

May 22, 2015

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Pennsylvania Public Utility Commission
Rosemary Chiavetta
Secretary
Keystone Building, 2nd Floor Room N201
Harrisburg, PA 17120

MAY 22 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: *Choice Energy LLC d/b/a 4 Choice Energy, A-2012-2337893*
Updates to EGS Application Granted July 16, 2013

Dear Secretary Chiavetta:

On behalf of Choice Energy, LLC d/b/a 4 Choice Energy ("Choice"), and pursuant to 52 Pa. Code § 54.34, we are providing additional materials to the Pennsylvania Public Utility Commission ("PUC") to update Choice's previously approved license application. The following information updates Section 5 of the Application, pertaining to Compliance.

a. **CRIMINAL/CIVIL PROCEEDINGS**

Martin Krezalek v. Choice Energy, LLC d/b/a 4 Choice Energy
Superior Court of New Jersey, Law Division, Special Civil Part, Essex County
Docket No. SC 1176-15

b. **SUMMARY:**

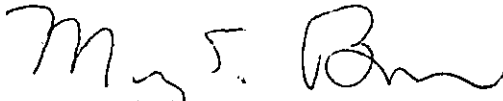
This is a small claims complaint filed against Choice by a pro se petitioner in New Jersey. The petitioner alleges that he contacted Choice to cancel his contract sometime in May, 2014. Petitioner further alleges that he discovered in March, 2015, that Choice never canceled his contract, per his earlier request, and that he was overcharged as compared to the default service rate offered by his utility. Petitioner was on a variable rate product offered by Choice which did not guarantee any savings compared to the default utility rate. A copy of the petitioner's complaint is attached.

Pennsylvania Public Utility Commission
May 22, 2015
Page 2

Choice is working with the customer with the intention of amicably resolving this issue.
Choice will provide updates to the PUC as needed regarding the status of this action.

Please do not hesitate to contact me if you have any questions.

Very truly yours,



Murray E. Bevan

Enclosures

cc: Dan Mumford (via electronic mail only w/enc.)
Theresa Mingarell (via electronic mail only w/enc.)
Moses Cheung, Co-Managing Member, Choice Energy (via electronic mail only, w/enc.)

SUPERIOR COURT OF NEW JERSEY

ESSEX VICINAGE

CIVIL DIVISION

Historic Courthouse

470 Dr. Martin Luther King Jr., Boulevard
Newark, New Jersey 07102
973- 693-6521

RECEIVED

MAY 22 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Amy K. DePaul
Trial Court Administrator

Debra Dadic
Civil Division Manager



Angeline Asobo
Assistant Civil Division Manager

Ebony Johnson
Assistant Civil Division Manager

MEMORANDUM

TO: DEFENDANT

THIS SUMMONS AND COMPLAINT WAS MAILED ON May 08, 2015

SAID SUMMONS IS RETURNABLE ON May 26, 2015 At 8:30 AM

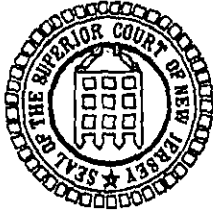
COURT APPEARANCE IS NECESSARY AT THIS TIME. IF YOU INTEND
TO DEFEND SAME, PLEASE REPORT TO ROOM 301 HALL OF RECORDS,
465 Dr. MARTIN LUTHER KING BLVD, NEWARK NEW JERSEY.

Angeline Asobo

Angeline Asobo
Asst. Division Manager/Clerk
Special Civil Part

Note: Please confirm the day before your scheduled date to appear at (973-693-5551).

Disregard previous summon & complaint



THE SUPERIOR COURT OF NEW JERSEY

Law Division, Special Civil Part

SMALL CLAIMS SUMMONS

YOU ARE BEING SUED!

IF YOU WANT THE COURT TO HEAR YOUR SIDE OF THIS CASE, YOU MUST APPEAR IN COURT. IF YOU DO NOT, THE COURT MAY RULE AGAINST YOU. READ ALL OF THIS PAGE AND THE NEXT PAGE FOR DETAILS.

In the attached complaint, the person suing you (who is called *the plaintiff*) briefly tells the court his or her version of the facts of the case and how much money he or she claims you owe. **You are cautioned that if you do not come to court on the trial date to answer the complaint, you may lose the case automatically, and the court may give the plaintiff what the plaintiff is asking for, plus interest and court costs.** If a judgment is entered against you, a Special Civil Part Officer may seize your money, wages or personal property to pay all or part of the judgment and the judgment is valid for 20 years.

You can do one or more of the following things:

1. *Come to court to answer the complaint.* You do not have to file a written answer, but if you dispute the complaint and want the court to hear your side of the case, you must appear in court on the date and at the time noted on the next page.

AND/OR

2. *Resolve the dispute* You may wish to contact the plaintiff's lawyer, or the plaintiff if the plaintiff does not have a lawyer, to resolve this dispute. **You do not have to do this unless you want to.** This may avoid the entry of a judgment and the plaintiff may agree to accept payment arrangements, which is something that cannot be forced by the court. You will have to appear in court on the trial date unless a written agreement is reached and filed with the court.

AND/OR

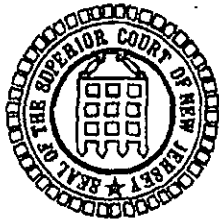
3. *Get a lawyer.* If you cannot afford to pay for a lawyer, free legal advice may be available by contacting Legal Services at _____. If you can afford to pay a lawyer but do not know one, you may call the Lawyer Referral Services of your local county Bar Association at _____.

If you need an interpreter or an accommodation for a disability, you must notify the court immediately.

La traducción al español se encuentra al dorso de esta página.

Angelne Asobo

Clerk of the Special Civil Part



EL TRIBUNAL SUPERIOR DE NUEVA JERSEY
División de Derecho, Parte Civil Especial

**NOTIFICACIÓN DE DEMANDA DE
RECLAMACIONES MENORES**

¡LE ESTÁN HACIENDO JUICIO!

SI UD. QUIERE QUE EL TRIBUNAL VEA SU VERSIÓN DE ESTA CAUSA TIENE QUE COMPARECER EN EL TRIBUNAL. SI NO COMPARECE, PUEDE SER QUE EL TRIBUNAL DICTAMINE EN SU CONTRA. PARA LOS DETALLES, LEA TODA ESTA PÁGINA Y LA QUE SIGUE.

En la demanda adjunta, la persona que le está haciendo juicio (que se llama *el demandante*) da al juez su versión breve de los hechos del caso y la suma de dinero que *alega* que Ud. le debe. *Se le advierte que si Ud. no viene al tribunal en la fecha del juicio, es posible que pierda la causa automáticamente* y el tribunal puede dar al demandante lo que pide más intereses y costas. Si se registra una decisión en contra de Ud., un Oficial de la Parte Civil (*Special Civil Part Officer*) puede embargar su dinero, salario o bienes muebles para pagar toda o parte de la adjudicación y la adjudicación tiene 20 años de vigencia.

Usted puede escoger entre las siguientes opciones:

1. *Venir al tribunal para contestar la demanda.* No hace falta que presente una contestación escrita, pero si Ud. disputa la demanda y quiere que el juez vea su versión de la causa, tiene que comparecer en el tribunal en la fecha y a la hora notadas en la página que sigue.

ADEMÁS, O DE LO CONTRARIO, USTED PUEDE

2. *Resolver la disputa.* Ud. posiblemente quiera comunicarse con el abogado del demandante, o el demandante si el demandante no tiene abogado, para resolver esta disputa. No tiene que hacerlo si no quiere. Esto puede evitar que se registre una adjudicación y puede ser que el demandante esté de acuerdo con aceptar un convenio de pago lo cual es algo que el juez no puede imponer. Tendrá que comparecer en el tribunal en la fecha del juicio a menos que se llegue a un acuerdo escrito que se registra en el tribunal.

ADEMÁS, O DE LO CONTRARIO, USTED PUEDE

3. *Conseguir un abogado.* Si Ud. no tiene dinero para pagar a un abogado, es posible que pueda recibir consejos legales gratuitos si se comunica con Servicios Legales (Legal Services) al _____. Si tiene dinero para pagar a un abogado pero no conoce ninguno puede llamar a Servicios de Recomendación de Abogados (Lawyer Referral Services) del Colegio de Abogados (Bar Association) de su condado local al _____.

Si necesita un intérprete o alguna acomodación para un impedimento, tiene que notificárselo inmediatamente al tribunal.

Angelne Asobo

Secretario de la Parte Civil Especial

SMALL CLAIMS SUMMONS AND RETURN OF SERVICE - PAGE 2

Plaintiff or Plaintiff's Attorney Information:

Name: Martin Krezalek
Address: 66 S. Fullerton Avenue, Unit 18
Montclair NJ 07042
Phone: (917) 853-4823

Martin S. Krezalek

Plaintiff(s)

versus

Choice Energy, LLC d/b/a 4 Choice Energy

Defendant(s)

SUPERIOR COURT OF NEW JERSEY

LAW DIVISION, SPECIAL CIVIL PART
Essex COUNTY

Docket Number: SC 1176-15
(to be provided by the court)

Defendant Information:

Name: Choice Energy, LLC d/b/a 4 Choice
Address: 1031 Office Park Rd. Suite 9
West Des Moines, IA 50265
Phone: (888) 565-4490

Civil Action
SUMMONS

(Check one): Contract Tort

Demand Amount: \$ 487.47
Filing Fee: \$ 35.00
Service Fee: \$ 7.00
Attorney's Fees: \$ _____
TOTAL: \$ 529.47

YOU MUST APPEAR IN COURT ON THIS DATE 5/26/15 AND TIME 8:30 a.m. p.m.
OR THE COURT MAY RULE AGAINST YOU.

REPORT TO:

Essex County Superior Court
Hall of Records-Rm. 301 @ 8:30 am Only)
465 Dr. Martin Luther King Jr Blvd
Newark, New Jersey 07102

Date Served:

RETUR

RT OFFICER

Docket Number _____

Date: _____ Time: _____ WM _____ WF _____ BM _____ BF _____ OTHER _____

HT _____ WT _____ AGE _____ HAIR _____ MUSTACHE _____ BEARD _____ GLASSES _____

NAME: _____ RELATIONSHIP: _____

Description of Premises _____

I hereby certify the above to be true and accurate:

Special Civil Part Officer

SMALL CLAIMS COMPLAINT (Contract, Security Deposit, Rent, or Tort)

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION, SPECIAL CIVIL PART
SMALL CLAIMS SECTION

Pro Se _____
Attorney for Plaintiff (if any) _____
Address _____
Telephone No. _____

Essex County
Docket No. _____
(to be provided by the court)

From Plaintiff
Martin S. Krezalek, Esq.
Name _____
Address 66 S. Fullerton Avenue, Unit 18
Montclair, N.J. 07042
Telephone No. (917) 853-4823

SC 1176-15
MAY - 4 2015
CIVIL ACTION
COMPLAINT
DIVISION

To Defendant
Choice Energy, LLC d/b/a 4 Choice Energy
Name _____
Address 1031 Office Park Rd., Suite 9
West Des Moines, IA 50265
Telephone No. (888) 565-4490

Check One
 Contract
 Security Deposit
 Rent
 Personal Injury or Property Damage (other than motor vehicle)

COMPLAINT

Demand: \$ 487.47 plus costs.

Type or print the reasons you, the Plaintiff(s), are suing the Defendant(s): Attach additional sheets if necessary.

Plaintiff Martin S. Krezalek ("Plaintiff"), alleges as follows:

1. This is an action for breach of contract where Plaintiff seeks to recover from defendant Choice Energy, LLC d/b/a 4 Choice Energy ("Choice Energy") damages sustained in connection with Choice Energy's breach of its express obligation to honor Plaintiff's request to cancel Choice Energy's services.

~~CONTINUED on RIDER (attached)~~

IMPORTANT: Plaintiffs and defendants must bring all witnesses, photos, and documents, and other evidence to the hearing. Subpoena forms are available at the Clerk's office to require the attendance of witnesses.

At the trial Plaintiff will require:

An interpreter Yes No Indicate Language: _____
An accommodation for disability Yes No Indicate Disability: _____

I certify that the matter in controversy is not the subject of any other court action or arbitration proceeding, now pending or contemplated, and that no other parties should be joined in this action.

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(b).

March 20 2015
Date

Plaintiff's Signature
Martin Krezalek
Plaintiff's Name Typed, Stamped or Printed

RIDER TO COMPLAINT

1. This is an action for breach of contract where Plaintiff seeks to recover from defendant Choice Energy, LLC d/b/a 4 Choice Energy for damages sustained in connection with Choice Energy's breach of its express obligation to honor Plaintiff's request to cancel Choice Energy's services.
2. Plaintiff is an individual residing in Montclair New Jersey.
3. Defendant Choice Energy Choice Energy, LLC d/b/a 4 Choice Energy("Choice Energy") is a limited liability company organized and existing under the laws of the State of Iowa with its principal place of business located at 1031 Office Park Rd., Suite 9, West DesMoines, IA 50265.
4. On or about January 20, 2013, in response to Choice Energy's solicitation and representations to Plaintiff that he could save money by purchasing electricity from Choice Energy (as opposed to purchasing electricity through PSE&G), Plaintiff entered into a contract with Choice Energy whereby Choice Energy became Plaintiff's third-party electricity provider (the "Agreement"). The Agreement was entered into telephonically.
5. The terms of service for the Agreement, which Choice Energy makes available on their website (available here <http://4choiceenergy.net/more-information/customer-terms-and-agreements/>) expressly provide that a customer may cancel Choice Energy's services at any time by calling Choice Energy's customer service toll free number during operating hours to speak with a customer service agent.
6. In May 2014, Plaintiff discovered that Choice Energy's rate per kilowatt-hour ("kWh Rate") had been more than PSE&G's kWh Rate. For example, in that particular month, Choice Energy's charges billed to Plaintiff were \$640.51. Had Plaintiff purchased his electricity from PSE&G, the electrical charges for that same month would have been \$508.20.
7. Upon realizing that he was paying an above-market kWh Rate to Choice Energy, in May of 2014, Plaintiff placed several calls to Choice Energy to question the rate and to ask for a reduction of the \$640.51 charge. Upon speaking to a female representative (upon Plaintiff's best recollection, the representative's name was Brandy) Plaintiff requested that Choice Energy reduce the \$640.51 charge to at least \$508.20, which was what PSE&G would have charged for the same service. Plaintiff was informed by Choice Energy's representative that they would not adjust the bill. Consequently, Plaintiff expressly instructed Choice Energy's representative to cancel his service. Plaintiff was informed by the representative that the cancellation request was processed and that it would take a few billing cycles for Choice Energy's charges to stop appearing on his energy bills.
8. On March 18, 2015, Plaintiff discovered that Choice Energy had never cancelled his service as he requested and that, due to Choice Energy's breach of the Agreement, Plaintiff had still been paying the much higher Choice Energy kWh Rate instead of

the lower PSE&G rate since May of 2014. Specifically, the wrongful overcharges by Choice Energy were:

- May 2014: Choice Energy charged \$640.51 for the same electric supply that PSE&G would have charged \$508.20, for an overpayment of \$26.03.
 - June 2014: Choice Energy charged \$295.27 for the same electric supply that PSE&G would have charged \$254.95, for an overpayment of \$40.32.
 - July 2014: Choice Energy charged \$92.35 for the same electric supply that PSE&G would have charged \$77.13, for an overpayment of \$15.22.
 - August 2014: : Choice Energy charged \$178.63 for the same electric supply that PSE&G would have charged \$149.36, for an overpayment of \$29.27.
 - September 2014: : Choice Energy charged \$117.76 for the same electric supply that PSE&G would have charged \$96.06, for an overpayment of \$21.70.
 - October 2014: : Choice Energy charged \$122.57 for the same electric supply that PSE&G would have charged \$98.19, for an overpayment of \$24.38.
 - November 2014: : Choice Energy charged \$195.57 for the same electric supply that PSE&G would have charged \$156.63, for an overpayment of \$30.71.
 - December 2014: Choice Energy charged \$129.20 for the same electric supply that PSE&G would have charged \$100.53, for an overpayment of \$28.27.
 - January 2015: Choice Energy charged \$144.31 for the same electric supply that PSE&G would have charged \$113.60, for an overpayment of \$30.71.
 - February 2015: Choice Energy charged \$129.20 for the same electric supply that PSE&G would have charged \$100.53, for an overpayment of \$28.27.
 - March 2015: Choice Energy charged \$496.48 for the same electric supply that PSE&G would have charged \$396.16, for an overpayment of \$100.32.
9. In sum, Plaintiff had been overcharged at least \$487.47 since May of 2014. Plaintiff would not have incurred the above-market kWh Rates charged by Choice Energy if his express request to cancel his service had been honored as Choice Energy was required to do under the terms of the Agreement.

FIRST CAUSE OF ACTION
(Breach of Contract)

10. Plaintiff repeats, reiterates, and realleges the allegations set forth in paragraphs 1 through 9 of this Complaint as if fully set forth herein.
11. The Agreement is a valid and binding contract.
12. Plaintiff has performed all of his obligations under the Agreement by paying for the Choice Energy's services.

13. As set forth above, under the terms of the Agreement, Choice Energy had an express contractual obligation to honor Plaintiff's request to cancel Choice Energy's services when he called Choice Energy's customer service number and spoke with a customer service agent.
14. Choice Energy failed to cancel its services.
15. Choice Energy has therefore breached the Agreement.
16. Plaintiff has been damaged by Choice Energy's failure to cancel its services in an amount no less than \$487.47.

WHEREFORE, Plaintiff respectfully requests that this Court enter judgment (i) in favor of Plaintiff in an amount to be determined at trial; and (ii) awarding Plaintiff statutory interest and the costs and disbursements of this action, and (iii) granting such other and further relief as the Court deems just and proper.

From: (908) 753-8300
Donna Giuliano
Bevan Mosca Giuditta & Zarillo
222 Mount Airy Road
Suite 200
Basking Ridge, NJ 07920

Origin ID: JVIA



Ship Date: 22MAY15
ActWgt: 1.0 LB
CAD: 5099813/NET3610

Delivery Address Bar Code



Ref # 260/12089 MEB
Invoice #
PO #
Dept #

SHIP TO: (717) 783-1740

BILL SENDER

Rosemary Chiavetta
Pennsylvania Public Utility Commiss
Keystone Building
2nd Floor Room N201
HARRISBURG, PA 17120

TUE - 26 MAY AA
STANDARD OVERNIGHT

TRK# 7736 6663 1099

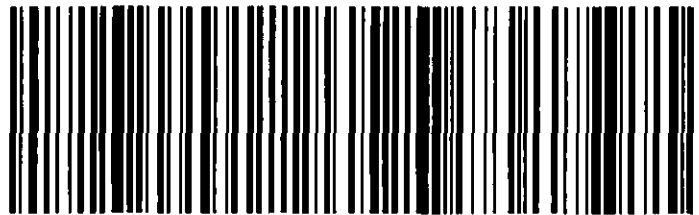
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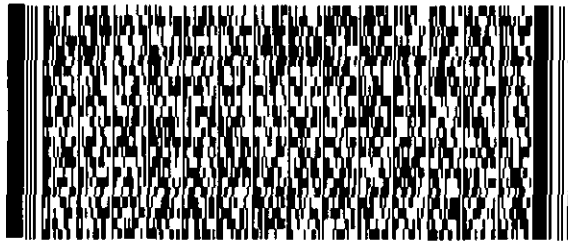
PA-US

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