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CUB: COM ED, AMEREN CUSTOMERS HAVE LOST TOTAL OF \$1.8B TO ALTERNATIVE POWER SUPPLIERS SINCE 2015, ACCORDING TO REVIEW OF STATE REPORTS ON ELECTRIC MARKET

Watchdog issues statewide warning about bad electric deals peddled door-to-door, via telemarketing and by mail

Commonwealth Edison and Ameren Illinois customers who have chosen alternative electricity suppliers have lost a combined total of about \$297 million over the last year and \$1.8 billion since 2015, the Citizens Utility Board (CUB) said Tuesday, citing annual state reports on electricity competition.

While ComEd and Ameren deliver electricity to their customers over the power lines they own, under Illinois law, those customers can choose another company to supply the actual electricity. As of May 2024, about 1.37 million Illinois residential consumers were with another supplier—a 22 percent increase from the year before.

On Tuesday, CUB issued a statewide warning, urging Illinois consumers to beware of rip-offs peddled by alternative suppliers door-to-door, via mail and over the phone.

"Far too many Illinois consumers have suffered skyrocketing power bills because of an alternative electricity supplier. Going with an alternative offer pitched by a sales rep is a gamble you are likely to lose," CUB Executive Director Sarah Moskowitz said. "There are more reliable ways to reduce electric bills, including energy efficiency."

The Illinois Commerce Commission's Office of Retail Market Development (ORMD), which focuses on electricity competition, recently released its **2024 annual report**, covering June 1, 2023 through May 31, 2024:

- ComEd customers who were with an alternative supplier on average paid about 3 cents per kilowatt-hour (kWh) more, compared with ComEd's supply price. Customers in Ameren territory who were with an alternative supplier on average paid about 2.4 cents per kWh more, compared with Ameren's supply rate.
- The highest alternative supplier rate the ICC found in ComEd territory was a 38.4 cents per kWh variable rate (a rate that can change monthly) in June 2023. In the same month, the ICC found a variable rate of 39.5 cents per kWh in Ameren territory. Both prices were about five times the utility supply price at the time.
- In the early days of competition—from June 2011 through May 2014—many people saved money with alternative suppliers, mainly because utilities were locked into more expensive electricity contracts. Once the utility contracts ended, competing suppliers had more difficulty beating the utility's supply rate. Since then, the results have been dismal for consumers, according to CUB's review of ORMD reports since 2015.

	Total Losses, ComEd customers	Total Losses, Ameren customers
June 2015-May 2016	\$115.2 million (lost)	\$10.6 million (lost)
June 2016-May 2017	\$152.1 million (lost)	\$45.9 million (lost)
June 2017-May 2018	\$138.2 million (lost)	\$89.3 million (lost)
June 2018-May 2019	\$124.2 million (lost)	\$121.9 million (lost)
June 2019-May 2020	\$144.5 million (lost)	\$107.4 million (lost)
June 2020-May 2021	\$240.2 million (lost)	\$167.2 million (lost)
June 2021-May 2022	\$112.2 million (lost)	\$24.1 million (lost)
June 2022-May 2023	\$82.7 million (lost)	\$66.3 million (saved)
June 2023-May 2024	\$175.0 million (lost)	\$122.5 million (lost)
Totals:	\$1.3 billion (lost)	\$501 million (lost)
Grand Total:	\$1.8 billion (lost)	

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In its 40th anniversary year, CUB said alternative supplier rip-offs are a top concern, and it offers the following tips:

- Check the "Supply" section of your electric bill to see if you're paying for an alternative supplier. Some customers have told CUB they didn't realize they were with an alternative supplier until their bills skyrocketed. Even if you're with another supplier, you still receive a utility bill because your utility will deliver the power to your home. If you're with an alternative supplier, that company will be listed on the "Supply" section of your electric bill. If another company is listed there, see how its rate compares with your utility's supply price. Check CUB's Electric page to see the latest utility supply prices. It's likely the utility's supply price is your best bet.
- If you're on a "municipal aggregation" community power deal, confirm the price, how it compares with the utility's supply rate, and for how long the contract is. Your community may have negotiated a lower rate than the utility's supply price, but don't assume that. About 43 percent of ComEd customers and 53 percent of Ameren customers with an alternative supplier were on a community power deal, the report said. Note: You may be willing to pay a little extra for your municipal aggregation offer if it's a renewable energy-based plan. But remember: There are other ways to help the planet—and at the same time save money. CUB lists them below.
- Be wary about giving your bill or your account number to just anybody. An unethical sales representative who sees your bill can get your account number and sign you up for an offer without your permission.
- There's no need to sign up at your doorstep—even if a sales rep is pushing a "today-only" offer. High-pressure tactics are a red flag. If you are interested in learning more, ask for documentation about the offer so you can study it on your own time. A reputable salesperson should have no problem leaving you information.
- Make sure the alternative supplier offer is **NOT** an introductory rate that ends after a short period.
- Read the fine print. Look for hidden fees—the report found some supplier offers charging fees ranging from 50 cents per day to \$14.99 per month. Also: If an offer has a low fixed rate, check if the fine print has a "force majeure" provision that allows the company to change the rate during certain market conditions.
- If you want to sign up, watch your bill carefully. If the offer turns out to be bad—you should be able to leave it without paying an "exit fee," under Illinois law.

The clean energy options below offer more reliable ways to reduce your power bills, without switching suppliers:

- Practice energy efficiency. ComEd and Ameren offer no- and low-cost programs to help cut costs.
- Consider joining ComEd Peak Time Savings or Ameren Peak Time Rewards. These programs give you a bill credit if you're able to reduce your energy usage for a limited number of hours on certain days (typically hot summer afternoons) when electricity demand is highest. Demand-response programs like these give you incentives to reduce energy usage when demand is at its peak and fossil-fuel power plants work their hardest.
- Consider joining ComEd Hourly Pricing or Ameren Power Smart Pricing. These demand-response programs charge a wholesale market price that can change hourly, compared with the traditional utility supply rate that only changes about twice a year. They encourage customers to put off heavy energy usage (laundry, for example) until prices are lowest: late night and early morning. While savings are not guaranteed, typical participants have saved an average of 10-15 percent on their electricity supply costs.
- Explore solar power. Consider <u>installing solar panels</u> using state and federal incentives that can cover up to 60 percent of the costs. If that's not an option, explore <u>Community Solar</u> deals in your service area. Community Solar offers the benefits of solar (lower bills) without having to install panels on your property.

The Citizens Utility Board (CUB) is celebrating its 40th anniversary as Illinois' leading nonprofit utility watchdog group. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, CUB has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more information, call CUB's Consumer Hotline at 1-800-669-5556 or visit CUB's award-winning website, www.CitizensUtilityBoard.org.