

PRESS RELEASE

Contact: Consumer Services Division • (202) 727-3071 • email: ccceo@opc-dc.gov
Sandra Mattavous-Frye,
People's Counsel

February 6, 2014

Settlement Agreement Approved in Starion--Alternative Energy Supplier Investigation

Today People's Counsel Sandra Mattavous-Frye announced a comprehensive settlement agreement between Starion Energy and the Office of the People's Counsel that will provide tangible benefits to hundreds of consumers who have filed complaints about the energy supplier's business practices and provide an effective deterrent to future non-compliant behavior from Starion or any other alternative energy supplier. The agreement includes a \$100,000 donation to be made by Starion to a District based non-profit to provide energy assistance. The DC Public Service Commission ("PSC" or "Commission") issued an order approving the settlement earlier today.

"As People's Counsel I am keenly aware that not all issues are best resolved through litigation. OPC chose to negotiate with Starion Energy in part because of concern for the urgent needs of ratepayers who had suffered harm and because Starion indicated a willingness to treat District consumers fairly" stated the People's Counsel.

"I believe the process that led to this settlement has been a high water mark for my core commitment to consumer empowerment. From the moment consumers first brought their complaints about supplier business tactics to OPC in the Spring of 2013, to the consumers who gave of their time to testify on the record in July, their harrowing stories of aggressive sales practices, variable rate billing, exorbitant fees, the switching of service providers and feeling victimized and without recourse, moved OPC to be doubly committed to give voice to their

claims. OPC acted quickly to seek relief for these consumers by bringing this matter to the Public Service Commission. For many of the consumers we talked to, these practices created a substantial economic hardship that we needed to address in real time” added Ms. Mattavous-Frye.

“I am pleased that the Commission has concurred with OPC’s approach. The settlement with Starion is directly responsive to what consumers wanted and accomplishes several forward thinking objectives.” Consumers who have made complaints to OPC or the PSC will be re-billed so that they will pay the lower amount of their contract rate with Starion, or the Pepco Standard Offer Service rate.

Further, Starion’s contribution of \$100,000 will go to the Greater Washington Urban League to provide energy assistance to qualified District consumers. As another provision, Starion will work with OPC to design and implement materials that will better inform consumers of contract terms and conditions. In addition, should the terms of this agreement not be met, OPC may petition the PSC to reopen this investigation on an expedited basis.

OPC contends this settlement also sets a higher standard for all alternative energy suppliers serving or seeking to serve customers within the District of Columbia. “Competition is a fact. But if it is to work to the benefit of our consumers, we must stand firm in setting and enforcing the limits of acceptable business practices” stated the Peoples Counsel.

For more information about this case or other utility matters, I encourage consumers to contact OPC.