



'Wet Signatures' Add Costs To Energy Bills

The National Energy Marketers Association (NEM) is pleased to have Bill Kinneary, chief operating officer of KeySpan Energy Services, as a member of our executive committee and policy development team. KeySpan is one of the most progressive energy marketers in the Northeast, offering a full range of competitive energy products and services. As such, Kinneary has become an expert on how to offer quality service at the lowest possible prices. This article addresses one such issue of significant importance to the marketer community.

AS ENERGY MARKETERS WE WILL be reaching out to you in a variety of ways. You will see, hear and read our advertisements. We will speak to you on the phone. We will meet you in your neighborhoods, in public places, at community events, and even at your home and place of business. We will offer you energy services as reliable as those provided by your utility at a price that suits you and provide the high level of customer service you've come to expect in a competitive industry.

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If you can purchase your energy from a marketer at a price you like and be served in a manner that pleases you, why wouldn't you make that choice? Generally, marketers can save you money on something you have to buy. You, the consumer, have the opportunity to evaluate and compare marketer offers just as you compare products and services when you shop. If you're not satisfied, the decision to switch to another supplier is yours to make. In most states you can even switch back to your utility. So why aren't more people taking advantage of this opportunity in the states in which it is available? There are a couple of reasons.

Buying energy from someone other than a utility is a fairly complex notion to most consumers. Education is key, but only a few states have made significant efforts in this area. New Jersey regulators and utilities are using television, radio, newspapers and direct mail to promote consumer choice. Though they cannot guarantee everyone is paying attention, most New Jersey consumers know at some level that they can shop for energy.

So much press is given to "slamming" that there is reluctance among many consumers to take a chance. No

one wants to be the fool. Fortunately, we've learned a great deal from those who came before us. Most consumers are aware of illegal business practices, and they know enough to ask the right questions. State consumer protection groups and regulators have taken significant steps to prevent these practices and to seek out and punish those who use them. Marketers applaud efforts that give consumers confidence in the integrity of our business and keep careless and unethical competitors from our midst.

A very effective means of protecting consumers today is voice verification of a sale. Many marketers who make telephone sales are using independent verifiers to recontact customers and record the details of the sales. These tapes are retained as a record of the sale, and there can be little doubt as to the commitment given by the marketer and acceptance by the customer.

Internet-based sales are also a very effective from a consumer protection standpoint. Marketers have a complete record of the sale, and customers have a record of the offer and their order. With so much commerce being transacted by telephone and the Internet, it's difficult to understand why some states prohibit these sales techniques.

A customer signature on a paper document is an effective protection, but delivery and retention of documents can be expensive. Many consider the costly requirement of a "wet signature" to be the single greatest barrier to sales among residential and small commercial consumers, and many marketers are reluctant to actively solicit these customers due to this added cost. This practice surely does not afford a higher level of consumer protection than tape verification or Internet sales.

Marketers are willing and able to reach out to consumers. With your name, address and utility account number we can provide you with something you need at a price you like and with the service you expect. It shouldn't matter if we communicate over the telephone, through the Internet or face-to-face; our ability to do business together is best served when government, regulators and utilities remove all barriers and let competition work. ■

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