in-Fact

RECEIVED

JAN 20 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Candace D. Bosheers, Dan W. Burton, Teresa D. Kelly and Benjamin D. Wilcox of Houston, Texas

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 11th day of November, 2008.

Kenneth C. Wendel, Assistant Secretary

David B. Norris, Jr., Vice President

STATE OF NEW JERSEY
County of Somerset

On this 11th day of November, 2008 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with David B. Norris, Jr., and knows him to be Vice President of said Companies; and that the signature of David B. Norris, Jr., subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr., and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE KALBACHER
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 8, 2009

Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this

3rd of November, 2010



Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656 e-mail: surety@chubb.com



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

November 21, 2011

Docket No. A-110164

DIRECT ENERGY SERVICES LLC
12 GREENWAY PLAZA STE 600
HOUSTON TX 77046

DOCUMENT
FOLDER

RECEIVED
2011 NOV 22 PM 3:18
PA P.U.C.
SECRETARY'S BUREAU

ATTENTION: STEVEN D WILLIAMS

RE: License Bond or Other Financial Security

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Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Technical Utility Services.

Sincerely,

A handwritten signature in black ink that reads "Paul Diskin". The signature is written in a cursive style with a large initial "P" and "D".

Paul Diskin, Director
Bureau of Technical Utility Services

Cc: R. Chiavetta, Secretary

END