Utility Scams

Fraudsters are constantly looking for new stories and lies to tell their victims in order to gain access to their hard-earned money. A popular scam making its rounds this summer involves telephone calls and emails from scammers who claim to be working for your power company.

This utility scam has taken two forms. The first involves live callers telling customers that their power will be shut off due to an unpaid balance on a previous month’s bill. In order to avoid any interruption in services, the scammers say that they must receive immediate payment to satisfy the deficiency. The scammers try to get customers to send their payment using a pre-paid debit card (like a Green Dot MoneyPak card). This type of transaction clears the victim’s account immediate and it is difficult to trace, much like a cash payment.

The second type of utility scam uses a robocall system that promises customers that they can save money on their monthly bills. The pre-recorded message promises that by enrolling in a new billing service, the customer will receive immediate billing discounts. If the customer shows any signs of interest, they are transferred to a “live representative” who asks for the customer’s personal information to verify their account. Once the customer has given their information, they are a prime target for identity theft.

The Better Business Bureau has received numerous complaints about this type of scam. To avoid it, the BBB recommends that customers:

- Be suspicious of callers who demand immediate payment for any reason.
- Never give out personal or financial information to anyone who calls or emails you, regardless of who they say they work for.
- Never wire money or provide debit or credit card numbers to someone you do not know, especially if you have not verified whether they actually work for your utility company.
- Call the number on your utility company bill to find out if there is a problem with your account.

For more information on consumer fraud and scams, including helpful preventative tips and contact information for other community resources, contact Stetson University College of Law’s Elder Consumer Protection Program by e-mail at elderconsumers@law.stetson.edu, or by telephone at (727) 562-7888.