



January 13, 2009

ATTORNEY GENERAL MADIGAN APPLAUDS PASSAGE OF BILL TO BAN DECEPTIVE SALES TACTICS BY ALTERNATIVE GAS SUPPLIERS

Chicago — Attorney General Lisa Madigan today praised the General Assembly's passage of legislation that protects Illinois consumers from misleading and deceptive sales practices by alternative natural gas suppliers that promise significant savings on consumers' gas bills. Madigan's office worked to draft the legislation in response to complaints about gas suppliers who promised significant savings that they could not deliver. Rep. Thomas Holbrook (D-Belleville), Rep. Marlow Colvin (D-Chicago) and Sen. Don Harmon (D-Oak Park) sponsored the legislation.

"Some alternative natural gas suppliers have relied on a bevy of deceptive sales tactics to entrap unsuspecting consumers. Every day, my office's Consumer Fraud Bureau responds to calls from confused or angry consumers struggling to deal with outrageous gas bills from alternative suppliers," Madigan said. "I appreciate the hard work of Representatives Colvin, Holbrook and Senator Harmon, and I congratulate the legislature for passing a bill that will protect consumers and raise awareness of the legitimate options available to consumers when it comes to natural gas products."

The amendment to the Alternative Gas Supplier Law will:

- Require all sales solicitations to clearly disclose the prices, terms and conditions of all products and services;
- Prohibit suppliers from misrepresenting their affiliation with a gas utility, governmental body or consumer group;
- Provide consumers with a right to cancel 10 days after the gas utility notifies them of the switch and 10 days after the date of the first bill if they find that the service is not as promised;
- Limit early termination fees to \$50 and require any agreement containing an early termination clause to disclose the total cancellation fee.

Attorney General Madigan pushed for pro-consumer amendments to this law based on the number of complaints that her office received about alternative gas suppliers. The Attorney General Office has received more than 2,500 consumer complaints against alternative gas suppliers, and Madigan has filed four lawsuits against this type of supplier since 2005.

Madigan encouraged consumers to carefully study any alternative gas product before entering into any contracts. Consumers who would like more information should contact Madigan's Consumer Fraud Bureau at:

(800) 386-5438 (Chicago)
(800) 243-0618 (Springfield)
(800) 243-0607 (Carbondale)
(866) 310-8398 (Spanish Language Hotline)

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