

Maryland Office of People's Counsel

Fact Sheet: XOOM Energy Maryland, LLC and Customer Refunds

Background:

In 2013-2014, many residential customers of energy suppliers saw a shocking increase in their monthly price for energy – especially electricity. In response to these dramatic spikes, the Office of People's Counsel (OPC) conducted an investigation and challenged the marketing and contracting practices of XOOM Energy in a case heard by the Public Service Commission ("PSC"). The PSC agreed. On December 5, 2016, the PSC ordered XOOM Energy to notify all of its residential customers with accounts anytime between January 1, 2013 and December 31, 2014 of the PSC's findings of consumer protection violations and provide compensation to eligible customers. See PSC Case No. 9346, Dkt Items 117 and 183.

What is XOOM Energy?

XOOM Energy is a licensed retail energy supplier in Maryland. The Company offers electricity and natural gas supply services to residential customers.

What are the refunds for?

XOOM Energy was the subject of an investigation by the Maryland Public Service Commission (PSC). The PSC found that XOOM violated PSC consumer protection regulations when it provided automatic renewal notices to its customers without including notice of material changes in the price term and informing customers about their cancellation rights. This violation affected customers when fixed rate contracts rolled over to variable rate contracts (meaning the rates could change from month to month) during the 2013-2014 time period. **As a result, XOOM inappropriately charged many of its customers more than the amount actually owed.**

Refund eligibility notices.

Xoom previously sent out defective notices to current or former XOOM customers between December 2016 and January 2017. The PSC has ordered XOOM to send a third set of notices to customers who had not responded to those defective notices. On March 27, 2018, XOOM Energy sent out Notices of the refund eligibility to these customers. **According to the Notice, customers must respond to XOOM in writing within 30 days (i.e., by April 26, 2018).**

ALL FORMER AND CURRENT XOOM CUSTOMERS SHOULD OPEN ANY ENVELOPE IN THE MAIL FROM XOOM.

Customer Refund Eligibility:

To be eligible for a refund, a customer must:

1. have been a XOOM customer at some point between January 1, 2013 and December 31, 2014;
2. have been switched from a fixed rate plan (e.g. 10 cents/kwh) to a variable rate plan (e.g., one that changes month to month); and
3. contact XOOM within 30 days of Xoom's Notice and request a refund in writing.

OPC strongly recommends that existing or former XOOM customers contact XOOM to request a refund even if the customer is not certain of the type of contract or the dates when service was provided; is not certain if a refund has previously been requested; OR did not receive a notice from XOOM.

How to Request a Refund.

To be absolutely safe, customers should complete the form attached to the XOOM notice, and mail it by April 25, 2018 to:

XOOM Energy Maryland, LLC
Attn: Fulfillment
11208 Statesville Road, Suite 200
Huntersville, NC 28078

If a potentially affected customer has not received a notice from XOOM by April 6, 2018, OPC recommends that the customer send a letter to this address with a request for refund along with the customer's name, utility account number, service address (and mailing address if different), and phone number. If a customer is entitled to a refund, XOOM will either send it directly to the customer or provide it as a credit on the customer's utility account.

Calculation of the refund:

The refund must be calculated for each month based on the difference for each month during 2014 that the XOOM variable rate billed to a customer exceeded the utility Standard Offer Service (SOS) rate (Example: \$0.25 - \$0.09 = \$0.16 per kwh (unit of electricity) or \$0.70 - \$0.53 = \$0.17 per therm (unit of gas). The calculation is specific to the XOOM rate, time period and usage of each eligible customer.

Questions or dispute regarding eligibility for the refund:

The customer should contact XOOM first at 888-997-8979, but if not satisfied, the customer should contact the PSC's Office of External Relations (OER) at www.psc.state.md.us or 1-800-492-0474 to explain the problem.