



Philip D. Murphy
Governor

Sheila Y. Oliver
Lt. Governor

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

Aida Camacho-Welch
Secretary of the Board
Tel. # (609) 292-1599

August 7, 2019

Leah Gibbons
Green Mountain Energy Company
804 Carnegie Center Drive
Princeton, NJ 08540

Re: **Electric Power Supplier Initial License**
Docket No. EE18121330L

Dear Ms. Gibbons:

In accordance with the Electric Discount and Energy Competition Act of 1999, N.J.S.A. 48:3-49 et seq., at its July 10, 2019 Agenda meeting, the New Jersey Board of Public Utilities (the "Board") voted to issue a **LICENSE** as an Electric Power Supplier to Green Mountain Energy Company. The Company's license number is ESL-0233. Pursuant to signed bills S.604 and S.605 (2018) [P.L. 2019, c. 100-101], your license may be renewed without expiring so long as a license renewal fee accompanied by an annual information update form is submitted to the Board within 30 days prior to your annual anniversary date of August 7th.

The enclosed license is effective August 7, 2019. This license and the rights thereunder are **Non-Transferable.**

This letter is not an endorsement of, nor is it intended for use in, the marketing promotions of the licensee. Licensees shall comply with all applicable laws and regulations, including the Electric Discount and Energy Competition Act, which prohibits the unauthorized change of a customer's energy provider and other fraudulent and illegal marketing activities.

If you have any questions, please contact Valencia Hunt at (609) 292-0637.

Sincerely,

A handwritten signature in cursive script that reads "Aida Camacho-Welch".

Aida Camacho-Welch
Secretary of the Board

ACW/vch
Encl.(s)

State of New Jersey



Board of Public Utilities

44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350

HEREBY LICENSES

Green Mountain Energy Company

804 Carnegie Center
Princeton, New Jersey 08540

To conduct business in the State of New Jersey as an

Electric Power Supplier



Aida Camacho-Welch

Aida Camacho-Welch
Secretary of the Board

License No. ESL-0233
Effective Date: August 7, 2019



Agenda Date: 8/7/2019
Agenda Item: 1A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE ALLEGED FAILURE OF)
GREEN MOUNTAIN ENERGY COMPANY TO)
COMPLY WITH CERTAIN PROVISIONS OF)
N.J.S.A. 48:3-78 ET SEQ., AND THE NEW JERSEY)
ADMINISTRATIVE CODE, N.J.A.C. 14:4-1.1 ET)
SEQ.) DOCKET NO. ES19060719

Parties of Record:

Murray E. Bevan, Bevan, Mosca, & Giuditta, P.C., on behalf of Green Mountain Energy Company

BY THE BOARD:

By this Decision and Order the New Jersey Board of Public Utilities ("Board") considers an Offer of Settlement of any and all potential violations under the Energy Discount and Energy Competition Act ("EDECA", or "Act"), N.J.S.A. 48:3-49 et seq. and more specifically, N.J.S.A. 48:3-78 and N.J.S.A. 48:3-79, and N.J.A.C. 14:4-1.1 et seq. (the "Regulations") by Green Mountain Energy Company ("Green Mountain"), which has been operating as a third party supplier to provide electric power supply services to residential and small commercial customers in New Jersey.

BACKGROUND

Pursuant to EDECA, the Board has authority and jurisdiction over all electric power suppliers and gas suppliers (collectively, "third party suppliers" or "TPS") in New Jersey. Among other things, the Board licenses third party suppliers. N.J.S.A. 48:3-78(a) requires that a person obtain an electric supplier license before providing electric supply services to retail customers in this State. See also, N.J.A.C. 14:4-5.1(d)(1). Moreover, pursuant to N.J.S.A. 48:3-78(b), electric supplier licenses are only valid for one year from the date of issuance unless timely renewals are filed. See also, N.J.A.C. 14:4-5.6 and N.J.A.C. 14:4-5.7.

In addition, pursuant to EDECA, the Board requires that a TPS provide evidence of financial integrity, meet all reliability standards, and maintain a surety bond. See N.J.S.A. 48:3-78(c), N.J.A.C. 14:4-5.2, and N.J.A.C. 14:4-5.4. Pursuant to the Act, the Board, among other things, is

vested with investigative power, N.J.S.A. 48:3-81, alternative disciplinary power, N.J.S.A. 48:3-82, and authority to assess civil penalties, N.J.S.A. 48:3-83.

Pursuant to N.J.A.C. 14:4-5.1(d), a person without an electric supplier license cannot: (1) provide electric supply service or offer to provide electric supply service; (2) advertise or market electric supply service; (3) enroll customers for electric supply service; or (4) contract or otherwise assume legal responsibility for electric supply service. Moreover, no TPS may submit a change order to a local distribution company ("LDC") unless the change order is transmitted through an EDI system. See N.J.A.C. 14:4-2.3(g) and N.J.A.C. 14:2-3(b).

N.J.A.C. 14:4-5.6(a) and N.J.A.C. 14:4-5.7(a) set forth the obligation of the TPS licensee to timely file a renewal application. Specifically, the licensee must file a complete renewal application at least thirty (30) days before the expiration date of the existing license. If a timely renewal application is not submitted, the initial license expires at the end of its term. N.J.A.C. 14:4-5.7(b). In the event a licensee does not submit a renewal application within thirty (30) days before the end of the license term, pursuant to N.J.A.C. 14:4-5.6(b)-(d), the licensee must submit a new license application within forty-five (45) days after the end of the licensee's initial term, or request an extension of the forty-five (45)-day time period based on extraordinary hardship, during which time the licensee must continue servicing existing customers until directed otherwise by Board Staff of the Division of Audit ("Staff").

As a TPS, Green Mountain is subject to the jurisdiction of the Board and must comply with EDECA and the Regulations.

DISCUSSION AND FINDINGS

Green Mountain's initial TPS license, License No. ESL-0098, was effective for an initial term of November 21, 2017 through November 20, 2018. Green Mountain did not renew its license with the Board before it expired on November 20, 2018. Green Mountain continued to provide electric power service to residential and small commercial customers in New Jersey. Staff notified Green Mountain in a letter on December 4, 2018 that its electric power license had expired on November 20, 2018. Staff directed Green Mountain to file a new initial license application, as required, rather than a renewal license application. Green Mountain submitted an initial license application on December 14, 2018 and following the review of the matter, Staff met with Leah Gibbons, Director Regulatory Affairs for Green Mountain, and Murray E. Bevan, outside counsel to Green Mountain on February 8, 2019 regarding Green Mountain's compliance with the Board's license renewal requirements.

Staff has conducted an investigation regarding Green Mountain's compliance with the Act and the Regulations. Staff has alleged that Green Mountain failed to comply with the licensing and renewal requirements under the Act and the Regulations, including N.J.S.A. 48:3-78, N.J.S.A. 48:3-79, N.J.A.C. 14:4-5.1, N.J.A.C. 14:4-5.6, and N.J.A.C. 14:4-5.7.¹

¹ On May 10, 2019, P.L. 2019, c. 100-101 were signed into law providing that third party electric power and natural gas supplier licenses issued by the Board may be renewed without expiring if certain conditions are met. P.L. 2019, c. 100-101 became operative 60 days following the date of enactment. As such, any third party suppliers with a license expiring prior to July 9, 2019 were still required to submit the previous renewal application form. Here, the Green Mountain filed its application prior to July 9, 2019.

Green Mountain has responded promptly and effectively to all Staff requests during the investigation. Green Mountain serves only residential and small commercial customers in New Jersey. Staff has determined that no complaints have been filed with the Board or the Division of Consumer Affairs against Green Mountain by any of its New Jersey customers in 2018, and Staff has determined that Green Mountain has remained EDI compliant since its licensure. In addition, Green Mountain has maintained surety bonds as required by the BPU for electric generation service at all times since becoming licensed.

As a result of correspondence, telephone conversations, and meetings with Green Mountain, Green Mountain submitted an Offer of Settlement ("Offer") (attached) regarding its alleged violations. In the Offer of Settlement, Green Mountain did not admit to any violations and made a monetary offer in the amount of Five Thousand dollars (\$5,000.00) to resolve all issues concerning the violations alleged by Staff.

The Board has reviewed the matter and **HEREBY FINDS** that the Offer represents a reasonable settlement of the alleged violations. Therefore, the Board **HEREBY ACCEPTS** the Offer of Settlement proffered by Green Mountain. The Board will **CONSIDER** under a separate docket number the initial application filed by Green Mountain on December 14, 2018. The Offer of Settlement is accepted subject to the following conditions:

1. Green Mountain will pay to the State of New Jersey the sum of Five Thousand, Dollars (\$5,000.00) in full and final settlement of any and all potential violations under the Act and/or the Regulations which have been or could have been alleged by the Board or the Staff against Green Mountain, up to and including March 20, 2019.
2. This Offer of Settlement shall not relieve Green Mountain or its parents, affiliates, subsidiaries or successors, from any liability for violations, if any, of the Act, the Regulations, or Board Orders that may occur after March 20, 2019.
3. Any future repeated violation(s) of the Act, the Regulations, or Board Orders by Green Mountain or its parents, affiliates, subsidiaries, or successors that may now or in the future provide energy services that is the subject of this Offer of Settlement, shall be deemed to be a second, third, or subsequent violation, as appropriate, pursuant to provisions of N.J.S.A. 48:3-83.
4. Green Mountain will comply with all provisions of the Act and Regulations regarding TPS licensing renewal requirements as set forth at N.J.S.A. 48:3-78 and N.J.A.C. 14:4-5.6.
5. The execution of this Offer of Settlement shall not be relied upon by Green Mountain or its affiliates, subsidiaries or successors in an attempt to mitigate any future claim that any such entity has violated the terms and conditions of the Act, the Regulations, or any Board Order.

The Board **FURTHER ORDERS** that no later than ten (10) days from the Effective Date of this Order, Green Mountain shall pay the Settlement Payment of Five Thousand Dollars (\$5,000.00). Payment must be made out to the **TREASURER, STATE OF NEW JERSEY** and

Sent to: Mike Greco, Chief Fiscal Officer
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
Attn: Audits

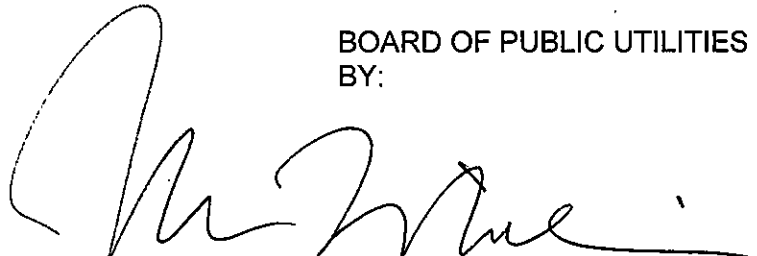
*You must include a copy of this order with your check.

The Board's acceptance of the Offer of Settlement is for purposes of this proceeding only, addresses any and all allegations or potential allegations in the Offer of Settlement, and shall not be construed as limiting the Board's authority in any other matter affecting Aggressive or a successor company.

This Order shall be effective on August 17, 2019.

DATED: 8/7/19

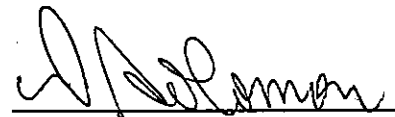
BOARD OF PUBLIC UTILITIES
BY:



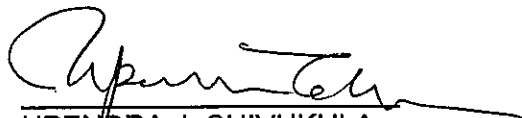
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



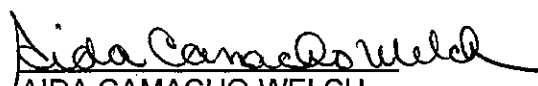
DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

**IN THE MATTER OF THE ALLEGED FAILURE OF AGGRESSIVE ENERGY LLC TO
COMPLY WITH CERTAIN PROVISIONS OF N.J.S.A. 48:3-78 ET SEQ., AND THE NEW
JERSEY ADMINISTRATIVE CODE, N.J.A.C. 14:4-1.1 ET SEQ.**

**OFFER OF SETTLEMENT
DOCKET NO. ES19060719**

SERVICE LIST

Board of Public Utilities
Post Office Box 350
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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
DIVISION OF AUDITS**

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Basking Ridge, NJ 07920
Telephone: (908) 953-8300

Attorneys for Green Mountain Energy Company

<p>In the Matter of the Alleged Non-Compliance of Green Mountain Energy Company with Certain Provisions of <u>N.J.S.A. 48:3-78 et seq.</u> and the New Jersey Administrative Code, <u>N.J.A.C. 14:4-1.1 et seq.</u></p>	<p style="text-align:center">Offer of Settlement</p> <p>BPU Docket No. _____</p>
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WHEREAS, Green Mountain Energy Company (“Green Mountain”) is a third-party supplier (“TPS”) in New Jersey, pursuant to the New Jersey Administrative Code, N.J.A.C. 14:4-5.1 and 14:4-5.2, and it provides electric power service to residential and small commercial customers; and

WHEREAS, as a TPS, Green Mountain is subject to the jurisdiction of the Board of Public Utilities (the “Board” or “BPU”) pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-78 et seq. (the “Act”), and N.J.A.C. 14:4-1.1 et seq. (the “Regulations”); and

WHEREAS, N.J.A.C. 14:4-5.6(a) requires a licensee to timely submit any necessary license renewal applications in accordance with N.J.A.C. 14:4-5.6 et seq.; and

WHEREAS, in the event a licensee does not submit a renewal application within thirty (30) days before the end of the license term, pursuant to N.J.A.C. 14:4-5.6(b)-(d), the licensee must submit a new license application within forty-five (45) days after the end of the licensee’s initial term, or request an extension of the forty-five (45)-day time period based on hardship, during

which time the licensee must continue servicing existing customers until directed otherwise by Board Staff of the Division of Audit (“Staff”); and

WHEREAS, Staff notified Green Mountain in a letter dated December 4, 2018, that its electric power license had expired on November 20, 2018, and it had not filed a renewal application prior to such expiration date; and

WHEREAS, Green Mountain submitted to Staff an initial license application on December 14, 2018; and

WHEREAS, following Staff's review of the matter, Staff met with Leah Gibbons, Director Regulatory Affairs for Green Mountain, and Murray E. Bevan, outside counsel to Green Mountain, on February 8, 2019, regarding Green Mountain's compliance with the license renewal requirements; and

WHEREAS, Green Mountain supplemented its license application on February 12, 2019, to address remaining questions from Staff; and

WHEREAS, Staff investigated Green Mountain's compliance with the Act and the Regulations; and

WHEREAS, as a result of said investigation, Staff has alleged that Green Mountain has failed to comply with:

- a. Licensing and renewal requirements under the Act;
- b. Licensing and renewal requirements under the Regulations; and

WHEREAS, Green Mountain has continued to provide electric power services to its customers at Staff's direction during the period its application was under review; and

WHEREAS, Green Mountain ceased to market and advertise and add customers on December 4, 2018 pursuant to the Board letter of that date; and

WHEREAS, Green Mountain has responded promptly and effectively to all Staff requests;
and

WHEREAS, no complaints were filed with the Board or with the Division of Consumer Affairs against Green Mountain by any of its New Jersey customers in 2018; and

WHEREAS, Green Mountain has maintained surety bonds as required by the BPU for electric generation service at all times since becoming licensed; and

WHEREAS, Board Staff has reviewed the initial license application filed by Green Mountain on December 14, 2018 and as supplemented on February 12, 2019; and

WHEREAS, Green Mountain wishes to amicably resolve the issues raised by Staff without delay;

NOW, THEREFORE, Green Mountain submits this Offer of Settlement, as follows:

1. Green Mountain will pay to the State of New Jersey the sum of Five Thousand Dollars (\$5,000.00) in full and final settlement of any and all potential violations under the Act and/or the Regulations that have been or could have been alleged by the Board or the Staff against Green Mountain, up to and including March 20, 2019.

2. At the next regularly scheduled Board agenda meeting, subject to scheduling considerations, Staff agrees to recommend that the Board: (1) accept this Offer of Settlement, and (2) approve the initial license application filed by Green Mountain on December 14, 2018.

3. The Parties agree that the Five Thousand Dollar (\$5,000.00) payment will be made within ten (10) days of the effective date of the Board Order adopting the terms of this Offer of Settlement.

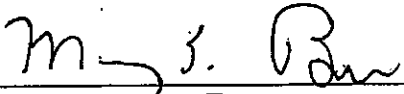
4. This Offer of Settlement shall not relieve Green Mountain or its parents, affiliates, subsidiaries or successors, from any liability for violations, if any, of the Act, the Regulations, or Board Orders that may occur after March 20, 2019.

5. Green Mountain will comply with all provisions of the Act and Regulations regarding TPS licensing renewal requirements as set forth at N.J.S.A. 48:3-78 and N.J.A.C. 14:4-5.6.

6. The execution of this Offer of Settlement shall neither be deemed an admission by Green Mountain or its affiliates, subsidiaries, or successors of any violation of the Act, the Regulations, or any Board Order, nor a determination by the Board or Staff that such a violation has occurred, nor shall Board approval of this Offer of Settlement be deemed a determination that a violation has occurred.

7. The execution of this Offer of Settlement shall not be relied upon by Green Mountain Energy Company or its affiliates, subsidiaries or successors in an attempt to mitigate any future claim that any such entity has violated the terms and conditions of the Act, the Regulations, or any Board Order.

By:



Murray E. Bevan, Esq.
Bevan, Mosca & Giuditta, P.C.
Attorney for Green Mountain Energy Company

Dated: May 9, 2019