

# SB3691



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB3691

Introduced 2/11/2010, by Sen. Don Harmon

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-117

Amends the Public Utilities Act. Provides that within 90 days after the effective date of the amendatory Act, the Illinois Commerce Commission shall direct the Office of Retail Market Development to update the consumer education materials for residential consumers and small business consumers. Provides that the Commission may form another working group to prepare and review the consumer education materials prior to adoption by the Commission. Effective immediately.

LRB096 17903 MJR 33271 b

A BILL FOR

1 AN ACT concerning utilities.

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 Section 16-117 as follows:

6 (220 ILCS 5/16-117)

7 Sec. 16-117. Commission consumer education program.

8 (a) The restructuring of the electricity industry will  
9 create a new electricity market with new marketers and sellers  
10 offering new goods and services, many of which the average  
11 consumer will not be able to readily evaluate. It is the intent  
12 of the General Assembly that (i) electricity consumers be  
13 provided with sufficient and reliable information so that they  
14 are able to compare and make informed selections of products  
15 and services provided in the electricity market; and (ii)  
16 mechanisms be provided to enable consumers to protect  
17 themselves from marketing practices that are unfair or abusive.

18 (b) The Commission shall implement and maintain a consumer  
19 education program to provide residential and small commercial  
20 retail customers with information to help them understand their  
21 service options in a competitive electric services market, and  
22 their rights and responsibilities.

23 (c) The Commission shall form a working group following the

1 enactment of this amendatory Act of 1997. This group shall  
2 consist of 5 representatives of the investor-owned electric  
3 utilities in this State, 2 of which shall be appointed by  
4 electric utilities serving over 1,000,000 retail customers in  
5 this State; 2 representatives of alternative retail electric  
6 suppliers; 3 representatives of organizations representing the  
7 interests of residential and small commercial retail  
8 customers; and the Commission.

9 (d) By March 1, 1999, with respect to educational materials  
10 for small commercial customers and by November 1, 2001 with  
11 respect to educational materials for residential customers,  
12 the working group appointed pursuant to this Section shall  
13 develop a package of printed educational materials which meet  
14 the requirements of subsection (e) and shall submit such  
15 package to the Commission for approval, along with  
16 recommendations for implementing this consumer education  
17 program. Such materials shall consider the needs of different  
18 types of consumers in this State, such as elderly, low-income,  
19 multilingual, minority, rural and disabled customers. The  
20 working group shall issue recommendations to the Commission on  
21 how such education program can be implemented through a variety  
22 of communication methods, including specifically mass media,  
23 distribution of printed material, public service  
24 announcements, and posting on the Internet.

25 Within 90 days after the effective date of this amendatory  
26 Act of the 96th General Assembly, the Commission shall direct

1 the Office of Retail Market Development to update the consumer  
2 education materials for residential consumers and small  
3 business consumers. The Commission may form another working  
4 group to prepare and review the consumer education materials  
5 prior to adoption by the Commission.

6 (e) At a minimum, the materials constituting the consumer  
7 education program submitted to the Commission by the working  
8 group shall include concise explanations or descriptions of the  
9 following:

10 (1) the structure of the electric utility industry  
11 following this amendatory Act of 1997 and a glossary of  
12 basic terms;

13 (2) the choices available to consumers to take electric  
14 service from an alternative retail electric supplier or  
15 remain as a retail customer of an electric utility;

16 (3) a customer's rights, risks and responsibilities in  
17 receiving service from an alternative retail electric  
18 supplier or remaining as a retail customer of an electric  
19 utility;

20 (4) the legal obligations of alternative retail  
21 electric suppliers;

22 (5) those services that may be offered on a competitive  
23 basis in a deregulated electric services market, including  
24 services that could be packaged with the delivery of  
25 electric power and energy;

26 (6) services that an electric utility is required to

1 provide pursuant to tariffed rates;

2 (7) the components of a bill that could be received by  
3 a customer taking delivery services;

4 (8) the complaint procedures set forth in Section  
5 10-108 of this Act by which consumers may seek a redress of  
6 grievances against an electric utility or an alternative  
7 retail electric supplier and a list of phone numbers of the  
8 Commission, the Attorney General or other entities that can  
9 provide information and assistance to customers; and

10 (9) additional information available from the  
11 Commission upon request.

12 (f) Within 45 days following the submission required of the  
13 working group by subsection (d) of this Section, the Commission  
14 shall approve or disapprove the educational materials and  
15 recommendations for program implementation. The Commission  
16 shall be deemed to have approved the educational program  
17 materials and recommendations unless the Commission  
18 disapproves of any such material or recommendation within 45  
19 days following the date of receipt.

20 (g) Once approved by the Commission, materials comprising  
21 the consumer education program contemplated by this Section  
22 shall be distributed as follows:

23 (1) Electric utilities shall mail printed educational  
24 materials specified by the working group and approved by  
25 the Commission (a) to all residential and small commercial  
26 retail customers within a reasonable period prior to the

1 date that such customers become eligible to purchase power  
2 from alternative retail electric suppliers, such  
3 "reasonable period" to be determined by the Commission; and  
4 (b) once the applicable customer class becomes eligible to  
5 receive delivery services, to all new residential and small  
6 commercial retail customers at the time that such customers  
7 begin taking services from the electric utility.

8 (2) Alternative retail electric suppliers shall  
9 include such materials with all initial mailings to  
10 potential residential and small commercial retail  
11 customers but in all circumstances prior to the time by  
12 which an alternative retail electric supplier executes any  
13 agreements or contracts with such customers for the supply  
14 of electric services.

15 (3) Both electric utilities and alternative retail  
16 electric suppliers shall provide such materials at no  
17 charge to residential and small commercial retail  
18 customers upon request.

19 (4) The Commission shall make available upon request  
20 and at no charge, and shall make available to the public on  
21 the Internet through the State of Illinois World Wide Web  
22 Site:

23 (A) all printed educational materials developed by  
24 the working group and approved by the Commission;

25 (B) a list of all certified alternative retail  
26 electric suppliers serving residential and small

1 commercial retail customers within the service  
2 territory of each electric utility;

3 (C) a list of alternative retail electric  
4 suppliers serving residential or small commercial  
5 retail customers which have been found in the last 3  
6 years by the Commission pursuant to Section 10-108 to  
7 have failed to provide service in accordance with the  
8 terms of their contracts with such retail customers;  
9 and

10 (D) guidelines to assist customers in determining  
11 which energy supplier is most appropriate for each  
12 customer.

13 (h) The Commission may also adopt a uniform disclosure form  
14 which alternative retail electric suppliers would be required  
15 to complete enabling consumers to compare prices, terms and  
16 conditions offered by such suppliers.

17 (i) The Commission shall make available to the public staff  
18 with the ability and knowledge to respond to consumer  
19 inquiries.

20 (j) The costs of printing educational materials approved by  
21 the Commission pursuant to this Section shall be payable solely  
22 from funding as provided in this subsection.

23 Each year the General Assembly shall appropriate money to  
24 the Commission from the General Revenue Fund for the expenses  
25 of the Commission associated with this Section. The cost of the  
26 consumer education program contemplated by this Section shall

1 not exceed the amount of such appropriation. In no event shall  
2 any electric utility, alternative retail electric supplier or  
3 customer be liable for the costs of printing consumer education  
4 program material in accordance with this Section. The  
5 obligations associated with this consumer education program  
6 shall not exceed the amounts appropriated for this program  
7 pursuant to this Section.

8 (k) The Commission shall study the effectiveness of the  
9 consumer education program. Such study shall include a notice  
10 and an opportunity for participation and comment by all  
11 interested and potentially affected parties. Such study shall  
12 be completed by January 31st of each year during the mandatory  
13 transition period and a summary thereof, together with any  
14 legislative recommendations, shall be included in the  
15 Commission's Annual Report due in accordance with Section 4-304  
16 of this Act.

17 (Source: P.A. 90-561, eff. 12-16-97.)

18 Section 99. Effective date. This Act takes effect upon  
19 becoming law.