ICC Strengthens Rules for Retail Electricity Marketing

Chicago: The Illinois Commerce Commission (ICC) adopted rules on Thursday that significantly strengthen consumer protection requirements governing alternative retail electricity suppliers’ (ARES’) sales and marketing.

The rules will ensure that consumers have information about electricity supplier options that enable them to compare offers and utility plans, and make better-informed decisions. The new marketing guidelines also provide regulators with improved enforcement mechanisms, and require suppliers to take improved verification and quality control measures.

ICC Chairman Brien J. Sheahan stated “this change represents a major victory for the public interest and all stakeholders by ensuring consumers have clear information to make good choices regarding their energy needs. Adoption of these rules is the culmination of a collaborative effort that began in 2014.”

The ICC acted following a spike in electricity prices during the “polar vortex” winter of 2013-2014, which led to the Commission’s Consumer Services Division receiving a sharp increase in public complaints about the marketing practices of certain retail electric suppliers.

Today’s decision resulted in the following changes:

- **Increased consumer education.** The new rules standardize contract requirements, and require a Uniform Disclosure Statement for all retail electric supplier solicitations. Likewise, alternative suppliers are required to disclose whether rates will vary over time or are fixed, and must disclose changes in rates to customers in advance. Suppliers must also make more detailed disclosures about so-called “green” (environmentally friendly) offers.
- **Improved marketing controls of sales solicitations.** Disclosure and verification of sales requirements are extended to all in-person marketing. Suppliers must record and retain all telemarketing sales calls, including in-bound calls. New restrictions apply to solicitation in multi-unit residences. Retail electric suppliers will also be prohibited from using utility names and logos in the same territory of the customer’s electric utility.

- **Additional regulatory tools.** While retail suppliers are required to properly manage and control their marketing operations, the new rules provide the Commission greater access to the same tool kit that suppliers will be using.

“I want to thank David Kolata and the Citizens Utility Board and Attorney General Madigan for their steadfast persistence in crafting these rules. They deserve much credit for their strong and consistent advocacy on behalf of utility customers in Illinois,” added Chairman Sheahan. “I also want to thank the ARES that played a constructive role in the process.”

“Although these rules epitomize the Commission’s commitment to fostering a robust competitive market, while making sure customers are well-informed and protected from bad actors, our job does not end here,” said Cholly Smith, ICC Executive Director. “Now begins the process of working with industry leaders and stakeholders to ensure uniform implementation across the board.”

The amendments change Part 412, rules governing the marketing practices of ARES, of the Illinois Administrative Code, and are effective November 1, 2017. For more details click [here](#) and scroll down to “Final Order.” Click [here](#) to follow the history of Docket No. 15-0512.

###

**About the Illinois Commerce Commission**

The Illinois Commerce Commission (ICC) is a quasi-judicial body made up of five Commissioners. Through its Public Utility Program, the Commission oversees the provision of adequate, reliable, efficient and safe utility services at the least possible cost to Illinois citizens served by electric, natural gas, telecommunications, water and sewer public utility companies. Through its Transportation Regulatory Program, the Commission oversees public safety and consumer protection programs with regard to intrastate commercial motor carriers of general freight, household goods movers, relocation towers, safety towers, personal property warehouses and repossession agencies. The Commission’s Rail Safety Program also inspects and regulates the general safety of railroad tracks, facilities and equipment in the state.

To learn more about the Commission, its offices and bureaus, click [here](#). If you are a consumer who needs help resolving a utility dispute call 800-524-0795 or file an online complaint [here](#). For a complaint related to transportation, call 217-782-6448.

Follow the Illinois Commerce Commission on Twitter @ILCommerceComm