

**May 1, 2019**

**ATTORNEY GENERAL RAOUL: SENATE ACTS TO PROTECT CONSUMERS FROM DECEPTIVE PRACTICES OF ALTERNATIVE RETAIL ENERGY SUPPLIERS**

***Raoul's HEAT Act Ensures Consumers Have Information to Better Understand How Switching to Alternative Suppliers Will Impact Utility Bills***

**Chicago** — Attorney General Kwame Raoul today applauded the Illinois Senate's passage of legislation that will protect consumers from high-priced alternative retail electric and gas suppliers, which claim to offer cheaper energy rates than traditional utility companies but are almost always more expensive.

Attorney General Raoul initiated Senate Bill 651, or the Home Energy Affordability and Transparency (HEAT) Act, to create transparency by equipping consumers with meaningful information so that they can understand what signing up with an alternative supplier will mean for their utility bills. The bill also protects energy assistance funds by ensuring public dollars cannot be expended on overpriced energy supplier contracts. SB 651, which is sponsored by Senate Majority Leader Kimberly Lightford, passed the Senate on a bipartisan vote of 43 to 10 and heads to the Illinois House for consideration.

"Alternative retail electricity and gas suppliers attract customers with promises of free electricity or lower utility bills, but the truth is that almost no one pays less after signing a contract with one of these suppliers," Raoul said. "The HEAT Act ensures that suppliers provide consumers with substantive information and price comparisons so that they can make informed decisions before signing contracts that could tie them to higher rates."

"The data clearly demonstrates that alternative suppliers focus their signup efforts on low-income neighborhoods, those where English is a secondary language, and communities of color," Lightford said. "I am proud to stand with Attorney General Raoul to protect our most vulnerable residents from unknowingly signing contracts that will result in rate hikes they cannot afford."

Alternative retail energy suppliers entice customers with false savings claims and other inducements only to routinely trap customers in bad contracts that result in significantly higher utility rates. Over the last four years, consumers enrolled with alternative retail electric suppliers have paid over \$600 million more in electricity costs than consumers who stayed with their public utility. Both alternative electric and gas suppliers engage in misleading marketing practices that take advantage of customer confusion and lack of information. Consumers in low-income neighborhoods and communities of color have been disproportionately harmed by suppliers' deception and high costs.

The HEAT Act (SB 651) would protect consumers by:

- Improving the Attorney General's existing authority to protect consumers from suppliers' unlawful and deceptive marketing practices.
- Protecting public energy assistance funds, LIHEAP (Low Income Home Energy Assistance Program) and PIPP (Percentage of Income Payment Plan), from being wasted to pay the higher prices charged by alternative retail energy supporters.
- Requiring the utility's comparison price to be included on all supplier marketing materials, during telephone or door-to-door solicitations, and on every consumer's utility bill so consumers can make informed price comparisons.

- Preventing suppliers from renewing a consumer's contract and raising rates without notifying the consumer of the new rate and obtaining the consumer's consent.
- Requiring suppliers to report their rates to the Illinois Commerce Commission and Attorney General.

Attorney General Raoul's HEAT Act is supported by a number of consumer advocacy groups, including: AARP, Citizen Action Illinois, Community Organizing and Family Issues, Illinois Public Interest Research Group, Citizen Utility Board, Heartland Alliance, Legal Aid Society of Metropolitan Family Services, Housing Action Illinois, Woodstock Institute, as well as by the Environmental Law and Policy Center, Elevate Energy, Ameren Illinois and SEIU Healthcare Illinois.

SB 651 is part of Attorney General Raoul's effort to protect public utilities customers from increasing rates and strengthen oversight of alternative retail energy suppliers.