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**ATTORNEY GENERAL RAOUL SECURES MORE THAN \$3 MILLION FOR PEOPLE DEFRAUDED BY
MAJOR ENERGY, ELIGO ENERGY, AND REALGY**

Raoul's Three Settlements Include Customer Refunds & Marketing Bans

Chicago — Attorney General Kwame Raoul today announced three settlements totaling more than \$3.1 million with alternative retail electric suppliers Major Energy Electric Services LLC (Major), Eligo Energy IL, LLC (Eligo), and Realgy, LLC (Realgy). Raoul alleged that the companies and their sales representatives used aggressive and deceptive tactics to enroll customers in the ComEd territory into unnecessarily expensive contracts for electricity.

Under the settlements, Major, Eligo, and Realgy will provide refunds to more than 35,000 Illinois customers totaling more than \$3.1 million. Refund amounts will be based on customers' electricity usage. Additionally, all three companies will be, or have been, suspended from certain marketing activities: Eligo will be banned from telemarketing and door-to-door marketing for three years and Realgy's suspension on door-to-door marketing extends four years from its last campaign in September 2016, or until September 2020. As a result of the Attorney General's lawsuit against Major, it has ceased all marketing for the past 15 months and is only able to resume marketing with additional restrictions and oversight imposed by the Attorney General's Office.

"The settlements with Major, Eligo, and Realgy provide refunds to Illinois customers who were deceived by these companies," Raoul said. "Make no mistake: these energy suppliers are not outliers in this industry. These and other investigations by my office show that alternative retail electricity suppliers use deceptive marketing practices and outright fraud to profit from selling overpriced electricity to consumers. My office will continue to investigate and take action against companies for misleading or defrauding consumers."

The Attorney General's office's 2018 lawsuit against Major alleged that sales agents failed to disclose information, including such critical terms as the price and length of the contracts. Raoul alleged many customers were given the false impression they were signing up for a discounted rate from ComEd or that they were going to save money through what turned out to be a fake energy choice program. In reality, Major's customers paid higher prices for their electricity than they would have paid with ComEd a staggering nine out of 10 times. Current and former Major customers will receive nearly \$2 million in refunds under the settlement.

Raoul's investigation of Eligo found sales agents failed to disclose its rates and fees, referenced a fake energy choice program, and promised customers would save up to 20 percent with Eligo - even though most customers paid more than they would have with ComEd. In addition, Eligo's sales agents routinely misled consumers by telling them that they were calling to correct an overcharge the consumer may have experienced on the last ComEd billing cycle, when in fact Eligo was attempting to switch the consumer's electricity supplier. Current and former Eligo customers will receive \$1 million in refunds under the settlement.

In an investigation of Realgy, Raoul's office found telemarketing sales agents told consumers they would pay the best rate during a 24-month period because of Realgy's "price-match" program, even though some Realgy customers paid more; that Realgy's offer was a reward for the consumer's status with the public utility; and Realgy was enrolling consumers in a program offered by their utility when no such program existed. The Attorney General also found Realgy's door-to-door representatives routinely misrepresented

that they were affiliated with the utility and signed up customers without their consent by forging their signatures. Current and former Realgy customers will receive just over \$180,000 in refunds under the settlement.

This spring, Attorney General Raoul initiated the Home Energy Affordability and Transparency (HEAT) Act, which strengthens the oversight of alternative energy suppliers and protects consumers from bad supplier contracts. The General Assembly passed the bill with bipartisan support, and it is awaiting the governor's signature. The HEAT Act will give the Attorney General's office even stronger tools to shut down suppliers who engage in fraudulent and misleading conduct and return money to consumers who have been harmed.

Currently, there are at least 108 alternative retail electric suppliers (ARES) authorized to sell electricity in Illinois. According to the ICC, ARES customers in the ComEd territory as a whole have paid more than \$124 million more for electricity than ComEd customers from June 1, 2018 through May 31, 2019. Statewide, over the last five years, residential and small commercial customers enrolled with ARES have paid over \$870 million more for their electricity.

Raoul offered the following advice for Illinois residents who are solicited by an ARES:

- NEVER answer the door to a stranger, especially if they are trying to get you to switch your utility service.
- NEVER show or share your utility bill or account number with someone who comes to your door or calls you on the phone.
- Do not sign anything!
- Be wary of any offer that promises or guarantees savings.
- Be aware that if an ARES offers a price that seems lower than your utility, it could be an introductory rate that increases later.
- Do not forget about hidden fees.
- No alternative supplier is affiliated with or endorsed by your utility or the government. If you sign up for service with an alternative supplier, you are entering a new contract with a different company.

Assistant Attorneys General Aaron Chait, Darren Kinkead, and Krenice Roseman, along with Janice Dale, Public Utilities Bureau Chief, Caitlyn McEllis, Counsel to the Attorney General, Thomas Verticchio, Assistant Chief Deputy Attorney General, and Jeanne Witherspoon, Special Litigation Bureau Chief handled the investigations, lawsuit, and settlements for Raoul's Public Interest Division.