



FEATURE STORY • SEPTEMBER 4, 2009

Electric Co-ops Warn Members Against Fraud

By Derrill Holly

You will be disconnected if you don't provide your credit card information," said the insistent caller, demanding the account number from a co-op consumer-member early this summer.

Unfortunately, the elderly woman who gave in to the demand didn't find out until later that the aggressive caller did not represent Janesville, Wis.-based Rock Energy Cooperative.

"She gave the caller her Social Security number, her maiden name and her credit card information," said Barbara Uebelacker, the co-op's communications specialist. "She could be a victim of identity theft down the road."

Similar reports are coming in from co-ops across the country.

"The daughter of an elderly consumer-member was visiting when a

caller claiming to represent the electric company called to demand payment; she refused to give them anything," said Steve Moore, member services manager of West Central Electric Coop, Higginsville, Mo., recalling a case in his service territory.

"In today's economy, it's not surprising that we are seeing an uptick in identity-theft and other fraud schemes," said Tracey Steiner, NRECA senior corporate counsel, who tracks consumer protection legal issues for the association.

The problem prompted a call to action to Iowa's electric co-ops from the Iowa Association of Electric Cooperatives in *Electrigrum*, the statewide's weekly publication.

"We encourage all statewide co-ops to inform members on how to protect themselves from fraudulent callers," said Brian Kading, executive vice president and general man-

ager of the statewide. Articles warning of the threat have appeared in several co-op publications in Iowa over the past year.

In recent months, a variation on the scam has involved vague references to federal stimulus dollars.

In Georgia, Sawnee Electric Membership Corp., Cumming, and Jackson Electric Membership Corp., Jefferson, have heard from members who've been encouraged to apply for grants of up to \$350 to help senior citizens and low income consumer-members pay their utility bills.

"We don't know of any such program and we're telling our consumer-members not to give out any information because the callers are trying to get their account numbers," said Brent Cochran, Jackson EMC's director of customer service. "People need to report such calls to their co-ops and to their local authorities." □

