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Retail electricity complaints up

Billing was biggest customer concern

By BILL HENSEL JR.
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Complaints about retail electric providers in Texas increased by more than one-third last year, a utility consulting firm survey shows.

A total of 16,913 complaints were lodged with the Public Utility Commission in 2003, a 34 percent increase from the year before, according to the firm, Regulatory Compliance Services.

About half of the complaints were billing concerns and an additional 25 percent or so involved discontinued service, said Patricia Dolese, who owns the compliance consulting firm.

"There was a significant increase in the first year of competition when the market opened," she said. "Last year's increase was not as much."

The commission conducted investigations in about 75 percent of the cases, she said.

The law deregulating Texas' electricity market took effect in January 2002.

The change meant customers could begin to select their own providers.

The analysis by Dolese's firm shows the PUC received 12,676 complaints in 2002 and found violations in about 10 percent of those cases. The number of customer complaints in 2001 was 2,783, said Dolese, who was with the PUC.

"Competition really hadn't started," she said.

Customers lodged 2,075 complaints for "slamming," and PUC investigations found violations in about half those cases.

Slamming is the unauthorized switching of a customer's service provider.

Slamming complaints normally involve marketing campaigns by electric companies that transfer customers to a new provider without them having a complete understanding, Dolese said.

The survey found the highest slamming violation rate belonged to Entergy, at more than 61 percent.

The lowest was First Choice at 21.5 percent, with the next lowest being Houston-based Reliant, at 26.9 percent.

Last month, Energy America was fined \$750,000 for alleged misleading sales practices.

That firm does business in Texas as Direct Energy and is affiliated with Centrica.



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