

Exhibit 1



Shell Trading

Shell Energy North America (US), L.P.

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October 19, 2011

Elizabeth A. Rolando
Illinois Commerce Commission
Chief Clerk
527 E. Capitol Ave.
Springfield, IL 62701

RE: Illinois Commerce Commission - Notice of Administrative Law Judge's Ruling in
Energy USA Illinois, LLC

Docket No. 11-0666 - Verde

Dear Ms. Rolando:

Shell Energy North America (US), L.P. ("Shell Energy") is aware that Verde Energy USA, Inc. ("Verde Inc.") entered into a Services Agreement with Verde Energy USA Illinois, LLC ("Verde IL") executed on August 1, 2011. Shell Energy understands that pursuant to the Services Agreement, Verde Inc. agreed to irrevocably allocate \$1 million of its available credit under the Loan Agreement entered into by Shell Energy and the Verde Energy Parties (as defined in the Loan Agreement) – which include both Verde Inc. and Verde IL as "Borrower Entities" – to support Verde IL's business solely in Illinois. Shell Energy acknowledges Verde Inc.'s and Verde IL's arrangement for Verde Inc. to so allocate \$1 million of its available credit under the Loan Agreement to Verde IL through the Services Agreement and recognizes that arrangement between these Borrower Entities.

Shell Energy has reviewed the Illinois Commerce Commission's Notice of Administrative Law Judge's Ruling dated, October 12, 2011 in Docket No. 11-0666, regarding "Financial Requirements" and specifically with regard to whether there are "any limiting covenants or conditions that would reduce the effective amount of credit available to meet the requirements in Section 451.320(a)(2)." Shell Energy understands that the complete contract terms, conditions and limitations have been filed in Docket No. 11-0666 (in redacted and unredacted form), including those set forth in the Loan Agreement, which are consistent with typical market rate credit terms and conditions entered into in the ordinary course of business. Shell has no other restrictive covenants with the Borrower Entities that would impact the \$23 million available to Verde Inc. and/or Verde IL under the Loan Agreement and the specific restrictive covenants in the Loan Agreement are standard commercial business terms.

Respectfully submitted, *TS*

Thomas P. Stokes
Vice President – Finance and Treasurer

cc: Administrative Law Judge Albers

cc: Phil Hardas, ALJ's Assistant, Illinois Commerce Commission, 527 E. Capitol Ave.,
Springfield, IL 62701, phardas@icc.illinois.gov
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