**Section 412.230 Contract Renewal**

a) Non-Automatic Renewal. The ARES shall clearly and conspicuously disclose any renewal terms in its contracts, including any cancellation procedure. The ARES shall send a notice of contract expiration separate from the bill at least 30 but no more than 60 days prior to the date of contract expiration. Nothing in this Section shall preclude an ARES from offering a new contract to the customer at any other time during the contract period. If the customer enters into a new contract prior to the end of the contract expiration notice period, the notice of contract expiration under this Section is not required. The separate written notice of contract expiration shall include:

1) A statement printed or visible from the outside of the envelope or in the subject line of the email (if customer has agreed to receive official documents by email) that states "Contract Expiration Notice";

2) The anticipated bill cycle in which the existing contract will expire;

3) A full description of the renewal offer, including the date service would begin under the new offer, if a renewal offer was provided. If the new contract's terms differ from the existing contract, the ARES shall include a UDS that identifies the new terms, as well as a side-by-side comparison of the material changes between the existing contract and the new contract; and

4) A statement, in at least 12-point font, that the customer must provide affirmative consent to accept the renewal offer, that establishing service with another ARES can take up to 45 days, and that failure to renew the existing contract or switch to another ARES may result in the customer being reverted to the electric utility default service. The statement shall provide the length of the electric utility tariff minimum stay period, if applicable.

b) Automatic Renewal.

1) In addition to complying with the Illinois Automatic Renewal Act [815 ILCS 601], *beginning January 1, 2020, an ARES shall not sell or offer to sell any products or services to a consumer pursuant to a contract in which the contract automatically renews, unless an alternative retail electric supplier provides to the consumer at the outset of the offer, in addition to other disclosures required by law, a separate written statement titled "Automatic Contract Renewal" that clearly and conspicuously discloses in bold lettering in at least 12-point font the terms and conditions of the automatic contract renewal provision, including*:

A) *the estimated bill cycle on which the initial contract term expires and a statement that it could be later based on when the Electric Utility accepts the initial enrollment;*

B) *the estimated bill cycle on which the new contract term begins and a statement that it will immediately follow the last billing cycle of the current term;*

C) *the procedure to terminate the contract before the new contract term applies; and*

D) *the cancellation procedure.* [815 ILCS 505/2EE(c)(7)(A)]

Disclosures compliant with Section 2EE(c)(7)(A) of the Consumer Fraud and Deceptive Business Practices Act [815 ILCS 505] shall constitute compliance with this subsection (b)(1). Nothing in this subsection (b)(1) shall be construed to apply to contracts entered into before January 1, 2020.

2) If the ARES sells or offers to sell the products or services to a consumer during an in-person solicitation or telemarketing solicitation, the disclosures described in subsection (b)(1) shall also be made to the consumer verbally during the solicitation.

3) For contracts that automatically renew after the initial term, the ARES shall send a notice of contract renewal separately from the bill at least 30 days but no more than 60 days prior to the end of the contract term. Nothing in this Section shall preclude an ARES from offering a new contract to the customer at any other time during the contract period. If the customer enters into a new contract prior to the end of the contract renewal notice period, the notice of contract renewal under this subsection is not required. Disclosures compliant with Section 2EE(c)(7)(B) of the Consumer Fraud and Deceptive Business Practices Act, as in force and effect on January 1, 2020, shall constitute compliance with this subsection (b)(3).

c) The separate written notice of contract renewal referenced in subsection (b) shall include a clear and conspicuous disclosure of the contract terms, including a full description of any renewal offers available to the customer. If the new contract's terms differ from the existing contract, the ARES shall provide written notice of the new terms. The ARES shall include the phone number and email address (or internet address if no email address currently exists) to which a customer may submit a consumer inquiry or complaint to the Illinois Commerce Commission and the Office of the Attorney General. The ARES should also include, as is applicable:

1) for a fixed rate or flat bill contract, a side-by-side comparison of the current fixed rate or flat bill to the new fixed rate or flat bill;

2) for a variable rate contract or time-of-use product in which the first month's renewal price can be determined, a side-by-side comparison of the current price and the price for the first month of the new variable or time-of-use price; or

3) for a variable or time-of-use contract based on a publicly available index, a side-by-side comparison of the current formula and the new formula.

d) An alternative retail electric supplier shall not automatically renew a consumer's enrollment after the current term of the contract expires when the current term of the contract provides that the consumer will be charged a fixed rate and the renewed contract provides that the consumer will be charged a variable rate, unless:

1) the alternative retail electric supplier complies with subsection (b); and

2) the customer expressly consents to the contract renewal in writing or by electronic signature at least 30 days, but no more than 60 days, before the contract expires.

e) In addition to sending documentation required by subsection (b)(2) by U.S. Mail or email, an ARES must alert the customer to the information contained in subsection (c)(2) by one additional means of communication. The ARES may provide for the customer's choice one or more options for this additional notification. Permissible forms of notification an ARES may offer include email, text message/SMS, postcards, or phone calls; provided, however, that the policy preference of the Commission is that an ARES use phone calls when an ARES is able to obtain a customer's express written consent to give notice in this manner. An ARES may provide the additional notification by directing the customer to a website that contains the entirety of the information required by subsection (b). Each ARES shall maintain records that the additional notification was sent to the customer for the longer of two years or one year after the customer is no longer served by the ARES.

(Source: Former Section 412.240 renumbered to Section 412.230 and amended at 46 Ill. Reg. 19509, effective November 23, 2022)