



Agenda Date: 9/10/25

Agenda Item: 1A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

AUDITS

IN THE MATTER OF THE VERIFIED PETITION)
OF ASTRAL ENERGY, LLC, DEBTOR FOR CLAIMS) ORDER
AGAINST SURETY BOND FILED PURSUANT TO)
N.J.S.A. 48:3-78(c)(4) AND N.J.S.A. 48:3-79(c)(4)) DOCKET NO. EO25080464

Parties of Record:

Scott S. Rever, Esq., Genova Burns LLC

BY THE BOARD:

On April 26, 2024, Donald V. Biase, Chapter 7 Bankruptcy Trustee ("Trustee") on behalf of Astral Energy, LLC ("Astral"), filed a petition with the New Jersey Board of Public Utilities ("Board"), requesting that the Board disburse surety bonds held pursuant to N.J.S.A. 48:3-78 and -79 into Astral's Chapter 7 bankruptcy estate for the benefit of Astral's creditors ("Petition").

BACKGROUND AND PROCEDURAL HISTORY

In 2013, the Board issued Astral a natural gas supplier license, No. GSL-0104, pursuant to N.J.S.A. 48:3-79, and an electric power supplier license, No. ESL-0125, pursuant to N.J.S.A. 48:3-78. Along with its application for initial electric power supplier and gas supplier licenses, Astral submitted to the Board a surety bond in the amount of \$250,000 for each license pursuant to N.J.A.C. 14:4-5.4(f). As identified in the Petition, Surety Bond No. 3131338 was issued on June 13, 2016, for Astral's natural gas supplier license and Surety Bond No. 3010383 was issued on December 15, 2015, for Astral's electric power supplier license. By their terms, each surety bond terminated a year after the date of issuance and could be extended by a Continuation Certificate.

As required by N.J.A.C. 14:4-5.4(i), Astral consistently submitted surety bond renewal documentation to the Board thirty (30) days prior to expiration of the bonds. Surety Bond No. 3131338 was most recently renewed by Continuation Certificate for the period ranging from May 25, 2023 to May 24, 2024. Surety Bond No. 3010383 was most recently renewed by Continuation Certificate for the period ranging from January 1, 2023 to December 31, 2023.

On August 25, 2023, Astral filed a voluntary petition for Chapter 7 bankruptcy, which involves the liquidation of company assets without authorization to continue operating the business. As part of the bankruptcy process, Astral has discontinued service to all its customers from both its electric

power and natural gas supply businesses and no longer serves customers in the State of New Jersey.

By the Petition, the Trustee sought a determination by the Board that Astral has breached the terms of its surety bonds. The Trustee requested that, upon such determination, the Board subsequently draw upon the surety bonds for disbursement into the bankruptcy estate for the purpose of providing monetary compensation to Astral's creditors. According to the Petition, because of the bankruptcy, Astral failed to comply with contractual obligations to its suppliers, customers, and other entities, resulting in non-payment and non-service to creditors. The Petition states that the surety bonds are properly pursued by the Trustee, as the bonds inure to the benefit of all creditors. By the Petition, the Trustee further stated that every creditor listed in the claims registry "has been damaged or suffered a loss by reason of breach of contract or violation of the regulations, rules, or standards promulgated by the Board."

DISCUSSION AND FINDINGS

Pursuant to N.J.S.A. 48:3-78(c)(4), N.J.S.A. 48:3-79(c)(4), and N.J.A.C. 14:4-5.5(f), a licensed gas or electric power supplier shall maintain its surety bond throughout the duration of its license and under terms and conditions approved by the Board. Further, the terms of the surety bond attached to the Petition provide that the bond remains in effect

as security for the use of the State of New Jersey and/or the Board of Public Utilities for failure to pay taxes or assessments and/or of any person or entity, who after entering into a service or product contract or third party supplier agreement for service in the State of New Jersey with the above named principal is damaged or suffers any loss by reason of failure to pay taxes or assessments or by breach of contract or bankruptcy by this principal.

The purpose of the surety bond requirement is to insure against a supplier's failure to pay New Jersey taxes or assessments, or a supplier's failure to meet contractual commitments to deliver electric generation service or gas supply service to New Jersey customers. Thus, the surety bonds do not inure to the benefit of all creditors, but solely those creditors who have been harmed by Astral's failure to pay New Jersey taxes or assessments, or Astral's failure to meet contractual obligations for electric or gas supply service to New Jersey customers.

Although bankruptcy is a contemplated basis upon which the Board may draw on the surety bonds, the claims registry provided by the Trustee does not sufficiently identify creditors that are New Jersey customers who received gas or electric supply from Astral pursuant to a service or product contract or third party supplier agreement for service. Many of the creditors listed in the claims registry include individuals or entities located outside of New Jersey and former employees of Astral.

After a thorough review of the record in this matter, the Board **HEREBY FINDS** that the Trustee's claims upon the disbursement of the surety bonds are inconsistent with the terms and the purpose of the surety bonds. Specifically, the Trustee did not provide sufficient information to support a finding that Astral breached the terms of its surety bonds. Any New Jersey customer who was damaged or suffered any loss as defined by the surety bond terms may file a separate complaint with the Board. The Board **HEREBY DENIES** the Petition for disbursement of Astral's surety bonds.

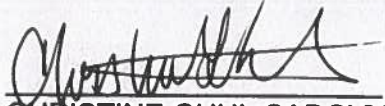
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The effective date of this Order is September 17, 2025.


DATED: September 10, 2025

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST: 
SHERRIL L. LEWIS
BOARD 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 VERIFIED PETITION OF ASTRAL ENERGY, LLC, DEBTOR FOR CLAIMS AGAINST
SURETY BOND FILED PURSUANT TO N.J.S.A. 48:3-78(c)(4) AND N.J.S.A. 48:3-79(c)(4)

DOCKET NO. EO25080464

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