

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

CITIZENS UTILITY BOARD,)
CITIZENS ACTION/ILLINOIS AND)
AARP)
)
-VS-)
ILLINOIS ENERGY SAVINGS CORP.)
D/B/A U.S. ENERGY SAVINGS CORP.)
)
COMPLAINT PURSUANT TO)
220 ILCS 5/19-110 OR 19-115.)

DOCKET NO. 08-0175

DIRECT TESTIMONY OF ALEX ZERMENO
ON BEHALF OF
THE CITIZENS UTILITY BOARD

CUB EXHIBIT 4.0

August 28, 2008

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

2 **A.** My name is Alex Zermeno. My address is 4603 W. Catalpa, Apt. 1W, Chicago, IL
3 60640.

4 **Q. WHAT IS YOUR PRESENT OCCUPATION?**

5 **A.** I work at a factory.
6

7 **Q. WHAT HOURS DO YOUR WORK?**

8 **A.** I work eight hours per day. My work schedule is 7:00 a.m. to 3:20 p.m. My schedule
9 does not change; it is the same every day. I am home afterwards.

10 **Q. DO YOU SPEAK ENGLISH?**

11 **A.** I speak very little English; I cannot even hold a basic conversation in English. My first
12 language is Spanish.

13 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

14 **A.** The purpose of my testimony is to recount my experiences with U.S. Energy.
15

16 **Q. PLEASE DESCRIBE YOUR EXPERIENCE(S) WITH U.S. ENERGY?**

17 **A.** In August or September of 2007, I was approached by someone I believed to be from
18 Peoples Gas. A man came to my door asking about my gas bill. I asked if he was from
19 Peoples Gas. The representative said “yes” so I let him inside my house. I don’t speak
20 English that well, so all I said to him was “Peoples Gas?” and he replied “yes”. I told
21 him that I didn’t speak English and the representative told me “save money, save
22 money”. The customer service man told me it was a 5 year program, but that the rates
23 would not increase. I again asked if he was from Peoples Gas. He again said, “Yes, show
24 me your gas bill”. I obliged by showing him my gas bill and he began to write down my

25 information. I felt comfortable with him after believing he was a representative from
26 Peoples Gas. He told me where to sign some documents and how to respond to questions
27 that were going to be asked via the phone. The representative held onto the phone during
28 the call and would then pass the phone to me instructing me to say “yes” or my name.

29 **Q. DID THE REPRESENTATIVE FROM U.S. ENERGY SPEAK TO YOU IN**
30 **ENGLISH ONLY?**

31 **A.** Yes.

32
33 **Q. DID YOU UNDERSTAND THE DOCUMENT YOU WERE SIGNING?**

34 **A.** No. I thought I was signing up for a program with Peoples Gas to save money.

35
36 **Q. WHAT WAS YOUR REACTION TO THE VISIT FROM THE MAN YOU**
37 **THOUGHT WAS A PEOPLES GAS REPRESENTATIVE AT THAT TIME?**

38 **A.** I was very grateful that he was going to help me save money on my gas bill. It was the
39 first time I had to pay for heating gas. I always lived in places that included my gas heat
40 with the rent. I was so thankful, I even offered him water.

41 **Q. WHAT HAPPENED NEXT?**

42 **A.** After a few bills I noticed my bills were actually very high. My first bill after signing up
43 was around \$300.00. Again, it was my first time paying for heat, so I talked to my
44 neighbors and Peoples Gas and realized that my bill was unusually high.

45 **Q. WHAT DID YOU DO AFTER YOU RECEIVED THAT BILL?**

46 **A.** I called Peoples Gas to inquire about my high gas bills. The Peoples Gas representative
47 told me that I had to call U.S. Energy because I had signed up with a gas supplier. I told
48 the Peoples Gas customer service representative that I thought that the person who came
49 to my home was from Peoples Gas. Upon learning that this was not the case, I asked the

50 Peoples Gas representative to cancel my service with U.S. Energy. I was informed that
51 my request had to be made directly to U.S. Energy and that Peoples Gas could not cancel
52 my service with USESC.

53 **Q. DID YOU LATER FIND ANY ADDITIONAL INFORMATION ABOUT USESC?**

54 **A.** Yes. After calling Peoples Gas I learned that Peoples Gas was charging \$0.70 plus cents
55 compared to the \$1.14 or so USESC was charging.

56 **Q. DID YOU CONTACT U.S. ENERGY?**

57 **A.** Yes.
58

59 **Q. WERE YOU ABLE TO CANCEL YOUR CONTRACT WITH U.S. ENERGY?**

60 **A.** I called USESC to make my cancellation request and was told that if I canceled I would
61 have to pay \$500-600 or maybe more. The USESC representative told me that based on
62 how much gas I had consumed, that is what I would have to pay. The USESC
63 representative went on to tell me that it was in my best interest to stay because gas prices
64 were going to increase. I did not cancel my service with USESC, because I could not
65 afford the cancellation fee. I then hung up very angrily and almost five months after all
66 of this occurred, I called CUB.

67 **Q. WHAT WAS THE RESULT OF YOU SIGNING UP WITH U.S. ENERGY?**

68 **A.** I spent over \$2500.00 on gas bills. I was left without savings, because I believe I would
69 have spent much less if I had stayed with Peoples Gas.

70 **Q. DO YOU BELIEVE YOU SAVED MONEY BY USING U.S. ENERGY?**

71 **A.** No I do not. In fact, I even had to borrow money to pay my USESC charges and I still
72 had a balance with USESC.

73 **Q. HOW HAS THIS EXPERIENCE(S) IMPACTED YOUR LIFE?**

74 **A.** It has impeded my ability to do many things like taking a vacation or buying a television.

75 Most importantly it has left me without savings.

76 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

77 **A.** Yes.