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September 26, 1996

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re: PSC Case No. 94-E-0952
Electric Competition
Electric Service Companies ("ESCO's")

Gentlemen:

In response to your September 20, 1996 letter and the DPS Staff draft report regarding electric service companies ("ESCO's") to be filed with the Public Service Commission on October 1, please be advised as follows.

The New York State Department of Law ("DOL") believes that the Home Energy Fair Practices Act ("HEFPA") applies no matter who may be the provider of residential electric service, whether utility, T&D company, or ESCO. If this is not already clear, then the statute should be amended to make it so. Public policy requires that there be no diminution of HEFPA's consumer protections under competition.

The dilutions of HEFPA protections suggested in draft Appendix X are unwise. For instance, one of the greatest protections residential customers would enjoy under competition is the uniformity of bill content imposed by HEFPA; with uniformity, customers will be able to make meaningful comparisons among ESCO's. To remove this and other HEFPA protections would be adverse to consumers' interests.

Please amend the draft document as necessary to attribute these views to the DOL and note our reservations regarding Appendix X.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Richard W. Golden", written in a cursive style.

RICHARD W. GOLDEN
Assistant Attorney General