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## U.S. Energy defends its business practices

Energy marketer under fire in Indiana, Illinois

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A Canadian company accused of bilking utility customers in Indiana and Illinois is acknowledging it has a "significant number of complaints" but is denying allegations of deceptive marketing.

In e-mailed responses to Times inquiries, U.S. Energy Savings Corp. stated it will take corrective action if its sales representatives misled customers.

"USESC provides price stability and, foremost, peace of mind," the company said. "We do not claim in our written materials and, likewise, we do not permit our sales representatives to say, that there will be savings when describing our product."

Despite those denials, problems continue to mount for the company. It offers consumers natural gas at a fixed price through NIPSCO's Choice program in Indiana and through Nicor and Peoples Energy in Illinois.

The office of Indiana Attorney General Steve Carter is investigating four complaints against U.S. Energy Savings in Indiana.

In Illinois, the office of Attorney General Lisa Madigan has received 457 complaints about U.S. Energy, many filed by senior citizens.

"Many of these families signed up for this program based on the false claim that they would save on their monthly utility bills," Madigan said in a prepared release.

Diane Burns, a renter in New Chicago, says she was one of those taken in by U.S. Energy Savings.

She said a door-to-door salesman told her this past summer that she could lock in the "NIPSCO price" for natural gas by signing up with U.S. Energy Savings.

She did so and found her NIPSCO bill skyrocketed this winter, as she paid \$1.13 per therm for natural gas. NIPSCO is charging 73 cents per therm.

"I feel like I was duped," she said.

NIPSCO has received complaints about U.S. Energy from customers and is investigating them on a case-by-case basis, according to spokeswoman Colleen Reilly.

In one case, NIPSCO gave a customer an \$889 bill credit when it was found he had been switched to U.S. Energy Savings without his authorization. NIPSCO since has confirmed the customer will not be charged an exit fee by U.S. Energy Savings.

In its response to The Times, U.S. Energy Savings said its price protection plan is "completely voluntary -- the choice to buy or not to buy our products rests entirely with our customers."

U.S. Energy Savings is a subsidiary of Energy Savings Income Fund, which is based in Toronto. The fund pays out quarterly distributions to investors based on its earnings from its energy marketing subsidiaries in the United States and Canada, according to its Web site.

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