



Settlement Approved by ICC with National Gas & Electric to provide \$1.5 Million in customer relief

Chicago, IL – On October 21, 2021, the Illinois Commerce Commission voted to approve a settlement agreement under which National Gas & Electric, LLC, an alternative retail electric supplier, agreed to pay \$1.25 million in refunds to customers and \$250,000 for energy assistance for low-income residents. National Gas & Electric (NGE) also agreed to a Commission Compliance Plan which includes a three-year ban on marketing and enrollments in Illinois, and remediation steps to ensure appropriate behavior upon reentry in the market. The agreement was reached and signed by Commission Staff, the Illinois Attorney General, the Citizen’s Utility Board and NGE.

“The ICC is responsible for ensuring Illinois’ retail electricity market remains competitive and takes very seriously the enforcement of state laws and rules governing the industry. This settlement agreement and compliance plan is another example of our commitment to protect consumers while fostering a healthy retail market,” said ICC Executive Director Michael Merchant.

Customer refunds will be determined by multiplying the number of kilowatt-hours NGE flowed service to eligible customers by the refund amount per kilowatt-hour of service. Customers should expect to receive refund checks through the mail. As part of the agreement, NGE must hire an administrator, subject to approval by the Attorney General, to take all reasonable efforts to locate eligible customers, aid in the processing and mailing of checks, and ensure refunds are issued in a timely manner. NGE must also keep track of refund checks issued and cashed by customers and report back to the AG with the information every 90 days until December 2022. At the conclusion of this period, if refunds paid are less than the total refund amount, NGE must deposit the remaining funds into the State of Illinois Unclaimed Fund and provide the Attorney General with the names, telephone numbers and last known addresses of all eligible customers whose refund checks were not cashed.

NGE has also agreed to deposit \$250,000 into the Department of Commerce and Economic Opportunity Low Income Home Energy Assistance Program which helps qualified low-income residents afford their home energy bills. Anyone interested in learning more about the program and how to enroll visit the Illinois Department of Commerce and Economic Opportunity website [here](#).

The Commission initiated Docket No. 18-1653 on October 18, 2018, to investigate allegations of misconduct by NGE in connection with its customer sales, solicitation, marketing and enrollment practices, policies, procedures, and materials. In a charging document, Commission Staff alleged NGE allowed sales agents to use the utility name in a deceptive and misleading manner; failed to provide customers with printed Minimum Contract Terms and Conditions consistent with the requirements of Part 412; failed to prevent agents from using deceptive materials to incite Illinois consumers to enroll with NGE and failed to effectively monitor the sales and marketing activities of its agents.

Without an admission of criminal, civil, or any other liability, NGE voluntarily agreed as part of the settlement to undertake steps outlined in the accompanying Compliance Plan. These terms apply to activities undertaken by NGE, whether by an employee or a vendor, contractor, or any third-party authorized to represent the company in Illinois.

Conditions of the Compliance Plan include:

- A 36-month marketing and enrollment stand-down period in Illinois;
- The company will be allowed to maintain a website through which customers may directly enroll; and operate a consumer service line allowing customers to initiate enrollment through inbound calls. Customers may be contacted via the mail for renewal of service. NGE must provide the ICC with a list by month of new customers enrolled and existing customers reenrolled during the stand down period;
- The hiring of personnel to oversee compliance efforts. The company must develop policies and procedures to monitor sales activity and compliance with Illinois laws, rules and regulations;
- Staggered reentry into the Illinois market after the stand-down period;
- Prior to reentry into the Illinois market, the company must submit a Reengagement plan for review by the ICC Staff, including an updated organizational chart, list of third-party vendors, a detailed timeline, and an enrollment validation confirmation process to prevent unauthorized enrollments or duplication of customer information;
- The company must submit the marketing and advertising messages NGE intends to use; description of targeted media placements; description of the salesforce to be engaged; dates on which training for sales agents will be conducted; and a list of languages, other than English, in which NGE intends to solicit;
- Submission of company marketing and sales agent training materials for review by ICC Staff;
- NGE shall record all telephone conversations with customers and retain the recordings of calls that do not lead to an enrollment for a period of six months; and a period of two years for calls that lead to an enrollment;
- Limitations on third-party vendors hired to market in Illinois;
- All training of sales agents must be conducted by a qualified individual and all training sessions must be recorded and retained by the company; and
- The submission of voluntary quarterly compliance filings.

In the event NGE fails to comply with any terms of settlement, Staff, CUB, or the AG may request the Commission reopen the docket. Copies of the Commission's Order approving the signed settlement agreement and release and compliance plan can be read [here](#).

###

