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To: The Honorable Dereck E. Davis
Chair, Economic Matters Committee

From: Karen S. Straughn
Consumer Protection Division

Re: House Bill 928 – Public Service Commission – Electricity and Gas Suppliers – Training and Educational Program (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 928 submitted by Chairman Dereck E. Davis. This bill requires the Public Service Commission to develop a training and educational program for third party suppliers of electricity and gas, which includes sales, consumer protection and other matters that the Commission deems appropriate.

The Consumer Protection Division regularly receives complaints about unscrupulous practices in the sale of third party gas and electric supply contracts. Although primarily regulated by the Public Service Commission, third-party gas and electricity suppliers are subject to certain consumer protection statutes, in addition to the Consumer Protection Act, including the Door-to-Door Sales Act and the Telephone Solicitation Act. Since the majority of sales obtained by a third party supplier involves the application of one or the other of these two statutes, it is critical that third party suppliers know and understand their requirements. By training and educating third party suppliers, not only do suppliers have enhanced knowledge which will ensure the accuracy of their sales process, but consumers are better protected as well. This office is willing to work with the Public Service Commission on these areas of expertise to ensure that third party suppliers are provided with the necessary education.

For these reasons, we ask that the Economic Matters Committee return a favorable report on this bill.

cc: The Honorable Dereck E. Davis
Members, Economic Matters Committee

