



# CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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## **ALTERNATIVE SUPPLIER TO PAY \$300,000 FOR ALLEGED MARKETING VIOLATIONS**

Alternative electric supplier Star Energy Partners LLC will pay a \$300,000 settlement for alleged misleading marketing practices and agreed to stop pitching its products or enrolling customers in Illinois for two years. The Illinois Commerce Commission (ICC) approved the settlement, which was negotiated by consumer advocates, including utility watchdog Citizens Utility Board (CUB).

Star Energy also agreed to a reengagement plan that requires the supplier to submit its marketing plan, policies and procedures to the ICC before reentering the market, CUB said Tuesday.

Of the \$300,000, \$275,000 will be refunded to Star Energy's current and former residential customers enrolled between May 1, 2018 and October 25, 2018. The refund amount per customer will be determined on a per kWh basis, multiplying the eligible customer's usage during the period by the per kWh refund amount. As part of the agreement, the company will hire a settlement administrator to ensure the refund checks are issued to customers in a timely manner.

Current and former customers who have questions about the settlement should call the company at 1-855-427-7827.

The remaining \$25,000 will be directed to the Low Income Home Energy Assistance Program, or LIHEAP, which provides assistance to consumers struggling to afford their energy bills.

"We hope this settlement gives some relief to customers who signed up with the supplier under false pretenses," CUB General Counsel Julie Soderna said.

Testimony in the case led ICC investigators to believe that Star used the ComEd utility name and logo in a deceptive manner and failed to properly train its agents.

"At CUB, we have heard a lot of sad stories from people on tight incomes, some of whom end up paying double, even triple, what they should have to keep the lights on," Soderna said. "Victories like this motivate us to hold suppliers accountable for unethical sales tactics. We look forward to working with the ICC, Attorney General Kwame Raoul and other advocates to continue to protect consumers from scams."

Under a similar settlement earlier this year, Great American Power paid \$325,000 after allegedly failing to comply with state regulations governing alternative suppliers. The supplier also agreed to stop marketing its products and enrolling customers in Illinois for five years. Since 2015, Illinois electricity consumers have lost nearly \$1.5 billion to alternative suppliers.

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

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