

How is the City of Saratoga Springs' potential Community Choice Aggregation (CCA) program *different* from the energy service companies (ESCOs) who are calling me and urging me to sign up?

Residential and small business consumers in New York have had the opportunity to shop for their electricity supplier since the late 1990s. Hundreds of Energy Service Companies (ESCOs) have entered into the New York State (NYS) market to compete for your retail supply business. Electricity suppliers/providers are different from energy delivery companies. **In our area, National Grid, by NYS law, delivers the electrical power over the grid, but cannot create the energy that they deliver.**

Many ESCO's promise lower rates and offer novel products such as a "green mix" or carbon offset programs for environmentally conscious consumers. Several ESCOs have been guilty, however, of predatory business practices, such as teaser rates that spike over time or baiting and switching customers without their consent.

In February 2016, NYS cracked down on ESCOs, restricting the products they can offer and their sales practices after the New York State Public Service Commission (PSC) conducted an industry-wide review. **This review found that multiple energy services companies, or ESCOs, were overcharging for electric and gas service, as well as failing to deliver on promises for savings and clean energy.** Some ESCOs were charging customers twice the rate of the local utility, while others were charging triple or even eight times as much.

To find out more about ESCOs, please visit the Public Service Commission website under the heading, The Power to Choose - <http://documents.dps.ny.gov/PTC/home> or General Information on ESCOs - <http://www3.dps.ny.gov/W/PSCWeb.nsf/All/DAA1CF3080DA35F685257FCB004EBB59?OpenDocument>

The City of Saratoga Springs, along with 12 other communities, on the other hand, are looking to create a Community Choice Aggregation Program (CCA) which allows municipalities to purchase electricity in bulk from suppliers on behalf of their residents, and to obtain some or all of their electricity from clean energy sources, such as solar, hydro, and wind. The City has been working with Municipal Electric and Gas Alliance (MEGA) to help administer the program.

Saratoga Springs' potential CCA will protect residents and small businesses by stabilizing the price with a short-term contract the price of which does not change month to month. Customers are able to opt out at any time at no cost. While you may leave the program at any time for no cost, it will take at least one billing cycle for the change to take effect. The CCA will offer customers the option to go "green" or keep to traditional sources of power.

Municipal Electric and Gas Alliance (MEGA) is a not-for-profit local development corporation that has helped hundreds of upstate New York local governments save and stabilize energy costs for municipal facilities through a unique and effective group-buying program. Their role is to assist in finding energy companies to bid to become our City's electric supplier (National Grid remains the distributor) and then negotiate the best rates and terms for consumers in Saratoga Springs and other participating municipalities.

CONSIDER WAITING: If you are receiving letters from ESCOs right now, you are not obligated to sign up with them and can wait to see what the offer from the MEGA CCA program will be, compare these offers, and then select the best choice for your family. City residents will receive letters from the City of Saratoga Springs on official letterhead about the MEGA-CCA after June 2020.