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Settlement Approved in Case Against Retail Energy Supplier SFE
Company to refund customers, pay civil penalty after consumer protection violations

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Baltimore, MD – The Maryland Public Service Commission has approved a settlement in the case against SFE Energy Maryland to resolve allegations that the electricity and natural gas supplier engaged in deceptive practices and failed to comply with the Commission’s customer protection regulations.

Under the terms of the settlement, SFE will pay a \$150,000 civil penalty, and must also refund \$400,000 to certain customers who were enrolled by door-to-door marketing, those who paid early termination fees and those who received state utility bill assistance but paid more than their utility’s default rate.

Between January 1, 2020 and September 30, 2022, the Commission’s Consumer Affairs Division (CAD) received dozens of complaints against SFE alleging deceptive marketing, non-compliance with contracting requirements and customers being enrolled without their consent (known as ‘slamming’). The Commission’s Technical Staff brought a formal complaint to the Commission in January 2023, after which the Commission issued a show cause order directing the company to specify why its energy supplier license should not be suspended or revoked, and delegated the matter to the Public Utility Law Judge Division for hearing.

The parties to the case, including SFE, the Maryland Office of People’s Counsel and Commission Staff, filed a settlement agreement in October 2023. The law judge’s proposed order approving the settlement became a final order of the Commission on December 29, 2023.

In addition to the civil penalty and refunds, SFE is subject to additional requirements, including providing an electronic database of its sales agents showing they are licensed by local jurisdictions for door-to-door marketing, and requiring agents’ business cards to note that SFE is not a representative of the customer’s utility, and providing contact information for CAD. Once these and other operational changes have been implemented, SFE will be permitted to resume door-to-door sales.

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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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