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March 1, 2012

VIA ECFS

Marlene Dortch
Secretary
Federal Communications Commission
445-12th Street SW
Washington, DC 20554

Re: dPi Teleconnect, LLC
Application for Consent to Transfer Control of a Company Holding
Blanket Domestic Section 214 Authority
WC Docket No. 12-32

Dear Ms. Dortch:

dPi Teleconnect, LLC ("dPi Teleconnect") and Amvensys Capital Group, LLC, f/k/a Amvensys Telecom Holdings, LLC ("Amvensys;" with dPi Teleconnect, the "Applicants"), by their attorneys, hereby respond to the comments filed by Lawrence Green on February 21, 2012 in the proceeding captioned above.[1] In this proceeding, dPi Teleconnect requests authority for the transfer of control of dPi Teleconnect to Amvensys. In his comments, Mr. Green states

[1] As an initial matter, Amvensys notes that Mr. Green has repeatedly sent similar letters and emails to Amvensys' banks and employees over the last two (2) years), sometimes using different names and email addresses. Each of these letters and emails make the same unsubstantiated claims and are clearly intended to cast a negative light on Amvensys and its principals and subsidiaries. In response, Amvensys has contacted Mr. Green, to determine whether Mr. Green has had specific problems with Amvensys and/or its subsidiaries in the past, and if so, to address these issues with Mr. Green directly. Mr. Green has advised Amvensys that he has no specific complaints with Amvensys or its subsidiaries. To the best of the Applicants' knowledge, neither the Applicants nor their subsidiaries have any prior business relationship with Mr. Green. The Applicants remain willing to discuss and address with Mr. Green his specific concerns with Amvensys, dPi Teleconnect, or Amvensys' other subsidiaries.

that Z. Ed. Lateef, one of the owners of Amvensys and its Chief Executive Officer, is a "convicted felon," and describes Mr. Lateef's prior involvement in bankrupt companies.[2] Mr. Green urges the Commission to "thoroughly investigate Zahed Lateef, his source of funding and the companies he controls" and "revoke any license held by any company Zahed Lateef is involved with."[3] As discussed below, the comments submitted by Mr. Green are misleading and for the most part unsubstantiated. More importantly, the comments do not provide a basis on which to deny the Application or take further action with respect to the Applicants. As the Applicants demonstrated in the Application, grant of the Application will serve the public interest. Accordingly, the Commission should disregard the comments of Mr. Green and grant the Application on streamlined processing.

In considering the Application, the Commission must determine, pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), whether the proposed transfer of control will serve the public interest. As a threshold matter, the Commission must determine whether Amvensys has the requisite qualifications to hold and transfer control of licenses under Section 214. The Commission uses its character policy, initially developed in the broadcast area, as guidance in making this determination in common carrier license transfer proceedings.[4] In the Commission's view:

> ...a propensity to comply with the law generally is relevant to the Commission's public interest analysis...an applicant's or licensee's willingness to violate other laws, and, in particular, to commit felonies...bears on our confidence that an applicant or licensee will confirm to FCC rules and policies.[5]

The Commission has previously determined that it will consider forms of adjudicated, non-Commission related misconduct that include (1) felony convictions, (2)

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2 Comments of Lawrence Green in WC Docket No. 12-32, filed Feb. 21, 2012, at 1 ("Green Comments").

3 *Id.* at 2.

4 *See WorldCom, Inc. and its Subsidiaries (debtors-in-possession), Transferor, and MCI, Inc., Transferee, Applications for Consent to Transfer and/or Assign Section 214 Authorizations, Section 310 Licenses, and Submarine Cable Landing Licenses, Memorandum Opinion and Order*, 18 FCC Rcd 26484, 26493 (2003) ("*WorldCom-MCI Order*").

5 *Policy Regarding Character Qualifications in Broadcast Licensing, Policy Statement and Order*, 5 FCC Rcd 3252, ¶ 3 (1990) ("*1990 Character Qualifications Order*").

fraudulent misrepresentations to governmental units, and (3) violations of antitrust or other laws protecting competition in its review of character issues.[6]

In his comments, Mr. Green makes numerous uncorroborated statements about Mr. Lateef that are clearly intended to impugn the character of Mr. Lateef. Since the misconduct alleged in these statements is not adjudicated (let alone supported), none of these allegations meet the Commission's established threshold for consideration in a review of character issues. As such, they are not relevant to the Commission's determination whether Amvensys has the requisite qualifications under Section 214 of the Act. Among other things, Mr. Green states without proof that Mr. Lateef "routinely lies and states that he is not a felon on state and federal applications;" "is a very dangerous person;" "will lie and cheat at every opportunity;" is "deceitful;" "uses the Name [sic] Ed Lateef or Ed Z. Lateef on any document that he signs so as to hide his past felony theft conviction;" obtains funding "from scams and from questionable sources overseas," including "Adley Abdulwahab;" has "spent time in countries that are not friendly to the US;" has "bankrupted" companies; and has obtained control of companies "by fraud and deception."[7] As evidenced by the verification of Mr. Lateef (Attachment 1), Mr. Lateef denies each and every one of these allegations.

Mr. Green makes two allegations of misconduct in his comments that could arguably meet the Commission's requirements for consideration in a review of character issues. *First*, Mr. Green alleges that Mr. Lateef is a "convicted felon."[8] Mr. Lateef does not deny that he has been convicted of a felony. While the Commission has found that conviction for a felony raises questions whether a transferee has the requisite propensity to obey the law, the Commission has also held that "mitigating factors" must also be taken into account. Such mitigating factors include "the willfulness of the misconduct, the frequency of the misconduct, the currentness of the misconduct, the seriousness of the misconduct, the nature of the participation (if any) of managers or owners, efforts made to remedy the wrong, overall record of compliance with FCC rules and policies, and rehabilitation."[9] The Applicants submit that such mitigating factors are present in this case.

As discussed in Attachment 1, Mr. Lateef was convicted of felony theft by check in Texas nearly two decades ago at the age of 22. Mr. Lateef made full restitution and served no jail time. His conviction reflects errors in judgment rather than an intention to write a bad check or commit fraud. Mr. Lateef has no other felony convictions. As such, the Applicants submit

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6 *WorldCom-MCI Order* at 26494, n.57.

7 Green Comments at 1-2.

8 Green Comments at 1.

9 *1990 Character Qualifications Order* at 3252, ¶ 5.

that Mr. Lateef's felony conviction does not provide a basis for disqualifying Amvensys on character grounds.

Second, Mr. Green alleges that Mr. Lateef made false and misleading statements in proceedings before the Public Utility Commission of Texas ("PUCT") and the Florida Public Service Commission ("FPSC"). Neither case provides a basis for disqualifying Amvensys and denying the Application.

The proceedings before the PUCT concerned a former Amvensys subsidiary known as dPi Energy, LLC ("dPi Energy"). dPi Energy holds a retail electric provider certificate granted by the PUCT. In December 2011, the PUCT issued an order approving a settlement agreement with dPi Energy, Mr. Lateef, and others that concerned an application of dPi Energy to amend its certificate ("PUCT Order"). A copy of the PUCT Order is provided in Attachment 2. In accordance with the terms of the settlement agreement, Amvensys closed on the sale of dPi Energy to TruSmart Energy Holdings, LLC on November 11, 2011, and has had no further involvement in dPi Energy.

PUCT staff alleged in this proceeding that dPi Energy violated PUCT rules "by providing inconsistent, misleading, and false information in its change of ownership application."[10] However, in the PUCT Order, the PUCT made no finding that dPi Energy or Mr. Lateef provided false or misleading information. The Commission's decisions are clear that fraudulent representations to governmental units can be considered in reviewing an applicant's character qualifications only where a *specific* finding of fraudulent representation is made.[11] Since such a finding is absent in the PUCT Order, Mr. Lateef's statements or omissions in proceedings before the PUCT do not meet the Commission's threshold for consideration in a review of character issues. The Applicants note that per the PUCT order, dPi Energy neither conceded or admitted a violation of any state laws or PUCT rules concerning the provision of false or misleading information.[12] Mr. Lateef denies intentionally providing false or misleading information to the PUCT in Attachment 1.

For the same reasons, Mr. Lateef's statements or omissions in proceedings before the FPSC provide no basis for disqualifying Amvensys or denying the Application. The FPSC document submitted by Mr. Green with his comments concerns the February 2010 petition of dPi Teleconnect for supplemental authority in regards to its eligible telecommunications carrier

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10 PUCT Order at 4.

11 *See Policy Regarding Character Qualifications in Broadcast Licensing, Report, Order and Policy Statement*, 102 FCC 2d 1179, ¶¶ 35-36 (1986) ("*1986 Character Qualifications Order*").

12 *See* PUCT Order at 6.

("ETC") status in Florida.[13] dPi Teleconnect requested leave to withdraw this petition on May 27, 2010[14] because dPi Teleconnect determined that it was not necessary to file for supplemental ETC authority from the FPSC. The FPSC closed the docket on June 28, 2010, before taking any action on the petition.[15] The FPSC never alleged that dPi Teleconnect or Mr. Lateef provided false or misleading information to the FPSC in connection with the petition, and no finding of fraudulent representation was made. Mr. Lateef denies intentionally providing false or misleading information to the FPSC in Attachment 1.

The Applicants note that the Commission's Rules for domestic Section 214 transfer of control applications do not require applicants to disclose the felony convictions of applicants or principals, or allegations concerning the provision of false or misleading information, in their transfer applications.[16] Furthermore, felony convictions or allegations regarding misrepresentations do not disqualify a person or entity from holding blanket domestic Section 214 authority under the FCC Rules.[17] The Applicants did not disclose Mr. Lateef's felony conviction or discuss the PUCT and FPSC proceedings in their Application because they deemed these matters to be extraneous to the Application, and thus not necessary to prevent any material factual statement in the Application from being incorrect or misleading. The Commission has held that an applicant's obligation under Section 1.17 of the FCC Rules to provide truthful and accurate statements to the Commission does not apply to representations or omissions that are insignificant or extraneous to the issues before the Commission in the particular case at hand.[18]

As the Applicants explained in the Application, the sale of dPi Teleconnect to Amvensys has served the public interest. The financial, technical, and managerial resources that Amvensys has brought to dPi Teleconnect has enhanced the ability of dPi Teleconnect to compete in the telecommunications marketplace. Furthermore, the transaction has had no adverse impact on the customers of dPi Teleconnect and presents no anti-competitive concerns.

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13 *See* Petition of dPi Teleconnect before the FPSC for Supplemental ETC Authority, Docket No. 100071-TP, filed Feb.5, 2010.

14 *See* Request for Withdrawal of Petition by dPi Teleconnect before the FPSC for Supplemental ETC Authority, Docket No. 100071-TP, filed May 27, 2010.

15 *See* http://www.psc.state.fl.us/dockets/cms/docketdetails2.aspx?docket=100071 (last visited Feb. 29, 2012).

16 *See* 47 CFR § 63.04.

17 *See* 47 CFR § 63.01.

18 *See Amendment of Section 1.17 of the Commission's Rules Concerning Truthful Statements to the Commission, Report and Order*, 18 FCC Rcd 4016, 4019-4020 (2003); 47 CFR § 1.17.

Since the comments of Mr. Green provide no basis for disqualifying Amvensys and denying the Application, the Applicants request that the Commission grant the Application pursuant to its streamlined processing procedures.

Please contact the undersigned counsel if you have any questions regarding this matter.

Sincerely,

John Heitmann
Joan M. Griffin
Its Attorneys

cc: Dennis Johnson
Jim Bird
Tracey Wilson
David Krech
Mr. Lawrence Green (by U.S. mail)

VERIFICATION

I am Z. Ed Lateef. I am providing this Verification with respect to the Application of dPi Teleconnect, LLC ("dPi Teleconnect") and Amvensys Capital Group, LLC, f/k/a Amvensys Telecom Holdings, LLC ("Amvensys;" with dPi Teleconnect, the "Applicants") for Consent to Transfer Control of a Company Holding Blanket Domestic Section 214 Authority in WC Docket No. 12-32 and the March 1, 2012 response of the Applicants ("Response") to the comments filed by Lawrence Green on February 21, 2012 in this docket ("Green Comments"). I have reviewed the Green Comments and the Response.

1. In the Green Comments, Mr. Green alleges that I routinely lie and state that I am not a felon on state and federal applications; that I am "a very dangerous person;" that I will lie and cheat at every opportunity; that I am "deceitful;" that I use the name Ed Lateef or Ed Z. Lateef on any document that I sign so as to hide my past felony theft conviction; that I obtain funding from scams and from questionable sources, including Adley Abdulwahab; that I have "spent time in countries that are not friendly to the US;" that I have "bankrupted" companies; and that I have obtained control of companies "by fraud and deception." I deny each and every one of these allegations.

2. I was convicted of felony theft by check in Texas nearly two decades ago, at the age of 22. The circumstances surrounding my conviction are as follows.

3. In 1989, while living in Houston, I signed a business check to pay for the rental of office furniture. When I signed the check, I was unaware of the amount in the business's account at that time. The check was returned for insufficient funds. I never intended to write a bad check or defraud the furniture rental company, and I immediately returned the furniture. Because my business was still in its infancy, I could not immediately pay the amount of the returned check, but I planned to do so as funds became available. A few months after I returned the office furniture and without any prior communication from the rental company, I was served with an arrest warrant for theft by check. As I could not afford counsel at the time, the court appointed a lawyer for me. The court-appointed lawyer recommended that I accept an offer of seven years of probation, which advice I followed. On June 15, 1989, I received a deferred adjudication of guilt and seven years of probation.

4. During the probation period, I moved to Ft. Worth to pursue a business opportunity. Because of the move, I was unable to meet monthly with my probation officer. My probation was then revoked and I was ordered to serve time in jail. By this time, I had paid full restitution and was able to afford an attorney. As a result, on July 7, 1993, the matter was resolved without jail time but with a conviction on my record.

5. The Response describes certain proceedings before the Public Utility Commission of Texas ("PUCT") concerning an application of dPi Energy, LLC to amend its retail electric provider certificate in Texas. I deny intentionally providing false or misleading information to the PUCT in connection with this proceeding.

6. The Response describes certain proceedings before the Florida Public Service Commission ("FPSC") concerning the February 2010 petition of dPi Teleconnect for supplemental authority in regards to its eligible telecommunications carrier status in Florida. I deny intentionally providing false or misleading information to the FPSC in connection with this proceeding.

I declare under penalty of perjury that the foregoing is true and correct.

Z. Ed Lateef

Date: March 1, 2012

Attachment 2

Control Number: 37917

Item Number: 139

Addendum StartPage: 0

PUC DOCKET NO. 37917
SOAH DOCKET NO. 473-10-5401

RECEIVED
11 DEC 13 PM 2:17
PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF DPI ENERGY, LLC FOR AN AMENDMENT TO ITS RETAIL ELECTRIC PROVIDER (REP) CERTIFICATION, PURSUANT TO SUBST. R. 25.107	§ § § § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

ORDER

This order addresses an amended unanimous settlement agreement and report to the Commission. The settlement agreement is between the Commission Staff, dPi Energy, LLC, Zahed "Ed" Lateef, CenterPoint Energy Houston Electric, LLC, Texas-New Mexico Power Company, AEP Texas Central Company, and AEP Texas North Company and resolves all disputed fact issues regarding dPi Energy's application to amend its retail electric provider (REP) Certificate No. 10130 and the Commission Staff's recommendations on final disposition, motion to consolidate REP applications, and counter petition to revoke the REP certificate of dPi Energy. The settlement agreement is unopposed and provides for a reasonable resolution of this docket. The settlement agreement is approved.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

1. dPi Energy is a REP as defined in § 17.002(6) of PURA[1] and P.U.C. SUBST. R. 15.5(115).

2. dPi Energy currently holds REP Certificate No. 10130.

3. In October 2006, the Commission granted Current Power and Light, LLC REP Certificate No. 10130 in *Application of Current Power and Light, LLC for Retail Electric Provider (REP) Certificate,* Docket No. 33227, Notice of Approval (Oct. 27, 2006).

[1] Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.016 (Vernon 2007 & Supp. 2010) (PURA).

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4. In March 2007, the Commission granted Current Power and Light, LLC administrative approval to change its name to dPi Energy, LLC in *Application of Current Power and Light, LLC for an Amendment to its REP Certificate,* Docket No. 33818, Order No. 3, Granting Administrative Approval (Mar. 12, 2007).

5. dPi Energy is a wholly-owned subsidiary of dPi Teleconnect, LLC.

6. On November 17, 2009, dPi Teleconnect was sold by its parent company, Rent-a-Center, to Amvensys Telecom Holdings, LLC, which resulted in a change in ownership and control of dPi Energy from Rent-a-Center to Amvensys.

7. On January 25, 2010, dPi Energy filed the instant application to amend its REP certificate to reflect this change in ownership.

8. At the time of this application, Amvensys owned 100% of the membership interests of dPi Teleconnect, which owned 100% of the membership interests of dPi Energy; and Mr. Zahed Lateef and Mrs. Lubna Lateef each owned a 50% share of Amvensys.

9. dPi Energy's REP certificate amendment application and responses to requests for information filed in Docket No. 37917 identify Z. Ed Lateef and Lubna Lateef as the owners of 100% of the membership interest in Amvensys. Amvensys holds 100% of the membership interest in dPi Teleconnect. dPi Teleconnect owns 100% of the membership interest in dPi Energy. Additionally, the application and responses identify Thomas G. O'Roark, Vincent Arena, Jerry Brennan, and Robert Gaston as the chief executive officer, chief financial officer, vice-president of operations, and vice-president of energy operations of dPi Energy, respectively. The Texas Office of the Secretary of State lists the following officers and directors of dPi Energy, LLC:

Name	Title	Address
Z. Ed Lateef	Chairman	3350 Boyington Dr. #200 Carrollton, TX 75006
Z. Ed Lateef	Director	3350 Boyington Dr. #200 Carrollton, TX

		75006
Sunil Kumar	Director	3350 Boyington Dr. #200 Carrollton, TX 75006
Thomas G. O'Roark	Chief Executive Officer	3350 Boyington Dr. #200 Carrollton, TX 75006

10. Since November of 2009, Mr. Zahed Lateef has owned, and currently owns, more than 10% of dPi Energy.

11. Mr. Zahed Lateef was a minority shareholder and principal of Sure Electric, LLC d/b/a Riverway Power (Riverway Power) a REP whose certificate was revoked by the Commission in 2008, and which experienced a mass transition of its customers to a provider of last resort (POLR). Mr. Zahed Lateef was also a principal of National Power Company, Inc. National Power's REP certificate has been revoked and it experienced a mass transition of its customers to POLRs. Mr. Lateef, however, was not a principal at the time National Power's certificate was revoked and the customers were transitioned to POLRs.

12. On July 2, 2010, in response to the amendment application, Commission Staff recommended denial and filed a counter petition seeking revocation of REP Certificate No. 10183.

13. On March 4, 2011, Commission Staff filed an amended counter petition to revoke the REP certificate of dPi Energy.

14. Commission Staff alleged that dPi Energy is in violation of P.U.C. SUBST. R. 25.107(g)(1)(D) because Mr. Lateef was an owner and director of Riverway Power at the time it experienced a mass transition of its customers to a POLR; therefore he is prohibited from owning more than 10% of dPi Energy. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(i) because dPi Energy failed to timely file

for amendment to its REP certificate to reflect the change in ownership from Rent-A-Center, to Amvensys in 2009.

15. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(g) by failing to update information required in its change in ownership application.

16. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(g)(2)(B) by failing to disclose in its change in ownership application the complaint history, disciplinary record, or compliance record of Riverway Power. In particular, dPi Energy did not disclose the revocation of Riverway Power's REP certificate in *Petition of Commission Staff to Revoke the Retail Electric Provider Certificate of Sure Electric, LLC d/b/a Riverway Power Company,* Docket No. 35783, Order (Aug. 14, 2008) and did not disclose Mr. Lateef's role with Riverway Power.

17. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(g)(2)(B) and (E) by failing to disclose in its change-in-ownership application the complaint history, disciplinary record, or compliance record of Riverway Power. In particular, dPi Energy did not disclose the felony theft-by-check conviction of Mr. Lateef.

18. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(j)(1) by providing inconsistent, misleading, and false information in its change in ownership application.

19. Commission Staff alleged that dPi Energy does not possess the managerial resources and ability necessary "to supply electric service at retail in accordance with its customer contracts" required by P.U.C. SUBST. R. 25.107(g) and (h).

20. Commission Staff alleged that dPi Energy does not meet the managerial requirements because (a) one of its owners, Z. Ed Lateef, was an owner, principal, and or director of a REP that experienced a mass transition of its customers to a POLR and was subsequently revoked by the Commission (Riverway Power); (b) Mr. Lateef was the owner, principal, and or director of two REPs that have had their certificates revoked by the Commission (National Power and Riverway Power); (c) Mr. Lateef was the owner, principal, and or director of a REP that exited the market owing money to at least three transmission and

distribution utility providers and ERCOT (Riverway Power); and (d) dPi Energy violated Commission rules.

21. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(f)(2)(A) requiring the maintenance of a separate, segregated account for customer deposits by failing to timely demonstrate compliance.

22. Commission Staff alleged that dPi Energy violated P.U.C. SUBST. R. 25.107(g)(1)(D) and (E), which require the demonstration of certain managerial recourses, by failing to timely demonstrate compliance.

23. On June 28, 2010, the Commission's executive director issued a notice of violation (NOV) to dPi Energy wherein the Oversight and Enforcement Division of the Commission recommended assessment of administrative penalties against dPi Energy. The NOV was based on dPi Energy's failure to comply with PURA §§ 17.004 and 39.101 and P.U.C. SUBST. R. 25.107, 25.474, 25.475, 25.479, 25.480, and 25.485, relating to customer protection rules for retail electric service and REP certification. An amended NOV was filed on October 28, 2010, which detailed additional violations and penalties. On December 17, 2010, a consent order[2] was issued by the Commission in which dPi Energy acknowledged the violations, consented to the entry of the Order, and agreed to pay a $104,250.00 administrative penalty.

24. On October 15, 2010, the State Office of Administrative Hearings (SOAH) administrative law judge admitted CenterPoint Energy Houston Electric, LLC, AEP Texas Central Company, AEP Texas North Company, and Texas-New Mexico Power Company as intervening parties to this proceeding.

25. Both Commission Staff and dPi Energy filed direct testimony in support of their respective positions, as well as responsive testimony on the relief sought by the other party. CenterPoint filed responsive and rebuttal testimony addressing its concerns in the proceeding.

[2] *Notice of Violation of dPi Energy, LLC of PURA §§ 17.004 and 39.101 and PUC SUBST. R. §§ 25.107, 25.474, 25.475, 25.479, 25.480, and 25.485 Relating to Customer Protection Rules for Retail Electric Service,* Docket No. 38484, Consent Order (Dec. 17, 2010).

26. On January 24, 2010, the parties agreed to waive a live hearing and proceed with a hearing by submission of briefs on the basis of the pre-filed testimony and discovery responses of the parties.

27. Subsequent to briefing, the parties participated in settlement discussions and SOAH-assisted mediation, the purpose of which was to reach an amicable resolution of the amendment application at issue and the allegations made by Commission Staff in the revocation counter-petition.

28. On May 9, 2011, the parties filed their settlement agreement and report to the Commission.

29. On August 22, 2011, the parties filed their amended unanimous settlement agreement and report to the Commission.

30. On September 1, 2011, the Commission approved, with modifications, the amended unanimous settlement agreement and report to the Commission. The Commission also approved an interim proposed order, which was filed on September 15, 2011.

31. dPi Energy has admitted to the allegations in findings of fact nos. 13, 16, 20, 21, and 22. Otherwise dPi Energy is entering into this agreement without conceding or admitting that it or any of its principals or owners has committed a violation of any state laws or Commission rules.

32. This agreement resolves all of the contested issues regarding the amendment application and all of Commission Staff's allegations in the revocation counter petition.

33. The agreement provides for a reasonable resolution of this dispute.

34. The agreement is in the public interest and should be approved.

35. On November 10, 2011, the Commission in open meeting approved an executed purchase-and-sale agreement pursuant to which 100% of the ownership and interest in dPi Energy held by Amvensys was sold to TruSmart Energy Holdings, LLC.

36. On November 10, 2011, in Docket No. 39825, the Commission approved TruSmart Energy Holdings LLC's application to amend the REP certificate of dPi Energy.

II. Conclusions of Law

1. The Commission has jurisdiction over this matter pursuant to PURA §§ 14.051, 15.023, 17.051, 39.352, and 39.356, and P.U.C. SUBST. R. 25.107.

2. dPi Energy admits to the jurisdiction of the Commission over the parties to this proceeding and the subject matter of this agreement.

3. This docket was processed in accordance with the requirements of PURA, the Administrative Procedure Act, TEX. GOV'T CODE ANN. §§ 2001.001-.902 (Vernon 2010), and Commission rules.

4. dPi Energy was provided proper notice of Commission Staff's counter petition to revoke the REP certificate of dPi Energy. dPi Energy waives any notice required by the Texas Administrative Procedure Act and does not challenge the authority of the Commission to enter a final order approving this agreement.

5. P.U.C. SUBST. R. 25.107(f)(2)(A) requires that a REP maintain customer deposits "in an escrow account or segregated cash account, or provide an irrevocable stand-by letter of credit payable to the Commission in an amount sufficient to cover 100% of the retail electric provider's outstanding customer deposits and residential advance payments held at the close of each month."

6. P.U.C. SUBST. R. 25.107(g)(1)(D) requires that a REP maintain "principals or permanent employees in managerial positions whose combined experience in the competitive electric industry or competitive gas industry equals or exceeds 15 years." Additionally, it states that "an individual that was a principal of a retail electric provider that experienced a mass transition of the REP's customers to a POLR shall not be considered for purposes of satisfying this requirement, and shall not own more than 10% of a retail electric provider or directly or indirectly control a retail electric provider."

7. P.U.C. SUBST. R. 25.107(g)(1)(E) requires that a REP maintain "at least one principal or permanent employee who has five years of experience in energy commodity risk management of a substantial energy portfolio."

8. P.U.C. SUBST. R. 25.107(g)(2)(B) requires that a REP applicant disclose in its initial application for REP certification "any complaint history, disciplinary record, and

compliance record of the applicant, the applicant's affiliates, and the applicant's principals during the 60 months immediately preceding the application."

9. P.U.C. SUBST. R. 25.107(g)(2)(E) requires that a REP applicant disclose in its initial application for REP certification "whether the applicant or the applicant's principals have been convicted or found liable for fraud, theft, larceny, deceit, or violations of any securities law, customer protection law, or deceptive trade laws in any state."

10. P.U.C. SUBST. R. 25.107(h) requires that a REP "shall comply with all applicable customer protection requirements, including disclosure requirements, marketing guidelines and anti-disclosure discrimination requirements."

11. P.U.C. SUBST. R. 25.107(i)(3) requires an applicant for a REP certificate to "amend its certification within ten working days of a material change to the information provided as the basis for the commission's approval of the certification application."

12. The Commission may revoke a REP's certificate for significant violations of the Commission's rules pursuant to PURA §§ 14.051, 17.051, 39.151(j), 39.352, and 39.356(a).

13. "Significant violations" that warrant REP certificate revocation under PURA § 39.356(a) include: (a) providing false or misleading information to the Commission; (b) failure to maintain financial resources in accordance with P.U.C. SUBST. R. 25.107(f); (c) conviction of a felony by the certificate holder, a person controlling the certificate holder, or principal employed by the certificate holder; and (d) other significant violations, including the failure or a pattern of a failures to meet the requirements of P.U.C. SUBST. R. 25.107 or other Commission rules or orders. P.U.C. SUBST. R. 25.107(j)(1), (6), (12), and (17).

14. The requirements for informal disposition pursuant to P.U.C. PROC. R. 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The amended unanimous settlement agreement with its accompanying consent order, attached to this order as attachment 1, is approved, and the parties shall be bound by its terms.

2. The purchase-and sale-agreement is approved.

3. Commission Staff's counter-petition to revoke the REP certificate of dPi Energy is dismissed.

4. Prior to or upon the closing of the purchase and sale agreement, Zahed "Ed" Lateef shall resign as an officer and manager of dPi Energy.

5. Upon the effective date of the divestiture by Amvensys of dPi Energy, Amvensys shall terminate all contracts with dPi Energy within 30 days.

6. Upon the effective date of the divestiture by Amvensys of dPi Energy, Zahed "Ed" Lateef and Amvensys and any entities in which they have a controlling ownership interest shall no longer contract with, or conduct any business with, dPi Energy except with prior approval in a Commission order.

7. dPi Energy shall hire and employ, for a period of three years after the closing of the purchase and sale agreement, a regulatory compliance specialist and an outside consultant, for the purpose of ensuring dPi Energy's compliance with the Commission's rules. The persons so hired and engaged shall have a minimum of five years' experience in the Texas retail electric industry, and utilizing this experience shall continue to review dPi Energy 's business processes as well as marketing materials, customer contracts, and all other materials required to be provided to customers by Commission rules including billing invoices and disclosure statements. Furthermore, should the compliance specialist become aware of or gain knowledge of violations of the Commission's substantive rules by dPi Energy, the compliance specialist shall have an obligation to disclose those violations to Commission Staff in its next compliance report. In the event that the compliance specialist hired by dPi Energy ceases to be employed by dPi Energy, or if

there is a change in the person hired, dPi Energy shall notify the Commission within five business days and shall replace its compliance specialist as soon as practicable. As part of this notification, dPi Energy shall detail the reasons why the compliance specialist is no longer employed by dPi Energy.

8. Within the three year period after the closing of the acquisition transaction, dPi Energy shall file a compliance report with the Commission every three months, detailing dPi Energy's efforts and practices to stay current and maintain compliance with all applicable Commission rules. Said report shall include details regarding the compliance specialist's specific role and responsibilities at dPi Energy, copies and identification of any material changes to terms of service, electricity facts labels, customer contracts, dPi Energy 's current customer count segregated by pre-paid and post-paid customers and the balance of the segregated cash accounts in accordance with Commission Substantive Rule 25.107. Additional materials may be added to the report but are not required. Furthermore, at any time before the purchase and sale agreement closing, dPi Energy shall provide to Commission Staff any information requested by Staff regarding dPi Energy's compliance with applicable Commission customer protection rules. dPi Energy shall provide the requested information within 5 business days of receipt of the request.

9. For purposes of revocation of dPi Energy's REP certificate or assessing administrative penalties in a contested case proceeding for any future violations that may be committed by dPi Energy, the amended unanimous settlement agreement and report to Commission (attachment 1 to the Commission's Interim Order of September 15, 2011) and the Commission's orders in Docket No. 37917 are admissible for the purpose of establishing a history of previous violations, or a pattern of failures to meet the requirements of the Commission's rules or order, within the meaning of PURA §§ 15.023(c)(3) & 39.356, P.U.C. SUBST. R. 25.107(j) and P.U.C. PROC. R. 22.246(c)(3)(C). Although admissible, the amended unanimous settlement agreement and report to Commission does not create a presumption that a higher amount is justified under PURA section 15.023(c)(3) and P.U.C PROC. R. 22.246(c)(3)(C).

10. Entry of this order consistent with the agreement does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the

agreement. Entry of this order consistent with the agreement shall not be regarded as binding holding or precedent as to the appropriateness of any principle that may underlie the agreement.

SIGNED AT AUSTIN, TEXAS the 13th day of December 2011.

PUBLIC UTILITY COMMISSION OF TEXAS

DONNA L. NELSON, CHAIRMAN

KENNETH W. ANDERSON, JR., COMMISSIONER

Attachment 1

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P.U.C. DOCKET NO. 37917
SOAH DOCKET NO. 473-10-5401

APPLICATION OF DPI ENERGY, LLC	§	BEFORE THE STATE OFFICE
FOR AN AMENDMENT TO ITS	§	
RETAIL ELECTRIC PROVIDER (REP)	§	OF
CERTIFICATION,	§	
PURSUANT TO SUBST. R. §25.107	§	ADMINISTRATIVE HEARINGS

AMENDED UNANIMOUS SETTLEMENT AGREEMENT AND REPORT TO COMMISSION

Staff of the Public Utility Commission of Texas ("Staff"), dPi Energy, LLC ("dPi Energy"), Zahed "Ed" Lateef, AEP Texas Central Company and AEP Texas North Company (collectively "AEP"), CenterPoint Energy Houston Electric, LLC (CenterPoint), and Texas-New Mexico Power Company ("TNMP") (individually, a "Party" and together, "Parties") enter into this Amended Unanimous Settlement Agreement and Report to Commission ("Agreement"). This Agreement resolves PUC Docket No. 37917, SOAH Docket No. 473-10-5401, regarding dPi Energy's application to amend its retail electric provider ("REP") Certificate No. 10130 and the Staff's Recommendations on Final Disposition, Motion to Consolidate REP Applications, and Counter-Petition to Revoke the Retail Electric Provider Certificate of dPi Energy, LLC.

THE PARTIES AGREE AS FOLLOWS:

ADMITTED VIOLATIONS

1. The Parties stipulate to the findings of fact and conclusions of law contained in the attached Proposed Order (the "Proposed Order") and request approval of the Proposed Order by the Public Utility Commission of Texas ("PUC" or "Commission"). Zahed "Ed" Lateef and dPi Energy specifically admit to the allegations in Findings of Fact Nos. 13, 16, 20, 21 and 22. Zahed "Ed" Lateef and dPi Energy admit that:

   1) dPi Energy is in violation of P.U.C. SUBST. R. §25.107(g)(1)(D) because Mr. Lateef was a principal of Riverway Power at the time it experienced a mass transition of its customers to POLR and he is therefore prohibited from owning more than 10% of dpi Energy;

2) dPi Energy violated P.U.C. SUBST. R. §25.107(i) because dPi failed to timely file its application to amend its REP certificate to reflect the change in ownership from Rent a Center, to Amvensys in 2009;

3) dPi Energy violated P.U.C. SUBST. R. 25.107(g)(2)(E) by failing to disclose the felony theft-by-check conviction of Mr. Lateef;

4) dPi Energy violated P.U.C. SUBST. R. 25.107(g)(1)(D) & (E), which requires the demonstration of certain managerial resources, by failing to timely demonstrate compliance;

5) dPi Energy violated P.U.C. SUBST. R. 25.107(f)(2)(A) requiring the maintenance of a separate segregated account for customer deposits by failing to timely demonstrate compliance;

And such issue was addressed in the Notice of Violations proceeding, Docket No. 38384, in which

6) dPi agreed to entry of a consent order and paid a $104,250.00 administrative penalty based on dPi Energy's failure to comply with PURA §§ 17.004 and 39.101 and P.U.C. SUBST. R. 25.107, 25.474, 25.475, 25.479, 25.480, and 25.485, relating to Customer Protection Rules for Retail Electric Service and Retail Electric Provider Certification.

MANDATORY SALE OF dPi ENERGY

1. As a consequence of the acknowledged violations of PURA, Amvensys Telecom Holdings, LLC ("Amvensys") agrees to divest all of its ownership and control of dPi Energy. By October 1, 2011, dPi Energy shall present to the Staff and the Parties an executed Purchase and Sale Agreement ("PSA") pursuant to which 100% of the ownership interest in dPi Energy held by Amvensys will be sold. If that express condition is not met, absent an Order by the Commission extending the deadline for such sale based on substantial completion of the PSA at that time, the Parties agree to entry of the Consent Order ("Consent Order") attached to the Proposed Order revoking the Retail Electric Provider Certificate of dPi Energy, LLC (No. 10130).

2. In accordance with Commission Substantive Rule 25.107(i)(3), the acquiring party identified in the PSA will timely file an application to amend the acquired REP Certificate after the execution of the PSA. Thereafter, dPi Energy and the acquiring party will close the transaction to acquire dPi Energy within ten business days of the Commission's approval of the transfer of the REP certificate to the acquiring party. If the Commission denies that application, or if dPi Energy and the acquiring party fail to close the acquisition transaction within ten days of the Commission's approval of the application, the Parties agree to entry of the attached Consent Order.

3. Prior to or upon the closing of the acquisition transaction identified in the PSA, Zahed "Ed" Lateef will resign as an officer and manager of dPi Energy, LLC.

4. Upon the execution of this Agreement, Amvensys shall engage Southwest Securities to sell 100% of the outstanding securities of dPi Energy, all of which are owned by Amvensys. Amvensys agrees to cause Southwest Securities (and any other employees or advisors of dPi Energy or Amvensys, as requested by the Staff or the Parties) to convene conference calls every second week after the execution of this Agreement to provide updates to the Parties on all aspects of the sale process.

5. Upon the effective date of the divestiture by Amvensys of dPi Energy pursuant to this agreement, Amvensys will terminate all contracts with dPi Energy within 30 days. Zahed "Ed" Lateef further agrees that he and Amvensys and any entities in which they have a controlling ownership interest will not contract with, or conduct any business with, dPi except with prior approval in a Commission order .

6. dPi Energy covenants and agrees to pay its ordinary course of business debts and obligations to CenterPoint, AEP, TNMP, and the Electric Reliability Council of Texas ("ERCOT"), when due and payable. If dPi Energy does not timely pay such debts and obligations on the due date (i.e., 35 calendar days after the date of transmittal of a valid invoice), a Party that has not timely received payment shall give written notice thereof to the Staff and dPi Energy. dPi Energy and the Parties agree that upon receipt by the Staff

and dPi Energy of such written notice, the attached Consent Order shall be submitted for entry by the Commission. In the event that such Consent Order is entered by the Commission, dPi Energy agrees to transition its customers as soon as reasonably possible in accordance with ERCOT procedures.

7. AEP and TNMP agree that Mr. Lateef has paid in his personal capacity the transmission and distribution service charges, shown below, owed to them by Sure Electric, LLC d/b/a Riverway Power ("Riverway"). Mr. Lateef has also paid in his personal capacity Oncor Electric Delivery Company and Sharyland Distribution & Transmission Services, L.P. the amounts shown below for amounts owed to them by Riverway. Pursuant to an agreement with CenterPoint, Mr. Lateef paid in his personal capacity $31,044.20 in January 2011, and dPi Energy paid $12,147.73 in March 2011 for amounts owed to CenterPoint by Riverway. Nothing in this agreement constitutes a settlement or waiver of CenterPoint's right to pursue any claims it may presently have for the remainder of the amount due.

	Entity	Amount Owed	Amount Paid
a.	CenterPoint Energy Houston Electric, LLC	$310,441.98	$43,191.93
b.	AEP Texas Central and North Companies	$54,575.88	Paid in full.
c.	Texas-New Mexico Power Company	$25,534.54	Paid in full.
d.	Oncor Electric Delivery Company	$116,997.39	$16,274.63
e.	Sharyland Distribution & Transmission Services, L.P.	$450.00	Paid in full.

8. Mr. Lateef, a minority shareholder in Riverway, has offered to pay ERCOT [redacted] over a period of 24 months in full settlement of the litigation brought by ERCOT against

Riverway.

9. Staff and dPi Energy agree that by entry of a Commission final order in the Amended Notice of Violation ("NOV") in Docket No. 38384, dPi Energy resolved the matters alleged in the NOV by way of a Consent Order in which it agreed to pay, and on January 13, 2011 in fact paid, $104,250 in administrative penalties to the Commission. Further, Staff and dPi Energy agree that the Staff's Second Memorandum Report in support of the Notice of Violation acknowledges that dPi Energy informed the Staff that it corrected the violations alleged in the NOV, that it did in fact collaborate with the Staff in achieving an agreed methodology for determining the correct application of Commission Substantive Rule 25.107(f)(2), and that it agreed to provide the Staff with any additional documentation required to ensure ongoing compliance.

10. Staff agrees that with dPi Energy's compliance with the terms of this Agreement, it will withdraw the revocation petition it has filed in P.U.C. Docket No. 37917. This docket will remain pending until dPi Energy complies with the terms of this agreement, upon entry of the Consent Order, other order of revocation, or other resolution by the Commission.

ENFORCEMENT, COMPLIANCE, AND MONITORING

11. dPi Energy agrees to hire and employ for a period of three years after the closing of the PSA , and has hired and currently employs, a regulatory compliance specialist, and furthermore has engaged the services of an outside consultant, for the purpose of ensuring dPi Energy's compliance with the Commission's rules. The persons so hired and engaged will have a minimum of five years experience in the Texas retail electric industry, and utilizing this experience will continue to review dPi Energy's business processes as well as marketing materials, customer contracts, and all other materials required to be provided to customers by Commission rules including billing invoices and disclosure statements. Furthermore, should the compliance specialist become aware of or gain knowledge of violations of the Commission's Substantive rules by dPi Energy,

the compliance specialist will have an obligation to disclose those violations to Commission Staff in its next compliance report. In the event that the compliance specialist hired by dPi Energy ceases to be employed by dPi Energy, or if there is a change in the person hired, dPi Energy will notify the Commission within five business days and shall replace its compliance specialist as soon as practicable. As part of this notification, dPi Energy will detail the reasons why the compliance specialist is no longer employed by dPi Energy.

12. Beginning with, and including, the Semi-Annual REP report required to be submitted in June, 2011 and ending three years after the closing of the acquisition transaction, dPi Energy agrees to file a compliance report with the Commission every 3 months, detailing dPi Energy's efforts and practices to stay current and maintain compliance with all applicable Commission rules. Said report shall include details regarding the compliance specialist's specific role and responsibilities at dPi Energy, copies and identification of any material changes to terms of service, electricity facts labels, customer contracts, dPi Energy's current customer count segregated by pre-paid and post-paid customers and the balance of the segregated cash accounts in accordance with Commission Substantive Rule 25.107. Additional materials may be added to the report but are not required. Furthermore, during the period before the required sale, dPi Energy agrees to provide to Staff any information requested by Staff regarding dPi Energy's compliance with applicable Commission customer protection rules. dPi Energy will provide the requested information within 5 business days of receipt of the request.

13. For purposes of revocation of dPi Energy's REP certificate or assessing administrative penalties in a contested case proceeding for any future violations that may be committed by dPi Energy, this Agreement and the Proposed Order are admissible for the purpose of establishing a history of previous violations, or a pattern of failures to meet the requirements of the Commission's rules or order, within the meaning of PURA §§ 15.023(c)(3) & 39.356, P.U.C. SUBST. R. 25.107(j) and P.U.C. PROC. R. 22.246(c)(3)(C). Although admissible, this Agreement does not a create a presumption that a higher amount is justified under PURA section 15.023(c)(3) and PUC PROC. R.

22.246(c)(3)(C) and both Parties are free to argue for or against its application in future cases.

14. Nothing in this Agreement shall limit the Staff's ability to perform its enforcement functions as set forth in PURA and the Commission's rules.

15. A Party's support of the resolution of this docket in accordance with this Agreement may differ from its position or testimony regarding contested issues of law, policy or fact in other proceedings before the Commission or other forums. Because this is a settlement agreement, a Party is under no obligation to take the same position as set out in this Agreement in other proceedings not referenced in this Agreement, whether those dockets present the same or a different set of circumstances. The Parties' agreement to entry of a final order of the Commission consistent with this Agreement should not be regarded as an agreement as to the appropriateness or correctness of any assumptions, methodology, or legal or regulatory principle that may have been employed in reaching this Agreement.

16. The Parties contemplate that this Agreement will be approved pursuant to P.U.C. PROC. R. 22.246(g)(1)(C). In the event the Commission materially changes the terms of this Agreement, the Parties agree that any Party adversely affected by that material alteration has the right to withdraw from this Agreement, thereby becoming released from its obligations arising hereunder, and to proceed as otherwise permitted by law to exercise all rights available under law. The right to withdraw must be exercised by providing the other Party written notice within 20 calendar days of the date the Commission files the final order acting on this Agreement. Failure to provide such notice within the specified time period shall constitute a waiver of the right to withdraw and acceptance of the material changes to this Agreement made by the Commission.

17. This Agreement is the final and entire agreement between the Parties regarding its terms and supersedes all other communications among the Parties or their representatives regarding its terms. Furthermore, this Agreement fully and finally resolves, pursuant to the terms and conditions set forth herein, any and all claims allegations described in

Docket No. 37917.

18. Each person executing this Agreement represents that he or she has been authorized to sign on behalf of the Party represented. Copies of signatures are valid to show execution. If this Agreement is executed in multiple counterparts, each is deemed an original but all of which constitute the same Agreement.

19. dPi Energy and Amvensys each warrant that they have read this Agreement carefully, know the contents thereof, and sign the same as their free act.

EXECUTED by the Parties through their authorized representatives designated below:

Date: August 19, 2011

Dennis W. Donley, Jr.
State Bar No24004620
Naman, Howell, Smith & Lee, PLLC
8310 N. Capital of Texas Highway, Suite 490
Austin, Texas 78731
(512) 479-0300
(512) 474-1901 (Facsimile)
ATTORNEY FOR Zahed Lateef, dPi Energy, LLC and Amvensys Telecom Holdings, LLC

Robert M. Long by permission Date: August 19, 2011

Robert M. Long
State Bar No. 12525500
Attorney-Legal Division
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
ATTORNEY FOR Public Utility Commission of Texas Staff

Shelah J. Cisneros

_____ Date:_____

Rhonda Colbert Ryan
State Bar No. 17478800
Assistant General Counsel
American Electric Power Service Corporation
400 West 15th Street, Suite 1520
Austin, Texas 78701
ATTORNEY FOR AEP Texas Central Company and AEP Texas North Company

_____ Date:_____

Scott Seamster
State Bar No. 00784939
Corporate Counsel
Texas-New Mexico Power Company
225 E. John Carpenter Fwy, Suite 1500
Irving, Texas 75062
ATTORNEY FOR Texas-New Mexico Power Company

_____
ZAHED "ED" LATEEF

Rhonda Colbert Ryan Date: August 19, 2011

Rhonda Colbert Ryan
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Assistant General Counsel
American Electric Power Service Corporation
400 West 15th Street, Suite 1520
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ATTORNEY FOR AEP Texas Central Company and AEP Texas North Company

_____ Date:_____

Scott Seamster
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ATTORNEY FOR Texas-New Mexico Power Company

Jason M. Ryan w/ permission Date: August 19, 2011

Jason M. Ryan
State Bar No. 24033150
Assistant General Counsel Shelley Cisneros
CenterPoint Energy, Inc.
P.O. Box 61867
Houston, Texas 77208
ATTORNEY FOR CenterPoint Energy Houston Electric, LLC

_____ Date:_____

Rhonda Colbert Ryan
State Bar No. 17478800
Assistant General Counsel
American Electric Power Service Corporation
400 West 15th Street, Suite 1520
Austin, Texas 78701
ATTORNEY FOR AEP Texas Central Company and AEP Texas North Company

_____ Date: Aug 18, 2011

Scott Seamster
State Bar No. 00784939
Corporate Counsel
Texas-New Mexico Power Company
225 E. John Carpenter Fwy, Suite 1500
Irving, Texas 75062
ATTORNEY FOR Texas-New Mexico Power Company

_____ Date:_____

Jason M. Ryan
State Bar No. 24033150
Assistant General Counsel
CenterPoint Energy, Inc.
P.O. Box 61867
Houston, Texas 77208
ATTORNEY FOR CenterPoint Energy Houston Electric, LLC

ATTACHMENT 2

PUC DOCKET NO. _____

APPLICATION OF DPI ENERGY, LLC FOR AN AMENDMENT TO ITS RETAIL ELECTRIC PROVIDER (REP) CERTIFICATION, PURSUANT TO SUBST. R. §25.107	§ § § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS

CONSENT ORDER
(REVOCATION OF REP CERTIFICATE)

This Order addresses the Settlement Agreement and Report to Commission (Agreement) between the Staff of the Public Utility Commission (Staff), dPi Energy, LLC (dPi Energy), Zahed "Ed" Lateef, CenterPoint Energy Houston Electric, LLC (CenterPoint), and Texas-New Mexico Power Company (TNMP) (individually, a Party, and together Parties) regarding dPi Energy, LLC's (dPi Energy) application to amend its retail electric provider ("REP) Certificate No. 10130 and the Staff's Recommendations on Final Disposition, Motion to Consolidate REP Applications, and Counter-Petition to Revoke the Retail Electric Provider Certificate of dPi Energy, LLC. This docket was processed in accordance with applicable statutes and Commission rules. This Consent Order resolves all issues in this docket. dPi Energy acknowledges the violations detailed herein and consents to the entry of this order.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

1. dPi Energy is a Retail Electric Provider (REP) as defined in § 17.002(6) of PURA[1] and P.U.C. SUBST. R. 25.5(115).

2. dPi Energy currently holds REP Certificate No. 10130.

3. In October 2006, the Commission granted Current Power and Light, LLC REP Certificate No. 10130 in Docket No. 33227, *Application of Current Power and Light, LLC for Retail Electric Provider (REP) Certificate.*

[1] Public Utility Regulatory Act, TEX. UTIL. CODE ANN.§§ 11.001-66.017 (Vernon 2007 & Supp. 2010) (PURA).

4. In March 2007, the Commission granted Current Power and Light, LLC administrative approval to change its name to dPi Energy, LLC in Docket No. 33818, *Application of Current Power and Light, LLC for an Amendment to its REP Certificate.*

5. dPi Energy is a wholly owned subsidiary of dPi Teleconnect, LLC (dPi Teleconnect).

6. On November 17, 2009, dPi Teleconnect was sold by its parent company, Rent-a-Center, to Amvensys Holdings, LLC (Amvensys), which resulted in a change in ownership and control of dPi Energy from Rent-a-Center to Amvensys. On January 25, 2010 dPi Energy filed the instant application to amend its REP certificate to reflect this change in ownership.

7. At the time of this application, Amvensys owned 100% of the membership interests of dPi Teleconnect, which owned 100% of the membership interests of dPi Energy; and Mr. Zahed Lateef and Mrs. Lubna Lateef each owned a 50% share of Amvensys.

8. dPi Energy, LLC's REP certificate amendment application and responses to requests for information filed in this Docket (No. 37917) identify Z. Ed Lateef and Lubna Lateef as the owners of 100% of the membership interest in Amvensys Telecom Holdings, LLC. Amvensys Telecom Holdings, LLC holds 100% of the membership interest in dPi Teleconnect, LLC. dPi Teleconnect, LLC owns 100% of the membership interest in dPi Energy, LLC. Additionally, the application and responses identify Thomas G. O'Roark, Vincent Arena, Jerry Brennan, and Robert Gaston as the Chief Executive Officer, Chief Financial Officer, Vice President of Operations, and Vice President of Energy Operations of dPi Energy, LLC, respectively. The Texas Office of the Secretary of State lists the following officers and directors of dPi Energy, LLC:

Name	Title	Address
Z. Ed Lateef	Chairman	3350 Boyington Dr. #200 Carrollton, TX 75006
Z. Ed Lateef	Director	3350 Boyington Dr. #200 Carrollton, TX 75006
Sunil Kumar	Director	3350 Boyington Dr. #200 Carrollton, TX 75006
Thomas G. O'Roark	Chief Executive Officer	3350 Boyington Dr. #200 Carrollton, TX 75006

9. Since November of 2009, Mr. Zahed Lateef has owned, and currently owns, more than 10% of dPi Energy.

10. Mr. Zahed Lateef was a minority shareholder and principal of Sure Electric, LLC d/b/a Riverway Power (Riverway Power), a REP whose certificate had been revoked by the Commission in 2008, and which experienced a mass transition of its customers to a provider of last resort (POLR). Mr. Zahed Lateef was also a principal of National Power Company, Inc (National Power). National Power's REP certificate has been revoked and it experienced a mass transition of its customers to POLRs. Mr. Lateef, however, was not a principal at the time National Power's certificate was revoked and the customers were transitioned to POLRs. On January 25, 2010, dPi Energy filed an application in this docket to amend its REP Certificate to reflect the sale of dPi Teleconnect from Rent-a-Center to Amvensys (Change in Ownership Application).

11. On July 2, 2010, in response to the amendment application, Commission Staff recommended denial and filed a Counter-Petition seeking revocation of REP Certificate No. 10130.

12. On March 4, 2011 Commission Staff filed an Amended Counter-Petition to Revoke the Retail Electric Certificate of dPi Energy.

13. dPi Energy violated P.U.C. SUBST. R. §25.107(g)(1)(D) because Mr. Lateef was an owner and director of Riverway Power at the time it experienced a mass transition of its customers to POLR and he is therefore prohibited from owning more than 10% of dpi Energy.

14. dPi Energy violated P.U.C. SUBST. R. §25.107(i) because dPi failed to timely file to amend its REP certificate to reflect the change in ownership from Rent-a-Center to Amvensys in 2009.

15. dPi Energy violated P.U.C. SUBST. R. 25.107(g) by failing to update information required in its Change in Ownership Application.

16. dPi Energy violated P.U.C. SUBST. R. 25.107(g)(2)(B) by failing to disclose in its Change in Ownership Application the complaint history, disciplinary record or compliance record of Riverway Power. In particular, dPi Energy did not disclose the

revocation of Riverway Power's REP certificate in Docket No. 35783 and did not disclose Mr. Lateef's role with Riverway Power.

17. dPi Energy violated P.U.C. SUBST. R. 25.107(g)(2)(B) & (E) by failing to disclose in its Change in Ownership Application the complaint history, disciplinary record or compliance record of Riverway Power. In particular, the Applicant did not disclose the felony theft-by-check conviction of Mr. Lateef.

18. dPi Energy violated P.U.C. SUBST. R. 25.107(j)(1) by providing inconsistent, misleading, and false information in its Change in Ownership Application.

19. dPi Energy does not possess the managerial resources and ability necessary "to supply electric service at retail in accordance with its customer contracts" required by P.U.C. SUBST. R.25.107(g) & (h). dPi Energy does not meet the managerial requirements because: (1) one of its owners, Z. Ed Lateef, was an owner, principal, and/or director of a REP that experienced a mass transition of its customers to POLR and was subsequently revoked by the Commission (Riverway Power); (2) Mr. Lateef was the owner, principal, and/or director of two REPs that have had their certificates revoked by the Commission (National Power and Riverway Power); (3) Mr. Lateef was the owner, principal, and/or director of a REP that exited the market owing money to at least three transmission and distribution utility providers (TDSPs) and ERCOT (Riverway Power); and (4) dPi Energy has violated Commission rules.

20. dPi Energy violated P.U.C. SUBST. R. 25.107(f)(2)(A), requiring the maintenance of a separate segregated account for customer deposits, by failing to timely demonstrate compliance.

21. dPi Energy violated P.U.C. SUBST. R. 25.107(g)(1)(D) & (E), which requires the demonstration of certain managerial recourses, by failing to timely demonstrate compliance.

22. On June 28, 2010, the Commission's Executive Director issued a Notice of Violation (NOV) to dPi Energy notifying it that the Oversight and Enforcement Division of the Commission recommended assessment of administrative penalties against dPi Energy. The NOV was based on dPi Energy's failure to comply with PURA §§ 17.004 and

39.101 and P.U.C. SUBST. R. 25.107, 25.474, 25.475, 25.479, 25.480, and 25.485 relating to Customer Protection Rules for Retail Electric Service and Retail Electric Provider Certification. An amended Notice of Violation (NOV) was filed on October 28, 2010, which detailed additional violations and penalties. On December 17, 2010, a Consent Order was issued by the Commission in which dPi Energy acknowledged the violations, consented to entry of the Order and agreed to pay a $104,250.00 administrative penalty.

23. On October 15, 2010, an Administrative Law Judge (ALJ) at the State Office of Administrative Hearings (SOAH) admitted CenterPoint Energy Houston Electric, LLC (CenterPoint Houston), AEP Texas Central Company (TCC), AEP Texas North Company (TNC), and Texas-New Mexico Power Company (TNMP) as intervening parties to the proceeding.

24. Both Staff and dPi Energy filed direct testimony in support of their respective positions , as well as responsive testimony on the relief sought by the other party. CenterPoint filed responsive and rebuttal testimony addressing its concerns in the proceeding.

25. On January 24, 2010, the Parties agreed to waive a live hearing and proceed with briefing on the basis of the pre-filed testimony and discovery responses of the Parties.

26. Subsequent to briefing, the Parties participated in settlement discussions and SOAH-assisted mediation, the purpose of which was to reach an amicable resolution of the amendment application at issue and the allegations made by Staff in the revocation Counter-Petition.

27. On September 1, 2011, the Commission approved the Parties' Settlement Agreement.

28. The Agreement provided that if Amvensys failed to present an executed Purchase and Sale Agreement ("PSA") to Staff and the Parties on or before October 1, 2011, absent an Order by the Commission extending the deadline for completion of the PSA, the Parties agreed to present to the Commission this Consent Order revoking the Retail Electric Provider Certificate of dPi Energy (No. 10130).

29. The Agreement further provided that if Staff and dPi Energy received written notice from a Party that dPi Energy had failed to pay its ordinary course of business debts and

obligation, the Parties' agreed to Consent Order revoking the Retail Electric Provider Certificate of dPi Energy would be presented to the Commission.

30. dPi Energy acknowledges the violations in this Order and consents to the entry of this Order.

31. All findings of fact are dually considered conclusions of law.

I. Conclusions of Law

1. The Commission has jurisdiction over this matter pursuant to PURA §§ 14.051, 15.023, 17.051 39.352 and 39.356, and P.U.C. SUBST. R. 25.107.

2. dPi Energy admits to the jurisdiction of the Commission over the Parties to this proceeding and the subject matter of this Consent Order.

3. dPi Energy was provided proper notice of Commission Staff's Counter-Petition to Revoke the Retail Electric Provider Certificate of dPi Energy. dPi Energy waives any notice required by the Texas Administrative Procedure Act and does not challenge the authority of the Commission to enter this Consent Order.

4. P.U.C. SUBST. R. 25.107(f)(2)(A) requires that a REP maintain customer deposits "in an escrow account or segregated cash account, or provide an irrevocable stand-by letter of credit payable to the Commission in an amount sufficient to cover 100% of the REPs outstanding customer deposits and residential advance payments held at the close of each month."

5. P.U.C. SUBST. R. 25.107(g)(1)(D) requires that a REP maintain "principals or permanent employees in managerial positions whose combined experience in the competitive electric industry or competitive gas industry equals or exceeds 15 years." Additionally, it states that "an individual that was a principal of a REP that experienced a mass transition of the REP's customers to a Provider of Last Resort (POLR) shall not be considered for purposes of satisfying this requirement, and shall not own more than 10% of a REP or directly or indirectly control a REP."

6. P.U.C. SUBST. R. 25.107(g)(1)(E) requires that a REP maintain "at least one principal or permanent employee who has five years of experience in energy commodity risk management of a substantial energy portfolio."

7. P.U.C. SUBST. R. 25.107(g)(2)(B) requires that a REP applicant disclose in its initial application for REP certification "any complaint history, disciplinary record, and compliance record of the applicant, the applicant's affiliates, and the applicant's principals during the 60 months immediately preceding the application."

8. P.U.C. SUBST. R. 25.107(g)(2)(E) requires that a REP applicant disclose in its initial application for REP certification "whether the applicant or the applicant's principals have been convicted or found liable for fraud, theft, larceny, deceit, or violations of any securities law, customer protection law, or deceptive trade laws in any state."

9. P.U.C. SUBST. R. 25.107(h) requires that a REP "shall comply with all applicable customer protection requirements, including disclosure requirements, marketing guidelines and anti-disclosure discrimination requirements."

10. P.U.C. SUBST. R. 25.107(i)(3) requires an applicant for a REP certificate to "amend its certification within ten working days of a material change to the information provided as the basis for the commission's approval of the certification application."

11. The Commission may revoke a REP's certificate for significant violations of the Commission's rules pursuant to PURA §§ 14.051, 17.051, 39.151(j), 39.352, and 39.356(a).

12. "Significant violations" that warrant REP Certificate revocation under PURA § 39.356(a) include: (1) providing false or misleading information to the Commission; (2) failure to maintain financial resources in accordance with P.U.C. SUBST. R. 25.107(f); (3) conviction of a felony by the certificate holder, a person controlling the certificate holder, or principal employed by the certificate holder; and (4) other significant violations, including the failure or a pattern of a failures to meet the requirements of P.U.C. SUBST. R. 25.107 or other Commission rules or orders. P.U.C. SUBST. R. 25.107(j)(1), (6), (12), and (17).

13. All conclusions of law are dually considered findings of fact.

14. The requirements of informal disposition pursuant to P.U.C. PROC. R. 22.35 have been met in this proceeding.

15. Entry of this Order by informal disposition is appropriate under Tex. Gov't. Code Ann. § 2001.056 (Vernon 2011).

II. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following order:

1. The Retail Electric Provider Certificate No. 10130 is hereby revoked. The effective date of the revocation is 30 days after the date this Order is final.

2. dPi Energy is hereby ordered to provide written notice to all customers of this revocation and of dPi Energy's cessation of operations within 10 days of the date this Order is final. This notice shall be provided to Commission Staff in advance of being issued to customers for approval. It shall include a statement that the customer has the right to choose another retail electric provider, as well as the following statement: "If you would like to see offers from different retail electric providers, please access www.powertochoose.com, or call toll-free 1-866-PWR-4-TEX (1-866-797-4893)."

3. dPi Energy shall comply with all Commission rules and Electric Reliability Council of Texas (ERCOT) Protocols for cessation of operations, in returning customer deposits and prepayments, meeting financial obligations, and transitioning customers to their Providers of Last Resort. These rules include, but are not limited to, the provisions in P.U.C. PROC. R 25.43, 25.47, and 25. 107.

4. The Commission shall not be constrained in any manner from requiring additional action or penalties for violations that are not raised here.

5. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other request for general or specific relief, if not expressly granted herein, are denied.

SIGNED AT AUSTIN, TEXAS on the _____ day of _____ 2011.

PUBLIC UTILITY COMMISSION OF TEXAS

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DONNA L. NELSON, CHAIRMAN

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KENNETH W. ANDERSON, JR., COMMISSIONER