



AARP NEW YORK/780 Third Avenue, New York, NY. 10017
AARP ALBANY/One Commerce Plaza, Ste. 706, Albany, NY. 12260

FOR IMMEDIATE RELEASE

**Contacts: Bill Ferris (518)-434-4194
Phyllis Cohn (212)407-3729**

DATE: October 1, 2002

**AARP Calls Upon Governor To Approve the
“Energy Consumer Protection Act of 2002”**
*Association calls for immediate action because of major media campaigns
by public utilities encouraging people to switch energy providers.*

Albany, New York – AARP, in a letter to Governor Pataki, requested immediate approval of the Energy Consumer Protection Act of 2002. The bill provides consumer protections and rights to New Yorkers when they switch from their public utility to a private energy company (ESCO) for their electric and/or natural gas supply. The Association urged the Governor’s approval of the bill as public utilities are mounting major ratepayer funded multi-media campaigns to encourage people to switch to ESCOs.

“Public utilities are encouraging people to switch but they are not telling them they could lose certain basic rights and protections,” said Lois Aronstein, AARP New York State Director. “Why should people be denied the same consumer protections and rights when they switch to a private energy company for service?”

In a move to increase energy competition in the state, the Public Service Commission, through agreements with New York’s public utilities, is using ratepayer funds to finance media campaigns to get ratepayers to buy their gas or electric service from an ESCO instead of their public utility.

Under New York’s energy deregulation policy, individuals can choose to buy their power from an ESCO instead of their public utility company. However, when individuals switch to an ESCO, they lose the same statutory consumer protections and rights guaranteed under the state law in the Home Energy Fair Practice Act.

If the Governor signs into law the Energy Consumer Protection Act, ratepayers would be guaranteed the following consumer protections and rights when contracting with an ESCO for their energy supply:

- being offered budget plans;
- not requiring a deposit or prepayments for service connection;
- settling billing disputes and complaints through the Public Service Commission;
- capping late fees;
- continuing service, despite owing money, through a deferred payment agreement;
- and
- consumer protections for continued service to persons experiencing medical emergencies and for the elderly, blind or disabled.

-more-

“AARP believes that New Yorkers, when they shop for lower energy prices under New York State's deregulated system, should be afforded the same consumer protections and rights as they have always enjoyed,” said Aronstein.

The legislation has been endorsed by the ESCO industry, Public Utility Law Project, New York Public Interest Research Group, New York StateWide Senior Action Council Inc., as well as national consumer groups including Consumer Federation of America, Consumers Union, and the National Consumer Law Center.

AARP has over 2.5 million members in New York State. AARP is a nonprofit, nonpartisan membership organization for people 50 and over. We provide information and resources; advocate on legislative, consumer, and legal issues; assist members to serve their communities; and offer a wide range of unique benefits, special products, and services for our members. These benefits include AARP Webplace at www.aarp.org, AARP Modern Maturity, and My Generation magazines, the monthly AARP Bulletin, and a Spanish-language newspaper, Segunda Juventud. Active in every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP celebrates the attitude that age is just a number and life is what you make it.

###