COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

October 28, 2026

Via Electronic Filing
Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Pure Energy Services, LLC's Unauthorized Enrollment of Customers
Docket No. M-2026-3050167
Joint Petition for Approval of Settlement

Dear Secretary Homsher:

Enclosed for electronic filing is the Joint Petition for Approval of Settlement in the above-referenced proceeding as well as Appendices A through C consisting of: Appendix A – Proposed Ordering Paragraphs; Appendix B – the Bureau of Investigation and Enforcement's Statement in Support; and Appendix C – the Statement in Support of Pure Energy Services, LLC.

Copies have been served on the parties of record in accordance with the Certificate of Service. If you have any questions, please do not hesitate to contact me.

Sincerely,

Jade Salyards

Jade M. Salyards
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 322556
717-705-4367
jasalyards@pa.gov

JMS/nb
Enclosures

cc: Allison C. Kaster, Director, I&E (*via email – akaster@pa.gov*)
Stephanie M. Wimer, Deputy Chief Prosecutor, I&E-Enf (*via email – stwimer@pa.gov*)
Kathryn Liddell, BCS (*via email – kliddell@pa.gov*)
Office of Special Assistants (*via email – ra-OSA@pa.gov*)
As per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Pure Energy USA PA, LLC's Unauthorized Enrollment of Customers	:	Docket No. M-2026-3050167

JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to 52 Pa. Code §§ 5.41 and 5.232, the Pennsylvania Public Utility Commission's ("Commission") Bureau of Investigation and Enforcement ("I&E" or "Complainant") and Pure Energy USA PA LLC ("Pure Energy" or "Company") (hereinafter referred to collectively as the "Parties" or "Joint Petitioners") hereby submit this Joint Petition for Approval of Settlement ("Settlement," "Settlement Agreement," or "Joint Petition") to resolve all issues related to the unauthorized enrollment of residential and small commercial customers to Pure Energy without their authorization ("Incident"). I&E and Pure Energy respectfully request that the Commission approve the Joint Petition, without modification, for the compelling public interest reasons set forth, *infra*. Also attached are Proposed Ordering Paragraphs ("Appendix A") and Statements in Support of the Settlement expressing the individual views of I&E ("Appendix B") and Pure Energy ("Appendix C"), respectively.

I. INTRODUCTION

1. The Parties to this Settlement Agreement are the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement, by its prosecuting attorneys, 400 North Street, Harrisburg, Pennsylvania 17120 and Pure Energy, an electric generator supplier ("EGS"), with a principal place of business of 3 Columbus Circle, 15th Floor, New York, NY 10019.

2. The Pennsylvania Public Utility Commission is a duly constituted agency of the Commonwealth of Pennsylvania empowered to regulate public utilities within this Commonwealth, as well as other entities subject to its jurisdiction, pursuant to 66 Pa.C.S. §§ 101, *et seq*.

3. I&E is the entity established to prosecute complaints against public utilities and other entities subject to the Commission's jurisdiction pursuant to 66 Pa.C.S. § 308.2(a)(11); *see also* Implementation of Act 129 of 2008; Organization of Bureaus and Offices, Docket No. M-2008-2071852 (Order entered August 11, 2011) (delegating authority to initiate proceedings that are prosecutory in nature to I&E).

4. Section 501(a) of the Code, 66 Pa.C.S. § 501(a), authorizes and obligates the Commission to execute and enforce the provisions of the Code.

5. Section 701 of the Code, 66 Pa.C.S. § 701, authorizes the Commission, *inter alia*, to hear and determine complaints alleging a violation of any law or regulation that the Commission has jurisdiction to administer.

6. Section 3301 of the Code, 66 Pa.C.S. § 3301, authorizes the Commission to impose civil penalties on any public utility or on any other person or corporation subject

to the Commission's authority for violations of the Code, the Commission's regulations, or both. Section 3301 allows for the imposition of a fine for each violation and each day's continuance of such violation(s). 66 Pa.C.S. § 3301.

7. Pure Energy is a licensed EGS as defined by 66 Pa.C.S. § 2803. On October 3, 2019, at Docket No. A-2019-3011319, Pure Energy was granted Commission approval to operate as an EGS offering services as a supplier to residential, small commercial (25 kW and under demand), large commercial (over 25 kW demand), industrial, and governmental customers throughout the Commonwealth of Pennsylvania.

8. Pure Energy, as a licensed provider of electric generation supply service, is subject to the power and authority of this Commission pursuant to Sections 501(c) and 2809 of the Public Utility Code, 66 Pa.C.S. §§ 501(c) and 2809.

9. Pursuant to the provisions of the applicable Commonwealth statutes and regulations, the Commission has jurisdiction over this subject matter and the actions of Pure Energy in its capacity as an EGS serving customers in Pennsylvania.

II. FACTUAL BACKGROUND

10. Between November of 2023 and January of 2024, Pure Energy and a third-party marketing agent acting on behalf of Pure Energy, Gazman Business Solutions ("Gazman"), enrolled customers to Pure Energy without authorization (i.e. slamming).

11. Pure Energy hired Gazman to conduct commercial and residential sales in Pennsylvania and Gazman began marketing on behalf of Pure Energy in November 2023.

12. Since November of 2023, the Pennsylvania Public Utility Commission's Bureau of Consumer Services ("BCS") has confirmed receipt of twenty-nine (29)

complaints from customers who claim that their electricity supplier was switched without authorization to Pure Energy.

13. BCS initiated an informal investigation of Pure Energy in January of 2024, as a result of the complaints received from individuals relating to allegations of slamming.

14. On or about July 31, 2024, Pure Energy terminated its contract with Gazman and after that date Gazman no longer conducted marketing on behalf of Pure Energy.

15. On July 17, 2024, BCS referred this matter to I&E for further investigation.

16. As part of its investigation, I&E served an Informal Investigation Letter and Data Request – Set I to Pure Energy on October 29, 2024.

17. In its response, Pure Energy indicated that in nearly every erroneous enrollment in question, the enrollment occurred because the representative of the business customers that completed the enrollment was not internally authorized by the business to complete the enrollment.

18. In its response, Pure Energy indicated that it had terminated its supply service for the accounts in question thereby returning those customers to default service and offered the customers of those accounts complete refunds of supplier charges.

19. Additionally, Pure Energy has implemented a re-training for all sales channels to ensure that the person completing the enrollment for the customer was authorized to make the switch of suppliers.

III. ALLEGED VIOLATIONS

20. Had this matter been fully litigated rather than resolved through this Settlement, I&E would have proffered evidence and legal argument that Pure Energy violated certain provisions of the Public Utility Code and/or Commission regulations in that:

a. Pure Energy is responsible for any fraudulent or deceptive or other unlawful marketing or billing acts performed by the licensee, its employes, agents or representatives. If proven, this is a violation of 52 Pa. Code § 54.43(f) (Standards of Conduct and Disclosure for Licensees);

b. Pure Energy, as an EGS, is responsible for fraudulent, deceptive or other unlawful marketing acts performed by its agent. If proven, this is a violation of 52 Pa. Code § 111.3 (Supplier Liability for Its Agent); and

c. Pure Energy failed to obtain customer authorization to switch service. If proven, this is a violation of 52 Pa. Code § 57.173 (Customer Contacts the EGS to Request a Change in Electric Supply Service).

21. Had this matter been fully litigated rather than resolved through this Settlement, Pure Energy would have contended that it did not violate provisions of the Public Utility Code and/or Commission regulations.

IV. SETTLEMENT TERMS

22. Pursuant to the Commission's policy of encouraging settlements that are reasonable and in the public interest, as set forth at 52 Pa. Code § 5.231(a), I&E and Pure Energy held a series of discussions and meetings that culminated in this Settlement. I&E and Pure Energy desire to: (i) terminate I&E's informal investigation; and (ii) settle this matter completely without litigation. The Parties recognize that this is a disputed claim

and given the inherent unpredictability of the outcome of a contested proceeding, the Parties further recognize the significant and more immediate benefits of amicably resolving the disputed issues through settlement as opposed to time-consuming and expensive litigation.

23. The Parties recognize that their positions and claims are disputed and further recognize the significant and more immediate benefits of amicably resolving the disputed issues through settlement as opposed to time-consuming and expensive litigation.

24. The terms and conditions of the Settlement Agreement, for which the Parties seek Commission approval, are set forth below.

25. I&E and Pure Energy, intending to be legally bound and for consideration given, desire to fully and finally conclude this investigation and agree that a Commission Order approving the Settlement without modification will create the following rights and obligations:

A. <u>Civil Penalty</u>:

Pure Energy will pay a civil penalty in the amount of Twenty Thousand and Three Hundred Dollars ($20,300.00) pursuant to 66 Pa.C.S. § 3301(c). Said payment will be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement and will be made payable to the "Commonwealth of Pennsylvania." The docket number of this proceeding will be indicated with the payment and sent to:

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

The civil penalty will not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f).

26. Upon Commission approval of the Settlement in its entirety without modification, I&E will not file any complaints or initiate other action against Pure Energy at the Commission with respect to the allegations that were the subject of I&E's instant investigation.

27. I&E and Pure Energy jointly acknowledge that approval of this Settlement Agreement is in the public interest and fully consistent with the Commission's Policy Statement regarding Factors and Standards for Evaluating Litigated and Settled Proceedings, 52 Pa. Code § 69.1201. The Parties submit that the Settlement Agreement is in the public interest because it effectively addresses I&E's allegations and avoids the time and expense of further litigation, which entails hearings, travel for out-of-state witnesses, and the preparation and filing of briefs, exceptions, and reply exceptions, as well as possible appeals. Attached as **Appendices B** and **C** are Statements in Support submitted by I&E and Pure Energy, respectively, setting forth the bases upon which the Parties believe the Settlement Agreement is in the public interest.

V. CONDITIONS OF SETTLEMENT

28. This document represents the Settlement Agreement in its entirety and constitutes a negotiated resolution solely of the above-referenced investigation. No changes to obligations set forth herein may be made unless they are in writing and are expressly accepted by the Parties involved. This Settlement Agreement shall be

construed and interpreted under Pennsylvania law, without regard to its conflict of laws provisions.

29. The Parties agree that this Settlement may be executed in one or more counterparts, each of which will be deemed an original, and all of which taken together constitute one and the same agreement that is binding upon the Parties as if they executed a single petition.

30. In order to effectuate this Joint Petition, the undersigned Parties request that the Commission issue a Final Order approving the Joint Petition without modification.

31. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in this Joint Petition for Approval of Settlement without modification. If the Commission modifies this Settlement Agreement, any party may elect to withdraw from this Settlement Agreement and may proceed with litigation or take such other action as deemed appropriate and, in such event, this Settlement Agreement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission, and served upon all parties within twenty (20) business days after entry of an Order modifying the Settlement.

32. The consequence of any party withdrawing from this Joint Petition as set forth above is that all issues associated with the requested relief presented in the proceeding may be fully litigated by the filing of a Formal Complaint or such other action may be taken as deemed appropriate unless otherwise stipulated between the Parties and all obligations of the Parties to each other set forth herein are terminated and of no force and effect.

33. The Parties agree that the underlying allegations were not the subject of any hearing and that there has been no Order, findings of fact, or conclusions of law rendered in this Complaint proceeding. It is further understood that, by entering into this Settlement Agreement, Pure Energy has made no concession or admission of fact or law and may dispute all issues of fact and law for all purposes in any other proceeding, including but not limited to any civil proceedings, that may arise as a result of the circumstances described in this Joint Settlement Petition, nor may this Settlement be used by any other person or entity as a concession or admission of fact or law.

34. The Parties acknowledge that this Settlement Agreement reflects a compromise of competing positions, does not necessarily reflect any party's position with respect to any issues raised in this proceeding, and does not in any way constitute a finding or an admission of guilt.

35. This Settlement Agreement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner that is fair and reasonable and in the public interest. This Settlement is presented without prejudice to any position that any of the Parties may have advanced and without prejudice to the position any of the Parties may advance in the future on the merits of the issues in any other proceedings, except to the extent necessary to effectuate or enforce the terms and conditions of this Settlement Agreement. This Settlement does not preclude the Parties from taking other positions in any other proceeding but is conclusive in this proceeding and may not be reasserted in any other proceeding or forum except for the limited purpose of enforcing the Settlement by a party.

36. Pure Energy does not admit to any violations of laws or regulations with respect to the Incident.

37. The Parties agree that upon the filing of the Settlement, the three year requirement to bring a prosecution for this matter, found at 66 Pa.C.S. § 3314, shall be tolled until twenty (20) days after such time the Commission issues an Order approving or rejecting the Settlement Agreement or a Party files its election to withdraw from the Settlement Agreement, whichever occurs later in time.

38. I&E and Pure Energy shall make good faith efforts to obtain approval of the Joint Petition by the Commission including, but not limited to, submitting Statements in Support of the Joint Petition. Both Parties' Statements in Support of the Joint Petition shall support the position that the agreed-to civil penalty to be paid by Pure Energy is adequate and consistent with the Commission's Policy Statement on settlement of investigations and the Rosi Standards for civil penalties and thus in the public interest.

39. I&E and Pure Energy jointly acknowledge that approval of this Settlement Agreement is in the public interest and is fully consistent with the Commission's Policy Statement for evaluating litigated and settled proceedings involving violations of the Code and Commission regulations, 52 Pa. Code § 69.1201. The public interest will be served if the Joint Petition for Approval of Settlement is adopted.

40. The Joint Petition avoids the time and expense of litigation in this matter before the Commission, which likely would entail the filing of a Formal Complaint, the preparation for and attendance at hearings, and the preparation and filing of testimony, briefs, reply briefs, exceptions, and reply exceptions. The Parties further recognize that

their positions and claims are disputed and, given the inherent unpredictability of the outcome of a contested proceeding, the Parties recognize the benefits of amicably resolving the disputed issues through settlement.

41. Since the Parties agree to the terms of the Joint Petition, adopting it will eliminate the possibility of any appeal from a Commission Order, thus avoiding the additional time and expense that they might incur in such an appeal.

42. This Settlement consists of the entire agreement between I&E and Pure Energy regarding the matters addressed herein. Moreover, this Settlement Agreement represents a complete settlement of I&E's informal investigation of the alleged violations of Commission regulations regarding the Incident, as discussed, *supra*.

43. The terms and conditions of this Settlement Agreement represent reasonably negotiated compromises on the issues addressed herein. Thus, the Settlement Agreement is consistent with the Commission's rules and practices encouraging negotiated settlements set forth in 52 Pa. Code §§ 5.231 and 69.1201.

WHEREFORE, the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement and Pure Energy Services, LLC respectfully request that the Commission issue an Order approving the terms of this Settlement Agreement in their entirety, without modification, as being in the public interest.

[Signature Page to Follow]

Respectfully Submitted,

Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

By: Jade Salyards

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Date: October 28, 2026

Pure Energy USA PA, LLC

By: _____

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Attorney for Pure Energy USA PA, LLC

Date: October 28, 2026

Appendix A

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Pure Energy USA PA, LLC's Unauthorized Enrollment of Customers	: : : : :	Docket No. M-2026-3050167

JOINT PROPOSED ORDERING PARAGRAPHS

1. That the Joint Settlement Petition filed on October 28, 2026 between the Commission's Bureau of Investigation and Enforcement and Pure Energy USA PA, LLC is approved in its entirety without modification.

2. That, in accordance with Section 3301(c) of the Public Utility Code, 66 Pa.C.S. § 3301(c), within thirty (30) days of the date this Order becomes final, Pure Energy Services, LLC will pay a civil penalty of Twenty Thousand and Three Hundred Dollars ($20,300.00). Said payment will be payable to "Commonwealth of Pennsylvania" and will be sent to:

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

3. That the civil penalty will not be tax deductible.

4. A copy of this Opinion and Order will be served upon the Financial and Assessment Chief, Bureau of Administration.

5. That upon receipt of the civil penalty the above-captioned matter shall be marked closed.

Appendix B

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Pure Energy USA PA, LLC's Unauthorized Enrollment of Customers	:	Docket No. M-2026-3050167

THE BUREAU OF INVESTIGATION AND ENFORCEMENT'S STATEMENT IN SUPPORT OF THE JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to 52 Pa. Code §§ 5.231, 5.232 and 69.1201, the Pennsylvania Public Utility Commission's ("Commission" or "PUC") Bureau of Investigation and Enforcement ("I&E"), a signatory party to the Joint Petition for Approval of Settlement ("Settlement" or "Settlement Agreement") filed in the matter docketed above, submits this Statement in Support of the Settlement Agreement between I&E and Pure Energy USA PA, LLC ("Pure Energy" or "Company").[1] I&E avers that the terms and conditions of the Settlement are just and reasonable and in the public interest for the reasons set forth herein.

[1] I&E and Pure Energy are collectively referred to herein as the "Parties."

I. BACKGROUND

I&E, along with the Public Utility Commission's Bureau of Consumer Services ("BCS"), conducted investigations of informal complaints received by BCS between November of 2023 and January of 2024 related to the enrollment of customers to Pure Energy without the customers' authorization (i.e. slamming). The results of the investigation formed the basis for the allegations set forth in the Settlement Agreement.

Between November of 2023 and January of 2024, Pure Energy and a third-party marketing agent acting on behalf of Pure Energy, Gazman Business Solutions ("Gazman"), enrolled customers to Pure Energy without the customers' authorization (i.e. slamming). Pure Energy had hired Garman to conduct commercial and residential sales in Pennsylvania, and Gazman commenced marketing activities on behalf of Pure Energy in November of 2023. Since November of 2023, BCS confirmed receipt of twenty-nine (29) complaints from individuals who claim that their electricity supplier was switched without authorization to Pure Energy. BCS initiated an informal investigation of Pure Energy in January of 2024 as a result of the complaints received from individuals related to allegations of slamming. BCS then referred the matter to I&E to further investigate the matter on July 17, 2024. As part of the investigation, I&E served an Informal Investigation Letter and Data Request – Set I to Pure Energy on October 29, 2024. In its response, Pure Energy indicated that it had terminated the supply service of the accounts in question thereby returning those customers to default service, and offered the customers of those accounts complete refunds of supplier charges. Additionally, Pure Energy has implemented a re-training for all sales channels

to emphasize that all future enrollments should be authorized before they are integrated into their platform. Pure Energy suspended Gazmans operations and ultimately terminated its contract with Gazman on July 31, 2024.

Had this matter been fully litigated rather than resolved through this Settlement, I&E would have proffered evidence and legal argument that Pure Energy violated certain provisions of the Public Utility Code and/or Commission regulations in that:

a. Pure Energy is responsible for any fraudulent, deceptive or other unlawful marketing or billing acts performed by the licensee, its employees, agents or representatives. If proven, this is a violation of 52 Pa. Code § 54.43(f) (Standards of conduct and disclosure for licensees);

b. Pure Energy, as an EGS, is responsible for fraudulent, deceptive or other unlawful marketing acts performed by its agent. If proven, this is a violation of 52 Pa. Code § 111.3 (Supplier Liability for Its Agent); and

c. Pure Energy failed to obtain customer authorization to switch service. If proven, this is a violation of 52 Pa. Code § 57.173 (Customer Contacts the EGS to Request a Change in Electric Supply Service).

The Parties filed a Joint Petition for Approval of Settlement in the instant matter resolving all issues between I&E and Pure Energy. This Statement in Support is submitted in conjunction with this Settlement Agreement.

II. THE PUBLIC INTEREST

Pursuant to the Commission's policy of encouraging settlements that are reasonable and in the public interest, the Parties held a series of settlement discussions. These discussions culminated in this Settlement Agreement, which, once approved, will resolve all issues related to I&E's informal investigation. Pure Energy has been

cooperative with I&E related to identifying policies and procedures, facilities, and training that can be further improved to assist Pure Energy in enhancing the reliability of service and to satisfy the commitments that I&E has required in the settlement process. Specifically, Pure Energy has implemented a re-training to all sales channels to best ensure that future enrollments are authorized before they are integrated into Pure Energy's platform. Pure Energy also promptly addressed the misconduct committed by its agent by terminating its contract with Gazman. Further, Pure Energy offered affected customers full refunds of supplier charges that were billed as a result of the unlawful switch to Pure Energy.

Had this matter been fully litigated rather than resolved through this Settlement, I&E would have proffered evidence and legal argument that Pure Energy violated the Public Utility Code and/or Commission regulations to which Pure Energy would have disputed. This Settlement Agreement results from the compromises of the Parties. I&E recognizes that, given the inherent unpredictability of the outcome of a contested proceeding, the benefits to amicably resolving the disputed issues through settlement outweigh the risks and expenditures of litigation. I&E submits that the Settlement constitutes a reasonable compromise of the issues presented and is in the public interest as it provides for a civil penalty. As such, I&E respectfully requests that the Commission approve the Settlement without modification.

III. TERMS OF SETTLEMENT

Under the terms of the Settlement Agreement, I&E and Pure Energy have agreed to a civil penalty that directly responds to the allegations raised by I&E:

1. Pure Energy will pay a civil penalty of Twenty Thousand and Three Hundred Dollars ($20,300.00), which will not be tax deductible.

In consideration of Pure Energy's payment of a civil penalty, I&E agrees that it has released Pure Energy from all past claims that were or could have been made for monetary and/or other relief based on allegations associated with slamming between November 2023 and January 2024.

IV. LEGAL STANDARD FOR SETTLEMENT AGREEMENTS

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense that the Parties must expend on litigating a case and conserve precious administrative resources. Settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. "The focus of inquiry for determining whether a proposed settlement should be recommended for approval is not a 'burden of proof' standard, as is utilized for contested matters." *Pa. Pub. Util. Comm'n, et al. v. City of Lancaster – Bureau of Water*, Docket Nos. R-2010-2179103, *et al*. (Order entered July 14, 2011) at p. 11. Instead, the benchmark for determining the acceptability of a settlement is whether the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. Philadelphia Gas Works*, Docket No. M-00031768 (Order entered January 7, 2004).

I&E submits that approval of the Settlement Agreement in the above-captioned matter is consistent with the Commission's Policy Statement regarding *Factors and Standards for Evaluating Litigated and Settled Proceedings Involving Violations of the Public Utility Code and Commission Regulations* ("Policy Statement"),

52 Pa. Code § 69.1201; *See also Joseph A. Rosi v. Bell-Atlantic-Pennsylvania, Inc.*, Docket No. C- 00992409 (Order entered March 16, 2000). The Commission's Policy Statement sets forth ten (10) factors that the Commission may consider in evaluating whether a civil penalty for violating a Commission order, regulation, or statute is appropriate, as well as whether a proposed settlement for a violation is reasonable and in the public interest. 52 Pa. Code § 69.1201.

The Commission will not apply the factors as strictly in settled cases as in litigated cases. 52 Pa. Code § 69.1201(b). While many of the same factors may still be considered, in settled cases, the Parties "will be afforded flexibility in reaching amicable resolutions to complaints and other matters as long as the settlement is in the public interest." *Id*.

The first factor considers whether the conduct at issue was of a serious nature, such as willful fraud or misrepresentation, or if the conduct was less egregious, such as an administrative or technical error. Conduct of a more serious nature may warrant a higher civil penalty while conduct that is less egregious warrants a lower amount. 52 Pa. Code § 69.1201(c)(1). I&E submits that the conduct alleged in the Complaint does not rise to the level of willful fraud or misrepresentation but is of a more serious nature than a mere administrative error due to the amount of complaints received by BCS in a short amount of time. Therefore, I&E submits that the civil penalty is warranted in this case. The seriousness of the conduct at issue has been addressed in the corrective measures that the Company has already taken, as well as the payment of the agreed-upon civil penalty.

The second factor considers whether the resulting consequences of Pure Energy's alleged conduct were of a serious nature. When consequences of a serious nature are involved, such as personal injury or property damage, the consequences may warrant a higher penalty. 52 Pa. Code § 69.1201(c)(2). In this case, Pure Energy has provided complete refunds of supplier charges to all impacted customers. No personal injury or property damage is involved in this matter. Slamming, however, is serious in that it undermines the integrity of the retail electricity market. The civil penalty reflects the seriousness of the conduct.

The third factor to be considered under the Policy Statement is whether the alleged conduct was intentional or negligent. 52 Pa. Code § 69.1201(c)(3). "This factor may only be considered in evaluating litigated cases." *Id*. Whether Pure Energy's alleged conduct was intentional or negligent does not apply since this matter is being resolved by settlement of the Parties. Additionally, Pure Energy is taking responsibility for the conduct of its third-party marketing agent by entering into the Settlement.

The fourth factor to be considered is whether Pure Energy has made efforts to change its practices and procedures to prevent similar conduct in the future. 52 Pa. Code § 69.1201(c)(4). In response to this incident, Pure Energy provided complete refunds of supplier charges to all impacted customers. Additionally, Pure Energy has implemented a re-training of all sales channels to best ensure that all future enrollments are authorized before they are integrated into its platform, which will help prevent a similar incident from occurring again. Furthermore, Pure Energy terminated its contract with Gazman.

These actions demonstrate that Pure Energy is taking measures to improve its quality control and reliability of its operations.

The fifth factor to be considered relates to the number of customers affected by the Company's actions and the duration of the violations. 52 Pa. Code § 69.1201(c)(5). Twenty-nine (29) customers were confirmed to have had their electricity supplier switched without authorization to Pure Energy. The duration of the violations occurred over approximately a three-month period of time.

The sixth factor to be considered relates to the compliance history of Pure Energy. 52 Pa. Code § 69.1201(c)(6). An isolated incident from an otherwise compliant company may result in a lower penalty, whereas frequent, recurrent violations by a company may result in a higher penalty. *Id*. Around the same time during which Gazman was conducting sales on behalf of Pure Energy, four formal complaints were filed by customers alleging that their electric generation supply was switched to Pure Energy without authorization. All four formal complaints were resolved by the filing of Certificates of Satisfaction, pursuant to 52 Pa. Code § 5.24.[2] There were two additional complaints against Pure Energy at this time that complained about billing details. Those were also resolved by the filing of Certificates of Satisfaction, pursuant to 52 Pa. Code § 5.24.[3] There have been no adverse findings made against Pure Energy.

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[2] Those matters were *Jennifer Kramer v. Pure Energy, Inc.*, Docket No. C-2023-3044400; *Cedar Crest Bible Fellowship Church v. Pure Energy, Inc.*, Docket No. C-2024-3045778; *Domenico Zito v. Pure Energy, Inc*., Docket No. C-2024-3046090; and *Gold Medal Karate, Inc. v. Pure Energy, Inc.*, Docket No. C-2024-3047915.

[3] Those matters were *Christine Yourchik v. Pure Energy Inc*., Docket No. C-2021-3027664 and *Shelly Place v. Pure Energy, Inc*., Docket No. C-2022-3030721.

The seventh factor to be considered relates to whether the Company cooperated with the Commission's investigation. 52 Pa. Code § 69.1201(c)(7). "Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty." *Id*. As previously referenced, Pure Energy cooperated with I&E's investigation, as well as BCS in its investigation.

The eighth factor to be considered is the appropriate settlement amount necessary to deter future violations. 52 Pa. Code § 69.1201(c)(8). I&E submits that given the nature of Pure Energy's conduct and the nature of the resulting consequences, a civil penalty amount of $20,300.00, which is not tax deductible is an appropriate penalty amount in this case. I&E further submits that this amount is sufficient to deter Pure Energy from committing future violations.

The ninth factor to be considered relates to past Commission decisions in similar situations. 52 Pa. Code § 69.1201(c)(9). I&E submits that the instant Settlement provides comparable relief to prior enforcement matters involving similar slamming allegations[4] in that it provides for a civil penalty for the unauthorized switching, thus abiding by the Commission's zero tolerance policy for slamming. However, this matter

[4] The Commission has previously imposed a $1,000 per account penalty in slamming matters where a customer's account was switched and received electric generation supply service from a company without the customer's authorization. *See Pa. Pub. Util. Comm'n, Law Bureau Prosecutory Staff v. MXenergy Electric, Inc.*, Docket No. M-2012-2201861 (Order entered August 29, 2013); *See also Pa. Pub. Util. Comm'n, Bureau of Investigation and Enforcement v. Energy Services Providers, Inc. d/b/a Pa. Gas & Electric and U.S. Gas & Electric, Inc. d/b/a Pa. Gas & Electric*, Docket No. M-2013-2325122 (Order entered October 2, 2014); *See also Pa. Pub. Util. Comm'n, Bureau of Investigation and Enforcement v. Reliant Energy Northeast LLC d/b/a Reliant Energy, NRG Business Solutions, Reliant-NRG, NRG Residential Solutions, NRG Retail Solutions, NRG Home and NRG Business*, Docket No. M-2020-3006647 (Order entered March 25, 2021); and *See also Pa. Pub. Util. Comm'n Bureau of Investigation and Enforcement v. Clearview Electric, Inc. d/b/a Clearview Energy*, Docket No. C-2020-3020127 (Order entered October 28, 2021).

is distinguishable from other slamming investigations that culminated in settlements in that Pure Energy modified its practices, including terminating its contract with the problematic agent, and the misconduct occurred over a brief, three-month period of time affecting only a few customers. Additionally, the vast majority of the unauthorized switching stemmed from commercial accounts where an employee of the business made the authorization without having the requisite authority. Pure Energy also fully refunded the supplier charges of affected customers. The instant Settlement Agreement should therefore be viewed on its own merits and is fair and reasonable, particularly due to the prompt proactive measures taken by Pure Energy to fully address the misconduct.

The tenth factor considers "other relevant factors." 52 Pa. Code § 69.1201(c)(10). I&E submits that an additional relevant factor – whether the case was settled or litigated – is of pivotal importance to this Settlement Agreement. A settlement avoids the necessity for the governmental agency to prove elements of each allegation. In return, the opposing party in a settlement agrees to a lesser fine or penalty, or other remedial action. Both Parties negotiate from their initial litigation positions. The fines and penalties, and other remedial actions resulting from a fully litigated proceeding are difficult to predict and can differ from those that result from a settlement. Reasonable settlement terms can represent economic and programmatic compromise while allowing the Parties to move forward and to focus on implementing the agreed upon remedial actions and enhancing public safety.

In conclusion, I&E fully supports the terms and conditions of the Settlement Agreement. The terms of the Settlement Agreement reflect a carefully balanced

compromise of the interests of the Parties in this proceeding. The Parties believe that approval of this Settlement Agreement is in the public interest. Acceptance of this Settlement Agreement in its entirety avoids the necessity of further administrative and potential appellate proceedings at what would have been a substantial cost to the Parties.

WHEREFORE, I&E supports the Settlement Agreement as being in the public interest and respectfully requests that the Commission approve the Settlement in its entirety without modification.

Respectfully submitted,



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Bureau of Investigation and Enforcement
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Dated: October 28, 2026

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Pure Energy USA PA, LLC's unauthorized enrollment of customers	:	Docket No. M-2026-3050167

STATEMENT IN SUPPORT OF SETTLEMENT OF
PURE ENERGY USA PA LLC

Pure Energy USA PA LLC ("Pure Energy" or "Company") hereby submits its Statement in Support of the Joint Petition for Settlement ("Settlement) of the above-referenced informal investigation of the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement ("I&E"). For the reasons set forth below, Pure believes that the Settlement is in the public interest and should be approved.

Background

This settlement relates to enrollments performed by a third-party marketing vendor conducting sales on behalf of Pure. For the most part, the sales in question were commercial customers whose enrollments were submitted by the vendor based on third party verification recordings.

The vendor in question began marketing in November, 2023. Pure Energy began receiving complaints of unauthorized enrollments in January and February 2024. Pure contacted its marketing vendor to determine the reason for the complaints, and took the steps to investigate the complaints including reviewing the call recordings and contacting the customers to gather more information about the complaint and their enrollment. Pure held meetings vendor to review all complaints received. In the course of investigating the complaints, Pure spoke to the customers that alleged unauthorized enrollment. In nearly every case, Pure confirmed that the individual who completed the enrollment was an employee of the company or otherwise affiliated with the company. During those calls, Pure also determined what relief the customer was seeking and took steps to provide that relief, including providing refunds and rerates requested by the customers.

Pure informed the vendor that it was necessary for any individual who conducted an enrollment for a business needed to have clear authority to conduct the enrollment. Pure ended the engagement of the marketing vendor on July 31, 2024.

Since terminating the vendor in questions, Pure has developed new training and quality assurance processes, with an increased emphasis on ensuring that the person completing the enrollment for the customer was

authorized to make the switch of suppliers. Pure now performs an outbound quality assurance call to each newly enrolled customer to ensure the validity of the enrollment, and to obtain feedback on the sales agent's sales presentation. If that quality assurance call raises concerns about the authorization of the individual who completed the enrollment, the enrollment will be rejected.

Support for Approval

Pure believes that the civil penalty agreed to in the Settlement is reasonable under the circumstances. As reflected in the Settlement, Pure fully cooperated with I&E's investigation of the incident and took immediate remedial action in response to the complaints related to the enrollments done by its vendor. Pure also investigated the complaints to ensure that all affected customers had their incorrect enrollments cancelled, and has implemented new sales training and quality assurance processes to protect against future incidents of unauthorized enrollments. While Pure did not directly conduct the enrollments in question, Pure recognizes that it is responsible for the actions of its sales agents, even if they are employed by a third party marketing vendor. Accordingly, Pure is willing to accept a $20,300 civil penalty as a result of the incident.

The resolution of I&E's investigation through the Settlement is in the public interest. The Settlement allows this investigation to be completed without the need for a formal proceeding and the associated time and cost of fully litigating this matter, while still providing consequences for the inappropriate actions of a sales vendor operating on behalf of a licensed supplier. This is in the public interest because it will conserve both Pure and the Commission resources to focus attention on their responsibilities of assuring safe, adequate and reliable utility service to the citizens of the Commonwealth, and of ensuring that the Commission's electricity supplier sales and marketing regulations are adhered to. Pure therefore believes that the Joint Petition for Settlement is in the public interest and should be approved by the Commission.

Respectfully Submitted,

Pure Energy USA PA , LLC

By: Eileen Routhier
Eileen Routhier
Director of Operations

Date: 10/23/2026

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Pure Energy USA PA, LLC's Unauthorized Enrollment of Customers	:	Docket No. M-2026-3050167

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Joint Petition for Approval of Settlement** upon the Parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service by Electronic Mail

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Dated: October 28, 2026