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For Immediate Release

Maryland PSC Fines and Suspends License of Energy Supplier

Civil penalty of \$561,000 imposed against Smart One Energy

(BALTIMORE, MD-August 2, 2019) – The Maryland Public Service Commission has taken action against a retail energy supplier, Smart One Energy, LCC, for enrolling customers without their consent – known as ‘slamming’ – and other violations of Maryland law. In an order issued today, the Commission suspended Smart One’s license to operate as a natural gas supplier in Maryland and also imposed a civil penalty of \$561,000 – the largest civil penalty the PSC has ever levied against a retail supplier.

This matter stemmed from a filing in May by the Commission’s Technical Staff alleging that Smart One Energy engaged in unfair and deceptive marketing practices. That filing was a result of three customer complaints filed with the Commission’s Consumer Affairs Division. Smart One Energy, which has principal offices in New York, has been licensed in Maryland since 2011. According to the company, it has served about 17,000 customers in the state over the past five years and currently has more than 10,000 customers in Maryland.

The Commission found that Smart One Energy violated specific provisions of Maryland law by enrolling customers without a signed contract, failing to provide a contract summary to customers, and engaging in deceptive solicitations. In both its written response and at the Commission’s July 17, 2019 Administrative Meeting, Smart One Energy admitted to committing these alleged violations. The company also admitted that, with regard to all of its customers in Maryland, it has never received signed written contracts or provided contract summaries to those customers, as required by Maryland law and Commission regulations.

“Maryland is committed to a thriving, competitive energy marketplace because customers stand to benefit from potentially lower rates, renewable and innovative energy products and promotional incentives,” said Jason M. Stanek, Chairman of the Commission. “However, we are very concerned about the practices of a few retail suppliers, whose actions can harm customers and retail competition in Maryland. The Commission’s oversight will remain vigilant and it will take action if our rules to protect customers are not followed,” said Chairman Stanek.

In addition to the penalty, the Commission also directed that all of Smart One Energy's existing customers must be returned to default service with their respective natural gas utilities in accordance with PSC regulations. Smart One Energy must provide notification of this action to all of its customers within one week of today's order. If they choose to, customers can also switch to another retail natural gas supplier. The Commission will address any potential customer refunds in a subsequent order.

Customers with complaints about retail energy suppliers are encouraged to contact the Commission's Consumer Affairs Division at (410) 767-8028. Complaints can also be filed on the Commission's web site, <https://www.psc.state.md.us/online-complaints/>

The Commission will also provide notice of this action to the Maryland Office of the Attorney General and other state utility regulatory commissions where Smart One Energy operates.

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About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities, 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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