



August 8, 2019

The Honorable JB Pritzker
Governor of Illinois
James R. Thompson Center
100 West Randolph, 16th Floor
Chicago, Illinois 60601

Re: SB 651

Dear Governor Pritzker:

On behalf of the Illinois Competitive Energy Association¹ (ICEA), I respectfully request that you sign Senate Bill 651, the Home Energy Affordability and Transparency (HEAT) Act, because this legislation is an important consumer protection initiative by Attorney General Raoul that will correct marketing abuses in Illinois' competitive retail residential energy markets. ICEA represents the most active alternative retail electric suppliers (ARES) and alternative gas suppliers (AGS) licensed by the Illinois Commerce Commission (ICC) to provide energy supply services to residential and commercial customers in Illinois and was the chief industry negotiator with AG Raoul and the AG's Office on this bill's provisions. The bill will affect approximately 55 ARES that serve nearly 1.8 million residential and small business electric supply customers and 29 AGS that serve over 379,000 residential and small business natural gas supply customers.

Senate Bill 651 expands the Consumer Fraud and Deceptive Business Practices Act's (CFA) enforcement and violations to include nearly all of the ICC's current marketing practices and customer enrollment rules pertaining to all marketing channels and customer service obligations that govern competitive retail energy suppliers. Moreover, the bill's CFA provisions apply to sales and enrollment prohibitions of LIHEAP/PIPP recipients; the customer's expressed consent for automatic contract renewals from a fixed price contract to a variable rate contract and required customer notices of an upcoming renewal; and the customer's right to terminate any fixed or variable rate contract at any time without an early termination fee or penalty. Furthermore, the bill strengthens the ICC enforcement powers under the Public Utilities Act to an ARES and an AGS operating in the retail residential market.

Senate Bill 651 will be the most comprehensive consumer protection measure for residential customers in competitive retail energy market states and will likely become a model for other retail choice and competition energy states to emulate. ICEA believes that this compromise legislation will root out suppliers whose business model and conduct is antithetical to a fair and effectively functioning competitive retail energy market that provides consumers a choice of a competitive supplier and the products and services that it provides or the incumbent utility as their energy supply partner.

¹ ICEA members include Constellation New Energy (an Exelon Company), Direct Energy Services, IGS Energy, Illinois Energy, MC Squared Energy Services, NRG Energy, and Vistra (formerly Dynegy and Homefield Energy).



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ICEA has long advocated and supported stronger enforcement over competitive suppliers and marketing behavior that ensures integrity and transparency in the competitive retail residential markets. ICEA commends AG Raoul and his staff for their leadership that has led to this agreed-to legislation between the industry's market leaders and the Attorney General.

Should you require further information about this legislation or ICEA's position, please do not hesitate to contact me.

Sincerely,

Kevin Wright

Kevin Wright
President

cc: Tiffany Newbern-Johnson, Deputy Chief of Staff for Legislative Affairs
Governor's Legislative Affairs Office-Springfield