

Avoid Utility Scams

By ANNA CHANG-YEN | Green Shoot Media

If you own a home, you've probably been the target of some type of scam. Criminals target homeowners under a variety of guises, from mortgage fraud to "helping" homeowners get a copy of the deed to their home.

An old ruse that's been reported more frequently over the past several months by homeowners and renters alike centers on utility bills.

A GRAVE THREAT

The scam involves homeowners receiving a call from someone purporting to be from a well-known utility company, such as ConEd, Consumers Energy or a made-up company. The scammers tell consumers they are behind on their bill and threaten to turn off the utility service unless a large sum of money is paid immediately. The scammers will then offer to set up a payment plan and take the first payment over the phone.

According to Forbes.com, the scam is particularly effective because many people trust their utility companies and because the threat of losing utility service can make consumers feel desperate. Forbes urges people to beware any caller who requests payment by prepaid debit card or wire transfer, as scammers prefer these types of payments that are difficult for law



enforcement to trace.

Small businesses and the elderly are frequently the targets of this type of scam. Power company FirstEnergy Corp. reminds consumers that they will receive written notice before their power is turned off for non-payment.

According to FirstEnergy Corp., scammers also sometimes make contact by email. Utility companies will never request personal information via email.

FACT OR FICTION?

The utility also warns that even if a call appears to be

from a legitimate company, it could still be nefarious, as scammers are able to use false caller ID information. Scammers may even go as far as setting up a toll-free number that seems to feature utility company messaging to make it seem legitimate. Another common tactic of scammers is using the utility's logo on clothing, emails and other materials.

HOW TO RESPOND

Forbes.com recommends hanging up the phone if you feel pressured by a caller to make a payment immediately.

You should call your utility company using the customer service phone numbers listed on your statement or on the company's website to confirm the status of your account.

Natural gas utility Nicor advises its customers to verify a call's legitimacy by requesting that the caller confirm specific information about your account, such as the date and amount of your last payment or your account number. Even if the caller seems to have some of your personal information, ask for specifics to your account that only you and the utility company would

REAL ESTATE 101

Beware the Energy Audit Scam

The Better Business Bureau is warning consumers about a scam in which someone calls or stops by offering a free or very inexpensive home energy audit.

The "auditor" may poke around the home a bit and then recommend an expensive solar blanket or construction project. Scammers also might ask for homeowners to pay up front in exchange for securing a rebate or grant that does not exist. Visit <http://go.bbb.org/2mxK2Bb> to learn more.

know.

Do not click on any links in an email you suspect could be from a scammer, as it could contain a virus. Instead, go directly to the utility's website and log into its online account center to check the status of your account.

If you think you have been the victim of a utility scam, call local law enforcement to report the incident. You also can file a report with the U.S. Department of Justice Financial Fraud Enforcement Task Force at www.stopfraud.gov.



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HOMESWISE GLOSSARY

Truth-In-Lending Act (TILA): A federal law that requires disclosure of a truth-in-lending statement for consumer credit. The statement includes a summary of the total cost of credit, such as the annual percentage rate (APR) and other specifics of the credit.

SOURCE: Federal Trade Commission

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