



Agenda Date: 4/6/2020
Agenda Item: 1J

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE ALLEGED FAILURE OF)
GREENCROWN 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.)
ORDER ACCEPTING OFFER)
OF SETTLEMENT)
DOCKET NO. EO20020171)

Party of Record:

Paul Errigo, Member, Greencrown Energy, LLC

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 Electric 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.A.C. 14:4-1.1 et seq. (the “Regulations”) by Greencrown Energy, LLC, (“Greencrown Energy” or “the Company”), which has been operating as an energy agent (“EA”), private aggregator (“PA), and energy consultant (“EC”) in New Jersey.

BACKGROUND

Pursuant to EDECA, the Board has authority and jurisdiction over all EAs, PAs, and ECs in New Jersey. EDECA defines an EA as “a person that is duly registered pursuant to the provisions of [EDECA], that arranges the sale of retail electricity or electric related services, or retail gas supply or gas related services, between government aggregators or private aggregators and electric power suppliers or gas suppliers, but does not take title to the electric or gas sold.” N.J.S.A. 48:3-51 (definition of “energy agent”). See also, N.J.A.C. 14:4-1.2. A PA is “a non-government aggregator that is a duly-organized business or non-profit organization authorized to do business in this State that enters into a contract with a duly licensed electric power supplier for the purchase of electric energy and capacity, or with a duly licensed gas supplier for the purchase of gas supply service, on behalf of multiple end-use customers by combining the loads of those customers.” See also, N.J.A.C. 14:4-1.2. An EC is “an energy agent that is registered with the Board pursuant to N.J.A.C. 14:4-5.11, and is thereby authorized to receive certain customer information from an LDC through electronic data interchange (EDI).” N.J.A.C. 14:4-1.2 (definition of “energy consultant”).

The Board's implementing rules are found at N.J.A.C. 14:4-1.1 et seq. (the "Regulations"). Pursuant to N.J.A.C. 14:4-5.1(f), "[a] person shall not arrange the retail sale of electricity, electric-related services, gas supply or gas-related services between an energy aggregator and a TPS without first registering as an energy agent." N.J.S.A. 48:3-78(i) specifies that "any person acting as an energy agent shall be required to register with the board . . . This registration shall be updated annually." See also, N.J.A.C. 14:4-5.8(g).

To be eligible to be an EC, a person must meet all the requirements of an EA as well as: (1) have proof that the person is a registered EA, or, alternatively, provide all of the information required under this subchapter to register as an energy agent; (2) have a \$10,000 bond; and (3) documentation that the person maintains an office in New Jersey. N.J.A.C. 14:4-5.11(a)-(b).

Pursuant to N.J.A.C. 14:4-5.8(g) and N.J.A.C. 14:4-5.11(e), the term of an EA, PA, or EC registration is valid for one year from the date of issuance unless timely renewals are filed. See also, N.J.A.C. 14:4-5.9. N.J.A.C. 14:4-5.9(a) and N.J.A.C. 14:4-5.11(a) set forth the obligation of the EA/EC to timely file a renewal application. Specifically, the EA, PA, or EC must file a complete renewal application at least thirty (30) days before the expiration date of the existing registration. If a timely renewal application is not submitted, the initial registration expires at the end of its term. In the event an EA, PA, or EC does not submit a renewal application within thirty (30) days before the end of the registration term, the Registrant must submit a new registration application.

Pursuant to EDECA, the Board, among other things, is vested with investigative powers, disciplinary powers, alternative disciplinary powers, and with the authority to assess civil penalties. See N.J.S.A. 48:3-80 et seq. Pursuant to N.J.A.C. 14:4-5.1(f) and -5.9(b)(3), a person without a valid EA, PA, or EC registration, cannot "act as, or represent themselves to others as, an energy agent . . ." In addition, the Board can deny, suspend, or revoke a registration; impose financial penalties; and prohibit acceptance of new customers. N.J.A.C. 14:4-5.13. In determining the amount of the fines, the Board may consider each day of each violation against each customer as a separate offense. N.J.A.C. 14:4-5.13(c). The Board may also consider any good faith efforts made by the Company; the gravity of the violation; the number of past violations; and the appropriateness of the sanction or fine. N.J.A.C. 14:4-5.13(b).

As an EA, PA, and EC, Greencrown Energy is subject to the jurisdiction of the Board and must comply with EDECA and the Regulations.

DISCUSSION AND FINDINGS

Greencrown Energy's initial registrations, Registrations Nos. EA-0233, PA-0134, and EC-0065, were effective for an initial term of June 22, 2018 through June 21, 2019. Greencrown Energy did not renew these registrations with the Board before they expired on June 21, 2019. The Company continued to arrange energy procurement to customers in New Jersey prior to receiving the Board's notice of the expiration of Greencrown Energy's registration on July 2, 2019. The Company then immediately ceased all New Jersey activity. On August 21, 2019, an initial application from Greencrown Energy was received by the Board.

Staff has conducted an investigation regarding Greencrown Energy compliance with the Act and the Regulations. Staff has alleged that Greencrown Energy failed to comply with the registration and renewal requirements under the Act and the Regulations, including N.J.S.A. 48:3-78, N.J.A.C. 14:4-5.1(a)(3), N.J.A.C. 14:4-5.9, and N.J.A.C. 14:4-5.11.

Greencrown Energy has responded promptly and effectively to all Staff requests during the investigation. The Company serves commercial and industrial customers in New Jersey. Staff has determined that no complaints have been filed with the Board or the Division of Consumer Affairs against Greencrown Energy by any of its New Jersey customers since being initially being issued registrations on June 22, 2018 ending June 21, 2019. In addition, Greencrown Energy has continued to maintain a surety bond from March 26, 2020 through March 26, 2021.

As a result of correspondence and telephone conversations, Greencrown Energy has submitted an Offer of Settlement (“Offer”), which is attached hereto, regarding its alleged violations. In the Offer, Greencrown Energy made a monetary offer in the amount of \$900.00 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 Greencrown Energy.

The Board will **CONSIDER** under a separate docket number the initial application filed by Greencrown Energy on February 6, 2020. The Offer of Settlement is accepted subject to the following conditions:

1. Greencrown Energy will pay to the State of New Jersey the sum of Nine Hundred Dollars (\$900.00) 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 Greencrown Energy, up to and including February 6, 2020.
2. This Offer of Settlement shall not relieve Greencrown Energy 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 February 6, 2020.
3. Any future repeated violation(s) of the Act, the Regulations, or Board Orders by Greencrown Energy or its parents, affiliates, subsidiaries, or successors that may now or in the future arranges 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. Greencrown Energy will comply with all provisions of the Act and Regulations regarding registration renewal requirements as set forth at N.J.S.A. 48:3-78, N.J.A.C. 14:4-5.8 and N.J.A.C. 14:4-5.9.
5. The execution of this Offer of Settlement shall not be relied upon by Greencrown Energy 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, Greencrown Energy shall pay the Settlement Payment of Nine Hundred Dollars (\$900.00). Payment must be made out to the **TREASURER, STATE OF NEW JERSEY** and

Sent to: Jonathan Wallace, Interim Chief Fiscal Officer
Board of Public Utilities
Post Office Box 350
Trenton, New Jersey 08625-0350
Attn: Audits

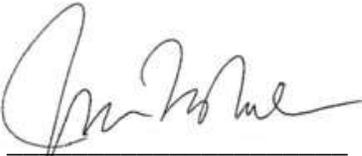
A copy of this Order must be included with the settlement check.

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 Greencrown Energy, LLC or a successor company.

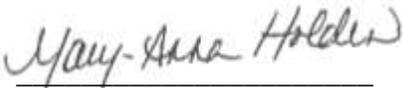
This Order shall be effective on April 16, 2020.

DATED: April 6, 2020

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER

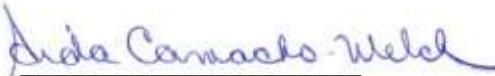


UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

**IN THE MATTER OF THE ALLEGED FAILURE OF GREENCROWN 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. EO20020171**

SERVICE LIST

Paul Errigo, Member
Greencrown Energy, LLC
229 Main Street
Belleville, NJ 07109
perrigo@greencrownenergy.com

Gayle Hunsberger
VP, Service Strategy & Synergy
LicenseLogix
140 Grand Street, Suite 300
White Plains, NY 10601
ghunsberger@licenselogix.com

Pamela Owen, Esq.
Deputy Attorney General
NJ Department of Law and Public Safety
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Pamela.Owen@law.njoag.gov

Paul Youchak, Esq.
Deputy Attorney General
NJ Department of Law and Public Safety
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Paul.Youchak@law.njoag.gov

Board of Public Utilities
Post Office Box 350
Trenton, New Jersey 08625-0350

Paul Flanagan, Esq.
Executive Director
Paul.Flanagan@bpu.nj.gov

Division of Audits

Alice Bator, Director
Alice.bator@bpu.nj.gov

William Foley, Chief
William.Foley@bpu.nj.gov

Dante Cusi, Auditor 3
Dante.Cusi@bpu.nj.gov

Darren Erbe, Auditor 1
Darren.Erbe@bpu.nj.gov

Valencia Hunt, Auditor 2
Valencia.Hunt@bpu.nj.gov

Jehvson Espiritu, Auditor 1
Jehvson.Espiritu@bpu.nj.gov

Lanhi Saldana, Esq.
Office of the Chief Counsel
Lanhi.Saldana@bpu.nj.gov



Philip D. Murphy
Governor

Sheila Y. Oliver
Lt. Governor

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

Joseph L. Fiordaliso
President

Mary-Anna Holden
Commissioner

Dianne Solomon
Commissioner

Upendra Chivukula
Commissioner

Bob Gordon
Commissioner

April 6, 2020

Paul Errigo, Member
Greencrown Energy, LLC
229 Main Street
Belleville, NJ 07109

Re: **Energy Agent, Private Aggregator and Energy Consultant Initial Registrations**
Docket Nos. EE19080943L and GE19080944L

Dear Mr. Errigo:

In accordance with the Electric Discount and Energy Competition Act of 1999, N.J.S.A. 48:3-49 et seq., at its April 6, 2020 Agenda meeting, the New Jersey Board of Public Utilities voted to issue **REGISTRATIONS** as an Energy Agent, Private Aggregator and Energy Consultant to Greencrown Energy, LLC. Your registration numbers are EA-0637, PA-0262, and EC-0205.

The enclosed registrations are effective April 6, 2020 and expire on April 5, 2021. These registrations 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 registrant. Registrants shall comply with all applicable law, 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 blue ink that reads "Aida Camacho-Welch".

Aida Camacho-Welch
Secretary of the Board

ACW/vch