

PURA Levies \$250,000 Civil Penalty Against Choice Energy

In a Decision released on June 13, 2018 in Docket No. 14-07-15, the Public Utilities Regulatory Authority (PURA) assessed a civil penalty of \$250,000 against Choice Energy, LLC (Choice). To date, this is the highest civil penalty that PURA has imposed against a third-party electric supplier. In its Decision, PURA determined that Choice failed to comply with relevant law when it abruptly discontinued its contractual savings guarantee with 16,069 customers as of January 1, 2013. Specifically, General Statutes of Connecticut (General Statutes) § 16-245o(h)(8) prohibits electric suppliers from making material changes in the terms or duration of any contract for the provision of electric generation services without the customer's express consent. Choice violated Section 16-245o(h)(8) when it unilaterally eliminated its marketing promise of guaranteed savings during the promised savings year for all customers without obtaining their express consent.

In addition, PURA determined that Choice failed to comply with General Statutes §§ 16-245(g), 16-245o(f)(2), and 42-110b(a), as well as § 42-110b-18 of the Regulations of Connecticut State Agencies, when it: 1) failed to define the term "Effective Rate" in its customer contracts and therefore misrepresented the savings guarantees to 30,271 customers; and 2) failed to disclose to 17,630 customers that Choice's switch to green energy would result in a price to compare that included a Connecticut Clean Energy Options (CCEO) rate adder, and did not explain how or when the CCEO rate adder was applicable. Choice has maintained an electric supplier license in Connecticut since 2010.

In its representation of electric ratepayers as a party to this docket, OCC supported PURA's adjudication of this proceeding in its various stages. OCC applauds PURA's judicious enforcement of Connecticut law in its Decision in this docket, which serves to protect consumers from unfair business practices. OCC will continue to further its own mission of consumer advocacy through its active participation in several other important PURA proceedings relating to the competitive retail supply market.

