

STATE OF NEW YORK

# Public Service Commission

Garry A. Brown, Chairman

Three Empire State Plaza, Albany, NY 12223

Further Details: James Denn

James.denn@dps.ny.gov | 518.474.7080

<http://www.dps.ny.gov>

<http://twitter.com/NYSDPS>

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## **PSC CONSIDERS ACTION AGAINST ENERGY SERVICE COMPANY**

### **— Company’s Eligibility To Do Business in NY Under Scrutiny —**

Albany, NY—03/14/13—The New York State Public Service Commission (Commission) today directed Liberty Power Holding LLC. (Liberty Power) to demonstrate why the Commission should not revoke the company’s eligibility to offer services as an energy services company in New York State as a result of the company’s pattern of marketing abuse and numerous customer complaints.

“While we facilitate retail competition in the energy business, we will not tolerate continuing violations of the marketing standards that we have established to ensure consumers are treated fairly and reasonably by energy service companies,” Commission Chairman Garry Brown said.

Last year, Commission’s staff received 186 initial customer complaints against Liberty Power, as compared to 26 in 2011. The majority of customer complaints against Liberty Power involved misleading marketing practices, sales representatives misrepresenting their identity, and enrolling customers without proper authorization, a practice known as slamming. All of these complaints were eventually resolved. However, upon further investigation it appears that the company’s representatives continued to violate the Commission’s Uniform Business Practices (UBP), despite committing to several corrective actions.

The Commission first adopted the UBP in 1999 and added marketing standards to the UBP in 2008. The UBP’s are incorporated into each utility company’s tariff. Energy service companies

(ESCOs) are required to comply with the UBP in order to maintain their eligibility to sell gas and electric service in New York. The UBP includes the basis upon which the Commission would revoke an ESCO's eligibility to serve customers in New York.

In December 2006, Commission staff deemed Liberty Power eligible to serve as an ESCO, and Liberty Power began marketing ESCO services in New York in 2007. It serves customers in the service territories of Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, Orange & Rockland Utilities, Inc., and Rochester Gas & Electric Corporation. The majority of customers are in Con Edison's territory. The company must explain within 7 days of issuance of the Commission's order, why it should not be precluded from enrolling new customers until the Commission orders otherwise. Further, Liberty Power must, within 14 days of the order, show why its eligibility to act as an ESCO in New York State should not be revoked or, alternatively, why the Commission should not impose other consequences.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Number 13-E-0062 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.