### STATE OF NEW YORK

### **PUBLIC SERVICE COMMISSION**

In the Matter of Eligibility Criteria	)	Case 15-M-0180	
for Energy Services Companies	)		
<b>Proceeding on Motion of the Commission to</b>	)	Case 12-M-0476	
<b>Assess Certain Aspects of the Residential and</b>	)		
Small Non-residential Retail Energy Markets	)		
in New York State	)		
In the Matter of Retail Access Business Rules	)	Case 98-M-1343	

### INITIAL TESTIMONY OF DANIEL SINGER

Submitted By: Robison Energy, LLC d/b/a Original Energy SEPTEMBER 15, 2017

/s/ Natara G. Feller

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Original Energy

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1		I. <u>INTRODUCTION</u>
2	Q.	Please state your name and business address?
3	A.	Daniel Singer, and my business address is 500 Executive Blvd. Elmsford,
4		NY 10523
5	Q.	Mr. Singer, by whom are you employed and in what capacity?
6	A.	I am employed by Robison Energy, LLC ("Robison") as Co-President.
7	Q.	How long have you been employed by Robison?
8	A.	I have been employed by Robison for 21 years.
9	Q.	Please generally describe your current responsibilities and professional
10		experience.
11	A.	My responsibilities as Co-President include my duties include but are not
12		limited to, oversight of finance, product supply (including power and
13		natural gas), human resources, information technology, and logistics.
14	Q.	Have you previously submitted testimony on behalf of Robison before the
15		New York Public Service Commission ("Commission")?
16	A.	No.
17	Q.	Please describe Robison.
18	A.	Robison Energy is a New York-based, third-generation, family-owned
19		energy company. Robison Energy has operated in New York for nearly
20		ninety years, serving all grades of heating oil, biofuels, natural gas,
21		electricity, renewable sources of energy, HVAC services, and energy

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1		performance services to both residential and commercial customers in
2		New York since 1927.
3		II. PURPOSE OF TESTIMONY
4	Q.	What is the primary purpose of your testimony?
5	A.	The primary purpose of my testimony is offer the point of view of a local,
6		family-run ESCO that has focused its service offerings to customers in the
7		greater-NYC area since the ESCO market was first established in area
8		since 1998.
9	Q.	Why did Robison decide to participate in this proceeding as a party?
10	A.	To protect our customer's choice to enroll with Robison. I think it is very
11		important that customers are able to choose who they want to do business
12		with, and what type of services they want to sign up for. Some of the
13		changes being considered in this proceeding will severely limit retail
14		customers options, and could even eliminate a retail customer's ability to
15		choose a supplier other than their local utility
16		III. TESTIMONY
17	Q.	Why did Robison enter the ESCO market?
18	A.	In 1998, Robison assessed that, as a heating oil supplier and HVAC
19		service company, the idea of selling natural gas supply in combination
20		with HVAC service to homeowners made perfect sense. Homeowners that
21		buy heating oil, have always participated in a free market and choose their

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#### Testimony of Daniel Singer

suppliers freely based on their own individual needs. Some heating oil customers choose to pay a little more for their product, but prefer the fullservice experience. Others shop for the lowest price. The market works perfectly; competition drives the price down and levels of service up. The notion that a natural gas customer could enjoy that same customer experience and choose a supplier based on their priorities greatly appealed to Robison's existing business model. Robison made the decision to pursue this opportunity and participated in the market deregulation since the debut of Phase I in 1998. Q. Has Robison relied on programs developed by the Commission to incentivize development of the ESCO market? A. By the end of 2006, Robison was involved in two referral programs, absorbing all the associated costs as a result. Robison relied on Commission approval of these programs concerning their validity and longevity in its decision to invest in them. The Con-Edison website and other marketing materials induced Robison to believe that this was going to be a viable business and would justify its redirection of funds and resources from our existing business as well as personally secured money to the growth of an energy services company. By 2008, Robison had assumed all the costs of marketing to residential and small commercial customers and through these efforts had attracted thousands of customers.

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### Testimony of Daniel Singer

Robison's choice to invest in the ESCO line of business was, in part, due to the infrastructure architecture designed by the Commission. Robison was induced to make investments and build its ESCO business in part by the incentives and structure supported by the Commission. Robison changed its business model over time to build commodity services into its other legacy services offerings and now the Commission is pulling away that very same foundation with its proposed restrictions. Robison invested millions of dollars in acquiring customers, and training and hiring staff to support these customers. Robison enjoys a strong relationship with its customers and employees, all of whom rely on the permanency of the deregulated markets. How does Robison's business model differ from that of the utility? In several ways. Robison offers customers the option to enjoy a commodity service experience very different than that customers would receive from the utility. Whereas customers who receive service from the utility receive just that – nothing more, nothing less - Robison's customers have the option of receiving a full range of energy management, supply and other related Robison Services. In sum, commodity service is a component of the overall package of services Robison offers to customers. Why do you think customers choose Robison?

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1 A. Because they know who we are, and are confident that we will deliver the 2 high-quality service they sign up for. Robison is a local fixture in the 3 Westchester County, NY community. We are a family owned company 4 that has been around for 94 years. Our Company is deeply connected to 5 the local community through Company programs that support local little 6 league teams, community activities and local charitable events. Owners 7 and officers of our Company sit on local non-profit boards, and are active 8 participants in the community. People like doing business with people and 9 companies that they know and trust. 10 Q. What kinds of "customer experience" does Robison offer? 11 A. Robison offers a variety of services that respond to multiple needs a 12 customer has for managing their energy needs and maintaining a comfortable and healthy climate in their home. We bundle electricity 13 14 and/or natural gas commodity service with a variety of service options 15 aimed to meet a customer's home comfort needs, such as: a free one-year 16 service contract on heating equipment when the customers sign for natural 17 gas; a free home energy performance review; discounted air-conditioning 18 and plumbing services; 24/7 live call center for heating emergencies with 19 technicians scheduled 24 hours per day to respond within three hours, day 20 or night; and a full web and mobile site for ease of communication and 21 account review.

1	Q.	What do you think is the most effective way for the DPS to oversee
2		ESCOs?
3	A.	Robison supports the Commission's objective to "address the unfair
4		business practices currently found in the energy services industry and to
5		ensure residential customers are receiving value from the retail energy
6		markets." However, any attempt by the Commission to address
7		"unscrupulous" ESCOs should be narrowly tailored so as not to adversely
8		impact companies with positive histories of compliance that are providing
9		desired services to their local communities. We support the Commission's
10		goals to increase transparency and customer education, and engage in
11		those practices ourselves; but a customer's right to choose who they do
12		business should not be impaired. Limiting the customer's access to
13		products and their ability to make informed decisions on which products
14		are most suited to their individual needs is detrimental to the customer,
15		and flies in the face of the retail power and natural gas markets developed
16		over the past (almost) twenty years.
17	Q.	Do you think the way in which utilities and ESCOs work together could
18		be improved?
19	A.	Yes. There is a lack of communication within the utility regarding ESCO
20		issues. For example, recently there was an issue with the Con Edison gas
21		storage charge. At first, this charge was going to be passed on directly to

1		the customer through the transportation charge. Then, it was decided that
2		the cost would be passed on to the ESCO, which would then have to
3		decide whether and how to pass this cost on to their customers. I do not
4		think that ConEd informed its customer service representatives about this
5		change. Educating the utilities' customer service representatives is key to
6		ensuring transparency in the marketplace. Otherwise, customers could be
7		confused as to why certain changes occurred in their bills.
8	Q.	How can utilities communicate better?
9	A.	Sometimes there is so much communication that it is difficult to determine
10		what is important and what is not. As a small business, Robison has
11		limited resources and cannot dedicate a team member to utility matters.
12		We would have to hire an outside consultant, which would impact our
13		ability to continue to do business.
14	Q.	Have the utilities made changes that benefit ESCOs?
15	A.	Yes, they have, but there is room for further collaboration and
16		improvement.
17	Q.	Do you agree with the Commission's approach to differentiating customer
18		classes?
19	A.	No. I feel strongly that all commercial customers should be treated as
20		"sophisticated parties" as these are business people who routinely engage
21		in business contracts, etc. I am concerned the consumer protection

1		measures being considered for the commercial customers characterized
2		"mass market" will only serve to limit these customers' choices.
3	Q.	The PSC defined natural gas small commercial customers as 750dTh/year
4		or less. Do you agree with this definition?
5	A.	First off, I do not agree that commercial customers should be treated like
6		residential customers. However, if the Commission is going to establish a
7		threshold for small commercial natural gas customers, I find the suggested
8		threshold for the definition of small non-residential customer as at less
9		than or equal to 750 dekatherms per year, to be very high. 500dTh/year is
10		consistent with other states, such as Illinois, Kentucky, New Jersey, and
11		Ohio.
12	Q.	Does this conclude your testimony?
13	A.	Yes.