



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB1453

by Rep. Kelly Burke

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-102  
220 ILCS 5/16-115A  
220 ILCS 5/16-118  
220 ILCS 5/19-105  
220 ILCS 5/19-115

Amends the Public Utilities Act in relation to marketing alternative services and products. Limits the use of early termination clauses and penalties. Requires certain utilities to share customer lists. Defines terms. Effective immediately.

LRB098 07060 JLS 37119 b

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 16-102, 16-115A, 16-118, 19-105, and 19-115 as  
6 follows:

7 (220 ILCS 5/16-102)

8 Sec. 16-102. Definitions. For the purposes of this Article  
9 the following terms shall be defined as set forth in this  
10 Section.

11 "Alternative retail electric 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 electric power or energy for sale, lease or in exchange  
17 for other value received to one or more retail customers, or  
18 that engages in the delivery or furnishing of electric power or  
19 energy to such retail customers, and shall include, without  
20 limitation, resellers, aggregators and power marketers, but  
21 shall not include (i) electric utilities (or any agent of the  
22 electric utility to the extent the electric utility provides  
23 tariffed services to retail customers through that agent), (ii)

1 any electric cooperative or municipal system as defined in  
2 Section 17-100 to the extent that the electric cooperative or  
3 municipal system is serving retail customers within any area in  
4 which it is or would be entitled to provide service under the  
5 law in effect immediately prior to the effective date of this  
6 amendatory Act of 1997, (iii) a public utility that is owned  
7 and operated by any public institution of higher education of  
8 this State, or a public utility that is owned by such public  
9 institution of higher education and operated by any of its  
10 lessees or operating agents, within any area in which it is or  
11 would be entitled to provide service under the law in effect  
12 immediately prior to the effective date of this amendatory Act  
13 of 1997, (iv) a retail customer to the extent that customer  
14 obtains its electric power and energy from that customer's own  
15 cogeneration or self-generation facilities, (v) an entity that  
16 owns, operates, sells, or arranges for the installation of a  
17 customer's own cogeneration or self-generation facilities, but  
18 only to the extent the entity is engaged in owning, selling or  
19 arranging for the installation of such facility, or operating  
20 the facility on behalf of such customer, provided however that  
21 any such third party owner or operator of a facility built  
22 after January 1, 1999, complies with the labor provisions of  
23 Section 16-128(a) as though such third party were an  
24 alternative retail electric supplier, or (vi) an industrial or  
25 manufacturing customer that owns its own distribution  
26 facilities, to the extent that the customer provides service

1 from that distribution system to a third-party contractor  
2 located on the customer's premises that is integrally and  
3 predominantly engaged in the customer's industrial or  
4 manufacturing process; provided, that if the industrial or  
5 manufacturing customer has elected delivery services, the  
6 customer shall pay transition charges applicable to the  
7 electric power and energy consumed by the third-party  
8 contractor unless such charges are otherwise paid by the third  
9 party contractor, which shall be calculated based on the usage  
10 of, and the base rates or the contract rates applicable to, the  
11 third-party contractor in accordance with Section 16-102.

12 An entity that furnishes the service of charging electric  
13 vehicles does not and shall not be deemed to sell electricity  
14 and is not and shall not be deemed an alternative retail  
15 electric supplier, and is not subject to regulation as such  
16 under this Act notwithstanding the basis on which the service  
17 is provided or billed. If, however, the entity is otherwise  
18 deemed an alternative retail electric supplier under this Act,  
19 or is otherwise subject to regulation under this Act, then that  
20 entity is not exempt from and remains subject to the otherwise  
21 applicable provisions of this Act. The installation,  
22 maintenance, and repair of an electric vehicle charging station  
23 shall comply with the requirements of subsection (a) of Section  
24 16-128 and Section 16-128A of this Act.

25 For purposes of this Section, the term "electric vehicles"  
26 has the meaning ascribed to that term in Section 10 of the

1 Electric Vehicle Act.

2 "Base rates" means the rates for those tariffed services  
3 that the electric utility is required to offer pursuant to  
4 subsection (a) of Section 16-103 and that were identified in a  
5 rate order for collection of the electric utility's base rate  
6 revenue requirement, excluding (i) separate automatic rate  
7 adjustment riders then in effect, (ii) special or negotiated  
8 contract rates, (iii) delivery services tariffs filed pursuant  
9 to Section 16-108, (iv) real-time pricing, or (v) tariffs that  
10 were in effect prior to October 1, 1996 and that based charges  
11 for services on an index or average of other utilities'  
12 charges, but including (vi) any subsequent redesign of such  
13 rates for tariffed services that is authorized by the  
14 Commission after notice and hearing.

15 "Competitive service" includes (i) any service that has  
16 been declared to be competitive pursuant to Section 16-113 of  
17 this Act, (ii) contract service, and (iii) services, other than  
18 tariffed services, that are related to, but not necessary for,  
19 the provision of electric power and energy or delivery  
20 services.

21 "Contract service" means (1) services, including the  
22 provision of electric power and energy or other services, that  
23 are provided by mutual agreement between an electric utility  
24 and a retail customer that is located in the electric utility's  
25 service area, provided that, delivery services shall not be a  
26 contract service until such services are declared competitive

1 pursuant to Section 16-113; and also means (2) the provision of  
2 electric power and energy by an electric utility to retail  
3 customers outside the electric utility's service area pursuant  
4 to Section 16-116. Provided, however, contract service does not  
5 include electric utility services provided pursuant to (i)  
6 contracts that retail customers are required to execute as a  
7 condition of receiving tariffed services, or (ii) special or  
8 negotiated rate contracts for electric utility services that  
9 were entered into between an electric utility and a retail  
10 customer prior to the effective date of this amendatory Act of  
11 1997 and filed with the Commission.

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

19 "Door-to-door solicitation" means a face-to-face  
20 solicitation of a residential customer initiated by an  
21 alternative retail electric supplier at the home or place of  
22 business of the customer through canvassing without an  
23 appointment or previous personal relationship.

24 "Electric utility" means a public utility, as defined in  
25 Section 3-105 of this Act, that has a franchise, license,  
26 permit or right to furnish or sell electricity to retail

1 customers within a service area.

2 "Mandatory transition period" means the period from the  
3 effective date of this amendatory Act of 1997 through January  
4 1, 2007.

5 "Municipal system" shall have the meaning set forth in  
6 Section 17-100.

7 "Real-time pricing" means tariffed retail charges for  
8 delivered electric power and energy that vary hour-to-hour and  
9 are determined from wholesale market prices using a methodology  
10 approved by the Illinois Commerce Commission.

11 "Retail customer" means a single entity using electric  
12 power or energy at a single premises and that (A) either (i) is  
13 receiving or is eligible to receive tariffed services from an  
14 electric utility, or (ii) that is served by a municipal system  
15 or electric cooperative within any area in which the municipal  
16 system or electric cooperative is or would be entitled to  
17 provide service under the law in effect immediately prior to  
18 the effective date of this amendatory Act of 1997, or (B) an  
19 entity which on the effective date of this Act was receiving  
20 electric service from a public utility and (i) was engaged in  
21 the practice of resale and redistribution of such electricity  
22 within a building prior to January 2, 1957, or (ii) was  
23 providing lighting services to tenants in a multi-occupancy  
24 building, but only to the extent such resale, redistribution or  
25 lighting service is authorized by the electric utility's  
26 tariffs that were on file with the Commission on the effective

1 date of this Act.

2 "Service area" means (i) the geographic area within which  
3 an electric utility was lawfully entitled to provide electric  
4 power and energy to retail customers as of the effective date  
5 of this amendatory Act of 1997, and includes (ii) the location  
6 of any retail customer to which the electric utility was  
7 lawfully providing electric utility services on such effective  
8 date.

9 "Small commercial retail customer" means those  
10 nonresidential retail customers of an electric utility  
11 consuming 15,000 kilowatt-hours or less of electricity  
12 annually in its service area.

13 "Tariffed service" means services provided to retail  
14 customers by an electric utility as defined by its rates on  
15 file with the Commission pursuant to the provisions of Article  
16 IX of this Act, but shall not include competitive services.

17 "Transition charge" means a charge expressed in cents per  
18 kilowatt-hour that is calculated for a customer or class of  
19 customers as follows for each year in which an electric utility  
20 is entitled to recover transition charges as provided in  
21 Section 16-108:

22 (1) the amount of revenue that an electric utility  
23 would receive from the retail customer or customers if it  
24 were serving such customers' electric power and energy  
25 requirements as a tariffed service based on (A) all of the  
26 customers' actual usage during the 3 years ending 90 days



1 prior to the date on which such customers were first  
2 eligible for delivery services pursuant to Section 16-104,  
3 and (B) on (i) the base rates in effect on October 1, 1996  
4 (adjusted for the reductions required by subsection (b) of  
5 Section 16-111, for any reduction resulting from a rate  
6 decrease under Section 16-101(b), for any restatement of  
7 base rates made in conjunction with an elimination of the  
8 fuel adjustment clause pursuant to subsection (b), (d), or  
9 (f) of Section 9-220 and for any removal of decommissioning  
10 costs from base rates pursuant to Section 16-114) and any  
11 separate automatic rate adjustment riders (other than a  
12 decommissioning rate as defined in Section 16-114) under  
13 which the customers were receiving or, had they been  
14 customers, would have received electric power and energy  
15 from the electric utility during the year immediately  
16 preceding the date on which such customers were first  
17 eligible for delivery service pursuant to Section 16-104,  
18 or (ii) to the extent applicable, any contract rates,  
19 including contracts or rates for consolidated or  
20 aggregated billing, under which such customers were  
21 receiving electric power and energy from the electric  
22 utility during such year;

23 (2) less the amount of revenue, other than revenue from  
24 transition charges and decommissioning rates, that the  
25 electric utility would receive from such retail customers  
26 for delivery services provided by the electric utility,

1           assuming such customers were taking delivery services for  
2           all of their usage, based on the delivery services tariffs  
3           in effect during the year for which the transition charge  
4           is being calculated and on the usage identified in  
5           paragraph (1);

6           (3) less the market value for the electric power and  
7           energy that the electric utility would have used to supply  
8           all of such customers' electric power and energy  
9           requirements, as a tariffed service, based on the usage  
10          identified in paragraph (1), with such market value  
11          determined in accordance with Section 16-112 of this Act;

12          (4) less the following amount which represents the  
13          amount to be attributed to new revenue sources and cost  
14          reductions by the electric utility through the end of the  
15          period for which transition costs are recovered pursuant to  
16          Section 16-108, referred to in this Article XVI as a  
17          "mitigation factor":

18                 (A) for nonresidential retail customers, an amount  
19                 equal to the greater of (i) 0.5 cents per kilowatt-hour  
20                 during the period October 1, 1999 through December 31,  
21                 2004, 0.6 cents per kilowatt-hour in calendar year  
22                 2005, and 0.9 cents per kilowatt-hour in calendar year  
23                 2006, multiplied in each year by the usage identified  
24                 in paragraph (1), or (ii) an amount equal to the  
25                 following percentages of the amount produced by  
26                 applying the applicable base rates (adjusted as

1 described in subparagraph (1)(B)) or contract rate to  
2 the usage identified in paragraph (1): 8% for the  
3 period October 1, 1999 through December 31, 2002, 10%  
4 in calendar years 2003 and 2004, 11% in calendar year  
5 2005 and 12% in calendar year 2006; and

6 (B) for residential retail customers, an amount  
7 equal to the following percentages of the amount  
8 produced by applying the base rates in effect on  
9 October 1, 1996 (adjusted as described in subparagraph  
10 (1)(B)) to the usage identified in paragraph (1): (i)  
11 6% from May 1, 2002 through December 31, 2002, (ii) 7%  
12 in calendar years 2003 and 2004, (iii) 8% in calendar  
13 year 2005, and (iv) 10% in calendar year 2006;

14 (5) divided by the usage of such customers identified  
15 in paragraph (1),  
16 provided that the transition charge shall never be less than  
17 zero.

18 "Unbundled service" means a component or constituent part  
19 of a tariffed service which the electric utility subsequently  
20 offers separately to its customers.

21 (Source: P.A. 97-1128, eff. 8-28-12.)

22 (220 ILCS 5/16-115A)

23 Sec. 16-115A. Obligations of alternative retail electric  
24 suppliers.

25 (a) An alternative retail electric supplier shall:

1           (i) comply with the requirements imposed on public  
2           utilities by Sections 8-201 through 8-207, 8-301, 8-505 and  
3           8-507 of this Act, to the extent that these Sections have  
4           application to the services being offered by the  
5           alternative retail electric supplier; and

6           (ii) continue to comply with the requirements for  
7           certification stated in subsection (d) of Section 16-115.

8           (b) An alternative retail electric supplier shall obtain  
9           verifiable authorization from a customer, in a form or manner  
10          approved by the Commission consistent with Section 2EE of the  
11          Consumer Fraud and Deceptive Business Practices Act, before the  
12          customer is switched from another supplier.

13          (c) No alternative retail electric supplier, or electric  
14          utility other than the electric utility in whose service area a  
15          customer is located, shall (i) enter into or employ any  
16          arrangements which have the effect of preventing a retail  
17          customer with a maximum electrical demand of less than one  
18          megawatt from having access to the services of the electric  
19          utility in whose service area the customer is located or (ii)  
20          charge retail customers for such access. This subsection shall  
21          not be construed to prevent an arms-length agreement between a  
22          supplier and a retail customer that sets a term of service,  
23          notice period for terminating service and provisions governing  
24          early termination through a tariff or contract as allowed by  
25          Section 16-119.

26          (d) An alternative retail electric supplier that is

1 certified to serve residential or small commercial retail  
2 customers shall not:

3 (1) deny service to a customer or group of customers  
4 nor establish any differences as to prices, terms,  
5 conditions, services, products, facilities, or in any  
6 other respect, whereby such denial or differences are based  
7 upon race, gender or income.

8 (2) deny service to a customer or group of customers  
9 based on locality nor establish any unreasonable  
10 difference as to prices, terms, conditions, services,  
11 products, or facilities as between localities.

12 (e) An alternative retail electric supplier shall comply  
13 with the following requirements with respect to the marketing,  
14 offering and provision of products or services to residential  
15 and small commercial retail customers:

16 (i) Any marketing materials which make statements  
17 concerning prices, terms and conditions of service shall  
18 contain information that adequately discloses the prices,  
19 terms and conditions of the products or services that the  
20 alternative retail electric supplier is offering or  
21 selling to the customer.

22 (ii) Before any customer is switched from another  
23 supplier, the alternative retail electric supplier shall  
24 give the customer written information that adequately  
25 discloses, in plain language, the prices, terms and  
26 conditions of the products and services being offered and

1 sold to the customer.

2 (iii) An alternative retail electric supplier shall  
3 provide documentation to the Commission and to customers  
4 that substantiates any claims made by the alternative  
5 retail electric supplier regarding the technologies and  
6 fuel types used to generate the electricity offered or sold  
7 to customers.

8 (iv) The alternative retail electric supplier shall  
9 provide to the customer (1) itemized billing statements  
10 that describe the products and services provided to the  
11 customer and their prices, and (2) an additional statement,  
12 at least annually, that adequately discloses the average  
13 monthly prices, and the terms and conditions, of the  
14 products and services sold to the customer.

15 (v) An alternative retail electric supplier shall  
16 include in all residential solicitations that include  
17 price offerings an explanation of how to obtain price  
18 comparison information provided by the Illinois Commerce  
19 Commission Office of Retail Market Development.

20 (e-1) Early termination.

21 (i) Any residential customer agreement that contains  
22 an early termination clause shall disclose the amount of  
23 the early termination fee, provided that any early  
24 termination fee or penalty shall not exceed \$50 total,  
25 regardless of whether or not the agreement is a multi-year  
26 agreement or a municipal aggregation offer.

1           (ii) In any residential agreement that contains an  
2           early termination clause, an alternative electric supplier  
3           shall provide the customer the opportunity to terminate the  
4           agreement without any termination fee or penalty until the  
5           due date of the first bill issued to the customer for  
6           products or services provided by the alternative electric  
7           supplier. The agreement shall disclose the opportunity and  
8           provide a toll-free phone number that the customer may call  
9           in order to terminate the agreement.

10           (iii) Any agreement entered into between a residential  
11           customer and an alternative electric supplier through the  
12           use of a door-to-door solicitation may not contain an early  
13           termination fee.

14           (iv) Any agreement or marketing solicitation that  
15           offers a variable price that guarantees savings for any  
16           period of time based upon a utility default rate may not  
17           charge an early termination fee if the retail electric  
18           supplier price charged exceeds the utility default rate.

19           (v) Nothing in this subsection (e-1) removes the  
20           obligation of the customer to pay for the products or  
21           services provided by the alternative electric supplier.

22           (f) An alternative retail electric supplier may limit the  
23 overall size or availability of a service offering by  
24 specifying one or more of the following: a maximum number of  
25 customers, maximum amount of electric load to be served, time  
26 period during which the offering will be available, or other

1 comparable limitation, but not including the geographic  
2 locations of customers within the area which the alternative  
3 retail electric supplier is certificated to serve. The  
4 alternative retail electric supplier shall file the terms and  
5 conditions of such service offering including the applicable  
6 limitations with the Commission prior to making the service  
7 offering available to customers.

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

18 (Source: P.A. 90-561, eff. 12-16-97.)

19 (220 ILCS 5/16-118)

20 Sec. 16-118. Services provided by electric utilities to  
21 alternative retail electric suppliers.

22 (a) It is in the best interest of Illinois energy consumers  
23 to promote fair and open competition in the provision of  
24 electric power and energy and to prevent anticompetitive  
25 practices in the provision of electric power and energy.



1 Therefore, to the extent an electric utility provides electric  
2 power and energy or delivery services to alternative retail  
3 electric suppliers and such services are not subject to the  
4 jurisdiction of the Federal Energy Regulatory Commission, and  
5 are not competitive services, they shall be provided through  
6 tariffs that are filed with the Commission, pursuant to Article  
7 IX of this Act. Each electric utility shall permit alternative  
8 retail electric suppliers to interconnect facilities to those  
9 owned by the utility provided they meet established standards  
10 for such interconnection, and may provide standby or other  
11 services to alternative retail electric suppliers. The  
12 alternative retail electric supplier shall sign a contract  
13 setting forth the prices, terms and conditions for  
14 interconnection with the electric utility and the prices, terms  
15 and conditions for services provided by the electric utility to  
16 the alternative retail electric supplier in connection with the  
17 delivery by the electric utility of electric power and energy  
18 supplied by the alternative retail electric supplier.

19 (b) An electric utility shall file a tariff pursuant to  
20 Article IX of the Act that would allow alternative retail  
21 electric suppliers or electric utilities other than the  
22 electric utility in whose service area retail customers are  
23 located to issue single bills to the retail customers for both  
24 the services provided by such alternative retail electric  
25 supplier or other electric utility and the delivery services  
26 provided by the electric utility to such customers. The tariff

1 filed pursuant to this subsection shall (i) require partial  
2 payments made by retail customers to be credited first to the  
3 electric utility's tariffed services, (ii) impose commercially  
4 reasonable terms with respect to credit and collection,  
5 including requests for deposits, (iii) retain the electric  
6 utility's right to disconnect the retail customers, if it does  
7 not receive payment for its tariffed services, in the same  
8 manner that it would be permitted to if it had billed for the  
9 services itself, and (iv) require the alternative retail  
10 electric supplier or other electric utility that elects the  
11 billing option provided by this tariff to include on each bill  
12 to retail customers an identification of the electric utility  
13 providing the delivery services and a listing of the charges  
14 applicable to such services. The tariff filed pursuant to this  
15 subsection may also include other just and reasonable terms and  
16 conditions. In addition, an electric utility, an alternative  
17 retail electric supplier or electric utility other than the  
18 electric utility in whose service area the customer is located,  
19 and a customer served by such alternative retail electric  
20 supplier or other electric utility, may enter into an agreement  
21 pursuant to which the alternative retail electric supplier or  
22 other electric utility pays the charges specified in Section  
23 16-108, or other customer-related charges, including taxes and  
24 fees, in lieu of such charges being recovered by the electric  
25 utility directly from the customer.

26 (c) An electric utility with more than 100,000 customers

1 shall file a tariff pursuant to Article IX of this Act that  
2 provides alternative retail electric suppliers, and electric  
3 utilities other than the electric utility in whose service area  
4 the retail customers are located, with the option to have the  
5 electric utility purchase their receivables for power and  
6 energy service provided to residential retail customers and  
7 non-residential retail customers with a non-coincident peak  
8 demand of less than 400 kilowatts. Receivables for power and  
9 energy service of alternative retail electric suppliers or  
10 electric utilities other than the electric utility in whose  
11 service area the retail customers are located shall be  
12 purchased by the electric utility at a just and reasonable  
13 discount rate to be reviewed and approved by the Commission  
14 after notice and hearing. The discount rate shall be based on  
15 the electric utility's historical bad debt and any reasonable  
16 start-up costs and administrative costs associated with the  
17 electric utility's purchase of receivables. The discounted  
18 rate for purchase of receivables shall be included in the  
19 tariff filed pursuant to this subsection (c). The discount rate  
20 filed pursuant to this subsection (c) shall be subject to  
21 periodic Commission review. The electric utility retains the  
22 right to impose the same terms on retail customers with respect  
23 to credit and collection, including requests for deposits, and  
24 retain the electric utility's right to disconnect the retail  
25 customers, if it does not receive payment for its tariffed  
26 services or purchased receivables, in the same manner that it

1 would be permitted to if the retail customers purchased power  
2 and energy from the electric utility. The tariff filed pursuant  
3 to this subsection (c) shall permit the electric utility to  
4 recover from retail customers any uncollected receivables that  
5 may arise as a result of the purchase of receivables under this  
6 subsection (c), may also include other just and reasonable  
7 terms and conditions, and shall provide for the prudently  
8 incurred costs associated with the provision of this service  
9 pursuant to this subsection (c). Nothing in this subsection (c)  
10 permits the double recovery of bad debt expenses from  
11 customers.

12 (d) An electric utility with more than 100,000 customers  
13 shall file a tariff pursuant to Article IX of this Act that  
14 would provide alternative retail electric suppliers or  
15 electric utilities other than the electric utility in whose  
16 service area retail customers are located with the option to  
17 have the electric utility produce and provide single bills to  
18 the retail customers for both the electric power and energy  
19 service provided by the alternative retail electric supplier or  
20 other electric utility and the delivery services provided by  
21 the electric utility to the customers. The tariffs filed  
22 pursuant to this subsection shall require the electric utility  
23 to collect and remit customer payments for electric power and  
24 energy service provided by alternative retail electric  
25 suppliers or electric utilities other than the electric utility  
26 in whose service area retail customers are located. The tariff

1 filed pursuant to this subsection shall require the electric  
2 utility to include on each bill to retail customers an  
3 identification of the alternative retail electric supplier or  
4 other electric utility that elects the billing option. The  
5 tariff filed pursuant to this subsection (d) may also include  
6 other just and reasonable terms and conditions and shall  
7 provide for the recovery of prudently incurred costs associated  
8 with the provision of service pursuant to this subsection (d).  
9 The costs associated with the provision of service pursuant to  
10 this Section shall be subject to periodic Commission review.

11 (e) An electric utility with more than 100,000 customers in  
12 this State shall file a tariff pursuant to Article IX of this  
13 Act that provides alternative retail electric suppliers, and  
14 electric utilities other than the electric utility in whose  
15 service area the retail customers are located, with the option  
16 to have the electric utility purchase 2 billing cycles worth of  
17 uncollectible receivables for power and energy service  
18 provided to residential retail customers and to  
19 non-residential retail customers with a non-coincident peak  
20 demand of less than 400 kilowatts upon returning that customer  
21 to that electric utility for delivery and energy service after  
22 that alternative retail electric supplier, or an electric  
23 utility other than the electric utility in whose service area  
24 the retail customer is located, has made reasonable collection  
25 efforts on that account. Uncollectible receivables for power  
26 and energy service of alternative retail electric suppliers, or

1 electric utilities other than the electric utility in whose  
2 service area the retail customers are located, shall be  
3 purchased by the electric utility at a just and reasonable  
4 discount rate to be reviewed and approved by the Commission,  
5 after notice and hearing. The discount rate shall be based on  
6 the electric utility's historical bad debt for receivables that  
7 are outstanding for a similar length of time and any reasonable  
8 start-up costs and administrative costs associated with the  
9 electric utility's purchase of receivables. The discounted  
10 rate for purchase of uncollectible receivables shall be  
11 included in the tariff filed pursuant to this subsection (e).  
12 The electric utility retains the right to impose the same terms  
13 on these retail customers with respect to credit and  
14 collection, including requests for deposits, and retains the  
15 right to disconnect these retail customers, if it does not  
16 receive payment for its tariffed services or purchased  
17 receivables, in the same manner that it would be permitted to  
18 if the retail customers had purchased power and energy from the  
19 electric utility. The tariff filed pursuant to this subsection  
20 (e) shall permit the electric utility to recover from retail  
21 customers any uncollectable receivables that may arise as a  
22 result of the purchase of uncollectible receivables under this  
23 subsection (e), may also include other just and reasonable  
24 terms and conditions, and shall provide for the prudently  
25 incurred costs associated with the provision of this service  
26 pursuant to this subsection (e). Nothing in this subsection (e)

1 permits the double recovery of utility bad debt expenses from  
2 customers. The electric utility may file a joint tariff for  
3 this subsection (e) and subsection (c) of this Section.

4 (f) An electric utility with more than 100,000 customers in  
5 this State shall make available to alternative retail  
6 electricity suppliers a list of customer names, addresses, and  
7 other information as the Commission may deem necessary to allow  
8 for effective marketing of retail electricity and related  
9 services from alternative retail electricity suppliers.  
10 Customers shall be provided an annual notice that indicates  
11 that their name appears on the list and information on how to  
12 remove their information by contacting the utility. Nothing in  
13 this Section limits the ability of customers to request their  
14 names be removed at any other time.

15 (Source: P.A. 95-700, eff. 11-9-07.)

16 (220 ILCS 5/19-105)

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

20 "Alternative gas supplier" means every person,  
21 cooperative, corporation, municipal corporation, company,  
22 association, joint stock company or association, firm,  
23 partnership, individual, or other entity, their lessees,  
24 trustees, or receivers appointed by any court whatsoever, that  
25 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 "Door-to-door solicitation" means face-to-face  
22 solicitation of a residential customer initiated by a retail  
23 natural gas supplier at the home or place of business of the  
24 customer through canvassing without an appointment or previous  
25 personal relationship.

26 "Gas utility" means a public utility, as defined in Section



1 3-105 of this Act, that has a franchise, license, permit, or  
2 right to furnish or sell gas or transportation services to  
3 customers within a service area.

4 "Residential customer" means a customer who receives gas  
5 utility service for household purposes distributed to a  
6 dwelling of 2 or fewer units which is billed under a  
7 residential rate or gas utility service for household purposes  
8 distributed to a dwelling unit or units which is billed under a  
9 residential rate and is registered by a separate meter for each  
10 dwelling unit.

11 "Sales agent" means any employee, agent, independent  
12 contractor, consultant, or other person that is engaged by the  
13 alternative gas supplier to solicit customers to purchase,  
14 enroll in, or contract for alternative gas service on behalf of  
15 an alternative gas supplier.

16 "Service area" means (i) the geographic area within which a  
17 gas utility was lawfully entitled to provide gas to customers  
18 as of the effective date of this amendatory Act of the 92nd  
19 General Assembly and includes (ii) the location of any customer  
20 to which the gas utility was lawfully providing gas utility  
21 services on such effective date.

22 "Single billing" means the combined billing of the services  
23 provided by both a natural gas utility and an alternative gas  
24 supplier to any customer who has enrolled in a customer choice  
25 program.

26 "Small commercial customer" means a nonresidential retail

1 customer of a natural gas utility who consumed 5,000 or fewer  
2 therms of natural gas during the previous year; provided that  
3 any alternative gas supplier may remove the customer from  
4 designation as a "small commercial customer" if the customer  
5 consumes more than 5,000 therms of natural gas in any calendar  
6 year after becoming a customer of the alternative gas supplier.  
7 In determining whether a customer has consumed 5,000 or fewer  
8 therms of natural gas during the previous year, usage by the  
9 same commercial customer shall be aggregated to include usage  
10 at the same premises even if measured by more than one meter,  
11 and to include usage at multiple premises. Nothing in this  
12 Section creates an affirmative obligation on a gas utility to  
13 monitor or inform customers or alternative gas suppliers as to  
14 a customer's status as a small commercial customer as that term  
15 is defined herein. Nothing in this Section relieves a gas  
16 utility from any obligation to provide information upon request  
17 to a customer, alternative gas supplier, the Commission, or  
18 others necessary to determine whether a customer meets the  
19 classification of small commercial customers as that term is  
20 defined herein.

21 "Tariffed service" means a service provided to customers by  
22 a gas utility as defined by its rates on file with the  
23 Commission pursuant to the provisions of Article IX of this  
24 Act.

25 "Transportation services" means those services provided by  
26 the gas utility that are necessary in order for the storage,

1 transmission and distribution systems to function so that  
2 customers located in the gas utility's service area can receive  
3 gas from suppliers other than the gas utility and shall  
4 include, without limitation, standard metering and billing  
5 services.

6 (Source: P.A. 95-1051, eff. 4-10-09; 96-435, eff. 1-1-10;  
7 96-1000, eff. 7-2-10.)

8 (220 ILCS 5/19-115)

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

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

15 (b) An alternative gas supplier shall:

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

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

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

25 (4) except as provided in subsection (h) of this

1 Section, file with the Chief Clerk of the Commission,  
2 within 20 business days after the effective date of this  
3 amendatory Act of the 95th General Assembly, a copy of bill  
4 formats, standard customer contract and customer complaint  
5 and resolution procedures, and the name and telephone  
6 number of the company representative whom Commission  
7 employees may contact to resolve customer complaints and  
8 other matters. In the case of a gas supplier that engages  
9 in door-to-door solicitation, the company shall file with  
10 the Commission the consumer information disclosure  
11 required by item (3) of subsection (c) of Section 2DDD of  
12 the Consumer Fraud and Deceptive Business Practices Act and  
13 shall file updated information within 10 business days  
14 after changes in any of the documents or information  
15 required to be filed by this item (4); and

16 (5) maintain a customer call center where customers can  
17 reach a representative and receive current information. At  
18 least once every 6 months, each alternative gas supplier  
19 shall provide written information to customers explaining  
20 how to contact the call center. The average answer time for  
21 calls placed to the call center shall not exceed 60 seconds  
22 where a representative or automated system is ready to  
23 render assistance and/or accept information to process  
24 calls. The abandon rate for calls placed to the call center  
25 shall not exceed 10%. Each alternative gas supplier shall  
26 maintain records of the call center's telephone answer time

1 performance and abandon call rate. These records shall be  
2 kept for a minimum of 2 years and shall be made available  
3 to Commission personnel upon request. In the event that  
4 answer times and/or abandon rates exceed the limits  
5 established above, the reporting alternative gas supplier  
6 may provide the Commission or its personnel with  
7 explanatory details. At a minimum, these records shall  
8 contain the following information in monthly increments:

9 (A) total number of calls received;

10 (B) number of calls answered;

11 (C) average answer time;

12 (D) number of abandoned calls; and

13 (E) abandon call rate.

14 Alternative gas suppliers that do not have electronic  
15 answering capability that meets these requirements shall  
16 notify the Manager of the Commission's Consumer Services  
17 Division or its successor within 30 days following the  
18 effective date of this amendatory Act of the 95th General  
19 Assembly and work with Staff to develop individualized  
20 reporting requirements as to the call volume and responsiveness  
21 of the call center.

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

1           (c) An alternative gas supplier shall not submit or execute  
2 a change in a customer's selection of a natural gas provider  
3 unless and until (i) the alternative gas supplier first  
4 discloses all material terms and conditions of the offer to the  
5 customer; (ii) the alternative gas supplier has obtained the  
6 customer's express agreement to accept the offer after the  
7 disclosure of all material terms and conditions of the offer;  
8 and (iii) the alternative gas supplier has confirmed the  
9 request for a change in accordance with one of the following  
10 procedures:

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

14           (A) An alternative gas supplier shall obtain any  
15 necessary written or electronically signed  
16 authorization from a customer for a change in natural  
17 gas service by using a letter of agency as specified in  
18 this Section. Any letter of agency that does not  
19 conform with this Section is invalid.

20           (B) The letter of agency shall be a separate  
21 document (or an easily separable document containing  
22 only the authorization language described in item (E)  
23 of this paragraph (1)) whose sole purpose is to  
24 authorize a natural gas provider change. The letter of  
25 agency must be signed and dated by the customer  
26 requesting the natural gas provider change.

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

3 (D) Notwithstanding items (A) and (B) of this  
4 paragraph (1), the letter of agency may be combined  
5 with checks that contain only the required letter of  
6 agency language prescribed in item (E) of this  
7 paragraph (1) and the necessary information to make the  
8 check a negotiable instrument. The letter of agency  
9 check shall not contain any promotional language or  
10 material. The letter of agency check shall contain in  
11 easily readable, bold face type on the face of the  
12 check a notice that the consumer is authorizing a  
13 natural gas provider change by signing the check. The  
14 letter of agency language also shall be placed near the  
15 signature line on the back of the check.

16 (E) At a minimum, the letter of agency must be  
17 printed with a print of sufficient size to be clearly  
18 legible and must contain clear and unambiguous  
19 language that confirms:

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

21 (ii) the decision to change the natural gas  
22 provider from the current provider to the  
23 prospective alternative gas supplier;

24 (iii) the terms, conditions, and nature of the  
25 service to be provided to the customer, including,  
26 but not limited to, the rates for the service

1           contracted for by the customer; and

2                   (iv) that the customer understands that any  
3           natural gas provider selection the customer  
4           chooses may involve a charge to the customer for  
5           changing the customer's natural gas provider.

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

9           (G) If any portion of a letter of agency is  
10          translated into another language, then all portions of  
11          the letter of agency must be translated into that  
12          language.

13          (2) An appropriately qualified independent third party  
14          has obtained, in accordance with the procedures set forth  
15          in this paragraph (2), the customer's oral authorization to  
16          change natural gas providers that confirms and includes  
17          appropriate verification data. The independent third party  
18          must (i) not be owned, managed, controlled, or directed by  
19          the alternative gas supplier or the alternative gas  
20          supplier's marketing agent; (ii) not have any financial  
21          incentive to confirm provider change requests for the  
22          alternative gas supplier or the alternative gas supplier's  
23          marketing agent; and (iii) operate in a location physically  
24          separate from the alternative gas supplier or the  
25          alternative gas supplier's marketing agent. Automated  
26          third-party verification systems and 3-way conference



1 calls may be used for verification purposes so long as the  
2 other requirements of this paragraph (2) are satisfied. An  
3 alternative gas supplier or alternative gas supplier's  
4 sales representative initiating a 3-way conference call or  
5 a call through an automated verification system must drop  
6 off the call once the 3-way connection has been  
7 established. All third-party verification methods shall  
8 elicit, at a minimum, the following information:

9 (A) the identity of the customer;

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

12 (C) confirmation that the person on the call wants  
13 to make the provider change;

14 (D) the names of the providers affected by the  
15 change;

16 (E) the service address of the service to be  
17 switched; and

18 (F) the price of the service to be provided and the  
19 material terms and conditions of the service being  
20 offered, including whether any early termination fees  
21 apply.

22 Third-party verifiers may not market the alternative  
23 gas supplier's services by providing additional  
24 information. All third-party verifications shall be  
25 conducted in the same language that was used in the  
26 underlying sales transaction and shall be recorded in their

1           entirety. Submitting alternative gas suppliers shall  
2           maintain and preserve audio records of verification of  
3           customer authorization for a minimum period of 2 years  
4           after obtaining the verification. Automated systems must  
5           provide customers with an option to speak with a live  
6           person at any time during the call.

7           (3) The alternative gas supplier has obtained the  
8           customer's authorization via an automated verification  
9           system to change natural gas service via telephone. An  
10          automated verification system is an electronic system  
11          that, through pre-recorded prompts, elicits voice  
12          responses, touchtone responses, or both, from the customer  
13          and records both the prompts and the customer's responses.  
14          Such authorization must elicit the information in  
15          paragraph (2)(A) through (F) of this subsection (c).  
16          Alternative gas suppliers electing to confirm sales  
17          electronically through an automated verification system  
18          shall establish one or more toll-free telephone numbers  
19          exclusively for that purpose. Calls to the number or  
20          numbers shall connect a customer to a voice response unit,  
21          or similar mechanism, that makes a date-stamped,  
22          time-stamped recording of the required information  
23          regarding the alternative gas supplier change.

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

26          (4) When a consumer initiates the call to the

1 prospective alternative gas supplier, in order to enroll  
2 the consumer as a customer, the prospective alternative gas  
3 supplier must, with the consent of the customer, make a  
4 date-stamped, time-stamped audio recording that elicits,  
5 at a minimum, the following information:

6 (A) the identity of the customer;

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

9 (C) confirmation that the person on the call wants  
10 to make the provider change;

11 (D) the names of the providers affected by the  
12 change;

13 (E) the service address of the service to be  
14 switched; and

15 (F) the price of the service to be supplied and the  
16 material terms and conditions of the service being  
17 offered, including whether any early termination fees  
18 apply.

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

22 (5) In the event that a customer enrolls for service  
23 from an alternative gas supplier via an Internet website,  
24 the alternative gas supplier shall obtain an  
25 electronically signed letter of agency in accordance with  
26 paragraph (1) of this subsection (c) and any customer

1 information shall be protected in accordance with all  
2 applicable statutes and regulations. In addition, an  
3 alternative gas supplier shall provide the following when  
4 marketing via an Internet website:

5 (A) The Internet enrollment website shall, at a  
6 minimum, include:

7 (i) a copy of the alternative gas supplier's  
8 customer contract that clearly and conspicuously  
9 discloses all terms and conditions; and

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

12 (B) Any electronic version of the contract shall be  
13 identified by version number, in order to ensure the  
14 ability to verify the particular contract to which the  
15 customer assents.

16 (C) Throughout the duration of the alternative gas  
17 supplier's contract with a customer, the alternative  
18 gas supplier shall retain and, within 3 business days  
19 of the customer's request, provide to the customer an  
20 e-mail, paper, or facsimile of the terms and conditions  
21 of the numbered contract version to which the customer  
22 assents.

23 (D) The alternative gas supplier shall provide a  
24 mechanism by which both the submission and receipt of  
25 the electronic letter of agency are recorded by time  
26 and date.

1           (E) After the customer completes the electronic  
2           letter of agency, the alternative gas supplier shall  
3           disclose conspicuously through its website that the  
4           customer has been enrolled, and the alternative gas  
5           supplier shall provide the customer an enrollment  
6           confirmation number.

7           (6) When a customer is solicited in person by the  
8           alternative gas supplier's sales agent, the alternative  
9           gas supplier may only obtain the customer's authorization  
10          to change natural gas service through the method provided  
11          for in paragraph (2) of this subsection (c).

12          Alternative gas suppliers must be in compliance with this  
13          subsection (c) within 90 days after the effective date of this  
14          amendatory Act of the 95th General Assembly.

15          (d) Complaints may be filed with the Commission under this  
16          Section by a customer whose natural gas service has been  
17          provided by an alternative gas supplier in a manner not in  
18          compliance with subsection (c) of this Section. If, after  
19          notice and hearing, the Commission finds that an alternative  
20          gas supplier has violated subsection (c), then the Commission  
21          may in its discretion do any one or more of the following:

22               (1) Require the violating alternative gas supplier to  
23               refund the customer charges collected in excess of those  
24               that would have been charged by the customer's authorized  
25               natural gas provider.

26               (2) Require the violating alternative gas supplier to

1 pay to the customer's authorized natural gas provider the  
2 amount the authorized natural gas provider would have  
3 collected for natural gas service. The Commission is  
4 authorized to reduce this payment by any amount already  
5 paid by the violating alternative gas supplier to the  
6 customer's authorized natural gas provider.

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

10 (4) Issue a cease and desist order.

11 (5) For a pattern of violation of this Section or for  
12 intentionally violating a cease and desist order, revoke  
13 the violating alternative gas supplier's certificate of  
14 service authority.

15 (e) No alternative gas supplier shall:

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

20 (2) charge customers for such access;

21 (3) bill for goods or services not authorized by the  
22 customer; or

23 (4) bill for a disputed amount where the alternative  
24 gas supplier has been provided notice of such dispute. The  
25 supplier shall attempt to resolve a dispute with the  
26 customer. When the dispute is not resolved to the

1 customer's satisfaction, the supplier shall inform the  
2 customer of the right to file an informal complaint with  
3 the Commission and provide contact information. While the  
4 pending dispute is active at the Commission, an alternative  
5 gas supplier may bill only for the undisputed amount until  
6 the Commission has taken final action on the complaint.

7 (f) An alternative gas supplier that is certified to serve  
8 residential or small commercial customers shall not:

9 (1) deny service to a customer or group of customers  
10 nor establish any differences as to prices, terms,  
11 conditions, services, products, facilities, or in any  
12 other respect, whereby such denial or differences are based  
13 upon race, gender, or income;

14 (2) deny service based on locality, nor establish any  
15 unreasonable difference as to prices, terms, conditions,  
16 services, products, or facilities as between localities;

17 (3) include in any agreement a provision that obligates  
18 a customer to the terms of the agreement if the customer  
19 (i) moves outside the State of Illinois; (ii) moves to a  
20 location without a transportation service program; or  
21 (iii) moves to a location where the customer will not  
22 require natural gas service, provided that nothing in this  
23 subsection precludes an alternative gas supplier from  
24 taking any action otherwise available to it to collect a  
25 debt that arises out of service provided to the customer  
26 before the customer moved; or

1           (4) assign the agreement to any alternative natural gas  
2           supplier, unless:

3                   (A) the supplier is an alternative gas supplier  
4                   certified by the Commission;

5                   (B) the rates, terms, and conditions of the  
6                   agreement being assigned do not change during the  
7                   remainder of the time covered by the agreement;

8                   (C) the customer is given no less than 30 days  
9                   prior written notice of the assignment and contact  
10                  information for the new supplier; and

11                  (D) the supplier assigning the contract provides  
12                  contact information that a customer can use to resolve  
13                  a dispute.

14           (g) An alternative gas supplier shall comply with the  
15           following requirements with respect to the marketing,  
16           offering, and provision of products or services:

17                   (1) Any marketing materials which make statements  
18                   concerning prices, terms, and conditions of service shall  
19                   contain information that adequately discloses the prices,  
20                   terms and conditions of the products or services.

21                   (2) Before any customer is switched from another  
22                   supplier, the alternative gas supplier shall give the  
23                   customer written information that clearly and  
24                   conspicuously discloses, in plain language, the prices,  
25                   terms, and conditions of the products and services being  
26                   offered and sold to the customer. Nothing in this paragraph



1 (2) may be read to relieve an alternative gas supplier from  
2 the duties imposed on it by item (3) of subsection (c) of  
3 Section 2DDD of the Consumer Fraud and Deceptive Business  
4 Practices Act.

5 (3) The alternative gas supplier shall provide to the  
6 customer:

7 (A) accurate, timely, and itemized billing  
8 statements that describe the products and services  
9 provided to the customer and their prices and that  
10 specify the gas consumption amount and any service  
11 charges and taxes; provided that this item (g) (3) (A)  
12 does not apply to small commercial customers;

13 (B) billing statements that clearly and  
14 conspicuously discloses the name and contact  
15 information for the alternative gas supplier;

16 (C) an additional statement, at least annually,  
17 that adequately discloses the average monthly prices,  
18 and the terms and conditions, of the products and  
19 services sold to the customer; provided that this item  
20 (g) (3) (C) does not apply to small commercial  
21 customers;

22 (D) refunds of any deposits with interest within 30  
23 days after the date that the customer changes gas  
24 suppliers or discontinues service if the customer has  
25 satisfied all of his or her outstanding financial  
26 obligations to the alternative gas supplier at an

1 interest rate set by the Commission which shall be the  
2 same as that required of gas utilities; and

3 (E) refunds, in a timely fashion, of all undisputed  
4 overpayments upon the oral or written request of the  
5 customer.

6 (4) An alternative gas supplier and its sales agents  
7 shall refrain from any direct marketing or soliciting to  
8 consumers on the gas utility's "Do Not Contact List", which  
9 the alternative gas supplier shall obtain on the 15th  
10 calendar day of the month from the gas utility in whose  
11 service area the consumer is provided with gas service. If  
12 the 15th calendar day is a non-business day, then the  
13 alternative gas supplier shall obtain the list on the next  
14 business day following the 15th calendar day of that month.

15 (5) Early Termination.

16 (A) Any agreement that contains an early  
17 termination clause shall disclose the amount of the  
18 early termination fee, provided that any early  
19 termination fee or penalty shall not exceed \$50 total,  
20 regardless of whether or not the agreement is a  
21 multiyear agreement.

22 (B) In any agreement that contains an early  
23 termination clause, an alternative gas supplier shall  
24 provide the customer the opportunity to terminate the  
25 agreement without any termination fee or penalty until  
26 ~~within 10 business days after~~ the due date of the first

1 bill issued to the customer for products or services  
2 provided by the alternative gas supplier. The  
3 agreement shall disclose the opportunity and provide a  
4 toll-free phone number that the customer may call in  
5 order to terminate the agreement.

6 (C) Any agreement entered into between a  
7 residential customer and an alternative gas supplier  
8 through the use of a door-to-door solicitation may not  
9 contain an early termination fee.

10 (D) Any agreement or marketing solicitation that  
11 offers a variable price that guarantees savings for any  
12 period of time based upon a utility default rate may  
13 not charge an early termination fee if the alternative  
14 gas supplier price charged exceeds the utility default  
15 rate.

16 (E) Nothing in this paragraph (5) removes the  
17 obligation of the customer to pay for the products or  
18 services provided by the alternative electric  
19 supplier.

20 (6) Within 2 business days after electronic receipt of  
21 a customer switch from the alternative gas supplier and  
22 confirmation of eligibility, the gas utility shall provide  
23 the customer written notice confirming the switch. The gas  
24 utility shall not switch the service until 10 business days  
25 after the date on the notice to the customer.

26 (7) The alternative gas supplier shall provide each

1 customer the opportunity to rescind its agreement without  
2 penalty within 10 business days after the date on the gas  
3 utility notice to the customer. The alternative gas  
4 supplier shall disclose all of the following:

5 (A) that the gas utility shall send a notice  
6 confirming the switch;

7 (B) that from the date the utility issues the  
8 notice confirming the switch, the customer shall have  
9 10 business days to rescind the switch without penalty;

10 (C) that the customer shall contact the gas utility  
11 or the alternative gas supplier to rescind the switch;  
12 and

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

14 The alternative gas supplier disclosure shall be  
15 included in its sales solicitations, contracts, and all  
16 applicable sales verification scripts.

17 (h) An alternative gas supplier may limit the overall size  
18 or availability of a service offering by specifying one or more  
19 of the following:

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

22 (2) time period during which the offering will be  
23 available; or

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

1           The alternative gas supplier shall file the terms and  
2 conditions of such service offering including the applicable  
3 limitations with the Commission prior to making the service  
4 offering available to customers.

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

15           (Source: P.A. 95-1051, eff. 4-10-09.)

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