Phillip D Morris 316 Ridgewood Drive Lewisville, TX 75067

08/12/2019

Phone 214-394-8952

GRIDDY ENERGY LLC #10243 11811 North Freeway Suite 546 Houston, TX 77060

ATTN: LEGAL DEPARTMENT

Dear Griddy:

This document is sent to your company as a courtesy in an attempt to mitigate issues that I will raise herein and which will be the topic of a Lawsuit I am preparing to file against your company. As a competitor of GRIDDY, your actions have caused me financial loss, is ongoing, amounts to interference in my business, has caused me great stress, and there will be other causes of action.

I am a consumer and I have been an Energy Broker in Texas since day one of the Deregulation of the Energy Industry based on Senate Bill 7. The conduct of GRIDDY, allegations by, advertising on radio, TV, billboards, Facebook, etc., violate numerous regulations, in addition to being unethical in many ways. These violations included PUCT rules as well as protections enforced by the Consumer Affairs Division of the Texas Attorney General's Office. They represent unfair competition in that you have the financial power to disseminate your attacks and false statements in order to attract my customers and potential customers and I do not have the power to refute them.

You have created concerns among consumers that requires me to spend extra time in the course of my business trying to undo the damage done by your attacks on the industry, and on the REPs I place my customers with. Sometimes I am unable to undo this damage. Your actions have caused me great financial loss.

Below you will find a partial listing of the specific issues I believe warrant this action. I will also ask the PUCT & The Texas Attorney General to take appropriate action on the applicable issues.

- (1) The obvious purpose of your companies' inappropriate actions is clearly to attract customers away from other Energy Providers in Texas and generating a profit for your company. As a Broker, your actions have caused me to have to compete against your falsehoods & misrepresentations which is difficult considering the financial power of your company in communicating your information:
- (2) Your advertising represents GRIDDY as "Texas Only Wholesale" electric company. In fact, GRIDDY is a RETAIL ELECTRIC PROVIDER in Texas just like every other REP. Your claim is for the purpose of fooling consumers into believing that GRIDDY is better and cheaper because you are a WHOLESALER. GRIDDY is NOT authorized to be a WHOLESALER in Texas and your claim that you are is false;
- (3) GRIDDY attacks other REP's and their products as if they are acting in an illegal, immoral, unethical manner. To do so would be a violation of PUCT rules and the PUCT would sanction them. You misrepresent FEES, MARKUPS, you refer to HIDDEN FEES, and you express numerous theories about the actions of your competitors with the intent of damaging the reputation of other REPS and Brokers. You seek to gain financially by your actions;
- (4) GRIDDY promotes the idea that your RETAIL CUSTOMERS are "MEMBERS" of something. GRIDDY even advertise that the \$9.99/month FEE is a "MEMBERSHIP" fee. PUCT RULES do not provide for REP's to charge consumers a "MEMBERSHIP" fee, and those who do pay your fee are not actually JOINING AN ORGANIZATION. Again, you use this misrepresentation to fool and mislead consumers into believing that there is something NEW & ORIGINAL that they can be a "MEMBER" of. Other Texas Laws regulate what

- defines "MEMBERSHIP" and your company operates in a manner that violates those regulations. I cannot compete with this claim of "MEMBERSHIP" because to do so I would be in violation of laws.
- (5) GRIDDY promotes the idea that GRIDDY somehow "CONNECTS CUSTOMERS DIRECTLY TO THE GRID" in some way different than other REPS do. Again, seeking to differentiate GRIDDY in the market place and attract customers away from other REPS and Brokers based on a false representation.
- (6) GRIDDY did advertising attacking other REPS and incorporated PROFANITY while misrepresenting "FEES" charged by REPS. The signs highlighted in HUGE PRINT "WTF" and in much smaller letters "Why The Fees." "WTF" is an abbreviation of a phrase using profanity. The "F" stands for a word that is prohibited from being used in advertising in most print like BILLBOARDS, on Radio, and on TV. The use of this "WTF" was in violation of numerous Rules, Statutes, etc. Complaints were then filed by consumers and groups and the signs were removed. Then GRIDDY falsely implied that other REPs caused the signs to be removed because GRIDDY was disclosing that other REPs charge certain FEEs. The FEES charged by REPs are perfectly legal under Texas Law and PUCT rules & serve a legitimate purpose;
- (7) GRIDDY uses methods of comparing the rates charged to their customers & prospective customers that mislead consumers. The use of AVERAGE, WHOLESALE, and other representations violate PUCT rules. PUCT rules provide that rate comparisons are done by the required FACT LABEL. GRIDDY even violates the rules by producing a FACT LABEL that does meet the legal requirements;
- (8) GRIDDY stated "you got a great rate ... but it won't last." This statement is made with the intent of causing another consumer to believe that their REP has misled them. In fact, GRIDDY has no secret power to know if and for how long another REPs rates will remain in effect;
- (9) GRIDDY stated "switch to wholesale and save" and "GRIDDY is the only wholesaler in Texas." This statement in print is false and misleading & designed to hurt competitors;
- (10)GRIDDY stated "just be careful of hidden fees and rates that explode after a few months." This statement again is an attempt to show other REPs in a false light and to put concern in the minds of consumers about the actions of a competitor of GRIDDY, to hurt competitors, and to gain financially;
- (11)GRIDDY encourages individuals to contact other consumers for the purpose of inducing them to purchase energy from GRIDDY. These people often make uninformed statements, while acting as brokers, relative to the REP and others in the industry in an effort to get the consumer to SWITCH TO GRIDDY and they are COMPENSATED by GRIDDY for attaining the customers for GRIDDY. This is in direct VIOLATION of PURA ss 39.3555 which defines "brokerage services" and prior regulations in effect prior to 9/1/2019. These people are acting as a "broker" but are not properly registered. GRIDDY is inducing consumers to do things for GRIDDY that GRIDDY is prohibited from doing under the Rules.
- (12)GRIDDY misrepresents what takes place when customers chose to purchase Green & Renewable Energy.

 Here is a statement made by GRIDDY on their Facebook Advertising Page relative to this:

Griddy wrote: "It's actually not true when other companies say their electricity is 100% green... it is all taken from the same pool. Want the greenest option? Go Griddy! We help you see when the grid is the greenest. (Hint: it's greenest when it's cheapest). 100% is just something they charge you so much more for just because. But, the state mandates 19% renewables and sometimes it gets up to as high as 45%."

It is clear that GRIDDY is involved in a scheme / campaign to misrepresent what the company actually does, to falsely attack other players in the market place, to try to show that there are numerous problems in the Energy Industry in Texas and that ONLY GRIDDY can fix all the evils taking place. This places a great financial burden on me and others in attempting to counter all the misleading, false, and illegal claims made by GRIDDY. It is also an attack on REGULATORS & implies that they are not doing their jobs.

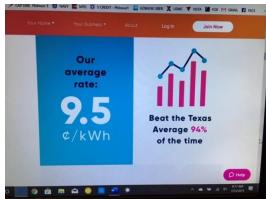
Some of the exhibits to be used in this action are shown below. Please contact me if you have any comments, response, or would like to work with me in mitigating this action. Additional Plaintiffs will be added on 09/01/2019.

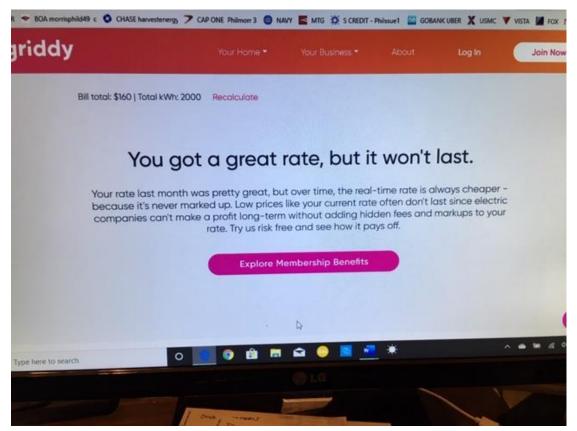
Thank you,

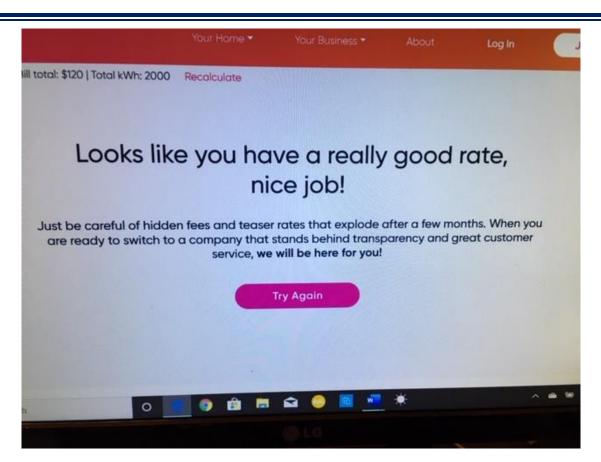
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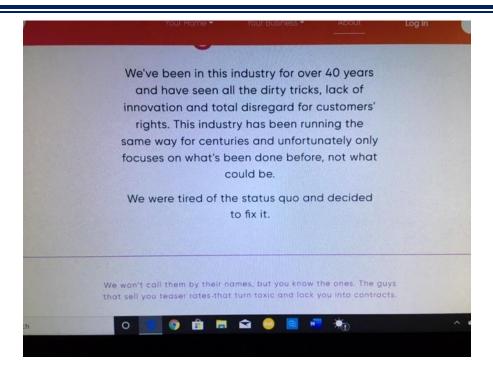




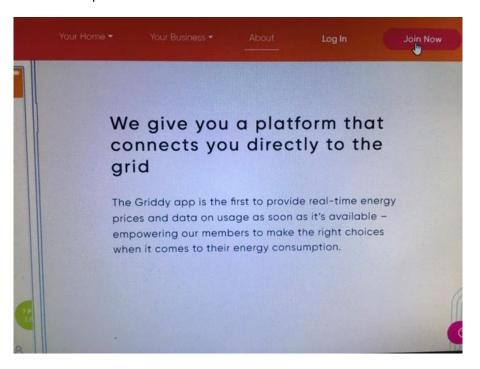


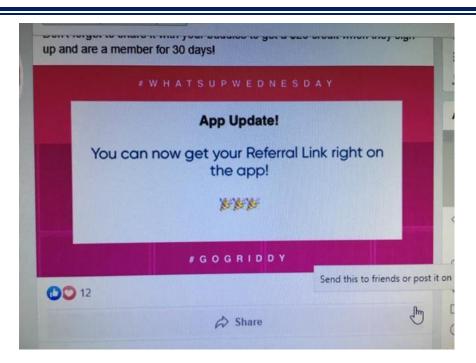






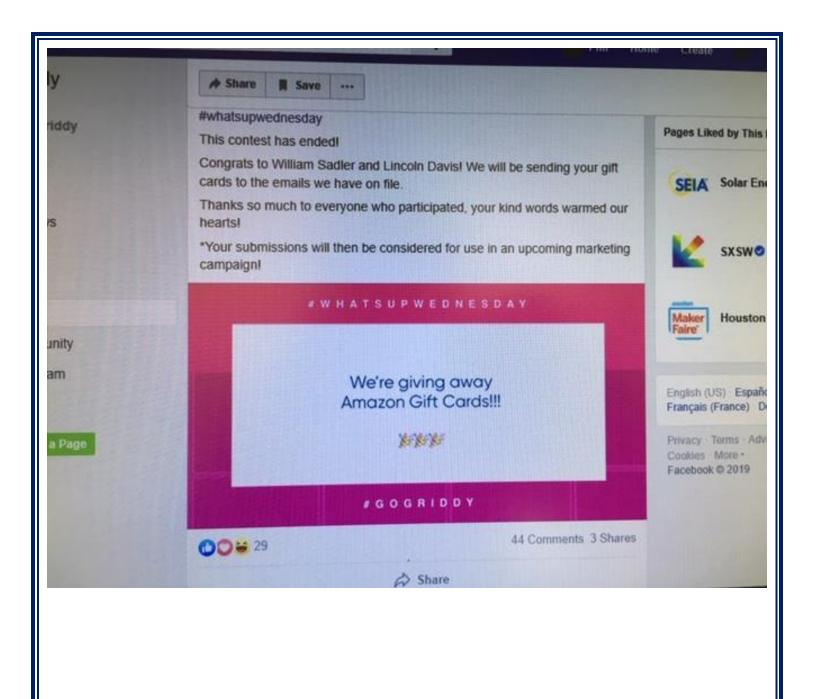
To many consumers, the length of time that a company has been in business is important to them, and is a factor in which competitor they select to do business with. GRIDDY is a RETAIL ELECTRIC PROVIDER and has only been in business for a few years as a REP in Texas. Yet, they advertise that they have been in the industry for 40 years. They mislead consumers to seek advantage in the market place.

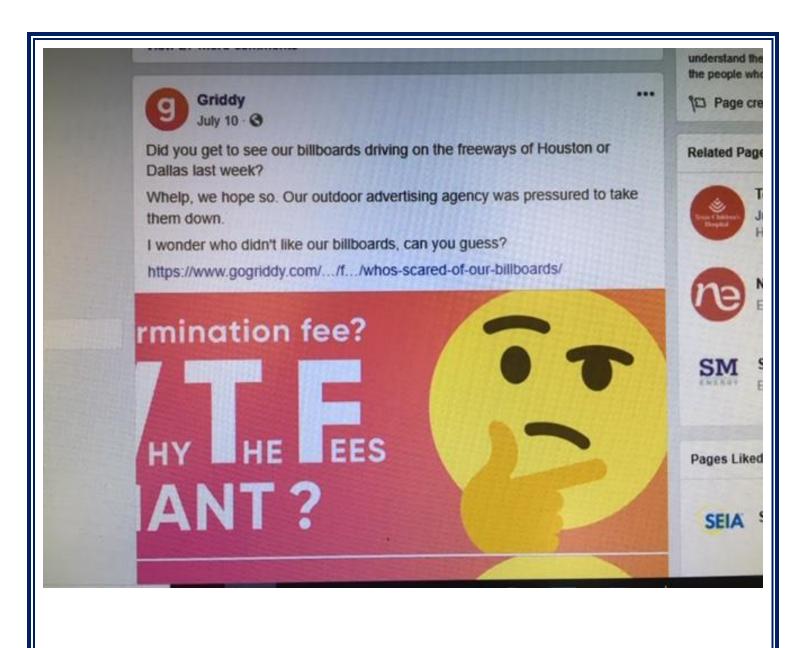




GRIDDY has absolutely no way to determine if any and how many of their "MEMBERS" saved money in JUNE nor do they disclose what they are comparing to. Totally misleading to consumers.







Most Relevant -Keith Furburg http://ssqt.co/mveY3sp SSQT.CO e to the ctric company Sign up for Griddy and we both receive a ting Texas \$25 credit. eal-time rate. 1w Edited Albert Wiersch Unless you are a superhero or something, I would not recommend trying to absorb/taste electricity, even if it is green. 4w Edited View 12 more comments Griddy

