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John B. Rhodes, Chair

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PSC Denies Request of 2 ESCOs to Serve Low-Income Energy Customers — One ESCO Receives OK After Proving Cost-Savings —

ALBANY — The New York State Public Service Commission (Commission) today announced it had denied requests by two energy service companies, or ESCOs, to serve low-income customers after the ESCOs failed to prove that they could save low-income customers' money on their utility bills. The companies denied permission were Drift Marketplace Inc. and M&R Energy Resources Corp. Meanwhile, a third ESCO, Ambit Energy New York, LLC received approval to market to low-income customers after it demonstrated required customer savings.

"The Commission prohibits ESCOs from enrolling and renewing customers who are participants in utility low-income assistance programs unless the ESCO can provide guaranteed savings to those customers," **said Commission Chair John B. Rhodes.** "During a recent 30-month period, ESCOs overcharged low-income New Yorkers for gas and electricity by \$96 million. Our work protects low-income customers, as well as all New York ratepayers. "

In making its decisions, the Commission determined that Drift and M&R Energy failed to demonstrate they could provide guaranteed savings to low-income customers. The Commission's primary intent is to ensure that energy customers pay no more than what they would have been paid to the utility.

While the Commission rejected the requests of the two ESCOs to serve low-income customers, it recognized that Ambit guarantees that the customer will pay no more for supply service than they would have paid as a full-service customer of their local utility for the same time-period. This is an important distinction to make as low-income customers should pay no more than what they would have paid to the utility, regardless of how long they were with the ESCO.

Unlike the other ESCOs, Ambit provided detailed information on its calculations used to determine its monthly prices. Commission staff reviewed the documents and calculations and are confident in Ambit's ability to deliver savings. There remain several pending requests from ESCOs seeking permission to market to low-income customers. Those requests continue to be reviewed.

Meanwhile, on Sept. 1, 2017 the State's Appellate Division denied the National Energy Marketers Association petition for a stay of the Commission's ESCO low-income prohibition order. Therefore, utilities and ESCOs are required to continue to implement the December 2016 order. The utilities are directed to block the enrollment of any new low-income customers on or before Sept. 22, 2017 and the ESCOs are directed to de-enroll customers within 30 days of receiving customer lists from the utilities.

Today's decisions may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 12-M-0476 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents 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.