What You Need to Know About Utility Scams

A convincing imposter scam has been reported to the Federal Trade Commission recently, and it involves scammers calling victims and claiming to be from utility companies.

How does this scam work?
Scammers are calling intended victims and claiming to work for utility companies. The person calling tells the victim that there is a past due balance and utilities will be shut off if the victim does not pay “the bill” immediately, whether it’s for electricity, water or another utility.

The victim may even think the bill was already paid, but the caller sounds so convincing the person pays their supposed “past due balance.” Instead of paying a bill, the victim unknowingly just put money in a criminal’s pocket.

How do I protect myself?
If you know you’ve already paid the bill, stop the call. Even if the caller is convincing, this is a huge red flag. If you get a call like this, hang up and call your utility company directly if you’re concerned your account could actually be past due. Make sure to use the contact information you already have or find on your own for your company and not contact info the caller gives you.

Don’t give out your bank information over the phone. Utility companies don’t demand bank information over the phone, and they don’t offer it as the only payment option.

If the caller demands payment by gift card, cryptocurrency or wire transfer, that is another big red flag. These payment options are hard to trace, and no legitimate utility company will demand they be used for payments.

What if I’m a victim?
Report all fraud to your local law enforcement agency’s non-emergency number. If you believe someone is in danger, call 911. Report scams and financial abuse to the state attorney general, and file a complaint with the Federal Trade Commission at ftc.gov/complaint.