

Environment & Energy

New York Settles Suit With Energy Company Over False Promises

By Zach Bright

Dec. 12, 2022, 5:15 PM

An energy services company reached a \$1.5 million settlement after allegedly tricking New York consumers into overpaying for gas and electric services, the New York attorney general's office said Monday.

Door-to-door salespeople and telemarketers from Major Energy Services LLC falsely promised savings to customers, according to the settlement. Some consumers were even enrolled into plans without consent, and were then charged with early termination fees when they tried to end their contracts.

"Deceiving New Yorkers into spending more money to keep the lights on and the heat running is unacceptable and illegal," said Attorney General Letitia James (D). "Major Energy overcharged New Yorkers for essential services through false promises and aggressive sales tactics."

Major Energy didn't immediately respond to a request for comment.

1. The settlement resolves a lawsuit brought by James in January.
2. The lawsuit's resolution is part of a long-standing investigation of energy service companies, which has recovered \$5.6 million from such businesses since 2019, according to James' office.
3. Along with the financial restitution for wronged customers, Major Energy is required to properly train customer service representatives, record phone calls that result in sales, not use misleading marketing to imply savings, and regularly monitor sales calls.
4. Consumers can purchase gas and electricity either directly from utility companies or through contracts from energy service companies, who purchase energy on the open market. The New York Public Service Commission regulates both.

To contact the reporter on this story: Zach Bright at zbright@bloombergindustry.com

To contact the editor responsible for this story: Renee Schoof at rschoof@bloombergindustry.com

 **Documents**

Settlement

[Consent Agreement](#)

Related Articles

[N.Y. Governor Vetoes Air Quality Bill Saying it's 'Duplicative'](#) Dec. 12, 2022, 10:27 AM

Topics

- settlements
- restitution
- telemarketing
- unfair and deceptive trade practices
- sales representatives
- termination of government contracts
- energy
- public utilities

© 2023 Bloomberg Industry Group, Inc. All Rights Reserved