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AS COM ED, AMEREN CHARGE NEW WINTER PRICES, CUB ISSUES STATEWIDE WARNING ON RIP-OFFS PEDDLED BY ALTERNATIVE ELECTRICITY SUPPLIERS

In "buyer-beware market," CUB says: Know utility price before signing up for alternative offers

CHICAGO—As of October, Commonwealth Edison and Ameren Illinois are charging new electricity supply prices, and customers should know what they are to avoid bad deals peddled by alternative electricity suppliers, the Citizens Utility Board (CUB) said Thursday in a statewide consumer warning.

The non-summer prices, through May 2024, are listed on <u>PlugInIllinois.org</u>, the electric choice website maintained by the Illinois Commerce Commission (ICC).

Ameren Illinois: 8.107ϕ per kilowatt-hour (kWh) for up to 800 kWh of usage. Every kWh beyond that is 7.094ϕ per kWh. (This is Ameren's supply price + a transmission charge +a supply cost adjustment.)

ComEd: 6.872¢ per kWh. (This is ComEd's supply price + a transmission charge.)

ComEd and Ameren bill customers to deliver electricity to homes, but those customers have the right to choose either their utility or an alternative company to supply the actual electricity. The utility supply rates above are called the "price to compare"—the rate customers should compare to alternative supplier offers pitched to them.

"People should beware of bad deals offered by alternative electricity suppliers door-to-door, over the phone and via mail," CUB Director of Communications Jim Chilsen said. "We have seen painfully high prices peddled by suppliers—this is a buyer-beware market. The safest and most reliable way to save money on your electric bills is through energy efficiency."

Since 2015, Illinois consumers have lost more than \$1.6 billion to alternative electricity suppliers, according to CUB's review of reports from the ICC's Office of Retail Market Development. Just this fall, Illinois Attorney General Kwame Raoul's office sued Residents Energy LLC for alleged "deceptive and unfair tactics" that tripled the energy costs of some customers. And the ICC recently ordered Switch Energy, a supplier no longer doing business in Illinois, to pay about \$2.16 million in total penalties for wide-ranging violations of ICC rules and state law. "The Company has demonstrated a behavior of prioritizing sales over critical consumer protection measures," the ICC said in its final order.

A review of alternative supplier prices listed on <u>PlugInIllinois.org</u> in October found many charging higher rates than the utilities, with the worst prices 10 cents per kWh on up. At a recent utility bill clinic in Alton, CUB staffers saw customers paying alternative supplier prices of 14 cents per kWh, 16 cents per kWh and 20 cents per kWh. CUB's Outreach Director recently saw a ComEd customer paying an alternative supplier 10.99 cents per kWh. These prices were all significantly higher than the utility supply rates, raising concerns among CUB staffers.

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Knowing the "price to compare" helps consumers avoid bad deals and make informed decisions about their power bills. Visit <u>CUB's Electric page</u> to find fact sheets about making the best choices in the electricity market. Other tips:

- **Read your bills.** Look at the "Supply" section of your ComEd or Ameren bill. If another company is listed there, check what supply rate you're paying and how it compares with your utility's supply price.
- Be wary about showing your bill to just anybody. If somebody comes to your door and says they want to look at your electricity bill, don't hand it over or give out your account number, unless you are absolutely sure you want to sign up. A sales rep who sees your bill can get your account number and sign you up for a deal without your permission—a scam called "slamming."
- Make sure the alternative supplier offer is not an introductory rate. And if it is, find out when it ends and what the new rate will be.
- Scan the fine print for hidden monthly fees. Also, if it's a low fixed rate, check the fine print to see if the company allows itself to change the rate during certain market conditions.
- If you want to sign up, watch your bill carefully. Be prepared to get out of the offer if you notice it causes your bills to go up—you should be able to get out with no penalty, thanks to reforms the Illinois Attorney General's office, CUB and other consumer advocates fought for in 2019.
- If you're on a "municipal aggregation" plan (also called a community power deal), confirm the price, how it compares with the utility's supply rate, and for how long the contract is. It's possible your community has negotiated a reasonable rate, but don't assume that. Verify. If you want, you should be able to get out of a community power deal without paying a penalty. (Note: Many communities may offer their residents green, or renewable energy-based, plans, which may have a higher price than the utility supply rate. Reasonably priced municipal aggregation green plans can be a legitimate option for interested consumers.)
- Consider other options. You don't have to choose an alternative supplier. There is a whole
 menu of options (energy efficiency programs offered by your utility, Illinois' Community Solar
 program, for example) that can help you save money and reduce your carbon footprint.
 Citizens Utility Board.org has details on those options.

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Citizens Utility Board (CUB) is Illinois' leading nonprofit utility watchdog group. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, CUB has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more information, call CUB's Consumer Hotline at 1-800-669-5556 or visit CUB's award-winning website, www.CitizensUtilityBoard.org.