ILLINOIS ATTORNEY GENERAL LISA MADIGAN



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ATTORNEY GENERAL MADIGAN LOOKING INTO AMEREN'S ALL ELECTRIC PROMOTION

Chicago - Today Attorney General Lisa Madigan announced that she is investigating Ameren's advertising and marketing of its all-electric discount program. Consumers have alleged that they were enticed into signing up for the discount program, which involves using electricity as one's only source of power, as opposed to relying on a mix of natural gas or propane and electricity, only to find out that their electricity rates are skyrocketing. In addition to the electricity rate increasing as it has for all Ameren customers statewide, these customers also lost the discount they had been enjoying pursuant to the all-electric program with Ameren.

Ameren has known for quite some time, at least since early 2005, that it intended to eliminate this all-electric discount program. Madigan's investigation is focused on determining whether Ameren promoted this all-electric discount program to consumers after it knew the discount program would be eliminated.

"If a consumer is going to spend money to convert a home or business to allelectric or is considering purchasing an all-electric home or business in order to take advantage of a long-standing discount, it is extremely important that he knows this discount will be eliminated imminently," Madigan said. "If Ameren was promoting this discount plan to residential or business consumers or to builders after it knew the discount would be eliminated and without also telling them that the discount plan would disappear shortly, then we need to know about it. We are gathering the facts and then will decide the appropriate next step."

Madigan has authority pursuant to the Consumer Fraud and Deceptive Business Practices Act to investigate Ameren's advertising and marketing practices. If the evidence shows a violation of the Act, courts may award injunctive relief to curtail future behavior and penalties of up to \$50,000 per violation found to have been committed with the intent to defraud. Courts can award up to an additional \$10,000 if a person 65 years of age or older has been defrauded.

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