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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **Harrisburg, PA 17105-3265** | | | |  |
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|  | | Public Meeting held September 11, 2014 | | | |
| Commissioners Present: | | |  | | |
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| Robert F. Powelson, Chairman  John F. Coleman, Jr., Vice Chairman  James H. Cawley  Pamela A. Witmer  Gladys M. Brown | | | | | |
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| Application of Direct Energy Services, LLC to Amend its Natural Gas Supplier License | | | | A-125135 | |
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**ORDER**

**BY THE COMMISSION:**

On July 18, 2014, Direct Energy Services, LLC (Direct Energy), Utility Code: 125135, filed an amendment to its license for the additional natural gas distribution company (NGDC) service territories of PECO Energy Co., UGI Utilities Inc., and UGI Penn Natural Gas Inc.

On December 2, 2004, Direct Energy was licensed to operate as a supplier of natural gas services to all customer classes in the NGDC service territory of Columbia Gas of Pa.

Section 2208(c)(1), 66 Pa. C.S. §2208(c)(1), provides that a natural gas supplier license shall not be issued unless the applicant furnishes a bond or other security in a form and amount to ensure its financial responsibility. The criteria used to establish the form and amount of the bond or other security is set forth in the natural gas distribution company’s tariff. The amount and form of the bond or other security may also be mutually agreed to between the natural gas distribution company and the natural gas supplier. Section 2208 also provides that should the parties fail to achieve an agreement, then the form and amount of bond or other financial security “shall be determined by criteria approved by the Commission.” Direct Energy has provided documentation to evidence its compliance with the Section 2208(c) bonding requirement for the following additional natural gas distribution company service territories: PECO Energy Co., UGI Utilities Inc. and UGI Penn Natural Gas Inc.

Additionally, we specifically note that the licensee must comply with, and ensure that its employees, agents, representatives and independent contractors comply with the standards of conduct and disclosure for licensees set out in Commission regulations at 52 Pa. Code § 62.114 that were enacted to protect consumers of this Commonwealth. These standards include, *inter alia*, the provision of timely and accurate information about the services offered by the licensee, the practice of nondiscrimination in service in regard to race, color, religion, national origin, marital status, etc., the safeguarding of a customer’s personal information, and compliance with applicable state and federal consumer protection laws. Also, we take this opportunity to remind the licensee of its agreement to abide by, and to ensure that its employees, representatives, agents and independent contractors abide by all applicable federal and state laws, and Commission regulations, procedures, and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business. We further note that the licensee and its agents must comply with the Commission’s sales and marketing regulations at 52 Pa. Code §111.1, et seq. applicable to residential customers.  Among other things, these regulations require the licensee and its agents to provide accurate information about products and services being offered and prohibit a licensee and its agents from engaging in misleading or deceptive conduct and from making false or misleading representations.

Direct Energy has published notice of its application in the Pennsylvania newspapers, and provided proofs of service to the interested parties as required by the Commission.

As of September 2, 2014, no protests have been filed.

We find that Direct Energy Services, LLC:

1. Is fit, willing and able to properly perform the service proposed in conformance with applicable provisions of the Public Utility Code and the Commission orders and regulations, specifically including 52 Pa. Code Chapter 56 (relating to Standards and Billing Practices for Residential Utility Service).

2. Has agreed to abide by all Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may develop from time to time in the course of doing business in Pennsylvania.

3. Has proposed to offer natural gas supply services which, to the extent authorized by the license, will be consistent with the public interest and the policy declared in the Natural Gas Choice and Competition Act.

Upon full consideration of all matters of record, we find that approval of this application is necessary and proper for the service, accommodation and convenience of the public; **THEREFORE,**

**IT IS ORDERED:**

1. That the application of Direct Energy Services, LLC is hereby approved, consistent with this Order.

2. That a license be issued authorizing Direct Energy Services, LLC the right to begin to offer, render, furnish or supply natural gas supply services as a supplier to residential, small commercial (under 6,000 MCF annually), large commercial (6,000 MCF or more annually), industrial, and governmental customers in the local natural gas distribution company service territories of Columbia Gas of Pennsylvania Inc., PECO Energy Co., UGI Utilities Inc. and UGI Penn Natural Gas Inc. within the Commonwealth of Pennsylvania.

3. That this proceeding, at Docket No. A-125135, be closed.

 **BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: September 11, 2014

ORDER ENTERED: September 11, 2014