

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AFFAIRS

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October 15, 2013
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HELD AT: 250 Broadway - Committee Rm,
14th Fl.

B E F O R E:
DANIEL R. GARODNICK
Chairperson

COUNCIL MEMBERS:
Leroy G. Comrie, Jr.
Karen Koslowitz
Peter F. Vallone, Jr.

A P P E A R A N C E S (CONTINUED)

Fran Freedman
Deputy Commissioner, External Affairs
New York City Department of
Consumer Affairs

Angela Schorr
Manager
Government and Regulatory Affairs
Direct Energy

[gavel]

CHAIRPERSON GARODNICK: Good morning and welcome to the Consumer Affairs Committee of the New York City Council; today is Tuesday, October 15th; my name is Dan Garodnick and I have the privilege of chairing this Committee.

I'm joined today by Council Member Peter Vallone of Queens, who is the sponsor of Intro 1034, which is the bill that we will be hearing today.

The subject of today's hearing is to explore how to prevent unwanted commercial solicitations and to protect consumers from deceptive sales practices. Many New Yorkers have had the experience of hearing an unexpected knock on their doors at home and opening the door only to find a salesperson there. The frequently aggressive tactics of door to door sales people only exacerbates this problem. It doesn't matter whether you live in a house in Queens or in an apartment building Manhattan, these sales people will find you.

There are a variety of offenders here and among the most egregious actors that we have found are energy service companies or ESCOs. In theory, ESCOs can be a good thing, most consumers pay ConEd

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2 for both electricity itself and for the cost of
3 delivering it. However, they also have the choice of
4 buying energy directly from an ESCO, in which case
5 they would only pay ConEd for delivery costs. ESCOs
6 were the result of 1996 industry deregulations in New
7 York State designed to increase competition in the
8 energy marketplace.

9 There have been so many aggressive
10 tactics taken by ESCO sales people that the New York
11 State Public Service Commission operates a phone
12 hotline dedicated just to receiving ESCO complaints.
13 In 2010 New York State further expanded consumer
14 protections by creating an ESCO Customer Bill of
15 Rights and a Code of Conduct for ESCO sales people,
16 nevertheless complaints have persisted.

17 In 2012 two ESCOs were fined \$200,000 by
18 the Attorney General and ordered to furnish \$2
19 million in restitution to harmed customers.

20 In the past I have raised my concerns
21 with ESCOs with the Public Service Commission,
22 including highlighting their frequent use of robo
23 calls, even to my district office in Manhattan; I
24 know that Council Member Vallone shares these
25 concerns with their aggressive tactics.

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2 Clearly there's more work to be done when
3 it comes to ensuring that New Yorkers are shielded
4 from deceptive sales practices, even just simply
5 overly aggressive sales practices; that's why we're
6 holding this hearing today, to investigate the
7 situation in the industry and explore what can be
8 done to improve consumer protections. In particular
9 we want to protect people from unwanted approaches in
10 their own homes.

11 Intro 1034 is the bill by Council Member
12 Vallone that we're gonna hear today, that would allow
13 consumers to protect themselves from unwanted in-
14 person solicitations at their home; rather than go
15 into all the details on that I'll actually turn the
16 microphone over to him and let him introduce the bill
17 to this Committee and after that we will hear from
18 the City's Department of Consumer Affairs. Council
19 Member Vallone, we're delighted to have you with us
20 today.

21 COUNCIL MEMBER VALLONE: Thank you, Chair
22 Garodnick and that you very much for holding this
23 important hearing; I know you have a lot of them to
24 get done, but I think based on your opening we both
25 have heard from so many of our constituents regarding

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2 this problem and it's especially bad in Queens; as I
3 travel throughout Queens I heard this over and over
4 again. Now I personally don't have problems with
5 law-abiding ESCOs; I don't think anybody wants there
6 to be competition for ConEd more than I do, after
7 what happened to my district in 2006 with ConEd;
8 however, I do have a problem with aggressive,
9 deceptive sales techniques. And I do have a problem
10 basically with even proper sales techniques coming to
11 my door at 6:30 when I'm sitting down with my kids
12 for dinner.

13 And I thought long and hard about this
14 and how I could get it to stop. By the way, when it
15 comes to these deceptive practices, I'm learning from
16 your... what do call this, the... the briefing, that in
17 2010 the State amended the General Business Law to
18 create an ESCO Consumer Bill of Rights, which
19 requires sales people to identify themselves and
20 provide a Bill of Rights and provide written
21 material; I didn't even know, so clearly they're not
22 doing this, 'cause I know they came to my door a few
23 months ago and I said to them... you know, I didn't
24 tell them who I was, obviously; I just said, "Leave
25 your material here so I can take a look at it;" they

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2 refused to. So this is not... I don't think consumers
3 know this exists; it's clearly not being enforced, so
4 more needs to be done and I walk past... at my own
5 house I have one of those little signs that says
6 "don't leave flyers here on my doorstep" that Council
7 Members provide to their constituents and I've walked
8 past it hundreds of times until it finally dawned on
9 me, hey, if we can stop people from leaving flyers,
10 then we can stop people from interrupting my dinner
11 and coming here with any type of sales call,
12 especially these deceptive ones. We're finally going
13 to give people a way to stop their dinners from being
14 interrupted and to stop these deceptive sales
15 practices at their doors, where they're most
16 vulnerable. Because I can't tell you how many people
17 have said to me, these are aggressive people coming
18 to our doors; they won't leave and people get
19 frightened when they are at your door and this would
20 stop them and they would set up fines, I think from
21 \$300 to \$1,000 if this law is violated. And I think
22 it's fairly simple and gives people an easy way to
23 say no; you can say no to flyers and now you'll be
24 able to say no to solicitors.

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2 We can't obviously stop political speech,
3 as much as even I would like to be banned from
4 people's doors, we can't stop religious speech; we
5 have to go to a higher authority than the Consumer
6 Affairs Committee to get that done at people's doors,
7 but I think we can stop solicitation if people put up
8 the signs and determine they want to.

9 So thank you Mr. Chair again and I look
10 forward to hearing testimony.

11 CHAIRPERSON GARODNICK: Thank you Council
12 Member Vallone. And with that we're gonna get right
13 into it and we're gonna invite up Deputy Commission
14 Fran Freedman of the New York City Department of
15 Consumer Affairs, and again, if you're interested in
16 testifying in this matter, please make sure you fill
17 out one of the appearance slips with the Sergeant at
18 Arms and we will be happy to hear from you. So
19 Ms. Friedman, whenever you're settled, welcome, good
20 to have you back.

21 FRAN FREEDMAN: This is on? Oh great.
22 Thank you and good morning Chair Garodnick and
23 members of the Committee on Consumer Affairs; I'm
24 Fran Freedman, Deputy Commissioner for External
25 Affairs for the Department of Consumer Affairs.

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2 On behalf of Commissioner Mintz I thank
3 you for the opportunity to testify at today's
4 Oversight Hearing on Energy Service Companies: How
5 are Consumers Protected against Aggressive and
6 Misleading Sales Tactics in New York City, as well as
7 to comment on Intro 1034, a bill to prohibit door to
8 door commercial solicitations in private and multiple
9 dwellings.

10 The Department strongly shares your
11 concerns regarding ESCOs, the energy service
12 companies from which more than one million businesses
13 and residents of New York State have been purchasing
14 alternative energy supplies, both electricity and
15 natural gas for more than a decade.

16 As you know and as you've stated, the
17 State's Public Service Commission, the PSC, regulates
18 ESCOs and as the regulator handles all consumer
19 complaints.

20 ESCOs typically provide a wide variety of
21 products and services from long-term fixed prices to
22 variable rates that change with market conditions, to
23 options that let consumers lock in rates during peak
24 months. Some services are provided at a variable
25 price on a month to month basis that can be cancelled

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2 at any time; other ESCOs require customers to enter
3 into contracts which commit them to purchasing for a
4 specific amount of time.

5 Since their inception, many ESCOs have
6 employed marketing techniques, including door to door
7 solicitations and telemarketing, which at best tend
8 to confuse both residential and commercial customers
9 and at worst, are abusive, misleading and deceptive.

10 Over the years, in their efforts to
11 expand their businesses in the City, many ESCO sales
12 persons have misrepresented themselves as agents of
13 regulated distribution utilities like ConEd, failed
14 to provide relevant and critical information to
15 prospective customers in plain English or in the
16 customer's own language, made false or misleading
17 statements about the terms and fees of the contract
18 and were overly persistent and disruptive in their
19 conduct upon contact with customers.

20 After receiving too many media reports
21 and the plethora of information from consumers and
22 the industry about consumers being taken advantage of
23 by unscrupulous ESCOs, the Department mounted what
24 would become a multi-year advocacy campaign to help
25 protect New Yorkers from predatory practices.

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2 In December of 2007 the Department joined
3 with the then New York State Consumer Protection
4 Board, the CPB, to file a petition with the
5 Commission seeking incorporation into its uniform
6 business practices, a statement of principles for the
7 industry related to training marketing
8 representatives door to door and telephonic marketing
9 practices and overall ESCO conduct.

10 Our joint petition called for the PSC to
11 establish mandatory enforceable rules governing
12 ESCOs, governing their marketing practices to protect
13 consumers from the ongoing onslaught of aggressive
14 tactics.

15 The petition asked the PSC to develop and
16 adopt new marketing standards for ESCOs, define and
17 establish legal authority to directly sanction those
18 ESCOs whose marketing practices are detrimental to
19 consumers to prevent further harm, to enforce
20 requirements that ESCOs and their representatives
21 clearly identify themselves immediately upon first
22 contacting consumers and finally, to compel ESCOs to
23 clearly explain to consumers that they are not in
24 fact acting on behalf of or at the request of a
25

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2 regulated distribution utility like ConEd, to
3 minimize confusion and misunderstanding.

4 The Department and the CPD issued a joint
5 press release on this issue, which included tips for
6 consumers to give them some tools to protect
7 themselves against unrelenting, aggressive marketing
8 tactics.

9 In March of 2008 we scored a huge and
10 quite unprecedented victory to protect the City's
11 consumers. Based upon our petition the PSC issued
12 for public comment proposed revisions to its UBP to
13 provide marketing standards for ESCOs, expand
14 residential consumer protections and offered better
15 remedies for ESCOs who fail to comply.

16 Specifically, those changes included
17 plain language sales agreements, explicit process to
18 resolve ESCO-related consumer complaints, graduated
19 consequences for ESCOs' failure to comply with the
20 UBP, up to 30-day grace periods when the ESCO
21 contract includes an early termination fee, standards
22 for telephone and in-person ESCO contacts with
23 customers and finally, same-language marketing for
24 non-English speaking customers.

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2 To ensure that DCA's strong consumer
3 protection strategies would be permanently included
4 in the Commission's final Rules, the Department
5 issued comments on PSC's proposed modifications to
6 the UBP in April of 2008. We elaborated on plain
7 language requirements in communications with
8 consumers whose primary language is not English. We
9 urged adoption of the disclosures that ESCOs are not
10 affiliated with the public utility. We asked that
11 the Commission safeguard consumers from ESCOs using
12 excessive termination fees and clearly disclose those
13 fees in marketing materials. And finally, we
14 recommended that a trial period covering at least one
15 billing cycle be offered to consumers before
16 termination fees were applied.

17 On October 15th, 2008 the New York Times
18 City Room online applauded the set of stronger
19 consumer safeguards announced by the PSC and credited
20 the Department's protective measures that were folded
21 into the PSC's ruling.

22 DCA continued its advocacy with the PSC
23 to encourage the agency to strengthen and further its
24 work in this critical arena. Chapter 416 of the
25 State Laws of 2010 established a requirement that

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2 ESCOs provide consumers with a Consumer Bill of
3 Rights. In November 2010 we provided comments on
4 that draft Consumer Bill of Rights and revised
5 uniform business practices.

6 The draft Bill of Rights and the revised
7 UBP were designed to ensure that customers fully
8 understand their rights before purchasing energy
9 services from ESCOs, especially with regard to door
10 to door sales, to help consumers make informed
11 choices and to prevent deceptive business practices
12 from these companies.

13 Our recommendations for the ESCO Consumer
14 Bill of Rights included that it should feature clear,
15 easy to read, complete and accurate disclosures in
16 plain language, in a clear and easy to read format,
17 that PSC branding be prominent on the document to
18 lend it credibility, that consumer complaints should
19 be lodged with the PSC and all contact information
20 for the agency's Consumer Services Division should be
21 included, that the PSC translate the Bill of Rights
22 in the languages most commonly used in New York City
23 and post them on its website and that ESCOs must
24 provide the Bill of Rights to every consumer and in
25

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2 the same language utilized to solicit the prospective
3 customer.

4 We also suggested that the Bill of Rights
5 include a brief statement about its purpose and that
6 the document be given to prospective customers at the
7 point of contact in advance of any sales pitch or
8 discussion.

9 For phone sales we urged that ESCO
10 representatives identify themselves at the outset of
11 the conversation and alert consumers to the Bill of
12 Rights, giving them the opportunity to end the
13 conversation if they so desired and requiring that
14 the bill be included in any follow-up materials
15 mailed to the residence.

16 Similarly for online sales we advocated
17 that the Bill of Rights be presented as a non-
18 avoidable screen prior to any enrollment or decision
19 to proceed to check out to purchase ESCO services.

20 In December 2010 the PSC published a
21 Consumer Bill of Rights which included our proposals.
22 In October 2012 the PSC instituted a proceeding and
23 called for comments to assess certain aspects of the
24 ESCO markets, including the impact of door to door
25 marketing on households with low incomes, where

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2 English is not the primary language. PSC staff found
3 that high pressure tactics were used in such sales
4 and called for changes... [clearing throat] excuse me...
5 including limiting termination fees for contracts
6 arrived at... [cough]... excuse me... arrived at through
7 this tactic and requiring the marketers to bring any
8 interaction with a disclosure statement.

9 Further, PSC staff noted that consumer
10 complaints regarding door to door sales had in fact
11 increased and announced that the agency was formally
12 investigating the door to door marketing practices of
13 at least five ESCOs.

14 In January 2013 DCA responded to the
15 proceeding with comments urging the PSC to take
16 meaningful action to empower consumers through
17 complete and accurate disclosure of the true costs of
18 these energy services by ensuring that consumers have
19 access to current pricing information to be able to
20 comparison shop and by enabling consumers to easily
21 compare historical prices for electricity and gas
22 purchased from ESCOs to the prices charged by regular
23 utilities.

24 We're proud of our successful multi-year
25 advocacy to protect City consumers interested in

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2 engaging alternative energy suppliers and look
3 forward to the PSC's further revisions to the UBP
4 regarding ESCOs to strengthen its oversight of these
5 providers.

6 I turn now to the proposed Intro Number
7 1034. While we are sympathetic to the idea of
8 curtailing door to door solicitations at New Yorkers'
9 residences, the bill as written raises many concerns.

10 First, DCA's mission is to empower
11 consumers and businesses to ensure a fair and vibrant
12 marketplace; this means that while the Department
13 protects consumers in the marketplace their
14 residences are outside our jurisdiction and our
15 mandated mission. Typically our inspectors visit for
16 inspection retail stores and businesses, not private
17 homes or multiple dwellings. Enforcement of this
18 bill would be very challenging. Without more
19 specifics we don't know if the bill applies only to
20 face to face solicitations or if it applies to
21 businesses who leave flyers, advertisements, coupons,
22 menus or other materials under residents' doors or
23 affixed to the doors or doorknobs without engaging
24 the residents.

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2 Without more specifics, adjudicating
3 violations with appropriate fines raises issues of
4 due process. How would we prove that a tenant
5 actually received a solicitation of any kind or that
6 a private house or multiple dwelling had the
7 appropriate sign posted on a particular date and time
8 without a hearing becoming a he said/she said affair?

9 Second, although we think there needs to
10 be a balance... thanks... needs to be a balance between
11 business interests and consumer concerns, it is hard
12 to weigh those competing interests without knowing
13 what problem the bill is attempting to address and
14 remediate.

15 Finally, although we know that ordinances
16 restricting door to door solicitations have been
17 adopted in other municipalities, such regulations,
18 when challenged, often do not survive First Amendment
19 scrutiny. Therefore the Law Department is currently
20 reviewing legal issues, in particular the First
21 Amendment concerns that are raised by the bill.

22 Until these issues are reviewed and
23 resolved the Department can neither support nor
24 oppose this bill. Thank you again for the
25 opportunity to comment on both the bill relating to

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2 door to door solicitations and ESCOs. I'll be happy
3 to answer your questions.

4 CHAIRPERSON GARODNICK: Thank you very
5 much, Deputy Commissioner and I wanna note that we've
6 been joined by Council Member Karen Koslowitz from
7 Queens.

8 Let me just start with a couple of quick
9 questions and then I'm certain that Council Member
10 Vallone will have questions to follow.

11 In the beginning of your testimony,
12 Ms. Freedman, you noted that there were too many
13 reports and a plethora of information from consumers
14 in the industry about consumers being taken advantage
15 of by unscrupulous ESCOs. Can you give us a sense of
16 what sorts of things that DCA was hearing from
17 consumers?

18 FRAN FREEDMAN: Well in the very early
19 years we were hearing exactly what Council Member
20 Vallone related; unwanted knocks on doors, people
21 calling on the phone; those kinds of things.

22 CHAIRPERSON GARODNICK: There is an
23 existing State Law, as you know, which bans the
24 distribution of unsolicited advertising on private
25 property if there is a signed post prohibiting it;

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2 that's New York State Law today. The law says that
3 it may be enforced by an agency or agencies as
4 designated by the mayor of each city. Is DCA that
5 agency in New York City?

6 FRAN FREEDMAN: I'm not sure, actually;
7 we're not sure.

8 CHAIRPERSON GARODNICK: Okay; will you
9 look into that question for us, because... [interpose]

10 FRAN FREEDMAN: Sure.

11 CHAIRPERSON GARODNICK: not knowing
12 suggests that at least the DCA's not, not enforcing
13 it.

14 FRAN FREEDMAN: This State Law, actually,
15 is not one I'm aware of, so I will have to look into
16 it... [crosstalk]

17 CHAIRPERSON GARODNICK: Okay, so... Okay,
18 good, please because if you're not aware, then it
19 seems unlikely that DCA is actually the... you know,
20 doing that and that's an important point for us to
21 know, because this bill, it appears to me, is a
22 compliment to the otherwise existing law covering
23 unwanted solicitations and if there is no agency in
24 New York City that is actually enforcing existing
25 State Law, then we need an agency in New York City

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2 that is doing that and perhaps it would not be quite
3 such a burden to add Council Member Vallone's
4 legislation on top of that, should such be happening.

5 Let's talk about your comment about
6 residences being outside of DCA's jurisdiction; I
7 just wanted to go a little deeper into that for a
8 second. Because I'm sure that it can't be quite so...
9 DCA's jurisdiction can't be so limited as to prohibit
10 you from dealing with things that happen in people's
11 homes; right?

12 FRAN FREEDMAN: No, we don't... [interpose]

13 CHAIRPERSON GARODNICK: How 'bout...

14 FRAN FREEDMAN: Our inspectors do not go
15 into homes.

16 CHAIRPERSON GARODNICK: Okay. So the
17 question is not about whether your inspectors go into
18 homes; the question is whether DCA's jurisdiction
19 extends to consumer protections for... [interpose]

20 FRAN FREEDMAN: What did you have in
21 mind?

22 CHAIRPERSON GARODNICK: Well, there could
23 be any number of things; there could be home
24 improvement contractors, which we've discussed
25 frequently; that happens in a home... [interpose]

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2 FRAN FREEDMAN: Home improvement
3 contractors we do.

4 CHAIRPERSON GARODNICK: Ah, okay. So the
5 home issue is not really the issue; the issue is
6 whether or not you would send an inspector to
7 somebody's house?

8 FRAN FREEDMAN: Exactly.

9 CHAIRPERSON GARODNICK: Complaint-driven
10 DCA issues are things that you deal with without a
11 problem; it's a matter of inspectors regularly going
12 to somebody's house.

13 FRAN FREEDMAN: Exactly.

14 CHAIRPERSON GARODNICK: Correct. Okay.
15 Alright. Council Member Vallone, I know you have
16 some questions; let's go to you next.

17 COUNCIL MEMBER VALLONE: Yeah, this bill
18 doesn't envision inspectors ever going to anyone's
19 house; they're not gonna hide in the bushes and catch
20 somebody showing up at someone's doorstep, so let's
21 get back to reality here for a second; there will be
22 no one at anyone's bushes or inspecting anyone's
23 homes based on this bill.

24 First let me give you the congratulations
25 on all the work you did leading up to the 2010

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2 Consumer Bill of Rights; we agree on what you did; I
3 wasn't even aware you did this; now I am and you did
4 a great job getting them to publish that Bill of
5 Rights.

6 However, I'm the Public Safety Chair of
7 the City Council; I didn't know it existed and you
8 don't even know who enforces it, which basically
9 means we have a useless law that exists right now
10 that no one knows exists and is not enforced. I join
11 with my Chair on wanting to know who enforces this
12 law, because that will be the agency that enforces
13 that law and this one, should we be able to pass it.

14 You made a couple of objections to this
15 law; you know, one is legitimate, whether or not, you
16 know, First Amendment concerns apply and we've looked
17 at it and our attorneys have looked at it and we
18 think we can pass a legal law here, obviously.

19 But the other two, seriously, number one,
20 without more specifics we don't know if this bill
21 applies only to fact to face solicitations or if it
22 applies to businesses or leaving flyers; it's pretty
23 clear, it's... and we've passed laws here that are 30
24 pages long; this one is a page; it's pretty clear
25 what it says; door to door commercial solicitation

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2 shall mean to go upon, ring the doorbell, knock on
3 the door or attempt to gain admission to any private
4 or multiple dwelling for the purpose of advertising a
5 business or soliciting business. What specific would
6 you need in order to get you to support this law,
7 other than what's in the bill? 'Cause you claim you
8 need specifics; it's pretty specific. What would you
9 need... we can fix it; that's what we do?

10 FRAN FREEDMAN: Are you including
11 advertisements, handouts, things slipped under the
12 door, things mailed to the door, things...

13 CHAIRPERSON GARODNICK: There are State
14 Laws right now that ban specifically that with a
15 sign. I'm not sure why we would need to or even if
16 we would be allowed to go into that area and
17 legislate, since the State Law already does that.
18 We're talking about with this bill, just going onto
19 the property; the other behavior is already covered
20 by the State Law; we're talking about someone who
21 does not leave any solicitation or just goes... does
22 not leave any flyer, just goes, knocks on your door
23 or knocks on your door and has a conversation with
24 you, so... [interpose]

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2 FRAN FREEDMAN: So you're talking only
3 about face to face solicitation?

4 CHAIRPERSON GARODNICK: Yes or an attempt
5 at face to face solicitation... [interpose]

6 FRAN FREEDMAN: Okay.

7 CHAIRPERSON GARODNICK: This says you
8 ring somebody's doorbell who has a sign up and you
9 would be violating this law, which I think is
10 specific, but if you would like to make it more
11 specific or change the language, that's what we do; I
12 mean we're not... we make a lot of changes based on the
13 Administration's input and it's usually very good
14 input, so if there's something we can do to make it
15 more or less specific, we have no problem doing that.

16 The second problem though is, is that you
17 said that... how would a tenant who received a
18 solicitation... the hearing would become a he said/she
19 said affair. Is there a law that does not become a
20 he said/she said affair? I mean every law that's out
21 there, whether someone had recycling in the wrong
22 recycling bin or if there's a cigarette on their
23 property that they didn't clean; every law is a he
24 said/she said. In fact we tried to put... I know Jimmy
25 Vacca tried to put a bill in that said if you're

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2 going to hit somebody for recycling violations you
3 have to take a picture, because it is a he said/she
4 said, the inspector comes and says this. Or there..
5 and by the way, there are lots of other ways to prove
6 these things, there are cameras all over the place;
7 my house has cameras, many of my neighbors houses
8 have cameras to prove that these companies came onto
9 someone's property. But he said/she said is the way
10 most violations occur nowadays and for you to enforce
11 them, we're not asking you to go on someone's
12 property, we're not asking you to go into someone's
13 home; we're asking it to be enforced; I was gonna say
14 the same way the other law's enforced, but apparently
15 the other law is not enforced at this point, which
16 I'm glad we had this hearing about, because at least
17 we can get to the bottom of that; who's supposed to
18 be enforcing the laws that exist right now.

19 So the he said/she said thing doesn't
20 seem to be a legitimate concern. The First
21 Amendment, we can work with your attorneys; obviously
22 that is a concern that we wanted to address also;
23 that's why we do not ban political speech, we do not
24 ban religious speech, but as you have said, door to
25 door solicitations have been adopted in other

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2 municipalities and some survive scrutiny, so we are
3 drafting our bill to look at what has survived
4 scrutiny and then what has not.

5 Are there any other changes or
6 improvements that's... without supporting our bill; I
7 know you're not allowed to do that, but were there
8 any other changes or improvements that you could
9 suggest to get this bill to work better for your
10 agency or for the people of New York City.

11 FRAN FREEDMAN: I think if it is your
12 intent in fact to make it complaint-driven it would
13 be helpful to incorporate that into the bill, so
14 that's one suggestion.

15 CHAIRPERSON GARODNICK: Is there another
16 bill that is specifically written into it complete-
17 driven... [interpose]

18 FRAN FREEDMAN: Yes. Yes. Yes, there
19 are bills that are complaint-driven.

20 CHAIRPERSON GARODNICK: Do you have one
21 off the top of... I'm not saying there isn't; I just
22 can't think of one... [crosstalk]

23 FRAN FREEDMAN: Yeah, off the top of my
24 head... off the top of my head, for example, the Paid
25 Sick Leave bill is completely complaint-driven.

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2 That's just one example, but there are... you know,
3 there are many historically that are complaint-
4 driven, so I would suggest you might want to include
5 that, so that it's clear, you know... [interpose]

6 CHAIRPERSON GARODNICK: I mean, obviously
7 we want it to be complaint... we want it to respond to
8 complaints, but if you decided to set up a sting, I
9 don't know why we would wanna prevent that; I mean if
10 they wanted to set up a sting operation at this place
11 where this is happening a lot, I'm not sure why we
12 would want to prevent that, give you... or at least
13 take that opportunity away from you and am I wrong
14 or? Obviously, whoever in charge of enforcing this
15 would be responsible for deciding whether they wanna
16 make it complaint-driven or whether they would like
17 to go out and actually attempt to go after some of
18 the most egregious violators of this policy. We're
19 not putting in the bill that you have to do that;
20 we're giving you that option to do either one...
21 [interpose]

22 FRAN FREEDMAN: I don't... I don't think
23 that making it complaint-driven takes away that
24 option from the Department, in term... I mean the
25 sting...

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2 CHAIRPERSON GARODNICK: I guess you're
3 right, yeah.

4 FRAN FREEDMAN: you know, the... the sting
5 would be on the company that's violating, not on the
6 residence. Do you know what I mean? So... [interpose]

7 CHAIRPERSON GARODNICK: After you had
8 complaints, I would guess, yeah.

9 FRAN FREEDMAN: Right.

10 CHAIRPERSON GARODNICK: Not much of a
11 difference, but I see your point.

12 FRAN FREEDMAN: Just a thought.

13 CHAIRPERSON GARODNICK: Okay, I would
14 like... regardless of what happens with this bill, I
15 would like to work... continue to work with you to
16 enforce the law that exists that no one knows exists
17 in order to try to prevent these companies from
18 deceptive practices. Again, I have no problem with
19 ESCOs at all; I think they're a legitimate
20 alternative to ConEd when done properly and when
21 people are given all of the facts about variable
22 rates which change after two months and things like
23 that, but so many people don't wanna hear about ESCOs
24 during their dinner and they especially don't want
25 any aggressive sale person, especially if you're home

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2 alone or if you're a woman home alone or if you're a
3 senior, coming to their door who you might be afraid
4 to say no... say no... [crosstalk]

5 FRAN FREEDMAN: We to... we totally agree,
6 Council Member, oh... [crosstalk]

7 CHAIRPERSON GARODNICK: Great, so look
8 forward to working with you. Thank you.

9 FRAN FREEDMAN: As do we.

10 CHAIRPERSON GARODNICK: Thank you,
11 Council Member Vallone. Just on one point about the
12 complaint-driven; I think that we... you know there are
13 a lot of these laws which are in effect complaint-
14 driven; DCA goes and they do what they do based on
15 what they hear through and one or elsewhere, whether
16 it is explicitly written in the bill and all of the
17 circumstances I don't know, but there certainly are..
18 [interpose]

19 FRAN FREEDMAN: Certainly not in all the
20 circumstances.

21 CHAIRPERSON GARODNICK: but what we don't
22 wanna do is limit your ability to walk by a building,
23 see a sign, see solicitations that are sort of
24 everywhere and make your own determination that
25 something has gone wrong there; that would be my

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2 concern and I'm certain that that's also Council
3 Member Vallone's concern.

4 FRAN FREEDMAN: But we... that's certainly
5 something we can talk about in whatever redraft or
6 additional draft... [crosstalk]

7 CHAIRPERSON GARODNICK: Good, well I mean
8 it sounds like you and Council Member Vallone...
9 [interpose]

10 FRAN FREEDMAN: Yeah.

11 CHAIRPERSON GARODNICK: made it a pretty
12 long distance toward the Administration's support of
13 this, so we appreciate that.

14 And then one or two follow ups from me.
15 You noted that back in 2010 you... that was when you
16 had really a lot of complaints about ESCOs and then
17 there was a lot of work that was done to try to fold
18 DCA's issues into the PSC's rules, etc... [interpose]

19 FRAN FREEDMAN: Suggestions, yes.

20 CHAIRPERSON GARODNICK: Are you still
21 getting the same number of complaint... [interpose]

22 FRAN FREEDMAN: Oh no. Oh no.

23 CHAIRPERSON GARODNICK: You're not
24 getting the same number?

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2 FRAN FREEDMAN: No. As soon as the
3 Public Service Commission put into place a mechanism
4 that was very clear to consumers as to how complaints
5 were going to be handled; we then of course referred
6 everything... I mean we got... the last complaint we got
7 about... was nine months ago, one complaint. But we
8 refer and I think the public knows now to refer
9 directly to the Public Service Commission.

10 CHAIRPERSON GARODNICK: Well thank you
11 very much for your testimony... [interpose]

12 FRAN FREEDMAN: Thank you.

13 CHAIRPERSON GARODNICK: we appreciate
14 your being here today. We're next going to hear from
15 Angela Schorr of Direct Energy. Ms. Schorr, welcome;
16 come on up to the witness table and if you have
17 testimony you can hand it to the sergeant.

18 Welcome. That microphone happens to be
19 on already, so you're all set.

20 ANGELA SCHORR: Good morning; my name is
21 Angela Shore and I am the Manager of the Government
22 and Regulatory Affairs Department at Direct Energy.
23 I appreciate the opportunity to speak today about my
24 company, our sales channels and the design of our
25 sales, quality controls and processes, which we

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2 consider to be best practices in the industry and a
3 critical component of how we go to market.

4 Direct Energy Services is a registered
5 natural gas and electricity energy services company
6 or ESCO in New York that serves customers in 14
7 states, the District of Columbia and five Canadian
8 Provinces.

9 We offer electricity, natural gas and
10 energy management solutions to residential,
11 commercial and industrial customers. The Direct
12 Energy family of businesses serve over six million
13 customers across North America. Direct Energy serves
14 a large base of residential and commercial customers
15 in New York under the following brand names: Direct
16 Energy Services, Direct Energy Business, Gateway
17 Energy Services, Vectren Retail, Energetic, and NYSEG
18 Solutions.

19 Direct Energy is wholly owned by Centrica
20 plc, one of the world's leading integrated energy
21 companies. Centrica plc operates in seven countries
22 and employs more than 34,000 employees worldwide.

23 As part of a large diverse company that
24 spans the globe, Direct Energy is committed to
25 meaningful customer satisfaction and providing

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2 customers with a suite of different products and
3 services to meet their needs. We utilize various
4 sales channels, including door to door, web, multi-
5 level marketing, direct mail, and inbound/outbound
6 telesales.

7 At Direct Energy we believe that having a
8 robust and effective sales quality framework is the
9 key to sustaining our position in the marketplace and
10 retaining customers. We have a variety of controls
11 in place that are designed to ensure a compliant and
12 customer-centric sales experience. We utilize both
13 internal employee sales teams as well as third-party
14 vendor sales teams and manage to keep our sales
15 touches to customer complaint ratio down to one
16 complaint for every 4400 sales attempts.

17 Today I will summarize our best
18 practices.

19 First we have a very stringent vendor
20 vetting process. Before we agree to do business with
21 a vendor we do our homework, including visiting the
22 vendor and interviewing key personnel. When we are
23 comfortable that the vendor is the right fit for us
24 we ensure that our legal team negotiates a contract
25 that embeds strong quality controls. On-boarded

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2 vendor agents are required to pass a rigorous
3 background check and drug screen in order to become
4 eligible to work on any Direct Energy sales campaign.

5 Agents are also required to complete a
6 Direct Energy training program and pass a proficiency
7 review before being allowed to interact with
8 customers on behalf of Direct Energy. All door to
9 door agents then receive an identification badge and
10 branded clothing which must be worn and visible at
11 all times when they are out in the field. Once the
12 agents go live our Compliance and Ethics Program
13 begins.

14 Our Compliance and Ethics Program is
15 about education, prevention, detection, collaboration
16 and enforcement. It is a living continuous process.
17 It is the starting point to safeguarding our
18 responsibility to abide by laws and regulations,
19 conduct business in an ethical manner and treat our
20 customers properly. It was designed to meet or
21 exceed Federal and State standards, including the
22 Federal Energy Regulatory Commission's Revised Policy
23 Statement on Enforcement, Federal Sentencing
24 Guidelines and State and Provincial Regulations.

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An effective compliance program should begin with the support and backing of senior leadership and Direct Energy's program has this support. Our senior leadership mandates an open line of communication, including an anonymous hotline and non-retaliation policy, where issues can be reported. We have a strong code of conduct which all employees and agents are trained on and agree to abide by. We utilize live monitoring, real time spot checking and audits that are designed to identify gaps and develop more efficient processes.

Lastly, we report regularly to senior leadership to keep them apprised of complaints or any other important issues.

Some additional controls that we put in place that are above and beyond the regulations of many of the states in which we operate are as follows. We conduct third-party verifications on a 100 percent of our vendor outbound, telesales and door to door sales. We also require that the door to door agents leave the premises before the voice verifications begin to ensure that the customer feels comfortable with their decision to switch.

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2 In our back office we monitor our
3 verification results and have specific flag warnings
4 that alert us to any unusual behavior. This behavior
5 is then analyzed and investigated by our sales
6 quality team. We perform post-sale assessment
7 surveys on our door to door and network marketing
8 sales to gauge customer satisfaction with the sales
9 process. We also conduct a second, more in-depth
10 quality control call back on a percentage of sales.

11 Lastly, reports are tallied and reviewed
12 regarding all of the data received from the surveys
13 and callbacks and are utilized for retraining and to
14 address process improvement opportunities.

15 Direct Energy also takes our complaint
16 process very seriously. We have a fully committed
17 resolution team that investigates, communicates with
18 customers and third parties and will escalate within
19 the company if any trends are identified. Agents are
20 retrained and reprimanded if necessary. Agents may
21 also be terminated at our discretion based on the
22 seriousness of any complaint, excessive complaint
23 volumes or other issues.

24 Our sales quality team is dedicated to
25 correcting all problems as quickly as possible in

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2 order to provide customers with the best possible
3 experience. Direct Energy is strongly committed to
4 providing customers with a positive sales experience
5 that provides all the information necessary for
6 making an informed supplier decision.

7 We recommend and encourage all ESCOs in
8 the State to follow a strict program of compliance
9 and quality controls similar to what I have described
10 to you in these comments. We appreciate your time
11 today and I encourage you to contact me for more
12 information.

13 CHAIRPERSON GARODNICK: Thank you very
14 much and we appreciate your being here today and your
15 testimony and your insights on the way your
16 particular ESCO operates.

17 Let me just start off; you noted in the
18 beginning that you operate in 14 states...

19 ANGELA SCHORR: Yes.

20 CHAIRPERSON GARODNICK: I just wanna be
21 clear that that includes New York State?

22 ANGELA SCHORR: Yes.

23 CHAIRPERSON GARODNICK: Okay. And are
24 you aware of the New York State Law which has a ban
25

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2 on distributing unsolicited advertising on private
3 property if there is a sign in place?

4 ANGELA SCHORR: I was not aware of that.

5 CHAIRPERSON GARODNICK: Okay. So is that
6 the... So when... Now we have you guys and of course the
7 City's Department of Consumer Affairs not aware of
8 that issue; are your representatives who go door to
9 door instructed in any way about what to do if they
10 see a sign in front of somebody's home saying don't
11 distribute materials here...? [interpose]

12 ANGELA SCHORR: Ye... Our normal policy is
13 not to leave informa... you know, we're going door to
14 door, we're not just walking and sticking flyers on
15 people's houses, we're actually trying to connect
16 with customers, so they're basically trained not to
17 leave information. In terms if there's a sign there,
18 they are instructed to follow all, you know
19 ordinances and if there's a sign telling them not to
20 do something they're not... if they do it they're going
21 to get in trouble...

22 CHAIRPERSON GARODNICK: Uhm-hm.

23 ANGELA SCHORR: they know that, so...

24 [interpose]

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2 CHAIRPERSON GARODNICK: Okay. So that's...
3 that's helpful. So there is a bill that we're
4 currently considering here which would... which would
5 say essentially, if somebody posts a sign saying
6 don't knock on my door, that it would not be okay for
7 somebody to go ahead and knock on that door. Does
8 Direct Energy have any view on that particular bill?

9 ANGELA SCHORR: We're generally
10 supportive of that; our basic premises, we
11 appreciate... the more rules that are in place, you
12 kind of weed out all of the bad actors in the
13 industry, so we appreciate having more guidelines in
14 place and if there's a sign on a home that says do
15 not solicit, we're not going to solicit because we
16 don't... quite frankly, we don't wanna waste our time
17 and we don't wanna waste the customer's time, because
18 clearly they're not interested in being spoken to at
19 their home and in that type of forum, so.

20 CHAIRPERSON GARODNICK: Are you... that's...
21 we appreciate that. And do you... are you aware of any
22 other states or municipalities that have rules in
23 place like the one that we are considering or have
24 you seen other jurisdictions that have implemented

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2 other parameters which you have found to be useful
3 for your sales people going door to door?

4 ANGELA SCHORR: Some of the states that
5 we do business with in have a do not knock list,
6 which means... it's similar to the do not call list,
7 customers can sign up their address and you're not
8 allowed to go and knock on those doors. Quite
9 frankly I don't know how many customers are even
10 aware that it exists, but it does exist and we are
11 not allowed to solicit at those homes.

12 CHAIRPERSON GARODNICK: Last question
13 from me; there have been a lot of complaints against
14 ESCOs and we appreciate your being here and so we're
15 not laying this all on you, but wanna just get a
16 sense... [cough] excuse me... from you as to what you
17 think is going on out there that has yielded all of
18 those complaints about this particular sector; you
19 know, it's not only ESCOs, obviously, but we've had a
20 disproportionate number of complaints about ESCOs; do
21 you have a sense as to what others are doing or why
22 this is happening?

23 ANGELA SCHORR: Well first I wanna say
24 that I... in my opinion the number of complaints have
25 gone down over the years, so I truly think that the

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2 changes to the UBP, as was mentioned previously,
3 really did help to bring those complaint numbers
4 down. I think the reason that there are still
5 complaints is because there are still parties out
6 there that are not following the rules and that
7 they're not providing the customer with the
8 information in plain language and the Customer Bill
9 of Rights and all of those things, so I do think that
10 there are players out there that are just quite
11 frankly not following the rules, whether or not
12 they're unaware of them or they don't understand them
13 or whatever the reason might be. I still think
14 there... I mean there's a lot of ESCOs operating in the
15 State, so it could just be possible that you know
16 they are just not following the rules.

17 CHAIRPERSON GARODNICK: Thank you. We've
18 been joined by Council Member Leroy Comrie, also
19 Queens and we're gonna go back to Council Member
20 Vallone.

21 COUNCIL MEMBER VALLONE: Thank you and
22 esteemed Chair asked the right questions, so I don't
23 have too many. But yeah, I mean... and we really
24 appreciate you being here and obviously, as we stated
25 earlier, we're not opposed to ESCOs, especially

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2 people in Northwestern Queens. And based on your
3 testimony you are doing an outstanding job complying
4 with laws even you didn't know existed, which is
5 amazing to me; Consumer Affairs doesn't know existed,
6 you don't know it exists, I don't know it exists and
7 yet it exists. So I wish all ESCOs did what your
8 testimony says you do and how many ESCOs in your... to
9 your knowledge are out there right now operating in
10 New York State, in New York City if we need to..

11 [crosstalk]

12 ANGELA SCHORR: I thi... there's quite a
13 lot; I mean... 90; I'm being told 90, proximately..

14 [interpose]

15 COUNCIL MEMBER VALLONE: Around 90 huh.

16 ANGELA SCHORR: Yeah.

17 COUNCIL MEMBER VALLONE: And clearly some
18 are doing the right thing, but as even you would know
19 even better than we would, that many aren't. How can
20 we... now obviously you're not going to be a huge fan
21 of a law that stops you from doing business, but if
22 this law were to be passed, how can we make it work
23 best for companies like you who are trying to obey
24 the rules?

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2 ANGELA SCHORR: I think it's absolutely
3 important that people know about it; that's the, you
4 know the first thing that we discussed, that there's
5 laws out there that we don't even know about and I
6 think that's the first point, is to make sure that
7 everyone has knowledge of it and everybody
8 understands it. And then the second piece of it
9 would be the enforcement piece, because unfortunately
10 if companies are out there and they're looking to cut
11 costs or whatnot, if there's nobody enforcing it and
12 nobody looking at it and nobody paying attention,
13 certain companies are definitely going to cut
14 corners. So I think enforcement is definitely key.

15 COUNCIL MEMBER VALLONE: Okay. Thank
16 you, Mr. Chair.

17 CHAIRPERSON GARODNICK: Thank you.
18 Council Member Koslowitz.

19 COUNCIL MEMBER KOSLOWITZ: Thank you.
20 Good morning.

21 ANGELA SCHORR: Good morning.

22 COUNCIL MEMBER KOSLOWITZ: What kind of
23 identification do they show when they're soliciting?

24 ANGELA SCHORR: They have a photo I.D.
25 that says our company name on it and it has our

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2 company 800 phone number that they can call and
3 that's... and the name of the agent; that's all that's
4 on there. So there's the name of the agent, the name
5 of the company, the phone number and their photo.

6 COUNCIL MEMBER KOSLOWITZ: And what kind
7 of dress are they required to...

8 ANGELA SCHORR: They wear... in my company,
9 they wear Direct Energy logoed collared shirts; in
10 some cases, depending on the weather, they have
11 Direct Energy logo jackets; they have to wear slacks
12 and I think in some cases they're permitted to wear a
13 hat, but it has to be Direct Energy branded, they
14 can't wear any other attire.

15 COUNCIL MEMBER KOSLOWITZ: Okay. And how
16 do they select where they go; are they given routes,
17 different areas?

18 ANGELA SCHORR: They are... yes; I don't
19 know how specific the routes are, but they are given
20 certain zip codes and certain streets that they are,
21 you know sent to and able to go and sell on those
22 streets.

23 COUNCIL MEMBER KOSLOWITZ: Because my
24 concern is that you know, there are a lot of people
25 out there, especially seniors who, you know will open

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2 their door and are robbed; people just, you know,
3 come in, so that is my concern about solicitations,
4 going door to door and selling, 'cause it's happened
5 in my community many, many times.

6 ANGELA SCHORR: Yeah, we don't target any
7 specific, you know groups or whatever; we basically
8 limit it to zip codes and streets and areas that we
9 go to.

10 CHAIRPERSON GARODNICK: Thank you Council
11 Member Koslowitz; we're gonna to go Council Member
12 Comrie.

13 COUNCIL MEMBER COMRIE: Good morning;
14 thank you for coming. When you target specific
15 communities you're... I'm sorry, I came a little later..
16 you're selling what type of energy?

17 ANGELA SCHORR: We sell natural gas and
18 electricity.

19 COUNCIL MEMBER COMRIE: And are you
20 offering conversions from oil to gas or are you just
21 looking for existing gas customers...? [crosstalk]

22 ANGELA SCHORR: In New York not yet, no;
23 we're looking for existing gas customers.

24 COUNCIL MEMBER COMRIE: And when you ring
25 a person's bell; you're already determined that that

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2 person is an existing gas customer and that they have
3 a service with a particular company?

4 ANGELA SCHORR: That they're an existing
5 customer of ours?

6 COUNCIL MEMBER COMRIE: No...

7 ANGELA SCHORR: Oh of...

8 COUNCIL MEMBER COMRIE: just an existing
9 gas user.

10 ANGELA SCHORR: I don't think we know
11 that ahead of time, no.

12 COUNCIL MEMBER COMRIE: So you just... but
13 if... so if you ring someone that... with oil heat, that
14 person just moves on?

15 ANGELA SCHORR: Well we attempt to sell
16 electricity, 'cause we sell both.

17 COUNCIL MEMBER COMRIE: Oh you sell
18 electricity as well... [interpose]

19 ANGELA SCHORR: Mm-hm. Yes.

20 COUNCIL MEMBER COMRIE: So you do have a
21 targeted list of homes that you send your people to.
22 Do they have a certain quota or mandate that they
23 have to meet?

24 ANGELA SCHORR: There are incentives for
25 them to make a certain portion of sales, but they're

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2 not quotas per se; it's just that they are bonuses
3 and they're... you know, they get a certain amount for
4 sales, so that is based on how many they sell, but
5 they don't have quo... you know, we don't have quotas
6 that say if you don't sell 15 customers today you're
7 going to be fired, we don't do that.

8 COUNCIL MEMBER COMRIE: But they work on
9 commission or they work on... [crosstalk]

10 ANGELA SCHORR: Uhm-hm.

11 COUNCIL MEMBER COMRIE: They work on
12 commission?

13 ANGELA SCHORR: Yes.

14 COUNCIL MEMBER COMRIE: That's how...

15 ANGELA SCHORR: Some of them work on
16 salary; some of them work on commission.

17 COUNCIL MEMBER COMRIE: Okay. And you
18 have a code of conduct that you list on your website
19 for people... [interpose]

20 ANGELA SCHORR: I'm not sure if it's
21 available to the public on our website, but it is
22 available internally on our website; it's for all of
23 our employees and all of our agents, everyone must
24 sign off; we actually just recently had to go through
25 training all over again and everybody had to pass a

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test on it and sign off on it and that's everybody in the company.

COUNCIL MEMBER COMRIE: Right. So you do a yearly... you do a yearly training for employees on how to handle themselves in the field?

ANGELA SCHORR: Correct.

COUNCIL MEMBER COMRIE: And what will you recommend in light of what we're trying to do here, to amend the code to restrict door to door solicitations; what would you recommend? What do you think would be a best policy or practice for us to consider?

ANGELA SCHORR: I think having a sign hung up at the customer's residence is acceptable. Like I mentioned before, some of the states we operate in have a do not knock list where customers can go and sign up their address, you know instead of hanging up a sign they can go and register their address and say I don't want anybody knocking on my door, that... you know that's another option and that is in other states that we do business in. So that would be another option.

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2 COUNCIL MEMBER COMRIE: Do you train your
3 people to not knock on doors that have signs on their
4 doors or?

5 ANGELA SCHORR: I don't believe we... well
6 right now there are certain areas, I guess that have
7 that, that rule and if they do have a sign, we are
8 supposed to leave the premises right away; I know
9 there's some apartment buildings that do hang up
10 signs to that effect and our reps are trained to
11 leave the premises if they see such a sign.

12 COUNCIL MEMBER COMRIE: And do you have
13 any other self-policing efforts that you can share
14 with us today?

15 ANGELA SCHORR: I think I pretty much
16 shared all of the practices that we do; we do watch
17 things very closely internally from the back office;
18 we do look at different trends and different things
19 that are going on and if we get a complaint we are
20 right on top of it and investigating it and tryin' to
21 figure out if there's a bigger issue you know out
22 there. So we are on top of our agents on a constant
23 basis.

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2 COUNCIL MEMBER COMRIE: Well thank you; I
3 really appreciate you coming down and sharing with
4 us... [interpose]

5 ANGELA SCHORR: You're welcome.

6 COUNCIL MEMBER COMRIE: it's important
7 that we do hear from a good company what standards
8 are, so thank you. Thank you Mr. Chair... [crosstalk]

9 ANGELA SCHORR: You're welcome.

10 CHAIRPERSON GARODNICK: Thank you very
11 much, Council Member Comrie. Thank you very much for
12 your testimony and we're glad you were here with us
13 today; it added very, very important color and
14 insight to this hearing. You are the last person to
15 testify on this matter today, so I wanna turn to
16 Council Member Vallone for some final comments and
17 then we will be closing this hearing.

18 COUNCIL MEMBER VALLONE: Thank you again,
19 Mr. Chair; we accomplished a lot in a short time; I
20 don't think... the fact that we... Consumer Affairs
21 didn't even know who is enforcing current State Laws
22 against this and the fact that a responsible ESCO
23 didn't know that the law existed is amazing right
24 now, as our people in Queens and all throughout New
25 York City are harassed by these aggressive door to

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2 door sales people. So I look forward to moving this
3 bill forward, potentially with some changes that the
4 City would suggest and look forward to working with
5 the responsible ESCOs to make sure that they're able
6 to compete with ConEd and that our homeowners are
7 able to have their dinners in peace. So thank you.

8 CHAIRPERSON GARODNICK: Thank you,
9 Council Member Vallone for introducing the bill and I
10 wanna echo your thanks to the participating ESCO,
11 Direct Energy and I also think that you're right; we
12 did cover a lot of territory in a very short period
13 of time; it gives us a very good jumping off point
14 for us to move forward here. So for those present
15 and watching on the web, we appreciate your interest
16 in the subject and with that this hearing is
17 adjourned.

18 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date _____ October 22, 2013 _____