



# Gas Competition in Illinois

A guide for Peoples Gas/North Shore Gas customers

FACT SHEET

July 2022

## Gas prices for July

**Peoples:**  
**\$1.25/therm**

(Note: on your bill it's 1.25)

**North Shore:**  
**\$1.03/therm**

(Note: on your bill it's 1.029)

### Can I choose another gas supplier?

Yes. Peoples Gas and North Shore Gas customers are allowed to choose another company (also known as an "alternative retail gas supplier," or "ARGS") to supply them with natural gas. Alternative suppliers sell their offers door-to-door, over the phone and through the mail—but also at community events and churches.

CUB gets a lot of reports about misleading marketing and bad deals. Such problems led Illinois to pass the HEAT Act, one of the nation's toughest consumer-protection laws.

### How does competition work?

Traditionally, Peoples Gas and North Shore Gas buy gas on the market and use their pipelines to deliver it to homes. But you can choose another company to supply you with gas.

If you choose another supplier, you still get a bill from Peoples or North Shore—because the utility delivers the gas to you—and you still call the utility if your heat goes out. But a different company and its price will be listed on the "supply" section of your bill. (See other side of this guide.)

**Remember, the supply price for Peoples or North Shore is often the lowest option.** It is illegal for Peoples/North Shore to make a profit off of what it charges you for supply. Alternative suppliers, on the other hand, can charge whatever they want.

### Will I save money with another supplier?

There's no guarantee you'll save money with an alternative supplier. Since CUB started monitoring alternative supplier offers in 2003, the consumer group found that about 9 out of 10 offers are more expensive than the utility. If you don't sign up with an alternative supplier, you will continue to be served by Peoples or North Shore with rates regulated or reviewed by the Illinois Commerce Commission (ICC).

### What consumer protections do I have?

Because of numerous problems in the market, Illinois passed the Home Energy Affordability and Transparency (HEAT) Act of 2019. Among other things, the new law:

## WARNING:

**In the current market, the regulated utility (Peoples or North Shore) is probably your best choice.**

- Stops suppliers from automatically renewing a contract from a fixed rate to a variable rate (a rate that changes monthly) and then increasing the price.
- Ends termination fees.
- Requires supplier marketing materials and utility bills to clearly state the utility's current price.
- Makes it harder for suppliers to overcharge customers in the Low Income Home Energy Assistance Program.
- Requires telemarketing and in-person marketing to be conducted in a language the customer understands.

There are many more protections in the HEAT Act. If you have questions, please call CUB, **1-800-669-5556**.



## How to avoid gas scams

- 1) People may knock on your door or call you to say they're from the "gas company" and can lower your bill. Don't give out your gas bill or account number unless you're sure you want to sign up for an offer. A dishonest sales representative can use your account number to sign you up without permission.
- 2) Find out what the company is charging and how that compares with the utility's price. Is it a fixed rate (and if so, for how long) or a variable rate that changes monthly?
- 3) Ask if the rate is an introductory rate, how long it will last, and what the new rate will be. Your low price may disappear after a few months, causing your bill to skyrocket.
- 4) Ask if the plan charges a monthly fee. A \$10 monthly fee means you pay more than \$100 a year—without using any gas.

## How do I know if I'm with an alternative supplier?

**BEWARE:** Even if you're with an alternative supplier, you will continue to get a bill from your regulated utility. People on a bad deal often tell CUB they had no idea they were with another company until their bill went up. Check your bill each month to see if an alternative supplier is listed.

- It's most likely on page 2 of your Peoples/North Shore bill, under "Summary of Supplier Charges." If the bill does not list a per-therm alternative supplier rate, you have to figure it out yourself based on the total supply amount and how many therms you used.
- Call the alternative supplier to end an offer. The name and number of the company should be listed on your gas bill. If you think you were fraudulently signed up, tell the supplier you want a refund.
- If you don't like the supplier's response, file a complaint with CUB, at **1-800-669-5556**.

