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Major Retail Energy Supplier Ordered to Halt Enrollment of New Customers

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(BALTIMORE, MD) — The Maryland Public Service Commission has directed SFE Energy Maryland, Inc., a retail energy supplier with over 20,000 electric and gas customers in the state, to cease door-to-door solicitation of new customers in Maryland, effective midnight on Sunday, March 26, 2023.

At a hearing conducted on Wednesday, the Commission determined that SFE Energy may have violated state laws and regulations and that a moratorium is necessary to protect consumers and to ensure that SFE Energy's practices are compliant. Particular concerns were raised regarding the door-to-door sales practices used by SFE Energy to enroll customers, a function that a witness for SFE Energy testified that it outsources to sales agents employed by iMarket Global, Inc. Customers have alleged that SFE agents claimed to be from a utility (BGE, etc.), that SFE signed them up for service without the customer's permission, or that agents did not provide customers with the required contract documents.

Having determined that material issues of fact exist, the Commission directed an administrative law judge to conduct an evidentiary hearing regarding these matters and to report findings to the Commission on an expedited basis. The Commission has docketed this case as No. <u>9690</u>.

The Commission launched a six-month 'maximum enforcement' period on February 1, after noting record-high numbers of complaints against suppliers in recent months. This effort is considered 'all hands on deck' to marshal more internal resources to investigate and, if necessary, prosecute retail energy suppliers who are failing to abide by the state's laws and regulations. It will also involve using these resources and expedited procedures to, if necessary, invoke civil penalties and/or revoke supplier licenses. This enhanced effort is over and above actions the Commission already takes to scrutinize the energy supplier marketplace.

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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.