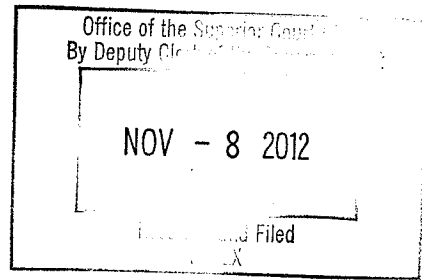


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ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street, 5th Floor
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Newark, New Jersey 07101
Attorney for Plaintiffs



By: Megan J. Harris
Deputy Attorney General



JEFFREY S. CHIESA, Attorney General of New Jersey, and ERIC T. KANEFSKY, Acting Director of the New Jersey Division of Consumer Affairs,

Plaintiffs,

v.

VINNY FUEL CORPORATION d/b/a DELTA GAS; JANE AND JOHN DOES 1-10, individually and as owners, officers, directors, shareholders, founders, managers, agents, servants, employees, representatives and/or independent contractors of VINNY FUEL CORPORATION d/b/a DELTA GAS; and XYZ CORPORATIONS 1-10,

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIV. ESSEX COUNTY
DOCKET NO: ESX-C-256 -12

Civil Action

COMPLAINT

Plaintiffs Jeffrey S. Chiesa, Attorney General of the State of New Jersey (the "Attorney General"), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Eric T. Kanefsky, Acting Director of the New Jersey Division of Consumer Affairs (the "Acting Director"), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of Complaint state:

PRELIMINARY STATEMENT

1. During emergencies and major disasters, such as hurricanes, tropical storms, earthquakes, fires, and floods, some merchants have taken unfair advantage of consumers by greatly increasing prices for certain merchandise that is consumed or used as a direct result of an emergency or that is consumed or used to preserve, protect, or sustain the life, health, safety, or comfort of persons, or their property, a practice commonly known as “price gouging.” When a declared state of emergency results in abnormal disruptions of the market, the New Jersey Legislature has found it in the public interest that excessive and unjustified price increases in the sale of certain merchandise, also known as price gouging, be prohibited. See N.J.S.A. 56:8-107 and N.J.S.A. 56:8-109.

2. On October 27, 2012, just prior to tropical storm Sandy reaching the State of New Jersey, New Jersey Governor Chris Christie declared a State of Emergency. This Complaint is made based upon Plaintiffs’ finding that in the wake of the State of Emergency and tropical storm Sandy, defendant Vinny Fuel Corporation (“Vinny Fuel” or “Defendant”) engaged in price gouging in the sale of motor fuel. In doing so, Vinny Fuel committed numerous violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (the “CFA”).

PARTIES AND JURISDICTION

3. The Attorney General and the Director of the New Jersey Division of Consumer Affairs are charged with responsibility for administering and enforcing the CFA.

4. By this action, the Attorney General and the Acting Director (collectively “Plaintiffs”) seek injunctive and other forms of relief for violations of the CFA. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-

13 and/or 56:8-19. Venue is proper in Essex County, pursuant to R. 4:3-2, because it is the county in which Vinny Fuel has conducted business.

5. On September 4, 2012, Vinny Fuel was established as a New Jersey Corporation. At all times relevant to this Complaint, Vinny Fuel maintained a business at 141 Bloomfield Avenue, Bloomfield New Jersey 07003, using the business name Delta Gas. Vinny Fuel's registered agent is listed as Gurmit Kaur, 7 Tulip Drive, Fords, New Jersey 08863.

6. John and Jane Does 1 through 10 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, managers, agents, servants, employees, and/or representatives of Vinny Fuel who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs will amend the Complaint to include them as parties.

7. XYZ Corporations 1 through 10 are fictitious business entities meant to represent any additional business entities who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs will amend the Complaint to include them as parties.

GENERAL ALLEGATIONS COMMON TO ALL COUNTS:

A. Tropical Storm Sandy and Executive Order No. 104 Declaring a State of Emergency

8. In late October 2012, tropical storm Sandy, originally categorized as a hurricane and forecast to cause life-threatening weather conditions and severe damage to property, roadways, and other structures, was approaching New Jersey.

9. On October 27, 2012, at approximately 11:30 a.m., due to the approach of Sandy, New Jersey Governor Chris Christie issued Executive Order No. 104, which immediately declared a State of Emergency in New Jersey ("State of Emergency").
10. On October 28, 2012, United States President Barack Obama signed an emergency disaster declaration for the State of New Jersey.
11. Governor Christie ordered the evacuation of all New Jersey barrier islands by 4:00 p.m. on October 28, 2012.
12. On October 29, 2012, Sandy made landfall in New Jersey as a tropical storm and resulted in weather conditions of an unprecedented magnitude, including heavy storm surges, high speed winds of 80 miles per hour, and rainfall of up to 12 inches in some locations.
13. Sandy resulted in severe wind and water damage, flooding, and other types of damage to the New Jersey shoreline, New Jersey homes, and New Jersey businesses. Residents along the New Jersey shoreline were forced to evacuate their homes, which in many instances, were completely destroyed.
14. Sandy caused more than 20 fatalities and numerous injuries throughout the State.
15. Sandy produced winds that toppled trees and damaged power lines throughout the State, causing widespread power outages that affected at least 2.4 million households and countless businesses.
16. As a result of the power outages caused by Sandy, many New Jersey residents resorted to the use of generators that were powered by gasoline.
17. As a result of flooding and the obstruction of roadways and rail lines, public transportation was severely limited during the days following the storm.

18. The widespread flooding and power outages resulting from Sandy forced the closure of many motor fuel retailers in the State and prevented fuel deliveries to many retailers who otherwise could have been open for business. These conditions resulted in widespread and lingering shortages of motor fuel.

19. The shortage of motor fuel supply left many New Jersey residents without an available source of motor fuel, not only for transportation but also for other essential services, such as the operation of generators. Many New Jersey residents who found retailers that were open and supplied with fuel were forced to wait in long lines for several hours.

20. On November 5, 2012, Governor Christie issued Executive Order No. 108, which declared that a limited state of energy emergency with regard to the supply of motor fuel exists in Bergen, Essex, Hudson, Hunterdon, Middlesex, Morris, Monmouth, Passaic, Somerset, Sussex, Union, and Warren Counties, and implemented an odd-even gas rationing system.

21. Upon information and belief, deliveries of fuel to retailers in the State did not resume until at least several days following Sandy's landfall on October 29, 2012.

22. Upon information and belief, there was no appreciable cost increase in the motor fuel delivered to retailers in the State following Sandy's landfall on October 29, 2012.

B. Defendants' Business Generally

23. At all times relevant to this Complaint, Defendants have been engaged in the advertisement, offering for sale and/or sale of motor fuel to consumers.

24. At all times relevant to this Complaint, Defendants received deliveries of motor fuel, specifically gasoline, from suppliers.

25. At all times relevant to this Complaint, Defendants paid their suppliers a per gallon rate for motor fuel.

26. At all times relevant to this Complaint, Defendants advertised, offered for sale and/or sold motor fuel to consumers at a per gallon rate higher than the rate paid to its suppliers.

27. At all times relevant to this Complaint, Defendants advertised, offered for sale and/or sold motor fuel at a higher price for credit card purchases than for cash purchases.

C. Defendant's Excessive Prices For Regular Gasoline

28. At all times relevant to this Complaint, Defendant received from its suppliers and advertised, offered for sale and/or sold to consumers unleaded 87 octane gasoline, commonly known as "regular gasoline."

29. Shown below is a chart of the relevant prices at which Defendants advertised, offered for sale and/or sold regular gasoline to consumers:

Date	Regular gas cash price for consumers
Friday October 26, 2012	\$3.19
Saturday October 27, 2012 *State of Emergency Declared*	\$3.29
Sunday October 28, 2012	no price change reported
Monday October 29, 2012	\$3.29 until at least 12:30 p.m.
Tuesday October 30, 2012	no price change reported
Wednesday October 31, 2012	\$3.99

30. Thus, from Friday October 26, 2012, a day prior to the State of Emergency, to sometime between Monday October 29, 2012 and Wednesday October 31, 2012, after the State

of Emergency had been declared and Sandy made landfall in New Jersey, Defendants' price for regular gasoline purchased with cash went from \$3.19 per gallon to \$3.99 per gallon, which is an increase of 25%.

31. As of November 1, 2012, Defendants discontinued selling gasoline at 141 Bloomfield Avenue, Bloomfield, New Jersey, and have not resumed at the time of this Complaint.

F. Consumer Complaints As to Defendant

32. From October 31, 2012 to November 4, 2012, the Division received approximately six (6) consumer complaints regarding the prices being charged by Defendants. Of these calls, four (4) specifically stated that they recalled Defendants charging \$3.29 per gallon for regular gas immediately prior to the storm.

G. Inspections and Subpoena to Defendants

33. In response to consumer complaints, on October 31, 2012 at approximately 11:45 a.m., the Division of Consumer Affairs conducted a site inspection at Defendants' business location.

34. The Consumer Affairs investigator who conducted the site inspection on October 31, 2012, found that the displays on the marquee and pumps both indicated a price of \$3.99 for regular gas. The investigator took photographs of the marquee and pumps. Those photographs are attached to this Complaint as "Exhibit A."

35. The investigator who conducted the site inspection on October 31, 2012, also spoke with a station attendant at the location, who identified an individual named Parminder Singh as the "owner."

36. The attendant present at the business location on October 31, 2012 stated to the investigator that Mr. Singh called him earlier that morning and told him to raise the price of regular gas to \$3.99 and to only accept cash.

37. The attendant present at the business location on October 31, 2012, called Mr. Singh while the investigator was present, then provided Mr. Singh's telephone number to the investigator.

38. The investigator called Defendant Singh while still at the location. Mr. Singh confirmed to the investigator that he told the attendant, earlier in the day, to change the price of regular gas from \$3.29 to \$3.99.

39. On November 5, 2012, Consumer Affairs conducted a second site inspection at Defendants' business location. The gas station was closed, but the digital display on the gas pumps for regular and super gasoline both displayed prices of \$3.99 per gallon.

40. In addition to two site inspections following consumer complaints, the Acting Director issued a subpoena to Defendants dated and served on November 5, 2012, requesting, among other things, information reflecting increased costs to Defendants for the fuel sold that would justify price increases to the consumer.

41. The November 5, 2012 subpoena was personally served on Parminder Singh, who identified himself as Secretary of Vinny Fuel Corporation and provided documents in response. Mr. Singh also had an opportunity to discuss the subpoena with a Consumer Affairs investigator. Notwithstanding the opportunity to provide information justifying the price increase alleged above, Defendants have not provided such information.

COUNT I

**VIOLATION OF THE CFA (N.J.S.A. 56:8-109) BY DEFENDANTS
(EXCESSIVE PRICES DURING EMERGENCIES)**

42. Plaintiffs repeat the allegations set forth in the preceding paragraphs of this Complaint as though set forth fully herein.

43. The CFA defines “merchandise” as including “any objects, wares, goods, commodities, services or anything offered, directly or indirectly to the public for sale.” N.J.S.A. 56:8-1(c).

44. At all times relevant to this Complaint, Defendants have been engaged in the advertisement, offering for sale and/or sale of merchandise within the meaning of N.J.S.A. 56:8-1(c), specifically motor fuel.

45. The CFA states:

It shall be an unlawful practice for any person to sell or offer to sell during a state of emergency or within 30 days of the termination of a state of emergency, in the area for which the state of emergency has been declared, any merchandise which is consumed or used as a direct result of an emergency or which is consumed or used to preserve, protect, or sustain the life, health, safety or comfort of person or their property for a price that constitutes an excessive price increase.

[N.J.S.A. 56:8-109.]

46. At all times relevant to this Complaint, Defendants have been engaged in the advertisement, offering for sale and/or sale of merchandise consumed or used as a direct result of an emergency and/or which is consumed or used to preserve, protect, or sustain the life, health,

safety or comfort of person or their property within the meaning of N.J.S.A. 56:8-109, specifically motor fuel.

47. An “excessive price increase” is defined as follows:

A price that is excessive as compared to the price at which the consumer good or service was sold or offered for sale by the seller in the usual course of business immediately prior to the state of emergency. A price shall be deemed excessive if:

(1) The price exceeds by more than 10 percent the price at which the good or service was sold or offered for sale by the seller in the usual course of business immediately prior to the state of emergency, unless the price charged by the seller is attributable to additional costs imposed by the seller’s supplier or other costs of providing the good or service during the state of emergency.

(2) In situations where the increase in price is attributable to additional costs imposed by the seller’s supplier or additional costs of providing the good or services during the state of emergency, the price presents an increase of more than 10 percent in the amount of markup from cost, compared to the markup customarily applied by the seller in the usual course of business immediately prior to the state of emergency.

[N.J.S.A. 56:8-108]

48. On or before October 31, 2012, two days after Sandy made landfall in New Jersey and within thirty (30) days after the State of Emergency had been declared, Defendants sold gasoline at a price more than 10 percent higher than on October 26, 2012, immediately prior to the State of Emergency, which constitutes an excessive price increase.

49. By offering for sale and/or selling motor fuel, specifically regular gasoline, between October 29, 2012 and October 31, 2012, at prices constituting an excessive price increase compared to Defendant’s price on October 26, 2012, immediately prior to the State of

Emergency, Defendants have engaged in unlawful practices in violation of the CFA, specifically N.J.S.A. 56:8-109.

50. Each instance of Defendants offering for sale and/or selling motor fuel at a price constituting an excessive price increase constitutes a separate violation of N.J.S.A. 56:8-109.

COUNT II

VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES)

51. Plaintiffs repeat the allegations set forth in the preceding paragraphs of this Complaint as though set forth fully herein.

52. The CFA prohibits:

The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate, or with the subsequent performance of such person as aforesaid, whether or not any person has in fact been misled, deceived or damaged thereby is declared to be an unlawful practice[.]

[N.J.S.A. 56:8-2.]

53. In the operation of their business, Defendants have engaged in the use of unconscionable commercial practices.

54. Defendants have engaged in unconscionable commercial practices and deception including, but not limited to, the following:

- a. Advertising, offering for sale and/or selling motor fuel, specifically regular gasoline, between October 29 and 31, 2012 at prices constituting an excessive price increase compared to Defendants' price for regular gasoline on October 26, 2012, immediately prior to the State of Emergency.

55. Each unconscionable commercial practice by Defendants constitutes a separate violation of N.J.S.A. 56:8-2.

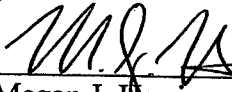
DEMAND FOR RELIEF

ACCORDINGLY, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Defendants:

- (a) Finding that Defendants committed the acts or omissions alleged in this Complaint;
- (b) Finding that such acts or omissions constitute violations of the New Jersey Consumer Fraud Act;
- (c) Permanently enjoining Defendants, along with their agents, employees, representatives, independent contractors, corporations, subsidiaries, affiliates, successors, assigns and all other persons or entities directly under their control, from engaging in, continuing to engage in, or doing any acts or practices in violation of the New Jersey Consumer Fraud Act;
- (d) Directing Defendants to restore to any affected person, whether or not named in this Complaint, any money or real or personal property acquired by means of any practice alleged herein to be unlawful and found to be unlawful, as authorized by the New Jersey Consumer Fraud Act at N.J.S.A. 56:8-8;
- (e) Directing Defendants to pay the maximum statutory civil penalties for each violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (f) Directing Defendants to pay costs and fees, including attorneys' fees, to the State of New Jersey, as authorized by the CFA, N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19; and

- (g) Granting such other relief as the interests of justice may require.

JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs


By: 
Megan J. Harris
Deputy Attorney General

Dated: November 8, 2012

RULE 4:5-1(b)(2) CERTIFICATION

I certify that other than as specified herein, Plaintiffs in this matter have not initiated any other civil action in any court of this State against Defendants and are not now engaged in any arbitration proceeding against Defendants, nor is any other civil action or arbitration proceeding contemplated. I certify that Plaintiffs are not aware of any other party who should be joined in this action at the current time.

JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs


By: 
Megan J. Harris
Deputy Attorney General

Dated: November 8, 2012

RULE 1:38-7(c) CERTIFICATION OF COMPLIANCE

I certify that confidential personal identifiers have been redacted from documents now submitted to the Court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(b).

JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs


By: 
Megan J. Harris
Deputy Attorney General

Dated: November 8, 2012

DESIGNATION OF TRIAL COUNSEL
PURSUANT TO R. 4:25-4

Pursuant to R. 4:25-4, Deputy Attorney General Megan Harris is hereby designated as trial counsel for Plaintiffs in this action.

JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Megan J. Harris
Deputy Attorney General

Dated: November 8, 2012

EXHIBIT A



REGULAR
3.99
4.09



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