

NAILAH K. BYRD CUYAHOGA COUNTY CLERK OF COURTS 1200 Ontario Street Cleveland, Ohio 44113

Court of Common Pleas

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By: REBECCA F. SCHLAG 0061897

Confirmation Nbr. 2661518

STATE OF OHIO, EX REL. ATTORNEY GENERAL DAVE YOST

CV 22 969176

VS.

POWER HOME SOLAR, LLC

Judge: PETER J. CORRIGAN

Pages Filed: 9

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IN THE COURT OF COMMON PLEAS CUYAHOGA COUNTY, OHIO

STATE OF OHIO, ex rel.) CASE NO.
DAVE YOST,)
Ohio Attorney General)
Cleveland Regional Office) JUDGE
615 W. Superior Ave., 11 th fl.)
Cleveland, OH 44113-1899) COMPLAINT AND REQUEST FOR
) DECLARATORY AND INJUNCTIVE
Plaintiff,) RELIEF, CONSUMER DAMAGES,
) CIVIL PENALTIES AND OTHER
-VS-) APPROPRIATE RELIEF
)
POWER HOME SOLAR, LLC)
d/b/a PINK ENERGY)
919 N. Main St., Ste. 200)
Mooresville, NC 28115-2355)

JURISDICTION AND VENUE

- Plaintiff, State of Ohio, by and through the Attorney General of Ohio, Dave Yost, having reasonable cause to believe that violations of Ohio's consumer protection laws have occurred, brings this action in the public interest and on behalf of the State of Ohio under the authority vested in him by the Ohio Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 et seq.
- The actions of Defendant, hereinafter described, have occurred in Cuyahoga County as well as other counties around the State of Ohio, and are in violation of the CSPA, R.C. 1345.01 et seq., its Substantive Rules O.A.C. 109:4-3-01 et seq., and the Home Solicitation Sales Act ("HSSA"), R.C. 1345.21 et seq.
- This Court has jurisdiction over the subject matter of this action pursuant to R.C. 1345.05 of the CSPA.

4. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(C)(3) in that some of the transactions complained of herein, and out of which this action arises, have occurred within Cuyahoga County, Ohio.

DEFENDANT

- 5. Defendant Power Home Solar, LLC is a limited liability corporation with its principal place of business located at 919 N. Main St., Ste. 200, Mooresville, North Carolina 28115-2355. Power Home Solar, LLC does business in Ohio under the fictitious name Pink Energy, which has been registered with the Ohio Secretary of State since January 17, 2018.
- 6. Defendant is a "supplier" as that term is defined in R.C. 1345.01(C) as Defendant, at all times relevant herein, engaged in the business of effecting "consumer transactions" by providing services to individuals for purposes which were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).
- 7. Defendant is a "seller" engaging in "home solicitation sales" of "consumer goods or services" as those terms are defined in the HSSA, R.C. 1345.21(A), (C) and (E), because Defendant engaged in personal solicitations at the residences of consumers, including solicitations in response to or following invitations by consumers.

STATEMENT OF FACTS

- 8. Defendant advertises, markets, sells and installs alternative energy products including residential solar panel systems to consumers in Ohio, including Cuyahoga County.
- 9. Defendant advertises, markets, sells and installs its solar panel systems via door to door sales, telephone solicitations, direct solicitations, and via its website.

- 10. Since January 2020, the Ohio Attorney General has received over 100 consumer complaints against Power Home Solar alleging instances of aggressive sales tactics, misrepresentations of cost savings after installation of the solar panel systems, warranty issues, poor construction and installation, and customer service issues.
- 11. Defendant enters into contracts with Ohio consumers for these solar panel systems, which cost tens of thousands of dollars and often result in the consumers having to finance the purchase over the course of several years, with expensive monthly obligations to third party financing companies.
- 12. Defendant induced many Ohio consumers to purchase these solar panel systems by using high pressure sales tactics.
- 13. Defendant induced many Ohio consumers to purchase these solar panel systems by using false or misleading statements and promises that the consumers would realize impressive savings benefits in future energy costs.
- 14. For example, consumers allege that not only are they still paying the electric bills that Defendant said the consumer would no longer have, but are also now paying large monthly payments for the financing of the solar panel system.
- 15. Defendant induced many Ohio consumers to purchase these solar panel systems by using false and misleading statements regarding tax benefits or other governmental offsets they could utilize.
- 16. Some Ohio consumers complained to Defendant that their solar panel system was not operating and/or functioning properly, and Power Home Solar did not address, repair, or resolve the concerns in a timely and reasonable manner.

- 17. Ohio consumers received a warranty from Defendant for the solar panel systems, but some consumers allege that Defendant either failed to provide the consumer with the warranty information or failed to honor the warranty.
- 18. Some Ohio consumers complain that Defendant's solar panel system was poorly installed and caused damage to their residential property.
- 19. Defendant has a pattern and practice of failing to respond to consumer inquiries and customer service related calls.
- 20. Defendant has maintained a pattern of inefficiency, incompetence and/or continuous tactics to stall and evade their legal obligations to consumers.
- 21. Defendant's failure to perform contracted services in an appropriate manner has resulted in harm to Ohio consumers.
- 22. Upon information and belief, Defendant is out of business as of September 21, 2022, and consumers can no longer contact Defendant or utilize the promises under the Defendant's warranty.

PLAINTIFF'S FIRST CAUSE OF ACTION: VIOLATIONS OF THE CSPA <u>COUNT I</u> <u>HIGH PRESSURE SALES TACTICS</u>

- 23. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-22 of this Complaint.
- 24. Defendant committed unfair or deceptive and unconscionable acts or practices by engaging in high pressure sales tactics in connection with the sale of its solar panel systems, in violation of the CSPA, R.C. 1345.02(A) and R.C. 1345.03(A).

25. The acts or practices described above have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.02. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

<u>COUNT II</u> SHODDY AND SUBSTANDARD WORK

- 26. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-25 of this Complaint.
- 27. Defendant committed unfair or deceptive acts and practices by performing shoddy and substandard work and then failing to correct such work, in violation of the CSPA, R.C. 1345.02(A).
- 28. The acts or practices described above have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.02. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

<u>COUNT III</u> FALSE AND MISLEADING STATEMENTS

- 29. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-28 of this Complaint.
- 30. Defendant engaged in unfair, deceptive, and unconscionable acts and practices by using false and misleading statements in connection with the consumer transactions, in order to induce Ohio consumers to purchase their solar panel systems, in violation of the CSPA, R.C. 1345.02(A) and R.C. 1345.03(A).
- 31. The acts and practices described above have been previously determined by Ohio Courts to violate the CSPA, R.C. 1345.01 et seq. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

<u>COUNT IV</u> <u>CONTINUALLY STALLING AND EVADING LEGAL OBLIGATIONS</u>

- 32. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-31 of this Complaint.
- 33. Defendant maintained a pattern of inefficiency and incompetence in performing the installation and maintenance of solar panel systems contracted for, and in continually stalling and evading their legal obligations to consumers, in violation of the CSPA, R.C. 1345.02(A).
- 34. The acts and practices described above have been previously determined by Ohio Courts to violate the CSPA, R.C. 1345.01 et seq. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

<u>COUNT V</u> <u>FAILURE TO PROVIDE AND/OR HONOR WARRANTY</u>

- 35. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-34 of this Complaint.
- 36. Defendant committed unfair and deceptive acts or practices by representing to consumers that the consumer transaction involved a warranty and then either failing to fulfill their obligations pursuant to the warranty or failing to provide consumers with the warranty information, in violation of the CSPA, R.C. 1345.02(A).
- 37. The acts and practices described above have been previously determined by Ohio Courts to violate the CSPA, R.C. 1345.01 et seq. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

<u>COUNT VI</u> <u>FAILURE TO RESPOND TO CUSTOMER SERVICE REQUESTS</u>

- Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-37 of this Complaint,
- 39. Defendant engaged in unfair and deceptive acts and practices by failing to respond to repeated calls and messages from consumers and failing to provide sufficient customer service in connection with the products purchased, in violation of the CSPA, R.C. 1345.02(A).
- 40. The acts and practices described above have been previously determined by Ohio Courts to violate the CSPA, R.C. 1345.01 et seq. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

PLAINTIFF'S SECOND CAUSE OF ACTION: VIOLATIONS OF THE HSSA

FAILURE TO PROVIDE AN APPROPRIATE NOTICE OF CANCELLATION

- 41. Plaintiff incorporates by reference, as if fully rewritten herein, the allegations set forth in paragraphs 1-40 of this Complaint.
- 42. Defendant failed to provide consumers with an appropriately worded, separate Notice of Cancellation form with the contract, as required by and in violation of the HSSA, R.C. 1345.23 and CSPA, R.C. 1345.02(A).
- 43. The acts and practices described above have been previously determined by Ohio Courts to violate the CSPA, R.C. 1345.01 et seq. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Court:

- A. ISSUE A DECLARATORY JUDGMENT declaring that each act or practice complained of herein violates the CSPA, R.C. 1345.01 et seq. and its substantive rules, in the manner set forth in the Complaint;
- **B. ISSUE A PERMANENT INJUNCTION** enjoining Defendant, under these or any other names, their agents, representatives, salesmen, employees, successors and assigns and all persons acting in concert or participation with Defendant, directly or indirectly, from engaging in the acts or practices of which Plaintiff complains and from any further violations of the CSPA, R.C. 1345.01 et seq; its Substantive Rules in O.A.C. 109-4-3 et seq., and the HSSA R.C. 1345.21, et seq.;
- **C. IMPOSE** upon Defendant civil penalties in the amount of Twenty-Five Thousand Dollars (\$25,000.00) for each separate and appropriate violation described herein pursuant to R.C. 1345.07(D);
- **D. ORDER** Defendant to reimburse all consumers found to have been damaged by Defendant's unlawful actions;
- E. GRANT Plaintiff his costs in bringing this action including, but not limited to, the costs of collecting any judgment awarded;
- **F. ORDER** Defendant to pay all court costs;

G. GRANT such further relief as the Court deems to be just, equitable and appropriate.

Respectfully submitted,

DAVE YOST OHIO ATTORNEY GENERAL

/s/ Rebecca F. Schlag

REBECCA F. SCHLAG (0061897) Senior Assistant Attorney General Consumer Protection Section Cleveland Regional Office 615 W. Superior Ave., 11th Fl. Cleveland, OH 44113-1899 (216) 787-3030 Trial counsel for Plaintiff State of Ohio Rebecca.Schlag@OhioAttorneyGeneral.gov