## **Energy choice**

## in New York State

By Frank Caliva III
Director of Public Affairs and Strategy,
Strategic Communications

hoice," perhaps better than any other word, describes the American marketplace for most consumer goods and services. From aisles full of options in the grocery store, to automobile packages designed for almost every consumer preference, many Americans do not lack for choices when it comes to most of their potential purchases.

Many home buyers in New York State are still unaware, however, that they also have a choice when it comes to the company that supplies the electricity and natural gas that power, heat and cool their homes.

Traditionally, the local utility provided both supply and delivery of this energy. Today, many customers can choose an electricity or natural gas supplier that best suits their needs.

The local utility is increasingly a "poles, wires and pipes" company, responsible for delivering electricity and natural gas to consumers and ensuring safety and reliability. Retail energy suppliers (also known as "ESCOs" or energy supply companies in New York), on the other hand, compete by offering a variety of services and incentives. Consumers choose those that best meet their energy needs. Put simply, a supplier sells the energy that the utility delivers.

The American Coalition of Competitive Energy Suppliers (ACCES) is a group of competitive retail natural gas and electricity suppliers who have joined together to focus exclusively on educating consumers about the benefits of energy choice.

Many homeowners may not be aware of the benefits of products and services offered by retail energy suppliers. These can include fixed or variable prices, time-of-use rates, renewable energy options, energy efficiency audits, home boiler insurance and other value-added benefits.

Another misunderstanding is the fear that competition means de-regulation of the energy industry. This is not the case at all, any more than competition among grocery stores means that food safety standards are ignored, or that competition among mobile phone providers means truth-in-advertising laws no longer apply. Competitive energy suppliers must be licensed by the public utility commission of the state in which they operate, a license which can be revoked if the supplier violates any of the regulations governing its business and marketing practices.

Consumers also have certain rights as energy customers. Energy consumers in New York have rights that include protection from unauthorized switching from one supplier to another, the guarantee of equal treatment by utilities to restore service after disruptions and data privacy rules.

As organizations like ACCES work to educate consumers about energy choice, real estate professionals can help home buyers find accurate information. Here are the basic steps for homeowners to learn more about their energy options when they move into a new home:

- 1. Have utility service turned on.
- 2. Shop and compare offers.
- 3. Read the terms of each offer carefully.
- 4. Provide utility account number to supplier of your choice.
- 5. Wait for supplier to communicate with utility.
- 6. Pay bill(s) to utility or both supplier and utility.
- Call utilities for emergencies and outages.
- 8. Pay attention to contract renewals.
- 9. Continue to shop as needs change.

Remember, energy choice is about empowering consumers to make informed energy decisions that best meet their individual needs. Whatever consumers might decide, having the opportunity to choose and staying informed about all the options available will ensure consumers make decisions that are right for them.

For more information and materials to use when talking to homebuyers about their energy choice options in New York State, visit www.competitiveenergy.org.

Editor's Note: Frank Caliva III manages the public affairs practice at Strategic Communications, LLC, utilizing his experience with energy and environmental industry sectors, economic affairs, and strategic planning to identify and influence legislative and regulatory issues facing clients in both the traditional fossil fuel energy sector and the growing renewable energy area. Strategic Communications represents the American Coalition of Competitive Energy Suppliers (ACCES).