

Sustainable Westchester vs Energy Service Company (ESCO)

Sustainable Westchester	Energy Service Company "ESCO"
Sustainable Westchester is a non-profit consortium of 44 local governments to support programming in environmental protection and accessibility to renewable energy. One of our programs is Westchester Power, where we assist municipalities with establishing Community Choice Aggregation (CCA) programs to establish a renewable energy supply option for residents. This includes us identifying an Energy Service Company (ESCO) to serve as a supplier through a reverse auction.	• An ESCO is an Energy Service Company that supplies energy for residents in Con-Edison or NYSEG territories. The New York State Public Service Commission opened the State's electric and natural gas industries to competition in the late 90's to allow consumers to choose their supplier of electricity and/or natural gas.
Through our process of setting up CCAs we work closely with municipal leaders to establish optimum transparency. This includes frequent letters to facilitate the dissemination of information regarding the supplier of the CCA and how to opt-out. CCA's are structured as opt-out programs to identify the greatest rate for residents by leveraging the municipal populations of eligible participants.	ESCO's have a reputation of "slamming" consumers which means switching their energy supply without their authorization. It is a deceptive process that sometimes includes ESCO representatives posing as a local utility and enrolling you into their program once they receive your Con-Ed or NYSEG account number.
Sustainable Westchester works closely with municipal leaders and law departments to draft the terms of the energy supply contracts. We assist municipalities with setting up the terms that ESCOs must meet in order to win the contract. Consumers can opt-out of the contract at any moment without any fees or penalties. Also, residents that remain within the established CCA are provided a fixed-rate.	ESCOs reportedly have given consumers lengthy and complicated contracts. Even variable rates as well. Contracts often lock you into long or multi- year commitments and cancellation comes with penalty fees.