



# Citizens Utility Board

309 W. Washington St., Suite 800, Chicago, IL 60606 **Phone** (312) 263-4282 **Toll Free** 800-669-5556 **Fax** (312) 263-4329

**FOR IMMEDIATE RELEASE:**  
February 26, 2015

**CONTACT:** Jim Chilsen  
(o) 312-263-4282, (c) 312-513-1784

## **CITIZENS UTILITY BOARD WARNS NICOR GAS CUSTOMERS IN ROCKFORD: SHOPPING IN THE GAS MARKET IS A GAMBLE**

As utility prices hit their lowest point in nearly 15 years, the Citizens Utility Board (CUB) on Friday warned Rockford customers: Shopping in the natural gas market has become a gamble you are likely to lose.

CUB urged consumers to visit the Gas Market Monitor, [www.CUBGMM.com](http://www.CUBGMM.com), a free website that has tracked prices offered by alternative suppliers since 2003, and gives consumers helpful tips on how to avoid rip-offs.

Consumers in Northern Illinois can choose a company other than the regulated utility, Nicor Gas, to supply them with heating fuel. Nicor's February rate of 27 cents per therm, however, is the utility's lowest price since 2002.

The following is a February snapshot of the five most expensive plans that CUB uncovered in Nicor Gas territory as of Feb. 24. The rates are 88 percent to 121 percent higher than Nicor's supply price:

- 59.9¢ per therm, 1-2 year fixed rate, Spark Energy
- 57.9¢ per therm, 2-year fixed rate, Just Energy
- 54.9¢ per therm, 4-year fixed rate, Just Energy
- 51.9¢ per therm, 2-year fixed rate, Direct Energy (offer comes with a smart thermostat)
- 50.9¢ per therm, 1-year fixed rate, Just Energy

“With utility gas prices at their lowest in years, consumers need to know that shopping for a natural gas supplier can be a risky undertaking,” CUB Executive Director David Kolata said. “Customers need to protect themselves from bad deals.”

The regulated utilities under state law are prohibited from profiting off of supply, which takes up a half to two-thirds of customer bills. Alternative suppliers, however, can include a profit margin in their prices.

*-more-*

Consumers who do want to shop in the gas market should first compare the alternative supplier's offer to the regulated utility's rates, and beware of these pitfalls:

- **Low introductory rates that shoot up after a short period:** Ask if the rate is an introductory or promotional rate, how long it lasts, and what the new rate will be.
- **Extra fees:** Ask if there is a monthly fee, and if so, factor that into the per therm price.
- **Punishing exit fees:** Ask if there is an exit fee if you want to leave a plan before the contract is up. Under the law, exit fees are capped at \$50, and customers are allowed to leave a contract without paying an exit fee within 10 days after the date of the first bill.
- **High-pressure sales tactics:** You don't have to choose another company to supply you with gas. You can keep Nicor Gas as your supplier, if you wish, so don't feel pressured by aggressive marketing. Beware of people at your door who say they're from the "gas company." Don't give out your account number or gas bill to just anybody who asks for it. That person may be trying to illegally sign you up for an offer without your permission. Always take a few days to consider the fine print, and call CUB if you have a question (**1-800-669-5556**).
- If you don't want unregulated gas companies to bother you with a sales pitch, get on your utility's do-not-market list. Nicor Gas customers should call 1-888-642-6748.

CUB urged all consumers to read their Nicor bills carefully. Even consumers who choose another gas supplier still get a Nicor Gas bill—with the new supplier charges included on it—because Nicor will always charge customers to deliver the gas through its pipes to their homes. Alternative supplier charges will be listed in the "Additional Products & Services" section.

"Please, check your bills to make sure you're not paying too much with an alternative supplier," Kolata said. "You have to be your own best consumer advocate to avoid getting ripped off."

CUB is Illinois' leading nonprofit utility watchdog. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, it has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more information, call CUB's Consumer Hotline, 1-800-669-5556, or visit its award-winning website, [www.CitizensUtilityBoard.org](http://www.CitizensUtilityBoard.org).

###

[www.CitizensUtilityBoard.org](http://www.CitizensUtilityBoard.org)