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## **NEM Asks N.Y. PSC to Inform Customers of Default Service Rate Volatility**

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The New York PSC should inform customers of the volatility in default service rates, in addition to removing specific default service rate information from the Power to Choose website, the National Energy Marketers Association said in comments to the PSC.

NEM supports a petition, first reported by Matters [\(3/28\)](#), from the Retail Energy Supply Association to remove utility pricing information from Power to Choose, due to the inapplicable nature of such pricing in apples to apples comparisons because the utility data may be a forecast or the month-ago price (due to the LMP-based nature of utility pricing).

Utilities have opposed the removal of default service pricing information from the site [\(4/19\)](#).

"[N]ot only is it extremely difficult for consumers to evaluate and compare the utility price to competitive offerings in the marketplace, the information presented can mislead consumers, cause them to draw false conclusions about the utility price and discourage them from considering otherwise beneficial competitive options. Under these circumstances, removing the electric utilities' prices from the Power to Choose website is a reasonable short-term solution to prevent consumers from being misinformed," NEM said.

Additionally, NEM requested that even as the specific utility rate information is removed, the PSC should as an interim measure add a disclaimer to the site, "that discloses to consumers that electric prices fluctuate on a daily basis and that prices can be extremely volatile, particularly in peak seasons."

To achieve utility price transparency and accuracy in the long-term, NEM suggested a stakeholder collaborative be formed for the purpose of studying and recommending to the Commission enhancements that can be made to utility pricing presentation.

Among other things, NEM said that the posting of default service information should disclose how frequently the utility rate is subject to change, and whether the utility rate is subject to adjustments for true-ups.

"Without these disclosures [including others proposed by NEM] pertaining to utility rates being made available to consumers, the value of the price reporting undertaken by marketers is diminished in value inasmuch as a proper baseline construct for comparison will be lacking," NEM said.

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