

New research shows door-to-door water heater sales tactics are a significant problem in Ontario; 65 per cent of consumers pay more when they switch water heater providers

TORONTO, Tuesday, June 7, 2011 – Results of a recent survey conducted by Pollara and released today find that aggressive and questionable door-to-door water heater sales tactics have become a significant problem for Ontario residents.

The online survey was commissioned by EnerCare Inc. and received 1,203 responses during January and February 2011. Pollara, a leading polling company, was tasked with conducting quantitative research among Ontarians to understand consumers' familiarity and experiences with unsolicited water heater door-to-door salespeople. The report, entitled *The Truth About Door-to-Door Water Heater Sales Tactics* in Ontario, was released today.

EnerCare was motivated to commission this research after receiving feedback from customers that they were potentially being misled at the door and feeling pressured to sign new, long-term water heater rental contracts without understanding their rights as a consumer or even which company they were dealing with.

The Pollara survey results find that 41 per cent of Ontario residents have received an unsolicited door-to-door water heater sales visit in the past year.

"The results of this survey conclude that many consumers are feeling pressured by door-to-door water heater sales agents," said Barry Zeidenberg, Director of Marketing, EnerCare. "Further, consumers are making decisions to switch providers based on misinformation or a lack of information and we find this completely unacceptable."

Residents' experiences with these door-to-door water heater salespeople are decidedly negative with many respondents reporting sales tactics that are aggressive and intrusive, including asking to see the current energy bill and saying they needed to come into the home. Of particular interest is the fact that only 20 per cent of respondents said that door-to-door water heater salespeople identified the company they represented. Further, 23 per cent of respondents believed they had been approached by Direct Energy or Enbridge – neither of which solicit water heater sales door-to-door – and 45 per cent could not identify which company the salespeople represented.

According to Zeidenberg, these findings are a clear indication that water heater door-to-door salespeople are not communicating with consumers in a transparent manner.

Other key findings include:

- 65 per cent of consumers who switched providers saw their monthly water heater rental charge increase, 75 per cent of them by at least \$3 per month;
- Only seven per cent of salespeople took the time to explain all aspects of the contract;
- Only five per cent of salespeople answered all questions;
- More than four-in-10 (41 per cent) residents said the salesperson was pushy and pressured them to sign the contract;
- More than half (54 per cent) of salespeople asked to see the residents' current energy bill;
- Half of salespeople claimed the new water heater would save money; and
- Almost half (44 per cent) of salespeople said they needed entry into the home.

When asked whether the door-to-door water heater salesperson they dealt with explained that Ontario's Consumer Protection Act provides 10 days for consumers to cancel the contract they signed without incurring a penalty of any kind, only one quarter of respondents said this information had been disclosed.

"By issuing the results of this survey, it is our hope that Ontario consumers will be on alert and, as a result, better able to make an informed decision when dealing with these agents at the door," said Zeidenberg.

He continued: "We have no issue with consumers switching providers as long as they're doing so because they've been presented with all of the necessary facts and information.

"The results of this survey, however, show this often isn't the case."

Of the 34 per cent of respondents who are aware of questionable door-to-door water heater sales tactics, 90 per cent agree that more regulation is needed. This could include requiring salespeople to inform consumers about key contract terms, including the length of the contract term, fee charges to terminate the contract before the end of the term, their 10-day contract cancellation rights, and requiring salespeople to identify the company they represent and indicating that they do not represent a government utility or entity.

"We have launched the next wave of our Ignore the Door campaign. This campaign will include marketing, advertising, social media and public relations initiatives across the province. We will continue these efforts so that consumers have access to the information they need before deciding whether to switch providers or retain their current provider."

EnerCare and EnerCare Solutions Inc. own a portfolio of approximately 1.3 million installed water heaters and other assets, rented primarily to residential customers in Ontario. EnerCare also owns EnerCare Connections Inc. and Stratacon Inc., leading suite sub-metering companies, with metering contracts for condominium and apartment suites in Alberta, Ontario and elsewhere in Canada.

Pollara's survey results are considered accurate $\pm 2.83\%$ nineteen times out of twenty.

For further information or a copy of the Pollara report, please contact:

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