

Contest Rules
Direct Energy Free Gas (Residential)
(the "Contest")
Official Rules and Regulations

The Contest begins at 9:00am Eastern Daylight Time on March 12th, 2007 and ends at 8:00 p.m. Eastern Daylight Time on March 30th, 2007 (the "Contest Closing Date"). By entering this Contest, participants agree to be bound by the decisions of Contest judges, which are final with respect to all matters relating to the Contest.

How to Enter: No Purchase Necessary: All Ontario customers signing up for the Direct Energy Natural Gas Price Protection Plan whose contract with Direct Energy Marketing Limited ("Direct Energy") is expiring October 31st, 2007 or November 30th, 2007 are automatically eligible to enter. One (1) lucky person will be randomly chosen from all entries received by the Contest Closing Date and will have the opportunity to win a Prize (as described below).

Prizes: There will be one (1) prize ("Prize") awarded for the Contest. The Prize winner will receive a cheque in Canadian funds which may be used toward the winner's gas supply charge (approximate value \$1,200). The value of the Prize is determined by multiplying the average Ontario residential homeowner's gas consumption for one year (2,923 cubic metres with normal weather patterns) by Direct Energy's gas supply charge (in cubic metres) as of the date of Direct Energy's communication with the winner at a date following the Contest (rate will vary during the 2007 winter/spring season) Prize does not include transportation, distribution, storage, taxes or any other charges that are charged by the prize winner's gas distribution company.

Odds of winning the Prize depend on the number of eligible entries received by the Contest Closing Date.

Draw: One (1) entrant will be selected in a random draw after the Contest Closing Date. The selected entrant will be contacted by telephone by a Direct Energy representative. At such time, the selected entrant will be required to answer, unaided, a time-limited mathematical skill-testing question to be administered by Direct Energy and confirm his/her eligibility. If the selected entrant does not meet all of the Contest conditions, fails to correctly answer the skill-testing question, refuses to sign Direct Energy's standard form of declaration and release, that entry will be disqualified and Direct Energy shall be entitled to select a new name from all remaining entries. Direct Energy is not responsible, whether as a result of human error or otherwise, for any failure to contact any potential winner. Once declared the winner, the selected entrant will be directed as to how to claim his/her Prize.

Eligibility: This Contest is open only to legal residents of Ontario who have reached the age of majority in the province. Employees (and those with whom they are domiciled) of Direct Energy, its subsidiaries, affiliates, directors, officers, governors and agents are not eligible to participate in this Contest.

General Rules: By participating in this Contest, each entrant consents to the use of his/her name, image, photograph, and voice for any and all publicity purposes, commercial or otherwise, in any and all media by Direct Energy, without compensation or further notification.

This Contest is void where prohibited by law and is subject to all applicable federal, provincial and municipal laws and regulations. All incidental costs and expenses not specifically referred to herein including (without limitation) taxes, shall be the responsibility of the prize winners.

By entering the Contest, entrants agree to hold harmless and indemnify Direct Energy, and its parent, affiliates, subsidiaries, directors, officers, governors, representatives, dealers, advertising and promotion agencies, judging organization, employees and agents (hereinafter, the "Released Parties") against any and all liability, damages or causes of action (however named or described) with respect to or arising out of either: (i) entrant's participation in the

Contest, (ii) the receipt or use of the Prize awarded herein; or (iii) the administration of the Contest and distribution of the Prize awarded herein.

Entrants hereby release, waive and discharge any and all claims of damage, loss or causes of action (including, negligence), including (but not limited to) death, personal injury or loss or damage to property, which the entrant or any of the entrant's representatives, heirs, next of kin or assignees ("Entrant's Representatives") may have or which may hereinafter accrue to the entrant or Entrant Representatives against the Released Parties as a result of the entrant's participation in the Contest or the receipt or use of the Prize awarded herein.

To be eligible to be declared a winner, the selected entrant must sign Direct Energy's standard declaration and release form, confirming his/her eligibility and compliance with the Contest Rules and releasing the Released Parties from any and all liability arising from: (i) participation in the Contest; (ii) acceptance of the Prize as awarded; and (iii) the administration of the Contest and distribution of the Prize awarded herein.

Prizes must be accepted as awarded and cannot be exchanged by the winner. No substitutions or transfers of the Prizes are allowed. However, participants must have otherwise satisfied all other Contest conditions to win a Prize. The winner of such competition will not receive any additional prize or compensation.

Direct Energy reserves the right to substitute prizes of equal or greater value and/or to terminate, modify or withdraw this Contest, in whole or in part, at any time, without prior notice for any reason including, but not limited to, tampering or other causes beyond Direct Energy's control which affect, in the opinion of Direct Energy, the administration, security, fairness or proper play or conduct of the Contest. In the event a substitute prize is awarded, such prize must be accepted as awarded and cannot be exchanged for cash or otherwise.

The Released Parties are not responsible for tampering or human errors, including gross negligence, affecting the proper administration and conduct of this Contest; nor is responsibility assumed for printing errors appearing within these rules, any Contest related advertisements or other materials.

DECLARATION AND RELEASE OF LIABILITY

DIRECT ENERGY FREE GAS (the "Contest")

Skill Testing Question: $400 \div 50 \times 10 + 15 - 20 =$ _____

I, _____, residing at _____,
in the City of _____, in the Province of Ontario, declare as follows:

1. At the time I participated in the Contest, I was 18 years of age or older, was an Ontario resident and had every right to contract in my own name.
2. I am not: (a) an employee or immediate family member of an employee of Direct Energy Marketing Limited ("Direct Energy"), its advertising and promotional agencies, parent, subsidiaries, affiliates, directors, officers, governors, employees and agents or the prize suppliers; or (b) domiciled with an employee of any of the above.
3. I answered the skill-testing question in this Contest without assistance of any kind, whether mechanical or otherwise, and have otherwise complied in all respects with the Official Rules.
4. I understand that the prize I have been selected to win is as follows (the "Prize"):

A cheque in Canadian funds which may be used toward my gas supply charge. The value of the gas portion of the Prize is determined by multiplying the average Ontario residential homeowner's gas consumption for one year (2,923 cubic metres with normal weather patterns) by Direct Energy's gas supply charge (in cubic metres) as of the date of Direct Energy's communication with the winner at a date following the Contest (rate will vary during the 2007 winter/spring season). Prize does not include transportation, distribution, storage, taxes or any other charges that are charged by the winner's gas distribution company.

5. I understand that I am responsible for any other expenses not explicitly described as included above.
6. I understand that the Prize must be accepted as awarded and cannot be transferred or exchanged for cash or for any other prize, except at the sole discretion of Direct Energy. I understand that Direct Energy has the right to substitute a Prize of equal or greater value if the Prize cannot be awarded as described for any reason.
7. I hereby consent to Direct Energy's use, without further compensation to me, of my name, city of residence, voice, statements and any photograph, film rendering or tape recording of me, by or on behalf of Direct Energy in connection with the Contest in any form of publication or display including, without limitation, newspapers and other publications, radio and television broadcasts, film releases and interactive media worldwide.
8. I assume all responsibility and liability for any loss, injury or damage to any persons or property which results from my actions or omissions, whether negligent or otherwise, in connection with my participation in the Contest and use of the Prize.

RELEASE OF LIABILITY CLAUSE - PLEASE READ CAREFULLY

9. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, I agree that the awarding of the Prize shall fully satisfy my entitlement as a participant and winner in the Contest and I hereby fully discharge and forever release Direct Energy, and its parent, subsidiaries, affiliates, directors, officers, shareholders, governors, employees, agents and advertising and promotional agencies (collectively, the "Releasees"), of and from any and all losses, damages, injuries, howsoever occurring, whether by negligence or otherwise (including death), claims, demands, lawsuits, expenses (including legal fees and disbursements), and any other liability of any kind, of or to me or any other person, directly or indirectly arising out of or in connection with my participation in the Contest and use of the Prize (hereinafter, collectively, "Claims"), notwithstanding that any such Claim, action or cause of action may have been contributed to or occasioned by the negligence or gross negligence of any of the Releasees.
10. I hereby agree to hold harmless, indemnify and reimburse the Releasees from and for any sums, costs or expenses (including legal fees and disbursements) incurred by any of the Releasees in connection with any Claim made, or sustained by me or others in connection with my participation in the Contest and use of the Prize, including, without limitation, transportation related to the Contest. This means that I will reimburse the Released Parties if anyone makes a Claim against them based on damages or injuries I suffer.
11. Without limiting the generality of the foregoing, I acknowledge that the Releasees will not be responsible for any injury, accident, or any other loss, damage or expense in connection with my participation in the Contest and use of the Prize including, without limitation, in respect of any medical care or treatment that the Releasees, or any person authorized by any of them, may administer to me in the event of injury or illness during my use of the Prize. I also acknowledge that none of the Releasees has offered any warranty or guarantee respecting the Prize.
12. I acknowledge that this Declaration and Release of Liability, when completed, must be returned to and received by the designated Direct Energy Representative by the deadline provided to me. I hereby further agree that this document is governed by the laws of the Province of Ontario and operates to the benefit of the Releasees, as well as their administrators, successors and assigns, and is binding on me and my heirs, administrators, successors, assigns, insurers and estate.

I HAVE READ THIS DECLARATION AND RELEASE OF LIABILITY FORM CAREFULLY, FULLY UNDERSTAND ITS CONTENT, AND VOLUNTARILY AGREE TO ITS TERMS. I ACKNOWLEDGE THAT IN SIGNING THIS DECLARATION AND RELEASE OF LIABILITY, I AM WAIVING CERTAIN LEGAL RIGHTS, INCLUDING THE RIGHT TO SUE.

Dated at _____ this ____ day of _____, 2007.

Name of Selected Entrant (Please Print)

Name of Witness (Please Print)

Signature of Selected Entrant

Signature of Witness