

VT SUPERIOR COURT  
WASHINGTON UNIT  
2016 MAY -2 P 1:32

**STATE OF VERMONT  
SUPERIOR COURT  
WASHINGTON UNIT**

In Re: HASKINS GAS SERVICE, INC. )

CIVIL DIVISION

Docket No. 203-S-16Wncw

**ASSURANCE OF DISCONTINUANCE**

The State of Vermont, by and through Vermont Attorney General William H. Sorrell, and Haskins Gas Service, Inc. (“Haskins” or “Respondent”), hereby enter into this Assurance of Discontinuance (“AOD”) pursuant to 9 V.S.A. § 2459.

**Background**

***Haskins Gas Service, Inc.***

1. Haskins is a corporation with its principal place of business at 1791 Route 30, Dorset, Vermont 05251.
2. Haskins’ operations include the retail marketing, sale and distribution of propane to residential, commercial, and industrial customers in Vermont. In 2015, Haskins provided propane service to approximately 2,769 customers.

***Regulatory Framework***

3. 9 V.S.A. § 2453(a) prohibits “[u]nfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce.”
4. Pursuant to 9 V.S.A. § 2461b, the Vermont Attorney General’s Office has regulation of and rulemaking authority to promote business practices which are uniformly fair to sellers and to protect consumers concerning propane gas. Since 1986, Vermont Consumer Protection Rule 111 (“CP 111” or “Propane Rule”) has governed the

Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609

business practices of propane service providers in Vermont and is enforced by the Office of the Attorney General.

5. When a propane gas seller terminates service to a consumer using a seller-owned tank, CP 111.16(a) requires that seller to, “refund the consumer within 20 days of the date when the seller disconnects propane service or is notified by the consumer in writing that the seller’s equipment is no longer connected, whichever is earlier, (1) the amount paid by the consumer for any propane remaining in the storage tank, less any payments due the seller from the consumer; or, (2) the amount paid by the consumer for 80 percent of the seller’s best reasonable estimate of the quantity of propane remaining in the tank less any payments due the seller from the consumer, if the quantity of propane remaining in the storage tank cannot be determined with certainty.” *See also* 9 V.S.A. § 2461b(e)(2)(B) (same).
6. CP 111.16(c)(1) requires a propane seller that fails to issue a timely refund to pay a penalty to consumers of \$250 for the first day, plus \$75/day each day thereafter, until the refund and penalty are paid in full. *See also* 9 V.S.A. § 2461b(e)(4) (same, but capping the total amount of the \$75/day penalty at 10 times the amount of the refund).
7. CP 111.15(a) requires a propane seller to remove a seller-owned storage tank at a terminated consumer’s request (which must be in writing if the tank was disconnected by someone other than the seller owning the tank) within 20 days for an aboveground tank (30 days in the case of an underground tank) or as soon as weather and access to the tank permits. As of July 1, 2013, 9 V.S.A. § 2461b(h)(3) requires a propane seller that fails to remove a tank within required timeframes to

pay a penalty to consumers of \$250 for the first day, plus \$75/day each day thereafter (and capping the total amount of the \$75/day penalty at \$2,000), until the tank has been removed and the tank removal penalty is paid in full.

***Haskins' Propane Practices***

8. The Vermont Attorney General's Consumer Assistance Program received consumer complaints about Haskins' propane practices. In investigating those complaints, Haskins acknowledged its practices as follows.
9. Between January 1, 2012 and July 30, 2015, 96 customers appeared to have experienced unjustified refund delays and tank removal delays during Haskins' service termination practices.

***The State's Allegations***

10. The Vermont Attorney General's Office alleges the following violations of the Consumer Protection Act and Rules:
  - a. The failure to reimburse Vermont consumers for unused gas remaining in the tank following disconnection or termination of service within the required timeframe is a violation of 9 V.S.A. § 2461b(e)(2)(B) and CP 111.16(a); and
  - b. The failure to remove storage tanks, without apparent justification, within the required timeframe is a violation of the 9 V.S.A. § 2461b(h)(1) and CP 111.15(a).
11. The State of Vermont alleges that the above behavior constitutes unfair and deceptive acts and practices under 9 V.S.A. § 2453.

### Assurances and Relief

In lieu of instituting an action or proceeding against Haskins, the Attorney General and Haskins are willing to accept this AOD pursuant to 9 V.S.A. § 2459. Agreeing to the terms of this Assurance of Discontinuance for purposes of settlement does not constitute an admission by Haskins to a violation of any law, rule, regulation or prior AOD. Accordingly, the parties agree as follows:

12. Haskins shall comply with the Vermont Consumer Protection Act 9 V.S.A. Chapter 63 and CP 111, as they may from time to time be amended.
13. Haskins shall immediately establish policies and procedures reasonably designed to achieve compliance with: (a) 9 V.S.A. § 2461b(h) and CP 111.15 [requirements for timely removal of propane storage tanks]; and (b) 9 V.S.A. § 2461b(e)(2)-(4) and CP 111.16 [requirements for issuing timely refunds of unused propane gas]. Haskins shall provide appropriate training to its applicable personnel in how to properly implement those policies and procedures.
14. Within 30 days of entry of this AOD, Haskins shall pay \$475 to each of the 96 consumers referenced in ¶ 9 as restitution and as liquidated and/or punitive damages in settlement for any tank or refund delay, which payments shall total \$45,600. Haskins shall mail a check to the consumers along with a copy of Exhibit A in an envelope provided by the Attorney General's Office. All checks may be written by Haskins to expire within 90 days. Consumers who wish to pursue a claim independently may do so by refusing the payment. However, a consumer who accepts the payment by receiving the check and cashing it within 90 days of its date waives the ability to pursue an individual claim of either a delayed tank removal or

**Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609**

delayed refund check. Within 30 days of entry of this AOD Haskins shall send to the Attorney General's Office a list of all consumers to whom restitution payments were mailed, including, for each consumer, contact information and the amount paid.

15. Within 30 days of entry of this AOD, Haskins shall pay to the State of Vermont \$15,000 in civil penalties and costs. Payment shall be made to the "State of Vermont" and shall be sent to the Vermont Attorney General's Office at the following address: Justin E. Kolber, Assistant Attorney General, Office of the Attorney General, 109 State Street, Montpelier, Vermont 05609.
16. In the event that Haskins is not able to locate consumers to whom payments are owed after all reasonable efforts to do so have been taken and no later than 120 days after the signing of this AOD, Haskins shall send (via mail or email) to the Attorney General's Office:
  - a. a single check, payable to "Vermont State Treasurer" in the total dollar amount of all outstanding amounts intended as settlement payments, which shall be treated as unclaimed funds, under Vermont's unclaimed property statute, Title 17, Vermont Statutes Annotated, Chapter 14;
  - b. a list, in electronic Excel format, of the consumers whose checks were returned or were not cashed (which list shall set out the first and last names of the consumers in distinct fields or columns), and for each such consumer, the last known address and dollar amount due, and
  - c. Haskins' principal company address and federal tax identification number.
17. For a period of one year from the date of entry of this AOD, Haskins shall document its compliance with CP 111.15 and CP 111.16 by recording the dates and manner

that: (a) a consumer requests termination of service (including any request for a future tank removal if applicable); (b) the consumer's propane tanks were disconnected or removed; and (c) the consumer's refund check, if any, was issued.

18. Haskins shall send to the Attorney General's Office a report containing the information required by ¶ 18. If there are delays in terminating service (i.e., beyond the allowable timeframes), Haskins shall document the reason(s) for the delay(s), whether any penalty was paid for delayed termination or refund, and the date and amount of any payment. Such reports and documentation shall be submitted every 6 months for one year for a total of two reports.
19. If any consumer complains to Haskins about a delay in tank removals or refund checks between July 31, 2015 to the date of entry of this AOD, Haskins shall review the consumer's complaint in good faith within twenty days. In the event the consumer demonstrates that the refund check or tank removal was untimely and unexcused pursuant to Vermont law, then Haskins shall pay the penalty owed per Vermont law. If Haskins disputes that any penalty is owed, Haskins shall send a written explanation to the consumer as to why it believes no penalty is owed, and shall include a statement that the consumer may contact the Consumer Assistance Program at (802) 656-3183 or [consumer@uvm.edu](mailto:consumer@uvm.edu) if the consumer disagrees.

#### **Other Terms**

20. Acceptance of this AOD by the Vermont Attorney General's Office shall not be deemed approval by the Attorney General of any practices or procedures of Respondent not required by this AOD, and Respondent shall make no representation to the contrary.

21. Nothing herein shall waive any defense available to Haskins on the issues of termination fees, tank removals and/or refunds under the Vermont Consumer Protection Act or CP 111.
22. This AOD shall be binding on Respondent, all of its affiliate companies doing business in Vermont, its officers, directors, owners, managers, successors and assigns. The undersigned authorized agent of Respondent shall promptly take reasonable steps to ensure that copies of this document are provided to all officers, directors, owners and managers of the company, and all of its affiliate companies doing business in Vermont, but only to the extent such officers and managers are responsible for operations in the State of Vermont.
23. This AOD resolves all existing claims the State of Vermont may have against Respondent stemming from the conduct described in this document as of the date of signature below.
24. Nothing in this AOD waives the right of any consumer to pursue claims stemming from the conduct described in this document; except, however, that any consumer as provided herein and/or in Exhibit A hereto who accepts and cashes a check shall waive any claim regarding delayed refund checks and tank removals.
25. The Superior Court of the State of Vermont, Washington Unit, shall have jurisdiction over this AOD and the parties for the purpose of enabling any of the parties hereto to apply to this Court at any time for orders and directions as may be necessary or appropriate to carry out or construe this AOD, to modify or terminate any of its provisions, to enforce compliance, and to punish violations of its provisions.

26. All notices related to this AOD shall be given to Respondent via:

Richard A. Lang, Esq.  
Law Offices of John Franco  
110 Main Street, Suite 208  
Burlington, VT 05401-8451  
[Ralangjr4030@gmail.com](mailto:Ralangjr4030@gmail.com)

**Violations and Stipulated Penalties**

27. In the event that the Attorney General alleges that Haskins has violated any of the terms of this AOD, then the parties agree that the Attorney General shall be entitled to bring any other matters to the Court's attention involving potential violations of law by Haskins, and that the Attorney General shall not have waived any of its rights to assert and prove any violations of law by Haskins unrelated to the conduct described in this AOD.

28. If the Superior Court of the State of Vermont, Washington Unit enters an order finding Haskins to be in violation of this AOD, then the parties agree that penalties to be assessed by the Court for each act in violation of this AOD shall be \$5,000. For purposes of this paragraph 28, it shall not apply to a *de minimis* violation and the term "each act" shall mean: (i) failing to remove a propane tank within the timeframe required by Vermont law; (ii) failing to issue a refund check for unused propane gas within the timeframe required by Vermont law; and (iii) charging a termination fee that does not comply with CP 111.

**Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609**

\*\*\*SIGNATURES APPEAR ON NEXT PAGE\*\*\*

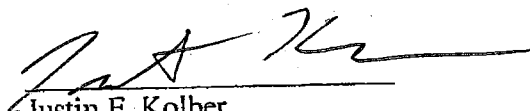


DATED at Montpelier, Vermont this 29<sup>th</sup> day of April, 2016.

STATE OF VERMONT

WILLIAM H. SORRELL  
ATTORNEY GENERAL

By:

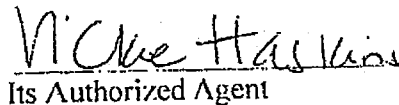


Justin E. Kolber  
Assistant Attorney General  
Office of the Attorney General  
109 State Street  
Montpelier, VT 05609  
(802) 828-5620  
[justin.kolber@vermont.gov](mailto:justin.kolber@vermont.gov)

DATED at DORSET, VT this 29 day of April, 2016.

HASKINS GAS SERVICE, INC.

By:




Its Authorized Agent

Vickie HASKINS VP  
Name and Title of Authorized Agent

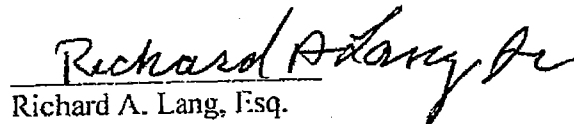
APPROVED AS TO FORM:

Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609



Justin F. Kolber  
Assistant Attorney General  
Office of Attorney General  
109 State Street  
Montpelier, VT 05609

For the State of Vermont



Richard A. Lang, Esq.  
Law Offices of John Franco  
110 Main Street, Suite 208  
Burlington, VT 05401-8451

For Haskins Gas Service, Inc.

**EXHIBIT A**

May 2016

**Re: Haskins Gas Service, Inc. settlement**

Dear Vermont consumer:

You are a current or former customer of Haskins Gas Service, Inc. ("Haskins"). Between January 1, 2012, and July 1, 2015, you may have terminated propane service from Haskins.

Haskins reached a settlement with the Attorney General's Office. Haskins is providing the enclosed payment of \$475 for you. The payment is to address any delays that may have happened while removing propane tanks or issuing refund checks.

Under the Vermont Consumer Protection Act, propane companies generally have 20 days to remove propane tanks and 20 days to issue refund checks. Some exceptions apply. Consumers are generally entitled to penalties if propane companies exceed those timeframes. The penalties are generally \$250 plus \$75 per day, up to certain limits. The full statute is here: <http://legislature.vermont.gov/statutes/section/09/063/02461b>.

To accept the enclosed check as full payment, simply cash the check within 90 days. If you accept the check, you will waive whatever rights, if any, that you may possess to pursue an individual claim against Haskins resulting from delays in tank pick-up and/or making a refund.

You may decline the payment if you wish. However, please note that the Attorney General's Office does not provide legal representation and you will be responsible for the costs of any claim you might wish to pursue. To decline the payment, return or mail the check within 90 days of the date of this letter, to: Vickie Haskins, Haskins Gas Service, 1791 Route 30, Dorset, VT, 05251.

For more information on Vermont's propane laws or this settlement, please call the Consumer Assistance Program at 800-649-2424 or (802) 656-3183 or visit the website at <https://www.uvm.edu/consumer/?Page=fuel.html>.

**Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609**

Sincerely,

William H. Sorrell  
Attorney General