



ICC Issues 14th Annual Report Analyzing Illinois Retail Electric Market

Chicago, IL - The Illinois Commerce Commission's Office of Retail Market Development (ORMD) has reissued a corrected version of its 14th Annual Report to the Commission, General Assembly, and the Governor describing the competitive retail electric market in Illinois. ORMD must prepare and submit the report each year as required by Section 20-110 of the "Retail Electric Competition Act of 2006."

The Report provides an overview of the current state of the retail market, including alternative retail electric suppliers (ARES) activity and customer switching trends. The study is divided into two main customer markets, non-residential and residential. An error was discovered in two formulas, which affected several numbers included in the original report issued on July 30, 2021. The formulas have been corrected and the numbers updated in italics within the report.

Market participation statewide from 2020 to 2021 decreased by 5.3% in the total number of customers served by ARES, with the largest decrease occurring among the residential class in ComEd's territory. An important factor to consider is that on March 18, 2020, the ICC placed a moratorium on in-person solicitation for all ARES. While the Emergency Orders declaring the moratorium have been amended to allow certain in-person solicitations to resume, door-to-door solicitations to residential and small commercial customers continue to be prohibited.

Despite the global shutdown caused by the Covid-19 pandemic, the Illinois market experienced a 6.4% increase in the amount of electricity being supplied by ARES in the marketplace. The largest increase occurred in the very large commercial class in ComEd's territory.

At the end of May 2021, 1.57 million residential customers were served by ARES, as compared to 1.67 million in 2020 and over 3 million seven years ago. The number of residential ComEd customers supplied by an ARES decreased year-over-year since May 2014. All three Ameren Residential Rate Zones saw a slight increase in the number of customers served by ARES in 2021. Ameren Residential Zone II has seen small annual increases since May of 2018.

The share of residential municipal aggregation customers decreased from 61% of all residential ARES customers in May 2020 to 57% as of May 2021. Of the 635,673 residential ARES customers in the Ameren Illinois areas, 78% are municipal aggregation customers. This is a 10 % increase compared to the 68% aggregation share from a year earlier. In the ComEd area, 43% of ARES customers are municipal aggregation customers, a decrease of 14% compared to 2020.

Overall, the number of ARES who have completed their registrations and are active participants increased in 2021. An ARES is considered "active" when the utility reports the ARES has at least one customer receiving supply, even if it is only to themselves or an affiliate.

Residential complaints to the ICC's Consumer Services Division (CSD) were down in 2021. CSD

received between 67-176 informal complaints per month for 29-39 ARES, down from 150-250 informal complaints per month for 30-45 ARES. These complaint numbers represent 0.004% - 0.01% of ARES customers per month.

A large decrease of 27% was reported among the number of newly licensed Agents, Brokers and Consultants (ABCs). The number of withdrawn licenses over the past two years may be in part due to enforcement measures by ORMD against ABCs who failed to meet state reporting requirements. In 2020, Staff opened a total of 83 ABC citation cases for failure to comply with the Commission's rules. Of the 83 dockets, 15 are still ongoing, and 68 are closed with results ranging from being dismissed, license revocation, or a suspension.

PlugInIllinois is the ICC's electric choice consumer education website, which is aimed at providing residential and small commercial customers with a better understanding of their electric supply options. Of the offers posted on PlugInIllinois.org for residential service in the ComEd service territory, 80% were fixed rate offers and 13% were variable rate offers (see page 23 of the report for details).

In 2019, Governor Pritzker signed into law the Home Energy Affordability and Transparency Act to expand consumer protections found in the Public Utility Act and the Consumer Fraud Act. As a result, Staff has initiated several rulemaking proceedings to ensure the Commission rules reflect changes brought by the HEAT Act.

In 2020, the ICC deployed additional staff resources to bolster enforcement efforts. ORMD staff, in collaboration with Staff from the Office of General Counsel and Consumer Services Division, regularly review informal complaints to ensure compliance with the Commission rules. Since then, the Commission has issued a Notice of Apparent Violation to several ARES and has initiated several formal investigative proceedings. Most recently, the Commission approved a settlement and release agreement in Docket No. 18-1773 regarding Great American Power. In the agreement, the Company has agreed to pay a \$325,000 penalty and stop marketing and enrolling customers in Illinois for five years.

The full ORMD Report is available [here](#) on the ICC website.

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