

**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 5, 2011)

**2013 RENEWABLES PORTFOLIO STANDARD
PROCUREMENT PLAN OF
DIRECT ENERGY BUSINESS, LLC

(PUBLIC VERSION)**

In accordance with the May 10, 2013 Assigned Commissioner’s Ruling, Direct Energy Business, LLC (“Direct Energy”) hereby submits this 2013 Renewables Portfolio Standard (“RPS”) Procurement Plan for the period of 2013-2033.

1. Assessment of RPS Portfolio Supplies and Demand - § 399.13(a)(5)(A)¹

Direct Energy procures RPS supply based on the term of its retail customer contracts, with the majority of contracted load being within a rolling 24-month time horizon. For the 2011 to 2013 compliance period Direct Energy is approximately 99% hedged against a forecast compliance period RPS obligation (weighted average of all three content categories). Direct Energy has completed a long-term (10-year) contract to meet the minimum long-term contract requirement for the 2011 to 2013 compliance period. Direct Energy does not hedge fixed price energy exposure through RPS contracts so the energy price in all contracts is at index.

2. Project Development Status Update - § 399.13(a)(5)(D)

Direct Energy has not contracted with any renewable energy resources that are not already in commercial operation.

¹ All statutory references herein are to the Public Utilities Code.

3. Potential Compliance Delays - § 399.13(a)(5)(B)

Direct Energy expects to meet its RPS compliance requirements for the 2011 to 2013 compliance period.

4. Risk Assessment - § 399.13(a)(5)(F)

Since Direct Energy has not contracted with any renewable energy resources that are not already in commercial operation, this section is not applicable.

5. Quantitative Information - §§ 399.13(a)(5)(A),(B), (D) and (F)

Please see the spreadsheet attached hereto as Appendix A for the responsive quantitative information.

6. Portfolio Optimization Strategy

So as to minimize and control procurement costs while optimizing our RPS portfolio, Direct Energy intends to procure the following RPS resources in the amounts indicated during the 20 year time frame covered by this plan:

- Portfolio Procurement Category (“PCC”) 1 resources in the minimum amounts required under 399.16(c)(1).
- PCC 3 resources in the maximum amounts allowed under § 399.16(c)(2).
- PCC 2 resources in such amounts as needed to cover any remaining RPS requirements.

Respectfully submitted,

-----/s/-----

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June 18, 2013

VERIFICATION

I, Gregory S. G. Klatt, counsel for Direct Energy Business, LLC, am authorized to make this Verification on its behalf. I declare under penalty of perjury that the statements in the foregoing 2013 Renewables Portfolio Standard Procurement Plan filed in Rulemaking 11-05-005 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.

Executed on June 18, 2013, at Woodland Hills, California.



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Appendix A: Direct Energy RPS Procurement Plan: Section 6.5 Quantitative Information and Net Short Calculations

All figures are in MWh

Component	20.0%	20.0%	20.0%	21.7%	23.3%	25.0%	27.0%	29.0%	31.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%				
	2011	2012	2013	CP1	2014	2015	2016	CP2	2017	2018	2019	2020	CP3	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Year End Load Estimate	3,562,041					3,741,070	3,741,070		3,741,070	3,741,070	3,741,070	3,741,070	14,964,280	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070	3,741,070
Total Estimated RPS Obligation	712,408					871,669	935,268		1,010,089	1,084,910	1,159,732	1,234,553	4,489,284	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553
Margin of Over-Procurement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Estimated RPS Obligation	712,408					871,669	935,268		1,010,089	1,084,910	1,159,732	1,234,553	4,489,284	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553	1,234,553
Banked from prior CP	149,022			149,022																				
RPS Procurement	563,386					30,000	30,000		30,000	30,000	30,000	30,000	120,000	30,000	30,000	5,000								
Net RPS Short	(0)					(841,669)	(905,268)		(980,089)	(1,054,910)	(1,129,732)	(1,204,553)	(4,369,284)	(1,204,553)	(1,204,553)	(1,229,553)	(1,234,553)	(1,234,553)	(1,234,553)	(1,234,553)	(1,234,553)	(1,234,553)	(1,234,553)	(1,234,553)

Notes: