

Disclosure Label

<p>Generation Price</p> <p>Average price per kWh at different levels of use. Prices do not include regulated charges for customer service and delivery.</p>	<p>The price you pay for generation is set forth in the individualized agreement between you and Direct Energy. Please refer to your agreement for details regarding the specific price you pay. If you have any further questions about what you pay for electricity per kWh, please contact the Direct Energy customer service number below.</p>																																																									
<p>Contract</p>	<p>Contract terms: Refer to Section 2 of the contract.</p>																																																									
<p>Power Sources</p> <p>Demand for electricity from all Direct Energy Services, LLC ("DES") customers in the period of 1/1/07-3/31/07 was met by generation from the following sources.</p>	<p>Regional Average Fuel Mix</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Fuel</th> <th>Fuel %</th> </tr> </thead> <tbody> <tr><td>2005</td><td>Biomass</td><td>0.73%</td></tr> <tr><td>2005</td><td>Coal</td><td>16.54%</td></tr> <tr><td>2005</td><td>Diesel</td><td>1.86%</td></tr> <tr><td>2005</td><td>Digester Gas</td><td>0.02%</td></tr> <tr><td>2005</td><td>Efficient Resource (Maine)</td><td>0.16%</td></tr> <tr><td>2005</td><td>Fuel Cell</td><td>0.01%</td></tr> <tr><td>2005</td><td>Hydroelectric/Hydropower</td><td>7.78%</td></tr> <tr><td>2005</td><td>Jet</td><td>0.03%</td></tr> <tr><td>2004</td><td>Landfill Gas</td><td>0.41%</td></tr> <tr><td>2005</td><td>Municipal Solid Waste</td><td>1.22%</td></tr> <tr><td>2005</td><td>Natural Gas</td><td>29.90%</td></tr> <tr><td>2005</td><td>Nuclear</td><td>27.76%</td></tr> <tr><td>2005</td><td>Oil</td><td>10.61%</td></tr> <tr><td>2005</td><td>Solar Photovoltaic</td><td>0.00%</td></tr> <tr><td>2005</td><td>Trash-to-Energy</td><td>1.84%</td></tr> <tr><td>2005</td><td>Wind</td><td>0.01%</td></tr> <tr><td>2005</td><td>Wood</td><td>1.11%</td></tr> <tr><td></td><td>Total</td><td>100.00%</td></tr> </tbody> </table>	Year	Fuel	Fuel %	2005	Biomass	0.73%	2005	Coal	16.54%	2005	Diesel	1.86%	2005	Digester Gas	0.02%	2005	Efficient Resource (Maine)	0.16%	2005	Fuel Cell	0.01%	2005	Hydroelectric/Hydropower	7.78%	2005	Jet	0.03%	2004	Landfill Gas	0.41%	2005	Municipal Solid Waste	1.22%	2005	Natural Gas	29.90%	2005	Nuclear	27.76%	2005	Oil	10.61%	2005	Solar Photovoltaic	0.00%	2005	Trash-to-Energy	1.84%	2005	Wind	0.01%	2005	Wood	1.11%		Total	100.00%
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<p>Air Emissions</p> <p>Carbon dioxide (CO₂), nitrogen oxides (NO_x), and sulfur dioxide (SO₂) emission rates from these sources, relative to the regional average, and to the emission rates of a new generating unit.</p>	<p>The chart displays three horizontal bars representing emission rates for CO₂, NO_x, and SO₂. The x-axis ranges from 'Lower Emissions' on the left to 'Higher Emissions' on the right. A vertical red line indicates the 'Regional Average'. For each pollutant, a blue bar represents the 'New Unit Rates' and a red triangle points to the 'Regional Average'. In all cases, the New Unit Rates are positioned to the left of the Regional Average line, indicating lower emissions.</p>																																																									
<p>Labor Information</p>	<p>Regional Average Generation Resource Labor Characteristics January 1 through December 31, 1998, Provided by ISO New England Inc.</p> <table border="1"> <thead> <tr> <th>Generating Workforce</th> <th>Output (mWh)</th> <th></th> </tr> </thead> <tbody> <tr> <td>Collective Bargaining</td> <td>75, 762, 091.5</td> <td>76%</td> </tr> <tr> <td>Non-Collective Bargaining</td> <td>23, 382, 899.4</td> <td>24%</td> </tr> <tr> <td>TOTAL</td> <td>99, 144, 990.9</td> <td>100%</td> </tr> </tbody> </table>	Generating Workforce	Output (mWh)		Collective Bargaining	75, 762, 091.5	76%	Non-Collective Bargaining	23, 382, 899.4	24%	TOTAL	99, 144, 990.9	100%																																													
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NOTES

- Electricity customers in New England are served by an integrated power grid, not particular generating units. The above information is on generating units under contract to DES in the period 1/1/07-3/31/07.
- You may also call DES at 1-888-266-0146 or the Massachusetts Division of Energy Resources at 1-800-727-1234.

Label Description

Generation Price and Contract:

Generation Prices displayed are representative average prices for electricity at usage levels that are typical for residential customers. Contract items displayed present the length of your contract for generation service and the price terms included in your contract. See your recent bills to determine average monthly use and your Terms of Service for additional information.

Power Sources:

The electricity you consume comes from the New England power grid, which receives power from a variety of power plants and transmits the power throughout the region as needed to meet the requirements of all customers in New England. When you choose a power supplier, that supplier is responsible for generating and/or purchasing power that is added to the power grid in an amount equivalent to your electricity use. Known Resources include resources that are owned by, or under contract to, the supplier. System Power represents power purchased in the regional electricity market. Biomass refers to power plants that are fueled by wood or other plant matter. Hydro resources of greater than 30 megawatts in size are deemed "large hydro." All other hydro resources are deemed "small hydro." Other Renewables include fuel cells utilizing renewable fuel sources, landfill gas and ocean thermal.

Emissions:

Emissions for each of the following pollutants are presented as a percent of the regional average emission rate. Arrows represent, for each pollutant, the emission rate from a hypothetical new generation facility.

- **Carbon Dioxide (CO₂)** is released when fossil fuels (e.g., coal, oil and natural gas) are burned. Carbon dioxide, a greenhouse gas, is a major contributor to global warming.
- **Nitrogen Oxides (NO_x)** form when fossil fuels and biomass are burned at high temperatures. They contribute to acid rain and ground-level ozone (or smog), and may cause respiratory illness in children with frequent high-level exposure. NO_x also contribute to oxygen deprivation of lakes and coastal waters, which is destructive to fish and other animal life.
- **Sulfur Dioxide (SO₂)** is formed when fuels containing sulfur are burned, primarily coal and oil. Major health effects associated with SO₂ include asthma, respiratory illness and aggravation of existing cardiovascular disease. SO₂ combines with water and oxygen in the atmosphere to form acid rain, which raises the acid level of lakes and streams, and accelerates the decay of buildings and monuments.

Labor Data:

The information on this label regarding whether generators or suppliers operate under collective bargaining agreements is provided to inform you about whether the energy was produced in plants where employee wages and working conditions are mutually determined by employees and management, and protected by union contracts. The information on this label regarding the use of replacement employees during a labor dispute is provided to inform you of whether or not a generator or supplier during a strike by or lockout of its employees has replaced them with other workers.

