



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4280

Introduced 1/5/2022, by Rep. Anne Stava-Murray

SYNOPSIS AS INTRODUCED:

815 ILCS 505/2EE
815 ILCS 505/2DDD

Amends the Consumer Fraud and Deceptive Business Practices Act. Prohibits alternative retail electric suppliers and alternative gas suppliers from enrolling a customer unless enrollment is for a fixed-rate commodity product that is priced at no more than 5% greater than the trailing 12-month average utility supply rate. Provides that variable rate offers must provide savings compared to the utility price on a monthly basis.

LRB102 21450 KTG 30567 b

1 AN ACT concerning business.

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

4 Section 5. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by changing Sections 2EE and 2DDD as
6 follows:

7 (815 ILCS 505/2EE)

8 Sec. 2EE. Alternative retail electric supplier selection.

9 (a) An alternative retail electric supplier shall not
10 submit or execute a change in a consumer's selection of a
11 provider of electric service unless and until:

12 (i) the alternative retail electric supplier first
13 discloses all material terms and conditions of the offer
14 to the consumer;

15 (ii) if the consumer is a small commercial retail
16 customer as that term is defined in subsection (c) of this
17 Section or a residential consumer, the alternative retail
18 electric supplier discloses the utility electric supply
19 price to compare, which shall be the sum of the electric
20 supply charge and the transmission services charge, and
21 shall not include the purchased electricity adjustment,
22 applicable at the time the offer is made to the consumer;

23 (iii) if the consumer is a small commercial retail

1 customer as that term is defined in subsection (c) of this
2 Section or a residential consumer, the alternative retail
3 electric provider discloses the following statement:

4 "(Name of the alternative retail electric
5 supplier) is not the same entity as your electric
6 delivery company. You are not required to enroll with
7 (name of alternative retail electric supplier). As of
8 (effective date), the electric supply price to compare
9 is currently (price in cents per kilowatt hour). The
10 electric utility electric supply price will expire on
11 (expiration date). The utility electric supply price
12 to compare does not include the purchased electricity
13 adjustment factor. For more information go to the
14 Illinois Commerce Commission's free website at
15 www.pluginillinois.org".

16 If applicable, the statement shall include the
17 following statement:

18 "The purchased electricity adjustment factor may
19 range between +.5 cents and -.5 cents per kilowatt
20 hour.";

21 (iv) the alternative retail electric supplier has
22 obtained the consumer's express agreement to accept the
23 offer after the disclosure of all material terms and
24 conditions of the offer; and

25 (v) the alternative retail electric supplier has
26 confirmed the request for a change in accordance with one

1 of the following procedures:

2 (A) The new alternative retail electric supplier
3 has obtained the consumer's written or electronically
4 signed authorization in a form that meets the
5 following requirements:

6 (1) An alternative retail electric supplier
7 shall obtain any necessary written or
8 electronically signed authorization from a
9 consumer for a change in electric service by using
10 a letter of agency as specified in this Section.
11 Any letter of agency that does not conform with
12 this Section is invalid.

13 (2) The letter of agency shall be a separate
14 document (an easily separable document containing
15 only the authorization language described in
16 subparagraph (5)) whose sole purpose is to
17 authorize an electric service provider change. The
18 letter of agency must be signed and dated by the
19 consumer requesting the electric service provider
20 change.

21 (3) The letter of agency shall not be combined
22 with inducements of any kind on the same document.

23 (4) Notwithstanding subparagraphs (1) and (2),
24 the letter of agency may be combined with checks
25 that contain only the required letter of agency
26 language prescribed in subparagraph (5) and the

1 necessary information to make the check a
2 negotiable instrument. The letter of agency check
3 shall not contain any promotional language or
4 material. The letter of agency check shall contain
5 in easily readable, bold-face type on the face of
6 the check, a notice that the consumer is
7 authorizing an electric service provider change by
8 signing the check. The letter of agency language
9 also shall be placed near the signature line on
10 the back of the check.

11 (5) At a minimum, the letter of agency must be
12 printed with a print of sufficient size to be
13 clearly legible, and must contain clear and
14 unambiguous language that confirms:

15 (i) The consumer's billing name and
16 address;

17 (ii) The decision to change the electric
18 service provider from the current provider to
19 the prospective provider;

20 (iii) The terms, conditions, and nature of
21 the service to be provided to the consumer
22 must be clearly and conspicuously disclosed,
23 in writing, and an alternative retail electric
24 supplier must directly establish the rates for
25 the service contracted for by the consumer;
26 and

1 (iv) That the consumer understand that any
2 alternative retail electric supplier selection
3 the consumer chooses may involve a charge to
4 the consumer for changing the consumer's
5 electric service provider.

6 (6) Letters of agency shall not suggest or
7 require that a consumer take some action in order
8 to retain the consumer's current electric service
9 provider.

10 (7) If any portion of a letter of agency is
11 translated into another language, then all
12 portions of the letter of agency must be
13 translated into that language.

14 (B) An appropriately qualified independent third
15 party has obtained, in accordance with the procedures
16 set forth in this subsection (b), the consumer's oral
17 authorization to change electric suppliers that
18 confirms and includes appropriate verification data.
19 The independent third party (i) must not be owned,
20 managed, controlled, or directed by the supplier or
21 the supplier's marketing agent; (ii) must not have any
22 financial incentive to confirm supplier change
23 requests for the supplier or the supplier's marketing
24 agent; and (iii) must operate in a location physically
25 separate from the supplier or the supplier's marketing
26 agent.

1 Automated third-party verification systems and
2 3-way conference calls may be used for verification
3 purposes so long as the other requirements of this
4 subsection (b) are satisfied.

5 A supplier or supplier's sales representative
6 initiating a 3-way conference call or a call through
7 an automated verification system must drop off the
8 call once the 3-way connection has been established.

9 All third-party verification methods shall elicit,
10 at a minimum, the following information: (i) the
11 identity of the consumer; (ii) confirmation that the
12 person on the call is the account holder, has been
13 specifically and explicitly authorized by the account
14 holder, or possesses lawful authority to make the
15 supplier change; (iii) confirmation that the person on
16 the call wants to make the supplier change; (iv) the
17 names of the suppliers affected by the change; (v) the
18 service address of the supply to be switched; and (vi)
19 the price of the service to be supplied and the
20 material terms and conditions of the service being
21 offered, including whether any early termination fees
22 apply. Third-party verifiers may not market the
23 supplier's services by providing additional
24 information, including information regarding
25 procedures to block or otherwise freeze an account
26 against further changes.

1 All third-party verifications shall be conducted
2 in the same language that was used in the underlying
3 sales transaction and shall be recorded in their
4 entirety. Submitting suppliers shall maintain and
5 preserve audio records of verification of subscriber
6 authorization for a minimum period of 2 years after
7 obtaining the verification. Automated systems must
8 provide consumers with an option to speak with a live
9 person at any time during the call. Each disclosure
10 made during the third-party verification must be made
11 individually to obtain clear acknowledgment of each
12 disclosure. The alternative retail electric supplier
13 must be in a location where he or she cannot hear the
14 customer while the third-party verification is
15 conducted. The alternative retail electric supplier
16 shall not contact the customer after the third-party
17 verification for a period of 24 hours unless the
18 customer initiates the contact.

19 (C) When a consumer initiates the call to the
20 prospective alternative retail electric supplier, in
21 order to enroll the consumer as a customer, the
22 prospective alternative retail electric supplier must,
23 with the consent of the customer, make a date-stamped,
24 time-stamped audio recording that elicits, at a
25 minimum, the following information:

26 (1) the identity of the customer;

1 (2) confirmation that the person on the call
2 is authorized to make the supplier change;

3 (3) confirmation that the person on the call
4 wants to make the supplier change;

5 (4) the names of the suppliers affected by the
6 change;

7 (5) the service address of the supply to be
8 switched; and

9 (6) the price of the service to be supplied
10 and the material terms and conditions of the
11 service being offered, including whether any early
12 termination fees apply.

13 Submitting suppliers shall maintain and preserve
14 the audio records containing the information set forth
15 above for a minimum period of 2 years.

16 (b)(1) An alternative retail electric supplier shall not
17 utilize the name of a public utility in any manner that is
18 deceptive or misleading, including, but not limited to
19 implying or otherwise leading a consumer to believe that an
20 alternative retail electric supplier is soliciting on behalf
21 of or is an agent of a utility. An alternative retail electric
22 supplier shall not utilize the name, or any other identifying
23 insignia, graphics, or wording that has been used at any time
24 to represent a public utility company or its services, to
25 identify, label, or define any of its electric power and
26 energy service offers. An alternative retail electric supplier

1 may state the name of a public electric utility in order to
2 accurately describe the electric utility service territories
3 in which the supplier is currently offering an electric power
4 and energy service. An alternative retail electric supplier
5 that is the affiliate of an Illinois public utility and that
6 was doing business in Illinois providing alternative retail
7 electric service on January 1, 2016 may continue to use that
8 public utility's name, logo, identifying insignia, graphics,
9 or wording in its business operations occurring outside the
10 service territory of the public utility with which it is
11 affiliated.

12 (2) An alternative retail electric supplier shall not
13 state or otherwise imply that the alternative retail electric
14 supplier is employed by, representing, endorsed by, or acting
15 on behalf of a utility or utility program, a consumer group or
16 consumer group program, or a governmental body, unless the
17 alternative retail electric supplier has entered into a
18 contractual arrangement with the governmental body and has
19 been authorized by the governmental body to make the
20 statements.

21 (c) An alternative retail electric supplier shall not
22 submit or execute a change in a consumer's selection of a
23 provider of electric service unless the alternative retail
24 electric supplier complies with the following requirements of
25 this subsection (c). It is a violation of this Section for an
26 alternative retail electric supplier to fail to comply with

1 this subsection (c). The requirements of this subsection (c)
2 shall only apply to residential and small commercial retail
3 customers. For purposes of this subsection (c) only, "small
4 commercial retail customer" has the meaning given to that term
5 in Section 16-102 of the Public Utilities Act.

6 (1) During a solicitation an alternative retail
7 electric supplier shall state that he or represents an
8 independent seller of electric power and energy service
9 certified by the Illinois Commerce Commission and that he
10 or she is not employed by, representing, endorsed by, or
11 acting on behalf of, a utility, or a utility program, a
12 consumer group or consumer group program, or a
13 governmental body, unless the alternative retail electric
14 supplier has entered into a contractual arrangement with
15 the governmental body and has been authorized with the
16 governmental body to make the statements.

17 (2) Alternative retail electric suppliers who engage
18 in in-person solicitation for the purpose of selling
19 electric power and energy service offered by the
20 alternative retail electric supplier shall display
21 identification on an outer garment. This identification
22 shall be visible at all times and prominently display the
23 following: (i) the alternative retail electric supplier
24 agent's full name in reasonable size font; (ii) an agent
25 identification number; (iii) a photograph of the
26 alternative retail electric supplier agent; and (iv) the

1 trade name and logo of the alternative retail electric
2 supplier the agent is representing. If the agent is
3 selling electric power and energy services from multiple
4 alternative retail electric suppliers to the consumer, the
5 identification shall display the trade name and logo of
6 the agent, broker, or consultant entity as that entity is
7 defined in Section 16-115C of the Public Utilities Act. An
8 alternative retail electric supplier shall leave the
9 premises at the consumer's, owner's, or occupant's
10 request. A copy of the Uniform Disclosure Statement
11 described in 83 Ill. Adm. Code 412.115 and 412.Appendix A
12 is to be left with the consumer, at the conclusion of the
13 visit unless the consumer refuses to accept a copy. An
14 alternative retail electric supplier may provide the
15 Uniform Disclosure Statement electronically instead of in
16 paper form to a consumer upon that customer's request. The
17 alternative retail electric supplier shall also offer to
18 the consumer, at the time of the initiation of the
19 solicitation, a business card or other material that lists
20 the agent's name, identification number and title, and the
21 alternative retail electric supplier's name and contact
22 information, including phone number. The alternative
23 retail electric supplier shall not conduct any in-person
24 solicitations of consumers at any building or premises
25 where any sign, notice, or declaration of any description
26 whatsoever is posted that prohibits sales, marketing, or

1 solicitations. The alternative retail electric supplier
2 shall obtain consent to enter multi-unit residential
3 dwellings. Consent obtained to enter a multi-unit dwelling
4 from one prospective customer or occupant of the dwelling
5 shall not constitute consent to market to any other
6 prospective consumers without separate consent.

7 (3) An alternative retail electric supplier who
8 contacts consumers by telephone for the purpose of selling
9 electric power and energy service shall provide the
10 agent's name and identification number. Any telemarketing
11 solicitations that lead to a telephone enrollment of a
12 consumer must be recorded and retained for a minimum of 2
13 years. All telemarketing calls of consumers that do not
14 lead to a telephone enrollment, but last at least 2
15 minutes, shall be recorded and retained for a minimum of 6
16 months.

17 (4) During an inbound enrollment call, an alternative
18 retail electric supplier shall state that he or she
19 represents an independent seller of electric power and
20 energy service certified by the Illinois Commerce
21 Commission. All inbound enrollment calls that lead to an
22 enrollment shall be recorded, and the recordings shall be
23 retained for a minimum of 2 years. An inbound enrollment
24 call that does not lead to an enrollment, but lasts at
25 least 2 minutes, shall be retained for a minimum of 6
26 months. The alternative retail electric supplier shall

1 send the Uniform Disclosure Statement and contract to the
2 customer within 3 business days after the electric
3 utility's confirmation to the alternative retail electric
4 supplier of an accepted enrollment.

5 (5) If a direct mail solicitation to a consumer
6 includes a written letter of agency, it shall include the
7 Uniform Disclosure Statement described in 83 Ill. Adm.
8 Code 412.115 and 412.Appendix A. The Uniform Disclosure
9 Statement shall be provided on a separate page from the
10 other marketing materials included in the direct mail
11 solicitation. If a written letter of agency is being used
12 to authorize a consumer's enrollment, the written letter
13 of agency shall comply with this Section. A copy of the
14 contract must be sent to consumer within 3 business days
15 after the electric utility's confirmation to the
16 alternative retail electric supplier of an accepted
17 enrollment.

18 (6) Online Solicitation.

19 (A) Each alternative retail electric supplier
20 offering electric power and energy service to
21 consumers online shall clearly and conspicuously make
22 all disclosures for any services offered through
23 online enrollment before requiring the consumer to
24 enter any personal information other than zip code,
25 electric utility service territory, or type of service
26 sought.

1 (B) Notwithstanding any requirements in this
2 Section to the contrary, an alternative retail
3 electric supplier may secure consent from the consumer
4 to obtain customer-specific billing and usage
5 information for the sole purpose of determining and
6 pricing a product through a letter of agency or method
7 approved through an Illinois Commerce Commission
8 docket before making all disclosure for services
9 offered through online enrollment. It is a violation
10 of this Act for an alternative retail electric
11 supplier to use a consumer's utility account number to
12 execute or change a consumer's enrollment unless the
13 consumer expressly consents to that enrollment as
14 required by law.

15 (C) The enrollment website of the alternative
16 retail electric supplier shall, at a minimum, include:
17 (i) disclosure of all material terms and conditions of
18 the offer; (ii) a statement that electronic acceptance
19 of the terms and conditions is an agreement to
20 initiate service and begin enrollment; (iii) a
21 statement that the consumer shall review the contract
22 or contact the current supplier to learn if any early
23 termination fees are applicable; and (iv) an email
24 address and toll-free phone number of the alternative
25 retail electric supplier where the customer can
26 express a decision to rescind the contract.

1 (7) (A) Beginning January 1, 2020, an alternative
2 retail electric supplier shall not sell or offer to sell
3 any products or services to a consumer pursuant to a
4 contract in which the contract automatically renews,
5 unless an alternative retail electric supplier provides to
6 the consumer at the outset of the offer, in addition to
7 other disclosures required by law, a separate written
8 statement titled "Automatic Contract Renewal" that clearly
9 and conspicuously discloses in bold lettering in at least
10 12-point font the terms and conditions of the automatic
11 contract renewal provision, including: (i) the estimated
12 bill cycle on which the initial contract term expires and
13 a statement that it could be later based on when the
14 utility accepts the initial enrollment; (ii) the estimated
15 bill cycle on which the new contract term begins and a
16 statement that it will immediately follow the last billing
17 cycle of the current term; (iii) the procedure to
18 terminate the contract before the new contract term
19 applies; and (iv) the cancellation procedure. If the
20 alternative retail electric supplier sells or offers to
21 sell the products or services to a consumer during an
22 in-person solicitation or telemarketing solicitation, the
23 disclosures described in this subparagraph (A) shall also
24 be made to the consumer verbally during the solicitation.
25 Nothing in this subparagraph (A) shall be construed to
26 apply to contracts entered into before January 1, 2020.

1 (B) At least 30 days before, but not more than 60
2 days prior, to the end of the initial contract term, in
3 any and all contracts that automatically renew after
4 the initial term, the alternative retail electric
5 supplier shall send, in addition to other disclosures
6 required by law, a separate written notice of the
7 contract renewal to the consumer that clearly and
8 conspicuously discloses the following:

9 (i) a statement printed or visible from the
10 outside of the envelope or in the subject line of
11 the email, if the customer has agreed to receive
12 official documents by email, that states "Contract
13 Renewal Notice";

14 (ii) a statement in bold lettering, in at
15 least 12-point font, that the contract will
16 automatically renew unless the customer cancels
17 it;

18 (iii) the billing cycle in which service under
19 the current term will expire;

20 (iv) the billing cycle in which service under
21 the new term will begin;

22 (v) the process and options available to the
23 consumer to reject the new contract terms;

24 (vi) the cancellation process if the
25 consumer's contract automatically renews before
26 the consumer rejects the new contract terms;

1 (vii) the terms and conditions of the new
2 contract term;

3 (viii) for a fixed rate contract, a
4 side-by-side comparison of the current price and
5 the new price; for a variable rate contract or
6 time-of-use product in which the first month's
7 renewal price can be determined, a side-by-side
8 comparison of the current price and the price for
9 the first month of the new variable or time-of-use
10 price; or for a variable or time-of-use contract
11 based on a publicly available index, a
12 side-by-side comparison of the current formula and
13 the new formula; and

14 (ix) the phone number and email address to
15 submit a consumer inquiry or complaint to the
16 Illinois Commerce Commission and the Office of the
17 Attorney General.

18 (C) An alternative retail electric supplier shall
19 not automatically renew a consumer's enrollment after
20 the current term of the contract expires when the
21 current term of the contract provides that the
22 consumer will be charged a fixed rate and the renewed
23 contract provides that the consumer will be charged a
24 variable rate, unless: (i) the alternative retail
25 electric supplier complies with subparagraphs (A) and
26 (B); and (ii) the customer expressly consents to the

1 contract renewal in writing or by electronic signature
2 at least 30 days, but no more than 60 days, before the
3 contract expires.

4 (D) This paragraph (7) does not apply to customers
5 enrolled in a municipal aggregation program pursuant
6 to Section 1-92 of the Illinois Power Agency Act.

7 (8) All in-person and telephone solicitations shall be
8 conducted in, translated into, and provided in a language
9 in which the consumer subject to the marketing or
10 solicitation is able to understand and communicate. An
11 alternative retail electric supplier shall terminate a
12 solicitation if the consumer subject to the marketing or
13 communication is unable to understand and communicate in
14 the language in which the marketing or solicitation is
15 being conducted. An alternative retail electric supplier
16 shall comply with Section 2N of this Act.

17 (9) Beginning January 1, 2020, consumers shall have
18 the right to terminate their contract with the alternative
19 retail electric supplier at any time without any
20 termination fees or penalties.

21 (10) An alternative retail electric supplier shall not
22 submit a change to a customer's electric service provider
23 in violation of Section 16-115E of the Public Utilities
24 Act.

25 (11) An alternative retail electric supplier shall not
26 enroll a customer unless enrollment is for a fixed-rate

1 commodity product that is priced at no more than 5%
2 greater than the trailing 12-month average utility supply
3 rate; variable rate offers must provide savings compared
4 to the utility price on a monthly basis.

5 (c) Complaints may be filed with the Illinois Commerce
6 Commission under this Section by a consumer whose electric
7 service has been provided by an alternative retail electric
8 supplier in a manner not in compliance with this Section or by
9 the Illinois Commerce Commission on its own motion when it
10 appears to the Commission that an alternative retail electric
11 supplier has provided service in a manner not in compliance
12 with this Section. If, after notice and hearing, the
13 Commission finds that an alternative retail electric supplier
14 has violated this Section, the Commission may in its
15 discretion do any one or more of the following:

16 (1) Require the violating alternative retail electric
17 supplier to refund to the consumer charges collected in
18 excess of those that would have been charged by the
19 consumer's authorized electric service provider.

20 (2) Require the violating alternative retail electric
21 supplier to pay to the consumer's authorized electric
22 service provider the amount the authorized electric
23 service provider would have collected for the electric
24 service. The Commission is authorized to reduce this
25 payment by any amount already paid by the violating
26 alternative retail electric supplier to the consumer's

1 authorized provider for electric service.

2 (3) Require the violating alternative retail electric
3 supplier to pay a fine of up to \$1,000 into the Public
4 Utility Fund for each repeated and intentional violation
5 of this Section.

6 (4) Issue a cease and desist order.

7 (5) For a pattern of violation of this Section or for
8 intentionally violating a cease and desist order, revoke
9 the violating alternative retail electric supplier's
10 certificate of service authority.

11 (d) For purposes of this Section:

12 "Electric service provider" shall have the meaning given
13 that phrase in Section 6.5 of the Attorney General Act.

14 "Alternative retail electric supplier" has the meaning
15 given to that term in Section 16-102 of the Public Utilities
16 Act.

17 (Source: P.A. 101-590, eff. 1-1-20.)

18 (815 ILCS 505/2DDD)

19 Sec. 2DDD. Alternative gas suppliers.

20 (a) Definitions.

21 (1) "Alternative gas supplier" has the same meaning as
22 in Section 19-105 of the Public Utilities Act.

23 (2) "Gas utility" has the same meaning as in Section
24 19-105 of the Public Utilities Act.

25 (b) It is an unfair or deceptive act or practice within the

1 meaning of Section 2 of this Act for any person to violate any
2 provision of this Section.

3 (c) Solicitation.

4 (1) An alternative gas supplier shall not utilize the
5 name of a public utility in any manner that is deceptive or
6 misleading, including, but not limited to, implying or
7 otherwise leading a customer to believe that an
8 alternative gas supplier is soliciting on behalf of or is
9 an agent of a utility. An alternative gas supplier shall
10 not utilize the name, or any other identifying insignia,
11 graphics, or wording, that has been used at any time to
12 represent a public utility company or its services or to
13 identify, label, or define any of its natural gas supply
14 offers and shall not misrepresent the affiliation of any
15 alternative supplier with the gas utility, governmental
16 bodies, or consumer groups.

17 (2) 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 (2.3) An alternative gas supplier shall state that it
22 represents an independent seller of gas certified by the
23 Illinois Commerce Commission and that he or she is not
24 employed by, representing, endorsed by, or acting on
25 behalf of a utility, or a utility program.

26 (2.5) All in-person and telephone solicitations shall

1 be conducted in, translated into, and provided in a
2 language in which the consumer subject to the marketing or
3 solicitation is able to understand and communicate. An
4 alternative gas supplier shall terminate a solicitation if
5 the consumer subject to the marketing or communication is
6 unable to understand and communicate in the language in
7 which the marketing or solicitation is being conducted. An
8 alternative gas supplier shall comply with Section 2N of
9 this Act.

10 (3) An alternative gas supplier shall clearly and
11 conspicuously disclose the following information to all
12 customers:

13 (A) the prices, terms, and conditions of the
14 products and services being sold to the customer;

15 (B) where the solicitation occurs in person,
16 including through door-to-door solicitation, the
17 salesperson's name;

18 (C) the alternative gas supplier's contact
19 information, including the address, phone number, and
20 website;

21 (D) contact information for the Illinois Commerce
22 Commission, including the toll-free number for
23 consumer complaints and website;

24 (E) a statement of the customer's right to rescind
25 the offer within 10 business days of the date on the
26 utility's notice confirming the customer's decision to

1 switch suppliers, as well as phone numbers for the
2 supplier and utility that the consumer may use to
3 rescind the contract;

4 (F) the amount of the early termination fee, if
5 any; and

6 (G) the utility gas supply cost rates per therm
7 price available from the Illinois Commerce Commission
8 website applicable at the time the alternative gas
9 supplier is offering or selling the products or
10 services to the customer and shall disclose the
11 following statement:

12 "(Name of the alternative gas supplier) is not the
13 same entity as your gas delivery company. You are not
14 required to enroll with (name of alternative retail
15 gas supplier). Beginning on (effective date), the
16 utility gas supply cost rate per therm is (cost). The
17 utility gas supply cost will expire on (expiration
18 date). For more information go to the Illinois
19 Commerce Commission's free website at
20 www.icc.illinois.gov/ags/consumereducation.aspx."

21 (3.5) An alternative gas supplier shall not enroll a
22 customer unless enrollment is for a fixed-rate commodity
23 product that is priced at no more than 5% greater than the
24 trailing 12-month average utility supply rate; variable
25 rate offers must provide savings compared to utility price
26 on a monthly basis.

1 (4) Except as provided in paragraph (5) of this
2 subsection (c), an alternative gas supplier shall send the
3 information described in paragraph (3) of this subsection
4 (c) to all customers within one business day of the
5 authorization of a switch.

6 (5) An alternative gas supplier engaging in
7 door-to-door solicitation of consumers shall provide the
8 information described in paragraph (3) of this subsection
9 (c) during all door-to-door solicitations that result in a
10 customer deciding to switch his or her supplier.

11 (d) Customer Authorization. An alternative gas supplier
12 shall not submit or execute a change in a customer's selection
13 of a natural gas provider unless and until (i) the alternative
14 gas supplier first discloses all material terms and conditions
15 of the offer to the customer; (ii) the alternative gas
16 supplier has obtained the customer's express agreement to
17 accept the offer after the disclosure of all material terms
18 and conditions of the offer; and (iii) the alternative gas
19 supplier has confirmed the request for a change in accordance
20 with one of the following procedures:

21 (1) The alternative gas supplier has obtained the
22 customer's written or electronically signed authorization
23 in a form that meets the following requirements:

24 (A) An alternative gas supplier shall obtain any
25 necessary written or electronically signed
26 authorization from a customer for a change in natural

1 gas service by using a letter of agency as specified in
2 this Section. Any letter of agency that does not
3 conform with this Section is invalid.

4 (B) The letter of agency shall be a separate
5 document (or an easily separable document containing
6 only the authorization language described in item (E)
7 of this paragraph (1)) whose sole purpose is to
8 authorize a natural gas provider change. The letter of
9 agency must be signed and dated by the customer
10 requesting the natural gas provider change.

11 (C) The letter of agency shall not be combined
12 with inducements of any kind on the same document.

13 (D) Notwithstanding items (A) and (B) of this
14 paragraph (1), the letter of agency may be combined
15 with checks that contain only the required letter of
16 agency language prescribed in item (E) of this
17 paragraph (1) and the necessary information to make
18 the check a negotiable instrument. The letter of
19 agency check shall not contain any promotional
20 language or material. The letter of agency check shall
21 contain in easily readable, bold face type on the face
22 of the check, a notice that the consumer is
23 authorizing a natural gas provider change by signing
24 the check. The letter of agency language also shall be
25 placed near the signature line on the back of the
26 check.

1 (E) At a minimum, the letter of agency must be
2 printed with a print of sufficient size to be clearly
3 legible, and must contain clear and unambiguous
4 language that confirms:

5 (i) the customer's billing name and address;

6 (ii) the decision to change the natural gas
7 provider from the current provider to the
8 prospective alternative gas supplier;

9 (iii) the terms, conditions, and nature of the
10 service to be provided to the customer, including,
11 but not limited to, the rates for the service
12 contracted for by the customer; and

13 (iv) that the customer understands that any
14 natural gas provider selection the customer
15 chooses may involve a charge to the customer for
16 changing the customer's natural gas provider.

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

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

24 (2) An appropriately qualified independent third party
25 has obtained, in accordance with the procedures set forth
26 in this paragraph (2), the customer's oral authorization

1 to change natural gas providers that confirms and includes
2 appropriate verification data. The independent third party
3 must (i) not be owned, managed, controlled, or directed by
4 the alternative gas supplier or the alternative gas
5 supplier's marketing agent; (ii) not have any financial
6 incentive to confirm provider change requests for the
7 alternative gas supplier or the alternative gas supplier's
8 marketing agent; and (iii) operate in a location
9 physically separate from the alternative gas supplier or
10 the alternative gas supplier's marketing agent. Automated
11 third-party verification systems and 3-way conference
12 calls may be used for verification purposes so long as the
13 other requirements of this paragraph (2) are satisfied. An
14 alternative gas supplier or alternative gas supplier's
15 sales representative initiating a 3-way conference call or
16 a call through an automated verification system must drop
17 off the call once the 3-way connection has been
18 established. All third-party verification methods shall
19 elicit, at a minimum, the following information:

20 (A) the identity of the customer;

21 (B) confirmation that the person on the call is
22 authorized to make the provider change;

23 (C) confirmation that the person on the call wants
24 to make the provider change;

25 (D) the names of the providers affected by the
26 change;

1 (E) the service address of the service to be
2 switched; and

3 (F) the price of the service to be provided and the
4 material terms and conditions of the service being
5 offered, including whether any early termination fees
6 apply.

7 Third-party verifiers may not market the alternative
8 gas supplier's services. All third-party verifications
9 shall be conducted in the same language that was used in
10 the underlying sales transaction and shall be recorded in
11 their entirety. Submitting alternative gas suppliers shall
12 maintain and preserve audio records of verification of
13 customer authorization for a minimum period of 2 years
14 after obtaining the verification. Automated systems must
15 provide customers with an option to speak with a live
16 person at any time during the call. Each disclosure made
17 during the third-party verification must be made
18 individually to obtain clear acknowledgment of each
19 disclosure. The alternative gas supplier must be in a
20 location where he or she cannot hear the customer while
21 the third-party verification is conducted. The alternative
22 gas supplier shall not contact the customer after the
23 third-party verification for a period of 24 hours unless
24 the customer initiates the contact.

25 (3) The alternative gas supplier has obtained the
26 customer's electronic authorization to change natural gas

1 service via telephone. Such authorization must elicit the
2 information in subparagraphs (A) through (F) of paragraph
3 (2) of this subsection (d). Alternative gas suppliers
4 electing to confirm sales electronically shall establish
5 one or more toll-free telephone numbers exclusively for
6 that purpose. Calls to the number or numbers shall connect
7 a customer to a voice response unit, or similar mechanism,
8 that makes a date-stamped, time-stamped recording of the
9 required information regarding the alternative gas
10 supplier change.

11 The alternative gas supplier shall not use such
12 electronic authorization systems to market its services.

13 (4) When a consumer initiates the call to the
14 prospective alternative gas supplier, in order to enroll
15 the consumer as a customer, the prospective alternative
16 gas supplier must, with the consent of the customer, make
17 a date-stamped, time-stamped audio recording that elicits,
18 at a minimum, the following information:

19 (A) the identity of the customer;

20 (B) confirmation that the person on the call is
21 authorized to make the provider change;

22 (C) confirmation that the person on the call wants
23 to make the provider change;

24 (D) the names of the providers affected by the
25 change;

26 (E) the service address of the service to be

1 switched; and

2 (F) the price of the service to be supplied and the
3 material terms and conditions of the service being
4 offered, including whether any early termination fees
5 apply.

6 Submitting alternative gas suppliers shall maintain
7 and preserve the audio records containing the information
8 set forth above for a minimum period of 2 years.

9 (5) In the event that a customer enrolls for service
10 from an alternative gas supplier via an Internet website,
11 the alternative gas supplier shall obtain an
12 electronically signed letter of agency in accordance with
13 paragraph (1) of this subsection (d) and any customer
14 information shall be protected in accordance with all
15 applicable statutes and rules. In addition, an alternative
16 gas supplier shall provide the following when marketing
17 via an Internet website:

18 (A) The Internet enrollment website shall, at a
19 minimum, include:

20 (i) a copy of the alternative gas supplier's
21 customer contract, which clearly and conspicuously
22 discloses all terms and conditions; and

23 (ii) a conspicuous prompt for the customer to
24 print or save a copy of the contract.

25 (B) Any electronic version of the contract shall
26 be identified by version number, in order to ensure

1 the ability to verify the particular contract to which
2 the customer assents.

3 (C) Throughout the duration of the alternative gas
4 supplier's contract with a customer, the alternative
5 gas supplier shall retain and, within 3 business days
6 of the customer's request, provide to the customer an
7 e-mail, paper, or facsimile of the terms and
8 conditions of the numbered contract version to which
9 the customer assents.

10 (D) The alternative gas supplier shall provide a
11 mechanism by which both the submission and receipt of
12 the electronic letter of agency are recorded by time
13 and date.

14 (E) After the customer completes the electronic
15 letter of agency, the alternative gas supplier shall
16 disclose conspicuously through its website that the
17 customer has been enrolled and the alternative gas
18 supplier shall provide the customer an enrollment
19 confirmation number.

20 (6) When a customer is solicited in person by the
21 alternative gas supplier's sales agent, the alternative
22 gas supplier may only obtain the customer's authorization
23 to change natural gas service through the method provided
24 for in paragraph (2) of this subsection (d).

25 Alternative gas suppliers must be in compliance with the
26 provisions of this subsection (d) within 90 days after April

1 10, 2009 (the effective date of Public Act 95-1051).

2 (e) Early Termination.

3 (1) Beginning January 1, 2020, consumers shall have
4 the right to terminate their contract with an alternative
5 gas supplier at any time without any termination fees or
6 penalties.

7 (2) In any agreement that contains an early
8 termination clause, an alternative gas supplier shall
9 provide the customer the opportunity to terminate the
10 agreement without any termination fee or penalty within 10
11 business days after the date of the first bill issued to
12 the customer for products or services provided by the
13 alternative gas supplier. The agreement shall disclose the
14 opportunity and provide a toll-free phone number that the
15 customer may call in order to terminate the agreement.

16 (f) The alternative gas supplier shall provide each
17 customer the opportunity to rescind its agreement without
18 penalty within 10 business days after the date on the gas
19 utility notice to the customer. The alternative gas supplier
20 shall disclose to the customer all of the following:

21 (1) that the gas utility shall send a notice
22 confirming the switch;

23 (2) that from the date the utility issues the notice
24 confirming the switch, the customer shall have 10 business
25 days before the switch will become effective;

26 (3) that the customer may contact the gas utility or

1 the alternative gas supplier to rescind the switch within
2 10 business days; and

3 (4) the contact information for the gas utility and
4 the alternative gas supplier.

5 The alternative gas supplier disclosure shall be included
6 in its sales solicitations, contracts, and all applicable
7 sales verification scripts.

8 (f-5)(1) Beginning January 1, 2020, an alternative gas
9 supplier shall not sell or offer to sell any products or
10 services to a consumer pursuant to a contract in which the
11 contract automatically renews, unless an alternative gas
12 supplier provides to the consumer at the outset of the offer,
13 in addition to other disclosures required by law, a separate
14 written statement titled "Automatic Contract Renewal" that
15 clearly and conspicuously discloses in bold lettering in at
16 least 12-point font the terms and conditions of the automatic
17 contract renewal provision, including: (i) the estimated bill
18 cycle on which the initial contract term expires and a
19 statement that it could be later based on when the utility
20 accepts the initial enrollment; (ii) the estimated bill cycle
21 on which the new contract term begins and a statement that it
22 will immediately follow the last billing cycle of the current
23 term; (iii) the procedure to terminate the contract before the
24 new contract term applies; and (iv) the cancellation
25 procedure. If the alternative gas supplier sells or offers to
26 sell the products or services to a consumer during an

1 in-person solicitation or telemarketing solicitation, the
2 disclosures described in this paragraph (1) shall also be made
3 to the consumer verbally during the solicitation. Nothing in
4 this paragraph (1) shall be construed to apply to contracts
5 entered into before January 1, 2020.

6 (2) At least 30 days before, but not more than 60 days
7 prior, to the end of the initial contract term, in any and all
8 contracts that automatically renew after the initial term, the
9 alternative gas supplier shall send, in addition to other
10 disclosures required by law, a separate written notice of the
11 contract renewal to the consumer that clearly and
12 conspicuously discloses the following:

13 (A) a statement printed or visible from the outside of
14 the envelope or in the subject line of the email, if the
15 customer has agreed to receive official documents by
16 email, that states "Contract Renewal Notice";

17 (B) a statement in bold lettering, in at least
18 12-point font, that the contract will automatically renew
19 unless the customer cancels it;

20 (C) the billing cycle in which service under the
21 current term will expire;

22 (D) the billing cycle in which service under the new
23 term will begin;

24 (E) the process and options available to the consumer
25 to reject the new contract terms;

26 (F) the cancellation process if the consumer's

1 contract automatically renews before the consumer rejects
2 the new contract terms;

3 (G) the terms and conditions of the new contract term;

4 (H) for a fixed rate or flat bill contract, a
5 side-by-side comparison of the current fixed rate or flat
6 bill to the new fixed rate or flat bill; for a variable
7 rate contract or time-of-use product in which the first
8 month's renewal price can be determined, a side-by-side
9 comparison of the current price and the price for the
10 first month of the new variable or time-of-use price; or
11 for a variable or time-of-use contract based on a publicly
12 available index, a side-by-side comparison of the current
13 formula and the new formula; and

14 (I) the phone number and email address to submit a
15 consumer inquiry or complaint to the Illinois Commerce
16 Commission and the Office of the Attorney General.

17 (3) An alternative gas supplier shall not automatically
18 renew a consumer's enrollment after the current term of the
19 contract expires when the current term of the contract
20 provides that the consumer will be charged a fixed rate and the
21 renewed contract provides that the consumer will be charged a
22 variable rate, unless: (i) the alternative gas supplier
23 complies with paragraphs (1) and (2); and (ii) the customer
24 expressly consents to the contract renewal in writing or by
25 electronic signature at least 30 days, but no more than 60
26 days, before the contract expires.

1 (4) An alternative gas supplier shall not submit a change
2 to a customer's gas service provider in violation of Section
3 19-116 of the Public Utilities Act.

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

9 (Source: P.A. 101-590, eff. 1-1-20; 102-558, eff. 8-20-21.)