

AG reaches settlement on tank removals
NEAL P. GOSWAMI, Staff Writer
Article Launched: 06/20/2008 07:23:39 AM EDT

Friday, June 20

BENNINGTON — The Vermont Attorney General's Office has reached a settlement with Suburban Propane to reimburse customers that were wrongfully charged for tank removals, according to Attorney General William Sorrell.

Restitution

The agreement requires Suburban to provide restitution to residential customers in Vermont who were charged a tank removal fee from Jan. 1, 2004, to the present. According to Assistant Attorney General Julie Brill, Suburban charged customers fees for tank removal that were not specified in the contracts with customers.

"They were requiring consumers who wanted to switch from one propane company to another propane company to pay a fee to have tanks removed," Brill said.

She said customers who were charged that fee will receive the full amount of the tank removal fee imposed by Suburban and paid by the customer. For customers with an underground tank Suburban charged \$250. Above ground tanks were removed for \$35, she said.

The state is not aware of how many customers may have been affected by Suburban's actions, Brill said. Customers have until Aug. 5 to file a complaint.

"We're not sure exactly of the number of people this

Advertisement

have affected ... their records were not helpful in that issue, but we're estimating about 50 to 100," she said.

Suburban Spokesman Peter Teshima said Thursday that the agreement was a collaborative effort by Suburban and the state.

"Over the last several months Suburban Propane has worked closely and cooperatively with the Vermont Attorney General's office to reach this settlement agree. In reaching this settlement agreement, Suburban Propane did not admit to any wrongdoing but we did agree to work with the Vermont Attorney General's Office," Teshima said.

Brill said the practice of charging a removal fee is troubling because most propane companies will swap tanks with another provided when a customer changes providers.

"The company will call up and say, 'Hey, you can take our tank.' Suburban would

not do that, they would not swap tanks," Brill said.

She said the state's Consumer Fraud Act allows the Attorney General's Office to intervene and help resolve consumer fraud issues, allowing consumers to avoid legal costs.

If Suburban fails to follow through with the agreement the state can take the case to court, Brill said.

Sorrell said the agreement will help customers already dealing with rising fuel costs.

"With the price of propane and other heating fuel skyrocketing, the last thing that consumers should have to worry about is dealers charging unexpected fees," said Attorney General William Sorrell. "This settlement represents our continued efforts to ensure that propane and heating fuel dealers treat consumers fairly."

Brill said Suburban is also required to stop charging fees for tank removal from customers' property when a residential customer chooses to end its relationship with Suburban unless Suburban's contract with the residential customer explicitly allows for such tank removal fees.

The agreement will allow Suburban to charge new customers a reasonable tank removal fee for three-year period from the date a contract with Suburban is signed. The contract must "clearly and conspicuously" set forth a fee schedule for tank removal services for that three year period.

After three years, Suburban is not allowed to charge its residential customers a tank removal fee, according to Brill.

Customers who file a complaint and are found to be owed money by Suburban should receive compensation within a few months, Brill said.