



Attorney General Raoul Urges Holiday Shoppers To Be Vigilant Of Fraudulent Marketing By Alternative Energy Suppliers

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Chicago – As Illinois residents rush to complete last-minute holiday shopping, Attorney General Kwame Raoul today urged them to be aware of fraudulent marketing practices by alternative retail energy suppliers. These suppliers are private, for-profit companies that sell electricity and natural gas to consumers. Raoul is encouraging holiday shoppers to be wary of pitches by sales representatives in stores and to be aware that alternative retail energy suppliers are not endorsed by the state or any utility or utility program.

While people may be accustomed to door-to-door solicitations and telemarketing, Raoul said alternative retail energy suppliers might take advantage of the busy holiday shopping season to approach customers in retail stores, shopping malls, and common spaces such as train stations and office building lobbies. Raoul also is urging retailers and store owners to help protect their customers by precluding such suppliers from marketing inside or around their stores.

“As people rush to purchase last-minute holiday gifts, they should also be wary of energy suppliers that set up in busy retail spaces to entice customers with false claims of free energy and deceptive reward benefits. People should be skeptical of energy offers that sound too good to be true,” Raoul said. “I would also encourage retailers to help protect consumers during this holiday shopping season by keeping suppliers who mislead consumers out of their stores.”

In their marketing, suppliers typically claim to offer cheaper electricity and gas compared with a customer’s public utility provider, but many customers who sign up

will end up paying much more than the public utility rates. In the last five years, Illinois customers who signed up with alternative retail electric suppliers paid more than \$870 million more for electricity than if they had stayed with their public utility.

Attorney General Raoul's office has worked to strengthen regulations of the energy supplier industry and protect consumers. Raoul's office has conducted investigations into various suppliers that have resulted in millions of dollars being returned to thousands of customers, spearheaded legislation to strengthen consumer protection laws, and dedicated education and outreach efforts to inform residents about the costs of supplier contracts.

This year, Raoul initiated the Home Energy Affordability and Transparency (HEAT) Act, which will go into effect on Jan. 1. The HEAT Act requires suppliers to disclose critical pricing information, prohibits them from imposing termination fees to residential and small commercial customers, and gives the Attorney General's office improved tools to shut down suppliers that engage in fraudulent and misleading conduct and return money to consumers who have been harmed.

To protect against fraudulent utility marketing, Raoul offered the following advice to Illinois residents who are solicited by an alternative retail energy supplier:

NEVER answer the door to a stranger, especially if they are trying to get you to switch your utility service.

NEVER show or share your utility bill or account number with someone who comes to your door or calls you on the phone.

Do not sign anything.

- Be wary of any offer that promises or guarantees savings.
- Be aware that if a supplier offers a price that seems lower than your utility, it could be an introductory rate that later increases.
- Remember hidden fees.
- Remember that no alternative energy supplier is affiliated with or endorsed by your utility or the government. If you sign up for a service with an alternative supplier, you are entering a new contract with a different company.

Raoul encourages Illinoisans who suspect they are victims of fraudulent marketing to file complaints on his [website](#) or by calling the Attorney General's Consumer Fraud Hotline: 1-800-386-5438 in Chicago, 1-800-243-0618 in Springfield or 1-800-243-0607 in Carbondale.