

State Wide

New York StateWide Senior Action Council, Inc.
275 State Street, Albany, New York 12210 • Telephone: 518-436-1006 • Fax: 518-436-7642
website: www.nysenior.org • e-mail: swnys@aol.com

September 17, 2002

Mr. James McGuire, Counsel
Governor's Office
Executive Chamber - State Capitol
Albany, New York 12225

Dear Mr. McGuire:

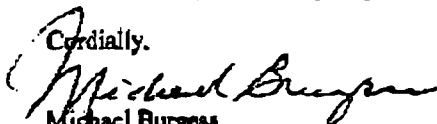
The New York StateWide Senior Action Council takes great pride in the role it played in enacting the Home Energy Fair Practices Act (HEFPA) in 1981. It was one of the first major pieces of legislation our organization worked on in the 1970s and it was the direct result of the deaths of two seniors in their 90s who froze to death on Christmas Eve in Schenectady in 1974 when Niagara Mohawk disconnected their power. HEFPA culminated many years of consumer advocacy to prevent any similar tragedies by establishing regulations against disconnection of utility service in the winter and only after procedures have been followed the rest of the year. HEFPA also sets policies regarding expensive deposit requirements and establishing deferred budget agreements among other provisions.

StateWide supports the unified amended bill, S.6778-B Energy Consumer Protection Act of 2002, that was passed and will extend protections to energy customers who have signed up as consumers of new ESCOs (energy service companies). There is no justification for not requiring new energy companies to observe the same rules. Inevitably, there have been consumer complaints about billing matters. For example, one company, Agway Energy Services, said it did not have the capacity to bill on an accrual system. Some customers would pay their current bills and not realize that the bill was not the total of all previous bills. They would then find out that they were in arrears for a bill sent several months earlier.

Older New Yorkers may be lured by the prospect of lower rates to switch from the older energy companies who have served them for decades. As ESCOs continue to market consumer choice, more and more consumers, both older persons and all consumers, may sign up and not be aware of consumer protections which they are losing in the process. The bill would also have addressed the default of Iroquois Energy in western New York that resulted in substantial losses for consumers.

To restore faith in these companies, the Governor must sign the bill. Having worked hard for the enactment of HEFPA, this bill corrects a situation that violated the intent of that landmark law and weakened the protections that consumers have enjoyed and needed for the necessary commodity of gas and electric service.

Cordially,


Michael Burgess
Executive Director

**ORGANIZED TO ACHIEVE THROUGH UNITED ACTION THE DIGNITY, WELL BEING
AND SECURITY OF ALL SENIOR CITIZENS OF NEW YORK STATE**