

Keene company closes

AG's office handling complaints about oil business

By Casey Farrar

Sentinel Staff

Thursday, March 3, 2011

Customers of a Keene oil company that unexpectedly closed last month are being directed to contact the N.H. Attorney General's office with complaints.

State consumer protection officials were notified Feb. 25 that Jackson Energy LLC was closed, according to Senior Assistant Attorney General Connie Stratton of the agency's Consumer Protection and Antitrust Bureau.

The company's owner, Bradley C. Jackson of Jaffrey, died Feb. 17, according to his obituary.

Although the date of the company's closure is unclear, some customers have reported that it stopped delivering oil shortly after Jackson's death.

Customers of the company, including at least one Monadnock Region municipality and a handful of school districts, say they were not notified by company officials of the closure.

Many only learned of it when they ran out of heating oil, and other oil companies in the area have reported making emergency deliveries to customers with automatic delivery accounts who ran out of oil.

A woman inside the company's locked office Wednesday afternoon declined to comment on the closure. A call for comment was not returned.

Late Wednesday, the company's answering machine message was changed to say, "Jackson Energy is closed. Customers should make alternative arrangements for delivery. No further information is available at this time."

Stratton said state officials are looking into the closure and have received a couple of complaints, which must be submitted in writing.

"Our office reviews complaints and will send a letter to the consumer," she said. "We will keep the customers updated."

State officials have not yet determined how many customers are affected or how they will deal with customers who have money in their automatic delivery and pre-buy accounts with the company, Stratton said.

The company offered home heating oil, kerosene and diesel for industrial and agriculture uses to residential and commercial customers, according to its website.

It delivered to 27 communities in the Monadnock Region, according to the website.

Oil could be purchased with a monthly “budget” account, in which customers pay a monthly fee and oil is automatically delivered on an as-needed basis.

Some customers, including five school districts in N.H. School Administrative Unit 29 and the town of Chesterfield, have pre-buy contracts with the company.

Chesterfield Town Administrator Rick Carrier said the town has an account balance of about \$10,000 with Jackson Energy for contracts covering the town hall, library, fire station and historical society buildings.

Town officials learned something was wrong on Feb. 22, when the town hall ran out of oil, Carrier said.

“After numerous calls without any response I started calling around and heard that it closed,” Carrier said.

Town officials got an emergency oil delivery from another company and will monitor the oil levels in town buildings and purchase oil when needed, he said.

The town’s attorney has been in contact with the Attorney General’s Office about the closure, Carrier said.

Timothy L. Ruehr, business administrator for towns in Unit 29, said he learned of the closure from Carrier.

The Chesterfield, Harrisville, Marlow, Nelson and Westmoreland school districts had contracts with the company, he said.

Keene and Marlborough, the other districts in the unit, did not, according to school district officials.

The school district contracts required payment of the first half of the cost up front, with later payments made on delivery, Ruehr said.

All of the districts except Nelson had account balances with the company, which combined total more than \$24,500, Ruehr said.

Unit officials have arranged to purchase oil when needed from Chabot Oil at a discounted rate throughout the rest of the heating season, Ruehr said.

The unit’s attorney has been in touch with the Attorney General’s Office, Ruehr said.

But even if officials are able to recover the money, the change in oil companies will affect districts' budgets, Ruehr said.

"For us, our budget's fixed," Ruehr said. "It's kind of a big hit. Now it'll be whatever the spot price is minus a discount."

Most of the districts pre-bought oil at \$2.359 per gallon and current rates are "upwards of \$2.50," Ruehr said.

Customers with budget plans also have money tied up in the company.

Kate Bosley, who owns a real estate company with her husband that leases several apartments, said she learned of the company's closure after a tenant's oil tank ran dry.

After unsuccessful attempts to contact the company, she had an emergency oil delivery from another company, Bosley said.

She's looking into whether she'll be able to get money back from her account, but said she empathizes with company officials and her thoughts are with Jackson's family.

The company started in 2007 and was based in Jaffrey until 2008, when it moved to its current location on Central Square in Keene, according to documents filed with the N.H. Secretary of State.

Consumer complaints must be filed in writing with the N.H. Attorney General's Office. Complaint forms can be downloaded online at www.doj.nh.gov/consumer.

For questions about filing a complaint, call 888-468-4454 on weekdays from 9 a.m. to 3 p.m.

Casey Farrar can be reached at 352-1234, extension 1435, or cfarrar@keenesentinel.com.