

Sarah C. Stoner
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September 20, 2019

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor, Room-N201
Harrisburg, PA 17120

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SECRETARY'S BUREAU
FRONT DESK

RE: Annual Compliance Filing of Direct Energy Services, LLC for Continuation of 5% Reduction in Security Requirements; Docket No. A-110164

Dear Secretary Chiavetta:

Direct Energy Services, LLC ("Direct Energy") received authority to reduce its security with the Pennsylvania Public Utility Commission from 10% to 5% of Direct Energy's most recent twelve months of revenue, pursuant to the Secretarial Letter dated July 15, 2019. Direct Energy's current financial security reduction is effective until December 23, 2019. Direct Energy files this Annual Compliance Filing to renew its security at the reduced level of 5% based on its most recent twelve months of revenue.

Direct Energy provides the following information and documentation in support of its Annual Compliance Filing:

- 1) A spreadsheet of Direct Energy's gross receipts in Pennsylvania for the most-recent 12 months (August 2018 through July 2019) attached hereto as Appendix A (**CONFIDENTIAL**);
- 2) A copy of Direct Energy's confirmation from the Pennsylvania Department of Revenue that it has prepaid gross receipts, attached as Appendix B (**CONFIDENTIAL**);
- 3) A letter from the AEPS Administrator confirming Direct Energy's compliance with AEPS requirements attached hereto as Appendix C (**CONFIDENTIAL**); and
- 4) A Tax Status Letter from the Pennsylvania Department of Revenue to evidence that it is current with its tax liabilities to the Commonwealth, attached as Appendix D (**CONFIDENTIAL**).

Once we receive confirmation from Commission staff regarding the calculation of Direct Energy's reduced security amount, we will submit an original amendment to Direct Energy's letter of credit.

The Direct Energy contact person for this Annual Compliance Filing is as follows:

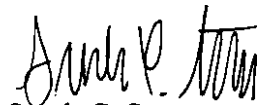
Andy Beauchamp
Regulatory Licensing and Reporting
12 Greenway Plaza, Suite 250
Houston, TX 77046
Tel. 713.877.3925
Email: Andy.Beauchamp@directenergy.com

Enclosed please find a verification attesting to the truthfulness of facts set forth in Direct Energy's request. Copies of this Annual Compliance Filing to be served in accordance with the attached Certificate of Service.

Please be advised that the confidential attachments to this filing are being provided to the Commission under seal and it is requested that they be maintained in a non-public folder.

Should you have any questions or concerns regarding this Annual Compliance Filing, please feel free to contact me.

Sincerely,



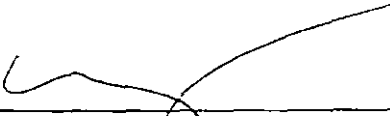
Sarah C. Stoner

Enclosures

cc: Stephen Jakab, Bureau of Technical Utility Services (with appendices)
Certificate of Service (without appendices)

VERIFICATION

I, Andy Beauchamp, state that I am a Regulatory Licensing and Reporting Analyst for Direct Energy. I hereby verify that I am authorized to and do make this Verification for Direct Energy Services, LLC, and that the facts set forth in the foregoing **Annual Compliance Filing** are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at any hearing in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Andy Beauchamp
Regulatory Licensing & Reporting Analyst
Direct Energy

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CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Direct Energy Services, LLC's Annual Compliance Filing upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via First Class Mail

Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Met-Ed, Penelec, and Penn Power:
Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128

Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17101-1923

Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

Office of Attorney General
Bureau of Consumer Protection
14th Floor, Strawberry Square
Harrisburg, PA 17120

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Office of Small Business Advocate
Commerce Building, Suite 202
300 North Second Street
Harrisburg, PA 17101

Legal Department
Attn: Kimberly A. Klock
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, PA 19612-2677

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

Pike County Light & Power Company
Vice President – Energy Supply
Corning Natural Gas Holding Corporation
330 West William Street
Corning, NY 14830

Dated: September 20, 2019



Sarah C. Stoner, Esq.