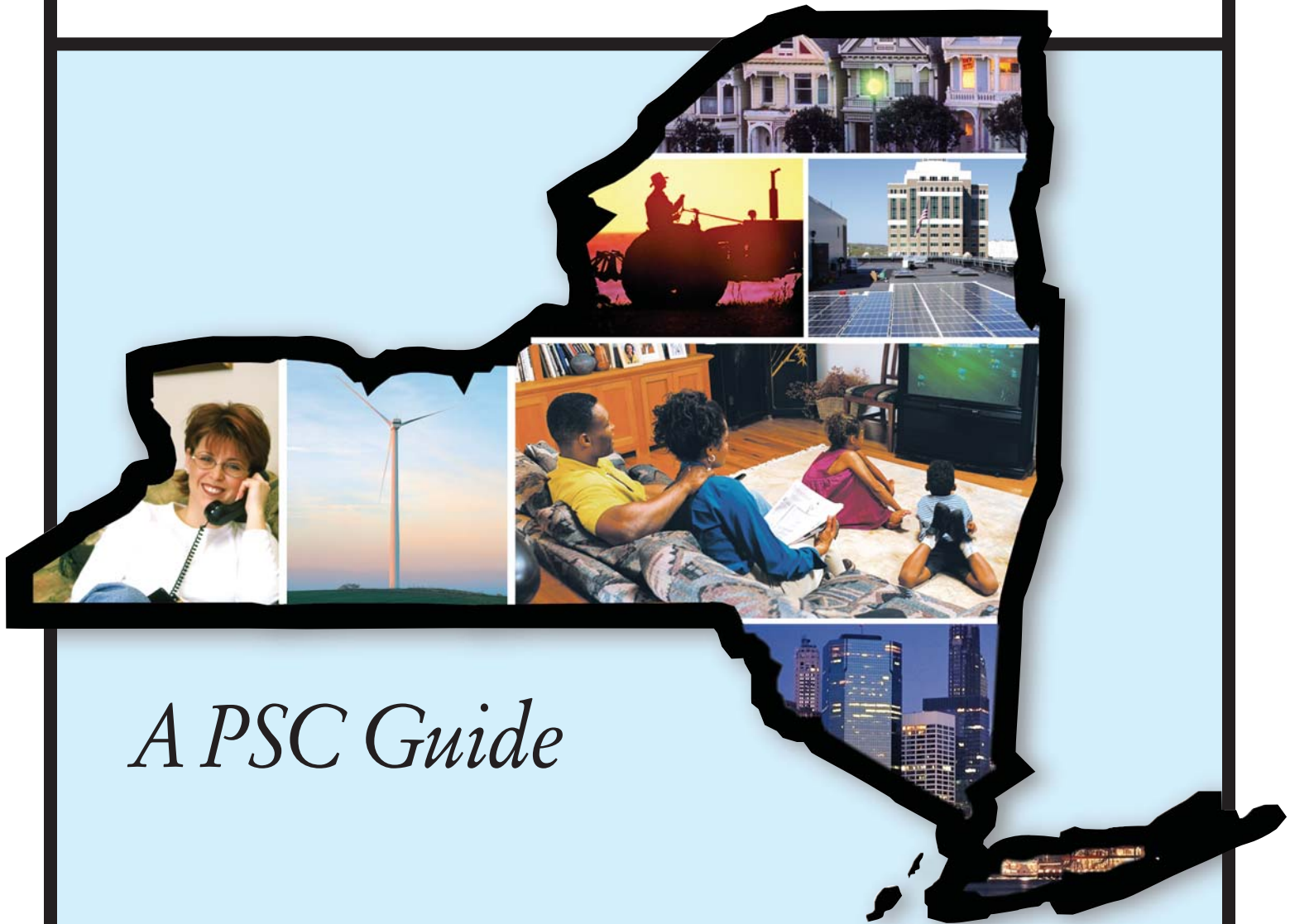
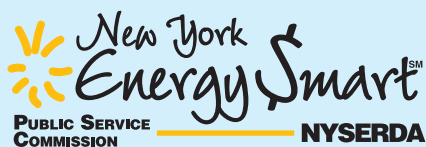


Use Your Power To Choose



A PSC Guide



New York State
Public Service Commission

3 Empire State Plaza • Albany, NY 12223-1350
1-888-Ask-PSC1 • www.PowerToChooseNY.com
Patricia L. Acampora, Chairwoman

Message from the Chairwoman

Dear energy consumers...

electricity

In New York's **competitive energy market**, you can choose your supplier of **electricity** and **natural gas** instead of buying energy supply from your utility. You can switch to an Energy Service Company (ESCO) or continue getting your energy supply from your utility. This important change should bring efficiencies and innovations that will give you better value for your energy dollar. Customer education is an integral part of the transition to a competitive environment. And, we are pleased to provide you with this informational guide to competition.

Patricia L. Acampora • Chairwoman, Public Service Commission

natural gas

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Energy Competition

What it means to you

New York State's **electric** and **natural gas** utilities once operated as regulated monopolies, supplying and delivering such energy to you. **Well, things have changed.**

The combined services that were offered by your utility company have been split into two parts — supply and delivery, **with the supply portion open to competition.**

You no longer have to buy your electricity or gas only from your local utility. Instead, you can shop among **Energy Service Companies**



(ESCOs) that are competing for your business. This change in the energy market has brought about new products and services, and should give you better value for your energy dollar. Each utility service territory has at least three ESCOs serving electric customers and three ESCOs serving gas. Most territories have many more.

Utilities are **still responsible for delivering electricity and gas** to your home or business using their existing wires and pipes and responding to electric or gas emergencies. The safety and reliability you've come to depend on won't change.

How It Works

electricity

natural gas



Electric generating companies and gas producers compete against one another to sell electricity and gas in New York.



Your **UTILITY** company is responsible for the delivery of electricity and gas safely and reliably to your home or business, using existing wires and pipes.

They also fix power lines and gas pipes if there is an outage or a storm, regardless of your energy supplier.

ESCOs arrange with your utility for delivery of electricity and gas to your home or business through the utility's existing wires and pipes.

ENERGY SERVICE COMPANIES (ESCOs) compete to sell you electricity, gas, or both, as well as other related services such as energy efficiency programs, appliance maintenance and repair, and providing Green Power.

CUSTOMERS HAVE A CHOICE. You can buy your electricity or gas supply from competing **ESCOs**, or continue to buy from your **UTILITY**.

Understanding Your Bill

An example of an itemized bill

Whether you choose to buy energy from an ESCO or your existing utility, supply and delivery charges that used to be lumped together will be itemized. You may still pay your utility for delivery, but your energy supply charges will be a separate line item on your bill.

If you choose an ESCO, you may receive two bills — one bill from the ESCO for the energy portion, and one from the utility for the delivery portion.

There are likely to be other billing options available. You might get one bill from the utility that will include the ESCO's charges for supply, or one bill from the ESCO that will include the utility's charges for delivery.

Ask your ESCO about your billing options prior to enrollment.

To help you be a more informed consumer, **utility bills** list specific services and charges.

SAMPLE ENERGY BILL

This is a simplified example of a bill for electricity.

(Natural gas bills indicate usage in units of Therms rather than kWhs.)

Your actual usage and charges will vary.

This example is based on a monthly usage of 500 kWh of electricity

| | |
|--|---------|
| Basic Service Charge | \$9.00 |
| Delivery Charge 500 kWh @ 6.0 cents | \$30.00 |
| Taxes (e.g. 4%) | \$1.56 |
| Total Electric Delivery Charge | \$40.56 |

This is the portion for which you can shop.

| | |
|--|---------|
| Electric Supply 500 kWh @ 8.0 cents | \$40.00 |
| Taxes (e.g. 3%) | \$1.20 |
| Total Electric Supply Charge | \$41.20 |

Total Electric Charge \$81.76

kWh (KILOWATT-HOUR): The standard unit of electricity use measured by your meter. kWh is an abbreviation for kilowatt-hour. A 100-watt light bulb used for 10 hours consumes one kWh. Your electricity use determines the total number of kilowatt-hours on your bill.

THERM: A unit of heat content equal to 100,000 British Thermal units (BTU). A BTU represents the amount of heat required to raise the temperature of one pound of water by one degree Fahrenheit. The number of therms is used to determine the gas charges on your bill.

Terms

Basic Service (or Customer Charge):

This charge covers basic customer-related costs for meter reading, billing, equipment and maintenance. Regardless of how much energy is used during the billing period, this charge remains the same.

Delivery Charge:

This is the charge for bringing electricity from your chosen supplier to your home or office.*

Taxes:

This portion of your bill encompasses both the state Gross Income Tax and a Gross Earnings Tax. Many municipalities charge other taxes. The appropriate amounts for these taxes are applied to all rates and charges and vary by locality.

Electric Supply:

This is the charge for the electricity used during the billing period. This is the amount for which you can shop and may vary depending on which supplier you choose.

*System Benefits Charge (SBC) Renewable Portfolio Standard (RPS):

Your bill includes the SBC and RPS which is approximately 70 cents in this example. This amount reflects costs associated with public policy programs, including research and development, low income and energy efficiency programs. This charge does not apply to gas bills.

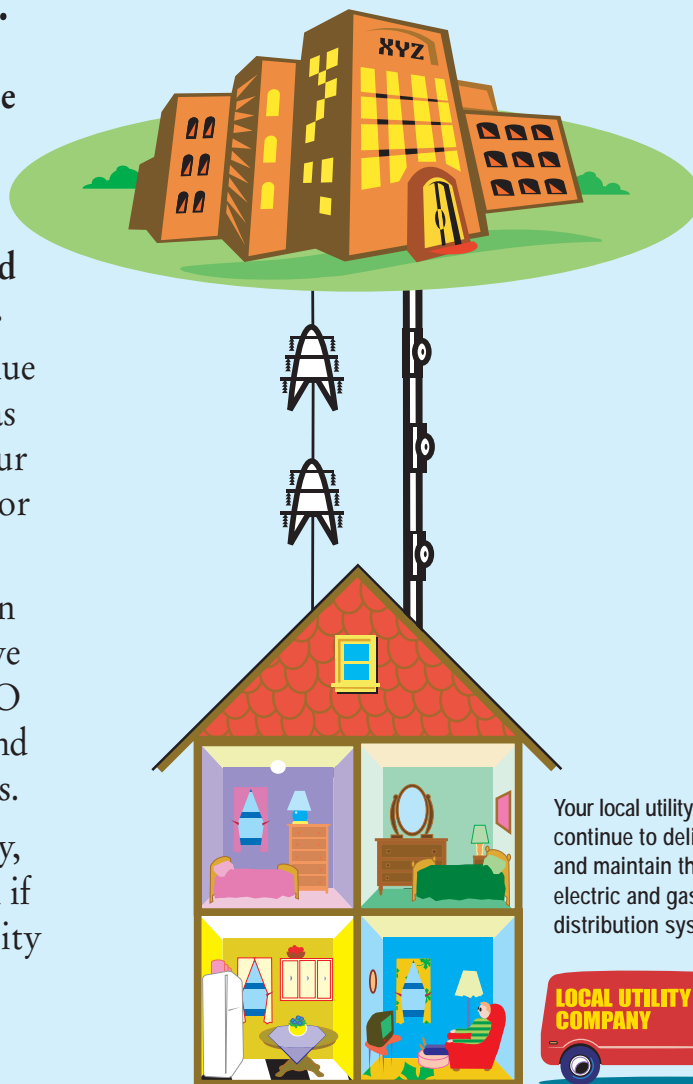
Reliability

Remains the same

Switching to an ESCO will not change the reliability of your energy supply.

Electricity and gas will continue to be delivered through utility-owned wires and pipes, and the Public Service Commission will continue to oversee the safety and reliability of the delivery system.

- Your utility is required to continue supplying your electricity and gas without any interruptions if your ESCO cannot provide service for any reason.
- Your electricity and gas service can be shut off only by a representative of your utility. However, an ESCO may request that the utility suspend delivery service due to unpaid bills.
- For any electric or gas emergency, continue to call your utility even if an ESCO supplies your electricity or gas.
- No matter who supplies your electricity or gas, you remain a customer of the utility for your delivery services.



Your local utility will continue to deliver and maintain the electric and gas distribution system.

The Power To Protect Yourself

Consumer protections under HEFPA

There are new rules under the **Home Energy Fair Practices ACT (HEFPA)** that give residential customers **additional protection** in the competitive energy market.

Your consumer protections are **guaranteed** whether you purchase electricity and/or natural gas from an Energy Service Company (ESCO) or your utility.

Some of these protections are:

- You have the right to have budget billing (levelized monthly payments) and deferred payment agreements allowing you to pay overdue bills in reasonable installments for both electric and natural gas delivery and supply service when you purchase electricity or natural gas from an ESCO.
- Security deposits are prohibited except for short-term customers and customers who are delinquent in payments.
- Under most circumstances, payments made on a consolidated bill will be pro-rated, i.e., split between the ESCO and utility based on a ratio of amounts owing to each.
- For customers that receive a consolidated bill (which contains charges from both the ESCO and utility), ESCOs may request that the utility suspend delivery service due to unpaid bills.
- Late payment charges on unpaid balances are limited to no more than 1.5% monthly (18% annually).
- You must receive a summary of your rights and obligations at the time service is initiated and at least annually thereafter.

Want to learn more?

For more information on HEFPA changes, including the Commission's written decision, visit www.dps.state.ny.us and access the "Commission Document" section. Then search for case 03-M-0117.

- There are more options to choose from for your electric and natural gas supply, such as: fixed price, variable price, Green Power, and value-added services.
- As always, no matter which supplier you choose, your utility will deliver your electricity or natural gas safely and reliably.
- The Public Service Commission will investigate and resolve complaints about ESCO service as well as utility service. Call the PSC Helpline at 1-800-342-3377.
- The New York Public Service Commission is making it easier for consumers to shop for electric and natural gas supply by providing a Power to Choose ESCO price comparison information chart. You can request a copy by calling 1-888-Ask-PSC1 or visiting www.PowerToChooseNY.com


Be assured that your utility will continue to deliver your supply safely and reliably to homes and businesses and will continue to respond to emergencies.

An Informed Choice


Making one

Making an informed choice in the new energy market requires you to do some comparison shopping. In order to make that comparison, you need to know these three things:


● Your Electric And Gas Usage

 You can get this information from your bill or your utility.

● What Your Utility Charges

 Your utility can provide information to you about your electricity or gas usage and what it charges you for supply and delivery.

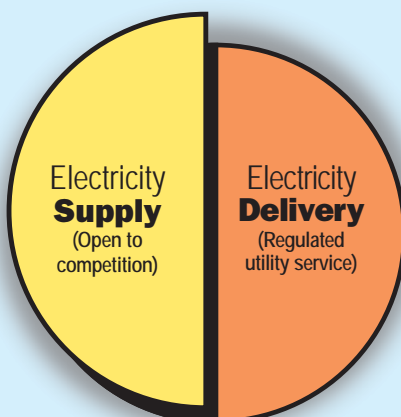
● What ESCOs Charge

 Compare the price of the electric or gas supply portions of your bill to offers from competing ESCOs.

These diagrams show the two main parts of your electric and gas bills – **supply** and **delivery**. You can shop for the supply portion.

Electric Cost

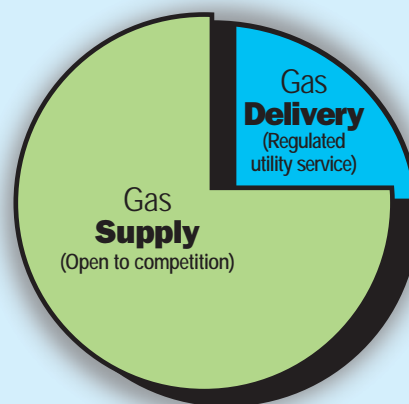
(these portions may vary depending on the season, the amount you use, and your utility).



Electricity supply — which represents about **50%** of an electric bill — is open to competition. If, for example, your monthly electric bill is \$100, you are paying about \$50 for electricity supply. This is the competitive portion, and you can shop among ESCOs, as well as your local utility, for the best price. In this example, you are paying about \$50 for electric delivery.

Gas Cost

(these portions may vary depending on the season, the amount you use, and your utility).



Gas supply — which represents about **75%** of a gas bill — is open to competition. If, for example, your monthly gas bill is \$100, you are paying about \$75 for gas supply. This is the competitive portion, and you can shop among ESCOs, as well as your local utility, for the best price. In this example, you are paying about \$25 for gas delivery.

ESCO Referral Programs

Listed below are the New York State utilities that have an Energy Service Company (ESCO) referral program. These programs provide customers with the opportunity to obtain a discount off the utility's commodity price for an introductory period when switching to an ESCO. For more information contact your local utility at the number below:

Central Hudson Gas and Electric Corporation – **EnergySwitch** – 1-866-763-8593

Consolidated Edison Company of New York, Inc. – **PowerMove** – 1-877-MOVE-234

Orange & Rockland Utilities, Inc. – **PowerSwitch** – 1-877-434-4100
or for online registration – www.oru.com

National Fuel Gas Corp. – **Marketer Referral Program** – 1-866-583-7287

National Grid – **New Choices** – 1-800-NIAGARA (1-800-642-4272)

Suppliers' Offers

How to compare

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

INQUIRE ABOUT THE ESCOs

- ☐ Make sure the ESCO is eligible to sell you energy by contacting the NYS Public Service Commission or your utility company.

COMPARE PRICES AND SERVICES

- ☐ What did the ESCO charge last month and what was included in the price?
- ☐ Is the price fixed or variable?
- ☐ If it's fixed, is it guaranteed?
- ☐ Does it include taxes?
- ☐ Are there any discounts, bonuses or credits?
- ☐ Are other services available?

REVIEW TERMS AND CONDITIONS

- ☐ What is the length of the agreement?
- ☐ Are there penalties for breaking the agreement?
- ☐ Are there additional fees?
- ☐ Is a deposit required?

CONSIDER UTILITY-SPECIFIC CHOICE PROGRAMS

Utilities offer choice programs such as PowerSwitch, EnergySwitch, New Choices and PowerMove. You can contact your utility and sign up for the choice program where:

- ☐ You could receive guaranteed savings (typically around 7%) provided by ESCOs off of your current utility supply portion of your bill for at least two months.

- ☐ You can extend the relationship with the ESCO on mutually agreeable terms and conditions.
- ☐ You can return to the utility after two months if you choose.

CONSIDER CUSTOMER SERVICE

- ☐ What are the office hours?
- ☐ What is the complaint-handling process?
- ☐ Are there toll-free numbers?

CONSIDER ENERGY OPTIONS

- ☐ Are environmentally-friendly generation sources such as solar, wind, or hydro power available?
- ☐ Are you a member of a group that has a program in place to purchase energy together to increase buying power?

CONSIDER BILLING AND PAYMENT OPTIONS





- ☐ Will I receive separate bills from the utility and the ESCO?

WHAT HAPPENS AFTER YOU CHOOSE A SUPPLIER?

- ☐ You will receive a confirmation letter from the ESCO with the contract and terms and conditions.
- ☐ You will receive a confirmation letter from the utility with the effective date of the contract. That date is usually the day after your meter reading date.
- ☐ Your supply will continue uninterrupted.

Electricity

Natural Gas

| Sign Up | Supplier Offer | Current Month Cost | Savings First Year | Min. Term (Mo.) | Eco Info | Comments | Rates |
|---|--|--------------------|--------------------|-----------------|---|---|---------------------------|
|  | ABC Utility | \$86 | 0 | 1 | | Rate varies monthly. Rates displayed are for March 2006. | \$.07946/kWh |
| | ESCO 1 Competitive Variable Pricing | \$82 | \$48 | 1 |  | Average savings of 5%. | \$.0782/kWh |
| | ESCO 2 100% Green | \$91 | (\$60) | 1 |  | Use renewable energy for a cleaner future by adding a 1.0 cent/kWh premium on all usage. Contact ESCO 2 for specific pricing and options. | \$5/mo. + \$.07946/kWh |
| | ESCO 3 Fixed Rate Plan | \$71 | \$180 | 12 |  | Contact for specific pricing. Fixed price protects customers against electricity price increases. | \$.076/kWh |



The PSC has the information to help you evaluate competing offers. For an energy supplier comparison chart, visit www.PowerToChooseNY.com. On the left is an example of this chart.

Green Power is Clean Power

Renewable energy sources

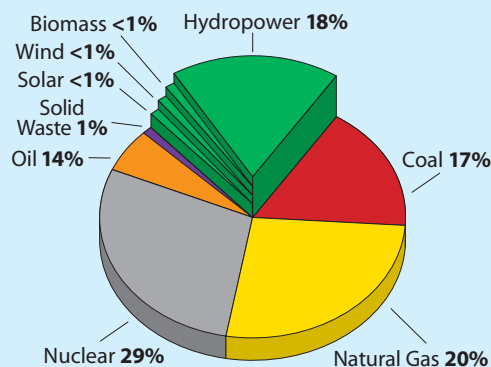
Today you can buy some or all of your electricity as Green Power. Green Power is electricity generated from renewable energy sources such as solar, wind, biomass and hydropower.

New Yorkers have the power to choose Green Power and make a world of difference for generations to come. All for just a few cents more a day. And you can be confident that while you're helping safeguard our natural resources, your utility will still deliver your electricity safely and reliably.

Green Power:

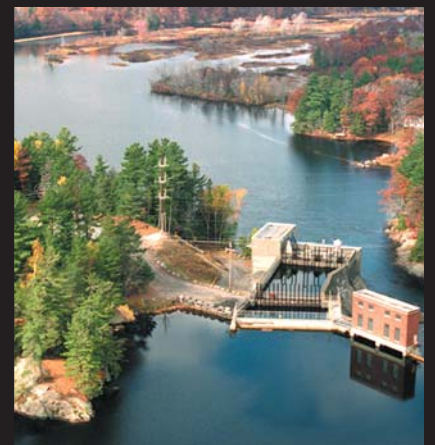
- Produces fewer environmental impacts than fossil fuel energy
- Helps to diversify the fuel supply and contributes to more stable energy prices
- Reduces use of imported fossil fuels, keeping dollars spent on energy in the state's economy
- Creates jobs and helps the economy by spurring investments in environmentally-friendly facilities
- Creates healthier air quality and helps to reduce respiratory illness

For a list of Green Power providers, check the New York State Public Service Commission's Web site at www.PowerToChooseNY.com or call 1-866-GRN-POWR.



The pie chart on the left shows the mix of energy sources that was used to generate New York State's electricity in 2005.

Buying Green Power will help to increase the percentage of electricity that is produced using cleaner energy sources.



Environmental Disclosure

Making an informed choice

One of the major benefits of introducing competition into the energy industry is that it gives customers greater choice.

New York State residents now have access to information that enables them to take into account the environmental impacts of the energy they purchase. Electric customers throughout the state receive an Environmental Disclosure Label in their electric bill twice every 12 months. The labels show the mix of fuels used to generate the electricity purchased and the related air emissions. Knowledge about electricity generation, fuel sources, and their environmental impacts will help consumers make informed choices.

Environmental Disclosure



“The goal of environmental disclosure is to facilitate informed customer choice, which could, in turn, lead to improved environmental quality and resource diversity.”

— Public Service Commission 12/15/98

10

Renewable Portfolio Standard (RPS)

Electricity comes from a variety of fossil fuel sources such as natural gas, oil and coal, and renewable resources like hydropower, biomass, solar, wind and solid waste. Nuclear power is also used to generate electricity in New York.

The New York State Public Service Commission has adopted a plan to ensure that within 10 years at least 25% of the electricity purchased in the state is generated from renewable resources. The development of an RPS provides an opportunity to lower air emissions, reduce wholesale prices, increase capacity, and increase customer choice by developing a more robust Green Power market in New York. You can support cleaner, sustainable energy solutions by choosing to purchase some or all of your electricity as Green Power.

Contact 1-866-GRN-POWER for a brochure or visit www.AskPSC.com for more information.

Use Your Power To Choose

Consumer Assistance

The PSC, local utilities and ESCOs are working together to provide you with information about the changes in the electric and gas markets.

ESCOs LIST AVAILABLE

The PSC, as well as your local utility, has a list of those ESCOs that meet PSC and utility requirements to provide service in New York.

If you'd like to receive a list of ESCOs serving customers in your market, contact the PSC or your local utility. Lists are also available on the PSC Web site at www.PowerToChooseNY.com, where you can get Power To Choose ESCO price comparison information.

NEW YORK STATE UTILITY COMPANIES

Your utility will continue to deliver your electricity or gas regardless of where you choose to buy it. The rates, safety and reliability of the delivery system will continue to be regulated by the PSC. You can call your utility for additional information regarding energy competition and a list of ESCOs.

Central Hudson Gas & Electric

1-877-444-2443

www.centralhudson.com

Consolidated Edison

1-800-780-2884

www.coned.com

Corning Natural Gas Corp.

1-607-936-3755

www.corninggas.com

KeySpan Energy Delivery

718-643-4050 (New York City)

1-800-930-5003 (Long Island)

www.keyspanenergy.com

National Fuel Gas

1-800-365-3234

www.nationalfuelgas.com

National Grid

1-800-642-4272

www.nationalgridus.com

New York State Electric & Gas

1-800-572-1111

www.nyseg.com

Orange and Rockland

1-877-434-4100

www.oru.com

Rochester Gas & Electric

1-888-253-8888

www.rge.com

St. Lawrence Gas Company

1-315-769-3516

www.stlawrencegas.com

Long Island

Power Authority (LIPA)

LIPA customers interested in choice/competition may call 1-800-490-0025

www.lipower.org

AGGREGATION

Purchasing electricity or gas with others, called "aggregation," gives the group greater buying power and may save you money. For example, the Municipal Electric and Gas Alliance (MEGA) members (municipalities and school districts in Central New York) saved nearly \$2 million on their electric bills last year, which translates into savings of between 14% and 20% for individual members. You may belong to a community or business association that can coordinate with ESCOs for the best package of prices and services. For a sample of a Request for Proposal for Bids for your group's use, go to www.PowerToChooseNY.com and click on **Contact Us** and send us an e-mail or call us at 518-474-1540.

For the **latest** list of ESCOs and more information, visit the PSC Web site at www.PowerToChooseNY.com, or call toll-free, **1-888-Ask-PSC1** (1-888-275-7721). For a list of Green Power providers, call **1-866-GRN-POWR**.



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