

Crystal Lake, IL. 60012
April 30, 2014

Lisa Madigan
Illinois Attorney General
500 South Second Street
Springfield, IL. 62706

**ATTORNEY GENERAL'S
OFFICE**

MAY 08 2014

**CONSUMER FRAUD
"CHICAGO"**

Dear Ms. Madigan,

Please find enclosed a letter that I am sending to Nicor Advanced Energy following being charged an extremely high rate for providing natural gas to my home last winter. My first mistake was signing a contract with them thinking it was part of Nicor, when in reality this company just uses the name and is not an affiliate. Therefore, the rates charged are not regulated, as they are with Nicor. The rates charged this past winter were so far beyond any other natural gas provider that I want to make it known to them that, although I now realize that being unregulated the charges were legal, I feel that they used unfair practices in setting their rates. (My gas bills ranged from \$220-\$560 during a 3-month period, and I had never had a bill as much as \$200 in the 30 years that I have been a homeowner.)

I know that there is nothing that your office can do to help consumers who were "burned" by these exorbitant natural gas bills this past winter, but I do think you should be aware of what happened in the event there are future issues with this company.

Since I live in the northwest suburbs of Chicago, I will also send another letter to your Northern Illinois Regional Office in Rockford. I have never filed any type of complaint before, so I am not quite sure where to send a letter. Because I am so upset with what happened to me, as well as many others, I decided to pay my bill on time, but to also make sure others aware of what happened to us.

Thank you for your time,

Crystal Lake, IL 60012
April 30, 2014

Nicor Advanced Energy
PO Box 3042
Naperville, IL. 60566-7042

To Whom This May Concern:

I have contacted your company and made my feelings known by phone, I have cancelled my contract with your company, I have registered a complaint with the ICC, I am contacting the Illinois Attorney General's Office, and I want you to know that I will continue to do whatever I can to warn people about your ridiculous costs during the recent winter months and to be aware of your company. I understand that although you use the NICOR name in your title, you are not part of NICOR - my mistake from the beginning when I thought I was signing on to NICOR. But I have yet to talk to anyone else, whether a NICOR customer or with another unregulated agency, who was charged anything even close to the \$1.71/therm your company charged its customers during the coldest month(s) last winter. My gas bill was more than my mortgage! I do not recall ever having a bill even close to that amount and I have been a homeowner over 30 years! If you offered me \$.05/therm, I would not support your business. Added to my frustration is the fact that you had one very high rate for your "regular" customers, and a lower (yet very high) rate for your "new" Dominion customers, neither of which compared to any other natural gas cost by any other company, regulated or not. In looking at reviews for NICOR Advanced Energy, I do not see any favorable, including a report on ABC-TV news in Chicago warning customers. You might want to start looking at your business practices if you want to maintain customers. I learned a lot about being more diligent in shopping for energy providers from this aggravating experience. To pay that gas bill was a hardship for me, and I am in a much better place than many others. Why should senior citizens or those on disability or unemployed have to seek outside help to pay your unfair charges? The fact that you are not a regulated agency does not justify what your company did to its customers.

I am so sorry to have had this experience, but I will be much more careful from now on. I hope that you will listen to all the people you charged so unfairly, and I know most made their feelings known to you because I heard that your phone lines were jammed. I certainly hope you will do things differently in the future and be more considerate of your customers, if any are left.

Sincerely,

CC – Illinois Attorney General Lisa Madigan

Nicor Advanced Energy
Account #

Inquiry Report
Resolved

Illinois Commerce Commission

Date Opened
4/30/2014

Date Received
4/30/2014

Date Closed
5/1/2014

Customer Name

Filed By

Service Address

Address

Crystal Lake, IL 60012-3376

Crystal Lake, IL 60012-3376

Inquiry

BRIEF EXPLANATION: CUSTOMER AGREED TO SERVICE WITH NICOR ADVANCED ENERGY BECAUSE SHE THOUGHT IT WAS A PROGRAM OF NICOR, AND WHEN THE REPRESENTATIVE SAID SHE WOULD BE BILLED A VARIABLE RATE, AND IT WAS STARTING AT 54 CENTS A THERM, SHE SAID SHE KNEW NICOR HAD A VARIABLE RATE AND THOUGHT THIS WOULD BE FINE. CUSTOMER STATES HER RATE WAS 54 CENTS IN DECEMBER, 78 CENTS IN JANUARY, 99 CENTS IN FEBRUARY AND THEN \$1.71 IN MARCH. CUSTOMER CANCELLED HER SERVICE WITH NICOR ADVANCED ENERGY AND FOUND OUT THEY WERE NOT A PART OF NICOR. CUSTOMER IS CONTESTING HER BILLS FOR JANUARY, FEBRUARY AND ESPECIALLY MARCH. NICOR BILLED AT 68 CENTS PER THERM. CUSTOMER IS CONTESTING BEING CONNED BY NICOR ADVANCED ENERGY REPRESENTATIVE AND IS REQUESTING BILLING IN 2014 TO BE REBILLED AT A LOWER RATE. NICOR ADVANCED ENERGY IS TAKING ADVANTAGE OF SENIOR CITIZENS IN THE STATE OF ILLINOIS. PLEASE ANSWER THE FOLLOWING QUESTIONS: 1) IDENTIFY MARKETER, IF THIRD PARTY MARKETER, PROVIDE THEIR NAME AND ADVISE WHETHER THEY ARE AN ABC OR DO THEY SOLICIT EXCLUSIVELY FOR YOUR COMPANY. 2) IDENTIFY THE SALES CHANNEL AND THE NAME OF THE SALESPERSON. 3) PROVIDE THE AUTHORIZED VERIFICATION OF THE SWITCH INCLUDING ANY OF THE FOLLOWING WHICH ARE AVAILABLE: RECORDING OF SALES CALL, TPV, LOA, COPY OF SIGNED AGREEMENT, OTHER VERIFICATION. 4) IF YOU FIND THAT THE CUSTOMER WAS SWITCHED WITHOUT PROPER AUTHORIZATION, WHAT WILL THE COMPANY DO TO ENSURE THE CUSTOMER DOES NOT PAY MORE THAN THE RATE OF THE CHOSEN SUPPLIER (INCLUDING ANY PENALTIES IF THE CUSTOMER HAD AN ARES)? 5) WHAT RATE IS THE CUSTOMER ON AND WHEN DID THEY ENROLL IN YOUR SUPPLY SERVICE? 6) VERIFY THE RATE CLASS FOR THIS CUSTOMER. 7) ARE THERE ANY EARLY TERMINATION FEES (ETF)? WHAT IS THE AMOUNT? PROVIDE CALCULATION OF THE ETF AND A COPY OF THE AGREEMENT/CONTRACT. ARE THE FEES BEING WAIVED? 8) IF ONLINE ENROLLMENT, PLEASE

THIS REPORT FORM MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, AND/OR EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF YOU ARE NOT THE INTENDED RECIPIENT OF THIS REPORT FORM, YOU ARE HEREBY NOTIFIED THAT ANY DISCLOSURE, COPYING, DISTRIBUTION, OR USE OF THE INFORMATION CONTAINED HEREIN (INCLUDING ANY RELIANCE THEREON) IS STRICTLY PROHIBITED. IF YOU RECEIVED THIS REPORT FORM IN ERROR, PLEASE IMMEDIATELY CONTACT THE SENDER AND DESTROY THE MATERIAL IN ITS ENTIRETY, WHETHER IN ELECTRONIC OR HARDCOPY FORMAT.

Account #

Resolved

PROVIDE UNIQUE IDENTIFIER AND ONLINE LOA THAT WAS USED TO LEGITIMATE THE SALE/AUTHORIZATION. 9) PROVIDE THE RECORDING OF THE SALES CALL 10) PROVIDE THE RATE HISTORY FOR THIS CUSTOMER AND ANY NOTIFICATION THEY MAY HAVE RECEIVED OF RATE CHANGES OR OF A RENEWING CONTRACT. 11) IF CUSTOMER HAS A CONTRACT, IS IT AUTOMATICALLY RENEWED? IF SO, WHEN? PROVIDE COPY. PLEASE INVESTIGATE AND CONTACT CUSTOMER AND ICC WITH YOUR RESOLUTION WITHIN 14 DAYS

Findings

Enrollment Date: 4/11/2013 **Enrolled By:** Mail Correspondence
Cancellation Date: 3/24/2014 **Cancelled By:** Customer Service Representative

Action

A Nicor Advanced Energy representative spoke with the customer and explained that their plan was a variable rate where the price fluctuates daily with the market. Due to recent extreme weather, the daily market has been extremely volatile and many days have seen near record prices. A goodwill credit of \$264.00 was processed on the customer's account to help offset the high market based prices. Both Nicor Advanced Energy and the customer consider this issue resolved.



Nicor Advanced Energy

P. O. Box 3042
Naperville, IL 60566-7042
www.nicoradvancedenergy.com

Phone 1 866 799-2674
Fax 1 630 718-2799

June 10, 2014

ATTORNEY GENERAL'S
OFFICE

JUN 16 2014

CONSUMER FRAUD
"CHICAGO"

Adam Zbroja
Consumer Protection Division
Office of Attorney General
100 W. Randolph St
Chicago, IL 60601

RE:

Dear Mr. Zbroja:

We have received your correspondence regarding . Nicor Advanced
Energy has taken the following action to resolve the customer's complaint.

Nicor Advanced Energy ("NAE") appreciates the opportunity to respond and work to address the matter(s) raised in this informal complaint. To the extent that the informal complaint asserts or implies that NAE has violated any law or regulation, including but not limited to the Public Utilities Act, the Consumer Fraud and Deceptive Business Practices Act, the Alternative Gas Supplier Act, or any Rule adopted by the Illinois Commerce Commission, or that . Nicor Advanced was misled in any way, NAE denies same. NAE is committed to full compliance with all applicable laws and regulations.

Nicor Advanced Energy originally contacted the customer regarding this issue as a result of an Illinois Commerce Commission Informal Complaint. A Nicor Advanced Energy representative spoke with the customer and explained that the customer's plan was a variable rate where the price fluctuates daily with a specified market index price published by a third party. Due to extreme weather, the daily market had been extremely volatile and many days saw near record prices. A goodwill credit of \$264.00 was processed on the customer's account to help offset the high market based prices. The customer chose to cancel the variable rate plan. No early termination fee was imposed on the customer. The customer understood and communicated to Nicor Advanced Energy that she was satisfied with the resolution. With respect to the customer's statements regarding Nicor Gas, Nicor Advanced Energy's standard disclosures and scripting inform customers that: "Nicor Advanced Energy is not the same company as Nicor Gas. It is an affiliate and its prices are not regulated by the Illinois Commerce Commission. Customers are not required to buy products or services from Nicor Advanced Energy in order to receive the same quality service from Nicor Gas."

Nicor Advanced Energy considers this matter resolved.

Enclosed, you will find a copy of our complaint form originally sent to the Illinois Commerce Commission with the steps taken to resolve the customer's complaint.

Sincerely,
Gary Blank
Product Operations & Billing Manager
Energy Product Operations – Illinois
Nicor Advanced Energy
Nicor Solutions
630-718-2910 office
630-718-3967 fax
gary.blank@southstarenergy.com