

GREEN MOUNTAIN ENERGY COMPANY

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

DECEMBER 31, 2012

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To Green Mountain Energy Company:

We have performed the procedures enumerated below, which were agreed to by management of Green Mountain Energy Company (the Company), solely to assist the users in evaluating management's assertion that the Schedule of Retirements of Renewable Energy Certificates and Carbon Offsets Against 2012 Sales for the year ended December 31, 2012, attached as **Exhibit I**, is presented in accordance with the terms of the Company's sales obligations resulting from the sale of (1) bundled electricity and (2) other non-electricity based products. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings are as follows:

1) Green Book Procedures

- We noted that the Green Book is the Company's internally-developed tool used to track its purchased supply of renewable energy certificates (RECs) and carbon offsets and to track the allocation of that supply in order to satisfy its sales obligations of the following products:
 - Green-e Energy® certified unbundled REC sales to end-use customers
 - REC supply that was used to provide end-use customers with renewable electricity
 - Climate Action Reserve certified carbon offset sales to end-use customers
- We obtained copies of the Company's 2012 and 2011 Green Books.
- We agreed **Exhibit I** to the 2012 Green Book with the following exception:
 - The 2012 Green Book reported 27,050 metric tons of carbon offset sales while **Exhibit I** reports 27,115 metric tons of carbon offsets retired for an over retirement of 65 metric tons.
- We recalculated the excess unallocated megawatt hour (MWh) inventory of RECs and metric tons of offsets from the 2011 Green Book which was carried forward and used to source sales in the 2012 Green Book, without exception.

1) Green Book Procedures – Continued

- We recalculated the total purchases by supplier in the 2012 Green Book. We compared volumes purchased to volumes sold per the 2012 Green Book and noted that purchases were equal to or greater than the MWh or tons allocated to 2012 sales, without exception.

2) Purchase Testing Procedures

- We agreed all purchases tested in the Green-e Energy Agreed Upon Procedures to the 2012 Green Book without exception. A total of 95% of REC purchases were certified as Green-e Energy and tested under those procedures. Green-e Energy certification means that the RECs meet the eligibility criteria defined in the Green-e Energy® National Standard including:
 - Sourced from new renewable resources built since 1998
 - Generated within a 21-month window that aligns with the year in which they are sold (e.g., July 2011-March 2013 for sales occurring in 2012)
 - The renewable attributes are claimed only once and the claims are subject to an annual verification process
- We selected a sample of purchases used as supply for the renewable component of bundled electricity sales, that were not tested during the Green-e Energy Agreed Upon Procedures, from the 2012 Green Book. Our sample was selected using a 95% confidence level, tolerable deviation of 10%, and expected deviation rate of equal to or less than 3%, and resulted in selection of approximately an additional 3% of REC purchases by volume. We performed the following procedures on the selected purchases:
 - Obtained a copy of the Tracking System Report or completed and signed Wholesale Attestation and Generator Attestation, as applicable, without exception.
 - Confirmed the Company was named as the purchaser on the Wholesale Attestation or Generator Attestation, where applicable, without exception.
 - Confirmed the Company is named as the owner of the Tracking System account, where applicable, by observing a Company representative access the Company's Tracking System account, without exception.

2) Purchase Testing Procedures – Continued

- Agreed the facility name, resource type, period of generation, and MWh generated or purchased per the 2012 Green Book to the Tracking System Report or Wholesale and Generator Attestation, as applicable, without exception.
- For supply listed in the 2012 Green Book as “new,” we verified that the date of the generating facility’s first operations or repowering date was after January 1, 1998 through review of the Generator Attestation, Green-e Energy website’s Generators that have submitted Tracking System Attestations or the United States Energy Information Administration database of all generators, without exception.
- For supply listed in the 2012 Green Book as “existing,” we verified that the date of the generating facility’s first operations was before January 1, 1998 through review of the Generator Attestation or the United States Energy Information Administration, without exception.
- We confirmed that the period of generation for supply allocated to 2012 sales was within the period of July 1, 2011 through March 31, 2013 for all REC purchases, except for RECs resold to wholesale customers for compliance with the Texas renewable portfolio standard, which allows RECs from the previous two calendar years (in this case, 2010 and 2011) to be used for compliance obligations in the current calendar year; to meet customer load for participants in the New Jersey Clean Power Choice program; or meet the requirements of the New Jersey Renewable Portfolio Standard, which operates on a reporting year from June through May (in this case, June 1, 2011 through May 31, 2012), without exception.
- We confirmed that supply purchased prior to 2012 which was used to source 2012 sales was not also allocated to sales in previous periods by tracing that supply to the 2011 Green Book and verifying it was not previously allocated to sales, without exception.
- We selected all purchases used to supply carbon offset retirements from the 2012 Green Book. We performed the following procedures on the purchases:
 - We obtained a copy of the purchase contract and agreed the project name, metric tons purchased, and vintage to the 2012 Green Book without exception.

3) Sales Testing Procedures

- We obtained the Company's internal customer usage reports for the Texas Residential Services region and performed the following procedures:
 - Agreed the total MWh sold per the internal customer usage reports to the sales for the Texas Residential Services products per the 2012 Green Book, without exception.
 - Selected the months of March and July 2012 from the Texas Residential Services sales usage reports and performed the following:
 - Obtained detailed internal sales reports for the Texas Residential Services sales for the selected months.
 - Agreed the monthly usage detail to the internal sales reports, with the following exceptions:
 - The internal sales reports for March 2012 reported 0.030% less MWh than the sales obligations per the 2012 Green Book.
 - The internal sales reports for July 2012 reported 0.001% less MWh than the sales obligations per the 2012 Green Book.
 - Randomly selected invoices from the March and July 2012 internal sales reports using a 95% confidence level, tolerable deviation of 10%, and expected deviation rate of equal to or less than 3%.
 - For the selected invoices, we agreed the total kilowatt-hour (kWh) usage per the invoice to the internal sales reports, without exception.
- We obtained electricity usage reports for the renewable energy products that the Company sold to residential and commercial customers participating in Portland General Electric's (PGE) green pricing program. The Company represented to us that the usage reports contained unaltered data received directly from PGE.
 - We agreed the total MWh sold per the electricity usage reports to the sales for PGE renewable energy per the 2012 Green Book, without exception.

3) Sales Testing Procedures – Continued

- We obtained electricity usage reports for the renewable energy product that the Company sold to residential customers participating in the New Jersey Clean Power Choice program. The Company represented to us that the usage reports contained unaltered data received directly from load-serving utilities of customers participating in the Clean Power Choice Program.
 - We agreed the total MWh sold per the electricity usage reports to the sales for the New Jersey product, without exception.
- We obtained electricity usage reports for the renewable energy product that the Company sold to residential customers participating in the New York National Grid GreenUp program. The Company represented to us that the usage reports contained unaltered data received directly from National Grid.
 - We agreed the total MWh sold per the electricity usage reports to the sales for the New York product per the 2012 Green Book, without exception.
- We obtained the third party billing reports for Texas Commercial Services, New York Residential and Commercial Services, Pennsylvania Residential and Commercial Services and New Jersey Commercial Services sales.
 - We agreed the total MWh sold per the third party billing reports to the sales for the Texas Commercial Services, New York Residential and Commercial Services, Pennsylvania Residential and Commercial Services and New Jersey Commercial Services products per the 2012 Green Book, with the following exceptions:
 - The third party billing data reported 0.002% more MWh than the sales per the 2012 Green Book for New York Residential Services.
 - The third party billing data reported 0.093% less MWh than the sales per the 2012 Green Book for the New Jersey Commercial Services.

3) Sales Testing Procedures – Continued

- Selected the months of March and July 2012 from the Texas Commercial Services, New York Residential and Commercial Services, Pennsylvania Residential and Commercial Services and New Jersey Commercial Services sales usage reports and performed the following:
 - Obtained detailed internal sales reports for the Texas Commercial Services, New York Residential and Commercial Services, Pennsylvania Residential and Commercial Services and New Jersey Commercial Services sales for the selected months.
 - Agreed the monthly usage detail to the internal sales reports, with the following exceptions:
 - The internal sales reports for March 2012 reported 0.001% less MWh than the sales obligations per the 2012 Green Book.
 - The internal sales reports for July 2012 reported 0.004% less MWh than the sales obligations per the 2012 Green Book.
- Randomly selected sales from the population of Texas Commercial Services, New York Residential and Commercial Services, Pennsylvania Residential and Commercial Services and New Jersey Commercial Services sales invoices, using a 95% confidence level, tolerable deviation of 10%, and expected deviation rate of equal to or less than 3%.
 - For the selected sales, we agreed the kWh usage per the invoices to the billing system summary report for the service period and to the third party billing report, without exception.
- We noted that approximately 97% of the unbundled REC sales per the 2012 Green Book were tested through the Green-e Energy Agreed Upon Procedures.

3) Sales Testing Procedures – Continued

- We obtained internal Company reports for sales of the carbon offset products.
 - We agreed the total offset obligations to the 2012 Green Book, without exception.
 - We randomly selected a sample of offset sales using a 95% confidence level, tolerable deviation of 10%, and expected deviation rate of equal to or less than 3%. We performed the following procedures on the selected sales:
 - Agreed selected sales to copies of invoices, contracts and/or sales confirmations, with the following exceptions:
 - We noted a total of 1.961% more carbon offsets than required were allocated to the selected sales in the 2012 Green Book.
 - These procedures resulted in testing 90% of offsets sales by volume.
- We selected all voluntary and mandatory REC retirements and transfers (Oregon only) for the Texas, Oregon, New York, New Jersey and Pennsylvania regions and agreed the retirements or transfers (Oregon only) to the Company's ERCOT, WREGIS, MRETS, and PJM-GATS tracking system accounts, without exception.
- We selected all offset retirements from **Exhibit I** and agreed the retirements to the Company's Carbon Action Registry tracking system account, without exception.

3) Product Content Requirements Procedures

- We obtained product content labels or electricity facts labels for each electricity product with sales of more than 10,000 MWh and sales agreements or other product content documentation for all carbon offsets sold.
- We agreed the product definitions per the 2012 Green Book to the documentation selected, without exception.

4) Product Content Requirements Procedures – Continued

- We recalculated the REC and carbon offset requirements per the 2012 Green Book for each product definition, without exception. Each REC sold is equivalent to 1 MWh, and each offset sold is equivalent to 1 metric ton of carbon dioxide-equivalent.
- We recalculated the net open positions, defined as the difference between the RECs required based on sales data and the RECs allocated to each region in the 2012 Green Book, and noted the following:
 - The Company allocated less than 0.001% more RECs to the Texas Residential products than required.
 - The Company allocated 0.003% fewer RECs to the New York Residential products than required.
 - The Company allocated 0.093% more RECs to the New Jersey Commercial products than required.
- We recalculated the total metric tons of carbon dioxide offset through sales of offsets.
- We recalculated the difference between the carbon offsets required based on sales data and the carbon offsets retired in the Carbon Action Registry, and noted the following:
 - The Company retired a total of 1.04% more offsets than required.

The above procedures were agreed to by management to assist the users in evaluating management's assertion that the Schedule of Retirements of Renewable Energy Certificates and Carbon Offsets against 2012 Sales (**Exhibit I**) of Green Mountain Energy Company for the year ended December 31, 2012 is presented in accordance with the terms of the Company's sales obligations resulting from the sale of (1) bundled electricity and (2) other non-electricity based products.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

To Green Mountain Energy Company
August 13, 2013

Page 9

This report is intended solely for the information and use of management and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes and is not intended to be and should not be used by anyone other than these specified parties.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
August 13, 2013