

December 17, 2004

HOW DO I CHOOSE AN ELECTRICITY SUPPLY COMPANY?

By Carole Fisher

Once again, you are being asked to choose an electricity supply company (ESCO) for the supply portion of your electric bill. If you do not notify NYSEG of any changes before Dec. 31, 2004, your electricity supply company *will remain the same* as it has been in 2004. If you did not make any choice two years ago when the *Voice Your Choice* program began, then you were automatically enrolled in NYSEG's Fixed Price Choice and will remain there until you notify them otherwise.

On your NYSEG bill, you will still have a fixed basic service charge (currently \$12/month for the Residential Regular service), a delivery cost (a fixed price per kwh of electricity usage), and a transition charge. *If you choose NYSEG or another ESCO that has an agreement with NYSEG for "single billing"*, then your electricity supply cost will also be on this bill. This will add up to the total cost for your electricity. If you choose an electricity supplier *without* an agreement with NYSEG to do "single billing", then you will receive a second bill that will just cover your electricity supply cost.

There are a number of options to guide your choice of an electricity supplier. To help in making your choice, we have listed "questions to consider" on the next page. One of the options you will notice is for a "fixed rate" vs. a "variable rate". Since electricity use is measured in kilowatt-hours (kwh), a *fixed rate* is a guaranteed price per kwh for the length of the contract. A *variable rate* means that the price will vary based upon the actual price of electricity that day, and may be affected by supply and demand, weather, etc.

It is also important to remember that only about half of your electricity bill will be affected by your choice. A typical household, using an average of 700 kwh of electricity per month, would save about \$5.15 per month if they chose an ESCO offering a 15% savings over NYSEG's Fixed Rate. With a variable rate, savings cannot be guaranteed or predicted.

To help consumers make an informed decision, Cornell Cooperative Extension's Consumer Education staff has compiled information from participating electric supply companies. **Consumers are encouraged to contact the individual companies to obtain complete contract information before enrolling.** For more information on this and other consumer issues, call Cornell Cooperative Extension's Consumer HelpLine at (607) 272-2292 or visit the Public Service Commission's website at www.AskPSC.com.

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Questions to Consider When Looking for a New Electricity Supplier (ESCO)

It's your choice to either remain with your current utility or switch to another energy provider. To make an informed choice, you may want to use the checklist below:

Compare prices and services

- What is the charge per usage (kwh) and what is included in the price?
- Is the price fixed or does it vary with market price?
- If it's fixed, is it guaranteed for the length of the contract?
- Does the price include taxes?
- Are other services available?

Review the terms and conditions

- How long is the agreement?
- Is a security deposit required?
- Are there cancellation fees or other fees?

Energy Options

- Are there choices such as green power available?

Billing and Payment Options

- Will I receive separate bills from NYSEG and the ESCO?
- If separate bills, how often will I be billed?
- Is the day/night rate available?
- Is budget billing available?

A complete list of suppliers available to residential NYSEG customers can be found on the Public Service Commission website (www.AskPSC.com).

ELECTRICITY SUPPLIER COMPARISON WORKSHEET

| <u>SUPPLIER</u> | Fixed or Variable | Rate/ Kwh | Term of Contract | Single Bill | Budget Billing Available | Billing Schedule | Security Deposit | Cancellation Fee | Other Penalties or Features (such as day/night rates) |
|--|----------------------------|--------------------------|-----------------------------|-------------|--------------------------|------------------|-------------------|-----------------------------------|---|
| Agway Energy Services/ Suburban Energy Services | Variable | Varies | On-going | Yes | * | Monthly | No | No | * |
| ConEdison Solutions | ----- Fixed | ----- * | Varies (1-2 yrs) | Yes | * | Monthly | | Yes | * |
| ECONergy | Variable ----- Fixed | Varies ----- 6.93¢ | ----- 12 mos. | Yes | * | Monthly | No ----- No | No ----- Yes (\$25) | Day/Night Rates avail |
| Energetix, Inc. | Fixed | 6.59¢ | 2 years | No | Yes | Monthly | No | Yes | * |
| NYSEG Solutions | Variable ----- Fixed | Varies ----- 6.61¢ | 2 years ----- 2 years | Yes | * | Monthly | No ----- No | Yes (\$25) ----- Yes (\$25) | * |
| NYSEG Fixed Price Choice | Fixed | 7.03¢ | 2 years | Yes | Yes | Monthly | No | No | Day/Night Rates avail. |

* Call company for information.

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