



City of Austin's Annual Customer Assistance Program
AFFORDABLE ENERGY SUMMIT





Utility Scams and Vulnerable Populations: Perspectives by Public Utility Commission & Austin Energy





Public Utility Commission

- Regulates the state's electric, telecommunication, water and sewer utilities, implements respective legislation, and offers customer assistance in resolving consumer complaints
- 85%* of Texas power consumers (those served by a company not owned by a municipality or a utility cooperative) can choose their electricity service from a variety of retail electric providers

CUSTOMER PROTECTION DIVISION
PUBLIC UTILITY COMMISSION OF TEXAS





Investor-Owned/Municipalities/Cooperatives

- Deregulation mandatory for investor-owned utilities, but optional for municipal utilities and electric
- Customers served by cooperatives or municipal utilities can choose an alternate retail electric provider only if the utility has "opted in" to deregulation





Topics of Discussion

- Unauthorized Change of Retail Electric Provider (Slamming)
- Unauthorized Charges (Cramming)
- AEP Texas Reports Scam and Fraud
- CenterPoint Recognizing Public Utility Scams
- Utility Scams from around the U.S.
- Industry Emails to Customer Protection Division
- Additional Agencies Assisting Customers with Fraud/Scams





Unauthorized Change of Retail Electric Provider (Slamming)

Process for resolving unauthorized change of retail electric provider (REP). If a REP is serving a customer without proper authorization pursuant to §25.474 of this title (relating to Selection of Retail Electric Provider), the REP, registration agent, and transmission and distribution utility (TDU) shall follow the procedures set forth in this subsection.

<http://www.puc.texas.gov/agency/ruleslaws/subrules/electric/25.495/25.495.pdf>





Unauthorized Charges (Cramming)

Any services offered by the retail electric provider (REP) that will be billed on the customer's electric bill shall be authorized by the customer consistent with this section.

<http://www.puc.texas.gov/agency/ruleslaws/subrules/electric/25.481/25.481.pdf>





AEP Texas Reports Scam

AEP Texas reports scam attempts in Abilene and Corpus Christi areas; similar attempts anticipated in other parts of AEP Texas service territory.

<https://www.aeptexas.com/info/news/viewRelease.aspx?releaseID=2964>





AEP Reports Fraud and Scams

AEP provides helpful information to customers regarding fraud and scams. They also encourage customers to report fraud and scams.

<https://aeptexas.com/StopScams>





CenterPoint Recognizing Public Utility Scams

Recognize and Stop Utility Bill Scams:

<https://www.centerpointenergy.com/en-us/Safety/Pages/Public-Utility-Scams.aspx?sa=ho&au=res>

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Utility Scams From Around The U.S.

The following video is Utilities United Against Utility Scams:

Video:

<https://youtu.be/fL3mNwJP0ks>

Website:

<http://www.utilitiesunited.org/Pages/default.aspx>

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Industry Emails to Customer Protection Division

Chris,

Following up on my message, here are a few of the details related to what appears to be fraudulent activity in the CenterPoint area with parties acting as Direct Energy involved. The call originates, or appears to originate, from a valid CenterPoint phone number, but the caller is asked to call a separate toll-free number (not affiliated with Centerpoint or any DE vendors) to pay their bill. It is possible customers could be submitting payments to (and providing personal information to) this unknown entity claiming to be affiliated with Direct Energy. We do not believe this call originated with Direct Energy or any of our third-party vendors.

In one example, a customer received a call this morning on his cell from **713-207-2222** (CenterPoint's customer service line for Houston-area residents to report power outages) and spoke with a man claiming he was with CenterPoint and that he was headed to the house to perform a disconnect due to unpaid electric bills. He stated he'd be at the house in 45 minutes. The customer told to call **877-572-3310** to resolve the issue and pay their bill right away. When that number was called, the customer was asked to provide a credit card number.

We had someone from our quality team call the 877-572-3310 number to confirm the fraudulent activity, and in the course of the conversation she was told to go to a retailer nearby that accepts payments. The "agent" suggested Kroger, Walgreen's or Family Dollar (and that a debit card could be used at Family Dollar.) She was told that once she got to Family Dollar, she should call the 877 BTN and dial his extension, 2009, for more instructions. Here is her account of what she was told: "He said once I get to the family dollar, there's going to be a utility card section. In the utility card section, pick up the utility bill payer that I need. Give them a call back and add the payment information details. The name is of the utility card is MoneyPak. It's a green card made of cardboard, and they'll load it at the store's cashier. Once I have that, I can call back and get details. I asked several more questions, and the agent said that Moneypak sends the money to Direct Energy. I asked again what company this person was with and he said, "Direct Energy, Centerpoint, Reliant, Green Mountain- we work for all of them."

Not sure if other REPs have had similar issues with this and wanted to bring it to your attention.

We searched 713-207-2222 on some telesales scam reporting sites and found that others have reported a similar scam:

<https://800notes.com/Phone.aspx/1-713-207-2222>

If a customer calls the PUCT with concerns about a disconnection call from Direct Energy, please direct them to our call center at 1-888-305-3828.

Thank you,

Norm Levine
713-877-3510
713-825-4491 (cell)

CUSTOMER PROTECTION DIVISION
PUBLIC UTILITY COMMISSION OF TEXAS





Industry Emails to Customer Protection Division

Richard,

The number appears to be disconnected now (at least when we call it from the DFW area).

I forwarded this to our Fraud Manager. He advised he has discussed with our corporate security team, local law enforcement and the FBI. It is unfortunately a tough thing for them to track down. We have let our customers know the information below and provided this information to our agents. Please feel free to share with your team if you would like.

Suspicious Phone Scam Alert

The Scam: TXU Energy is aware of a [phone scam](#) regarding the collection of past due balances where the caller claims to be from an energy retailer or utility. In this scam, customers are told their power will be turned off immediately unless they purchase a prepaid card (such as a Green Dot card) and call back with the card number. Since a prepaid card is already funded, the scammer just needs the card number to access the funds. Alternately, the caller may simply demand immediate credit card payment via the phone to keep from turning off your power. Do not fall victim to either of these demands. Purchasing a prepaid card or providing the caller with any sort of account information will compromise your credit card or funds. There is no reason to provide this information in these cases because the caller is a "scammer," who does not have the ability or authority to disconnect your electricity service.

The Method: Phone

What Happens: If you are a victim of this type of scam, you will most likely lose the dollar amount that is provided to the fraudulent caller. It is unlikely that you will be reimbursed, as the payment will most likely be done via debit or prepaid Green Dot card.

The TXU Energy Commitment: Please know that these types of phone calls are NOT from TXU Energy. TXU Energy is dedicated to protecting your information. We want our customers to be informed about these situations in order to avoid being exposed to financial risk if they follow the instructions of the scammer collection "agent." If your TXU Energy account was genuinely approaching disconnection due to an outstanding balance, you would have received a delinquent bill, followed by a disconnection notice, as well as an automated phone call reminder from TXU Energy.

Protect Yourself:

CUSTOMER PROTECTION DIVISION
PUBLIC UTILITY COMMISSION OF TEXAS





Additional Agencies Assisting Customers With Fraud/Scams

The following agencies can also provide assistance:

- Federal Trade Commission Consumer Information

<https://www.consumer.ftc.gov/features/feature-0014-identity-theft>

- Attorney General Of Texas

<https://www.texasattorneygeneral.gov/consumer-protection/identity-theft>





Austin Energy as a Municipality

- Municipalities are publicly owned by the citizens of their community
- Benefits of Municipalities
 - Value for the community as an investment back into the community
 - No shareholders
 - Annual payment to the City annual budget to support important city services
 - streetlights, parks, libraries and public safety
 - Prioritize energy efficiency programs
 - Support a clean power strategy



Topics of Discussion

- Scam Prevention
- Current Scams
- Combatting Scams
- Customer Knowledge
- Resources



Here's what we've seen at City of Austin Utilities

Don't Fall for
the Call!

#StopScams

Report
to **3-1-1**

From 10/2018
to 6/2019

1,588
Scams
Reported



\$27,000

Paid to
Scammers

47

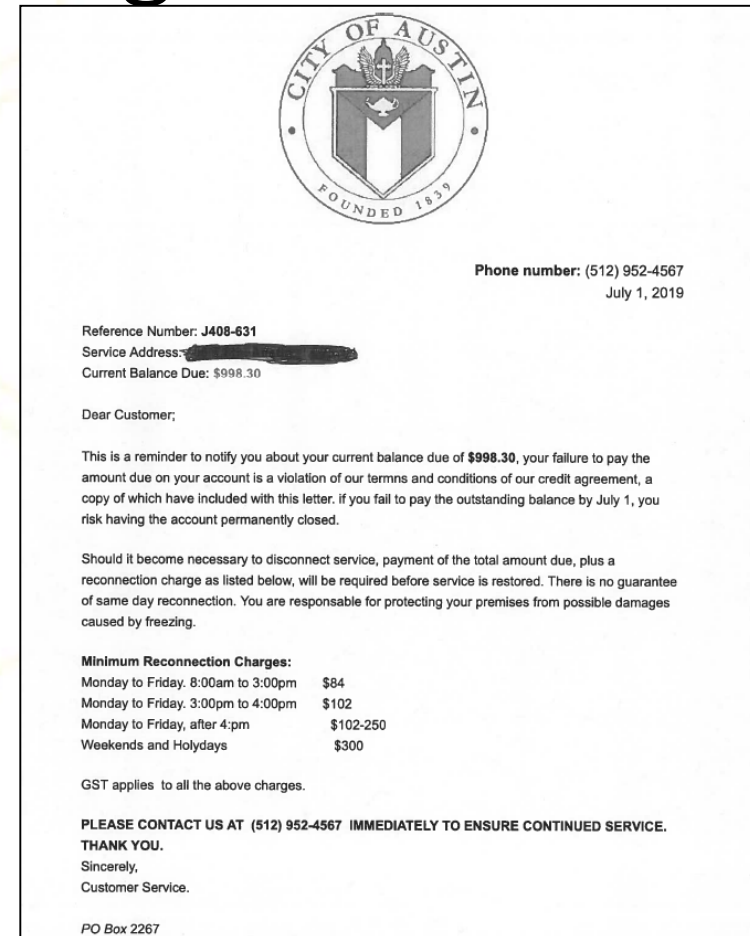
Customers
Tricked





Utility Scam examples: from high- to low-tech

- Direct customers to call specific toll-free numbers and make payment with MoneyPak, gift card or credit card
- Mention specific stores and told customers to ask for specific people
- Give exact address of Bitcoin ATM machine inside pawn shop and trick customer into depositing cash
- Mail customers official-looking letters





What we're doing to combat utility scams

- Website banners

The screenshot shows the Austin Energy website header with navigation links: AUSTINTEXAS.GOV | AIRPORT | LIBRARY | AUSTIN ENERGY | AUSTIN WATER | AUSTIN CONVENTION CENTER | VISITORS BUREAU | OPEN GOVERNMENT. Below the header is the Austin Energy logo and the slogan "Customer Driven. Community Focused. A City of Austin Service". There are buttons for "Report Outage" and "Pay Online". A navigation menu includes Residential, Commercial, Contractors, Energy Efficiency, Green Power, Rates, Power Outages, and About.

The banner features a smartphone screen displaying an incoming call from a "SCAMMER UNKNOWN NUMBER". The phone screen shows the time 11:45, a silhouette of a person, and call icons. Below the phone, the text reads "Don't Fall for the Call!" and "Spot and report scams." A "Learn More" button is located in the bottom right corner of the banner.



What we're doing to combat utility scams

- Flyers at City events, walk-in pay centers, mailed with bills



Help the City of Austin
STOP UTILITY SCAMMERS!
Don't **FALL** for the **CALL!**
Report suspicious calls to 3-1-1

Scammers will:

- Pose as City of Austin or Austin Energy staff and mimic our phone numbers
- Threaten to immediately disconnect your utilities
- Demand payment with cash, gift cards or other untraceable methods

To safely and securely check your account balance or pay your bill, always go to COAUtilities.com or call 512-494-9400.

F-40122



¡Ayude a la Ciudad de Austin
DETENER a los ESTAFADORES de SERVICIOS PÚBLICOS!
No **CAIGA** en la **LLAMADA**
Reporte las llamadas sospechosas al 3-1-1

Los estafadores:

- Dirán que son empleados de la Ciudad de Austin o Austin Energy y su número de teléfono se parecerá al nuestro
- Amenazarán con desconectar inmediatamente los servicios públicos
- Pedirán el pago en efectivo, tarjetas de regalo u otros métodos que no dejan rastro

Para verificar el saldo de su cuenta o pagar su factura de manera segura, siempre vaya a COAUtilities.com o llame al 512-494-9400.

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What we're doing to combat utility scams

- Press releases and media coverage
 - Nine press releases from Oct. 1, 2018 – present
 - About 15 stories on local media outlets



LOCAL

SCAM ALERT: Dozens of Austinites targeted Tuesday morning, Austin Energy warns



(AP Graphics Bank)

by: Tulsı Kamath

Posted: Jun 13, 2019 / 04:23 PM CDT / Updated: Jun 13, 2019 / 04:23 PM CDT

AUSTIN (KXAN) — Austin Energy is warning customers not to fall for a scam after dozens of people received fake call Tuesday morning.



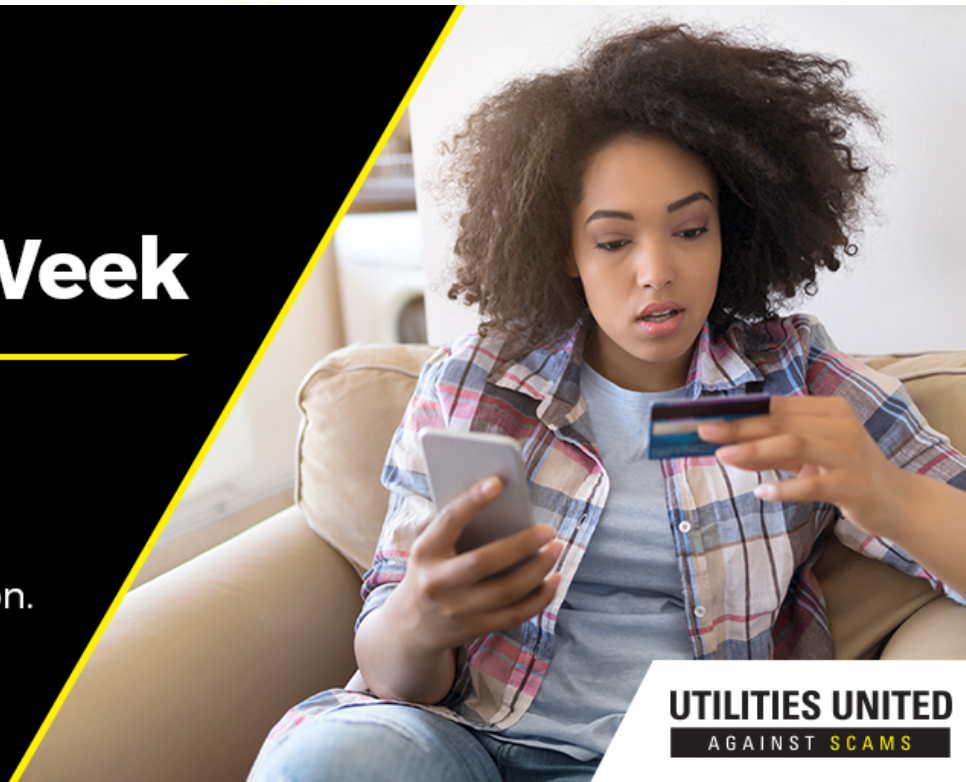
What we're doing to combat utility scams

- Partnering with other agencies, utilities

It's National Consumer Protection Week

TIP: Utilities will never ask or require a customer with a delinquent account to purchase a prepaid debit card to avoid service disruption.

Know the signs to **#StopScams**
#NCPW2019

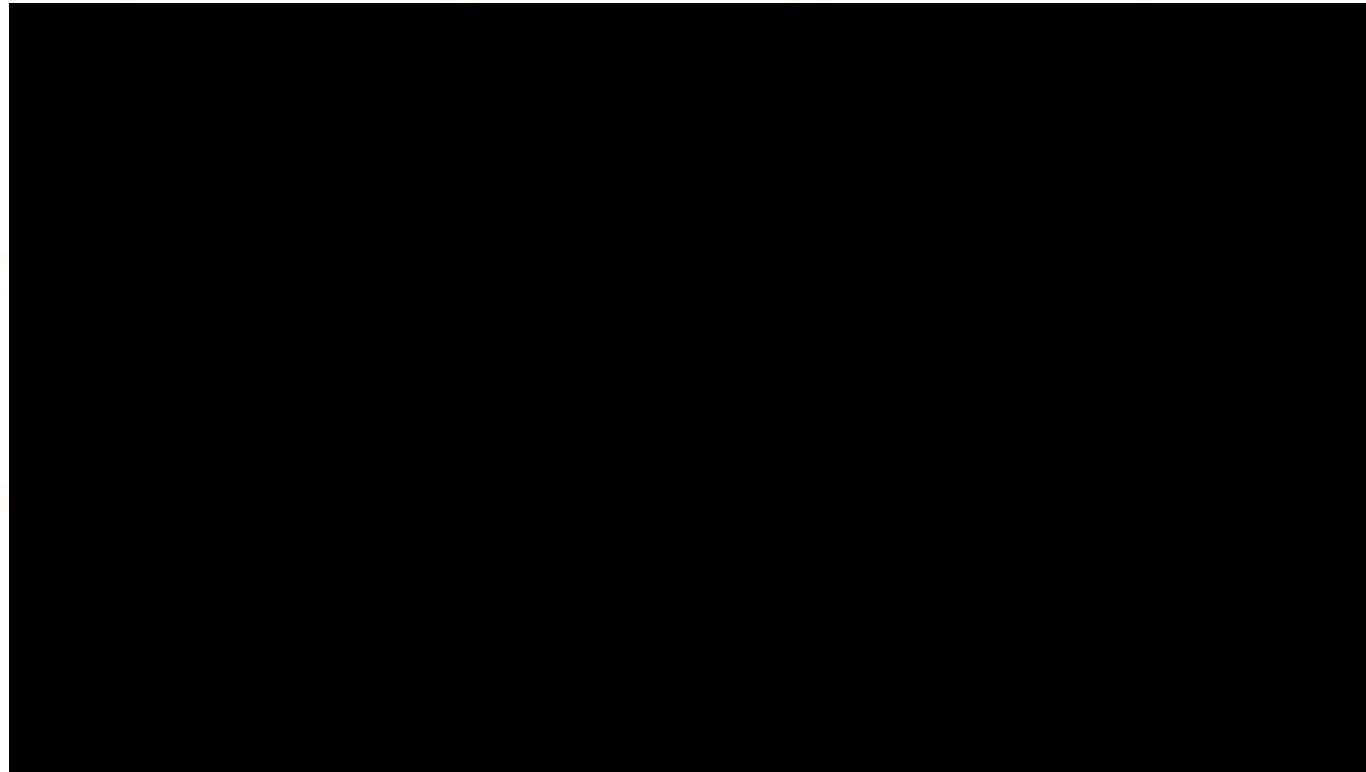


UTILITIES UNITED
AGAINST SCAMS



What we're doing to combat utility scams

- Social Media – posts and video





What customers need to know

- We will never call residential customers with cut-off deadlines
- We will never demand immediate payment to avoid cut-off
- We will never ask for credit card, wire transfer, gift card or Bitcoin payment over the phone



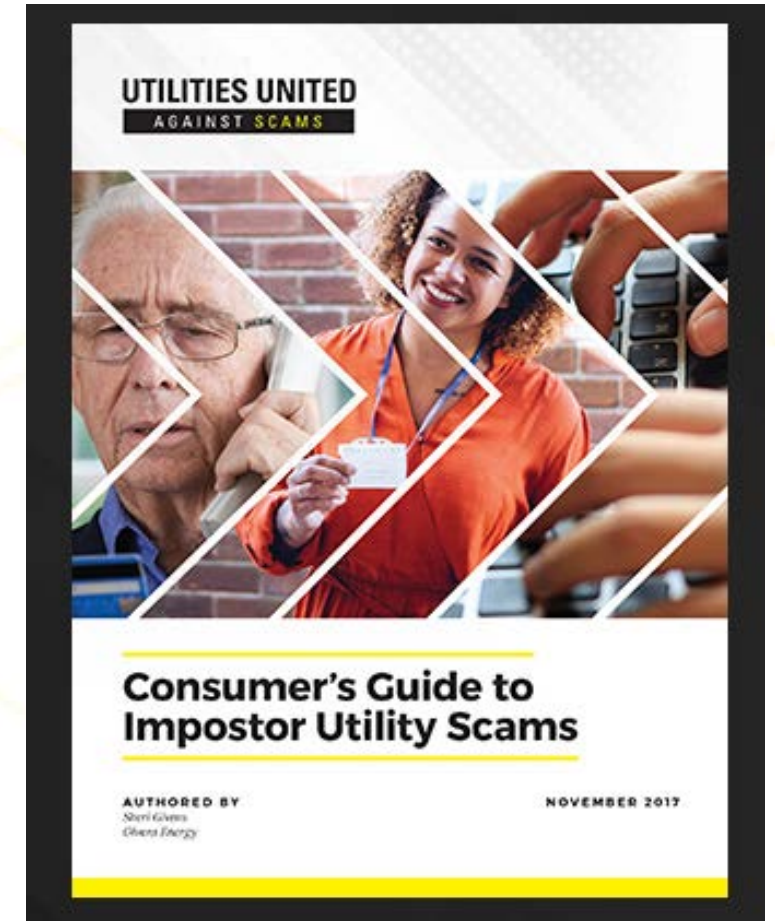
What customers need to know

- We **do** accept payment online at **coutilities.com**, at walk-in centers and by mail
- Received a call from a spammer? Hang up and call **3-1-1** to report it.
- Uncertain of your bill status? Call City of Austin Utilities Customer Center at **512-494-9400**



Resources

- www.austinenergy.com (bit.ly/AEReportScams)
- <http://www.utilitiesunited.org>





Questions