

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION

PEOPLE OF THE STATE OF ILLINOIS, *ex*  
*rel.* KWAME RAOUL, Attorney General of the  
State of Illinois,

Plaintiff,

v.

RESIDENTS ENERGY, LLC, a New York  
limited liability corporation,

Defendant.

No. 2023CH08494

**COMPLAINT FOR  
PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF**

Plaintiff, the People of the State of Illinois, by and through Kwame Raoul, Attorney General of the State of Illinois, brings this action against Defendant Residents Energy LLC (“Residents Energy” or “Residents”), for violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 *et seq.* (“Consumer Fraud Act” or “CFA”), and the Illinois Telephone Solicitations Act, 815 ILCS 413/1 *et seq.* (“Telephone Solicitations Act” or “TSA”).

**INTRODUCTION**

1. Residents Energy has employed fraudulent, unfair, and deceptive business practices to market and sell electricity services to consumers in Illinois. Among other practices, Residents has marketed its services by claiming consumers would save money on their electric bills when, in reality, consumers who switched to Residents virtually always paid considerably more for their electricity than they would have had they not switched.

2. Though residential electricity has traditionally been supplied exclusively by regulated public utilities, such as ComEd and Ameren (the “default public utility”), the Illinois legislature opened the State’s energy market to competition in 1997 and allowed consumers to

choose to purchase their electricity from a variety of private suppliers. Since then, numerous Alternative Retail Electric Suppliers (“ARES”) like Residents have appeared in Illinois and engaged in telemarketing and in-person solicitations to persuade consumers to select them as their electricity supplier.

3. Price is the most important consideration for energy consumers. There is no difference in the electricity that Residents supplies as compared to that of the default public utility. The quality of the energy is the same and the electricity is delivered on the same transmission lines. As such, the only reason a consumer switches to an ARES like Residents is for the promise that prices offered in a competitive market are lower than the prices offered by a public utility.

4. Taking advantage of the deregulated energy market, Residents has used illegal and deceptive marketing practices to lure Illinois consumers into switching their electric supplier to Residents by falsely promising low rates and savings. Through misrepresentations, omissions of material fact, and other deceptive and unfair practices, Residents has tricked thousands of Illinois consumers into paying millions more for their electricity than they would have if they had remained enrolled with their default public utility.

5. Residents’ basic business model in Illinois has been to offer potential customers a first month, introductory rate that is approximately equal to the default utility’s rate, and then quickly escalate that rate until it is double or more than the public utility’s rate. Residents’ telemarketing agents conceal the fact that the quoted rate is merely a first month, introductory rate, and instead suggest that the quoted rate is typical of Residents’ rates, and that consumers will save money by switching to Residents. Moreover, Residents’ sales agents falsely tell consumers that Residents’ rate is historically low and less than the utility’s rate; that they have

never seen Residents' rate higher than the utility rate; and that Residents "shops the market aggressively" to provide lower rates. None of this is true.

6. Residents' sales agents also make numerous false, deceptive, and misleading statements that lead consumers to believe that the agents are affiliated with the utility company, and that the agents are calling to enroll them in an official state-sponsored program that will provide some cost-saving benefit.

7. Despite the agents' representations, customers who switched to Residents nearly always paid more than they would have if they had remained enrolled with the default utility—a lot more. For example, during the period from October 2018 to September 2020, Residents' existing variable account customers on average paid more than the default utility rate *each and every month*, and sometimes double or more than the utility rate. During that two-year period, Residents customers on average paid a staggering 54% more than the default rate the public utility charged, and collectively paid approximately \$15 million more than they would have if they had enrolled with the default public utility. Residents' customers have continued to the present day to consistently pay higher rates than the rates charged by the default public utility, and have continued to collectively pay millions of dollars more than they would have if they had enrolled with the default public utility.

8. Moreover, some consumers have found themselves paying Residents' exorbitant rates without ever enrolling with Residents. That is because they were "slammed"—*i.e.*, enrolled without their knowledge or consent. An alarming number of consumers have filed complaints with the Illinois Commerce Commission ("ICC") alleging that were switched to Residents without their authorization, and often without having had any contact with Residents' representatives.

9. Accordingly, the State brings this action to stop Residents' illegal conduct, recover the tens of millions of dollars in increased costs that Illinois consumers have paid as a result of Residents' conduct, require Residents to pay civil penalties pursuant to the Illinois Consumer Fraud Act and the Illinois Telephone Solicitations Act, including a mandatory penalty of \$50,000 for each violation committed against a senior citizen, and revoke Residents' authority to operate in the State.

### **PARTIES**

10. Plaintiff, the People of the State of Illinois, by Kwame Raoul, the Attorney General of the State of Illinois, is authorized to enforce the Consumer Fraud Act and the Telephone Solicitations Act.

11. Defendant Residents Energy LLC, a New York corporation with its principal place of business in Jamestown, New York, is an ARES certified by the ICC to engage in the sale of electricity to residential retail customers in the service area of the Illinois public electric utilities, ComEd and Ameren. At all relevant times, Residents was engaged in trade and commerce in Illinois by marketing, selling, and promoting electric supply to Illinois residents.

12. For purposes of this Complaint, any references to the acts and practices of Residents shall mean such acts and practices are by and through the acts of Residents' officers, owners, members, directors, employees, representatives and/or other agents, including third-party vendors retained by Residents to market electric supply on Residents' behalf.

### **PUBLIC INTEREST**

13. The Illinois Attorney General believes this action to be in the public interest of the citizens of the State of Illinois and brings this lawsuit pursuant to the Illinois Consumer Fraud Act and the Illinois Telephone Solicitations Act.

**JURISDICTION AND VENUE**

14. This Court has jurisdiction over this action pursuant to the Court’s general jurisdiction and pursuant to 815 ILCS 505/1 *et seq.* and 815 ILCS 413/1 *et seq.*, as the cause of action arises from actions taken by Residents Energy in Illinois.

15. This Court has personal jurisdiction over Residents because it transacts business in Illinois, including in Cook County.

16. Venue for this action is proper in Cook County pursuant to Section 2-101 of the Illinois Code of Civil Procedure, 735 ILCS 5/2-101, because Residents is doing business in Cook County and some of the transactions out of which this action arose occurred in Cook County.

**TRADE AND COMMERCE**

17. Subsection 1(f) of the Consumer Fraud Act, 815 ILCS 505/1(f), defines “trade” and “commerce” as:

The terms ‘trade’ and ‘commerce’ mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the people of this State.

18. At all times relevant to this Complaint, Residents was engaged in trade and commerce in the State of Illinois within the meaning of the Consumer Fraud Act by marketing, selling, and promoting electricity supply to Illinois residents.

**RETAIL ELECTRIC SUPPLY INDUSTRY**

19. Each public electric utility in Illinois has a defined service area and serves all customers in that area. Traditionally, electric utilities have provided both electric supply and the distribution service that delivers the electricity to consumers.

20. The ICC reviews and approves the prices public electric utilities are permitted to charge eligible residential customers for electric supply (the “default utility rate”). This default utility rate reflects the utility’s cost for purchasing the electricity.

21. Public electric utilities, like ComEd and Ameren, are the default suppliers of electricity to consumers in Illinois. However, under the Illinois Electric Service Customer Choice and Rate Relief Law of 1997, 220 ILCS 5/16-101 *et seq.*, consumers may choose to purchase their electric supply from an ARES rather than their default public utility. If a consumer decides to switch to an ARES, the consumer continues to pay the default public utility for delivery service but pays the ARES for the electricity itself. Regardless of which entity the consumer selects as their supplier, the default public utility continues to deliver electricity to the consumer’s home.

22. Even if a consumer chooses an ARES for electric supply, the default public utility continues to bill and collect from the customer the total of the supply charge (as set by the ARES) plus the delivery charge (the rate approved by the ICC) and other incidental fees and taxes. The ARES does not send a separate bill to the consumer.

### **RESIDENTS ENERGY’S BUSINESS PRACTICES**

23. In or around March 2016, Residents received a Certificate of Service Authority from the ICC to operate as an ARES in Illinois. Under the certificate, Residents may sell electricity to eligible residential and nonresidential customers in the ComEd and Ameren service areas and has a continuing statutory obligation to comply with all enumerated requirements for certification and “all other applicable laws and regulations,” pursuant to 220 ILCS 5/16-115(d)(11) and 220 ILCS 5/16-115A(a)(ii).

24. Since 2016, Residents has engaged in the marketing and sale of electricity to Illinois residential customers in the ComEd and Ameren service areas.

25. Since 2016, Residents has enrolled tens of thousands of residential customers in Illinois into one its electric supply accounts.

26. Residents charges its customers based on how much electricity (measured in kilowatt hours, or “kWh”) the customer uses each month. Residents offers different rates (price per kilowatt hour), rate types (fixed rates and variable rates), and lengths of contracts.

27. Typically, Residents’ residential customers in Illinois have been enrolled in Residents’ variable rate product, called ResiFLEX. During the period from October 2018 through September 2020, for example, more than 95% of Residents’ residential customers in Illinois were enrolled in its variable rate product.

**Residents Consistently Raised the Rates of its Variable Rate Customers  
Substantially Above the Default Utility Rate**

28. Residents’ basic business model in Illinois has been to offer potential customers a variable rate product with a first month rate that is approximately equal to the default utility’s rate at that time, and then escalate that rate in the following months until it is double or more than the utility’s rate.

29. For example, one Illinois customer who filed a complaint with the ICC in 2022 was charged a first month rate of 6.38 cents per kWh, after which the rate nearly tripled until it was 18.49 cents only ten (10) months later, in August 2022.

30. This is not an isolated example. After the first billing cycle, Residents’ rates for “existing” variable account customers are nearly always significantly higher than its rates for “new” (*i.e.*, first month) customers. During the period from October 2018 through September 2020, for example, Residents’ rate for “existing” customers in ComEd territory averaged 3.6

cents per kWh higher than the first month rate for “new” customers. During the final six (6) months of that two-year period, existing customers in ComEd territory on average paid approximately 5.0 cents per kWh more than the first month customers.

31. In some of its written materials—but importantly, *not* during Residents’ telephone solicitations—Residents refers to the first month rate as an “introductory” rate.

32. After the first billing cycle, Residents’ variable rate customers almost always pay a higher rate than the default utility rate paid by ComEd or Ameren customers in that service territory. The following chart, for January 2020 through September 2020, shows the difference between the average rate charged to Residents’ “existing” (*i.e.*, non-first month) customers in ComEd territory, and the default utility rate paid by ComEd customers:

<b>ComEd “Default” Rate vs. Residents’ Average Existing Customer Rate, in cents per kWh January-September 2020</b>									
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
ComEd “Default” Rate	6.8	7.3	6.6	6.7	7.4	6.5	6.6	6.9	6.5
Residents’ Average Customer Rate	11.1	11.3	11.7	11.8	11.7	11.7	11.8	12.2	12.5

33. Similar rate patterns exist for Residents’ customers in Ameren territory, as well as in other months from at least 2018 to the present. For example, one customer who filed an ICC complaint against Residents in 2023 was charged 21.48 cents per kWh in January 2023, while the ComEd default rate was less than half that amount.

34. Even when Residents’ first month customers are included in the analysis, Residents’ average rates are significantly higher than the average default public utility rate. For example, the average rate Residents charged its customers in ComEd territory from October 2018 through September 2020 was 10.6 cents per kWh, whereas the average ComEd rate during



this period was 6.8 cents per kWh. In other words, Residents' customers paid, on average, a 55% premium for their electricity during this two-year period.

35. The figures in Ameren territory are similar. The average rate Residents charged its customers in Ameren territory from October 2018 through September 2020 was 7.1 cents per kWh, whereas the average Ameren rate during this period was 4.6 cents per kWh—a premium of 54% during this two-year period.

36. Because Residents' customers consistently have paid higher rates, Residents' customers from 2016 to the present collectively paid millions of dollars more than they would have had they remained enrolled with the default utility company.

#### **Residents Directed and Controlled Marketing Vendors Who Acted as its Sales Agents**

37. Residents has conducted marketing activities in Illinois in the form of in-person solicitations and telephone solicitations.

38. Residents has employed third-party sales representatives to market its electricity in person and over the phone to Illinois consumers. Residents controlled the manner in which its sales representatives marketed and promoted its products.

39. Residents provided scripts to its sales representatives. The scripts instructed the sales representatives on how to interact with customers by telephone and in person and how to market Residents' products and services. The scripts instructed Residents' sales representatives to expressly identify themselves as Residents' sales representatives.

40. There is a two-step process that Residents' sales agents use to solicit and enroll new customers in Illinois. First, a sales representative attempts to convince the consumer to enroll with Residents. Second, when a consumer agrees to enroll, Residents confirms the enrollment using a statutorily-required third-party verification ("TPV") system or letter of agency.

41. Illinois law prohibits sales representatives from performing both the enrollment and verification, and the verifier must be independent from both the electric supplier and its sales agent.

42. Residents is responsible for selecting and contracting with third parties to perform the verifications.

### **Residents' Misrepresentations, Omissions, and Other Unlawful Conduct**

43. Residents Energy and its sales representatives have engaged in unfair or deceptive acts or practices, including but not limited to the use of deception, fraud, false pretense, false promise, and misrepresentations, as well as the concealment, suppression, and omissions of material fact, and similar conduct that is unfair, has a tendency to deceive, and creates a likelihood of confusion or misunderstanding, with the intent that consumers rely on those misrepresentations, omissions, and other unfair or deceptive acts or practices.

#### **Failure to Immediately State the Purpose of the Telephone Solicitation**

44. The Telephone Solicitations Act requires telephone solicitors to immediately state, among other things, "the purpose of the call." *See* 815 ILCS 413/15(b)(1).

45. Residents' telemarketers violate the TSA at the very outset by failing to state the true purpose of the call.

46. Instead, Residents' telemarketers conceal the true nature of the call by immediately promising consumers "money back" on their utility bill in the form of a rebate. In recorded solicitation calls, Residents' agents routinely begin the call with a variation of the phrase, "We're just calling to issue money back on the electric account." Examples include, "I'm calling about getting money back on the ComEd electric bill"; "I'm calling to issue the rebates on your electric

bill”; and “I was just giving you a call back, getting some money back rebates for the electric account.”

47. This deceptive sales pitch serves multiple purposes: *first*, it falsely suggests that the sales representative is affiliated with the utility company; *second*, it conceals the true purpose of the call, which is to switch the consumer from the utility to Residents; and *third*, it sets up the sales agent’s deceptive request to “verify” or “confirm” information on the consumer’s utility bill in order to effectuate the rebate—information that the Residents’ agent does not actually possess. *See e.g.*, “So in order to get the money back issued out correctly, I would just need to confirm some basic customer information with you. So in order to do that, we just ask if you can grab a copy of one of your electric bills.”

48. The purpose of the solicitation is not to “issue money back on the electric account,” but rather to switch the customer to Residents Energy. The sales agents’ opening pitch conceals this fact and is deceptive and misleading.

#### *Failure to Obtain Consumer’s Consent to the Solicitation*

49. The Telephone Solicitations Act also requires telephone solicitors to “inquire at the beginning of the call whether the person called consents to the solicitation.” 815 ILCS 413/15(b)(2).

50. Residents’ telemarketers routinely violate the TSA by failing to obtain the consumer’s consent to the solicitation.

#### *Misrepresentations during Telephone Solicitations Regarding Affiliation with Public Utility*

51. To further conceal the true nature of the solicitation call, Residents’ sales agents have further misrepresented, expressly and impliedly, an association with ComEd or Ameren, as

these are the public utilities that consumers know and depend upon to deliver their electricity and respond to emergencies.

52. In recorded solicitation calls, Residents’ sales representatives routinely represent that they are “working in cooperation with the utility” in order to provide rebates. Other examples include: “We simply just work in cooperation with ComEd to get you the rebate on your bill”; “We work with Ameren”; “We work in cooperation with ComEd, Ameren, and Nicor.”

53. By falsely referencing “cooperation” with the public utility, Residents misleads consumers to believe its agents are calling on behalf or in connection with the public utility to provide a “rebate” on the ComEd or Ameren electric bill, rather than calling to switch consumers to a new electric supplier.

54. Additionally, some agents assert that there have been “notices in your bill about a free program [to] actually giv[e] you some of your money back,” and that they “couldn’t tell” whether or not the customer responded—falsely suggesting that they have access to the customer’s communications with the utility. But Residents has no access to ComEd’s or Ameren’s systems or to consumers’ information within those systems.

55. By using such language, Residents’ sales representatives portray the enrollment process as a clerical step toward claiming a rebate. In fact, consumers are entering into a new contract with a new supplier.

56. In addition to being deceptive in violation of Section 2 of the CFA, these misrepresentations also violate Section 2EE which provides that, “An alternative retail electric supplier shall not state or otherwise imply that the alternative retail electric supplier is employed by, representing, endorsed by, or acting on behalf of a utility.” 815 ILCS 505/2EE(b)(2).

Misrepresentations Regarding “Verification” or “Confirmation” of the Utility Bill Information

57. Residents’ agents’ misrepresentation that information on the consumer’s bill must be “verified” or “confirmed” is a deceptive practice in itself. Nearly every Residents solicitation call includes this “verification” ruse, which is designed to conceal the fact that the agent does not have the consumer’s account information, but needs to obtain it in order to effect the switch from the default public utility.

58. By asking consumers to “verify” or “confirm” their public utility account number, a Residents sales agent falsely suggests that the agent already has the utility account number and that the consumer is merely verifying or confirming that number. By pretending to know information that a public utility representative would know (but that Residents does not know), Residents intends for consumers to believe that its agents are endorsed by or acting on behalf of the utility.

59. Residents’ agents lie if necessary to maintain the fiction that they already have the account information. On one recorded telephone solicitation call, a consumer balks at providing information from the bill and says, “Well, you’ve already got this information.” The agent falsely responds, “Correct. They still have us gather it as it’s on the bill.” On another call, after being asked twice for her account number, a consumer says, “You said earlier that you had all the information you needed and now you’re asking me for it.” The agent responds, “Well, we do verify the information. We don’t send out random money to people.”

Misrepresentations Regarding a State or Public Utility “Program”

60. Residents’ sales representatives have also intentionally misled consumers by falsely claiming they are entitled to savings and refunds on their electric bills through an “Energy Choice” program run by the State of Illinois or the public utility.

61. Examples of such misrepresentations include the following:
- “I’m calling regarding money coming back in rebates for the electric bill. This is thanks to the Illinois Energy Choice Program. Have you heard about that program yet? ...It’s called your Illinois Energy Choice Program. Your State’s been, you know, trying to have inserts in the bills. ComEd, Nicor and all those big companies are participating in this Statewide program.”
  - “It’s just a free state program in the State of Illinois called Energy Choice Program to help the customers with their supply cost on the bill.”
  - “The State of Illinois stepped in and came up with this program quite a few years ago. It’s called the Energy Choice Program to help customers with the supply cost on their bill.”
62. There is no such program.
63. Nothing in Illinois law entitles consumers to reductions on their electricity bills.

The Illinois Electric Service Customer Choice and Rate Relief Law of 1997, 220 ILCS 5/16-101 *et seq.*, deregulated the market. But importantly, it does not create a “program” for consumers to join or the state or the public utility to run. In fact, the deregulation law precludes the ICC from regulating the prices charged by ARES like Residents. It is simply a statute that allows consumers to voluntarily decide whether to stay with their default public utility or select a retail electric supplier to provide their electric supply.

64. By referring to a state or public utility “program,” and telling consumers they are “eligible” for these benefits, Residents intends to associate its product with various benefit programs commonly offered by the default public utilities. For example, ComEd’s website features a page titled “Payment Assistance” that explains various “financial assistance programs designed to lend a hand when you need it most,” including bill payment assistance, a neighbor fund, and payment arrangements.<sup>1</sup> Ameren’s website, in turn, discusses “Energy Assistance” for

---

<sup>1</sup> <https://www.comed.com/my-account/customer-support/payment-assistance>.

consumers “facing soaring electricity and natural gas prices.”<sup>2</sup> Residents incorporated references to such a “program” in its marketing scripts, and its sales representatives have made repeated and relentless appeals to this “program” in their customer solicitations, with the intent that consumers believed they are enrolling in something akin to one of the default public utilities’ benefit programs.

*Deception Regarding the First Month Introductory Rate*

65. During recorded telemarketing solicitations, Residents’ sales agents routinely conceal the fact that the quoted rate is merely a first month introductory rate, and that the rate will never be that low again. Residents’ sales agents do not describe the quoted rate as an “introductory rate,” a “first month’s rate,” a “special offer,” or any other similar term that would disclose the true nature of the quoted price.

66. The fact that the quoted price is a temporary, one-month price is a “material fact” for purposes of the Consumer Fraud Act, 815 ILCS 505/2, and Residents’ telemarketers’ failure to mention that fact during solicitations is a “concealment” and “omission” which Residents intends consumers to rely upon.

67. Instead, Residents’ sales representatives routinely describe the first month, introductory rate as the “current rate” or “current variable rate,” thereby deceptively implying that the rate is typical of Residents’ variable rates rather than a one-time, one-month offer.

68. The agents use similar, carefully worded phrases to suggest that, while the variable rate may go up or down, the quoted rate is characteristic of Residents’ variable rates, and the customer will be charged similar rates in the future. The following examples are from Residents’ recorded telemarketing calls:

---

<sup>2</sup> <https://www.ameren.com/illinois/residential/energy-assistance>.

- “So instead of paying about seven cents, you will now be paying 6.59 cents.”
- “Right now you’re at a 4.44. We’re going to be able to drop that down to 3.3.”
- “So you’d be paying like 3.3 cents per kilowatt hour.”
- “Our rate as of now is underneath the [utility’s] standard service rate. Our rate is at 3.3, so it’s about three cents, three cents per kilowatt hour versus a six.”
- “For Ameren, they are at 0.3517 and I can drop you down to 0.3120.”
- “That will continue on the variable rate at the 3.31.”

69. Residents’ agents further misrepresent that, had the consumer already enrolled with Residents as their supplier, they currently would be paying less than the default utility rate. For example, during a recorded telemarketing call in October 2018, the agent states: “You’re at almost four cents per kilowatt. Had you already added your supplier to the bill, you’d only be paying 3.3 cents per kilowatt and getting some of your money back.” In reality, had the consumer previously enrolled with Residents, they would no longer be paying the first month rate and now would be paying the higher rates charged to existing customers. During that month, in October 2018, existing Residents customers in Ameren territory were paying 5.1 cents per kWh on average, and over 7,000 existing Residents customers in Ameren territory were paying more than 6.5 cents per kWh.

70. In sum, Residents intentionally omits any reference to an “introductory” or “first month” rate during its telemarketing solicitations in order to conceal that fact from potential customers and mislead them into believing that the quoted rate is typical of future rates. This is a clear violation of the CFA. 815 ILCS 505/2; 815 ILCS 510/2(a)(12).



Misrepresentations Regarding Savings

71. Residents' sales agents routinely misrepresent that Residents' rates are "low" and will save consumers money, as shown by the following examples of misrepresentations made during Residents' recorded telemarketing calls:

- "We're also gonna get you a new low variable rate every month."
- "We get you that new low rate, month in and month out."
- "...you are paying more than you have to."
- "...you will start paying the new low rate and see better results."
- "The whole point is to try to give you a little relief on the bill."
- "And we do adjust the rate and get you the lowest rate possible on the bill each and every month."
- "...we're able to shop around as a supplier and try to keep you cheaper than the default rate at all times."
- "if you're not already enrolled in this free program, you end up getting charged the standard service rate for the electricity. So you end up paying more than you have to."

72. As discussed above, Residents' variable rates after the first billing cycle are *not* low; rather, they are almost always higher than the default utility rate. Nor does enrolling with Residents save consumers money. Any suggestion that Residents' rates are "low" and will save consumers money in the future is a misrepresentation that Residents intends consumers to rely upon in choosing Residents as their supplier.

Misrepresentations Regarding Residents' Historical Rates

73. Residents' agents further this deception by purporting to compare the "historical" rates of Residents and the utility, and falsely asserting that Residents' rates historically have been lower than the utility's rates. However, instead of comparing the utility rate with the rates paid

by Residents' *existing* customers in any given past month, the agents present a false, apples-to-oranges comparison between the utility rate and Residents' introductory, first-month rate (of course, without explaining that it was only a first month rate). By making this false comparison, the agents falsely state that Residents' rates are "historically" lower than the utility company's rate.

74. Examples of such false statements include:

- "We've been lower than the utility's rate for 10 straight months" (responding to consumer's question, "Okay so now when would *your* rate go up?").
- "...we are as of right now lower and historically has always been lower than the utility company."
- "We've been lower than the utility rate this year, 10 months in a row. Last year, all year."
- "We've been consistently lower than the utility."
- "I've never seen the [Residents'] rate actually be higher than, you know, what the default rate is."

75. Such representations are false, deceptive, and misleading. Residents' existing (*i.e.*, non-first month) customers virtually always pay significantly more than the utility's rate.

*Misrepresentations Regarding Residents' Future Rates*

76. Residents' telemarketers also misrepresent Residents' probable *future* rates, misrepresenting that they are unlikely to rise above the utility's rates when the opposite is true.

Examples from Residents' recorded telemarketing calls include:

- "I have to let you know that it could maybe, you know, one month be higher than, you know, what the utility has. I don't see that happening, but I have to let you know as a disclosure."
- "This is a variable rate sir, so it may—it hasn't happened but it could—go up or down." "Again sir, we might be higher, lower than the utility at any given month—it hasn't happened but it could—since it's all market."

- “We have to let our customers know that the utility company may be able to beat our rate in any given month. I don’t see that happening here because we shop the market every day...”
- “Now I don’t see the utility company beating our rate.”

77. As these examples show, Residents’ agents conveyed that, while the law requires a disclaimer that Residents’ rates may go up or down and may be higher or lower than the utility’s rate during any given period, Residents’ rates are unlikely to exceed the utility’s rate. Nothing could be further from the truth.

78. The October 2018 through September 2020 sales data, for example show that, month in and month out, Residents’ average rates were consistently higher than the utilities’ rates, and that Residents customers paid a premium of more than 50% over the default utility rate. Moreover, Residents’ customers collectively paid approximately \$15 million more during that two-year period than they would have if they had remained enrolled with the utility. Following the first billing cycle, Residents’ rates almost *always* went up, not down, and were nearly always higher than the utility’s rates, not lower. Thus, Residents’ telemarketers’ statements that Residents’ rates were unlikely to rise above the utility’s rates are plainly false and deceptive.

*Misrepresentations Regarding the Electricity Market and Pricing*

79. Residents’ agents also attempt to persuade customers to switch suppliers by misrepresenting how the electricity market works. A particularly egregious example is frightening customers into believing that the utility is charging them “every time” they turn on an appliance, as shown by this recorded telemarketing exchange in October 2018:

Residents' Agent: "I just want you to be aware Ameren is currently charging you every time you open the refrigerator 3.710 cents every time you open the fridge."

Consumer: "Oh my God."

80. On another recorded call in October 2018, a Residents telemarketer tells a consumer, "Every time you turn on the light switch, ComEd is charging you almost seven cents just to turn on the light switch." And on a recorded call in October 2019, a telemarketer states: "That means that every time you press start on a microwave, you turn on a ceiling fan, you do a load of laundry, [consumer's supplier] is charging you 19.3 cents." Such statements exploit the public's general lack of understanding about how electricity charges are calculated.

81. Residents' agents also frequently misrepresent that Residents has a superior ability to "shop the market" to ensure low prices. (*See e.g.*, "[w]e're able to shop around as a supplier and try to keep you cheaper than the default rate at all times."). In reality, Residents consistently charges consumers more than the default utility rate, and its prices are untethered to its purported ability to "shop the market." On one recorded solicitation call, the Residents telemarketer invents a scenario in which "the utility company gets one day out of the whole month to shop for the energy for the entire month, doesn't matter what the prices they get that one day...if it's really really really bad, we don't have to buy it that day." However, the utilities' rates are reviewed and approved by the Illinois Commerce Commission, not by a utility company's one-day shopping.

Failure to Notify Customers of Monthly Rate Increases Greater than 20 Percent

82. Since 2017, Illinois regulations have required ARES to provide written notice to variable rate customers whenever their rate jumps by more than 20% from one month to the next.

83 Ill. Admin. Code § 412.165(e) (Rate Notice to Customers).<sup>3</sup>

83. Consumers in recent years have filed complaints with the ICC alleging that their rate increased by more than 20% without receiving any notice from Residents.

84. All such failures to provide proper notice constitute violations of §412.165(e) and constitute an unfair or deceptive act or practice in or affecting commerce.

Deception During In-Person Solicitations Regarding Affiliation with Public Utility

85. Residents' sales agents have further misrepresented, expressly and impliedly, an association with ComEd or Ameren during in-person solicitations.

86. Scores of consumer complaints filed with the ICC since 2018 involve allegations that a Residents' in-person sales agent misrepresented that they were working for the consumer's current energy provider. Numerous consumers have alleged that Residents' agents have come to their home, misrepresented or otherwise implied an affiliation with Ameren or ComEd, and enrolled the consumer with Residents without the consumer understanding that they were being switched to Residents.

87. Given the significant number of similar complaints filed with the ICC, Residents has engaged in widespread and systemic deceptive practices during in-person solicitations.

---

<sup>3</sup> "If a residential variable rate customer's rate increases by more than 20% from one monthly billing period to the next, the ARES shall send a separate written, dated notice to the customer, informing the customer of the upcoming rate change and shall include the electric utility's PTC [Price to Compare]." 83 Ill. Admin. Code § 412.165(e)

Enrolling Consumers with Residents Energy without their Knowledge or Consent (“Slamming”)

88. Residents also repeatedly violated the CFA’s enrollment requirements by “slamming” consumers, *i.e.*, enrolling them with Residents without their knowledge or consent. *See* 815 ILCS 505/2EE(a)(iv) (ARES must obtain the consumer’s “express agreement to accept the offer” after disclosing all material terms.).

89. Since at least 2018, numerous consumers have filed complaints with the ICC alleging that they were enrolled with Residents Energy without their knowledge or consent.

90. Many complainants allege that an unknown individual completed the verification process, allegedly on the complainant’s behalf. These consumers allege that they became aware of the unauthorized enrollment only after reviewing subsequent utility bills, often with significantly higher rates than they previously had been paying.

91. Some consumers have filed complaints with the ICC alleging manipulation of the audio recording of the solicitation call, or use of a forged electronic signature.

92. These incidents are indicative of a widespread company practice. Given the frequency with which these fraudulent enrollments occurred, it appears that Residents also failed to properly evaluate and maintain the quality of its vendors’ services as required by law. 83 Ill. Admin. Code § 412.170(i) (“Each ARES shall monitor marketing and sales activities to ensure that its ARES sales agents are providing accurate and complete information and complying with all laws and regulations.”).

**Representative Examples of Residents’ Unlawful Solicitations**

93. On an October 1, 2018 recorded telemarketing call, a Resident sales agent identifies herself as “with Residents Energy” and states that she is calling about “getting some money back rebates for the electric account.” She asks whether the consumer is the “one that handles the

bill” and states, “[w]e simply just work in cooperation with the utility...to get you the rebate on your bill.” The agent does not explain at the outset that she is calling to switch the consumer to Residents Energy. Rather, the agent states that “nothing changes with your local utility.” She then tells the consumer to grab a copy of his bill to “confirm some real basic information” so that he can get his rebates. After the consumer provides his contact information, the agent promises to “shop the market to get you a better rate,” and that instead of his current default rate of 6.99 per kWh, “I’m able to bring it down to a 6.59.” She never explains that the quoted rate of 6.59 cents per kWh is an introductory rate, or a first month rate, or a special rate that will escalate after the first billing cycle. Although she explains that it’s a variable rate that “may be higher or lower than the utility company’s in any given month,” she dismisses her statement as “just a disclosure” and claims: “I’ve never seen the rate actually be higher than, you know what the default rate is. We shop the market aggressively to make sure that that doesn’t happen.” In actuality, Residents’ rates after the first billing cycle are almost always higher than the default utility’s rate. In fact, Residents’ sales data for October 2018 (the month that this call takes place) show that 98% (6,717 out of 6,847) of its existing Illinois customers in ComEd territory were paying more than 6.99 cents per kWh. Notwithstanding these facts, the Residents agent deceitfully states, “I have to let you know that it could maybe, you know, one month be higher than, you know what the utility has. *I don’t see that happening.*” However, during the next two years (from October 2018 through September 2020), Residents’ rates in ComEd territory were higher than ComEd’s default rate more than 90% of the time.

94. On an October 2, 2018 recorded telemarketing call, a sales agent states that she is with Residents Energy, and says “I’m looking to speak with the person authorized on the electricity and gas bill regarding some rebates.” The agent does not explain at the outset that she

is calling to switch the consumer to Residents Energy. The agent then refers to “some messages on the bill telling you about the energy choice program.” There is no such program.

Nonetheless, the agent asks, “Would you like to hear about the energy choice program and how you’d be entitled to some rebates?”—suggesting that the utility company has put messages on its bill regarding rebates issued by a fictitious “energy choice program.” The agent continues by stating that this “energy choice program,” which does not exist, “works in conjunction with your utility company such as Ameren, ComEd and Nicor,” and offers a 5% rebate back on the supply section of the bill and a \$25 gift card after 90 days “of participating with the program.” By referring to “signing up” with a fictional “energy choice program” that “works in conjunction with” the utility, the agent deceptively attempts to give credibility to a sales solicitation designed to switch the consumer *from* the utility. The agent then misrepresents how the electricity pricing works, telling the consumer, “I just want you to be aware Ameren is currently charging you every time you open the refrigerator, 3.710 cents every time you open the fridge.” The agent makes promises about “saving money” and “lower pricing” and claims that “we shop the market a lot more aggressively than the utility company.” Claiming that “we were able to find it cheaper,” the agent quotes a rate of 3.3 cents per kWh, without disclosing that this is only an introductory rate for the first billing cycle. Again, the agent misrepresents how electricity pricing works, claiming that “the utility company gets one day out of the whole month to shop for the energy for the whole month, doesn’t matter what the prices are that one day,” whereas “we have the ability to check out the market if it’s really really really bad we don’t have to buy it that day.” The agent then falsely claims, “we are as of right now lower and historically has always been lower than the utility company.” To support this false claim, the agent deceptively compares the utility’s rate during past months with Residents’ introductory rate during that



month—without explaining that Residents’ customers who are beyond their first billing cycle pay much more.

95. On an October 5, 2018 recorded telemarketing call, a Residents agent identifies himself and states, “I was calling you about some money we were trying to issue back to you on your electric bill”—suggesting that he is working with the utility company to issue a reimbursement on the electric bill. The agent does not ask for, and does not receive, consent to solicit, nor does he explain that this is a sales solicitation whose purpose is to switch the consumer from her utility. The agent then states that “there’s been some notices in your bill about a free program while actually issuing you some of your money back. We couldn’t tell if you responded,” thereby falsely suggesting that he has access to the consumer’s electric account. Continuing the deception, the agent states that “it looks like you’re gonna get some of your money back,” as well as a rebate of 5% of the supply cost, without explaining that this is a sales solicitation offer. The agent then states that the consumer is “eligible to get the best variable rate...month in and month out”—a false statement since the consumer will pay higher rates than she would if she remained with her utility. Again, the agent conceals the fact that he is switching the consumer’s enrollment, stating, “nothing changes with the utility company.” He then says, “it does look like you’re paying more than you need to,” and asks who her utility company is. Thus, the agent falsely tells the consumer that she’s overpaying without even knowing who her utility company is. Understandably, the consumer states that she’s “a little mistrusting of things like this.” The agent responds by saying, “I do understand where you’re coming from, but all we do is verify the bill information”—another false statement, since the agent does not have her account information. The agent again asks for her account number, and tells her, “Trust me...there’s nothing about this program that can hurt you at all.” The consumer states, “You

said earlier that you had all the information you needed and now you're asking me for it." The agent again lies, stating that he's "verifying" the information: "Well, we do verify the information, we don't send out random money to people." The agent states that, by remaining with Ameren, "you're paying more than you need to." Before providing her account information, the consumer asks, "This isn't a scam, right?" Later in the call, the agent states that the "current available rate" is 3.3 cents per kWh and that "we're gonna drop you down" from the utility rate of 4.0 cents per kWh, suggesting that the 3.3 cents rate will be typical of future rates. The agent does not explain that, in actuality, this is a first month, introductory rate, and Residents' rate will escalate substantially above the utility rate.

96. On an October 9, 2018 recorded telemarketing call, a Residents agent calls a consumer about getting "rebates ordered for your electric account." The agent does not explain at the outset that she is calling to switch the consumer to Residents Energy. The agent repeatedly promises a "new low rate" for the consumer's account. According to the agent, Ameren's default rate is 3.710 cents per kWh, "but we're able to get you 3.31" cents per kWh. The agent falsely promises to "get you that new low rate, month in and month out," and does not explain that the rate of 3.31 cents per kWh is an introductory rate for the first billing cycle only. The agent then states that "just as a disclosure, the utility company may be able to beat our rate in any given month, there's no guarantee of specific savings." But the agent immediately qualifies this disclosure by misrepresenting that, "Now I don't see the utility company beating our rate." In fact, over the next two years, Ameren beat Residents' rate each and every month. From October 2018 through September 2020, the average rate Residents charged its customers in Ameren territory was 7.1 cents per kWh, whereas the average Ameren rate during this period was 4.6

cents per kWh. Thus, far from beating Ameren's rate, Residents charged its customers, on average, a premium of 54% over Ameren's rate.

97. On an October 4, 2018 recorded telemarketing call, a Residents agent identifies himself and states, "I was calling about some money we were trying to issue back on the ComEd electric bill"—suggesting that he is working with ComEd to issue rebates. Continuing the ruse, the agent then refers to "some notices on the bill about a free program where we're actually giving you money back on the bill. We couldn't tell if you responded." The agent does not ask for, and does not receive, consent to solicit. Nor does the agent explain at the outset that this is a sales solicitation whose purpose is to switch the consumer from ComEd. The agent then says that "it looks like you're gonna get some of your money back on the bill" in the form of rebates, as well as "the best variable rate...month in and month out"—a clear misrepresentation given that Residents' rates are almost always higher than the utility's rate. He further misrepresents that "nothing changes with your utility company," and does not explain that the consumer will be switched from her utility company. He asks the consumer to grab her ComEd bill so that he can "verify" her bill, deceptively suggesting that he already has her account information, which he does not. Later in the call, he quotes "the current available rate" as 6.5 cents per kWh, without explaining that this is an introductory, first month rate. He also deceptively states that "we've been lower than the utility rate for ...ten straight months," even though Residents' existing customers almost always pay more than the default utility rate.

98. On an October 12, 2018 recorded telemarketing call, a Residents agent calls a consumer and states, "Hello, I'm calling to issue money back on the electric account"—falsely suggesting that he is working with the utility company to issue a reimbursement on the electric bill. The agent then tells the consumer that he is "eligible to receive some of your money back in

the form of a rebate and also have some charges removed from the bill.” Again, the agent’s statement falsely suggests that the utility will issue money-back rebates and will remove charges from the bill—something that Residents will not (and has no authority to) do. The agent then asks the consumer to grab a copy of his electric bill to “confirm some basic customer information” in order to “get the money back issued out correctly.” The agent does not ask for, and does not receive, consent to solicit. Nor does the agent explain at the outset that he is calling to switch the consumer to Residents Energy. Instead, the agent misrepresents that Residents participates in a “free state program in the state of Illinois called the Energy Choice Program to help the customers with their supply cost on the bill.” There is no such program. Nevertheless, he promises that it will “give you some help on your supply costs.” He then misrepresents that “right now our rate is lower” than the utility rate of 3.7 cents per kWh, without explaining that the quoted Residents rate of 3.3 cents per kWh is only a one-month, introductory offer, and that the Residents rate will escalate after the first billing cycle.

99. On an October 16, 2018 recorded telemarketing call, a Residents agent calls a consumer and asks to “speak to the person in charge of the electric bill, the Ameren bill” regarding “some notices on the bill about a free program where we’re giving some money back on the bill continuously.” The agent continues to falsely suggest that he’s affiliated with the utility company by stating “we couldn’t tell if anyone responded” to the notices on the bill. The agent then states that he is with Residents Energy and “work[s] with Ameren in the program,” which is not true; he is competing with Ameren for the customer’s business. He further misrepresents that he will do an “adjustment” so that, instead of paying almost four cents per kWh, the consumer would “only be paying 3.3 cents per kilowatt and getting some of your money back.” The agent says that “[a]ll we do is verify the information on the bill.” The agent

does not explain that this is only a one-month, introductory rate, nor that the customer's rate will increase in subsequent months. Later during the call, in response to the consumer's question about Residents' rates, the agent claims that Residents' rate was lower than Ameren's rate in each of the past 10 months. In making this claim, the agent deceptively compares Ameren's rate during each month with Residents' introductory, first month rate, *not* the higher rates that Residents' existing customers paid.

**VIOLATIONS OF THE TELEPHONE SOLICITATIONS ACT, 815 ILCS 413/1 et seq.**

**Count I**

**Failure to Immediately State the Purpose of the Telephone Solicitation**

100. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

101. The Telephone Solicitations Act provides that “[v]iolation of any of the provisions of this Act is an unlawful practice under Section 2Z of the Consumer Fraud and Deceptive Business Practices Act. All remedies, penalties, and authority granted to the Attorney General by that Act shall be available to him for the enforcement of this Act.” 815 ILCS 413/25(e).

102. Defendant has initiated, or caused its agents to initiate, “telephone solicitation[s]” to Illinois consumers, as that term is defined in the Telephone Solicitations Act, 815 ILCS 413/5.

103. Section 15 of the Telephone Solicitations Act, 815 ILCS 413/15, requires telemarketers to immediately state, among other things, the “purpose of the call.” 815 ILCS 413/15(b)(1).

104. As described herein, Residents has knowingly solicited customers without stating, at the beginning of the telephone solicitation, the purpose of the call.

105. A knowing violation of the Telephone Solicitations Act is an unlawful practice under Section 2Z of the Consumer Fraud Act, 815 ILCS 413/25(e) and 815 ILCS 505/2Z.

106. Residents' practices described herein constitute violations of Section 15 of the Telephone Solicitations Act, 815 ILCS 413/15, as well as Section 2Z of the Consumer Fraud Act, 815 ILCS 505/2Z.

107. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Telephone Solicitations Act and Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Telephone Solicitations Act and Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with a disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

**Count II**  
**Telemarketing without Consent**

108. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

109. The Telephone Solicitations Act provides that “[v]iolation of any of the provisions of this Act is an unlawful practice under Section 2Z of the Consumer Fraud and Deceptive Business Practices Act. All remedies, penalties, and authority granted to the Attorney General by that Act shall be available to him for the enforcement of this Act.” 815 ILCS 413/25(e).

110. Section 15 of the Telephone Solicitations Act, 815 ILCS 413/15(b)(2), requires telemarketers to “inquire at the beginning of the call whether the person called consents to the solicitation.”

111. Defendant has initiated, or caused its agents to initiate, “telephone solicitation[s]” to Illinois consumers, as that term is defined in the Telephone Solicitations Act, 815 ILCS 413/5.

112. As described herein, Residents has knowingly solicited customers without inquiring at the beginning of the call whether the person called consents to the solicitation.

113. A knowing violation of the Telephone Solicitations Act is an unlawful practice under Section 2Z of the Consumer Fraud Act, 815 ILCS 413/25(e) and 815 ILCS 505/2Z.

114. Residents’ practices described herein constitute violations of Section 15 of the Telephone Solicitations Act, 815 ILCS 413/15, as well as Section 2Z of the Consumer Fraud Act, 815 ILCS 505/2Z.

115. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Telephone Solicitations Act and Consumer Fraud Act by Defendant;

- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant’s violations of the Telephone Solicitations Act and Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant’s Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with a disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

**VIOLATIONS OF SECTION 2 OF THE  
CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT**

116. Section 2 of the Consumer Fraud Act, 815 ILCS 505/2, prohibits “unfair or deceptive acts or practices . . . in the conduct of any trade or commerce.”

117. Unfair or deceptive acts or practices prohibited by the Consumer Fraud Act include, but are not limited to, “the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with the intent that others rely upon the concealment, suppression or omission of such material fact.” 815 ILCS 505/2. In addition, Section 2 of the Consumer Fraud Act prohibits “the use or



employment of any practice described in Section 2 of the ‘Uniform Deceptive Trade Practices Act,’” *id.*, which in turn provides that “[a] person engages in a deceptive trade practice when, in the course of his or her business, vocation, or occupation, the person . . . engages in any other conduct which similarly creates a likelihood of confusion or misunderstanding.” 815 ILCS 510/2(a)(12). Unfair or deceptive acts or practices are unlawful under the Consumer Fraud Act “whether any person has in fact been misled, deceived or damaged thereby.” 815 ILCS 505/2.

### **Count III**

#### **Misrepresentations Regarding a State or Public Utility “Program”**

118. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

119. As described above, Residents has misrepresented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions that:

- (a) there exists a state-sponsored or state-sanctioned “program” that offers consumers savings, refunds, and similar benefits upon enrollment; and
- (b) the Residents sales representative is contacting the consumer to enroll the consumer in a state-sponsored or state-sanctioned “program.

120. In truth and fact, though Residents has made the misrepresentations described above:

- (a) there does not exist a state-sponsored or state-sanctioned “program” that offers consumers savings, refunds, and similar benefits upon enrollment; and
- (b) the Residents sales representative is contacting the consumer to switch the consumer’s electric supplier—not to enroll the consumer in a fictitious state-sponsored or state-sanctioned “program.”

121. The making of the misrepresentations and omissions with the intent that consumers rely on these misrepresentations and omissions as described herein constitutes an unfair or

deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

122. Wherefore, the Plaintiff prays that this honorable Court:
- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
  - (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
  - (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
  - (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
  - (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
  - (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
  - (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
  - (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
  - (i) provide such other and further equitable relief as justice and equity may require.

**Count IV**  
**Misrepresentations Regarding “Verification” or**  
**“Confirmation” of the Utility Bill Information**

123. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

124. As described above, Residents has misrepresented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions, that the consumer’s public utility account information must be “verified” or confirmed,” implying that the sales representative already has access to the confidential utility account information when in fact Residents’ sales agents do not have the consumer’s confidential account information and need to obtain it in order to effectuate the switch from the utility.

125. The misrepresentations and omissions set forth herein were made with the intent that consumers rely on them and constitute an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

126. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant’s violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant’s Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice

to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;

- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

**Count V**  
**Deception Regarding the First Month Introductory Rate**

127. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

128. As described above, Residents has misrepresented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions that the quoted Residents variable rate is typical of Residents' rates on its variable rate product.

129. Residents conceals the fact that its quoted rate is merely a one-time, introductory rate that is available only during the first month billing period, and that Residents' rates on its variable rate product will escalate substantially during subsequent months.

130. The misrepresentations and omissions set forth herein were made with the intent that consumers rely on them and constitute an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

131. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including

- but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
  - (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
  - (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
  - (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
  - (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
  - (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
  - (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
  - (i) provide such other and further equitable relief as justice and equity may require.

**Count VI**  
**Misrepresentations Regarding "Low Rates" and Savings**

132. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

133. As described above, Residents has misrepresented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions, that Residents' rates are "low" and that consumers will save money on their electric bill if they enroll with Residents.

134. In truth and fact, where Residents has made the misrepresentations described above, Residents' rates are not "low" and consumers did not and do not save money by enrolling with Residents, but rather nearly always paid more than they would have if they had purchased electricity directly from their utility.

135. The making of the misrepresentations and omissions with the intent that consumers rely on these misrepresentations and omissions as set forth and described above constitutes an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

136. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;

- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with a disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

**Count VII**  
**Misrepresentations Regarding Residents' "Historical" Rates**

137. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

138. As described above, Residents has misrepresented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions, that Residents' rates are "historically" lower than the default utility company's rates.

139. In truth and fact, where Residents has made the misrepresentations described above, Residents' rates are not historically lower than the default utility company's rates.

140. The making of the misrepresentations and omissions with the intent that consumers rely on these misrepresentations and omissions as set forth and described above constitutes an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

141. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including

but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;

- (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

**Count VIII**  
**Misrepresentations Regarding Residents' Future Rates**

142. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

143. As described above, Residents has misrepresented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions, that Residents' future rates are unlikely to rise above the default utility company's rates.

144. In truth and fact, Residents' misrepresentations aside, Residents' variable rates month after month are consistently higher than the utility company's rates.

145. The making of these misrepresentations and failure to disclose material information with the intent that consumers rely on these misrepresentations and omissions as set forth herein



constitutes an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

146. Wherefore, the Plaintiff prays that this honorable Court:

- (a) Award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) Enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) Revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) Assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) Assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) Assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
- (h) Require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) Provide such other and further equitable relief as justice and equity may require.

**Count IX**  
**Misrepresentations Regarding the Electricity Market and Pricing**

147. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

148. As described above, Residents has made misrepresentations, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions, regarding pricing in the electricity market, including but not limited to misrepresentations regarding the manner in which public utility companies purchase electricity, and Residents' purported ability to purchase electricity at lower prices.

149. The making of the misrepresentations and omissions with the intent that consumers rely on these misrepresentations and omissions as set forth and described herein constitutes an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

150. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or

practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;

- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

### **Count X**

#### **Failure to Notify Customers of Monthly Rate Increases Greater than 20 Percent**

151. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

152. Defendant deceptively sells consumers its product by using an artificially low introductory rate. Defendant also misrepresents Residents' historical rates, and then tells consumers that Residents' rates are unlikely to increase above the default utility company's rates in the future. After using these deceptive tactics to lure consumers into purchasing Residents' product, Defendant then fails to inform consumers when their rate increases significantly from one month to the next.

153. This conduct injures consumers in that they may continue to pay much higher prices for their electricity, possibly without realizing it. And the injury cannot be avoided by consumers because they aren't provided the information.

154. The conduct is also immoral, unethical, and a violation of public policy. Since 2017, Illinois regulations have required ARES to provide written notice to variable rate

customers whenever their rate increases by more than 20% from one month to the next. Ill. Admin. Code tit. 83, § 412.165(e) (Rate Notice to Customers).

155. As described herein, Residents has raised customer rates by more than 20% without providing written notice as required by Illinois law, in violation of § 412.165(e).

156. Residents' failure to provide notice to its variable rate customers when their rate significantly increases from one month to the next constitutes an unfair or deceptive practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

157. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with a disability;

- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

**VIOLATIONS OF SECTION 2EE OF THE  
CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT**

158. Section 2EE of the Consumer Fraud Act, 815 ILCS 505/2EE, specifically addresses fraud by electricity service providers, such as Residents.

**Count XI  
Enrolling Consumers without their Knowledge or Consent**

159. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

160. Pursuant to 85 ILCS 505/2EE(a)(iv), an ARES “shall not submit or execute a change in a consumer’s selection of a provider of electric service unless and until...the [ARES] has obtained the consumer’s express agreement to accept the offer after the disclosure of all material terms and conditions of the offer.”

161. As described herein, Residents has enrolled customers without their knowledge or consent, in violation of 85 ILCS 505/2EE(a)(iv).

162. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant’s violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;

- (d) revoke Defendant's Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;
- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with a disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

## **Count XII**

### **Misrepresentations Regarding Affiliation with Public Utility**

163. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

164. Under Section 2EE of the Consumer Fraud Act, “[a]n alternative retail electric supplier shall not utilize the name of a public utility in any manner that is deceptive or misleading, including, but not limited to implying or otherwise leading a consumer to believe that an alternative retail electric supplier is soliciting on behalf of or is an agent of a utility.” 815 ILCS 505/2EE(b)(1).

165. Section 2EE of the Consumer Fraud Act further provides that, “[a]n alternative retail electric supplier shall not state or otherwise imply that the alternative retail electric supplier is employed by, representing, endorsed by, or acting on behalf of a utility or utility program[.]” 815 ILCS 505/2EE(b)(2).

166. As described herein, during solicitations, Residents has represented, directly or indirectly, expressly or by implication, with the intent that consumers rely on these misrepresentations and omissions, that its sales representative is affiliated with the public utility by, for example:

- (a) asking to speak with the person who handles the “electric bill,” or using similar language;
- (b) telling the consumer that the representative is following up on a notice in the electric bill, and representing that they could not tell if the consumer responded;
- (c) telling the consumer that they were calling to issue “money back on the electric bill” or a “rebate on the electric bill,” or similar language;
- (d) telling the consumer that they are “working in cooperation with the utility” to provide rebates, or similar language;
- (e) asking to “verify” or “confirm” the consumer’s ComEd or Ameren account number, implying that the sales representative already has access to this confidential utility account information and is merely verifying or confirming it; and
- (f) misrepresenting or implying an affiliation with the public utility during in-person solicitations.

167. In truth and fact, despite Residents’ sales representatives making these representations:

- (a) The sales representative is not affiliated with the public utility but is instead attempting to switch the consumer’s electric supplier;
- (b) The sales representative is not affiliated with the public utility, has no access to the consumer’s account information, and therefore is not in a position to know whether or not the consumer responded to a purported notice in the bill;
- (c) The sales representative is not affiliated with the public utility, and it is the sales representative’s job to switch the consumer’s electric supplier—not issue money back or rebates on the consumer’s ComEd or Ameren account;
- (d) The sale representative is not “working in cooperation with the utility,” but rather is competing with the utility to switch the consumer’s account;

- (e) The sales representative is not affiliated with the public utility, and the sales representative cannot “verify” or “confirm” the consumer’s public utility account number because the sales representative does not have access to this information. In fact, the sales representative is attempting to switch the consumer’s electric supplier to Residents; and
- (f) The sales representative is not affiliated with the public utility.

168. The making of the representations and omissions as set forth and described herein, with the intent that the consumer relies on those misrepresentations and omissions, constitutes a deceptive or misleading use of the name of the public utility in violation of Section 2EE(b)(1) of the Consumer Fraud Act, 815 ILCS 505/2EE(b)(1), as well as an unlawful practice under Section 2EE(b)(2) of the Consumer Fraud Act, 815 ILCS 505/2EE(b)(2) .

169. The making of such representations and omissions furthermore constitutes an unfair or deceptive act or practice in or affecting commerce in violation of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2.

170. Wherefore, the Plaintiff prays that this honorable Court:

- (a) award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including but not limited to a preliminary injunction and the appointment of a receiver;
- (b) enter a permanent injunction to prevent future violations of the Consumer Fraud Act by Defendant;
- (c) award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant’s violations of the Consumer Fraud Act, including but not limited to, restitution, rescission of contracts entered into between the Defendant and Illinois consumers, the refund of monies paid, and the disgorgement of ill-gotten monies;
- (d) revoke Defendant’s Certificate of Service Authority to operate as an alternative retail electric supplier in the State of Illinois;
- (e) assess a civil penalty as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, of up to \$50,000 for any method, act, or practice declared unlawful by the Act. In the event the Court finds the method, act, or practice



to have been entered into with the intent to defraud, the Court should impose a civil penalty of \$50,000 per violation;

- (f) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(1), of \$50,000 for each violation against an elderly consumer, defined as a person 60 years of age or older;
- (g) assess a civil penalty as provided in Section 2FF of the Consumer Fraud Act, 815 ILCS 505/2FF(2), of \$50,000 for each violation against a person with disability;
- (h) require Defendant to pay all costs for the prosecution and investigation of this action, as provided by Section 10 of the Consumer Fraud Act, 815 ILCS 505/10; and
- (i) provide such other and further equitable relief as justice and equity may require.

Respectfully submitted,  
THE PEOPLE OF THE STATE OF  
ILLINOIS, BY KWAME RAOUL,  
Attorney General of the State of Illinois

Dated: September 29, 2023

By:

  
\_\_\_\_\_  
Susan N. Ellis  
One of the Attorneys for Plaintiff

Thomas J. Verticchio  
Assistant Chief Deputy Attorney General  
Susan N. Ellis  
Chief, Consumer Protection Division  
100 W. Randolph St., 11th Fl.  
Chicago, IL 60601  
(312) 814-3659  
thomas.verticchio@ilag.gov  
susan.ellis@ilag.gov  
Atty. No: 99000

Benjamin Blustein  
Robert S. Libman  
Matthew Owens  
Paul S. Balik  
Special Assistant Attorneys General  
Miner, Barnhill & Galland, P.C.  
325 N. LaSalle St., Ste. 350  
Chicago, IL 60654  
(312) 751-1170  
bblustein@lawmbg.com  
rilibman@lawmbg.com  
mowens@lawmbg.com  
pbalik@lawmbg.com  
Atty. No. 44720

Christopher J. Wilmes  
Tory Tilton  
Special Assistant Attorneys General  
Hughes Socol Piers Resnick & Dym, Ltd.  
70 W. Madison St., Ste. 4000  
Chicago, IL 60602  
(312) 580-0100  
cwilmes@hsplegal.com  
ttilton@hsplegal.com  
Atty. No. 45667

Jay Edelson  
Ari Scharg  
Jimmy Rock  
Shantel Chapple Knowlton  
Michael Ovca  
Special Assistant Attorneys General  
Edelson PC  
350 N. LaSalle St., 14th Fl.  
Chicago, IL 60654  
(312) 589-6370  
jedelson@edelson.com  
ascharg@edelson.com  
jrock@edelson.com  
schappleknowlton@edelson.com  
movca@edelson.com  
Atty. No. 62075