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ICC Policy Session Explores New Rules and Consumer Tools for Selecting Retail Energy

Chicago, IL...The Illinois Commerce Commission on Wednesday hosted a policy session to examine new sales and marketing regulatory rules imposed on Retail Electric Suppliers (RESs), and to provide helpful tips for consumers when engaging with RESs. The session titled, "Retail Electric Suppliers: Best Practices & Consumer Protections" is the third installment of Illinois' Power Meter, a forum originated by Commissioner Sadzi Martha Oliva, to provide a reading on Illinois' electricity system, market and industry.

In October 2017, the ICC adopted amendments to Part 412 of its Rules, which strengthened consumer protection requirements in order to ensure that the necessary awareness and transparency exist in the transactions taking place between consumers and RESs and that the market functions as intended. The sharp increase in public complaints regarding a spike in electricity prices during the "polar vortex" winter of 2013-2014, led the Commission to investigate the marketing practices of retail electric suppliers and prompted the rule changes.

"With nearly 1.8 million residential customers receiving power from a Retail Electric Supplier, it is important consumers are equipped with the necessary tools to make informed choices and that RESs comply with relevant marketing and disclosure rules," explains Commissioner Sadzi Martha Oliva. "Dedicating a policy session to raise awareness about the rules, highlighting best practices exercised by RESs, and featuring tips for consumer to use when engaging with suppliers will help ensure that the intended effect of the Commission's rules reaches the consumer."

The first segment, titled: "Sales and Marketing Standards and Best Practices," discussed the Illinois retail electric choice market, the new rules, and how the changes impact customers. The panel included representatives from the ICC, trade associations- Illinois Competitive Energy Association (ICEA) and Retail Electric Supplier Association (RESA), and retail electric supplier, IGS Energy.

According to ICC Director of the Office of Retail Market Development Jean Gibson, Illinois is one of 16 states that offer electric choice. The ICC is responsible for promoting the retail market and ensuring the availability of safe, reliable and affordable electric service for all Illinois customers. The ICC certifies RESs to allow them to provide service in Illinois to small business and retail customers and evaluates their performance in the market to ensure compliance with the rules.

“The heart of the new rules, which go into full compliance on May 1, is to ensure customers understand that they are engaging in a sales transaction and they have the information they need to make an informed decision. For instance, RES agents must clearly use their own company name and be sure that they do not represent themselves as the utility or a government agency when approaching potential customers about their services. The changes also clarify expected behaviors by agents at the point of interaction, and door-to-door agents must pass a criminal background check. Phone transactions that last over two-minutes will have to be recorded by the company, which will help the ICC investigate customer complaints,” said Gibson. “It is our hope these changes will inform and protect customers to make certain they are able to make the best decision when choosing an electric supplier.”

The second segment, titled: “Consumer Awareness and Tools,” featured representatives from the Citizens Utility Board (CUB) and AARP offering tips in Spanish, followed by the English translation, for consumers to utilize when working with and selecting a retail electric supplier.

"Because these practices affect all communities in Illinois, the industry must continue to evolve the way in which information is conveyed to ensure that the message is received," said Commissioner Sadzi Oliva. This is the first time a policy session featured a segment in Spanish.

A few consumer protection tips offered by the AARP and CUB include:

- Be careful about giving out personal information to strangers at your door claiming to be from the “electric company”. Do not give out account information or power bill unless you are absolutely sure you want to sign up for an offer.
- Ask lots of questions, like: What is the price and how does it compare to the current utility supply price? Is the price an introductory rate that will change in a month or two? Does the company charge a monthly fee? Does the company charge an exit fee?

If you have a consumer complaint you are encouraged to call the ICC’s Consumer Services Divisions at 1-800-524-0795. For consumer education resources provided by the ICC click [here](#), or visit the ICC website’s consumer information page [here](#). To access today’s policy session agenda and presentations, click [here](#).

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About the Illinois Commerce Commission

The Illinois Commerce Commission (ICC) is a quasi-judicial body made up of five Commissioners. Through its Public Utility Program, the Commission oversees the provision of adequate, reliable, efficient and safe utility services at the least possible cost to Illinois citizens served by electric, natural gas, telecommunications, water and sewer public utility companies. Through its Transportation Regulatory Program, the Commission oversees public safety and consumer protection

programs with regard to intrastate commercial motor carriers of general freight, household goods movers, relocation towers, safety towers, personal property warehouses and repossession agencies. The Commission's Rail Safety Program also inspects and regulates the general safety of railroad tracks, facilities and equipment in the state.

To learn more about the Commission, its offices and bureaus, click [here](#). If you are a consumer who needs help resolving a utility dispute call 800-524-0795 or file an online complaint [here](#). For a complaint related to transportation, call 217-782-6448.

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Quotes from Policy Session Participants

"In 2013 IGS internalized its sales force to enhance the customer experience and maintain complete control of its sales and marketing process. IGS' process is effective and has resulted in one of the lowest customer complaint rates in the state of Illinois (information based on data provided by Plug In Illinois' Retail Electric Supplier Complaint Scorecard for the most recent reporting period of May 2017 through October 2017)," said Michael Nugent, Regulatory Counsel for IGS Energy.

"The Illinois Competitive Energy Association commends the Commission for holding this first-ever Policy Session about the retail electric supplier industry and pledges to work with the Commission to improve the residential customer's experience with the competitive retail electric market," said ICEA President, Kevin Wright.

"RESA appreciates the opportunity to participate in this Illinois Power Meter Policy Session and looks forward to continued interaction with the Commission, its Staff, AARP, CUB and other interested parties in developing the competitive energy marketplace in Illinois for the benefit of Illinois customers," said Gerard Fox, Illinois Counsel for RESA.

"AARP believes a well-educated consumer will have the best opportunity at getting the lowest rates possible in the electric market. That is why we participate in workshops like this. We want to thank the ICC for hosting the event today and working to bring this information to the public," Ruby Haughton-Pitts, Director of Advocacy & Outreach for AARP Illinois.