

## Safe Exit Strategy from Energy Deal

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*By Ellen Roseman*

A person comes to your door, asking to see your energy bills and offering to help you save money.

You express interest and sign a form, not realizing you may be locking yourself into a long-term contract at higher prices than what you currently pay.

That was the scenario I heard from dozens of people who read my Jan. 30 column, "Hazards of buying energy at the door."

Most contacted me by phone, not email as usual, and many were seniors. I heard from three women in their mid-80s and a caregiver for a woman who was 93, all within an hour.

If I weren't already concerned about misleading pitches by door-to-door energy sellers, I would be now after getting such an onslaught.

Luckily, I've helped many people get out of their contracts after contacting the corporate head offices.

So, as an expert on exiting energy deals without penalties, here's my advice. [Clip and save for future reference.](#)

- *You must receive a copy of the contract you've agreed to, including all terms and conditions. If the gas or electricity seller doesn't provide one within 40 days, your contract will no longer be in effect.*
- *After receiving the contract, you have a 10-day cooling off period to change your mind. If you have any doubts about enrolling, do it quickly – and in writing.*
- *Once the cooling off period has ended, the retailer will contact you by phone to see if you still want to go ahead. This call will be recorded and used as evidence against you if you change your mind later about signing a fixed-price contract.*
- *You don't have to reaffirm by phone if a) you contacted the retailer asking to be signed up, (b) responded to a direct mail campaign or (c) signed an online agreement.*
- *Once you agree (or your spouse agrees) by phone to go ahead, you probably can't get out without paying a fee. The early cancellation charge can be quite onerous – as high as \$2,617.91 for one reader who has electric heating.*
- *Do your research before agreeing to an energy deal. Call your current supplier and find out the rate you're paying, so you can compare it to the contract price.*
- *You can see what the regulated utility price is in your area and the offers from unregulated sellers at [www.energyshop.com](http://www.energyshop.com).*
- *Don't wait until you get your first bill with the new rate. By then, it's probably too late to cancel without a stiff penalty.*

One seller I know of, Ontario Energy Savings Corp., allows customers a fee-free exit if they change their minds after getting their first bill. That's a progressive policy and relatively rare.

If you're a senior, make sure to say so. Some companies will release older customers from contracts without an argument, especially if it's clear they were confused when signing.

Don't be surprised if energy sellers are unsympathetic to cancellation requests once the deadline has passed. Even if you think you were deceived, you can't bring a complaint six months after signing.

Never use the line, "I thought I would save money and I'm not." This is irrelevant. You're paying a large premium for a long-term fixed rate and hoping to profit in the future if regulated energy prices go up. It's a gamble, despite what the agent may say at the door about sure-fire savings.

If you still have questions or complaints about energy marketers, call the *Ontario Energy Board*:

1-877-632-2727 or 416-314-2455 in Toronto. You can send emails to [info@oeb.gov.on.ca](mailto:info@oeb.gov.on.ca).

*Ellen Roseman's column appears Wednesday, Saturday and Sunday.*

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