

1 AN ACT concerning regulation.

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 Sections 19-105, 19-110, 19-115, 19-120, and 19-125 and by  
6 adding Sections 19-111 and 19-112 as follows:

7 (220 ILCS 5/19-105)

8 Sec. 19-105. Definitions. For the purposes of this Article,  
9 the following terms shall be defined as set forth in this  
10 Section.

11 "Alternative gas supplier" means every person,  
12 cooperative, corporation, municipal corporation, company,  
13 association, joint stock company or association, firm,  
14 partnership, individual, or other entity, their lessees,  
15 trustees, or receivers appointed by any court whatsoever, that  
16 offers gas for sale, lease, or in exchange for other value  
17 received to one or more customers, or that engages in the  
18 furnishing of gas to one or more customers, and shall include  
19 affiliated interests of a gas utility, resellers, aggregators  
20 and marketers, but shall not include (i) gas utilities (or any  
21 agent of the gas utility to the extent the gas utility provides  
22 tariffed services to customers through an agent); (ii) public  
23 utilities that are owned and operated by any political

1 subdivision, public institution of higher education or  
2 municipal corporation of this State, or public utilities that  
3 are owned by a political subdivision, public institution of  
4 higher education, or municipal corporation and operated by any  
5 of its lessees or operating agents; (iii) natural gas  
6 cooperatives that are not-for-profit corporations operated for  
7 the purpose of administering, on a cooperative basis, the  
8 furnishing of natural gas for the benefit of their members who  
9 are consumers of natural gas; and (iv) the ownership or  
10 operation of a facility that sells compressed natural gas at  
11 retail to the public for use only as a motor vehicle fuel and  
12 the selling of compressed natural gas at retail to the public  
13 for use only as a motor vehicle fuel.

14 "Gas utility" means a public utility, as defined in Section  
15 3-105 of this Act, that has a franchise, license, permit, or  
16 right to furnish or sell gas or transportation services to  
17 customers within a service area.

18 "Residential customer" means a customer who receives gas  
19 utility service for household purposes distributed to a  
20 dwelling of 2 or fewer units which is billed under a  
21 residential rate or gas utility service for household purposes  
22 distributed to a dwelling unit or units which is billed under a  
23 residential rate and is registered by a separate meter for each  
24 dwelling unit.

25 "Sales agent" means any employee, agent, independent  
26 contractor, consultant, or other person that is engaged by the

1 alternative gas supplier to solicit customers to purchase,  
2 enroll in, or contract for alternative gas service on behalf of  
3 an alternative gas supplier.

4 "Service area" means (i) the geographic area within which a  
5 gas utility was lawfully entitled to provide gas to customers  
6 as of the effective date of this amendatory Act of the 92nd  
7 General Assembly and includes (ii) the location of any customer  
8 to which the gas utility was lawfully providing gas utility  
9 services on such effective date.

10 "Small commercial customer" means a nonresidential retail  
11 customer of a natural gas utility who consumed ~~is identified by~~  
12 ~~the alternative gas supplier, prior to becoming a customer of~~  
13 ~~the alternative gas supplier, as consuming~~ 5,000 or fewer  
14 therms of natural gas during the previous year; provided that  
15 any alternative gas supplier may remove the customer from  
16 designation as a "small commercial customer" if the customer  
17 consumes more than 5,000 therms of natural gas in any calendar  
18 year after becoming a customer of the alternative gas supplier.  
19 In determining whether a customer has consumed 5,000 or fewer  
20 therms of natural gas during the previous year, usage by the  
21 same commercial customer shall be aggregated to include usage  
22 at the same premises even if measured by more than one meter,  
23 and to include usage at multiple premises. Nothing in this  
24 Section creates an affirmative obligation on a gas utility to  
25 monitor or inform customers or alternative gas suppliers as to  
26 a customer's status as a small commercial customer as that term

1 is defined herein. Nothing in this Section relieves a gas  
2 utility from any obligation to provide information upon request  
3 to a customer, alternative gas supplier, the Commission, or  
4 others necessary to determine whether a customer meets the  
5 classification of small commercial customers as that term is  
6 defined herein.

7 "Tariffed service" means a service provided to customers by  
8 a gas utility as defined by its rates on file with the  
9 Commission pursuant to the provisions of Article IX of this  
10 Act.

11 "Transportation services" means those services provided by  
12 the gas utility that are necessary in order for the storage,  
13 transmission and distribution systems to function so that  
14 customers located in the gas utility's service area can receive  
15 gas from suppliers other than the gas utility and shall  
16 include, without limitation, standard metering and billing  
17 services.

18 (Source: P.A. 94-738, eff. 5-4-06.)

19 (220 ILCS 5/19-110)

20 Sec. 19-110. Certification of alternative gas suppliers.

21 (a) The provisions of this Section shall apply only to  
22 alternative gas suppliers serving or seeking to serve  
23 residential or small commercial customers and only to the  
24 extent such alternative gas suppliers provide services to  
25 residential or small commercial customers.

1           (b) An alternative gas supplier must obtain a certificate  
2 of service authority from the Commission in accordance with  
3 this Section before serving any customer or other user located  
4 in this State. An alternative gas supplier may request, and the  
5 Commission may grant, a certificate of service authority for  
6 the entire State or for a specified geographic area of the  
7 State. A person, corporation, or other entity acting as an  
8 alternative gas supplier on the effective date of this  
9 amendatory Act of the 92nd General Assembly shall have 180 days  
10 from the effective date of this amendatory Act of the 92nd  
11 General Assembly to comply with the requirements of this  
12 Section in order to continue to operate as an alternative gas  
13 supplier.

14           (c) An alternative gas supplier seeking a certificate of  
15 service authority shall file with the Commission a verified  
16 application containing information showing that the applicant  
17 meets the requirements of this Section. The alternative gas  
18 supplier shall publish notice of its application in the  
19 official State newspaper within 10 days following the date of  
20 its filing. No later than 45 days after the application is  
21 properly filed with the Commission, and such notice is  
22 published, the Commission shall issue its order granting or  
23 denying the application.

24           (d) An application for a certificate of service authority  
25 shall identify the area or areas in which the applicant intends  
26 to offer service and the types of services it intends to offer.

1 Applicants that seek to serve residential or small commercial  
2 customers within a geographic area that is smaller than a gas  
3 utility's service area shall submit evidence demonstrating  
4 that the designation of this smaller area does not violate  
5 Section 19-115. An applicant may state in its application for  
6 certification any limitations that will be imposed on the  
7 number of customers or maximum load to be served. The applicant  
8 shall submit as part of its application a statement indicating:

9 (1) Whether the applicant has been denied a natural gas  
10 supplier license in any state in the United States.

11 (2) Whether the applicant has had a natural gas  
12 supplier license suspended or revoked by any state in the  
13 United States.

14 (3) Where, if any, other natural gas supplier license  
15 applications are pending in the United States.

16 (4) Whether the applicant is the subject of any  
17 lawsuits filed in a court of law or formal complaints filed  
18 with a regulatory agency alleging fraud, deception or  
19 unfair marketing practices, or other similar allegations,  
20 identifying the name, case number, and jurisdiction of each  
21 such lawsuit or complaint.

22 For the purposes of this subsection (d), formal complaints  
23 include only those complaints that seek a binding determination  
24 from a state or federal regulatory body.

25 (e) The Commission shall grant the application for a  
26 certificate of service authority if it makes the findings set

1 forth in this subsection based on the verified application and  
2 such other information as the applicant may submit.

3 (1) That the applicant possesses ~~possess~~ sufficient  
4 technical, financial, and managerial resources and  
5 abilities to provide the service for which it seeks a  
6 certificate of service authority. In determining the level  
7 of technical, financial, and managerial resources and  
8 abilities which the applicant must demonstrate, the  
9 Commission shall consider:

10 (A) the characteristics, including the size and  
11 financial sophistication of the customers that the  
12 applicant seeks to serve; ~~and shall consider~~

13 (B) whether the applicant seeks to provide gas  
14 using property, plant, and equipment that it owns,  
15 controls, or operates; and

16 (C) the applicant's commitment of resources to the  
17 management of sales and marketing staff, through  
18 affirmative managerial policies, independent audits,  
19 technology, hands-on field monitoring and training,  
20 and, in the case of applicants who will have sales  
21 personnel or sales agents within the State of Illinois,  
22 the applicant's managerial presence within the State.

23 (2) That the applicant will comply with all applicable  
24 federal, State, regional, and industry rules, policies,  
25 practices, and procedures for the use, operation, and  
26 maintenance of the safety, integrity, and reliability of

1 the gas transmission system.

2 (3) That the applicant will comply with such  
3 informational or reporting requirements as the Commission  
4 may by rule establish.

5 (4) That the area to be served by the applicant and any  
6 limitations it proposes on the number of customers or  
7 maximum amount of load to be served meet the provisions of  
8 Section 19-115, provided, that if the applicant seeks to  
9 serve an area smaller than the service area of a gas  
10 utility or proposes other limitations on the number of  
11 customers or maximum amount of load to be served, the  
12 Commission can extend the time for considering such a  
13 certificate request by up to 90 days, and can schedule  
14 hearings on such a request.

15 (5) That the applicant and the applicant's sales agents  
16 will comply with all other applicable laws and rules.

17 (f) The Commission can extend the time for considering such  
18 a certificate request by up to 90 days, and can schedule  
19 hearings on such a request if:

20 (1) a party to the application proceeding has formally  
21 requested that the Commission hold hearings in a pleading  
22 that alleges that one or more of the allegations or  
23 certifications in the application is false or misleading;  
24 or

25 (2) other facts or circumstances exist that will  
26 necessitate additional time or evidence in order to



1 determine whether a certificate should be issued.

2 (g) ~~(f)~~ The Commission shall have the authority to  
3 promulgate rules to carry out the provisions of this Section.  
4 Within 30 days after the effective date of this amendatory Act  
5 of the 92nd General Assembly, the Commission shall adopt an  
6 emergency rule or rules applicable to the certification of  
7 those gas suppliers that seek to serve residential customers.  
8 Within 180 days of the effective date of this amendatory Act of  
9 the 92nd General Assembly, the Commission shall adopt rules  
10 that specify criteria which, if met by any such alternative gas  
11 supplier, shall constitute the demonstration of technical,  
12 financial, and managerial resources and abilities to provide  
13 service required by item (1) of subsection (e) of this Section,  
14 such as a requirement to post a bond or letter of credit, from  
15 a responsible surety or financial institution, of sufficient  
16 size for the nature and scope of the services to be provided,  
17 demonstration of adequate insurance for the scope and nature of  
18 the services to be provided, and experience in providing  
19 similar services in other jurisdictions.

20 (h) The Commission may deny with prejudice any application  
21 that repeatedly fails to include the attachments,  
22 documentation, and affidavits required by the application form  
23 or that repeatedly fails to provide any other information  
24 required by this Section.

25 (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

1 (220 ILCS 5/19-111 new)

2 Sec. 19-111. Material changes in business.

3 (a) The provisions of this Section shall apply only to  
4 alternative gas suppliers serving or seeking to serve  
5 residential or small commercial customers and only to the  
6 extent such alternative gas suppliers provide services to  
7 residential or small commercial customers.

8 (b) Alternative gas suppliers shall file with the  
9 Commission a notification of any material change to the  
10 information supplied in a certification application within 30  
11 days of such material change.

12 (1) An alternative gas supplier shall file such notice  
13 under the docket number assigned to the alternative gas  
14 supplier's certification application, whichever is the  
15 most recent. The supplier shall also serve such notice upon  
16 the gas utility company serving customers in the service  
17 area where the alternative gas supplier is certified to  
18 provide service.

19 (2) After notice and an opportunity for a hearing, the  
20 Commission may (i) suspend, rescind, or conditionally  
21 rescind an alternative gas supplier's certificate if it  
22 determines that the material change will adversely affect  
23 the alternative gas supplier's fitness or ability to  
24 provide the services for which it is certified or (ii)  
25 require the alternative gas supplier to provide reasonable  
26 financial assurances sufficient to protect their customers

1 and gas utilities from default.

2 (c) Material changes to the information contained in or  
3 supplied with a certification application include, but are not  
4 limited to, the following:

5 (1) Any significant change in ownership (an ownership  
6 interest of 5% or more) of the applicant or alternative gas  
7 supplier.

8 (2) An affiliation with any gas utility or change of an  
9 affiliation with a gas utility in this State.

10 (3) Retirement or other long-term changes to the  
11 operational status of supply resources relied upon by the  
12 alternative gas supplier to provide alternative gas  
13 service. Changes in the volume of supply from any given  
14 supply resource replaced by a comparable supply resource do  
15 not need to be reported.

16 (4) Revocation, restriction, or termination of any  
17 interconnection or service agreement with a pipeline  
18 company or natural gas company relied upon by an  
19 alternative gas supplier to provide alternative retail  
20 natural gas service, but only if such revocation,  
21 restriction, or termination creates a situation in which  
22 the alternative gas supplier does not meet the tariffed  
23 capacity requirements of the relevant Illinois natural gas  
24 utility or utilities.

25 (5) If the alternative gas supplier has a long-term  
26 bond rating from Standard & Poor's or its successor, or

1 Fitch Ratings or its successor, or Moody's Investor Service  
2 or its successor, and the alternative gas supplier's  
3 long-term bond rating falls below BBB as reported by  
4 Standard & Poor's or its successor or Fitch Ratings or its  
5 successor or below Baa3 as reported by Moody's Investors  
6 Service or its successor.

7 (6) The applicant or alternative gas supplier has or  
8 intends to file for reorganization, protection from  
9 creditors, or any other form of bankruptcy with any court.

10 (7) Any judgment, finding, or ruling by a court or  
11 regulatory agency that could affect an alternative gas  
12 supplier's fitness or ability to provide service in this  
13 State.

14 (8) Any change in the alternative gas supplier's name  
15 or logo, including without limitation any change in the  
16 alternative gas supplier's legal name, fictitious names,  
17 or assumed business names, except for logos and names the  
18 alternative gas supplier provided as part of its original  
19 certification process or that the alternative gas supplier  
20 previously provided to the Commission under this Section.

21 (220 ILCS 5/19-112 new)

22 Sec. 19-112. Managerial resources.

23 (a) An alternative gas supplier must maintain sufficient  
24 managerial resources and abilities to provide the service for  
25 which it has a certificate of service authority. In determining

1 the level of managerial resources and abilities that the  
2 alternative gas supplier must demonstrate, the Commission  
3 shall consider, in addition to the requirements in  
4 19-110(e)(1), the following:

5 (1) complaints to the Commission by consumers  
6 regarding the alternative gas supplier, including those  
7 that reflect on the alternative gas supplier's ability to  
8 properly manage solicitation and authorization; and

9 (2) the alternative gas supplier's involvement in the  
10 Commission's consumer complaint process, including the  
11 resources the alternative gas supplier dedicates to the  
12 process and the alternative gas supplier's ability to  
13 manage the issues raised by complaints, and the resolutions  
14 of the complaints.

15 (b) The provisions of this Section shall apply only to  
16 alternative gas suppliers serving or seeking to serve  
17 residential or small commercial customers and only to the  
18 extent such alternative gas suppliers provide services to  
19 residential or small commercial customers, unless otherwise  
20 noted.

21 (220 ILCS 5/19-115)

22 Sec. 19-115. Obligations of alternative gas suppliers.

23 (a) The provisions of this Section shall apply only to  
24 alternative gas suppliers serving or seeking to serve  
25 residential or small commercial customers and only to the

1 extent such alternative gas suppliers provide services to  
2 residential or small commercial customers.

3 (b) An alternative gas supplier shall:

4 (1) comply with the requirements imposed on public  
5 utilities by Sections 8-201 through 8-207, 8-301, 8-505 and  
6 8-507 of this Act, to the extent that these Sections have  
7 application to the services being offered by the  
8 alternative gas supplier; ~~and~~

9 (2) continue to comply with the requirements for  
10 certification stated in Section 19-110; ~~and~~

11 (3) comply with complaint procedures established by  
12 the Commission;

13 (4) except as provided in subsection (h) of this  
14 Section, file with the Chief Clerk of the Commission,  
15 within 20 business days after the effective date of this  
16 amendatory Act of the 95th General Assembly, a copy of bill  
17 formats, standard customer contract and customer complaint  
18 and resolution procedures, and the name and telephone  
19 number of the company representative whom Commission  
20 employees may contact to resolve customer complaints and  
21 other matters. In the case of a gas supplier that engages  
22 in door-to-door solicitation, the company shall file with  
23 the Commission the consumer information disclosure  
24 required by item (3) of subsection (c) of Section 2DDD of  
25 the Consumer Fraud and Deceptive Business Practices Act and  
26 shall file updated information within 10 business days

1 after changes in any of the documents or information  
2 required to be filed by this item (4); and

3 (5) maintain a customer call center where customers can  
4 reach a representative and receive current information. At  
5 least once every 6 months, each alternative gas supplier  
6 shall provide written information to customers explaining  
7 how to contact the call center. The average answer time for  
8 calls placed to the call center shall not exceed 60 seconds  
9 where a representative or automated system is ready to  
10 render assistance and/or accept information to process  
11 calls. The abandon rate for calls placed to the call center  
12 shall not exceed 10%. Each alternative gas supplier shall  
13 maintain records of the call center's telephone answer time  
14 performance and abandon call rate. These records shall be  
15 kept for a minimum of 2 years and shall be made available  
16 to Commission personnel upon request. In the event that  
17 answer times and/or abandon rates exceed the limits  
18 established above, the reporting alternative gas supplier  
19 may provide the Commission or its personnel with  
20 explanatory details. At a minimum, these records shall  
21 contain the following information in monthly increments:

22 (A) total number of calls received;

23 (B) number of calls answered;

24 (C) average answer time;

25 (D) number of abandoned calls; and

26 (E) abandon call rate.

1 Alternative gas suppliers that do not have electronic  
2 answering capability that meets these requirements shall  
3 notify the Manager of the Commission's Consumer Services  
4 Division or its successor within 30 days following the  
5 effective date of this amendatory Act of the 95th General  
6 Assembly and work with Staff to develop individualized  
7 reporting requirements as to the call volume and responsiveness  
8 of the call center.

9 On or before March 1 of every year, each entity shall file  
10 a report with the Chief Clerk of the Commission for the  
11 preceding calendar year on its answer time and abandon call  
12 rate for its call center. A copy of the report shall be sent to  
13 the Manager of the Consumer Services Division or its successor.

14 (c) An alternative gas supplier shall not submit or execute  
15 a change in a customer's selection of a natural gas provider  
16 unless and until (i) the alternative gas supplier first  
17 discloses all material terms and conditions of the offer to the  
18 customer; (ii) the alternative gas supplier has obtained the  
19 customer's express agreement to accept the offer after the  
20 disclosure of all material terms and conditions of the offer;  
21 and (iii) the alternative gas supplier has confirmed the  
22 request for a change in accordance with one of the following  
23 procedures:

24 (1) The alternative gas supplier has obtained the  
25 customer's written or electronically signed authorization  
26 in a form that meets the following requirements:



1           (A) An alternative gas supplier shall obtain any  
2           necessary written or electronically signed  
3           authorization from a customer for a change in natural  
4           gas service by using a letter of agency as specified in  
5           this Section. Any letter of agency that does not  
6           conform with this Section is invalid.

7           (B) The letter of agency shall be a separate  
8           document (or an easily separable document containing  
9           only the authorization language described in item (E)  
10           of this paragraph (1)) whose sole purpose is to  
11           authorize a natural gas provider change. The letter of  
12           agency must be signed and dated by the customer  
13           requesting the natural gas provider change.

14           (C) The letter of agency shall not be combined with  
15           inducements of any kind on the same document.

16           (D) Notwithstanding items (A) and (B) of this  
17           paragraph (1), the letter of agency may be combined  
18           with checks that contain only the required letter of  
19           agency language prescribed in item (E) of this  
20           paragraph (1) and the necessary information to make the  
21           check a negotiable instrument. The letter of agency  
22           check shall not contain any promotional language or  
23           material. The letter of agency check shall contain in  
24           easily readable, bold face type on the face of the  
25           check a notice that the consumer is authorizing a  
26           natural gas provider change by signing the check. The

1 letter of agency language also shall be placed near the  
2 signature line on the back of the check.

3 (E) At a minimum, the letter of agency must be  
4 printed with a print of sufficient size to be clearly  
5 legible and must contain clear and unambiguous  
6 language that confirms:

7 (i) the customer's billing name and address;

8 (ii) the decision to change the natural gas  
9 provider from the current provider to the  
10 prospective alternative gas supplier;

11 (iii) the terms, conditions, and nature of the  
12 service to be provided to the customer, including,  
13 but not limited to, the rates for the service  
14 contracted for by the customer; and

15 (iv) that the customer understands that any  
16 natural gas provider selection the customer  
17 chooses may involve a charge to the customer for  
18 changing the customer's natural gas provider.

19 (F) Letters of agency shall not suggest or require  
20 that a customer take some action in order to retain the  
21 customer's current natural gas provider.

22 (G) If any portion of a letter of agency is  
23 translated into another language, then all portions of  
24 the letter of agency must be translated into that  
25 language.

26 (2) An appropriately qualified independent third party

1 has obtained, in accordance with the procedures set forth  
2 in this paragraph (2), the customer's oral authorization to  
3 change natural gas providers that confirms and includes  
4 appropriate verification data. The independent third party  
5 must (i) not be owned, managed, controlled, or directed by  
6 the alternative gas supplier or the alternative gas  
7 supplier's marketing agent; (ii) not have any financial  
8 incentive to confirm provider change requests for the  
9 alternative gas supplier or the alternative gas supplier's  
10 marketing agent; and (iii) operate in a location physically  
11 separate from the alternative gas supplier or the  
12 alternative gas supplier's marketing agent. Automated  
13 third-party verification systems and 3-way conference  
14 calls may be used for verification purposes so long as the  
15 other requirements of this paragraph (2) are satisfied. An  
16 alternative gas supplier or alternative gas supplier's  
17 sales representative initiating a 3-way conference call or  
18 a call through an automated verification system must drop  
19 off the call once the 3-way connection has been  
20 established. All third-party verification methods shall  
21 elicit, at a minimum, the following information:

22 (A) the identity of the customer;

23 (B) confirmation that the person on the call is  
24 authorized to make the provider change;

25 (C) confirmation that the person on the call wants  
26 to make the provider change;

1           (D) the names of the providers affected by the  
2           change;

3           (E) the service address of the service to be  
4           switched; and

5           (F) the price of the service to be provided and the  
6           material terms and conditions of the service being  
7           offered, including whether any early termination fees  
8           apply.

9           Third-party verifiers may not market the alternative  
10          gas supplier's services by providing additional  
11          information. All third-party verifications shall be  
12          conducted in the same language that was used in the  
13          underlying sales transaction and shall be recorded in their  
14          entirety. Submitting alternative gas suppliers shall  
15          maintain and preserve audio records of verification of  
16          customer authorization for a minimum period of 2 years  
17          after obtaining the verification. Automated systems must  
18          provide customers with an option to speak with a live  
19          person at any time during the call.

20          (3) The alternative gas supplier has obtained the  
21          customer's authorization via an automated verification  
22          system to change natural gas service via telephone. An  
23          automated verification system is an electronic system  
24          that, through pre-recorded prompts, elicits voice  
25          responses, touchtone responses, or both, from the customer  
26          and records both the prompts and the customer's responses.

1 Such authorization must elicit the information in  
2 paragraph (2)(A) through (F) of this subsection (c).  
3 Alternative gas suppliers electing to confirm sales  
4 electronically through an automated verification system  
5 shall establish one or more toll-free telephone numbers  
6 exclusively for that purpose. Calls to the number or  
7 numbers shall connect a customer to a voice response unit,  
8 or similar mechanism, that makes a date-stamped,  
9 time-stamped recording of the required information  
10 regarding the alternative gas supplier change.

11 The alternative gas supplier shall not use such  
12 electronic authorization systems to market its services.

13 (4) When a consumer initiates the call to the  
14 prospective alternative gas supplier, in order to enroll  
15 the consumer as a customer, the prospective alternative gas  
16 supplier must, with the consent of the customer, make a  
17 date-stamped, time-stamped audio recording that elicits,  
18 at a minimum, the following information:

19 (A) the identity of the customer;

20 (B) confirmation that the person on the call is  
21 authorized to make the provider change;

22 (C) confirmation that the person on the call wants  
23 to make the provider change;

24 (D) the names of the providers affected by the  
25 change;

26 (E) the service address of the service to be

1           switched; and

2           (F) the price of the service to be supplied and the  
3           material terms and conditions of the service being  
4           offered, including whether any early termination fees  
5           apply.

6           Submitting alternative gas suppliers shall maintain  
7           and preserve the audio records containing the information  
8           set forth above for a minimum period of 2 years.

9           (5) In the event that a customer enrolls for service  
10          from an alternative gas supplier via an Internet website,  
11          the alternative gas supplier shall obtain an  
12          electronically signed letter of agency in accordance with  
13          paragraph (1) of this subsection (c) and any customer  
14          information shall be protected in accordance with all  
15          applicable statutes and regulations. In addition, an  
16          alternative gas supplier shall provide the following when  
17          marketing via an Internet website:

18                (A) The Internet enrollment website shall, at a  
19                minimum, include:

20                    (i) a copy of the alternative gas supplier's  
21                    customer contract that clearly and conspicuously  
22                    discloses all terms and conditions; and

23                    (ii) a conspicuous prompt for the customer to  
24                    print or save a copy of the contract.

25                (B) Any electronic version of the contract shall be  
26                identified by version number, in order to ensure the

1           ability to verify the particular contract to which the  
2           customer assents.

3           (C) Throughout the duration of the alternative gas  
4           supplier's contract with a customer, the alternative  
5           gas supplier shall retain and, within 3 business days  
6           of the customer's request, provide to the customer an  
7           e-mail, paper, or facsimile of the terms and conditions  
8           of the numbered contract version to which the customer  
9           assents.

10          (D) The alternative gas supplier shall provide a  
11          mechanism by which both the submission and receipt of  
12          the electronic letter of agency are recorded by time  
13          and date.

14          (E) After the customer completes the electronic  
15          letter of agency, the alternative gas supplier shall  
16          disclose conspicuously through its website that the  
17          customer has been enrolled, and the alternative gas  
18          supplier shall provide the customer an enrollment  
19          confirmation number.

20          (6) When a customer is solicited in person by the  
21          alternative gas supplier's sales agent, the alternative  
22          gas supplier may only obtain the customer's authorization  
23          to change natural gas service through the method provided  
24          for in paragraph (2) of this subsection (c).

25          Alternative gas suppliers must be in compliance with this  
26          subsection (c) within 90 days after the effective date of this

1 amendatory Act of the 95th General Assembly.

2 (d) Complaints may be filed with the Commission under this  
3 Section by a customer whose natural gas service has been  
4 provided by an alternative gas supplier in a manner not in  
5 compliance with subsection (c) of this Section. If, after  
6 notice and hearing, the Commission finds that an alternative  
7 gas supplier has violated subsection (c), then the Commission  
8 may in its discretion do any one or more of the following:

9 (1) Require the violating alternative gas supplier to  
10 refund the customer charges collected in excess of those  
11 that would have been charged by the customer's authorized  
12 natural gas provider.

13 (2) Require the violating alternative gas supplier to  
14 pay to the customer's authorized natural gas provider the  
15 amount the authorized natural gas provider would have  
16 collected for natural gas service. The Commission is  
17 authorized to reduce this payment by any amount already  
18 paid by the violating alternative gas supplier to the  
19 customer's authorized natural gas provider.

20 (3) Require the violating alternative gas supplier to  
21 pay a fine of up to \$1,000 into the Public Utility Fund for  
22 each repeated and intentional violation of this Section.

23 (4) Issue a cease and desist order.

24 (5) For a pattern of violation of this Section or for  
25 intentionally violating a cease and desist order, revoke  
26 the violating alternative gas supplier's certificate of



1 service authority.

2 ~~(c) An alternative gas supplier shall obtain verifiable~~  
3 ~~authorization from a customer, in a form or manner approved by~~  
4 ~~the Commission, before the customer is switched from another~~  
5 ~~supplier.~~

6 (e) ~~(d)~~ No alternative gas supplier shall:

7 (1) enter into or employ any arrangements which have  
8 the effect of preventing any customer from having access to  
9 the services of the gas utility in whose service area the  
10 customer is located; ~~or~~

11 (2) charge customers for such access; ~~or~~

12 (3) bill for goods or services not authorized by the  
13 customer; or

14 (4) bill for a disputed amount where the alternative  
15 gas supplier has been provided notice of such dispute. The  
16 supplier shall attempt to resolve a dispute with the  
17 customer. When the dispute is not resolved to the  
18 customer's satisfaction, the supplier shall inform the  
19 customer of the right to file an informal complaint with  
20 the Commission and provide contact information. While the  
21 pending dispute is active at the Commission, an alternative  
22 gas supplier may bill only for the undisputed amount until  
23 the Commission has taken final action on the complaint.

24 (f) ~~(e)~~ An alternative gas supplier that is certified to  
25 serve residential or small commercial customers shall not:

26 (1) deny service to a customer or group of customers

1 nor establish any differences as to prices, terms,  
2 conditions, services, products, facilities, or in any  
3 other respect, whereby such denial or differences are based  
4 upon race, gender, or income; ~~or~~

5 (2) deny service based on locality, nor establish any  
6 unreasonable difference as to prices, terms, conditions,  
7 services, products, or facilities as between localities; ~~or~~

8 (3) include in any agreement a provision that obligates  
9 a customer to the terms of the agreement if the customer  
10 (i) moves outside the State of Illinois; (ii) moves to a  
11 location without a transportation service program; or  
12 (iii) moves to a location where the customer will not  
13 require natural gas service, provided that nothing in this  
14 subsection precludes an alternative gas supplier from  
15 taking any action otherwise available to it to collect a  
16 debt that arises out of service provided to the customer  
17 before the customer moved; or

18 (4) assign the agreement to any alternative natural gas  
19 supplier, unless:

20 (A) the supplier is an alternative gas supplier  
21 certified by the Commission;

22 (B) the rates, terms, and conditions of the  
23 agreement being assigned do not change during the  
24 remainder of the time covered by the agreement;

25 (C) the customer is given no less than 30 days  
26 prior written notice of the assignment and contact

1 information for the new supplier; and

2 (D) the supplier assigning the contract provides  
3 contact information that a customer can use to resolve  
4 a dispute.

5 (g) ~~(f)~~ An alternative gas supplier shall comply with the  
6 following requirements with respect to the marketing,  
7 offering, and provision of products or services:

8 (1) Any marketing materials which make statements  
9 concerning prices, terms, and conditions of service shall  
10 contain information that adequately discloses the prices,  
11 terms and conditions of the products or services.

12 (2) Before any customer is switched from another  
13 supplier, the alternative gas supplier shall give the  
14 customer written information that clearly and  
15 conspicuously ~~adequately~~ discloses, in plain language, the  
16 prices, terms, and conditions of the products and services  
17 being offered and sold to the customer. Nothing in this  
18 paragraph (2) may be read to relieve an alternative gas  
19 supplier from the duties imposed on it by item (3) of  
20 subsection (c) of Section 2DDD of the Consumer Fraud and  
21 Deceptive Business Practices Act.

22 (3) The alternative gas supplier shall provide to the  
23 customer:

24 (A) accurate, timely, and itemized billing  
25 statements that describe the products and services  
26 provided to the customer and their prices and that

1 specify the gas consumption amount and any service  
2 charges and taxes; provided that this item (g) (3) (A)  
3 ~~(f) (3) (A)~~ does not apply to small commercial  
4 customers;

5 (B) billing statements that clearly and  
6 conspicuously discloses the name and contact  
7 information for the alternative gas supplier;

8 (C) an additional statement, at least annually,  
9 that adequately discloses the average monthly prices,  
10 and the terms and conditions, of the products and  
11 services sold to the customer; provided that this item  
12 (g) (3) (C) ~~(f) (3) (B)~~ does not apply to small commercial  
13 customers;

14 (D) ~~(C)~~ refunds of any deposits with interest  
15 within 30 days after the date that the customer changes  
16 gas suppliers or discontinues service if the customer  
17 has satisfied all of his or her outstanding financial  
18 obligations to the alternative gas supplier at an  
19 interest rate set by the Commission which shall be the  
20 same as that required of gas utilities; and

21 (E) ~~(D)~~ refunds, in a timely fashion, of all  
22 undisputed overpayments upon the oral or written  
23 request of the customer.

24 (4) An alternative gas supplier and its sales agents  
25 shall refrain from any direct marketing or soliciting to  
26 consumers on the gas utility's "Do Not Contact List", which

1 the alternative gas supplier shall obtain on the 15th  
2 calendar day of the month from the gas utility in whose  
3 service area the consumer is provided with gas service. If  
4 the 15th calendar day is a non-business day, then the  
5 alternative gas supplier shall obtain the list on the next  
6 business day following the 15th calendar day of that month.

7 (5) Early Termination.

8 (A) Any agreement that contains an early  
9 termination clause shall disclose the amount of the  
10 early termination fee, provided that any early  
11 termination fee or penalty shall not exceed \$50 total,  
12 regardless of whether or not the agreement is a  
13 multiyear agreement.

14 (B) In any agreement that contains an early  
15 termination clause, an alternative gas supplier shall  
16 provide the customer the opportunity to terminate the  
17 agreement without any termination fee or penalty  
18 within 10 business days after the date of the first  
19 bill issued to the customer for products or services  
20 provided by the alternative gas supplier. The  
21 agreement shall disclose the opportunity and provide a  
22 toll-free phone number that the customer may call in  
23 order to terminate the agreement.

24 (6) Within 2 business days after electronic receipt of  
25 a customer switch from the alternative gas supplier and  
26 confirmation of eligibility, the gas utility shall provide

1 the customer written notice confirming the switch. The gas  
2 utility shall not switch the service until 10 business days  
3 after the date on the notice to the customer.

4 (7) The alternative gas supplier shall provide each  
5 customer the opportunity to rescind its agreement without  
6 penalty within 10 business days after the date on the gas  
7 utility notice to the customer. The alternative gas  
8 supplier shall disclose all of the following:

9 (A) that the gas utility shall send a notice  
10 confirming the switch;

11 (B) that from the date the utility issues the  
12 notice confirming the switch, the customer shall have  
13 10 business days to rescind the switch without penalty;

14 (C) that the customer shall contact the gas utility  
15 or the alternative gas supplier to rescind the switch;

16 and

17 (D) the contact information for the gas utility.

18 The alternative gas supplier disclosure shall be  
19 included in its sales solicitations, contracts, and all  
20 applicable sales verification scripts.

21 (h) ~~(g)~~ An alternative gas supplier may limit the overall  
22 size or availability of a service offering by specifying one or  
23 more of the following:

24 (1) a maximum number of customers and maximum amount of  
25 gas load to be served;

26 (2) time period during which the offering will be

1 available; or

2 (3) other comparable limitation, but not including the  
3 geographic locations of customers within the area which the  
4 alternative gas supplier is certificated to serve.

5 The alternative gas supplier shall file the terms and  
6 conditions of such service offering including the applicable  
7 limitations with the Commission prior to making the service  
8 offering available to customers.

9 (i) ~~(h)~~ Nothing in this Section shall be construed as  
10 preventing an alternative gas supplier that is an affiliate of,  
11 or which contracts with, (i) an industry or trade organization  
12 or association, (ii) a membership organization or association  
13 that exists for a purpose other than the purchase of gas, or  
14 (iii) another organization that meets criteria established in a  
15 rule adopted by the Commission from offering through the  
16 organization or association services at prices, terms and  
17 conditions that are available solely to the members of the  
18 organization or association.

19 (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

20 (220 ILCS 5/19-120)

21 Sec. 19-120. Commission oversight of services provided by  
22 gas suppliers.

23 (a) The provisions of this Section shall apply only to  
24 alternative gas suppliers serving or seeking to serve  
25 residential or small commercial customers and only to the

1 extent such alternative gas suppliers provide services to  
2 residential or small commercial customers.

3 (b) The Commission shall have jurisdiction in accordance  
4 with the provisions of Article X of this Act either to  
5 investigate on its own motion in order to determine whether or  
6 to entertain and dispose of any complaint against any  
7 alternative gas supplier alleging that:

8 (1) the alternative gas supplier has violated or is in  
9 nonconformance with any applicable provisions of Section  
10 19-110, 19-111, 19-112, or Section 19-115;

11 (2) an alternative gas supplier has failed to provide  
12 service in accordance with the terms of its contract or  
13 contracts with a customer or customers;

14 (3) the alternative gas supplier has violated or is in  
15 nonconformance with the transportation services tariff of,  
16 or any of its agreements relating to transportation  
17 services with, the gas utility or municipal system  
18 providing transportation services; or

19 (4) the alternative gas supplier has violated or failed  
20 to comply with the requirements of Sections 8-201 through  
21 8-207, 8-301, 8-505, or 8-507 of this Act as made  
22 applicable to alternative gas suppliers.

23 (c) The Commission shall have authority after notice and  
24 hearing held on complaint or on the Commission's own motion to  
25 order any or all of the following remedies, penalties, or forms  
26 of relief:



1           (1) order an alternative gas supplier to cease and  
2 desist, or correct, any violation of or nonconformance with  
3 the provisions of Section 19-110, 19-111, 19-112, or  
4 19-115;

5           (2) impose financial penalties for violations of or  
6 nonconformances with the provisions of Section 19-110, 19-111, 19-112,  
7 or 19-115, not to exceed (i) \$10,000 per  
8 occurrence or (ii) \$30,000 per day for those violations or  
9 nonconformances which continue after the Commission issues  
10 a cease-and-desist order; and

11           (3) alter, modify, revoke, or suspend the certificate  
12 of service authority of an alternative gas supplier for  
13 substantial or repeated violations of or nonconformances  
14 with the provisions of Section 19-110, 19-111, 19-112, or  
15 19-115.

16           (d) Nothing in this Act shall be construed to limit,  
17 restrict, or mitigate in any way the power and authority of the  
18 State's Attorneys or the Attorney General under the Consumer  
19 Fraud and Deceptive Business Practices Act.

20           (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

21           (220 ILCS 5/19-125)

22           Sec. 19-125. Consumer education.

23           (a) The Commission shall make available upon request and at  
24 no charge, and shall make available to the public on the  
25 Internet through the State of Illinois World Wide Web site:

1           (1) a list of all certified alternative gas suppliers  
2           serving residential and small commercial customers within  
3           the service area of each gas utility including, in the case  
4           of the Internet, computer links to available web sites of  
5           the certified alternative gas suppliers;

6           (2) a list of all certified alternative gas suppliers  
7           serving residential or small commercial customers that  
8           have been found in the last 3 years by the Commission  
9           pursuant to Section 10-108 to have failed to provide  
10          service in accordance with this Act;

11          (3) guidelines to assist customers in determining  
12          which gas supplier is most appropriate for each customer;  
13          and

14          (4) Internet links to providers of information that  
15          enables customers to compare prices and services of gas  
16          utilities and alternative gas suppliers, if and when that  
17          information is available.

18          (a-5) The Commission shall develop no later than 6 months  
19          after the effective date of this amendatory Act of the 95th  
20          General Assembly and maintain consumer education information  
21          to help residential and small commercial consumers understand  
22          their gas supply options and their rights and responsibilities.  
23          The Commission shall publish the consumer education  
24          information on its World Wide Web site.

25          (a-10) To assist the Commission in developing consumer  
26          education information, the Commission shall form a working

1 group that shall consist of representatives of gas utilities  
2 with residential and small commercial gas transportation  
3 service programs, alternative gas suppliers, the Attorney  
4 General, the Citizens Utility Board, and the Commission.

5 (a-15) At a minimum, the consumer education information  
6 developed by the Commission shall include explanations or  
7 descriptions of the following:

8 (1) The choices available to consumers to take gas  
9 service from an alternative retail gas supplier or remain  
10 as a retail customer of the gas utility.

11 (2) A consumer's rights and responsibilities in  
12 receiving service from an alternative retail gas supplier  
13 or remaining as a retail customer of the gas utility.

14 (3) The gas utility's role in delivering gas,  
15 including, but not limited to, utility response to calls  
16 for service and gas leaks.

17 (4) The legal obligations of alternative retail gas  
18 suppliers.

19 (5) The components of a bill that could be received by  
20 a customer taking delivery services.

21 (6) The procedures available to customers to address  
22 complaints against a gas utility or an alternative retail  
23 gas supplier and a list of phone numbers and other contact  
24 information for the Commission, the Attorney General, or  
25 the Citizens Utility Board.

26 (7) Guidance to assist consumers in making educated

1 decisions when choosing their natural gas provider,  
2 including:

3 (A) how to compare prices;

4 (B) questions to ask when considering natural gas  
5 providers; and

6 (C) current and historical utility gas rates.

7 (8) The availability of the "Do Not Contact List" for  
8 those who do not wish to be solicited by natural gas  
9 providers.

10 (b) In any service area where customers are able to choose  
11 their natural gas supplier, the Commission shall require gas  
12 utilities and alternative gas suppliers to inform customers of  
13 how they may contact the Commission in order to obtain  
14 information about the customer choice program.

15 (c) The Commission shall adopt a uniform disclosure that  
16 alternative gas suppliers shall be required to complete for  
17 each product offering. The uniform disclosure shall contain, at  
18 a minimum:

19 (1) for products with a fixed price per therm, the  
20 price per therm;

21 (2) the length of the initial term of the product, or,  
22 if applicable, the expiration date of the initial term of  
23 the product;

24 (3) the amount of the termination fees, if any;

25 (4) the amount of the administrative fees, other fees,  
26 or recurring charges, if any, to be listed separately for

1 each and every fee or charge;

2 (5) for products with a variable price per therm, the  
3 terms of such variability, including, but not limited to,  
4 any index that is used to calculate the price and any  
5 additional charges, costs and fees; and

6 (6) for products where a customer's charges are a fixed  
7 amount per billing period regardless of the market price  
8 for natural gas or the customer's natural gas consumption  
9 during the billing period, the billing period covered.

10 If the alternative gas supplier will not offer a  
11 different product for new customers as of the first of the  
12 month, then the alternative gas supplier does not have to  
13 provide new information until the first day of the month in  
14 which a different product or products are being offered.

15 The Commission shall post this information on its World  
16 Wide Web site in a manner that shall enable customers to  
17 compare prices, terms, and conditions offered by the  
18 alternative gas suppliers. The website shall be updated at  
19 least monthly and the Commission shall maintain this  
20 information on its website for at least 12 months to allow  
21 customers to compare the historical plans and prices for  
22 all alternative gas suppliers.

23 (d) The Commission shall make available in print, upon  
24 request and at no charge and on its World Wide Web site,  
25 information on which customers of alternative gas suppliers  
26 servng residential and small commercial customers may address

1 any complaint with regard to an alternative gas supplier's  
2 obligations under Section 19-115 of this Article, including the  
3 provision of service in accordance with the terms of its  
4 contract, sales tactics, and rates. The Commission shall  
5 maintain a summary by category and provider of all formal and  
6 informal complaints it receives pursuant to this Section, and  
7 it shall publish the summary on a quarterly basis on its World  
8 Wide Web site. Individual customer information shall not be  
9 included in the summary.

10 (e) The provisions of this Section shall apply only to  
11 alternative gas suppliers serving or seeking to serve  
12 residential and small commercial customers and only to the  
13 extent such alternative gas suppliers provide services to  
14 residential and small commercial customers.

15 (Source: P.A. 92-852, eff. 8-26-02.)

16 Section 10. The Consumer Fraud and Deceptive Business  
17 Practices Act is amended by adding Sections 2DDD, 2EEE, 2FFF,  
18 and 2GGG as follows:

19 (815 ILCS 505/2DDD new)

20 Sec. 2DDD. Alternative gas suppliers.

21 (a) Definitions.

22 (1) "Alternative gas supplier" has the same meaning as  
23 in Section 19-105 of the Public Utilities Act.

24 (2) "Gas utility" has the same meaning as in Section

1           19-105 of the Public Utilities Act.

2           (b) It is an unfair or deceptive act or practice within the  
3 meaning of Section 2 of this Act for any person to violate any  
4 provision of this Section.

5           (c) Solicitation.

6           (1) An alternative gas supplier shall not misrepresent  
7 the affiliation of any alternative supplier with the gas  
8 utility, governmental bodies, or consumer groups.

9           (2) If any sales solicitation, agreement, contract, or  
10 verification is translated into another language and  
11 provided to a customer, all of the documents must be  
12 provided to the customer in that other language.

13           (3) An alternative gas supplier shall clearly and  
14 conspicuously disclose the following information to all  
15 customers:

16           (A) the prices, terms, and conditions of the  
17 products and services being sold to the customer;

18           (B) where the solicitation occurs in person,  
19 including through door-to-door solicitation, the  
20 salesperson's name;

21           (C) the alternative gas supplier's contact  
22 information, including the address, phone number, and  
23 website;

24           (D) contact information for the Illinois Commerce  
25 Commission, including the toll-free number for  
26 consumer complaints and website;

1           (E) a statement of the customer's right to rescind  
2           the offer within 10 business days of the date on the  
3           utility's notice confirming the customer's decision to  
4           switch suppliers, as well as phone numbers for the  
5           supplier and utility that the consumer may use to  
6           rescind the contract; and

7           (F) the amount of the early termination fee, if  
8           any.

9           (4) Except as provided in paragraph (5) of this  
10          subsection (c), an alternative gas supplier shall send the  
11          information described in paragraph (3) of this subsection  
12          (c) to all customers within one business day of the  
13          authorization of a switch.

14          (5) An alternative gas supplier engaging in  
15          door-to-door solicitation of consumers shall provide the  
16          information described in paragraph (3) of this subsection  
17          (c) during all door-to-door solicitations that result in a  
18          customer deciding to switch their supplier.

19          (d) Customer Authorization. An alternative gas supplier  
20          shall not submit or execute a change in a customer's selection  
21          of a natural gas provider unless and until (i) the alternative  
22          gas supplier first discloses all material terms and conditions  
23          of the offer to the customer; (ii) the alternative gas supplier  
24          has obtained the customer's express agreement to accept the  
25          offer after the disclosure of all material terms and conditions  
26          of the offer; and (iii) the alternative gas supplier has



1 confirmed the request for a change in accordance with one of  
2 the following procedures:

3 (1) The alternative gas supplier has obtained the  
4 customer's written or electronically signed authorization  
5 in a form that meets the following requirements:

6 (A) An alternative gas supplier shall obtain any  
7 necessary written or electronically signed  
8 authorization from a customer for a change in natural  
9 gas service by using a letter of agency as specified in  
10 this Section. Any letter of agency that does not  
11 conform with this Section is invalid.

12 (B) The letter of agency shall be a separate  
13 document (or an easily separable document containing  
14 only the authorization language described in item (E)  
15 of this paragraph (1)) whose sole purpose is to  
16 authorize a natural gas provider change. The letter of  
17 agency must be signed and dated by the customer  
18 requesting the natural gas provider change.

19 (C) The letter of agency shall not be combined with  
20 inducements of any kind on the same document.

21 (D) Notwithstanding items (A) and (B) of this  
22 paragraph (1), the letter of agency may be combined  
23 with checks that contain only the required letter of  
24 agency language prescribed in item (E) of this  
25 paragraph (1) and the necessary information to make the  
26 check a negotiable instrument. The letter of agency

1 check shall not contain any promotional language or  
2 material. The letter of agency check shall contain in  
3 easily readable, bold face type on the face of the  
4 check, a notice that the consumer is authorizing a  
5 natural gas provider change by signing the check. The  
6 letter of agency language also shall be placed near the  
7 signature line on the back of the check.

8 (E) At a minimum, the letter of agency must be  
9 printed with a print of sufficient size to be clearly  
10 legible, and must contain clear and unambiguous  
11 language that confirms:

12 (i) the customer's billing name and address;

13 (ii) the decision to change the natural gas  
14 provider from the current provider to the  
15 prospective alternative gas supplier;

16 (iii) the terms, conditions, and nature of the  
17 service to be provided to the customer, including,  
18 but not limited to, the rates for the service  
19 contracted for by the customer; and

20 (iv) that the customer understands that any  
21 natural gas provider selection the customer  
22 chooses may involve a charge to the customer for  
23 changing the customer's natural gas provider.

24 (F) Letters of agency shall not suggest or require  
25 that a customer take some action in order to retain the  
26 customer's current natural gas provider.

1           (G) If any portion of a letter of agency is  
2           translated into another language, then all portions of  
3           the letter of agency must be translated into that  
4           language.

5           (2) An appropriately qualified independent third party  
6           has obtained, in accordance with the procedures set forth  
7           in this paragraph (2), the customer's oral authorization to  
8           change natural gas providers that confirms and includes  
9           appropriate verification data. The independent third party  
10           must (i) not be owned, managed, controlled, or directed by  
11           the alternative gas supplier or the alternative gas  
12           supplier's marketing agent; (ii) not have any financial  
13           incentive to confirm provider change requests for the  
14           alternative gas supplier or the alternative gas supplier's  
15           marketing agent; and (iii) operate in a location physically  
16           separate from the alternative gas supplier or the  
17           alternative gas supplier's marketing agent. Automated  
18           third-party verification systems and 3-way conference  
19           calls may be used for verification purposes so long as the  
20           other requirements of this paragraph (2) are satisfied. A  
21           alternative gas supplier or alternative gas supplier's  
22           sales representative initiating a 3-way conference call or  
23           a call through an automated verification system must drop  
24           off the call once the 3-way connection has been  
25           established. All third-party verification methods shall  
26           elicit, at a minimum, the following information:

- 1           (A) the identity of the customer;  
2           (B) confirmation that the person on the call is  
3           authorized to make the provider change;  
4           (C) confirmation that the person on the call wants  
5           to make the provider change;  
6           (D) the names of the providers affected by the  
7           change;  
8           (E) the service address of the service to be  
9           switched; and  
10          (F) the price of the service to be provided and the  
11          material terms and conditions of the service being  
12          offered, including whether any early termination fees  
13          apply.

14          Third-party verifiers may not market the alternative  
15          gas supplier's services. All third-party verifications  
16          shall be conducted in the same language that was used in  
17          the underlying sales transaction and shall be recorded in  
18          their entirety. Submitting alternative gas suppliers shall  
19          maintain and preserve audio records of verification of  
20          customer authorization for a minimum period of 2 years  
21          after obtaining the verification. Automated systems must  
22          provide customers with an option to speak with a live  
23          person at any time during the call.

24          (3) The alternative gas supplier has obtained the  
25          customer's electronic authorization to change in natural  
26          gas service via telephone. Such authorization must elicit

1 the information in paragraph (2)(A) through (F) of this  
2 subsection (d). Alternative gas suppliers electing to  
3 confirm sales electronically shall establish one or more  
4 toll-free telephone numbers exclusively for that purpose.  
5 Calls to the number or numbers shall will connect a  
6 customer to a voice response unit, or similar mechanism,  
7 that makes a date-stamped, time-stamped recording of the  
8 required information regarding the alternative gas  
9 supplier change.

10 The alternative gas supplier shall not use such  
11 electronic authorization systems to market its services.

12 (4) When a consumer initiates the call to the  
13 prospective alternative gas supplier, in order to enroll  
14 the consumer as a customer, the prospective alternative gas  
15 supplier must, with the consent of the customer, make a  
16 date-stamped, time-stamped audio recording that elicits,  
17 at a minimum, the following information:

18 (A) the identity of the customer;

19 (B) confirmation that the person on the call is  
20 authorized to make the provider change;

21 (C) confirmation that the person on the call wants  
22 to make the provider change;

23 (D) the names of the providers affected by the  
24 change;

25 (E) the service address of the service to be  
26 switched; and

1           (F) the price of the service to be supplied and the  
2           material terms and conditions of the service being  
3           offered, including whether any early termination fees  
4           apply.

5           Submitting alternative gas suppliers shall maintain  
6           and preserve the audio records containing the information  
7           set forth above for a minimum period of 2 years.

8           (5) In the event that a customer enrolls for service  
9           from an alternative gas supplier via an Internet website,  
10           the alternative gas supplier shall obtain an  
11           electronically signed letter of agency in accordance with  
12           paragraph (1) of this subsection (d) and any customer  
13           information shall be protected in accordance with all  
14           applicable statutes and rules. In addition, an alternative  
15           gas supplier shall provide the following when marketing via  
16           an Internet website:

17           (A) The Internet enrollment website shall, at a  
18           minimum, include:

19                   (i) a copy of the alternative gas supplier's  
20                   customer contract, which clearly and conspicuously  
21                   discloses all terms and conditions; and

22                   (ii) a conspicuous prompt for the customer to  
23                   print or save a copy of the contract.

24           (B) Any electronic version of the contract shall be  
25           identified by version number, in order to ensure the  
26           ability to verify the particular contract to which the

1           customer assents.

2           (C) Throughout the duration of the alternative gas  
3           supplier's contract with a customer, the alternative  
4           gas supplier shall retain and, within 3 business days  
5           of the customer's request, provide to the customer an  
6           e-mail, paper, or facsimile of the terms and conditions  
7           of the numbered contract version to which the customer  
8           assents.

9           (D) The alternative gas supplier shall provide a  
10          mechanism by which both the submission and receipt of  
11          the electronic letter of agency are recorded by time  
12          and date.

13          (E) After the customer completes the electronic  
14          letter of agency, the alternative gas supplier shall  
15          disclose conspicuously through its website that the  
16          customer has been enrolled and the alternative gas  
17          supplier shall provide the customer an enrollment  
18          confirmation number.

19          (6) When a customer is solicited in person by the  
20          alternative gas supplier's sales agent, the alternative  
21          gas supplier may only obtain the customer's authorization  
22          to change natural gas service through the method provided  
23          for in paragraph (2) of this subsection (d).

24          Alternative gas suppliers must be in compliance with the  
25          provisions of this subsection (d) within 90 days after the  
26          effective date of this amendatory Act of the 95th General

1 Assembly.

2 (e) Early Termination.

3 (1) Any agreement that contains an early termination  
4 clause shall disclose the amount of the early termination  
5 fee, provided that any early termination fee or penalty  
6 shall not exceed \$50 total, regardless of whether or not  
7 the agreement is a multiyear agreement.

8 (2) In any agreement that contains an early termination  
9 clause, an alternative gas supplier shall provide the  
10 customer the opportunity to terminate the agreement  
11 without any termination fee or penalty within 10 business  
12 days after the date of the first bill issued to the  
13 customer for products or services provided by the  
14 alternative gas supplier. The agreement shall disclose the  
15 opportunity and provide a toll-free phone number that the  
16 customer may call in order to terminate the agreement.

17 (f) The alternative gas supplier shall provide each  
18 customer the opportunity to rescind its agreement without  
19 penalty within 10 business days after the date on the gas  
20 utility notice to the customer. The alternative gas supplier  
21 shall disclose to the customer all of the following:

22 (1) that the gas utility shall send a notice confirming  
23 the switch;

24 (2) that from the date the utility issues the notice  
25 confirming the switch, the customer shall have 10 business  
26 days before the switch will become effective;



1           (3) that the customer may contact the gas utility or  
2           the alternative gas supplier to rescind the switch within  
3           10 business days; and

4           (4) the contact information for the gas utility and the  
5           alternative gas supplier.

6           The alternative gas supplier disclosure shall be included  
7           in its sales solicitations, contracts, and all applicable sales  
8           verification scripts.

9           (g) The provisions of this Section shall apply only to  
10          alternative gas suppliers serving or seeking to serve  
11          residential and small commercial customers and only to the  
12          extent such alternative gas suppliers provide services to  
13          residential and small commercial customers.

14           (815 ILCS 505/2EEE new)

15          Sec. 2EEE. Natural gas service advertising. Any  
16          advertisement for natural gas service that lists rates shall  
17          clearly and conspicuously disclose all associated costs for  
18          such service including, but not limited to, access fees and  
19          service fees. It is an unfair or deceptive act or practice  
20          within the meaning of Section 2 of this Act for any person to  
21          violate this Section.

22          The provisions of this Section shall apply only to  
23          alternative gas suppliers serving or seeking to serve  
24          residential and small commercial customers and only to the  
25          extent such alternative gas suppliers provide services to

1 residential and small commercial customers.

2 (815 ILCS 505/2FFF new)

3 Sec. 2FFF. All personal information relating to the  
4 customer of transmission, distribution, metering, or billing  
5 of natural gas service, or the customer purchasing the  
6 commodity of natural gas to be delivered through the  
7 distribution system of a natural gas provider, shall be  
8 maintained by the natural gas providers solely for the purpose  
9 of generating the bill for such sales and services, and shall  
10 not be divulged to any other persons with the exception of  
11 credit bureaus, collection agencies, and persons licensed to  
12 market natural gas service in the State of Illinois, without  
13 the written consent of the customer. It is an unfair or  
14 deceptive act or practice within the meaning of Section 2 of  
15 this Act for any person to violate this Section.

16 The provisions of this Section shall apply only to  
17 alternative gas suppliers serving or seeking to serve  
18 residential and small commercial customers and only to the  
19 extent such alternative gas suppliers provide services to  
20 residential and small commercial customers.

21 (815 ILCS 505/2GGG new)

22 Sec. 2GGG. Prohibition of prize promotions to solicit  
23 authority to provide alternative natural gas service.

24 (a) It is an unfair or deceptive act or practice within the

1 meaning of Section 2 of this Act for any person to solicit  
2 authority to execute a change of gas suppliers or to solicit  
3 authority to provide any alternative gas service through the  
4 use of any sweepstakes, contests, or drawings.

5 (b) Forms or documents used or intended to be used by  
6 consumers to enter sweepstakes, contests, or drawings of any  
7 description may not be used by any person as written authority  
8 to execute a change of any person's gas supplier or to render  
9 any gas supply service.

10 (c) The provisions of this Section shall apply only to  
11 alternative gas suppliers serving or seeking to serve  
12 residential and small commercial customers and only to the  
13 extent such alternative gas suppliers provide services to  
14 residential and small commercial customers.

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.