

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by changing
5 Sections 19-105, 19-110, 19-115, 19-120, and 19-125 as follows:

6 (220 ILCS 5/19-105)

7 Sec. 19-105. Definitions. For the purposes of this Article,
8 the following terms shall be defined as set forth in this
9 Section.

10 "Alternative gas supplier" means every person,
11 cooperative, corporation, municipal corporation, company,
12 association, joint stock company or association, firm,
13 partnership, individual, or other entity, their lessees,
14 trustees, or receivers appointed by any court whatsoever, that
15 offers gas for sale, lease, or in exchange for other value
16 received to one or more customers, or that engages in the
17 furnishing of gas to one or more customers, and shall include
18 affiliated interests of a gas utility, resellers, aggregators
19 and marketers, but shall not include (i) gas utilities (or any
20 agent of the gas utility to the extent the gas utility provides
21 tariffed services to customers through an agent); (ii) public
22 utilities that are owned and operated by any political
23 subdivision, public institution of higher education or

1 municipal corporation of this State, or public utilities that
2 are owned by a political subdivision, public institution of
3 higher education, or municipal corporation and operated by any
4 of its lessees or operating agents; (iii) natural gas
5 cooperatives that are not-for-profit corporations operated for
6 the purpose of administering, on a cooperative basis, the
7 furnishing of natural gas for the benefit of their members who
8 are consumers of natural gas; and (iv) the ownership or
9 operation of a facility that sells compressed natural gas at
10 retail to the public for use only as a motor vehicle fuel and
11 the selling of compressed natural gas at retail to the public
12 for use only as a motor vehicle fuel.

13 "Gas utility" means a public utility, as defined in Section
14 3-105 of this Act, that has a franchise, license, permit, or
15 right to furnish or sell gas or transportation services to
16 customers within a service area.

17 "Residential customer" means a customer who receives gas
18 utility service for household purposes distributed to a
19 dwelling of 2 or fewer units which is billed under a
20 residential rate or gas utility service for household purposes
21 distributed to a dwelling unit or units which is billed under a
22 residential rate and is registered by a separate meter for each
23 dwelling unit.

24 "Sales agent" means any employee, agent, independent
25 contractor, consultant, or other person that solicits
26 customers to purchase, enroll in, or contract for alternative

1 gas service on behalf of an alternative gas supplier.

2 "Service area" means (i) the geographic area within which a
3 gas utility was lawfully entitled to provide gas to customers
4 as of the effective date of this amendatory Act of the 92nd
5 General Assembly and includes (ii) the location of any customer
6 to which the gas utility was lawfully providing gas utility
7 services on such effective date.

8 "Small commercial customer" means a nonresidential retail
9 customer of a natural gas utility who is identified by the
10 alternative gas supplier, prior to becoming a customer of the
11 alternative gas supplier, as consuming 5,000 or fewer therms of
12 natural gas during the previous year; provided that any
13 alternative gas supplier may remove the customer from
14 designation as a "small commercial customer" if the customer
15 consumes more than 5,000 therms of natural gas in any calendar
16 year after becoming a customer of the alternative gas supplier.

17 "Tariffed service" means a service provided to customers by
18 a gas utility as defined by its rates on file with the
19 Commission pursuant to the provisions of Article IX of this
20 Act.

21 "Transportation services" means those services provided by
22 the gas utility that are necessary in order for the storage,
23 transmission and distribution systems to function so that
24 customers located in the gas utility's service area can receive
25 gas from suppliers other than the gas utility and shall
26 include, without limitation, standard metering and billing

1 services.

2 (Source: P.A. 94-738, eff. 5-4-06.)

3 (220 ILCS 5/19-110)

4 Sec. 19-110. Certification of alternative gas suppliers.

5 (a) The provisions of this Section shall apply only to
6 alternative gas suppliers serving or seeking to serve
7 residential or small commercial customers and only to the
8 extent such alternative gas suppliers provide services to
9 residential or small commercial customers.

10 (b) An alternative gas supplier must obtain a certificate
11 of service authority from the Commission in accordance with
12 this Section before serving any customer or other user located
13 in this State. An alternative gas supplier may request, and the
14 Commission may grant, a certificate of service authority for
15 the entire State or for a specified geographic area of the
16 State. A person, corporation, or other entity acting as an
17 alternative gas supplier on the effective date of this
18 amendatory Act of the 92nd General Assembly shall have 180 days
19 from the effective date of this amendatory Act of the 92nd
20 General Assembly to comply with the requirements of this
21 Section in order to continue to operate as an alternative gas
22 supplier.

23 (c) An alternative gas supplier seeking a certificate of
24 service authority shall file with the Commission a verified
25 application containing information showing that the applicant

1 meets the requirements of this Section. The alternative gas
2 supplier shall publish notice of its application in the
3 official State newspaper within 10 days following the date of
4 its filing. No later than 45 days after the application is
5 properly filed with the Commission, and such notice is
6 published, the Commission shall issue its order granting or
7 denying the application.

8 (d) An application for a certificate of service authority
9 shall identify the area or areas in which the applicant intends
10 to offer service and the types of services it intends to offer.
11 Applicants that seek to serve residential or small commercial
12 customers within a geographic area that is smaller than a gas
13 utility's service area shall submit evidence demonstrating
14 that the designation of this smaller area does not violate
15 Section 19-115. An applicant may state in its application for
16 certification any limitations that will be imposed on the
17 number of customers or maximum load to be served.

18 (e) The Commission shall grant the application for a
19 certificate of service authority if it makes the findings set
20 forth in this subsection based on the verified application and
21 such other information as the applicant may submit.

22 (1) That the applicant possess sufficient technical,
23 financial, and managerial resources and abilities to
24 provide the service for which it seeks a certificate of
25 service authority. In determining the level of technical,
26 financial, and managerial resources and abilities which

1 the applicant must demonstrate, the Commission shall
2 consider the characteristics, including the size and
3 financial sophistication of the customers that the
4 applicant seeks to serve, and shall consider whether the
5 applicant seeks to provide gas using property, plant, and
6 equipment that it owns, controls, or operates.

7 (2) That the applicant will comply with all applicable
8 federal, State, regional, and industry rules, policies,
9 practices, and procedures for the use, operation, and
10 maintenance of the safety, integrity, and reliability of
11 the gas transmission system.

12 (3) That the applicant will comply with such
13 informational or reporting requirements as the Commission
14 may by rule establish.

15 (4) That the area to be served by the applicant and any
16 limitations it proposes on the number of customers or
17 maximum amount of load to be served meet the provisions of
18 Section 19-115, provided, that if the applicant seeks to
19 serve an area smaller than the service area of a gas
20 utility or proposes other limitations on the number of
21 customers or maximum amount of load to be served, the
22 Commission can extend the time for considering such a
23 certificate request by up to 90 days, and can schedule
24 hearings on such a request.

25 (5) That the applicant will comply with all other
26 applicable laws and rules.

1 (6) That the applicant and the applicant's sales agents
2 will comply with all applicable federal, State, and
3 industry rules, policies, practices, and procedures for
4 marketing and soliciting customers.

5 (f) The Commission shall have the authority to promulgate
6 rules to carry out the provisions of this Section. Within 30
7 days after the effective date of this amendatory Act of the
8 92nd General Assembly, the Commission shall adopt an emergency
9 rule or rules applicable to the certification of those gas
10 suppliers that seek to serve residential customers. Within 180
11 days of the effective date of this amendatory Act of the 92nd
12 General Assembly, the Commission shall adopt rules that specify
13 criteria which, if met by any such alternative gas supplier,
14 shall constitute the demonstration of technical, financial,
15 and managerial resources and abilities to provide service
16 required by item (1) of subsection (e) of this Section, such as
17 a requirement to post a bond or letter of credit, from a
18 responsible surety or financial institution, of sufficient
19 size for the nature and scope of the services to be provided,
20 demonstration of adequate insurance for the scope and nature of
21 the services to be provided, and experience in providing
22 similar services in other jurisdictions.

23
24 (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

25 (220 ILCS 5/19-115)

1 Sec. 19-115. Obligations of alternative gas suppliers.

2 (a) The provisions of this Section shall apply only to
3 alternative gas suppliers serving or seeking to serve
4 residential or small commercial customers and only to the
5 extent such alternative gas suppliers provide services to
6 residential or small commercial customers.

7 (b) An alternative gas supplier shall:

8 (1) comply with the requirements imposed on public
9 utilities by Sections 8-201 through 8-207, 8-301, 8-505 and
10 8-507 of this Act, to the extent that these Sections have
11 application to the services being offered by the
12 alternative gas supplier; ~~and~~

13 (2) continue to comply with the requirements for
14 certification stated in Section 19-110; ~~and~~

15 (3) comply with complaint procedures established by
16 the Commission;

17 (4) file with the Commission, within 5 business days
18 after the effective date of this amendatory Act of the 95th
19 General Assembly, a copy of bill formats, standard customer
20 contract and customer complaint and resolution procedures,
21 and the name and telephone number of the company
22 representative whom Commission employees may contact to
23 resolve customer complaints and other matters, and file
24 updated information within 5 business days after changes in
25 any of the requirements of this item (4); and

26 (5) maintain a customer call center where customers can

1 reach a representative and receive current information,
2 and notify customers no less often than once every 6 months
3 on how to reach the call center.

4 (c) An alternative gas supplier shall obtain verifiable
5 authorization from a customer, in a form or manner approved by
6 the Commission, before the customer is switched from another
7 supplier.

8 (d) No alternative gas supplier shall:

9 (1) enter into or employ any arrangements which have
10 the effect of preventing any customer from having access to
11 the services of the gas utility in whose service area the
12 customer is located; ~~or~~

13 (2) charge customers for such access; or.

14 (3) bill for goods or services not authorized by the
15 customer.

16 (e) An alternative gas supplier that is certified to serve
17 residential or small commercial customers shall not:

18 (1) deny service to a customer or group of customers
19 nor establish any differences as to prices, terms,
20 conditions, services, products, facilities, or in any
21 other respect, whereby such denial or differences are based
22 upon race, gender, or income; ~~or~~

23 (2) deny service based on locality, nor establish any
24 unreasonable difference as to prices, terms, conditions,
25 services, products, or facilities as between localities; ~~or~~

26 (3) include in any agreement a provision that obligates

1 a customer to the terms of the agreement if the customer
2 moves outside the State of Illinois or moves to a location
3 without a choice program or location where the customer
4 will not require natural gas service; or

5 (4) assign the agreement to any alternative natural gas
6 supplier unless:

7 (A) the supplier is an alternative gas supplier
8 certified by the Commission,

9 (B) the rates, terms, and conditions of the
10 agreement being assigned do not change during the
11 remainder of the time covered by the agreement,

12 (C) the customer is given no less than 30 days
13 prior written notice of the assignment and contact
14 information for the new supplier, and

15 (D) the supplier assigning the contract provides
16 contact information that a customer can use to resolve
17 a dispute.

18 (f) An alternative gas supplier shall comply with the
19 following requirements with respect to the marketing,
20 offering, and provision of products or services:

21 (1) Any marketing materials which make statements
22 concerning prices, terms, and conditions of service shall
23 contain information that adequately discloses the prices,
24 terms and conditions of the products or services.

25 (2) Before any customer is switched from another
26 supplier, the alternative gas supplier shall give the

1 customer written information that adequately discloses, in
2 plain language, the prices, terms, and conditions of the
3 products and services being offered and sold to the
4 customer.

5 (3) The alternative gas supplier shall provide to the
6 customer:

7 (A) accurate, timely, and itemized billing
8 statements that describe the products and services
9 provided to the customer and their prices and that
10 specify the gas consumption amount and any service
11 charges and taxes; provided that this item (f) (3) (A)
12 does not apply to small commercial customers;

13 (B) an additional statement, at least annually,
14 that adequately discloses the average monthly prices,
15 and the terms and conditions, of the products and
16 services sold to the customer; provided that this item
17 (f) (3) (B) does not apply to small commercial
18 customers;

19 (C) refunds of any deposits with interest within 30
20 days after the date that the customer changes gas
21 suppliers or discontinues service if the customer has
22 satisfied all of his or her outstanding financial
23 obligations to the alternative gas supplier at an
24 interest rate set by the Commission which shall be the
25 same as that required of gas utilities; and

26 (D) refunds, in a timely fashion, of all undisputed

1 overpayments upon the oral or written request of the
2 customer.

3 (4) An alternative gas supplier and its sales agents
4 shall refrain from any direct marketing or soliciting to
5 consumers on the gas utility's "Do Not Contact List", which
6 the alternative gas supplier shall obtain each month from
7 the gas utility in whose service area the consumer is
8 provided with gas service.

9 (5) An alternative gas supplier and its sales agents
10 shall not utilize false, misleading, materially
11 inaccurate, or otherwise deceptive language or materials
12 in soliciting or providing services.

13 (6) An alternative gas supplier and its sales agents
14 shall not misrepresent the affiliation of any alternative
15 supplier with the gas utility, governmental bodies or
16 consumer groups.

17 (7) If any sales solicitation, agreement, contract, or
18 verification is translated into another language and
19 provided to a customer, all of the documents must be
20 provided to the customer in that other language.

21 (8) Any sales solicitation shall adequately disclose
22 the prices, terms, and conditions of the products and
23 service.

24 (9) Any agreement that contains an early termination
25 clause shall disclose the amount of the early termination
26 fee, provided, however, that any early termination fee or

1 penalty shall not exceed \$50.

2 (10) Within one day after electronic receipt of a
3 customer switch from the alternative gas supplier and
4 confirmation of eligibility, the gas utility shall provide
5 the customer written notice confirming the switch. The
6 alternative gas supplier shall provide each customer the
7 opportunity to rescind its agreement without penalty
8 within 14 business days after the date on the gas utility
9 notice to the customer. The alternative gas supplier shall
10 disclose to the customer all of the following:

11 (A) that the gas utility will send a notice
12 confirming the switch;

13 (B) that from the date the utility issues the
14 notice confirming the switch, the customer shall have
15 14 business days to rescind the switch without penalty;

16 (C) that the customer shall contact the gas utility
17 or the alternative gas supplier to rescind the switch;
18 and

19 (D) the contact information for the gas utility.

20 The alternative gas supplier disclosure shall be
21 included in its sales solicitations, contracts, and all
22 applicable sales verification scripts.

23 (g) An alternative gas supplier may limit the overall size
24 or availability of a service offering by specifying one or more
25 of the following:

26 (1) a maximum number of customers and maximum amount of

1 gas load to be served;

2 (2) time period during which the offering will be
3 available; or

4 (3) other comparable limitation, but not including the
5 geographic locations of customers within the area which the
6 alternative gas supplier is certificated to serve.

7 The alternative gas supplier shall file the terms and
8 conditions of such service offering including the applicable
9 limitations with the Commission prior to making the service
10 offering available to customers.

11 (h) Nothing in this Section shall be construed as
12 preventing an alternative gas supplier that is an affiliate of,
13 or which contracts with, (i) an industry or trade organization
14 or association, (ii) a membership organization or association
15 that exists for a purpose other than the purchase of gas, or
16 (iii) another organization that meets criteria established in a
17 rule adopted by the Commission from offering through the
18 organization or association services at prices, terms and
19 conditions that are available solely to the members of the
20 organization or association.

21 (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

22 (220 ILCS 5/19-120)

23 Sec. 19-120. Commission oversight of services provided by
24 gas suppliers.

25 (a) The provisions of this Section shall apply only to

1 alternative gas suppliers serving or seeking to serve
2 residential or small commercial customers and only to the
3 extent such alternative gas suppliers provide services to
4 residential or small commercial customers.

5 (b) The Commission shall have jurisdiction in accordance
6 with the provisions of Article X of this Act to entertain and
7 dispose of any complaint against any alternative gas supplier
8 alleging that:

9 (1) the alternative gas supplier has violated or is in
10 nonconformance with any applicable provisions of Section
11 19-110 or Section 19-115;

12 (2) an alternative gas supplier has failed to provide
13 service in accordance with the terms of its contract or
14 contracts with a customer or customers;

15 (3) the alternative gas supplier has violated or is in
16 nonconformance with the transportation services tariff of,
17 or any of its agreements relating to transportation
18 services with, the gas utility or municipal system
19 providing transportation services; or

20 (4) the alternative gas supplier has violated or failed
21 to comply with the requirements of Sections 8-201 through
22 8-207, 8-301, 8-505, or 8-507 of this Act as made
23 applicable to alternative gas suppliers.

24 (c) The Commission shall have authority after notice and
25 hearing held on complaint or on the Commission's own motion to
26 order any or all of the following remedies, penalties, or forms

1 of relief:

2 (1) order an alternative gas supplier to cease and
3 desist, or correct, any violation of or nonconformance with
4 the provisions of Section 19-110 or 19-115;

5 (2) impose financial penalties for violations of or
6 nonconformances with the provisions of Section 19-110 or
7 19-115, not to exceed ~~(i)~~ \$10,000 per occurrence; ~~or~~

8 (3) impose financial penalties for violations of or
9 nonconformances with the provisions of Section 19-110 or
10 19-115, not to exceed ~~(ii)~~ \$30,000 per day for those
11 violations or nonconformances which continue after the
12 Commission issues a cease-and-desist order; or ~~and~~

13 (3) alter, modify, revoke, or suspend the certificate
14 of service authority of an alternative gas supplier for
15 substantial or repeated violations of or nonconformances
16 with the provisions of Section 19-110 or 19-115.

17 (c-5) The Commission shall have the authority to
18 investigate, upon complaint or on its own motion, the marketing
19 practices of any alternative gas supplier that has been granted
20 a certificate of service authority. As used in this subsection
21 (c-5), "marketing practices" includes, but is not limited to,
22 all oral, written, and electronic communications made by the
23 alternative gas supplier to any person for the purpose of
24 selling gas service to the person. If, after notice and
25 hearing, the Commission finds that an alternative gas supplier
26 has engaged in any deception, fraud, false pretense, false

1 promise, or misrepresentation or the concealment, suppression
2 or omission of any material fact in its marketing practices,
3 whether or not any person has in fact been misled, deceived or
4 damaged thereby, the Commission may order any or all of the
5 following remedies, penalties, or forms of relief:

6 (1) order an alternative gas supplier to cease and
7 desist, or correct, any marketing practices found to have
8 been deceptive, fraudulent, or containing a false promise
9 or misrepresentation, or that concealed, suppressed, or
10 omitted any material fact;

11 (2) impose financial penalties on the alternative gas
12 supplier for engaging in marketing practices found to have
13 been deceptive, fraudulent, or containing a false promise
14 or misrepresentation, or that concealed, suppressed, or
15 omitted any material fact, not to exceed \$10,000 per
16 occurrence;

17 (3) impose financial penalties on the alternative gas
18 supplier for engaging in marketing practices found to have
19 been deceptive, fraudulent, or containing a false promise
20 or misrepresentation, or that concealed, suppressed, or
21 omitted any material fact, not to exceed \$30,000 per day
22 for those violations or nonconformances that continue
23 after the Commission issues a cease and desist order; or

24 (4) revoke or suspend the certificate of service
25 authority of the alternative gas supplier for repeated
26 violations in which the Commission has found that the

1 alternative gas supplier has engaged in marketing
2 practices that are deceptive, fraudulent, or containing a
3 false promise or misrepresentation, or that concealed,
4 suppressed, or omitted any material fact.

5 (d) Nothing in this Act shall be construed to limit,
6 restrict, or mitigate in any way the power and authority of the
7 State's Attorneys or the Attorney General under the Consumer
8 Fraud and Deceptive Business Practices Act.

9 (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

10 (220 ILCS 5/19-125)

11 Sec. 19-125. Consumer education.

12 (a) The Commission shall make available upon request and at
13 no charge, and shall make available to the public on the
14 Internet through the State of Illinois World Wide Web site:

15 (1) a list of all certified alternative gas suppliers
16 serving residential and small commercial customers within
17 the service area of each gas utility including, in the case
18 of the Internet, computer links to available web sites of
19 the certified alternative gas suppliers;

20 (2) a list of all certified alternative gas suppliers
21 serving residential or small commercial customers that
22 have been found in the last 3 years by the Commission
23 pursuant to Section 10-108 to have failed to provide
24 service in accordance with this Act;

25 (3) guidelines to assist customers in determining

1 which gas supplier is most appropriate for each customer;
2 and

3 (4) Internet links to providers of information that
4 enables customers to compare prices and services of gas
5 utilities and alternative gas suppliers, if and when that
6 information is available.

7 (b) In any service area where customers are able to choose
8 their natural gas supplier, the Commission shall require gas
9 utilities and alternative gas suppliers to inform customers of
10 how they may contact the Commission in order to obtain
11 information about the customer choice program.

12 (c) The Commission shall make available in print, upon
13 request and at no charge, and on its World Wide Web site,
14 information on which customers of alternative gas suppliers
15 servicing residential and small commercial customers may address
16 any complaint with regard to an alternative gas supplier's
17 obligations under Section 19-115 of this Article, including the
18 provision of service in accordance with the terms of its
19 contract, sales tactics, and rates. The Commission shall
20 maintain a summary by category and provider of all informal
21 complaints it receives pursuant to this Section, and it shall
22 publish the summary on a quarterly basis on its World Wide Web
23 site. Individual customer information shall not be included in
24 the summary.

25 (Source: P.A. 92-852, eff. 8-26-02.)

1 Section 10. The Consumer Fraud and Deceptive Business
2 Practices Act is amended by adding Sections 2BBB, 2CCC, 2DDD,
3 and 2EEE as follows:

4 (815 ILCS 505/2BBB new)

5 Sec. 2BBB. Natural gas provider selection.

6 (a) A natural gas provider shall not submit or execute a
7 change in a customer's selection of a provider of natural gas
8 service unless and until:

9 (1) the provider first discloses all material terms and
10 conditions of the offer to the customer;

11 (2) the provider has obtained the customer's express
12 agreement to accept the offer, after the disclosure of all
13 material terms and conditions of the offer, in a form that
14 meets the requirements of this Section; and

15 (3) the provider has confirmed the request for a change
16 in natural gas provider (i) using a letter of agency as
17 provided in subsection (b), (ii) using an independent
18 third-party verification as provided in subsection (c),
19 (iii) according to the provisions of subsection (d) of this
20 Section; or (iv) if enrollment is via the Internet, the
21 enrollment shall provide the necessary disclosures
22 required by this Section along with a suitable electronic
23 letter of agency as described in item (6) of subsection (b)
24 of this Section.

25 (b) Letter of agency.

1 (1) A natural gas provider may obtain the necessary
2 confirmation from a customer for a change in natural gas
3 service by using a letter of agency as specified in this
4 subsection. Any letter of agency that does not conform with
5 this subsection is invalid.

6 (2) The letter of agency is not effective unless it has
7 been signed and dated by the customer requesting the
8 natural gas provider change.

9 (3) At a minimum, the letter of agency must be printed
10 with a print of sufficient size to be clearly legible and
11 must contain clear and unambiguous language that:

12 (A) confirms the customer's billing name and
13 address;

14 (B) confirms the customer's decision to change the
15 natural gas provider from the current provider to the
16 prospective provider;

17 (C) clearly and conspicuously discloses, in
18 writing, the terms, conditions, and nature of the
19 service to be provided to the customer, and directly
20 identifies or establishes the rates for the service
21 contracted for by the customer; and

22 (D) states that the customer understands that any
23 change in natural gas provider that the customer
24 chooses may involve a charge to the customer for
25 changing the customer's natural gas provider.

26 (4) Except as allowed in item (5), the letter of agency

1 shall be a separate or easily separable document,
2 containing only the language described in item (3), and the
3 sole purpose of which is to authorize a natural gas
4 provider change. Except as allowed in item (5), the letter
5 of agency shall not be combined with inducements of any
6 kind in the same document.

7 (5) The letter of agency may be combined with a check
8 that contains only the required letter of agency language
9 prescribed in item (3) and the necessary information to
10 make the check a negotiable instrument. The letter of
11 agency check shall not contain any promotional language or
12 material. The letter of agency check shall contain, in
13 easily readable bold-face type on the face of the check, a
14 notice that the consumer is authorizing a change in natural
15 gas provider by signing the check. The letter of agency
16 language shall also be placed near the signature line on
17 the back of the check.

18 (6) A letter of agency shall not suggest or require
19 that a customer take some action in order to retain the
20 customer's current natural gas provider.

21 (7) If any portion of a letter of agency is translated
22 into another language, then all portions of the letter of
23 agency must be translated into that language.

24 (c) Third-party verification.

25 (1) A natural gas provider may obtain the necessary
26 confirmation from a customer for a change in natural gas

1 service by using an appropriately qualified independent
2 third party, in accordance with this subsection, to confirm
3 the customer's oral authorization to change natural gas
4 providers. Third-party confirmation must include
5 appropriate verification data. The independent third
6 party:

7 (i) must not be owned, managed, controlled, or
8 directed by the provider or the provider's marketing
9 agent;

10 (ii) must not have any financial incentive to
11 confirm provider change requests for the provider or
12 the provider's marketing agent; and

13 (iii) must operate in a location physically
14 separate from the provider or the provider's marketing
15 agent.

16 (2) Automated third-party verification systems and
17 3-way conference calls may be used for verification
18 purposes, so long as the other requirements of this
19 subsection (c) are satisfied. A provider or provider's
20 sales representative initiating a 3-way conference call or
21 a call through an automated verification system must drop
22 off the call once the 3-way connection has been
23 established.

24 (3) All third-party verification methods must elicit,
25 at a minimum, the following information: (i) the identity
26 of the customer; (ii) confirmation that the person on the

1 call is authorized to make the provider change; (iii)
2 confirmation that the person on the call wants to make the
3 provider change; (iv) confirmation that service will
4 effectively switch service from any other alternative gas
5 supplier at service address and the switching could include
6 a cancellation fee from that alternative gas supplier; (v)
7 the service address of the service to be switched; and (vi)
8 the price of the service to be provided and the material
9 terms and conditions of the service being offered,
10 including whether any early termination fees apply.

11 (4) Third-party verifiers may not market the
12 provider's services by providing additional information,
13 including information regarding procedures to block or
14 otherwise freeze an account against further changes.

15 (5) All third-party verifications shall be conducted
16 in the same language that was used in the underlying sales
17 transaction and shall be recorded in their entirety. A
18 natural gas provider shall maintain and preserve audio
19 records of verification of customer authorization for a
20 minimum period of 2 years after obtaining the verification.
21 Automated systems must provide customers with an option to
22 speak with a live person at any time during the call.

23 (d) When a consumer initiates the call to the prospective
24 natural gas provider, in order to enroll the consumer as a
25 customer, the prospective natural gas provider must, with the
26 consent of the customer, make a date-stamped and time-stamped

1 audio recording that elicits the entire call, which shall
2 include, but not be limited to, the following information: (i)
3 the identity of the customer; (ii) confirmation that the person
4 on the call is authorized to make the provider change; (iii)
5 confirmation that the person on the call wants to make the
6 provider change; (iv) the names of the providers affected by
7 the change; (v) the service address of the service to be
8 switched; and (vi) the price of the service to be provided and
9 the material terms and conditions of the service being offered,
10 including whether any early termination fees apply. A natural
11 gas provider must maintain and preserve the audio records
12 required under this subsection (d) for a minimum period of 2
13 years.

14 (e) Complaints may be filed with the Illinois Commerce
15 Commission under this Section by a customer whose natural gas
16 service provider has been changed or affected by a natural gas
17 provider in a manner not in compliance with this Section. If,
18 after notice and hearing, the Commission finds that a natural
19 gas provider has violated this Section, the Commission may in
20 its discretion do any one or more of the following:

21 (1) Require the violating natural gas provider to
22 refund to the customer charges collected in excess of those
23 that would have been charged by the customer's authorized
24 natural gas provider.

25 (2) Require the violating natural gas provider to pay
26 to the customer's authorized natural gas provider the

1 amount the authorized natural gas provider would have
2 collected for the customer's natural gas service. The
3 Commission is authorized to reduce this payment by any
4 amount already paid by the violating natural gas provider
5 to the customer's authorized provider for that natural gas
6 service.

7 (3) Require the violating natural gas provider to pay a
8 fine of up to \$1,000 into the Public Utility Fund for each
9 repeated and intentional violation of this Section.

10 (4) Issue a cease and desist order.

11 (5) For a pattern of violation of this Section or for
12 intentionally violating a cease and desist order, revoke
13 the violating provider's certificate of service authority.

14 (f) For purposes of this Section and Sections 2CCC, 2DDD,
15 and 2EEE of this Act, "natural gas provider" means a "gas
16 utility" or an "alternative gas supplier", as those terms are
17 defined in Section 19-105 of the Public Utilities Act, and
18 "natural gas service" means natural gas service sold by a gas
19 utility or alternative gas supplier.

20 (815 ILCS 505/2CCC new)

21 Sec. 2CCC. Natural gas service fraud; elderly persons or
22 disabled persons; additional penalties.

23 (a) With respect to unlawful advertising, sale, provider
24 selection, billings, or collections relating to the provision
25 of natural gas service, where the consumer is an elderly person

1 or disabled person, a civil penalty of \$50,000 may be imposed
2 for each violation of this Act.

3 (b) For the purposes of this Section:

4 "Elderly person" means a person 60 years of age or
5 older.

6 "Disabled person" means a person who suffers from a
7 permanent physical or mental impairment resulting from
8 disease, injury, functional disorder or congenital
9 condition.

10 "Natural gas service" has the meaning given that term
11 in Section 2BBB of this Act.

12 (815 ILCS 505/2DDD new)

13 Sec. 2DDD. Natural gas service advertising. Any
14 advertisement for natural gas service that lists rates shall
15 clearly and conspicuously disclose all associated costs for
16 that service, including, but not limited to, access fees and
17 service fees.

18 (815 ILCS 505/2EEE new)

19 Sec. 2EEE. Billing and collection practices of natural gas
20 providers. Each person selling transmission, distribution,
21 metering, or billing of natural gas service, or the commodity
22 of natural gas to be delivered to a customer through the
23 distribution system of a natural gas provider, shall display
24 the name, the toll-free telephone number of the natural gas

1 provider, and a description of the services provided on all
2 bills submitted to customers of such services. All personal
3 information relating to the customer of transmission,
4 distribution, metering, or billing of natural gas service, or
5 the customer purchasing the commodity of natural gas to be
6 delivered through the distribution system of a natural gas
7 provider, shall be maintained by the service providers solely
8 for the purpose of generating the bill for the sales and
9 services, and shall not be divulged to any other persons with
10 the exception of credit bureaus, collection agencies, and
11 persons licensed to market natural gas service in this State,
12 without the verifiable consent, including written,
13 voice-recorded, or electronic signature, of the customer.

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.