



NEW YORK STATE SENATOR

James L. Seward

Confusing Mailing Sparks Concern

JAMES L. SEWARD February 11, 2011

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ONEONTA, 02/10/11 – State Senator James L. Seward (R/C/I–Oneonta) today issued a consumer alert concerning a mailing that has raised concerns from several area residents. The letter to area residents appears to be a warning from National Grid, but is in fact not affiliated with the energy provider, Seward says.

“Often times the phrase ‘buyer beware’ is associated with advertising practices, but when essential services like electricity become part of the equation people deserve to have all of the facts,” said

Senator Seward. **“Preying on homeowners through the use of borderline scare tactics is simply wrong and the use of such methods should be exposed.”**

The mailing in question was sent by National Grid Energy Services (NGES) a former subsidiary of National Grid. The company, which was sold last August to HomeService USA Corp., was permitted to retain use of the National Grid Energy Services name for eighteen months following the sale. No National Grid customer account information was included in the sale.

The mailing, which uses a variation of the National Grid logo, states in bold print, *“WE NOTICED FROM OUR RECORDS THAT THIS ADDRESS MAY NOT BE PROTECTED WITH EXTERIOR ELECTRICAL LINE COVERAGE.”* The solicitation letter goes on to offer repair coverage that is optional and comes with additional costs.

“While the letter’s fine print indicates the company is not affiliated with National Grid and that their service is optional, the use of the National Grid Energy Services name and logo at the top of the form is enough to be considered confusing, if not misleading,” Seward continued.

According to National Grid, Homeserve has a proven track record of delivering residential emergency repair services. The utility provider goes on to say that purchase of services from HomeServe or any other provider is entirely optional and has no impact on the relationship between the customer and National Grid as his utility.

The New York State Public Service Commission has also issued a **warning** concerning the solicitation.

“The bottom line is that is important to always read any solicitation carefully, no matter the source, before parting with your hard-earned cash,” concluded Senator Seward.