

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)
DIRECT ENERGY SERVICES, LLC, FOR A)
CERTIFICATE TO PROVIDE ELECTRIC) PSC DOCKET NO. 05-370
SUPPLY SERVICE WITHIN THE STATE OF)
DELAWARE (FILED OCTOBER 11, 2005))

ORDER NO. 6790

ELECTRIC SUPPLIER CERTIFICATE

This 6th day of December, 2005, the Commission determines and Orders the following:

1. In the Electric Restructuring Act of 1999 (72 Del. Laws Ch. 10), the General Assembly instituted a new regime to govern the generation, supply, and sale of electricity within this State. Regulation of the supply of electricity will, at various times, end and be replaced with the opportunity for retail customers to purchase electric supply from a supplier competing in an essentially non-supervised market. Thus, beginning on October 1, 1999, the generation, supply, and sale of electricity (including all related facilities and assets) is, and will be, no longer regulated by the Commission as a public utility service or function. 26 Del. C. § 1003(a).

2. Under the Act, every Electric Supplier seeking to provide Electric Supply Service under this new regime must obtain an Electric Supplier certificate from the Commission. 26 Del. C. § 1012(a). Pursuant to the authority granted by 26 Del. C. § 1012(a) and (b), the Commission has adopted, in Regulation Docket No. 49, "Rules for the Certification and Regulation of Electric Suppliers" ("ES Rules"). See

PSC Order No. 5207 (Aug. 31, 1999) (adopting initial ES Rules). The ES Rules set forth the criteria for Electric Supplier certification and lay the ground rules for how certificated Electric Suppliers must operate within the new competitive regime.

3. On October 11, 2005, Direct Energy Services, LLC, filed an application to be certificated as an Electric Supplier to provide Electric Supply Service to Customers within this State. Staff reports that the application filed by Direct Energy Services, LLC, meets all the criteria set forth in Section II of the ES Rules and that Direct Energy Services, LLC, appears to possess the financial, operational, managerial, and technical capabilities to offer Electric Supply Service to Customers.¹ In light of Staff's recommendations, the Commission hereby grants an Electric Supplier Certificate to Direct Energy Services, LLC.

Now, therefore, **IT IS ORDERED:**

1. That Direct Energy Services, LLC, is hereby granted, under 26 Del. C. § 1012(a) and Section II of the "Rules for the Certification and Regulation of Electric Suppliers," a certificate to do business, and operate, as an Electric Supplier within this State. Under this certificate, Direct Energy Services, LLC, is authorized to provide Electric Supply Service to Customers within this State in accord with 26 Del. C. Chapter 10.

¹ Notice of such application by Direct Energy Services, LLC, was published in The News Journal and the Delaware State News newspapers on November 9, 2005. No objections to the application were received. Notice of the Commission's intent to grant Direct Energy Services, LLC, a final Electric Supplier Certificate was posted on the Commission's Internet website at "www.state.de.us/delpsc." Again, no objections have been received in response to that notice.

2. That Direct Energy Services, LLC, shall at all times provide Electric Supply Service in accord with the requirements imposed by 26 Del. C. Chapter 10 and the Commission's "Rules for the Certification and Regulation of Electric Suppliers," as presently adopted, or as may be hereafter amended or supplemented. Direct Energy Services, LLC, is hereby notified that a violation of such statute or such rules may be enforced by the sanctions permitted by 26 Del. C. § 1012(a) and Section X ¶ 2 of the "Rules for the Certification and Regulation of Electric Suppliers."

3. That Direct Energy Services, LLC, shall, pursuant to the provisions of 26 Del. C. § 1012(c)(2) and Section III ¶ 10 of the "Rules for the Certification and Regulation of Electric Suppliers," file such returns and pay such assessments as may be required, or may be imposed, by 26 Del. C. §§ 114 and 115.

4. That Direct Energy Services, LLC, shall, pursuant to Section II ¶ 1(i) and Section III ¶ 4 of the "Rules for the Certification and Regulation of Electric Suppliers," file with the Commission a standard form of contract for each class of customers to which it intends to offer Electric Supply Service. Such form of contract shall be filed with the Commission at least twenty-one (21) days prior to Direct Energy Services, LLC's offering Electric Service Supply to such class of customers under such standard form of contract.

5. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae

Chair

/s/ Joann T. Conaway

Commissioner

/s/ Jeffrey J. Clark

Commissioner

/s/ Jaymes B. Lester

Commissioner

/s/ Dallas Winslow

Commissioner

ATTEST:

/s/ Karen J. Nickerson

Secretary