

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

**ENERGY** 

IN THE MATTER OF THE ALLEGED FAILURE OF HOMEADE, LLC D/B/A ZENTILITY TO COMPLY WITH CERTAIN PROVISIONS OF N.J.S.A. 48:3-78 <u>ET SEQ.</u>, AND THE NEW JERSEY ADMINISTRATIVE CODE, N.J.A.C. 14:4-1.1 <u>ET</u> <u>SEQ</u>. ORDER ACCEPTING OFFER OF SETTLEMENT

DOCKET NO. EO20040302

Parties of Record:

Ryan Peusch, President and CEO, HomeAde, LLC d/b/a Zentility

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 <u>et seq.</u> and more specifically, N.J.S.A. 48:3-78 and N.J.A.C. 14:4-1.1 <u>et seq.</u> (the "Regulations") by HomeAde, LLC d/b/a Zentility, ("HomeAde" or "the Company"), which has been operating as an energy agent ("EA"), energy consultant ("EC"), and private aggregator ("PA") in New Jersey.

# BACKGROUND

Pursuant to EDECA, the Board has authority and jurisdiction over all EAs 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.

The Board's implementing rules are found at N.J.A.C. 14:4-1.1 <u>et seq.</u> (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." <u>See also</u>, N.J.A.C. 14:4-5.8(g).

Pursuant to N.J.A.C. 14:4-5.8(g), the term of an EA registration is valid for one year from the date of issuance unless timely renewals are filed. <u>See also</u>, N.J.A.C. 14:4-5.9. N.J.A.C. 14:4-5.9(a) set forth the obligation of the EA to timely file a renewal application. Specifically, the EA 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 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 <u>et seq.</u> Pursuant to N.J.A.C. 14:4-5.1(f) and -5.9(b)(3), a person without a valid EA 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, EC and PA, HomeAde is subject to the jurisdiction of the Board and must comply with EDECA and the Regulations.

## DISCUSSION AND FINDINGS

HomeAde's initial registration, Registration No. EA-0187, was effective for a renewed term of May 22, 2018 through May 21, 2019. HomeAde did not renew this registration with the Board before it expired on May 21, 2019. HomeAde, LLC d/b/a Zentility filed a late renewal application on May 28, 2019. The Company continued to arrange energy procurement to customers in New Jersey prior to receiving the Board's notice of the expiration of HomeAde's registration on June 5, 2019. On July 19, 2019, an initial application from HomeAde was received by the Board.

Staff has conducted an investigation regarding HomeAde's compliance with the Act and the Regulations. Staff has alleged that HomeAde 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), and N.J.A.C. 14:4-5.9.

HomeAde has responded promptly and effectively to all Staff requests during the investigation. The Company serves residential, 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 HomeAde by any of its New Jersey customers since the Company's registration was last renewed on May 22, 2018, ending July 31, 2019.

As a result of correspondence and telephone conversations, HomeAde has submitted an Offer of Settlement ("Offer"), which is attached hereto, regarding its alleged violations. In the Offer, HomeAde made a monetary offer in the amount of \$700.00 to resolve all issues concerning the violations alleged by Staff.

The Board has reviewed the matter and <u>HEREBY</u> FINDS that the Offer represents a reasonable settlement of the alleged violations. Therefore, the Board <u>HEREBY</u> <u>ACCEPTS</u> the Offer of Settlement proffered by HomeAde.

The Board will <u>CONSIDER</u> under a separate docket number the initial application filed by HomeAde on July 29, 2019. The Offer of Settlement is accepted subject to the following conditions:

- 1. HomeAde will pay to the State of New Jersey the sum of Seven Hundred Dollars (\$700.00) 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 HomeAde, up to and including April 1, 2020.
- 2. This Offer of Settlement shall not relieve HomeAde 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 April 1, 2020.
- 3. Any future repeated violation(s) of the Act, the Regulations, or Board Orders by HomeAde 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. HomeAde 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 HomeAde 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 <u>FURTHER</u> <u>ORDERS</u> that no later than ten (10) days from the Effective Date of this Order, HomeAde shall pay the Settlement Payment of Seven Hundred Dollars (\$700.00). 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 HomeAde, LLC d/b/a Zentility or a successor company.

This Order shall be effective on May 20, 2020.

DATED: May 20, 2020

BOARD OF PUBLIC UTILITIES BY:

JOSEPH L. FIORDALISO PRESIDENT

your-Anna Holden

MARY-ANNA HOLDEN COMMISSIONER

UPENDRA J. CHIVUKULA COMMISSIONER

ATTEST:

AIDA CAMACHO-WELCH SECRETARY

DIANNE SOLOMON COMMISSIONER

ROBERT M. GORDON COMMISSIONER

## IN THE MATTER OF THE ALLEGED FAILURE OF HOMEADE, LLC D/B/A ZENTILITY TO COMPLY WITH CERTAIN PROVISIONS OF N.J.S.A. 48:3-78 <u>ET SEQ.</u>, AND THE NEW JERSEY ADMINISTRATIVE CODE, N.J.A.C. 14:4-1.1 <u>ET SEQ</u>.

## OFFER OF SETTLEMENT DOCKET NO. EO20040302

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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/

May 20, 2020

Joseph L. Fiordaliso President

Mary-Anna Holden Commissioner

Dianne Solomon Commissioner

Upendra Chivukula Commissioner

> Bob Gordon Commissioner

Ryan Peusch President and CEO HomeAde, LLC d/b/a Zentility 1350 Magnolia Avenue Annapolis, Maryland 21403-4668

Re: Energy Agent and Private Aggregator Initial Registrations Docket Nos. EE19070832L and GE19070833L

Dear Mr. Peusch:

In accordance with the Electric Discount and Energy Competition Act of 1999, N.J.S.A. 48:3-49 <u>et seq</u>., at its May 20, 2020 Agenda meeting, the New Jersey Board of Public Utilities voted to issue the **REGISTRATIONS** as an Energy Agent, Energy Consultant and Private Aggregator to HomeAde, LLC d/b/a Zentility. The company's registration numbers are EA-0643, EC-0208 and PA-0265.

These registrations are effective May 20, 2020 and will expire on May 19, 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 Jehvson Espiritu at (609) 292-0744.

Sincerely,

amacho Welch

Aida Camacho-Welch Secretary of the Board

ACW/joe