



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

FOR IMMEDIATE RELEASE:
July 28, 2021

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

ALTERNATIVE SUPPLIER TO PAY \$325,000 FOR ALLEGED MARKETING, SALES VIOLATIONS

Alternative electric supplier Great American Power will pay a \$325,000 settlement for allegedly failing to comply with state regulations governing alternative suppliers and is banned from marketing its products or enrolling customers in Illinois for five years. The Illinois Commerce Commission (ICC) approved the settlement, which was negotiated by consumer advocates, including utility watchdog Citizens Utility Board (CUB).

Great American Power also agreed to a compliance plan that requires the supplier to submit its marketing plan and scripts to the ICC before reentering the market, CUB said Wednesday. As part of the settlement, the supplier did not admit to any wrongdoing.

Of the \$325,000, \$200,000 will be refunded to Great American Power's residential customers. As part of the agreement, the company must hire a settlement administrator to ensure the refund checks are issued to customers in a timely manner. Eligible customers can expect a check in their mailbox.

The remaining \$125,000 will be directed to the Low Income Home Energy Assistance Program, or LIHEAP, which provides assistance to consumers struggling to afford their energy bills.

"This is a victory for Illinois consumers who have been ripped off by alternative energy suppliers far too many times," said CUB General Counsel Julie Soderna, whose litigation team worked on the settlement. "Alternative suppliers should know that misleading and abusive salesmanship won't be tolerated in Illinois. We thank Attorney General Kwame Raoul's office, the ICC and all consumer advocates who are working hard to hold suppliers accountable."

On November 5, 2019, the ICC's Consumer Services Division and Office of Retail Marketing Development alleged Great American Power's training, marketing and sales practices did not comply with the Commission's rules governing alternative electric suppliers. The ICC approved the settlement June 24.

Great American Power customers who have questions about the settlement can call the supplier at 1-877-215-4140 or the ICC at 1-800-524-0795.

This isn't the first time alternative suppliers have used deceptive marketing tactics to scam consumers. In May 2020, the ICC fined alternative electricity supplier LifeEnergy \$1 million and ordered more than \$34,000 in customer refunds for "violations of state marketing and sales rules."

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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