



**NEW YORK**  
STATE OF  
OPPORTUNITY.

**Low-Income  
Forum on Energy**

**Welcome!**  
**We will be starting soon.**



## Low-Income Forum on Energy

The Low-Income Forum on Energy Presents:

# Update on ESCOs

**Christine Bosy, Manager of Retail Access  
NYS Office of Consumer Services**

September 28, 2016  
1:30 p.m. – 2:30 p.m. ET



## Low-Income Forum on Energy

### Working to help low-income New Yorkers address energy issues.

LIFE, the Low-Income Forum on Energy, is a unique statewide dialogue that brings together organizations and individuals committed to addressing the challenges and opportunities facing low-income New Yorkers as they seek safe, affordable and reliable energy.

Supported by the New York State Public Service Commission and the New York State Energy Research and Development Authority (NYSERDA), the LIFE dialogue encourages an interactive exchange of information and collaboration among the programs and resources that assist low-income energy consumers.



## Low-Income Forum on Energy

### → Monthly webinars

**Wednesday, October 26, 2016 @ 1:00-3:00 p.m. ET**

***HEAP Updates for the 2016-2017 Heating Season***

*Andrew Bryk, NYS HEAP Bureau Chief*

### → Monthly email newsletter

Sign up at [lifenynews.org](http://lifenynews.org)

### → Social media

**LinkedIn:** Low-Income Forum on Energy

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## Low-Income Forum on Energy

### **Find more information on the website**

[nyserda.ny.gov/LIFE](http://nyserda.ny.gov/LIFE)

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### **Contact LIFE**

Phone: 888-521-7120

Email: [LIFE@nyserda.ny.gov](mailto:LIFE@nyserda.ny.gov)

# Asking and Responding to Questions

The screenshot displays the Cisco WebEx Event Center interface. The main content area shows a presentation slide with the New York State logo and the text "NEW YORK STATE OF OPPORTUNITY. Low-Income Forum on Energy" and "Welcome! We will be starting soon." The right-hand sidebar contains several panels: "Participants (1)" showing "NYSERDA Events (Host, me)", "Speaking:" with "Panelists: 1", and "Attendees: 0 (0 displayed)". At the bottom of the sidebar, the "Q&A" panel is highlighted with a red circle. This panel includes a "Q&A" header, a list of questions (currently "All (0)"), a text input field with the instruction "Select a question, and then type your answer here. There is a 256-character limit.", and "Send" and "Send Privately" buttons. Two yellow arrows point to the "Send" and "Send Privately" buttons from the right side of the screen.

Type into the text field and click “send.”

# Technical Difficulties or Contacting the Host

The screenshot displays the Cisco WebEx Event Center interface. The main content area shows a slide with the text "NEW YORK STATE OF OPPORTUNITY. Low-Income Forum on Energy" and "Welcome! We will be starting soon." The right-hand sidebar contains several panels: "Participant" (with a red circle around the "Chat" icon), "Recorder", "Q&A", and "PPT Notes". Below these is a "Speaking" panel for "NYSERDA Events (Host, me)" and an "Attendees" panel. The "Chat" panel is also circled in red, showing a "Send to:" dropdown set to "All Participants" and a text input field with a "Send" button. A yellow arrow points to the "Chat" icon in the top right, and another yellow arrow points to the "Send" button in the chat panel. The bottom right corner shows "Connected" and "Speakers: 100%".

Click on the “Chat” icon to activate the chat function.



**Department  
of Public Service**

# UPDATE ON ESCOS

**LIFE Webinar Series 2016**

**BY: CHRISTINE BOSY**

**MANAGER OF RETAIL ACCESS, OFFICE OF CONSUMER SERVICES**

## RECAP OF FEBRUARY 25, 2014 ORDER

- Requires ESCOs to maintain a record of the territories in which they market D2D.
- Requires ESCOs to publish a prominent message on their renewal notices advising customers of the tools to help compare prices located on the Department's website.
- Requires ESCO renewal notices to be in a standardized format.
- Requires a second renewal notice for fixed rate contracts.
- Requires the renewal notice be sent in an envelope with bold lettering stating the contract renewal is enclosed.
- Requires ESCOs to provide to the Department a list of entities marketing on their behalf.

## RECAP OF FEBRUARY 25, 2014 ORDER – continued

- Requires D2D marketers to start their sales pitch with a disclosure statement identifying themselves and what ESCO they are representing, and provide a business card.
- Directs ESCOs to file quarterly historic pricing data for residential and small non-residential fixed and variable rate products.
- Requires that in the event the customer owes more for service through an ESCO than what he or she would have owed for bundled utility service, the customer can avoid termination of service by paying the lesser amount. Further, in such cases the differential will be charged back to the ESCO.
- Expands the Power To Choose website to include prices for small non-residential products and requires ESCOs to honor the posted rate for new customers.

## RECAP OF FEBRUARY 25, 2014 ORDER – continued

- Requires ESCOs serving customers participating in utility low income assistance programs to provide a guaranteed savings product or an energy-related value added service designed to reduce customer's overall energy bill.
- Requires independent third party verification call for any sale that was a result of D2D or telephonic marketing.
- Requires POR programs be modified so that POR discount rates are calculated and established for individual ESCOs.

**As a result of receiving multiple Petitions for Rehearing and Reconsideration on the February 2014 Order, on April 25, 2014 the Commission issued a stay on the following requirements:**

- The requirements pertaining to independent third party verification; **(lifted in 2/2015)**
- The requirements pertaining to ESCO service of customers participating in the Home Energy Assistance Program (HEAP) and/or utility administered low income assistance programs;
- The requirement that the Utilities “charge back” to an ESCO any differential in the ESCO price over the utility rate, and the customer pay the lesser amount to avoid termination of customer’s service;
- The requirement that ESCOs file quarterly historic prices for small non-residential customers;
- The revised requirements regarding ESCO price reporting of small non-residential customers on the Power-to-Choose website;
- The requirement that Utilities implement ESCO-specific purchase of receivables rates.

## **December 15, 2014 Order Authorizing Accelerated Switching of Commodity Suppliers**

- Allowed for a shorter time for the switching of electric supply from 15 to 5 business days.
- Allowed for no change to the existing 15 calendar day enrollment time frame for a switch to gas supply.
- Initiate a collaborative to develop proposals to shorten the enrollment window for gas supply and effectuate off-cycle switching.

## **December 23, 2015 Order Authorizing Accelerated Switching Of Natural Gas Commodity Suppliers And Related Matters**

- To streamline the process for changing a customer's gas commodity supplier by reducing the timeline from 15 calendar days to 10 business days.

## February 23, 2016 Order Resetting Retail Energy Markets And Establishing Further Process

- Prohibits new ESCO contracts with residential or small non-residential customers (mass market customers) from taking effect unless they provide guaranteed cost savings, or at least 30 percent of the electric supply comes from renewable energy.
- Requires ESCOs to obtain affirmative consent from a customer prior to renewing that customer from a fixed rate or guaranteed savings contract into a contract that provides renewable energy but does not guarantee savings.
- Requires the Chief Executive Officer (CEO) or equivalent corporate officer of the ESCO to make a filing certifying that any enrollments will comply with the conditions of this Order.
- Strengthen the process for revoking ESCO eligibility to do business in New York if the ESCO is found to be in violation of State regulations.

## As a result of February 23, 2016 Order :

- On March 3, 2016 a lawsuit was filed in Albany County Supreme Court against the Commission by several interested parties.
- On March 4, 2016 the court issued a Temporary Restraining Order which stayed ordering clauses 1 – 3 of the Commission Order.
- The ordering clause strengthening the ESCO enforcement process was not stayed and is still in effect. This includes a “do not knock” rule that protects consumers against unwanted door-to-door solicitation by ESCOs.

## July 22, 2016 Court Decision and Order

- Acting Supreme Court Justice, Henry F. Zwack issued a decision on the case.
- The Court's decision recognized the Commission's authority and obligation to protect consumers from unfair rates, however it upheld the preliminary injunction to vacate Ordering clause 1 – 3 which requires: ESCOs to guarantee a savings or provide at least 30% renewable electricity to residential and small non-residential customers; affirmative consent when renewing; and the ESCOs' CEO to file a certification that new enrollments comply with this Order.

## July 15, 2016 Order Regarding the Provision of Service to Low-Income Customers by ESCOs:

- Placed a moratorium on the ability of ESCOs to sell electricity and natural gas to utility low-income customers.
- Action was taken to help protect low-income customers from paying more for energy than what they would have paid the utility.
- For low-income customers currently with an ESCO, the ESCO is required to return the customer back to utility service at the end of their contract.
- As long as a customer participates in a utility low income program, the utility will provide their gas and electric service.
- This moratorium will not extend to low-income customers participating in a Community Choice Aggregation (CCA) Program.
- As a result of the July Order, 3 parties filed petitions for rehearing and/or clarification on certain provisions of the Order.

## September 19, 2016 Order on Rehearing and Providing Clarification:

- In compliance with the Order, as of September 15th the utilities placed a block on assistance program participants' accounts and notified ESCOs of the accounts the ESCO are no longer eligible to serve.
- The ESCO will identify the expiration date of the accounts and issue a drop notice back to the utility at the appropriate expiration of each contract.
- The utility and the ESCO are required to send a letter to the customer notifying them of the Commission's new low-income rules.
- CCA was specifically exempted from the moratorium, so a low income customer can still receive ESCO service pursuant to a CCA.
- As long as a customer participates in a utility low income program, the utility will provide their gas and electric service.

## Resetting Retail Energy Markets

For more information on the rules that apply to ESCOs and to keep informed on future Commission actions in Case **12-M-0476**, please visit:

**[www.dps.ny.gov](http://www.dps.ny.gov)**.



## Low-Income Forum on Energy

Join us for the next webinar:

**October 26, 2016 @ 1:00 p.m. – 3:00 p.m. ET**

## **HEAP Updates for the 2016-2017 Heating Season**

**Andrew Bryk, NYS HEAP Bureau Chief**

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