

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue
Implementation and Administration of California
Renewables Portfolio Standard Program.

Rulemaking 11-05-005
(Filed May 10, 2011)

Direct Energy Business, LLC

**2006-2007 VERIFIED and August 2011 SEMI-ANNUAL
COMPLIANCE REPORT PURSUANT TO THE
CALIFORNIA RENEWABLES PORTFOLIO STANDARD**

PUBLIC (REDACTED)

1-Aug-11

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RPS Compliance Report: Summary

Direct Energy Business, LLC	2006
1-Aug-11	

RPS Summary Report	MWh	%
Prior Year Total Retail Sales	5,235,220	
Annual Procurement Target (APT)	52,352	1.0%
Total RPS Eligible Procurement	54,030	1.0%
Annual Procurement Surplus/(Deficit)	1,678	
Adjusted Procurement Percentage*		1.0%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	54,030	100.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	0	0.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement	54,030	100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	0
Total Flexible Compliance	0

Deficits and Penalties	2006
Preliminary Procurement (Deficit)	0
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

** Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

Check box (x) if LSE is including supplemental materials necessary for a full and complete report (include attachments as needed).

- Any supplemental materials should state each reason asserted in support of deferral or waiver of penalty, consistent with allowable reasons for non-compliance listed below. (D.03-12-065, D.03-06-071, D.06-05-010 and Public Utilities Code Section 399.14(a)(2)(C)(ii).)

[Insufficient response to RFO, Contracts already executed will provide future deliveries sufficient to satisfy current year deficits, Inadequate public goods funds to cover above-market costs, Seller non-performance, Lack of effective competition, Deferral promotes ratepayer interests and RPS objectives, Showing of good cause, Insufficient transmission]

- If stating earmarked contracts as a reason for a temporary deferral, make sure contract names and planned energy deliveries match what is listed in "Earmarking Detail" and "Procurement Detail" tabs.

RPS Compliance Report: Summary

Direct Energy Business, LLC	2007
1-Aug-11	

RPS Summary Report	MWh	%
Prior Year Total Retail Sales	5,173,971	
Annual Procurement Target (APT)	104,092	2.0%
Total RPS Eligible Procurement	338,989	6.6%
Annual Procurement Surplus/(Deficit)	234,897	
Adjusted Procurement Percentage*		6.6%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	338,989	100.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	0	0.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement	338,989	100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	0
Total Flexible Compliance	0

Deficits and Penalties	2007
Preliminary Procurement (Deficit)	0
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

** Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

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RPS Compliance Report: Summary

Direct Energy Business, LLC	2008
1-Aug-11	

RPS Summary Report	MWh	%
Prior Year Total Retail Sales	3,943,615	
Annual Procurement Target (APT)	143,528	3.6%
Total RPS Eligible Procurement	13,527	0.3%
Annual Procurement Surplus/(Deficit)	(130,001)	
Adjusted Procurement Percentage*		3.6%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	0	0.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	13,527	100.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement	13,527	100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	130,001
Total Flexible Compliance	130,001

Deficits and Penalties	2007
Preliminary Procurement (Deficit)	(130,001)
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

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[Insufficient response to RFO, Contracts already executed will provide future deliveries sufficient to satisfy current year deficits, Inadequate public goods funds to cover above-market costs, Seller non-performance, Lack of effective competition, Deferr

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RPS Compliance Report: Summary

Direct Energy Business, LLC	2009
1-Aug-11	

RPS Summary Report	MWh	%
Prior Year Total Retail Sales	3,566,055	
Annual Procurement Target (APT)	179,189	5.0%
Total RPS Eligible Procurement	374,333	10.5%
Annual Procurement Surplus/(Deficit)	195,144	
Adjusted Procurement Percentage*		10.5%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	3,737	1.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	<i>3,737</i>	<i>1.0%</i>
Geothermal	113,065	30.2%
Small Hydro	33,705	9.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	223,826	59.8%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement	374,333	100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	0
Total Flexible Compliance	0

Deficits and Penalties	2007
Preliminary Procurement (Deficit)	0
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

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RPS Compliance Report: Summary

Direct Energy Business, LLC	2010
1-Aug-11	

RPS Summary Report	MWh	%
Current Year Total Retail Sales		
Annual Procurement Target (APT)		20.0%
Total RPS Eligible Procurement		13.6%
Annual Procurement Surplus/(Deficit)		
Adjusted Procurement Percentage*		20.0%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	0	0.0%
Small Hydro		39.8%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind		60.2%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement		100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	
Total Flexible Compliance	

Deficits and Penalties	2007
Preliminary Procurement (Deficit)	
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

** Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

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RPS Compliance Report: Accounting

Direct Energy Business, LLC
1-Aug-11

Line#	RPS Baseline Calculation	(MWh)
1	2001 Total CA Retail Sales	1,314,520
2	2001 CA RPS-Eligible Procurement	0
3	2005 Total CA Retail Sales	5,235,220
4	2005 Baseline Procurement Amount	0

Input Required
Forecasted Data
Actual Data

RPS Procurement and Targets (MWh)	Actual											Forecast						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bundled Retail Sales	N/A	N/A	5,235,220	5,173,971	3,943,615	3,566,056	2,946,276						3,921,386	3,759,505	3,604,300	3,455,514	3,312,865	3,176,104
Total RPS-Eligible Procurement	N/A	N/A	0	54,030	338,989	13,527	374,333						784,277	751,901	720,861	691,103	662,573	635,221
Annual Procurement Target (APT)	N/A	N/A	0	52,352	104,002	143,528	179,189						0	0	0	0	0	0
Incremental Procurement Target (IPT)	N/A	N/A	N/A	52,352	51,740	39,436	35,861						0	0	0	0	0	0
Preliminary Procurement Surplus/Deficit	N/A	N/A	0	1,678	234,897	(130,001)	195,144						(784,277)	(751,901)	(720,861)	(691,103)	(662,573)	(635,221)
APT Percentage	N/A	N/A	N/A	1.0%	2.0%	3.6%	5.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Actual Procurement Percentage	N/A	N/A	0.0%	1.0%	6.6%	0.3%	10.5%	13.8%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Procurement Percentage*	N/A	N/A	N/A	1.0%	6.6%	3.6%	10.5%	20.0%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Flexible Compliance - IPT Deferral	Actual											Forecast						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Maximum Deficit Allowed for Deferral	N/A	N/A	N/A	0	0	9,859	0						10,200	9,803	9,399	9,011	8,639	8,282
Bundled																		
Deficit band Carried Forward to Year + 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deficit band Carried Forward to Year + 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deficit band Carried Forward to Year + 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Year Deficit Carried Forward	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Remaining Deficit from Year - 1 to be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Remaining Deficit from Year - 2 to be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Remaining Deficit from Year - 3 to be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Total Prior Year Deficits That Must Be Filled This Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Surplus Procurement Applied to Year - 1 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Surplus Procurement Applied to Year - 2 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Surplus Procurement Applied to Year - 3 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Total Deliveries Applied to Prior Year IPT Deficits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
TREC																		
Deficit band Carried Forward to Year + 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deficit band Carried Forward to Year + 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deficit band Carried Forward to Year + 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Year Deficit Carried Forward	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Remaining Deficit from Year - 1 to be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Remaining Deficit from Year - 2 to be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Remaining Deficit from Year - 3 to be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Total Prior Year Deficits That Must Be Filled This Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Surplus Procurement Applied to Year - 1 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Surplus Procurement Applied to Year - 2 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Surplus Procurement Applied to Year - 3 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Total Deliveries Applied to Prior Year IPT Deficits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0

Flexible Compliance - Earmarking	Actual											Forecast						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Maximum Current Year Deficit Available for Earmarking	N/A	N/A	N/A	0	0	325,142	0						774,662	742,931	711,432	680,182	649,494	618,845
Bundled																		
Future Year Deliveries Earmarked from Year + 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Future Year Deliveries Earmarked from Year + 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Future Year Deliveries Earmarked from Year + 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Projected Procurement Earmarked to Current Year	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Current Year Deliveries Earmarked to Year - 1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Deliveries Earmarked to Year - 2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Deliveries Earmarked to Year - 3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Total Deliveries Earmarked to Prior Year Earmarked Deficits	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TREC																		
Future Year Deliveries Earmarked from Year + 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Future Year Deliveries Earmarked from Year + 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Future Year Deliveries Earmarked from Year + 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Projected Procurement Earmarked to Current Year	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Current Year Deliveries Earmarked to Year - 1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Deliveries Earmarked to Year - 2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Current Year Deliveries Earmarked to Year - 3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
Total Deliveries Earmarked to Prior Year Earmarked Deficits	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Bundled Surplus Procurement Bank	Actual											Forecast						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Surplus Procurement Bank Balance as of Prior Year	N/A	N/A	0	0	1,678	236,575	106,574	301,718					126,022	126,022	126,022	126,022	126,022	126,022
Application of Banked Surplus Procurement to Current Year Deficit	N/A	N/A	N/A	N/A	N/A	130,001	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Current Year Annual Surplus Procurement	N/A	N/A	0	1,678	234,897	0	195,144						0	0	0	0	0	0
Cumulative Surplus Procurement Bank Balance	N/A	N/A	0	1,678	236,575	106,574	301,718						126,022	126,022	126,022	126,022	126,022	126,022
TREC Surplus Procurement Bank																		
Surplus Procurement Bank Balance as of Prior Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Banked TREC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0
Banked TREC's Eligible to Apply to Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0
Application of Banked Surplus Procurement to Current Year Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0
Cumulative Surplus Procurement Bank Balance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0

Adjusted Deficit	Actual											Forecast						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Adjusted Annual Procurement Deficit	N/A	N/A	N/A	0	0	0	0	0										
Adjusted Deficit Deferred	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Potential Penalty	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0										
Current Penalty (with flexible compliance)	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0										

Potential Penalty may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

RPS Compliance Report: Bundled Earmarking Detail

	Input Required	Direct Energy Business, LLC
	Forecasted Data	1-Aug-11
	Actual Data	

Note: All deliveries from transactions that transfer both renewable energy credits and energy from the seller to the buyer but does not meet the Commission's criteria for considering a procurement transaction a bundled transaction for purposes of compliance with the California renewables portfolio standard, made prior to March 11, 2010, will be counted as bundled deliveries of both renewable energy credits and energy for purposes of compliance with the California renewables portfolio standard. TREC contracts used earmarking with deliveries prior to March 11, 2010 and after March 11, 2010 should be listed in the separate earmarking tabs based on whether deliveries were made prior to March 11, 2010 or after March 11, 2010.

Total Annual Earmarked Generation (MWh)	Actual										Forecast					
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Contracted Generation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocated to Year - 1	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocated to Year - 2	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocated to Year - 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0

Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A
Contract Name Eligible for [YEAR] deficit	Contracted Generation Withdrawal from Current Year Allocated to Year - 1 Allocated to Year - 2 Allocated to Year - 3	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A	0 N/A N/A N/A

RPS Compliance Report: TREC Earmarking Detail

Input Required
 Forecasted Data
 Actual Data

Direct Energy Business, LLC
 1-Aug-11

Note: All deliveries from transactions that transfer both renewable energy credits and energy from the seller to the buyer but does not meet the Commission's criteria for considering a procurement transaction a bundled transaction for purposes of compliance with the California renewables portfolio standard, made prior to March 11, 2010, will be counted as bundled deliveries of both renewable energy credits and energy for purposes of compliance with the California renewables portfolio standard. TREC contract used for earmarking with deliveries prior to March 11, 2010 and after March 11, 2010 should be listed in the separate earmarking tabs based on whether deliveries were made prior to March 11, 2010 or after March 11, 2010.

Earmarking of TREC contracts is only allowed between an RPS-obligated LSE and one RPS-eligible generator that is providing all the RECs.

Total Annual Earmarked Generation (MWh)	Actual							Forecast								
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Contracted Generation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocated to Year - 1	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocated to Year - 2	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocated to Year - 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0

Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A												
Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A													
Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A													
Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A													
Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A													
Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A													
Contract Name	Contracted Generation															
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A														
	Allocated to Year - 2	N/A	N/A													
	Allocated to Year - 3	N/A	N/A													

RPS Compliance Report: Calculations

RPS Baseline Inputs (MWh)		
Line#	Calculation	Notes
1-4	Pursuant to D.07-07-025, the 2005 Initial Baseline Procurement Amount for the electric service providers (ESPs) is calculated using the following equation(s): 2001 CA RPS-eligible Procurement / 2001 total CA retail sales X 2005 total CA retail sales	
	ESPs beginning retail sales in California between January 1, 2002 and December 31, 2005, the analogous formula is:	
	CA RPS-eligible procurement in first year of CA retail sales / first-year CA retail sales X 2005 total CA retail sales	
	ESPs beginning retail sales after December 31, 2005, the Baseline Procurement Amount is equal to first year's RPS-Eligible Procurement	

RPS Procurement and Targets (MWh)		
Line#	Calculation	Notes
1	User supplied data	Annual Retail Sales
2	Data from "Procurement Detail" tab	In current and past years, this line should equal Total RPS Eligible Procurement in procurement detail tab.
3	Prior year Line 7 + Line 8	
8	1% of line 5 {Y-1}	
9	Line 6 - Line 7	
10	Line 7 / Line 5 {Y-1}	
11	Line 6 / Line 5 {Y-1}	In 2003, 2003 RPS procurement is divided by 2001 retail sales rather than 2002 retail sales.
12	(Line 6 + Line 17 + Line 25 + Line 30 + Line 34 + Line 36) / Line 5 {Y-1}	RPS procurement percentage after applying flexible compliance, assuming all allowable planned deliveries come online as planned.

Flexible Compliance - IPT Deferral		
Line#	Calculation	Notes
13	Up to 0.25% of Prior Year Retail Sales	The first year with an IPT, 100% of the IPT can be deferred for up to 3 years without explanation.
14-16	User supplied data	
17	Sum of Lines 14:16	Current year deficit carried forward. Warning if cell value is greater than Line 13.
18-20	Record of Lines 14:16	Deferred IPT obligations due in current year.
21	Sum of Lines 18-20	Total deferred IPT obligations due in current year
22-24	User supplied data	Past year IPT obligations retired with current year surplus procurement. Per accounting rules D. 06-10-050, Attachment A, page 9-10, current year deliveries may only be applied to past year IPT deficits after earmarked deliveries have been subtracted, and after any deliveries needed to meet current year APT have also been subtracted (D.03-06-0711, Conclusion of Law 25).
25	Sum of Lines 22-24	Total current year surplus applied to prior year IPT obligations due in current year

Flexible Compliance - Earmarking		
Line#	Calculation	Notes
26	Line 9 + Line 13 + Line 34	Portion of current year deficit greater than allowable IPT Deferral
27-29	Data from "Earmarking Detail" tab	User supplied data
30	Sum of Lines 27-29	
31-33	Data from "Earmarking Detail" tab	User supplied data.
34	Sum of Lines 31:33	Total current year surplus subtracted to meet prior years Earmarking obligations due in current year

Surplus Procurement Bank		
Line#	Calculation	Notes
35	Line 38 {Y-1}	
36	User supplied data	
37	Line 9+ Line 25 + Line 34	Current year surplus procurement less any prior year IPT obligations and/or Earmarking obligations
38	Sum of Lines 35:37	
43	Row 16 from "Procurement Detail" tab	TRECs that must be banked because the entity is over the TREC limit
	Data from "Procurement Detail" tab	Value if entity has not exceeded its TREC limit in the current year, and has excess TRECs from exceeding the limit in a prior year.
44	Line 43 - Line 45	
45	Line 35 + Line 43	
46	Sum of Lines 35:37	

Adjusted Deficit		
Line#	Calculation	Notes
39	Line 9 + balance of IPT obligations after 3 years + balance of Earmarking obligations after 3 years	In any current year, the adjusted annual procurement deficit is the LSE's annual deficit less any deliveries used to meet IPT or Earmarking obligations for prior years deficits. Any portion of adjusted annual procurement deficit that remains after the following three years is subject to penalty.
40	Balance of IPT obligations after 3 years + balance of Earmarking obligations after 3	In any current year, the adjusted deficit temporarily excused is the sum of IPT deferral and Earmarked deliveries (line 17+ line 30). Any portion of line 40 remaining after 3 years will be reflected in line 39 and subject to penalty.
41	Line 39 * \$50.0	Per accounting rules, LSEs must list penalty based the size of on adjusted annual procurement deficit, even if allowable reasons are being given for why the penalty is not yet due and payable. Penalties are assessed at \$0.05/kWh deficit.
42	(Line 39 + 40) * \$50.0	LSE's have the opportunity to make up annual procurement deficits through existing flexible compliance rules. Accordingly, if an LSE has a deficit in year 1, and is able to fully exercise flexible compliance mechanisms, the penalty for year 1 compliance may not apply.

OFFICER VERIFICATION FORM

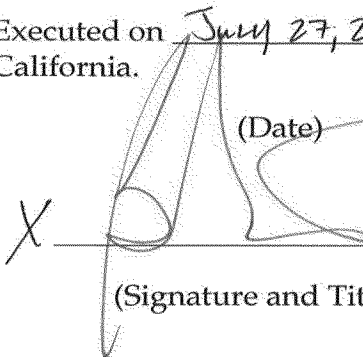
I am an officer of the reporting corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true. The spreadsheet format used to file this compliance report has not been altered from the version issued or approved by Energy Division.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 27, 2011 at HOUSTON, TX,
California.

(Date)

(Name of city)

X 

(Signature and Title of Corporate Officer)

Bray Dohrwardt, Vice President