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For Immediate Release

Maryland PSC Grants Energy Supplier's Motion to Delay Commission Action

(BALTIMORE, MD-April 9, 2021) – The Maryland Public Service Commission has granted the motion of SmartEnergy Holdings, Inc. to stay the Commission's March 31, 2021 order that required the electricity supplier to return its customers to utility default service by Saturday, April 10, 2021 and provide refunds within 30 days to all of its customers that had been solicited by phone. Earlier this week, SmartEnergy filed a motion in Montgomery County Circuit Court seeking a stay, pending judicial review, of the Commission's March 31 action.

In the March 31 order, the Commission found that SmartEnergy violated provisions of the Maryland Telephone Solicitations Act by not obtaining a written contract that was signed by the customer. SmartEnergy also did not provide customers with a contract <u>summary</u> of the transaction, as required by Commission regulations, for enrollments between February 2017 and May 2019. Even after providing contract summaries beginning in June 2019, the Commission found that SmartEnergy still failed to comply with consumer protection regulations requiring the supplier to: confirm that customer questions relating to the contract are answered; confirm that an independent third-party verifies the contract or records the entire telephone conversation and maintains the recording for the duration of the contract; and, disclose all material contract terms and conditions to the customer over the telephone.

SmartEnergy has agreed to continue the moratorium imposed by the Commission prohibiting adding or soliciting new customers in Maryland until a ruling by the Circuit Court on the merits of its appeal, and offered additional financial security in the amount of \$2.5 million to satisfy refunds to some customers if its appeal is denied. Upon extending these conditions through the conclusion of any appeal by SmartEnergy or other parties, the Commission finds that granting a stay subject to these terms and conditions is appropriate.

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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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