



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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NEW STATE REPORT SHOWS NEED FOR CONSUMER PROTECTIONS: NORTHERN IL RESIDENTS WITH ALTERNATIVE SUPPLIERS HAVE LOST \$340 M OVER LAST 3 YEARS

A new state report showing that Northern Illinois consumers have lost \$340 million on alternative electricity suppliers over the last three years highlights the urgency to implement new consumer protections now before a special legislative committee, the Citizens Utility Board (CUB) said Friday.

The report, by the Illinois Commerce Commission's Office of Retail Market Development, found that over the last three years, Northern Illinois consumers with alternative suppliers paid a total of \$340.7 million more than they would have had ComEd been their supplier. The figures are in sharp contrast to the numbers from 2012 to 2014, when customers saved \$320.4 million.

Aggregate Savings/Loss:

2012 (June 2011 through May 2012): \$24.2 million savings
2013 (June 2012 through May 2013): \$257.5 million savings
2014 (June 2013 through May 2014): \$38.7 million savings
2015 (June 2014 through May 2015): \$73.4 million loss
2016 (June 2015 through May 2016): \$115.2 million loss
2017 (June 2016 through May 2017): \$152.1 million loss

A major reason people enjoyed savings in the early years of Illinois' power market was because ComEd was locked into higher priced electricity contracts. That elevated ComEd's supply rate and allowed alternative suppliers to beat its price. The last of those higher priced contracts expired in 2013.

"Illinois' electricity market has undergone significant changes, and now it's much more difficult to find savings," CUB Executive Director David Kolata said. "Our message to consumers: Buyer beware. This is an excellent reason why we support the Illinois Commerce Commission's new consumer protections."

In June, the ICC unanimously approved stronger consumer protections to help people avoid bad electric deals. For example, under the new rules, suppliers must:

- Provide 12 months of pricing history for a variable offer.
- Notify customers when a variable rate will increase by at least 20 percent.
- Notify customers (by letter and telephone) that a contract will be renewed.
- Limit door-to-door marketing to 9 a.m. to 7 p.m. (or dusk, whichever is earlier).
- Have third-party verification process for door-to-door and telemarketing sales.

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The General Assembly's bipartisan Joint Committee on Administrative Rules will give the rules a final review. It can OK the rules or block them and require changes before allowing them to be adopted.

"Consumers are losing money, so we need to do everything we can to protect them," Kolata said. "We urge the General Assembly's Joint Committee on Administrative Rules to quickly and fully approve these reasonable rules."

CUB is Illinois' leading nonprofit utility watchdog. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, it has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more information, call CUB's Consumer Hotline, 1-800-669-5556, or visit its award-winning website, www.CitizensUtilityBoard.org.

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