



Eckert Seamans Cherin & Mellott, LLC  
213 Market Street - 8th Floor  
Harrisburg, PA 17101

TEL 717 237 6000  
FAX 717 237 6019  
www.eckertseamans.com

Kevin J. Moody  
717.237.7187  
kmoody@eckertseamans.com

August 16, 2010

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
PO Box 3265  
Harrisburg, PA 17105-3265

Re: Interim Guidelines on Marketing and Sales Practices for Electric Generation  
Suppliers and Natural Gas Suppliers, Docket No. M-2010-2185981

Dear Secretary Chiavetta:

On behalf of Direct Energy, LLC enclosed please find the original of its Comments along with the electronic filing confirmation with regard to the above-referenced matter.

Very truly yours,

Kevin J. Moody, Esq.

KJM/lww  
Enclosure

cc: Office of Competitive Market Oversight (via email only)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Interim Guidelines on Marketing and Sales :  
Practices for Electric Generation Suppliers : Docket No. M-2010-2185981  
and Natural Gas Suppliers :

**COMMENTS OF DIRECT ENERGY SERVICES, LLC**

Direct Energy Services, LLC commends the Commission and the CHARGE group in working to put together rules which, for the most part, protect customers while not unreasonably inhibiting sales. Direct Energy uses telemarketing, mail, and door-to-door sales practices to reach all customer types and sizes. Direct Energy supports the interim rules proposed in the Tentative Order with the exception of the requirement that a door-to-door representative physically leave a prospective customer's premises during a third party verification (TPV) (proposed Guideline D).<sup>1</sup>

Direct Energy participated in the CHARGE process to create these rules and in that process indicated that requiring an agent to be outside of the prospective customer's front door during the TPV was acceptable as a reasonable way to balance customer intimidation concerns (not based on empirical evidence) with not unreasonably inhibiting sales. However, requiring the agent to completely leave the premises disrupts the sales process and leaves the customer without the most important part of a door-to-door sale – the ability to immediately ask additional

---

<sup>1</sup> Direct Energy Services, LLC (Direct Energy), is the US North (New England, Mid-Atlantic and Mid-West states) residential customer focused North American subsidiary of Centrica, plc. Centrica, plc is a leading provider of energy and other energy-related services to over 20 million households, with annual revenues of approximately \$34 billion, \$26 billion in market capitalization, and over 35,000 employees world-wide. Centrica, plc has an A- credit rating from Standard & Poors. Direct Energy, combined with the other North American subsidiaries of Centrica, had revenues of \$10.5 billion in 2009 with over 6 million gas, electricity and related services customer relationships in North America. In addition, Direct Energy Business, LLC and Direct Energy are EGSs licensed to provide electricity and gas to residential and non-residential customers throughout Pennsylvania. Direct Energy and Direct Energy Business have extensive experience serving residential, commercial, and industrial customers in Pennsylvania.

questions to address any remaining or new concerns. If at any point during the TPV a customer has an unresolved question or a response other than yes, the TPV is terminated and the sale does not go through. If the customer has additional questions, the customer will still have access to the agent to answer their questions and a new TPV can then be done.

It is Direct Energy's policy that a door-to-door agent not enter a customer's home., There are exceptions for circumstances such as weather or the customer's request that the agent enter the home; however, the instruction is the agent must be able to touch the doorframe at all times.

Direct Energy uses the agent's cell phone to complete a TPV call in addition to a wet signature on the contract. This allows Direct Energy to track the agent and double ensure enrollment verification. The cell phone number acts as a double check against the assigned Agent ID# to ensure the enrollment is valid and also to ensure that a false Agent ID# wasn't given by another agent. The wet signature provides a second check to the TPV of the customer enrollment. Both require the agent to remain on the premises but not inside the residence.

### **Changes Requested**

Direct Energy requests clarification to proposed Guideline D.4 stating that "physically separated" from the prospective customer and "exiting the customer's residence" includes the agent being outside of the front door of the residence but still on the premises.

Direct Energy also requests the following changes to proposed Guideline D.5 to conform the guideline to accepted existing sales practices.

If the supplier detects a problem with an enrollment, the enrollment shall be terminated and the customer may request additional information from the agent if the agent is still present or the customer shall be contacted by phone, email or by letter explaining the issue and offering help with a resolution. If the supplier detects a problem with the enrollment and the agent who enrolled the customer is still within the vicinity of the customer's residence, but no longer at the residence, -the supplier may contact the customer by telephone and ask if the customer would like to have the agent return to answer the customer's questions. The agent may continue the sale or return to the

customer's residence only if the customer responds in the affirmative or requests additional information. If the enrollment is terminated and the customer does not request additional information the agent must leave the customer's premises.

Direct Energy would like to point out that of the concerns raised regarding door to door sales in other states, none related to intimidation of customers. All concerns related to deceptive marketing practices and not intimidation of the customer.

Respectfully submitted,



---

Kevin J. Moody, Esq.  
Deanne M. O'Dell, Esq.  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street, 8<sup>th</sup> Floor  
Harrisburg, PA 17101

Counsel for Direct Energy, LLC

Date: August 16, 2010