



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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REPORT: SINCE 2015, IL CUSTOMERS HAVE LOST \$1 BILLION WITH ALT SUPPLIERS

Illinois has reached a grim milestone in the history of electric competition in the state: Residential customers have now lost more than \$1 billion to alternative electric suppliers since 2015, the Citizens Utility Board (CUB) said Wednesday, citing a new report from the Illinois Commerce Commission (ICC).

As of the end of May 2020, 1.67 million residential customers were signed up with alternative electricity suppliers, compared with 1.78 million last year, about a 6.2 percent drop, according to the 2020 Annual Report from the ICC's Office of Retail Market Development (ORMD). There were nearly 100 active suppliers in Illinois, 69 in ComEd territory and 27 in Ameren territory.

"Some people might say they want the opportunity to shop in the electricity market, but nobody wants to get ripped off, especially during this financially stressful time," CUB Executive Director David Kolata said. "Beware of a sales pitch that claims or suggests that you will pay less. Remember, the most reliable way to cut your electric bill is through energy efficiency."

Kolata said **CUBActionCenter.com** includes helpful electricity pricing information and fact sheets to help people avoid rip-offs and cut their energy costs.

In Illinois, ComEd and Ameren customers can choose to have another company supply them with electricity. Competition has been around for about a decade in Illinois, and while it offered savings for a few years in the beginning, the market has been plagued by bad deals and misleading marketing in recent years. CUB has repeatedly warned that the regulated utilities, [ComEd](#) and [Ameren](#), are likely a customer's best bet in the market. Here's a breakdown of residential losses from the ICC's report:

	Total Losses, ComEd customers	Total Losses, Ameren customers
June 2015-May 2016	\$115,204,320	\$10,632,844
June 2016-May 2017	\$152,108,081	\$45,856,433
June 2017-May 2018	\$138,243,088	\$89,344,091
June 2018-May 2019	\$124,183,586	\$121,879,268
June 2019-May 2020	\$144,506,896	\$107,432,518
Utility Totals:	\$674,245,971	\$375,145,154
Grand Total:	\$1,049,391,125	

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The report said residential alternative supplier customers paid an average of about 1.79 cents more per kilowatt-hour (kWh), for a total of about \$12 million more per month, than customers who had ComEd as their supplier from June 2019 to May 2020. Alternative supplier customers in Ameren territory paid an average of about 1.66 cents per kWh more, for a total of about \$8.95 million more a month, than those who had the utility as their supplier.

To put it in perspective, a ComEd customer using 500 kWh of electricity each month would overpay by more than \$100 a year.

CUB hopes conditions will improve with the [Home Energy Affordability and Transparency \(HEAT\) Act](#), one of the nation's strongest consumer protection laws, which took effect Jan. 1. Among the protections in the bill, it prevents 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. It also gives the ICC sharper teeth when dealing with alternative suppliers. Thanks in part to this provision of the act, the ICC [fined alternative supplier LifeEnergy \\$1 million](#) for marketing violations.

"We'll work with regulators and state officials to crack down on bad actors," Kolata said. "All customers should check the supply section of their bills to see if they're with an alternative supplier, and then compare the price they pay to the utility price-to-compare. This report shows it's very likely that if you're with an alternative supplier you're paying more than the regulated utility rate."

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 block rate hikes, secure refunds, and fight for clean, low-cost energy. 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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