

July 9, 2010

VIA FED EX

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Ms. Rosemary Chiavetta
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Shawn Smith
Associate
T. 860.275.6777
F. 860.560.5916
ShSmith@mccarter.com

Re: Docket No. A-2010-2151038: License Application of Verde Energy USA, Inc.
for approval to begin to offer, render, furnish or supply electricity or electric
generation services as a supplier of retail electric power: **ORDER #3
COMPLIANCE**

Docket No. M-2010-2157431: Requirements for Electric Generation Suppliers

McCarter & English, LLP
CityPlace I
185 Asylum Street
Hartford, CT 06103-3495
T. 860.275.6700
F. 860.724.3397
www.mccarter.com

Dear Secretary Chiavetta:

We represent Verde Energy USA, Inc. ("Verde"), which was issued an electric generation supplier license by the Pennsylvania Public Utility Commission as a result of a final decision issued on March 25, 2010 (the "Decision") in Docket No. A-2010-2151038.

In compliance with Order #3 in the Decision, and in compliance with Commissioner Gardner's Motion in Docket No. M-2010-2157431 adopted at the February 11, 2010 Public Meeting, Verde respectfully files proof of membership in the PJM Interconnection ("PJM") as a Load Serving Entity.

BOSTON

Please contact the undersigned if there are any questions concerning this matter.

HARTFORD

Very truly yours,

NEW YORK



NEWARK

Shawn Smith

PHILADELPHIA

Enclosures

STAMFORD

WILMINGTON



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955 Jefferson Ave.
Valley Forge Corporate Center
Norristown, PA 19403-2497

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PA PUBLIC UTILITY COMMISSION
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Dear New Member:

Welcome to PJM Interconnection (PJM). The executed company agreements between your company and PJM are enclosed. For a complete overview of what PJM offers please visit our Web site at www.pjm.com and contact your client managers for any further questions. You can also contact our Customer Service Center at 610-666-8980 or toll free at 866-400-8980.

If you have any additional questions about the enclosed documents please let me know.

Sincerely,

Tracy Miehke
610.666.8984 – Phone
miehl@pjm.com – Email

Application for Membership
Between
The PJM Interconnection, L.L.C.
and

Verde Energy USA, Inc.

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.

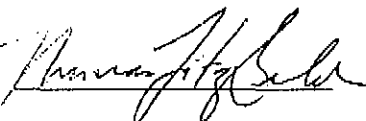
The Applicant also commits to supply data required for coordination of planning and operating, including data for capacity accounting, and agrees to pay all costs and expenses in accordance with Schedule 3 of the PJM Agreement and all other applicable costs under the Tariff.

The Applicant will pay the annual fee of \$5,000 for the remainder of the year of application upon notification of PJM Of 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.

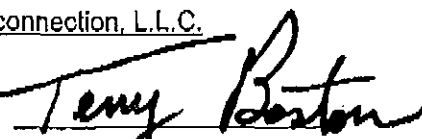
This Agreement will remain in effect until notice of termination is given in writing by the authorized representative of either the Applicant or PJM. Any financial obligations must be satisfied prior to termination of the Applicant's obligations and responsibilities under the PJM Agreement.

Applicant:

Signature: 

Name: Thomas FitzGerald Title: Chief Executive Officer Date: 1/14/10

PJM Interconnection, L.L.C.

Signature: 

Name: TERRY BOSTON Title: PRESIDENT & CEO Date: 3/4/2010

From: fagerj@pjm.com [mailto:fagerj@pjm.com]
Sent: Friday, March 05, 2010 9:17 AM
To: tfitzgerald@verdeenergyusa.com; llundberg@verdeenergyusa.com;
amenchaca@goodcap.com
Cc: pmft@pjm.com; snydev@pjm.com; fagerj@pjm.com
Subject: Membership Approval - Verde Energy USA, Inc.

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Welcome,

Verde Energy USA, Inc. has been approved for PJM membership in the Other Supplier Sector and will be announced at the next Members Committee ("MC") meeting to be held March 25, 2010. If you have not already done so, you can register to attend by visiting PJM's web site at www.pjm.com. Verde Energy USA, Inc. will be eligible to vote at the following MC meeting on May 6, 2010.

To ensure your needs are met, PJM has assigned client manager Helen Burnley as your primary point of contact. You can reach Helen by calling 610-635-3468 or via email at pmft@pjm.com. You can also contact our Customer Service Center at 610-666-8980 or at 866-400-8980, should you have any questions.

Thank you,

Joyce Fagerland
PJM Interconnection
955 Jefferson Avenue
Valley Forge Corporate Center
Norristown, PA 19403
Phone: 610-666-4349
Fax: 610-666-4379
E-mail: fagerj@pjm.com

Click here to view information and register for upcoming PJM State and Member Training sessions. They are:

PJM 101: The Basics - This course will introduce participants to PJM's markets and operations models. It includes presentations on the PJM markets and system operations, as well as market settlements, capacity and transmission expansion planning.

Generation 101 – This course will provide the participant with a basic level of knowledge on topics critical to generation dispatch in PJM.

Generation 201 - This course explores the details of bidding generation into the Day-Ahead Market and reporting and scheduling generation outages. An emphasis is also given to the responsibilities of generation operators in a real time environment.

Generation 301 - This course explores the details of ancillary services within PJM.

Operations 101 – This course will provide the critical, need-to-know information for system operators in both the transmission and generation fields. It also serves as an abbreviated version of the Interconnection Training Program (ITP).

Power System Fundamentals - This four-day course will present an overview of basic electrical principles, as they apply to bulk power operations. Topics discussed will include basic DC & AC principles, impedance principles, power principals, transformer principles, & AC power flow principles.

Interconnection Training Program (ITP) Generation Track - This intensive course is designed to be a comprehensive training program for a new Generation System Operator. It incorporates power simulations, lecture, and many exercises to enhance participant learning. The course is presented at a very detailed level on all topics.

Interconnection Training Program (ITP) Standard/Transmission Track - This intensive course is designed to be a comprehensive training program for a new Transmission System Operator. It incorporates power simulations, lecture and many exercises to enhance participant learning. The course is presented at a very detailed level on all topics.

NERC Reliability Standards Review - This course was designed to provide a review and refresh of the NERC Reliability Standards. This course can also serve as a resource for those preparing for certification.

PJM Transactions 201 Training - This two-day course is designed to provide the participant with a basic level of knowledge on core topics related to conducting transactions in the PJM Market.

PJM Reliability Pricing Model Training - This two-day session will review all the key topics surrounding the Reliability Pricing Model. Day one will be an Introduction to RPM, Demand in RPM, Supply in RPM, and RPM Auctions. Day two will cover LSE Obligations, Resource Performance Assessments and Settlements. Time will be reserved for Q & A with PJM RPM Subject Matter Experts.

Annual FTR Training - This course will give an overview of FTR, ARR, and SFT. It will also review the Annual ARR allocation process, FTR auctions, bilateral trading, and market settlements. Examples of Annual ARR allocation and FTR auction will be included.

PJM eLRS (Load Response System) Rewrite Training - This course will review the implementation of the new DSR system that will be used for registrations, notifications, settlements, and CBL calculations. Typical transactions include identifying locations, managing events, financial settlements, and EDCs and LSEs approvals or denials. This new version of the software will also have functionality to calculate Customer Baseline values (CBLs).

DSR in the Ancillary Service Markets Training - This course will provide the participant the necessary information to offer into the Synchronized Reserve, Regulation, and DASR markets. Completion of this training, either in-person or online, is a mandatory requirement for CSPs prior to participating in the Ancillary Service markets.

Market Optimization Workshop - This workshop which will discuss the theory and application of optimization as it applies to the scheduling and dispatch of the PJM system.

2010 System Operator Seminar - This annual event is designed for all bulk power system operators and operating personnel who operate on the PJM system. The goal of the Seminar is to provide important information related to reliable operation of the PJM RTO and the Interconnection. In 2010, the Seminar will consist of nine four-day weeks in Philadelphia and Columbus. When registering, please choose the week that works best for you but remember that classroom space and sleeping rooms are limited.

Load Management in RPM Training - This training will be offered virtually and in-person (simultaneously). It will provide participants (Curtailement Service Providers, Load Serving Entities, and Electric Distribution Companies) the necessary information to participate in the Reliability Pricing Model and certify / offer the load reduction entity as a capacity resource in PJM.

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