

Maryland Office of People's Counsel

Fact Sheet: Xoom Energy Maryland, LLC and Customer Refunds

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 agreed with OPC 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 affected customers when fixed rate contracts rolled over to variable rate (change from month to month) contracts. The impact was substantial during the 2013-2014 time period, particular when the polar vortex hit.

Customer Refund Eligibility: The customer must (1) contact XOOM within 30 days of Xoom's Notice to the customer of the violations and eligibility for a refund; (2) have been switched from a fixed rate plan (e.g. 10 cents/kwh) to a variable rate plan (e.g., changes month to month); and (3) request a refund. **OPC strongly recommends** that an existing or former XOOM customer contact Xoom and request a refund even if (1) the customer is not certain of the type of contract or the dates when service was provided; (2) is not certain if she previously requested a refund; OR (3) does not receive a XOOM Notice by January 6, 2017.

Xoom Notices. Xoom sent a defective notice in mid-December to Xoom customers. OPC contacted Xoom, and they issued a 2nd notice on December 23, 2016. According to the Notice, customers must respond in 30 days, or by January 23, 2017. The notice informs customers to respond in writing. **ALL FORMER AND CURRENT XOOM CUSTOMERS SHOULD OPEN ANY ENVELOPE IN THE MAIL FROM XOOM.**

How to Request a Refund. To be absolutely safe, you should complete the form attached to the XOOM notice, and mail it by January 20, 2017 to:

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

(edit: Zip Code has been corrected based on additional information from Xoom)

If a notice is not received by January 6, 2016, OPC recommends that the customer send a letter to that address with a request for refund and include the customer name, utility account number, service address (and mailing address if different), and phone number. Xoom will either send the refund directly to the customer or provide it to the customer's utility for a credit on the 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 Office of External Relations (OER) at www.psc.state.md.us or 1-800-492-0474 to explain the problem.

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.

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