



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

FOR IMMEDIATE RELEASE:
May 31, 2019

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STATEMENT FROM CUB EXECUTIVE DIRECTOR DAVID KOLATA ON PASSAGE OF HEAT ACT

The Citizens Utility Board (CUB) thanks the General Assembly for passing the HEAT Act, historic consumer protections from scams, rip-offs and bad deals peddled by alternative electric and gas suppliers in Illinois. These new consumer protections are sorely needed, because CUB hears from far too many distraught and frustrated Illinoisans whose gas and electric bills have skyrocketed because they were misled or scammed by predatory alternative suppliers. The HEAT Act tackles a problem that has become a significant drain on our economy: Since 2015, Illinoisans have overpaid by more than \$600 million on alternative electric offers, according to the Illinois Attorney General's Office.

Illinoisans deserve a better energy market than one that too often preys on consumers at their own doorsteps, and the HEAT Act represents a major crackdown on those dishonest alternative suppliers that hit people with painfully high gas and electric bills. The new law will stop bad actors from taking advantage of Illinois consumers and help give people the information they need to avoid bad deals.

CUB is grateful to Illinois Attorney General Kwame Raoul for being a champion of this reform legislation. We thank the bill's chief sponsors, Sen. Kimberly Lightford and Rep. Jehan Gordon-Booth. We also thank House Speaker Michael Madigan, House Leader Jim Durkin, Senate President John Cullerton, and Senate Leader Bill Brady for their leadership on this issue.

In closing, we wish to thank former Attorney General Lisa Madigan, who for years worked tirelessly for stronger consumer protections in the electric and gas markets. We look forward to working with the Illinois Commerce Commission and Attorney General Raoul to help enforce these new rules and build a better market for Illinois consumers.

Background:

On May 30, the Home Energy Affordability and Transparency (HEAT) Act passed the Illinois House 116-0. On May 31, it passed the Illinois Senate 59-0. The legislation, which now requires Gov. J.B. Pritzker's signature, would:

- Stop alternative suppliers from automatically renewing a contract from a fixed rate to a variable rate (a rate that changes monthly), and then jacking up the price. The bill would require companies to get a customer signature before those contracts renew.
- End termination fees on supply contracts for residential and small-business customers.
- Protect Low Income Home Energy Assistance Program (LIHEAP) funds from supplier overcharges, making sure the money available can help as many people as possible.
- Require alternative supplier marketing materials as well as utility bills to clearly state the utility's price, so consumers can make an apples-to-apples price comparison.

CUB is celebrating its 35th anniversary as 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**.

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