

Attachment A

Illinois Secretary of State Authority



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

MAY 18, 2010

6717-258-2

C T CORPORATION SYSTEM
600 S SECOND ST
SPRINGFIELD, IL 62704

RE CLEARVIEW ELECTRIC INC.

DEAR SIR OR MADAM:

IT IS OUR PLEASURE TO APPROVE YOUR REQUEST TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS. FEES IN THIS CONNECTION HAVE BEEN RECEIVED AND CREDITED.

THIS DOCUMENT MUST BE RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY IN ILLINOIS IN WHICH THE REGISTERED OFFICE OF THE CORPORATION IS LOCATED, AS PROVIDED BY SECTION 1.10 OF THE BUSINESS CORPORATION ACT OF THIS STATE. FOR FURTHER INFORMATION CONTACT YOUR RECORDER OF DEEDS.

THE CORPORATION MUST FILE AN ANNUAL REPORT AND PAY FRANCHISE TAXES PRIOR TO THE FIRST DAY OF ITS ANNIVERSARY MONTH (MONTH OF QUALIFICATION) NEXT YEAR. A PRE-PRINTED ANNUAL REPORT FORM WILL BE SENT TO THE REGISTERED AGENT AT THE ADDRESS SHOWN ON THE RECORDS OF THIS OFFICE APPROXIMATELY 60 DAYS PRIOR TO ITS ANNIVERSARY MONTH.

SECURITIES CANNOT BE ISSUED OR SOLD EXCEPT IN COMPLIANCE WITH THE ILLINOIS SECURITIES LAW OF 1953, 815 ILLINOIS COMPILED STATUTES, 5/1 ET SEQ. FOR FURTHER INFORMATION, CONTACT THE OFFICE OF THE SECRETARY OF STATE, SECURITIES DEPARTMENT AT (217) 782-2256 OR (312) 793-3384.

SINCERELY YOURS,

JESSE WHITE
SECRETARY OF STATE

DEPARTMENT OF BUSINESS SERVICES
CORPORATION DIVISION
TELEPHONE (217) 782-6961

JW:CD

Attachment B

Notification of Intent to Serve Load



May 28, 2010

Ameren Transmission Services Business Center
P. O. Box 66149
Mail Code 333
St. Louis, MO 63166-6149

Re: Clearview Electric, Inc. Notification of Intent to Serve Load in the Ameren Service Territory

Gentlemen:

Pursuant to 83 Ill. Adm. Code 451.30(c)3, Clearview Electric, Inc. ("Clearview") hereby provides notification that it is in the process of filing an application with the Illinois Commerce Commission that it be granted a certificate of authority to provide alternative retail electric supplier services, pursuant to Section 16-115 of the Public Utilities Act.

Further, Dominion Retail hereby provides notification of its intent to serve in the Ameren service area, after the application has been approved.

Sincerely,

A handwritten signature in black ink, appearing to read "Francis X. McGovern", is written over a horizontal line.

Francis X. McGovern, President



May 28, 2010

Commonwealth Edison Company
Retail Electric Supplier Registration
P. O. Box 805379
Chicago, IL 60680

Re: Clearview Electric, Inc. Notification of Intent to Serve Load in the Ameren
Service Territory

Gentlemen:

Pursuant to 83 Ill. Adm. Code 451.30(c)3, Clearview Electric, Inc. ("Clearview") hereby provides notification that it is in the process of filing an application with the Illinois Commerce Commission that it be granted a certificate of authority to provide alternative retail electric supplier services, pursuant to Section 16-115 of the Public Utilities Act.

Further, Clearview hereby provides notification of its intent to serve in the Commonwealth Edison Company service area, after the application has been approved.

Sincerely,

A handwritten signature in black ink, appearing to read "Francis X. McGovern".

Francis X. McGovern, President

Attachment C

Jurisdictions where Clearview is Licensed as an Electric Supplier

Texas:	Licensed as a Retail Electric Provider (REP) Issue Date: 08/31/2006 License # 10129
Connecticut:	Licensed as an Electric Supplier Issue Date: 11/26/2007 Docket # 07-08-17
New York:	Certified as an Energy Service Company Issue Date: 07/14/2009 Case #98-M-1343
Pennsylvania	Licensed as an Electric Generation Supplier Issue Date: 05/26/2010 Application # A-2010-2152506
New Jersey	Licensed as an Electric Power Supplier Issue Date: 08/04/2010 License # #ESL-0089
District of Columbia:	Licensed as an Electric Supplier Issue Date: 09/09/2010 Order #15972
Delaware	Certified as Electric Supplier Issue Date: 11/18/2010 Order # 7860
Maryland:	Licensed as an Electric Supplier Issue Date: 12/08/2010 License Reference # IR-2009

Attachment D

Disclosure of Complaints

Clearview has been very responsive to any customer complaints and has set forth policies and procedures to ensure compliance from inception of the sale. Approval of each telemarketing site is required. Clearview visits each site typically prior to any sales activity. Telemarketers may not employ any new sites on a Clearview campaign without prior Clearview approval. As a result, Clearview currently only uses telemarketers that meet the following requirements:

Scripting:

All sales and sales verification scripts are written and/or approved by Clearview.

Training:

There is in-class training as well as role-play. The script is taught extensively. The formal training is followed by side-by-sides. Total training time is 2 weeks.

Coaching and follow-up training sessions (i.e., for script changes) are done one of the Floor Supervisors. In order to ensure validity of sales, the Floor Supervisor listens to a random sample of sales calls each day to ensure quality. He/She has the capability to monitor, live coach, or take over the sales call from his/her desk.

The Floor Supervisor also listens to a random sample of recorded sales calls each week for coaching purposes (both individually and for the team).

Spoofing:

The vendors randomly call Clearview numbers to confirm that the telemarketer's telephone number is captured by Caller ID.

Slamming:

Representatives are given a warning with the first instance of any sign of any misrepresentation. In certain instances, Clearview reserves the right to terminate upon first offense depending upon severity of the issue. With the second instance, the employee is immediately dismissed. In addition, Clearview monitors the number of complaints carefully and will dismiss an entire marketing group if levels increase beyond a negligible amount.

Verification:

Verification is passed off to an in-house or outside verifier whose job is to verify all sales. The verification is recorded and ensures that the customer understands and agrees with the terms of the switch to Clearview. Verifications are received for each sale prior to processing the switch.

First level of oversight:

A Service Representative of the telemarketing vendor reviews ALL TPV's prior to sending the sale through to Clearview. Should there be any question about the validity of the sale, it is sent back to the telemarketer for possible follow up. The sale is not sent to Clearview unless it passes this initial screening

Review of TPV recording by Clearview:

Clearview randomly audits sales calls and verifications each week to ensure compliance.

Telemarketing audit:

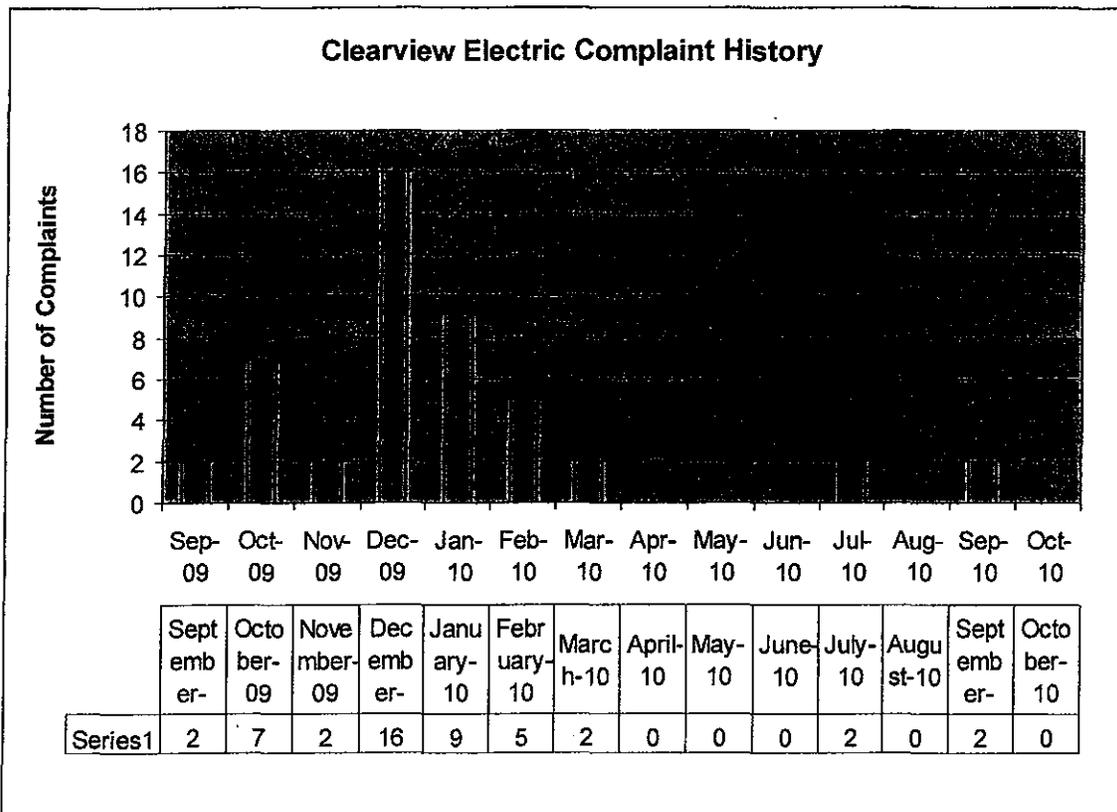
Clearview has committed to auditing each of its vendors at least once quarterly to ensure compliance.

Side-by-side with telemarketing representatives:

As part of the quarterly review, each telemarketing representative has at least one Clearview representative listen in on several conversations, and has the opportunity to ask questions. Clearview finds the representatives follow the script fairly closely, are knowledgeable, and able to handle a variety of customer questions.

Clearview has demonstrated that aggressive management of its marketing channels has resulted in far less consumer complaints. Clearview's stringent requirements ensure consumer understanding and satisfaction. Clearview understands its obligation to the consumers it seeks to serve. Indeed, Clearview now has a regulatory department charged with ensuring compliance with all State rules and regulations. The Company's Regulatory Department collectively has in excess of forty years experience in regulated industry compliance. Additionally, it has created policies and procedures to ensure compliance from the inception of the sale. This ensures consumers are offered a solid competitive option, thereby enhancing consumer choice in electric supplier.

Although Clearview has experienced its challenges, all matters seem to be a product of learning the industry, customers, services and products. Clearview has proactively addressed any consumer concerns through investigations, remediation, and change of processes and procedures. Following is a depiction of Clearview's complaint history:



Clearview Electric, Inc. ("Clearview") has had two regulatory issues to overcome. The first occurred in the latter part of 2009, when Clearview was notified by the Oversight and Enforcement Division (O&E) of the Texas Public Utilities Commission (P.U.C.) that it sought to determine whether Clearview was in compliance with the Public Utility Regulatory Act (PURA) § 39.101, related to Customer Safeguards and Commission Substantive Rule 25.480(h) related to Level and Average Billing Plans. Upon learning of the potential regulatory issue, Clearview acted immediately to resolve this situation and not only amended its terms and service, but also notified all of its customers of their eligibility to receive Level and Average Billing.

The O&E determined in its investigation of the matter that Clearview was non-compliant with P.U.C. SUBST, R. 25.480(h), related to level and average billing plans.

Notwithstanding, this issue was resolved on December 17, 2009, informally, with no Notice of Violation being issued. The O&E notes that "Clearview has come into compliance by amending its terms of service. Because of Clearview's expeditious (sic)

compliance, O&E Staff has elected not to recommend an administrative penalty at this time."

The second issue came about on November 12, 2009, when the Department of Public Utility Control began an Investigation of Clearview in Docket #09-11-12. The purpose of this docket was to investigate "(t)he marketing practices of a telemarketer hired by Clearview, Clearview's delay in responding to Department inquiries; and Clearview's compliance with the technical filing requirements of the DPUC."

On April 28, 2010, the Connecticut DPUC recognized Clearview's efforts to ensure compliance when it closed its investigation, stating "It appears that Clearview has instituted staffing and policy changes responsive to the matters investigated in this proceeding. Complaints against Clearview have decreased; it has taken efforts to more closely comply with licensing requirements in Connecticut; and the content and timing of its responses to Department inquiries on behalf of complainants has improved significantly."

Connecticut 2010 PUC Complaints

CUSTOMER	Received	Response	Category	Complained	Completed	Summary	Resolution
Maureen Charron	1/5/10	1/25/10	CES* CES is no longer contracted with Clearview.	No	Alleged Unauthorized Conversion	Ms. Charron does not remember authorizing the switch to Clearview.	Ms. Charron had a bad year medically and felt she would not agree over the phone to switch. No TPV is available. Cust declined a refund in difference in rates.
Henry Ferguson	1/25/10	2/5/10	TOD	Yes	Alleged Unauthorized Conversion	Mr. Ferguson denies authorizing switch.	Mr. Ferguson authorized the switch per the TPV. The sales call agent was not clear, though, and was disciplined. A refund in the difference in rates for the time with Clearview was issued.
Jonathan Daren	1/25/10	2/11/10	FOS	Internet Enrollment	Alleged Unauthorized Conversion	Mr. Daren denies authorizing switch.	Mr. Daren signed up for Clearview online through the Positive Eergy website. Welcome Letter was sent to cust after the acct switched away from CV but we had received no notification from Oncor of the switch. The account never actually switched to Clearview.
Yolanda Shortridge	1/25/10	2/5/10	TOD	Yes	Quality of Service	Service did not get cancelled by CV. Second notification from DPUC to re-rate bills.	Drop order did not go thru; UI manually worked the drop order. Three months' of bills were re-rated and a refund was issued.
Douglas Lockyer	1/25/10	2/10/10	CES* CES is no longer contracted with Clearview.	Yes	Alleged Unauthorized Conversion	Mrs. Lockyer denies authorizing switch.	CV rates were lower than CL&P rates, therefore, no refund. *Welcome Letter was sent after acct switched away from CV but account had not been updated.
Newington Housing Authority / Melinda Harvey	1/29/10	2/18/10	CES* CES is no longer contracted with Clearview.	Yes	Alleged Unauthorized Conversion	Ms. Harvey claims she did not authorize the switch to Clearview.	Ms. Harvey authorized the switch per TPV. After several attempts at contacting Ms. Harvey and finally connecting with her, she declined the TPV or a refund in the difference in rates. She said she did not return Joan's calls because she didn't want to speak to her.
Carol Dimmock	1/28/2010*	2/5/10	TOD	Yes	Quality of Service	Enrollment was sent even though customer had changed her mind.	Cust called the day after agreeing to switch to CV but CSR didn't cancel the order. We asked Ms. Dimmock to contact CL&P to cancel the switch herself, but she didn't. CV issued a drop.
Joe Egan	1/28/2010*	2/5/10	TOD	Yes	Billing	Mr. Egan was quoted a lesser rate than he was charged on his bill.	Refund 1 month's difference of rates. Mr. Egan is still an active Clearview customer.
Versie Jones	1/28/2010*	2/5/10	TOD	Yes	Alleged Unauthorized Conversion	Ms. Jones denies authorizing switch.	Louis Jones authorized the switch. Prior to receiving this notification from the PUC, we had no indication that Ms. Jones felt that she had been switched without authorization as she has not called our customer service to speak with us. I have attempted calling her and have left messages on the answering machine with my name, company name, phone number, and reason of the call, and have received no returned calls.
Marian Woodson	2/1/10	3/2/10	TOD	Yes	General Complaint	Ms. Woodson states that Clearview misrepresented itself and that her MPP was removed with the switch.	Ms. Woodson authorized the switch. Sales and verification recordings indicate clear representation of Clearview. Per United Illuminating, MPP was not removed due to switching suppliers. Ms. Woodson has not called customer service nor returned Joan's phone calls.
Mary James	2/1/10	2/26/10	TOD	Yes	Alleged Unauthorized Conversion	Mrs. James daughter, Marsha Allen, initiated the complaint. Mrs. James is elderly and Ms. Allen was concerned because of the amount of phone calls Mrs. James had been getting.	Joan spoke to both Mrs. James and her daughter, Marsha Allen, on February 24 and explained to them about the electric choice program. She felt like she has a better understanding of the electric choice program now. Sent a copy of the TPV on a CD along with the copy of the letter to the PUC to Ms Allen.

CUSTOMER	Recorded	Responded	Category	Sub-Category	Complaint	Resolution	
Nancy Casasanta / Dorothy C Wojcicki	2/2/10	2/25/10	TOD	Yes	Alleged Unauthorized Conversion	Ms. Casasanta denies authorizing the switch to Clearview and that she is getting several phone calls from Clearview's marketing firm.	Ms. Casasanta authorized the switch. Nancy & Dorothy have individual telephone numbers and both were called but not at the same time. When they received the "unauthorized sales office" letter they became alarmed. TOD has discontinued utilizing the Iowa call center (unauthorized sales office).
Monica Robinson / Michael Robinson	2/9/10	2/23/10	TOD	Yes	Alleged Unauthorized Conversion	Mrs. Robinson denies authorizing switch to Clearview.	Mrs. Robinson authorized the switch and declined my offer of sending her the recorded TPV. This account never switched to Clearview.
Phylliss Demartino	2/26/10	3/12/01	POS	Internet Enrollment	Alleged Unauthorized Conversion	Ms. Demartino denies authorizing switch to Clearview.	Ms. Demartino signed up for Clearview online through the Positive Eergy website. A Welcome Letter was sent to customer on 12/1/09. Ms. Demartino has not called customer service to cancel service. This complaint was received one month after customer switched away from CV.
Maria Leon	3/22/10	4/13/10	TOD	Yes	Alleged Unauthorized Conversion	Ms. Leon denies authorizing switch to Clearview. Also states she cannot get thru to a Spanish speaking cust svc representative.	Ms. Leon authorized the switch. She called and spoke to a Spanish speaking cust svc representative who attempted canceling the switch but was informed by United Illuminating that a New Enrollment cannot be cancelled but would switch to UI at the end of one month with CV.
Maryann Carrasquillo	3/22/10	4/13/10	TOD	Yes	Billing	Was told one rate and charged another.	Clearview was not aware the order for the rate change did not go through until we received this complaint. Customer had not called cust svc first. A refund for the difference in rates was issued.
Orla Donovan	7/19/10	7/26/10	POS	Internet Enrollment	Billing	Ms. Donovan noticed on her bill that Clearview was no longer her supplier.	Cust was switched away from CV to Res Com by POS. We found this out doing a Winback. Cust decided not to come back to CV.
Charles Ritton	9/28/10	10/12/10	TOD	Yes	Alleged Unauthorized Conversion	Mr. Ritton denies authorizing switch to Clearview.	Mr. Ritton's girlfriend, Susan Lipsowitz, authorized the switch to Clearview. The order was canceled and the account never switched.

Texas 2010 PUC Complaints

CUSTOMER	Recorded	Responded	Category	Sub-Category	Complaint	Resolution	
James Waghorne	9/3/10	9/10/10	N/A	N/A	Emergency Complaint	Electricity was disconnected and not turned back on until the next day. Customer has heart condition.	Oncor did not work the expedited reconnect order as an expedite. Credited entire Sept. 2010 bill. Mailed a Residential Critical Care Eligibility Determination Form to Mr. Waghorne who said he would take it to his next appt. Clearview provided customer with 100% courtesy credit of all outstanding charges.

Pennsylvania 2010 PUC Complaints

CUSTOMER	Recorded	Responded	Category	Sub-Category	Complaint	Resolution	
Fred Creasy	7/27/10	8/6/10	TOD	Y	Alleged Unauthorized Conversion	Mr. Creasy's granddaughter, Melanie Sharrow, felt that Clearview was misrepresented as PP&L.	After listening to the recorded sales and third party verifications, it was determined that both the sales rep and the verifier did not clearly represent themselves as agents for Clearview and were fired. This account never switched to Clearview.

Connecticut 2009 PUC Complaints

CUSTOMER	Rec'd	Responded	Category	Complaint	Complaint Summary	Resolution
Pauline Bishop	9/29/09	11/18/09	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Bishop denies switch was authorized. We are unable to locate the TPV. Customer was refunded the difference in rates between CV and Dominion for the one month with us.
Tri County Arc / Audrey Smith	9/29/09	11/18/09	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Smith denies switch was authorized. Per TPV, Shelly Cox authorized the switch to Clearview. Multiple accounts all dropped.
Ronald Lake	10/2/09	11/18/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Mr. Lake felt the marketer was aggressive. Per TPV, Mr. Lake asked for a phone number to call if he wanted to switch; marketing firm sent this to us as a sale. Mr. Lake is still a customer.
Stewart Korchin	10/6/09	11/18/09	POS	Internet Enrollment	Billing	Was told he would receive a refund. Mr. Korchin has not called customer service. A refund was mailed to him.
Over the Rainbow Toys / Stanley Giliberto	10/19/09	11/13/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Quoted a different rate. TPV does not state quoted rate. A refund in the difference in rates was issued.
Patricia Smith	10/20/09	11/13/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Ms. Smith denies switch was authorized. Per TPV, agent did not correctly answer questions. Clearview regulatory attempted contacting Ms. Smith but she did not return any phone calls.
Stuart Case	10/28/09	11/18/09	POS	Internet Enrollment	Alleged Unauthorized Conversion	Mr. Case denies switch was authorized. Mr. Case signed up for Clearview online through the Positive Eergy website. Mr. Case has not called customer service to speak directly to a rep. CL&P retroactively dropped Mr. Case from Clearview.
Olive Blevins	10/28/09	11/17/09	CES* CES is no longer contracted with Clearview.	Y	General Complaint	Was quoted a different rate. Clearview corrected the rate. Ms. Blevins is still an active Clearview customer.
Town of Canterbury / Ella Hebert	10/28/09	11/4/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Ms. Hebert denies switch was authorized. Per TPV, the switch to Clearview was authorized by Sheila Gale. Multiple accounts.
Patrick Kulo	11/2/09	11/4/09	TOD	Y	Alleged Unauthorized Conversion	Mr. Kulo denies switch was authorized. Per TPV, Mr. Kulo authorized the switch to Clearview. PUC forwarded copy of TPV to customer and closed the file.
Robert Platt	11/20/09	11/24/09	TOD	Y	Alleged Unauthorized Conversion	Mr. Platt denies switch was authorized. Per TPV, Mr. Platt authorized the switch. Mailed CD of TPV to Mr. Platt. A refund in the difference in rates between CV and Direct Energy was issued. Sales script has been modified.
John Kuczenski	12/4/09	12/11/09	TOD	Y	Alleged Unauthorized Conversion	Mr. Kuczenski denies switch was authorized. Per TPV, Mr. Kuczenski authorized the switch. Cust will initiate switch to another supplier. Mr. Kuczenski declined the offer of our sending him a copy of the TPV.

Pauline Bishop	9/29/09	11/18/09	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Bishop denies switch was authorized.	We are unable to locate the TPV. Customer was refunded the difference in rates between CV and Dominion for the one month with us.
Tri County Arc / Audrey Smith	9/29/09	11/18/09	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Smith denies switch was authorized.	Per TPV, Shelly Cox authorized the switch to Clearview. Multiple accounts all dropped.
Catamount Mgmt Group	12/7/09	12/16/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Mr. Louis Albanese, owner, denies switch was authorized.	Per TPV, Julie Sunicello authorized the switch. This account never switched to Clearview.
Doris Hann (James L)	12/7/09	12/11/09	TOD	Y	Alleged Unauthorized Conversion	Mrs. Hann denies switch was authorized.	Per TPV, Mrs. Doris Hann authorized the switch.
Joe Walter	12/7/09	12/11/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Mr. Walter denies switch was authorized.	Per TPV, Joe Walter authorized switch. Mr. Walter stayed a customer with Clearview until his death in October, 2010.
Pathways Inc. / Iris Driesen	12/7/09	12/17/09	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Ms. Driesen denies switch was authorized.	Per TPV, Ms. Driesen authorized switch. Multiple accounts. A refund in the difference in rates between CV and Dominion was issued for all accounts.
Victoria Sabia	12/7/09	12/11/09	TOD	Y	Billing	Ms. Sabia denies switch was authorized.	Per TPV, Ms. Sabia authorized switch. After listening to the TPV, Ms. Sabia agreed it was her.
Flora Joseph (Werner L)	12/8/09	12/15/09	TOD	Y	Alleged Unauthorized Conversion	Mrs. Joseph denies switch was authorized.	Per TPV, Mrs. Joseph authorized switch. Account never switched to Clearview.
William F. Miller	12/8/09	12/14/09	TOD	Y	Alleged Unauthorized Conversion	Mr. Miller denies switch was authorized.	Per TPV, Robin Miller authorized switch. Robin is Mr. Miller's daughter but his son, Glen, is who handles Mr. Miller's affairs. Joan left her name and number for Glen to call; he never did.
Dorothy Mewborn	12/10/09	12/17/09	TOD	Y	Quality of Service	Sales agent misrepresented Clearview.	Per TPV, Ms. Mewborn authorized switch. Modifications to both sales and TPV scripts to better state Clearview and rates. Ms. Mewborn is still an active Clearview customer.
Janet Adamcik	12/11/09	12/24/09	TOD	Y	General Complaint	Getting calls from Clearview agent.	Ms. Adamcik was called only one time by TOD. She hung up on the sales agent. Per the sales recording, the agent is clearly identified as Clearview.
Cathy Brauer	12/21/09	12/28/09	TOD	Y	Alleged Unauthorized Conversion	Ms. Brauer denied switch was authorized.	Per TPV, Ms. Brauer authorized switch. Ms. Brauer is still an active Clearview customer.
Richard Dandrea	12/21/09	12/24/09	TOD	Y	Billing	Ms. D'Andrea alleges sales rep posed as Direct Energy rep.	Per TPV, Ms. D'Andrea authorized switch. TPV is clearly stated as Clearview. Account did not switch to Clearview.
Frank Skowronek	12/22/09	12/24/09	TOD	Y	Alleged Unauthorized Conversion	Mr. Skowronek denies switch was authorized.	Per TPV, Mr. Skowronek authorized switch. Regulatory called and spoke to him; Mr. Skowronek appreciated the call but canceled the switch. Account did not switch to Clearview.
Lillian Viknes (Gunvall)	12/22/09	12/28/09	TOD	Y	Quality of Service	Ms. Viknes alleges she was mislead in switching.	Per TPV, Ms. Viknes authorized switch. TPV clearly states Clearview as the supplier. A refund in the difference in rates between CV and the prior supplier was issued.
Robert Roskosky	12/29/09	1/4/10	TOD	Y	Alleged Unauthorized Conversion	Mr. Roskosky denies switch was authorized.	Per TPV, Mr. Roskosky authorized switch. Cust declined offer of refund in difference in rates for the one month he was with CV.

Pauline Bishop	9/29/09	11/18/09	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Bishop denies switch was authorized.	We are unable to locate the TPV. Customer was refunded the difference in rates between CV and Dominion for the one month with us.
Tri County Arc / Audrey Smith	9/29/09	11/18/09	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Smith denies switch was authorized.	Per TPV, Shelly Cox authorized the switch to Clearview. Multiple accounts all dropped.
Marian Bozal (Meryem & Tamer)	12/28/10	1/12/10	TOD	Y	Alleged Unauthorized Conversion	Ms. Bozal denies switch was authorized.	Per TPV, Ms. Bozal did not authorize the switch yet it was sent to Clearview from the marketer as a sale. Regulatory worked with CP&L to cancel the order. Account did not switch to Clearview.

Texas 2009 PUC Complaints

CUSTOMER	DATE	REPORTED	STATUS	RESOLUTION	COMPLAINT	RESPONSE
Shanna Ward	3/5/2009	3/27/2009	N/A	N/A	Discontinuance	Ms. Ward made a payment but was disconnected. The payment Ms. Ward made was a late payment for the prior month. No payment was received for the current month.
Dorris Conway	4/21/2009	5/12/2009	N/A	N/A	Refund	Not received. Mailed refund check was returned "Return to Sender. Unable to deliver." After several attempts to contact Ms. Conway, she called and the address was validated. Check was re-mailed.
Patrice Calhoun	4/21/2009	5/14/2009	N/A	N/A	Rates/Charges	Ms. Calhoun felt that historical billing was too high. Cust moved and canceled the account less than a month after is became active. Account was zeroed out.

New York 2009 PUC Complaints

CUSTOMER	DATE	REPORTED	STATUS	RESOLUTION	COMPLAINT	RESPONSE
Village of Carthage	8/4/2009	11/6/2009	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Ms. Sherry Sears denies switch was authorized. Per TPV, Sherry Sears authorized the switch. NIMO rebilled all accounts and retroactively dropped all accounts from Clearview.
Coldwell Bankers	8/21/2009	#####	CES* CES is no longer contracted with Clearview.	Y	Alleged Unauthorized Conversion	Mr. Thomas Faughnan denies switch was authorized. Per TPV, Jim Long authorized the switch. Multiple accounts dropped either before switch or after one month. Two accounts are still active with Clearview.
Shamlo Realty	11/3/2009	12/1/2009	CES* CES is no longer contracted with Clearview.	N	Alleged Unauthorized Conversion	Ms. Wade Lupe denies switch was authorized. No TPV. Clearview's regulatory worked with Ms. Lupe and National Grid in reversing the accounts and rebilling.
Angela Cianci (William)	12/1/2009	12/3/2009	CES* CES is no longer contracted with Clearview.	Y	Misrepresentation	Ms. Cianci alleges sales agent represented themselves as being with ConEd. Per TPV, Ms. Cianci authorized the switch. A refund for the difference in rates between CV and ConEd was issued.

April 28, 2010

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

NOTICE OF VIOLATION AND ASSESSMENT OF CIVIL PENALTY IN THE AMOUNT OF TWENTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$27,500.00)

YOU HAVE TWENTY (20) DAYS FROM THE RECEIPT OF THIS NOTICE TO REQUEST IN WRITING A HEARING BEFORE THE DEPARTMENT OF PUBLIC UTILITY CONTROL

**DOCKET NO. 09-11-12 DEPARTMENT OF PUBLIC UTILITY CONTROL
INVESTIGATION INTO CLEARVIEW ELECTRIC, INC.**

Frank X. McGovern, President
Clearview Electric, Inc.
P.O. Box 7310
Dallas, Texas 75209

Brad Mondschein, Esq.
Pullman & Comley LLC
90 State House Square
Hartford, CT 06103

Re: Notice of Violation and Assessment of Civil Penalty against Clearview Electric, Inc.

Dear Messrs. McGovern and Mondschein:

A. Summary

Pursuant to the provisions of the General Statutes of Connecticut (Conn. Gen. Stat.) § 16-41, the Department of Public Utility Control (Department) is issuing a Notice of Violation and Assessment of Civil Penalty against Clearview Electric, Inc. (Clearview or Company) in the amount of twenty-seven thousand five hundred dollars (\$27,500.00).

Conn. Gen. Stat. § 16-41 provides that an electric supplier must obey, observe and comply with all applicable provisions of Conn. Gen. Stat. Title 16 and each applicable order made, or applicable regulations adopted by, the Department of Public Utility Control. Section 16-41 further provides that any such electric supplier which the Department finds has failed to obey or comply with any such provision of Conn. Gen. Stat. Title 16, order or regulation shall be fined by order of the Department, and that each distinct violation of any such provision of the title, order or regulations shall be a separate offense.

B. Background

By Decision dated November 21, 2007, in Docket No. 07-08-17, Application of Clearview Electric, Inc. for an Electric Supplier License (November 21, 2007 Decision), the Department granted Clearview's application for an electric supplier license to supply competitive electric service in Connecticut, pursuant to Conn. Gen. Stat. § 16-245 and §§ 16-245-1 to 16-245-6, inclusive, of the Regulations of Connecticut State Agencies (Conn. Agencies Regs.). Competitive electric supplier licensees are subject to reporting and compliance terms as stated in licensing Orders as well as requirements under Conn. Gen. Stat. §§ 16-245 and 16-245a, Conn. Agencies Regs. §§ 16-245-1 through 16-245-6, and Conn. Agencies Regs. § 16-245a-1.

On November 13, 2009, the Department initiated this proceeding (Investigation) to investigate Clearview's marketing practices in Connecticut and its compliance with applicable statutes, orders and regulations. Initiation of this Investigation followed a large number of customer complaints to the Department in the latter half of 2009 regarding unauthorized customer sign-ups and other marketing practices.

As a result of the Investigation, the Department has reason to believe that violations of Conn. Gen. Stat. §§ 16-245(g)(2), 16-245(i), 16-245(k), 16-245o, 16-245u, and Conn. Agencies Regs. §§ 16-245-2(g)(1), (3) and (4), 16-245-3(a)-(c), and 16-245a-1(a) have occurred.

C. Violation Details

The Department has reason to believe that the following violations have occurred for which a civil penalty is authorized to be assessed against Clearview pursuant to Conn. Gen. Stat. § 16-41(c):

1. Clearview has failed to comply with Conn. Gen. Stat. § 16-245o(e), which requires electric suppliers to document and maintain confirmation of each customer's desire to be switched through one of several methods. Unauthorized switching, or "slamming," describes a violation by which an electric supplier switches a customer's service without such proper authorization or the customer's consent. Pursuant to Conn. Gen. Stat. § 16-245o(h), any violation of Conn. Gen. Stat. § 16-245o(e) is further

deemed to be an unfair or deceptive trade practice under Conn. Gen. Stat. § 42-110b(a).

The verification methods described in Conn. Gen. Stat. § 16-245(o) include:

- a) a signed service contract;
- b) consent verified by an independent third-party telephone verification;
- c) written confirmation from the customer after the customer has received an information package confirming any telephone agreement;
- d) a signed document fully explaining the nature and effect of the initiation of the service; or
- e) the customer's consent is obtained through electronic means, including, but not limited to, a computer transaction.

Clearview acknowledged to the Department that it cannot produce required verification for at least twelve (12) Connecticut customers. Responses to Interrogatories CSU-70 and CSU-79. Customer complaint logs submitted by the Company indicate that the number of slammed customers may total more than the twelve acknowledged by Clearview. Response to Interrogatory CSU-1.

Failure to document and maintain confirmation of each customer's desire to be switched through the available methods constitutes a violation of Conn. Gen. Stat. § 16-245o(e), and each violation forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

2) Clearview has failed to comply with the requirements of Conn. Agencies Regs. § 16-245-2(g)(3) which requires that an electric supplier cooperate with the Department in its investigation of consumer complaints, and comply with any resulting orders. In the fourth quarter of 2009, the Department's Consumer Services Unit acted upon increased complaint volume regarding Clearview marketing and unauthorized switching issues. By letter dated October 9, 2009,¹ the Department formally requested information regarding the Company's marketing practices, and its explanation regarding lack of cooperation in providing timely responses including information requested by the Department to resolve customer complaints. Clearview failed to respond by the October 16, 2009 deadline.

On October 29, 2009, the Department again wrote to the Company.² That letter memorialized that Clearview had failed to respond to the Department's prior directive, and directed the Company to submit the originally requested information no later than November 11, 2009, along with a detailed explanation of its failure to timely respond to the prior directive. As of November 11, 2009, Clearview had not responded to either the Department's October 9, or October 29, 2009 letter.³

¹ The October 9, 2009 Letter is appended to this Notice as Attachment A.

² The October 29, 2009 Letter is appended to this Notice as Attachment B.

³ Subsequent to the initiation of the instant proceeding, Clearview submitted on November 13, 2009, a response to the October 9, 2009 Letter, along with responses due August 13, 2009, to questions

Failure to respond to the two Department letters as directed by the Department constitutes failure to cooperate with the Department in its investigations of consumer complaints and each of the violations forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

3) Clearview has failed to comply with the filing requirements imposed by Order No. 1 of the November 21, 2007 Decision, and Conn. Gen. Stat. § 16-245p(a), regarding submittal of quarterly reports containing information on rates and any other information deemed relevant by the Department. Order No. 1 of the November 21, 2007 Decision states:

Pursuant to Conn. Gen. Stat. § 16-245p(a), an electric supplier is required to submit quarterly reports containing information on rates and any other information deemed relevant by the Department. Clearview shall file such quarterly reports not later than thirty (30) days following the quarterly periods ending March 31, June 30, September 30, and December 31 of every year. Each quarterly report shall contain at minimum all information enumerated in subsection (b) of Conn. Gen. Stat. § 16-245p.

Clearview acknowledges that it should have filed quarterly reports not later than thirty (30) days following the quarterly periods ending March 31, June 30, September 30, and December 31 of each year since becoming certified by the November 21, 2007 Decision. According to the Company, it failed to file quarterly reports as required, and only began to do so subsequent to the Department's initiation of the instant proceeding. Response to Interrogatory EL-1.

Failure to submit quarterly reports at the end of each quarter since licensed as a supplier constitutes a violation of Order No. 1 of the Department's November 21, 2007 licensing Decision and Conn. Gen. Stat. § 16-245p(a), and each violation forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41. As Clearview was licensed in November of 2007, it should have filed quarterly reports as required by Conn. Gen. Stat. § 16-245p(a) and Order No. 1 of the November 21, 2007 Decision for the calendar quarters ending December 31, 2007, March 31, 2008, June 30, 2008, September 30, 2008, December 31, 2008, March 31, 2009, June 30, 2009, September 30, 2009, and December 31, 2009. Clearview made no such filing until March 1, 2010, resulting in nine violations.

4) Clearview has failed to comply with filing requirements imposed by Order No. 2 of the November 21, 2007 Decision, and Conn. Gen. Stat. § 16-245a-1 regarding submittal of an annual report demonstrating compliance with the renewable energy portfolio standard requirements set forth in Conn. Gen. Stat. § 16-245a. Order No. 2 of the November 21, 2007 Decision states:

issued by the Department on July 31, 2009, regarding the subject matter of a technical meeting held with Connecticut electric suppliers on August 17, 2009.

Pursuant to Conn. Agencies Regs. § 16-245a-1(a), an electric supplier is required to submit an annual report demonstrating its compliance with the renewable energy portfolio standard requirements set forth in Conn. Gen. Stat. § 16-245a. The report shall indicate the percent of total electricity output or services generated from Class I or Class II renewable energy sources during the previous calendar year. If Clearview does not provide electric service during any calendar year, said report for that year should indicate so. The annual compliance report for each calendar year shall be submitted not later than October 15 of the following year.

Clearview acknowledges that it should have filed its first annual report no later than October 15, 2008, pursuant to this Order. According to the Company, it failed to file an annual report in 2008, and did not file a timely annual report in 2009. Clearview only made these required filings subsequent to the Department's initiation of the instant proceeding. Response to Interrogatory EL-1.

Failure to submit annual reports regarding renewable energy requirements since licensed as a supplier constitutes two violations of Order No. 2 of the Department's November 21, 2007 Decision and Conn. Gen. Stat. § 16-245a-1. Each violation forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

5) Clearview has failed to comply with filing requirements imposed by Order No. 3 of the November 21, 2007 Decision, and Conn. Agencies Regs. § 16-245-3(b), regarding electronic data exchange capability. Order No. 3 of the November 21, 2007 Decision states:

Not less than twenty (20) days before Clearview executes its first contract for the sale of electric generation services to an end user customer in Connecticut, Clearview shall file with the Department an affidavit concerning Clearview's capability to exchange data with the electric distribution companies in accordance with Conn. Agencies Regs. § 16-245-3(b).

Clearview acknowledges that it was required to submit compliance with Order No. 3 of the November 21, 2007 Decision prior to execution of its first contract for the sale of electric generation services to an end user customer in Connecticut pursuant to Conn. Agencies Regs. § 16-245-3(b). On February 3, 2010, the Company stated that it was unable to submit evidence showing that it complied with this Order. Response to Interrogatory EL-1. On February 9, 2010, the Company submitted an affidavit pursuant to Order No. 3 of the November 21, 2007 Decision concerning its ability to exchange data.

Failure to timely submit an affidavit verifying Clearview's capability to exchange data with the electric distribution companies not less than twenty days prior to its first contract constitutes a violation of Order No. 3 of the November 21, 2007 Decision and

Conn. Agencies Regs. 16-245-3(b). The violation forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

6) Clearview has failed to comply with filing requirements imposed by Order No. 5 of the November 21, 2007 Decision regarding maintenance of customer complaint records. Order No. 5 of the November 21, 2007 Decision states:

Clearview shall maintain its customer complaint records to indicate: (1) the date of the complaint; (2) the name and address of the complainant; (3) the address or location of the complaint; (4) a description of the complaint; and (5) a description of the resolution of the complaint.

Clearview acknowledges that it has no record of numerous complaints, including several that were forwarded by the Department directly to the Company. Responses to Interrogatories CSU-27, CSU-30, CSU-35, CSU-50, CSU-51, CSU-52, and CSU-53. In other instances, the Company has a record of complaint(s), but its records fail to indicate any investigation into the complaint (e.g., unauthorized switching) or the complaint's root cause to achieve proper resolution. Responses to Interrogatories CSU-1, CSU-23, CSU-28, CSU-31, CSU-50, CSU-51, CSU-56, CSU-61, and CSU-68.

Clearview has failed to comply with filing requirements imposed by Order No. 5 of the November 21, 2007 Decision regarding maintenance of customer complaint records and each violation forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

7) Clearview has failed to comply with the filing requirements imposed by Order No. 2 of the Department's Decision dated February 27, 2008, in Docket 07-05-33, DPUC Administration of Disclosure Label Requirements and Examination of Direct Billing by Electric Suppliers (February 27, 2008 Decision) regarding disclosure requirements. Order No. 2 of that Decision states:

No later than 45 days after the date of this Decision, each licensed supplier offering service to Connecticut retail consumers will submit, under the instant docket, its copy of the approved two-page standard disclosure label including the "Questions to Ask Suppliers and Aggregators" and incorporating all revisions as noted in Section II.B.

Clearview did not submit the information required by Order No. 2 of the February 27, 2008 Decision until questioned in the instant proceeding regarding its compliance. February 3, 2010 Response to Interrogatory EL-2. Clearview's failure to submit the filing, which it acknowledges was due no later than April 12, 2008, constitutes a violation of Order No. 2 of the Department's February 27, 2008 Decision, which forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

8) Clearview has failed to comply with filing requirements imposed by Order No. 3 of the February 27, 2008 Decision regarding disclosure information to be posted by the supplier. Order No. 3 of the February 27, 2008 Decision states:

Effective 90 days after the date of this Decision, in compliance with Gen. Stat. § 16-245p(b), suppliers must post the information, i.e. rates and charges, resource mix percentages and air emissions to the Department's "Electric Supplier Information Database" as discussed in Section II.A.

Clearview acknowledges that its filing should have been submitted no later than May 28, 2008. The Company was unable to provide any evidence that it made any compliance filing pursuant to Order No. 3 of the February 27, 2008 Decision until the instant proceeding was initiated. February 3, 2010 Response to Interrogatory EL-2.

Clearview's failure to comply by May 28, 2008, with filing requirements imposed by Order No. 3 of the February 27, 2008 Decision regarding disclosure information to be posted by the supplier constitutes a violation of Order No. 2, which forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

9) Clearview has failed to provide timely notice pursuant to Conn. Gen. Stat. § 16-245(i) and Conn. Agencies Regs. § 16-245-2(g)(4), which require electric suppliers to notify the Department within ten days of any change to the regulatory contact information and customer service plan. Sometime in late 2008, Clearview's regulatory contact ceased to be employed by the Company. Clearview has no written documentation of notification to the Department that its regulatory contact changed. Responses to Interrogatories CSU-73 and CSU-75. The Company could produce no documentation of the change in contact information other than reported verbal notice to a Department employee in August 2009.⁴ Responses to Interrogatories CSU-73 and CSU-74.

Clearview acknowledges that, prior to October 2009, it was not properly receiving and processing complaints forwarded by the Department. Response to Interrogatory CSU-6. The Company acknowledges that overall it has done a poor job at communicating non-routine or systemic issues to the Department. Response to Interrogatory CSU-42.

Clearview's failure to provide timely notice to the Department within ten days of any change to the regulatory contact information and customer service plan constitutes a violation of Conn. Gen. Stat. § 16-245(i) and Conn. Agencies Regs. § 16-245-2(g)(4) and forms the basis for the imposition of a civil penalty under Conn. Gen. Stat. § 16-41.

⁴ In February 2010, Clearview sent notice to the Department, under Docket No. 07-08-17, that it had a new manager of regulatory compliance. Response to Interrogatory CSU-73.

D. Imposition of Civil Penalty Fine

In assessing this civil penalty, the Department has taken into account the criteria specified in Conn. Agencies Regs. § 16-245-6, which requires the Department to consider, when determining the appropriate sanction for violation of any licensing requirement:

- (1) The appropriateness of the sanction or fine to the size of the business of the person charged;
- (2) The gravity of the violation;
- (3) The number of past violations by the person charged;
- (4) The good faith effort to achieve compliance;
- (5) The proposed programs and procedures to ensure compliance in the future; and
- (6) Such other factors deemed appropriate and material to the particular circumstances of the violation.

In light of these criteria, and given the totality of the Company's violations as discussed herein, the Department imposes upon Clearview an aggregate civil penalty in the amount of twenty-seven thousand five hundred dollars (\$27,500.00), determined as follows:

- In general, Clearview's multiple violations of regulatory requirements as set forth in this notice indicate a broad and intentional disregard for regulatory, public policy, protection and disclosure measures. Clearview's failure to comply is so extensive that the Department can only conclude that it never had an intention of observing any consumer protection, regulatory or market discipline measures.
- The Department believes that while unauthorized supplier switches occurred on at least twelve separate occasions, they do not evidence a repeated intent to disregard such that the civil penalty should be assessed on a graduated scale. Rather, the switches occurred because of a lack of supervision and responsibility of necessary oversight over agents. Therefore, the Department will assess a civil penalty of one thousand dollars (\$1,000.00) for each of the admitted twelve unauthorized customer switches.
- Seven thousand five hundred dollars (\$7,500.00) for failing to comply with the requirements of Conn. Agencies Regs. § 16-245-2(g)(3) which requires that electric suppliers cooperate with the Department in investigation of consumer complaints, and comply with any resulting orders. Rising complaint levels in the fourth quarter of 2009 regarding Clearview marketing and unauthorized switching issues led the Department on October 9, 2009, to formally request information regarding the Company's marketing practices, and its explanation regarding lack of cooperation in providing timely responses including information requested by the Department to resolve customer complaints. Cooperation with the Department, as the licensing authority, is absolutely critical. The Department has

zero tolerance for failure to comply with this requirement in light of the overall harm to the public interest and the electricity supply marketplace. This is especially obvious when the Department reaches out to a licensed supplier in the wake of consumer complaints and issues. Failure to comply with the Department's investigations is the most grave of Clearview's violations. Accordingly, the Department assesses a civil penalty of \$2,500.00 for not responding to the first Department request by the October 16, 2009 deadline. Failure to respond to the second request by the November 11, 2009 deadline is viewed by the Department as willful, intentional and bad faith disregard of regulatory requirements, and the Department assesses a civil penalty of \$5,000.00 for the second occurrence.

- Four thousand five hundred dollars (\$4,500.00) for multiple failure to comply with the filing requirements imposed by Order No. 1 of the November 21, 2007 Decision, and Conn. Gen. Stat. § 16-245p(a), regarding submittal of quarterly reports containing information on rates and any other information deemed relevant by the Department. Clearview should have made nine such filings following award of its license, but did not comply until March 1, 2010, resulting in nine violations.
- One thousand dollars (\$1,000.00) for twice failing to comply with the filing requirements imposed by Order No. 2 of the November 21, 2007 Decision, and Conn. Gen. Stat. § 16-245a-1, regarding submittal of an annual report demonstrating compliance with the renewable energy portfolio standard requirements set forth in Conn. Gen. Stat. § 16-245a. Clearview made no annual report filing in 2008, and failed to make a timely filing in 2009, filing only following initiation of the instant proceeding.
- Five hundred dollars (\$500.00) for failure to comply with filing requirements imposed by Order No. 3 of the November 21, 2007 Decision, and Conn. Agencies Regs. § 16-245-3(b), regarding electronic data exchange capability. Clearview was required to submit compliance with Order No. 3 of the November 21, 2007 Decision prior to execution of its first contract for the sale of electric generation services to an end user customer in Connecticut pursuant to Conn. Agencies Regs. § 16-245-3(b). On February 3, 2010, the Company stated that it was unable to submit evidence showing that it complied with this Order, and ultimately made the required filing on February 9, 2010.
- Five hundred dollars (\$500.00) for failing to comply with filing requirements imposed by Order No. 5 of the November 21, 2007 Decision regarding maintenance of customer complaint records.
- Five hundred dollars (\$500.00) for failing to comply with the filing requirements imposed by Order No. 2 of the Department's Decision dated February 27, 2008, in Docket 07-05-33, DPUC Administration of Disclosure Label Requirements and Examination of Direct Billing by Electric Suppliers (February 27, 2008 Decision)

regarding disclosure requirements. Clearview did not submit the information required by Order No. 2 of the February 27, 2008 Decision, which information was due no later than April 12, 2008, until questioned in the instant proceeding regarding its compliance.

- Five hundred dollars (\$500.00) for failing to comply with filing requirements imposed by Order No. 3 of the February 27, 2008 Decision regarding disclosure information to be posted by the supplier. Clearview should have made the required filing no later than May 28, 2008, but was unable to provide any evidence that it made the required filing until the instant proceeding was initiated.
- Five hundred dollars (\$500.00) for failing to provide timely notice pursuant to Conn. Gen. Stat. § 16-245(i) and Conn. Agencies Regs. § 16-245-2(g)(4), which require electric suppliers to notify the Department within ten days of any change to the regulatory contact information and customer service plan. Clearview acknowledges that, prior to initiation of this proceeding, it was not properly receiving and processing complaints forwarded by the Department, and could produce no documentation of the required notice relative to its regulatory contact's departure in 2008.

E. Conclusion

It appears that Clearview has instituted staffing and policy changes responsive to the matters investigated in this proceeding. Complaints against Clearview have decreased; it has taken efforts to more closely comply with licensing requirements in Connecticut; and the content and timing of its responses to Department inquiries on behalf of complainants has improved significantly.

Nevertheless, the violations documented in this proceeding, in their totality, are serious and compel close monitoring of the Company's performance going forward. The Department will not hesitate to take whatever corrective action may be necessary upon a showing that Clearview is not meeting any Connecticut regulatory obligation.

Clearview Electric, Inc. is assessed a civil penalty for the violations stated above, in the aggregate amount of twenty-seven thousand five hundred dollars (\$27,500.00). Payment of this civil penalty in the sum of \$27,500.00 shall be made by certified check, bank check, or money order, payable to the order of "Treasurer, State of Connecticut," and delivered no later than 20 days from the date of receipt of this Notice of Violation and Assessment of Civil Penalty, to the office of the Department of Public Utility Control, Ten Franklin Square, New Britain, CT 06051.

Clearview has a right to a hearing by delivering to the Department a written application for a hearing within 20 days from the date of receipt of this Notice of Violation and Assessment of Civil Penalty. If a hearing is not requested, then this Notice shall, on the first day after the expiration of the 20-day period, become a final

Order of the Department, and the matters asserted or charged in the Notice shall be deemed admitted.

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the Notice issued by the Department of Public Utility Control, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.

Kimberley J. Santopietro
Executive Secretary
Department of Public Utility Control

Date

ATTACHMENT A

October 9, 2009
In reply, please refer to:
CSU:Clearview:FMA

Frank McGovern, Sr. V.P
Clearview Electric, Inc.
P.O. Box 7310
Dallas, TX 75209

Re: Clearview Electric, Inc. Customer Complaints

Dear Mr. McGovern:

On July 31, 2009, the Department of Public Utility Control (Department) issued interrogatories to all Connecticut licensed electric suppliers and electric distribution companies (EDC) to investigate complaints from Connecticut consumers regarding allegations of misconduct during solicitation and marketing of competitive electric supplier services. As you are aware, the Department held a subsequent technical meeting on August 17, 2009, with the EDCs and licensed suppliers to discuss marketing techniques, policies, and other issues.

The Department's Consumer Services Unit (CSU) has noticed a significant increase in the number of complaints regarding either marketing issues or alleged slamming issues involving Clearview Electric, Inc. (Clearview or Company). The CSU's efforts to investigate these serious complaints have been stymied by Clearview's lack of cooperation in providing timely responses to the Department's inquiries. The complaints CSU recently forwarded to the Company include:

<u>Name</u>	<u>Date Referred to Clearview</u>
Audrey Smith	9/15/09
Stanley Gilberto	9/18/09
Pauline Bishop	9/24/09
Ron Lake	9/28/09
Patricia Smith	10/2/09

The Department hereby directs Clearview to submit no later than October 16, 2009, its response and proposed resolution to the aforementioned customer complaints. In addition, the Company is directed to:

- 1) Identify the steps it has taken since the August 17, 2009 technical meeting to reduce customer complaints regarding its marketing or solicitation practices;
- 2) Explain the delay in providing timely responses to customer inquiries complaints forwarded by the Department;
- 3) Confirm that Clearview will respond to future Department inquiries complaints as soon as possible, but in no event later than ten days;
- 4) Provide the Company's policy on company employees or subcontracted employees identifying themselves either verbally, in writing, or by Caller ID manipulation (e.g., spoofing) as being a representative of a Connecticut EDC (e.g., CL&P or UI);
- 5) Describe the quality control measures Clearview has in place to verify that Company representatives and/or subcontractors are complying with Clearview's sales policies, including specifically those that apply to misrepresentation (e.g., spoofing);
- 6) Provide written records of all complaints Clearview has received from Connecticut customers, or potential Connecticut customers, for the period July 1, 2009 to the present;
- 7) Provide details on any ongoing or recently closed investigation of Clearview's marketing techniques, which investigation was undertaken by the Company itself or any other regulatory body.

Sincerely,

DEPARTMENT OF PUBLIC UTILITY CONTROL

Kimberley J. Santopietro
Executive Secretary

Donna L. Nelson
Commissioner

Kenneth W. Anderson, Jr.
Commissioner

W. Lane Lanford
Executive Director



Public Utility Commission of Texas

December 17, 2009

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Joan Parker
Clearview Electric, Inc.
600 N Pearl Street
Suite S104
Dallas, Texas 75201

RE: Investigation of Compliance with PURA § 39.101, Customer Safeguards and P.U.C. SUBST. R. 25.480(h), Related to Level and Average Billing Plans

Investigation SIR2009090009

Dear Ms. Parker:

The Oversight & Enforcement Division (O&E) of the Public Utility Commission of Texas (Commission) has concluded its investigation of the above referenced matter. The results of the investigation indicate that Clearview Electric, Inc. (Clearview) was non-compliant with P.U.C. SUBST. R. 25.480(h), related to level and average billing plans.

O&E notes that Clearview has come into compliance by amending its terms of service. Because of Clearview's expeditious compliance, O&E Staff has elected not to recommend an administrative penalty at this time. However, any future non-compliance with PURA, Commission Substantive Rules, and/or ERCOT Protocols may result in the recommendation of administrative penalties.

If you have any questions regarding this matter please do not hesitate to contact Bryan Kelly at (512) 936-7216 or by email at bryan.kelly@puc.state.tx.us.

Sincerely,

A handwritten signature in black ink that reads "Pam Whittington".

Pam Whittington
Director -- Oversight and Enforcement Division

Barry T. Smitherman
Chairman

Donna L. Nelson
Commissioner

Kenneth W. Anderson, Jr.
Commissioner

W. Lane Lanford
Executive Director



Rick Perry
Governor

Public Utility Commission of Texas

November 12, 2009

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
AND VIA EMAIL**

Joan Parker
Clearview Electric, Inc.
600 N Pearl Street
Suite S104
Dallas, Texas 75201

RE: Investigation of Compliance with PURA § 39.101, Customer Safeguards and
P.U.C. SUBST. R. 25.480(h), Related to Level and Average Billing Plans

Investigation SIR2009090009

Dear Ms. Parker:

The Oversight and Enforcement Division (O&E) of the Public Utility Commission of Texas (Commission) is investigating whether Clearview Electric, Inc. (Clearview) is in compliance with the Public Utility Regulatory Act¹ (PURA) § 39.101, related to Customer Safeguards and Commission Substantive Rule 25.480(h) related to Level and Average Billing Plans.

If your company is found not to be in compliance with PURA or Commission Substantive Rules, a recommendation may be made for an enforcement action. The Commission may impose administrative penalties up to \$5,000 per day for most violations and up to \$25,000 per day for violations of the highest class. See PURA § 15.023.

O&E hereby requests that within 20 days of receipt of this letter you respond to the Requests For Information (RFIs) posed in Exhibit 1 of this letter by submitting an affidavit with necessary attachments, certified by one of your company officers. Send your responses to: Lorenzo Nieto, Attorney, Legal Division, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326.

¹ Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.016 (Vernon 2007 & Supp. 2008) (PURA).



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Please specify whether your designee is an attorney acting as legal counsel for Clearview in this matter. Mr. Field may be contacted: (1) by U.S. mail at Michael Field, Oversight and Enforcement Division, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326; (2) by telephone at (512) 936-7255; or (3) by email at mike.field@puc.state.tx.us.

If your designee is an attorney acting as legal counsel for Clearview in this matter, an attorney from the Commission's Legal Division will contact your designee to arrange for a meeting to discuss this investigation. If your designee is not an attorney acting as legal counsel for Clearview in this matter, an Enforcement Analyst from O&E will contact your designee to arrange a meeting to discuss this investigation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lorenzo Nieto', written over a horizontal line.

Lorenzo Nieto
Staff Attorney - Legal Division

Enclosures

**Clearview Electric, Inc.'s Response to
Commission Staff's Request for Information
Related to Compliance with PURA § 39.101 and P.U.C. SUBST. R. 25.480(h)
Questions Nos. 1-1 through 1-7**

REQUESTS FOR ADMISSIONS

- 1-1 ADMIT OR DENY that in October of 2006, the Public Utility Commission of Texas issued to Clearview Electric, Inc. Retail Electric Provider Certificate No. 10129 for the geographic area of the entire State of Texas.

RESPONSE: Clearview admits that the Public Utility Commission of Texas issued to Clearview Electric, Inc. the Retail Electric Provider Certificate No. 10129 for the geographic area of the entire State of Texas.

- 1-2 ADMIT OR DENY that as a certified Retail Electric Provider in the State of Texas, Clearview Electric, Inc. has a legal duty to comply with any customer protection requirements rules adopted by the Commission pursuant to §§ 17.001 - 17.004 and Chapter 39 of Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.017 (Vernon 2007 & Supp. 2009) ("PURA").

RESPONSE: Clearview admits that Clearview Electric, Inc. has a legal duty to comply with any customer protection requirements rules adopted by the Commission pursuant to §§ 17.001 - 17.004 and Chapter 39 of Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.017 (Vernon 2007 & Supp. 2009) ("PURA").

- 1-3 ADMIT OR DENY that Clearview Electric, Inc. currently sells electric energy to retail customers in the State of Texas.

RESPONSE: Clearview admits that it currently sells electric energy to retail customers in the State of Texas. Clearview currently services a total of 54 residential customers in the State of Texas.

1-4 ADMIT OR DENY that Clearview Electric, Inc. has continuously offered retail residential electric service in the state of Texas since at least September 1, 2009.

RESPONSE: Clearview admits that it has continuously offered retail residential electric service in the State of Texas since at least September 1, 2009.

1-5 ADMIT OR DENY that Clearview Electric, Inc. currently offers retail residential electric service in the state of Texas.

RESPONSE: Clearview admits it currently offers retail residential electric service in the State of Texas. Clearview has not done any active marketing of its service in the State of Texas since April 2009.

1-6 ADMIT OR DENY that since September 1, 2009, Clearview Electric, Inc. has not offered any of its customers a level or average payment plan.

RESPONSE: Clearview denies that it has not made such offer. Clearview sent a notice out to all customers of Clearview Electric, Inc. on November 23, 2009, offering all customers of Clearview Electric the opportunity to take advantage of a level billing plan (set amount each month, based on the average of the last 12 months' usage). As of December 1, Clearview has received and processed three responses.

1-7 ADMIT OR DENY that since September 1, 2009, the Terms of Service document issued by Clearview Electric, Inc. to its customers has not contained any information concerning a levelized or average payment program.

RESPONSE: Clearview admits that the Terms of Service document issued by Clearview Electric, Inc. to its customers has not contained any information concerning a levelized or average payment program. As of November 23, 2009, Clearview has notified all its existing customers that they may take advantage of a levelized billing plan. Clearview will incorporate levelized billing in its Sales and Terms of Service Agreement by December 7, 2009.

AFFIDAVIT

STATE OF TEXAS
COUNTY OF DALLAS

§
§
§

My name is Frank McGovern. I am President of Clearview Electric, Inc. I certify the answers to the foregoing responses to Staff's Requests for Information are true and correct.


Frank McGovern

SWORN TO AND SUBSCRIBED before me on the 2nd day of December, 2009.



Notary Public in and for the
State of Texas

My commission expires:

11/06/13



**Clearview Electric, Inc.'s Response to
Commission Staff's Request for Information
Related to Compliance with PURA § 39.101 and P.U.C. SUBST. R. 25.480(h)
Questions Nos. 1-1 through 1-7**

REQUESTS FOR ADMISSIONS

- 1 -1 ADMIT OR DENY that in October of 2006, the Public Utility Commission of Texas issued to Clearview Electric, Inc. Retail Electric Provider Certificate No. 10129 for the geographic area of the entire State of Texas.

RESPONSE: Clearview admits that the Public Utility Commission of Texas issued to Clearview Electric, Inc. the Retail Electric Provider Certificate No. 10129 for the geographic area of the entire State of Texas.

- 1 -2 ADMIT OR DENY that as a certified Retail Electric Provider in the State of Texas, Clearview Electric, Inc. has a legal duty to comply with any customer protection requirements rules adopted by the Commission pursuant to §§ 17.001 - 17.004 and Chapter 39 of Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.017 (Vernon 2007 & Supp. 2009) ("PURA").

RESPONSE: Clearview admits that Clearview Electric, Inc. has a legal duty to comply with any customer protection requirements rules adopted by the Commission pursuant to §§ 17.001 - 17.004 and Chapter 39 of Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.017 (Vernon 2007 & Supp. 2009) ("PURA").

- 1-3 ADMIT OR DENY that Clearview Electric, Inc. currently sells electric energy to retail customers in the State of Texas.

RESPONSE: Clearview admits that it currently sells electric energy to retail customers in the State of Texas. Clearview currently services a total of 54 residential customers in the State of Texas.

1-4 ADMIT OR DENY that Clearview Electric, Inc. has continuously offered retail residential electric service in the state of Texas since at least September 1, 2009.

RESPONSE: Clearview admits that it has continuously offered retail residential electric service in the State of Texas since at least September 1, 2009.

1-5 ADMIT OR DENY that Clearview Electric, Inc. currently offers retail residential electric service in the state of Texas.

RESPONSE: Clearview admits it currently offers retail residential electric service in the State of Texas. Clearview has not done any active marketing of its service in the State of Texas since April 2009.

1-6 ADMIT OR DENY that since September 1, 2009, Clearview Electric, Inc. has not offered any of its customers a level or average payment plan.

RESPONSE: Clearview denies that it has not made such offer. Clearview sent a notice out to all customers of Clearview Electric, Inc. on November 23, 2009, offering all customers of Clearview Electric the opportunity to take advantage of a level billing plan (set amount each month, based on the average of the last 12 months' usage). As of December 1, Clearview has received and processed three responses.

1-7 ADMIT OR DENY that since September 1, 2009, the Terms of Service document issued by Clearview Electric, Inc. to its customers has not contained any information concerning a levelized or average payment program.

RESPONSE: Clearview admits that the Terms of Service document issued by Clearview Electric, Inc. to its customers has not contained any information concerning a levelized or average payment program. As of November 23, 2009, Clearview has notified all its existing customers that they may take advantage of a levelized billing plan. Clearview will incorporate levelized billing in its Sales and Terms of Service Agreement by December 7, 2009.

AFFIDAVIT

STATE OF TEXAS

§
§
§

COUNTY OF DALLAS

My name is Frank McGovern, I am President of Clearview Electric, Inc. I certify the answers to the foregoing responses to Staff's Requests for Information are true and correct.


Frank McGovern

SWORN TO AND SUBSCRIBED before me on the 2nd day of December, 2009.



Notary Public in and for the
State of Texas

My commission expires:

11/06/13



Attachment E

Clearview Bond in Favor of the People of the State of Illinois

CLIENT

License or Permit Bond

License or Permit Bond No 7619519
Fidelity & Deposit Company of Maryland
3910 Keswick Road Baltimore, MD 21211

KNOW ALL MEN BY THESE PRESENTS, That we, **Clearview Electric, Inc.** as Principal, and **Fidelity & Deposit Company of Maryland** a **Maryland** Corporation, and authorized to do business in Illinois, as Surety, are held and firmly bound unto THE PEOPLE OF THE STATE OF ILLINOIS as Obligee, in the sum of **Three Hundred THOUSAND AND NO/100 Dollars (\$300,000.00)**, for which sum, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, That WHEREAS, the Principal has been or is about to be granted a license or permit to do business to operate as an ARES (Alternative Retail Electric Supplier) under 220 ILCS 5/16-115 and is required to execute this bond under 83 Illinois Administrative Code Part 451.50 by the Obligee.

NOW, Therefore, if the Principal fully and faithfully perform all duties and obligations of the Principal as an ARES, then this obligation to be void; otherwise to remain in full force and effect.

This bond may be terminated as to future acts of the Principal upon thirty (30) days written notice by the Surety; said notice to be sent to 527 East Capitol Avenue, Springfield, Illinois 62701, of the aforesaid State of Illinois, by certified mail.

Dated this 5th day of November, 2010

Clearview Electric, Inc. _____ Principal

by _____
Frank McGovern, President

Fidelity & Deposit Company of Maryland Surety

by: _____
Michael Herranen, Attorney in Fact