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Consumers cautioned about power saving device

Edmonton... Consumers are warned about a potential scam involving a small device that purportedly reduces electricity costs simply by plugging it into a household socket.

“We are all looking for ways to save on our bills, but this is something that could cost you more and have little or no benefit,” said Service Alberta Minister Heather Klimchuk, responsible for consumer protection. “As in almost all cases, the old advice is best: if it sounds too good to be true, it probably is.”

Service Alberta is investigating complaints from consumers concerned about telemarketers and door-to-door sales agents selling a device called the “Hydro Power Saver.” The price ranges from \$189 to more than \$350 and the call mentions the website www.powersavercanada.com. Both the website and sales staff claim the unit can produce cost savings of 30 per cent or more, but do not provide any proof or testing to prove this statement.

Some consumers have allegedly been told the device is required by the Canadian government and that their bills could increase \$100 per month or their electricity may be disconnected if they do not buy it. The company, which is not licensed in Alberta as a direct seller, has also allegedly told consumers it will ship the device and the consumer must pay for it, even if they refuse the sale.

In Alberta, most businesses that sell door-to-door must be licensed by Service Alberta and post a security. Salespeople must carry identification that includes their business licence number.

It is an offence under the *Fair Trading Act* to mislead or deceive consumers. Negative option practices, such as charging a consumer for a product they did not agree to buy, are also offences. Penalties include a maximum fine of \$100,000 and up to two years in jail.

The devices are subject to the Electrical Code Regulation under Alberta’s *Safety Codes Act* and must be certified in order to be used in the province. For a list of acceptable certification organizations check www.municipalaffairs.alberta.ca/documents/ss/STANDATA/electrical/330-LEG-ECR-2unsigned.pdf

Consumers can read the *Unfair Practices and Dealing With Door-to-Door Sales* tipsheets on Service Alberta’s website at www.servicealberta.gov.ab.ca/ConsumerTipsheets.cfm for more information about their rights. To file a consumer complaint, contact Service Alberta at 1-877-427-4088 (toll-free in Alberta).

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