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Energy Supplier to Pay \$150,000 Fine for Violating PSC Rules

For Immediate Release: January 12, 2022 Media Contact: Tori Leonard | tori.leonard@maryland.gov | (410) 767-8054

(BALTIMORE, MD) – The Maryland Public Service Commission has approved a settlement agreement under which Statewise Energy Maryland, LLC will pay a \$150,000 civil penalty for violations of Maryland law and Commission consumer protection regulations for deceptive marketing practices and enrolling customers in electricity and natural gas retail supply without proper authorization.

Between May 2019 and June 2021, customers complained that Statewise enrolled them without their consent and without proper contract documents, and that agents of the company told potential customers they were from their utility or a Maryland government agency and promised savings on their energy bills but then charged customers higher rates. The Commission's Consumer Affairs Division also testified that customers were given documents showing different fee amounts for cancelling a contract than what appeared in the company's terms and conditions.

"The case against Statewise is the latest in recent actions taken by the Commission against energy suppliers who break our rules," said Jason M. Stanek, Commission Chairman. "Over the past two-and-a-half years, the Commission has levied more than \$1 million in civil penalties against energy suppliers and initiated seven formal proceedings–and revoked one supplier's license–for deceptive marketing practices, unauthorized enrollments, and other violations."

In addition to the civil penalty, the settlement agreement ensures that Statewise provides customers with a signed copy of the agreement along with a contract summary.

Statewise, an affiliate of SFE Energy Maryland, Inc., was licensed by the Commission as an energy supplier in October 2018. The company has been suspended from door-to-door sales and telemarketing in Maryland since June of 2021—with Commission approval of the settlement agreement, that suspension is now lifted.

Any customer who has questions or a complaint against a retail energy supplier can contact the Consumer Affairs Division at <u>https://www.psc.state.md.us/online-complaints/</u> The Commission maintains a list of suppliers with three or more complaints in any given month on its website: <u>https://www.psc.state.md.us/retail-energy-supplier-complaint-reports/</u>

Retail energy choice has been an option to Maryland utility customers since 2000; residential customer choice for electricity supply is available in the service territories of Baltimore Gas and Electric, Delmarva Power, Pepco, Potomac Edison and Southern Maryland Electric Cooperative; gas choice is available to residential customers of BGE and Washington Gas. More information about customer rights and supplier responsibilities can be found at www.MDEnergyChoice.com

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About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Charles County, Cumberland and Hagerstown) and bay pilot rates.

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