

# ALTERNATIVE ENERGY SUPPLIERS FACT SHEET

## FORMAL CASE NOS. 1105 AND 1107

In early 2013, the Office of the People’s Counsel began receiving a number of consumer complaints regarding the business practices of certain alternative energy suppliers operating in the District of Columbia. This consumer outcry prompted the Office to file a petition with the Public Service Commission (PSC) to initiate an investigation into the business practices of all Alternative Energy Suppliers operating within the District.

### **INITIAL PETITION:**

- The Initial Petition was filed on April 1, 2013 and included 59 consumer complaints against a number of electric and gas suppliers.
- The issues raised by consumers included: unauthorized switching of providers (commonly known as “slamming”), overly aggressive marketing practices, misrepresentation of an affiliation with Pepco and/or other government energy programs and deceptive billing practices.
- OPC requested the PSC to initiate a wide ranging investigation of all Alternative Energy Suppliers in DC to determine the scope and nature of the alleged bad business practices.
- Upon finding violations, OPC requested imposition of sanctions—including fines, suspension or revocation of license.

The Commission granted OPC’s Petition in part, opening an investigation against Starion Energy (FC 1105) and scheduled a public hearing for July 12, 2013, to determine if a wide-ranging investigation was necessary. A total of 22 public witnesses testified about their experiences with alternative energy suppliers—21 of out of the 22 witnesses testified against Starion. In response to a significant increase in consumer complaints, OPC filed a Supplement to its Initial Petition.

### **SUPPLEMENT TO THE PETITION:**

- The Supplement filed on July 22, 2013, noted that OPC received a total of 172 complaints from a total of 170 consumers (including 82 seniors).
- Of the 172 complaints received by OPC, 120 complaints named Starion.

### **WHERE WE STAND:**

The PSC declined to open an investigation of all alternative energy suppliers in the District, as requested by OPC. Instead, the Commission opened FC 1107 where it will:

- Evaluate the existing consumer protection rules as they relate to the business practices of alternative energy suppliers.
- Revise the rules where appropriate to better safeguard District residents.

The PSC also issued a Cease and Desist Order to Starion Energy in Formal Case No. 1105 directing Starion to discontinue any activities in violation of consumer protection laws. The PSC has also scheduled an evidentiary hearing to determine whether and to what extent Starion may be in violation of the consumer protection laws.

***The evidentiary hearing is scheduled for November 14, 2013 at the DC Public Service Commission.***



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