



Sen. Don Harmon

Filed: 4/9/2008

09500SB2783sam002

LRB095 18103 MJR 49106 a

1 AMENDMENT TO SENATE BILL 2783

2 AMENDMENT NO. _____. Amend Senate Bill 2783, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Public Utilities Act is amended by changing
6 Sections 19-105, 19-110, 19-115, 19-120, and 19-125 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

1 received to one or more customers, or that engages in the
2 furnishing of gas to one or more customers, and shall include
3 affiliated interests of a gas utility, resellers, aggregators
4 and marketers, but shall not include (i) gas utilities (or any
5 agent of the gas utility to the extent the gas utility provides
6 tariffed services to customers through an agent); (ii) public
7 utilities that are owned and operated by any political
8 subdivision, public institution of higher education or
9 municipal corporation of this State, or public utilities that
10 are owned by a political subdivision, public institution of
11 higher education, or municipal corporation and operated by any
12 of its lessees or operating agents; (iii) natural gas
13 cooperatives that are not-for-profit corporations operated for
14 the purpose of administering, on a cooperative basis, the
15 furnishing of natural gas for the benefit of their members who
16 are consumers of natural gas; and (iv) the ownership or
17 operation of a facility that sells compressed natural gas at
18 retail to the public for use only as a motor vehicle fuel and
19 the selling of compressed natural gas at retail to the public
20 for use only as a motor vehicle fuel.

21 "Gas utility" means a public utility, as defined in Section
22 3-105 of this Act, that has a franchise, license, permit, or
23 right to furnish or sell gas or transportation services to
24 customers within a service area.

25 "Residential customer" means a customer who receives gas
26 utility service for household purposes distributed to a

1 dwelling of 2 or fewer units which is billed under a
2 residential rate or gas utility service for household purposes
3 distributed to a dwelling unit or units which is billed under a
4 residential rate and is registered by a separate meter for each
5 dwelling unit.

6 "Sales agent" means any employee, agent, independent
7 contractor, consultant, or other person that solicits
8 customers to purchase, enroll in, or contract for alternative
9 gas service on behalf of an alternative gas supplier.

10 "Service area" means (i) the geographic area within which a
11 gas utility was lawfully entitled to provide gas to customers
12 as of the effective date of this amendatory Act of the 92nd
13 General Assembly and includes (ii) the location of any customer
14 to which the gas utility was lawfully providing gas utility
15 services on such effective date.

16 "Small commercial customer" means a nonresidential retail
17 customer of a natural gas utility who is identified by the
18 alternative gas supplier, prior to becoming a customer of the
19 alternative gas supplier, as consuming 5,000 or fewer therms of
20 natural gas during the previous year; provided that any
21 alternative gas supplier may remove the customer from
22 designation as a "small commercial customer" if the customer
23 consumes more than 5,000 therms of natural gas in any calendar
24 year after becoming a customer of the alternative gas supplier.

25 "Tariffed service" means a service provided to customers by
26 a gas utility as defined by its rates on file with the

1 Commission pursuant to the provisions of Article IX of this
2 Act.

3 "Transportation services" means those services provided by
4 the gas utility that are necessary in order for the storage,
5 transmission and distribution systems to function so that
6 customers located in the gas utility's service area can receive
7 gas from suppliers other than the gas utility and shall
8 include, without limitation, standard metering and billing
9 services.

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

11 (220 ILCS 5/19-110)

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

13 (a) The provisions of this Section shall apply only to
14 alternative gas suppliers serving or seeking to serve
15 residential or small commercial customers and only to the
16 extent such alternative gas suppliers provide services to
17 residential or small commercial customers.

18 (b) An alternative gas supplier must obtain a certificate
19 of service authority from the Commission in accordance with
20 this Section before serving any customer or other user located
21 in this State. An alternative gas supplier may request, and the
22 Commission may grant, a certificate of service authority for
23 the entire State or for a specified geographic area of the
24 State. A person, corporation, or other entity acting as an
25 alternative gas supplier on the effective date of this

1 amendatory Act of the 92nd General Assembly shall have 180 days
2 from the effective date of this amendatory Act of the 92nd
3 General Assembly to comply with the requirements of this
4 Section in order to continue to operate as an alternative gas
5 supplier.

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

16 (d) An application for a certificate of service authority
17 shall identify the area or areas in which the applicant intends
18 to offer service and the types of services it intends to offer.
19 Applicants that seek to serve residential or small commercial
20 customers within a geographic area that is smaller than a gas
21 utility's service area shall submit evidence demonstrating
22 that the designation of this smaller area does not violate
23 Section 19-115. An applicant may state in its application for
24 certification any limitations that will be imposed on the
25 number of customers or maximum load to be served.

26 (e) The Commission shall grant the application for a

1 certificate of service authority if it makes the findings set
2 forth in this subsection based on the verified application and
3 such other information as the applicant may submit.

4 (1) That the applicant possess sufficient technical,
5 financial, and managerial resources and abilities to
6 provide the service for which it seeks a certificate of
7 service authority. In determining the level of technical,
8 financial, and managerial resources and abilities which
9 the applicant must demonstrate, the Commission shall
10 consider the characteristics, including the size and
11 financial sophistication of the customers that the
12 applicant seeks to serve, and shall consider whether the
13 applicant seeks to provide gas using property, plant, and
14 equipment that it owns, controls, or operates.

15 (2) That the applicant will comply with all applicable
16 federal, State, regional, and industry rules, policies,
17 practices, and procedures for the use, operation, and
18 maintenance of the safety, integrity, and reliability of
19 the gas transmission system.

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

23 (4) That the area to be served by the applicant and any
24 limitations it proposes on the number of customers or
25 maximum amount of load to be served meet the provisions of
26 Section 19-115, provided, that if the applicant seeks to

1 serve an area smaller than the service area of a gas
2 utility or proposes other limitations on the number of
3 customers or maximum amount of load to be served, the
4 Commission can extend the time for considering such a
5 certificate request by up to 90 days, and can schedule
6 hearings on such a request.

7 (5) That the applicant will comply with all other
8 applicable laws and rules.

9 (6) That the applicant and the applicant's sales agents
10 will comply with all applicable federal, State, and
11 industry rules, policies, practices, and procedures for
12 marketing and soliciting customers.

13 (f) The Commission shall have the authority to promulgate
14 rules to carry out the provisions of this Section. Within 30
15 days after the effective date of this amendatory Act of the
16 92nd General Assembly, the Commission shall adopt an emergency
17 rule or rules applicable to the certification of those gas
18 suppliers that seek to serve residential customers. Within 180
19 days of the effective date of this amendatory Act of the 92nd
20 General Assembly, the Commission shall adopt rules that specify
21 criteria which, if met by any such alternative gas supplier,
22 shall constitute the demonstration of technical, financial,
23 and managerial resources and abilities to provide service
24 required by item (1) of subsection (e) of this Section, such as
25 a requirement to post a bond or letter of credit, from a
26 responsible surety or financial institution, of sufficient

1 size for the nature and scope of the services to be provided,
2 demonstration of adequate insurance for the scope and nature of
3 the services to be provided, and experience in providing
4 similar services in other jurisdictions.

5
6 (Source: P.A. 92-529, eff. 2-8-02; 92-852, eff. 8-26-02.)

7 (220 ILCS 5/19-115)

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

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

14 (b) An alternative gas supplier shall:

15 (1) comply with the requirements imposed on public
16 utilities by Sections 8-201 through 8-207, 8-301, 8-505 and
17 8-507 of this Act, to the extent that these Sections have
18 application to the services being offered by the
19 alternative gas supplier; ~~and~~

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

22 (3) comply with complaint procedures established by
23 the Commission;

24 (4) file with the Commission, within 5 business days
25 after the effective date of this amendatory Act of the 95th

1 General Assembly, a copy of bill formats, standard customer
2 contract and customer complaint and resolution procedures,
3 and the name and telephone number of the company
4 representative whom Commission employees may contact to
5 resolve customer complaints and other matters, and file
6 updated information within 5 business days after changes in
7 any of the requirements of this item (4); and

8 (5) maintain a customer call center where customers can
9 reach a representative and receive current information,
10 and notify customers no less often than once every 6 months
11 on how to reach the call center.

12 (c) An alternative gas supplier shall obtain verifiable
13 authorization from a customer, in a form or manner approved by
14 the Commission, before the customer is switched from another
15 supplier.

16 (d) No alternative gas supplier shall:

17 (1) enter into or employ any arrangements which have
18 the effect of preventing any customer from having access to
19 the services of the gas utility in whose service area the
20 customer is located; ~~or~~

21 (2) charge customers for such access; or

22 (3) bill for goods or services not authorized by the
23 customer.

24 (e) An alternative gas supplier that is certified to serve
25 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 moves outside the gas utility service territory or moves to
11 a location within the service territory where the customer
12 will not require natural gas service; or

13 (4) assign the agreement to any alternative natural gas
14 supplier unless:

15 (A) the supplier is an alternative gas supplier
16 certified by the Commission,

17 (B) the rates, terms, and conditions of the
18 agreement being assigned do not change during the
19 remainder of the time covered by the agreement,

20 (C) the customer is given no less than 30 days
21 prior written notice of the assignment and contact
22 information for the new supplier, and

23 (D) the supplier assigning the contract provides
24 contact information that a customer can use to resolve
25 a dispute.

26 (f) An alternative gas supplier shall comply with the

1 following requirements with respect to the marketing,
2 offering, and provision of products or services:

3 (1) Any marketing materials which make statements
4 concerning prices, terms, and conditions of service shall
5 contain information that adequately discloses the prices,
6 terms and conditions of the products or services.

7 (2) Before any customer is switched from another
8 supplier, the alternative gas supplier shall give the
9 customer written information that adequately discloses, in
10 plain language, the prices, terms, and conditions of the
11 products and services being offered and sold to the
12 customer.

13 (3) The alternative gas supplier shall provide to the
14 customer:

15 (A) accurate, timely, and itemized billing
16 statements that describe the products and services
17 provided to the customer and their prices and that
18 specify the gas consumption amount and any service
19 charges and taxes; provided that this item (f)(3)(A)
20 does not apply to small commercial customers;

21 (B) an additional statement, at least annually,
22 that adequately discloses the average monthly prices,
23 and the terms and conditions, of the products and
24 services sold to the customer; provided that this item
25 (f)(3)(B) does not apply to small commercial
26 customers;

1 (C) refunds of any deposits with interest within 30
2 days after the date that the customer changes gas
3 suppliers or discontinues service if the customer has
4 satisfied all of his or her outstanding financial
5 obligations to the alternative gas supplier at an
6 interest rate set by the Commission which shall be the
7 same as that required of gas utilities; and

8 (D) refunds, in a timely fashion, of all undisputed
9 overpayments upon the oral or written request of the
10 customer.

11 (4) An alternative gas supplier and its sales agents
12 shall refrain from any direct marketing or soliciting to
13 consumers on the gas utility's "Do Not Contact List", which
14 the alternative gas supplier shall obtain each week from
15 the gas utility in whose service area the consumer is
16 provided with gas service.

17 (5) An alternative gas supplier and its sales agents
18 shall not utilize false, misleading, materially
19 inaccurate, or otherwise deceptive language or materials
20 in soliciting or providing services.

21 (6) An alternative gas supplier and its sales agents
22 shall refrain from misrepresenting the affiliation of the
23 alternative supplier with the gas utility, governmental
24 bodies or consumer groups.

25 (7) If any sales solicitation, agreement, contract, or
26 verification is translated into another language and

1 provided to a customer, all of the documents must be
2 provided to the customer in that other language.

3 (8) Any sales solicitation shall adequately disclose
4 the prices, terms, and conditions of the products and
5 service.

6 (9) Any agreement that contains an early termination
7 clause shall disclose the amount of the early termination
8 fee, provided, however, that any early termination fee or
9 penalty shall not exceed \$50.

10 (10) Within one day after electronic receipt of a
11 customer switch from the alternative gas supplier and
12 confirmation of eligibility, the gas utility shall provide
13 the customer written notice confirming the switch. The
14 alternative gas supplier shall provide each customer the
15 opportunity to rescind its agreement without penalty
16 within 10 business days after the date on the gas utility
17 notice to the customer. The alternative gas supplier shall
18 disclose to the customer all of the following:

19 (A) that the gas utility will send a notice
20 confirming the switch;

21 (B) that from the date the utility issues the
22 notice confirming the switch, the customer shall have
23 10 business days to rescind the switch without penalty;

24 (C) that the customer shall contact the gas utility
25 to rescind the switch; and

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

1 The alternative gas supplier disclosure shall be
2 included in its sales solicitations, contracts, and all
3 applicable sales verification scripts.

4 (g) An alternative gas supplier may limit the overall size
5 or availability of a service offering by specifying one or more
6 of the following:

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

9 (2) time period during which the offering will be
10 available; or

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

14 The alternative gas supplier shall file the terms and
15 conditions of such service offering including the applicable
16 limitations with the Commission prior to making the service
17 offering available to customers.

18 (h) Nothing in this Section shall be construed as
19 preventing an alternative gas supplier that is an affiliate of,
20 or which contracts with, (i) an industry or trade organization
21 or association, (ii) a membership organization or association
22 that exists for a purpose other than the purchase of gas, or
23 (iii) another organization that meets criteria established in a
24 rule adopted by the Commission from offering through the
25 organization or association services at prices, terms and
26 conditions that are available solely to the members of the

1 organization or association.

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

3 (220 ILCS 5/19-120)

4 Sec. 19-120. Commission oversight of services provided by
5 gas suppliers.

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

11 (b) The Commission shall have jurisdiction in accordance
12 with the provisions of Article X of this Act to entertain and
13 dispose of any complaint against any alternative gas supplier
14 alleging that:

15 (1) the alternative gas supplier has violated or is in
16 nonconformance with any applicable provisions of Section
17 19-110 or Section 19-115;

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

21 (3) the alternative gas supplier has violated or is in
22 nonconformance with the transportation services tariff of,
23 or any of its agreements relating to transportation
24 services with, the gas utility or municipal system
25 providing transportation services; or

1 (4) the alternative gas supplier has violated or failed
2 to comply with the requirements of Sections 8-201 through
3 8-207, 8-301, 8-505, or 8-507 of this Act as made
4 applicable to alternative gas suppliers.

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

9 (1) order an alternative gas supplier to cease and
10 desist, or correct, any violation of or nonconformance with
11 the provisions of Section 19-110 or 19-115;

12 (2) impose financial penalties for violations of or
13 nonconformances with the provisions of Section 19-110 or
14 19-115, not to exceed ~~(i)~~ \$10,000 per occurrence; ~~or~~

15 (3) impose financial penalties for violations of or
16 nonconformances with the provisions of Section 19-110 or
17 19-115, not to exceed ~~(ii)~~ \$30,000 per day for those
18 violations or nonconformances which continue after the
19 Commission issues a cease-and-desist order; or and

20 (3) alter, modify, revoke, or suspend the certificate
21 of service authority of an alternative gas supplier for
22 substantial or repeated violations of or nonconformances
23 with the provisions of Section 19-110 or 19-115.

24 (c-5) The Commission shall have the authority to
25 investigate, upon complaint or on its own motion, the marketing
26 practices of any alternative gas supplier that has been granted

1 a certificate of service authority. As used in this subsection
2 (c-5), "marketing practices" includes, but is not limited to,
3 all oral, written, and electronic communications made by the
4 alternative gas supplier to any person for the purpose of
5 selling gas service to the person. If, after notice and
6 hearing, the Commission finds that an alternative gas supplier
7 has engaged in any deception, fraud, false pretense, false
8 promise, or misrepresentation or the concealment, suppression
9 or omission of any material fact in its marketing practices,
10 whether or not any person has in fact been misled, deceived or
11 damaged thereby, the Commission may order any or all of the
12 following remedies, penalties, or forms of relief:

13 (1) order an alternative gas supplier to cease and
14 desist, or correct, any marketing practices found to have
15 been deceptive, fraudulent, or containing a false promise
16 or misrepresentation, or that concealed, suppressed, or
17 omitted any material fact;

18 (2) impose financial penalties on the alternative gas
19 supplier for engaging in marketing practices found to have
20 been deceptive, fraudulent, or containing a false promise
21 or misrepresentation, or that concealed, suppressed, or
22 omitted any material fact, not to exceed \$10,000 per
23 occurrence;

24 (3) impose financial penalties on the alternative gas
25 supplier for engaging in marketing practices found to have
26 been deceptive, fraudulent, or containing a false promise

1 or misrepresentation, or that concealed, suppressed, or
2 omitted any material fact, not to exceed \$30,000 per day
3 for those violations or nonconformances that continue
4 after the Commission issues a cease and desist order; or

5 (4) revoke or suspend the certificate of service
6 authority of the alternative gas supplier for repeated
7 violations in which the Commission has found that the
8 alternative gas supplier has engaged in marketing
9 practices that are deceptive, fraudulent, or containing a
10 false promise or misrepresentation, or that concealed,
11 suppressed, or omitted any material fact.

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

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

17 (220 ILCS 5/19-125)

18 Sec. 19-125. Consumer education.

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

22 (1) a list of all certified alternative gas suppliers
23 serving residential and small commercial customers within
24 the service area of each gas utility including, in the case
25 of the Internet, computer links to available web sites of

1 the certified alternative gas suppliers;

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

7 (3) guidelines to assist customers in determining
8 which gas supplier is most appropriate for each customer;
9 and

10 (4) Internet links to providers of information that
11 enables customers to compare prices and services of gas
12 utilities and alternative gas suppliers, if and when that
13 information is available.

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

19 (c) The Commission shall make available in print, upon
20 request and at no charge, and on its World Wide Web site,
21 information on which customers of alternative gas suppliers
22 serving residential and small commercial customers may address
23 any complaint with regard to an alternative gas supplier's
24 obligations under Section 19-115 of this Article, including the
25 provision of service in accordance with the terms of its
26 contract, sales tactics, and rates. The Commission shall

1 maintain a summary by category and provider of all informal
2 complaints it receives pursuant to this Section, and it shall
3 publish the summary on a quarterly basis on its World Wide Web
4 site. Individual customer information shall not be included in
5 the summary.

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

7 Section 10. The Consumer Fraud and Deceptive Business
8 Practices Act is amended by adding Sections 2BBB, 2CCC, 2DDD,
9 and 2EEE as follows:

10 (815 ILCS 505/2BBB new)

11 Sec. 2BBB. Natural gas provider selection.

12 (a) A natural gas provider shall not submit or execute a
13 change in a customer's selection of a provider of natural gas
14 service unless and until:

15 (1) the provider first discloses all material terms and
16 conditions of the offer to the customer;

17 (2) the provider has obtained the customer's express
18 agreement to accept the offer, after the disclosure of all
19 material terms and conditions of the offer, in a form that
20 meets the requirements of this Section; and

21 (3) the provider has confirmed the request for a change
22 in natural gas provider either (i) using a letter of agency
23 as provided in subsection (b) or (ii) using an independent
24 third-party verification as provided in subsection (c).

1 (b) Letter of agency.

2 (1) A natural gas provider may obtain the necessary
3 confirmation from a customer for a change in natural gas
4 service by using a letter of agency as specified in this
5 subsection. Any letter of agency that does not conform with
6 this subsection is invalid.

7 (2) The letter of agency is not effective unless it has
8 been signed and dated by the customer requesting the
9 natural gas provider change.

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

13 (A) confirms the customer's billing name and
14 address;

15 (B) confirms the customer's decision to change the
16 natural gas provider from the current provider to the
17 prospective provider;

18 (C) clearly and conspicuously discloses, in
19 writing, the terms, conditions, and nature of the
20 service to be provided to the customer, and directly
21 identifies or establishes the rates for the service
22 contracted for by the customer; and

23 (D) states that the customer understands that any
24 change in natural gas provider that the customer
25 chooses may involve a charge to the customer for
26 changing the customer's natural gas provider.

1 (4) Except as allowed in item (5), the letter of agency
2 shall be a separate or easily separable document,
3 containing only the language described in item (3), and the
4 sole purpose of which is to authorize a natural gas
5 provider change. Except as allowed in item (5), the letter
6 of agency shall not be combined with inducements of any
7 kind in the same document.

8 (5) The letter of agency may be combined with a check
9 that contains only the required letter of agency language
10 prescribed in item (3) and the necessary information to
11 make the check a negotiable instrument. The letter of
12 agency check shall not contain any promotional language or
13 material. The letter of agency check shall contain, in
14 easily readable bold-face type on the face of the check, a
15 notice that the consumer is authorizing a change in natural
16 gas provider by signing the check. The letter of agency
17 language shall also be placed near the signature line on
18 the back of the check.

19 (6) A letter 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 (7) If any portion of a letter of agency is translated
23 into another language, then all portions of the letter of
24 agency must be translated into that language.

25 (c) Third-party verification.

26 (1) A natural gas provider may obtain the necessary

1 confirmation from a customer for a change in natural gas
2 service by using an appropriately qualified independent
3 third party, in accordance with this subsection, to confirm
4 the customer's oral authorization to change natural gas
5 providers. Third-party confirmation must include
6 appropriate verification data. The independent third
7 party:

8 (i) must not be owned, managed, controlled, or
9 directed by the provider or the provider's marketing
10 agent;

11 (ii) must not have any financial incentive to
12 confirm provider change requests for the provider or
13 the provider's marketing agent; and

14 (iii) must operate in a location physically
15 separate from the provider or the provider's marketing
16 agent.

17 (2) Automated third-party verification systems and
18 3-way conference calls may be used for verification
19 purposes, so long as the other requirements of this
20 subsection (c) are satisfied. A provider or provider's
21 sales representative initiating a 3-way conference call or
22 a call through an automated verification system must drop
23 off the call once the 3-way connection has been
24 established.

25 (3) All third-party verification methods must elicit,
26 at a minimum, the following information: (i) the identity

1 of the customer; (ii) confirmation that the person on the
2 call is authorized to make the provider change; (iii)
3 confirmation that the person on the call wants to make the
4 provider change; (iv) the names of the providers affected
5 by the change; (v) the service address of the service to be
6 switched; and (vi) the price of the service to be provided
7 and the material terms and conditions of the service being
8 offered, including whether any early termination fees
9 apply.

10 (4) Third-party verifiers may not market the
11 provider's services by providing additional information,
12 including information regarding procedures to block or
13 otherwise freeze an account against further changes.

14 (5) All third-party verifications shall be conducted
15 in the same language that was used in the underlying sales
16 transaction and shall be recorded in their entirety. A
17 natural gas provider shall maintain and preserve audio
18 records of verification of customer authorization for a
19 minimum period of 2 years after obtaining the verification.
20 Automated systems must provide customers with an option to
21 speak with a live person at any time during the call.

22 (d) When a consumer initiates the call to the prospective
23 natural gas provider, in order to enroll the consumer as a
24 customer, the prospective natural gas provider must, with the
25 consent of the customer, make a date-stamped and time-stamped
26 audio recording that elicits, at a minimum, the following

1 information: (i) the identity of the customer; (ii)
2 confirmation that the person on the call is authorized to make
3 the provider change; (iii) confirmation that the person on the
4 call wants to make the provider change; (iv) the names of the
5 providers affected by the change; (v) the service address of
6 the service to be switched; and (vi) the price of the service
7 to be provided and the material terms and conditions of the
8 service being offered, including whether any early termination
9 fees apply. A natural gas provider must maintain and preserve
10 the audio records required under this subsection (d) for a
11 minimum period of 2 years.

12 (e) Complaints may be filed with the Illinois Commerce
13 Commission under this Section by a customer whose natural gas
14 service provider has been changed or affected by a natural gas
15 provider in a manner not in compliance with this Section. If,
16 after notice and hearing, the Commission finds that a natural
17 gas provider has violated this Section, the Commission may in
18 its discretion do any one or more of the following:

19 (1) Require the violating natural gas provider to
20 refund to the customer charges collected in excess of those
21 that would have been charged by the customer's authorized
22 natural gas provider.

23 (2) Require the violating natural gas provider to pay
24 to the customer's authorized natural gas provider the
25 amount the authorized natural gas provider would have
26 collected for the customer's natural gas service. The

1 Commission is authorized to reduce this payment by any
2 amount already paid by the violating natural gas provider
3 to the customer's authorized provider for that natural gas
4 service.

5 (3) Require the violating natural gas provider to pay a
6 fine of up to \$1,000 into the Public Utility Fund for each
7 repeated and intentional violation of this Section.

8 (4) Issue a cease and desist order.

9 (5) For a pattern of violation of this Section or for
10 intentionally violating a cease and desist order, revoke
11 the violating provider's certificate of service authority.

12 (f) For purposes of this Section and Sections 2CCC, 2DDD,
13 and 2EEE of this Act, "natural gas provider" means a "gas
14 utility" or an "alternative gas supplier", as those terms are
15 defined in Section 19-105 of the Public Utilities Act, and
16 "natural gas service" means natural gas service sold by a gas
17 utility or alternative gas supplier.

18 (815 ILCS 505/2CCC new)

19 Sec. 2CCC. Natural gas service fraud; elderly persons or
20 disabled persons; additional penalties.

21 (a) With respect to unlawful advertising, sale, provider
22 selection, billings, or collections relating to the provision
23 of natural gas service, where the consumer is an elderly person
24 or disabled person, a civil penalty of \$50,000 may be imposed
25 for each violation of this Act.

1 (b) For the purposes of this Section:

2 "Elderly person" means a person 60 years of age or
3 older.

4 "Disabled person" means a person who suffers from a
5 permanent physical or mental impairment resulting from
6 disease, injury, functional disorder or congenital
7 condition.

8 "Natural gas service" has the meaning given that term
9 in Section 2BBB of this Act.

10 (815 ILCS 505/2DDD new)

11 Sec. 2DDD. Natural gas service advertising. Any
12 advertisement for natural gas service that lists rates shall
13 clearly and conspicuously disclose all associated costs for
14 that service, including, but not limited to, access fees and
15 service fees.

16 (815 ILCS 505/2EEE new)

17 Sec. 2EEE. Billing and collection practices of natural gas
18 providers. Each person selling transmission, distribution,
19 metering, or billing of natural gas service, or the commodity
20 of natural gas to be delivered to a customer through the
21 distribution system of a natural gas provider, shall display
22 the name, the toll-free telephone number of the natural gas
23 provider, and a description of the services provided on all
24 bills submitted to customers of such services. All personal

1 information relating to the customer of transmission,
2 distribution, metering, or billing of natural gas service, or
3 the customer purchasing the commodity of natural gas to be
4 delivered through the distribution system of a natural gas
5 provider, shall be maintained by the service providers solely
6 for the purpose of generating the bill for the sales and
7 services, and shall not be divulged to any other persons with
8 the exception of credit bureaus, collection agencies, and
9 persons licensed to market natural gas service in this State,
10 without the written consent of the customer.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.".