



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3029

by Rep. Kelly M. Burke

SYNOPSIS AS INTRODUCED:

220 ILCS 5/4-604 new

Amends the Public Utilities Act. Provides for licensure of persons and entities engaged in the procurement or sale of retail electricity supply, retail natural gas supply, energy efficiency products or services, or demand response services for third parties as energy services agents and energy services entities and for licensure of energy services course providers by the Illinois Commerce Commission. Provides for mandatory disclosures by energy services agents or energy services entities. Requires all energy services agents engaged in the marketing of retail electricity supply, retail natural gas supply, energy efficiency products or services, or demand response services, before providing any sales information to a potential customer, to disclose that they are not employed by the local utility within the territory they are selling retail electricity supply, retail natural gas supply, energy efficiency products, or demand response services. Requires the Commission to establish procedures for licensure as an energy services agent, energy services entity, or energy services course provider, and specifies certain criteria. Provides that the Commission has jurisdiction over disciplinary proceedings and complaints for violations. Requires the Commission to maintain a list of disciplined and suspended energy services agents and a list of all disciplined, suspended, or revoked energy services entities.

LRB101 07786 JRG 52836 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Section 4-604 as follows:

6 (220 ILCS 5/4-604 new)

7 Sec. 4-604. Licensure of persons and entities engaged in
8 the procurement or sale of retail electricity supply, retail
9 natural gas supply, energy efficiency products or services, or
10 demand response services for third parties.

11 (a) In this Section:

12 "Energy services agent" means a person that attempts to
13 procure or sell retail electric service, retail natural gas
14 supply, energy efficiency products or services, or demand
15 response services for third parties to a residential or small
16 business customer in this State.

17 "Energy services entity" means a corporation, a company, a
18 partnership, or another business entity that attempts to
19 procure or sell retail electric service, retail natural gas
20 supply, energy efficiency products or services, or demand
21 response services for third parties to a residential or small
22 business customer in this State.

23 "Energy services agent" and "energy services entity" do not

1 include the following:

2 (1) the Illinois Power Agency or any of its employees;

3 (2) an alternative retail electric supplier as defined
4 in Section 16-102 that offers retail electric service,
5 energy efficiency products or services, or demand response
6 services or any of the alternative retail electric
7 supplier's employees;

8 (3) an alternative gas supplier as defined in Section
9 19-105 of this Act that offers gas service, energy
10 efficiency products or services, or demand response
11 services or any of the alternative gas supplier's
12 employees;

13 (4) a person or entity representing a municipal power
14 agency as defined in Section 11-119.1-3 of the Illinois
15 Municipal Code within its service territory;

16 (5) a person or entity representing an electrical
17 cooperative as defined in Section 3.4 of the Electric
18 Suppliers Act within its service territory;

19 (6) a person or entity certified as an energy
20 efficiency installer under Section 16-128B of this Act;

21 (7) a person or entity licensed as an agent, broker,
22 and consultant engaged in the procurement or sale of retail
23 electricity for third parties under Section 16-115C of this
24 Act; or

25 (8) a person or entity licensed under Section 16-128A
26 of this Act with regard to distributed generation

1 facilities.

2 "Energy services course provider" means a business entity
3 that provides training course materials and a training program
4 to energy services agents. Alternative retail electric
5 suppliers and alternative gas suppliers are eligible to be an
6 energy services course provider if the training course
7 materials and training program are approved by the Commission.

8 "Residential customer" has the meaning given to that term
9 in Section 16-103.1 of this Act with respect to electric
10 service and in Section 19-105 of this Act with respect to
11 natural gas service.

12 "Small commercial customer" has the meaning given to that
13 term in Section 16-102 of this Act with respect to electric
14 service and in Section 19-105 of this Act with respect to
15 natural gas service.

16 (b) The purpose of this Section is to adopt licensing and
17 code of conduct rules in a competitive energy market where
18 retail electricity supply, retail natural gas supply, energy
19 efficiency, or demand response products are sold in order to
20 protect Illinois consumers from unfair or deceptive acts or
21 practices and to provide persons acting as energy services
22 agents engaged in the sale to residential and small commercial
23 customer of retail electricity supply, retail natural gas
24 supply, energy efficiency products, or demand response
25 services for third parties with notice of the illegality of
26 those acts or practices.

1 (c) All energy services agents engaged in the marketing of
2 retail electricity supply, retail natural gas supply, energy
3 efficiency products or services, or demand response services,
4 before providing any sales information to a potential customer,
5 shall disclose that they are not employed by the local utility
6 within the territory they are selling retail electricity
7 supply, retail natural gas supply, energy efficiency products,
8 or demand response services.

9 (d) Beginning one year after the effective date of this
10 amendatory Act of the 101st General Assembly, no person or
11 entity shall act as an energy services agent or as an energy
12 services entity engaged in the procurement or sale of retail
13 electricity supply, retail natural gas supply, energy
14 efficiency products or services, or demand response services
15 for third parties unless that person or entity is licensed by
16 the Commission under this Section. Any individual or entity
17 found by the Commission in violation of this provision may be
18 prohibited from being licensed for up to 2 years.

19 (e) The Commission shall establish procedures for
20 licensure as an energy services agent, which shall include all
21 of the following criteria:

22 (1) Certification of completion of an energy course by
23 an energy course provider as long as the course, the course
24 fee, and the provider have been approved by the Commission.

25 (2) Payment to the Commission for deposit into the
26 Public Utility Fund an annual fee of no more than \$50 to

1 defray the cost of administration by the Commission.

2 (3) Annual certification of course completion and
3 license renewal.

4 (4) Failure to comply with the Consumer Fraud and
5 Deceptive Practices Act or any related consumer protection
6 provisions for sales as determined by the Commission, and
7 the provisions of this Section shall subject an energy
8 services agent to the discipline procedures of the
9 Commission.

10 (f) The Commission shall create requirements for licensure
11 as an energy services entity, which shall include all of the
12 following criteria:

13 (1) An energy services entity shall ensure and certify
14 the completion of an annual energy course through an energy
15 course provider. The certification must include all
16 employees acting as an energy services agent and
17 contractors acting as an energy services agent including
18 any employee or contractor with direct supervisory
19 responsibility of energy services agents.

20 (2) Certification by the energy services entity that
21 the entity and all energy services agents it employs or
22 contracts with will comply with all rules of the Commission
23 with regard to consumer protection as it relates to the
24 retail electricity supply, retail natural gas supply,
25 energy efficiency products, or demand response services
26 being sold.

1 (3) Certification by the entity that the entity and all
2 energy services agents it employs or contracts with shall
3 comply with the requirements of Sections 2EE, 2FF, 2GG, and
4 2HH of the Consumer Fraud and Deceptive Business Practices
5 Act.

6 (4) Payment to the Commission for deposit into the
7 Public Utility Fund an annual fee of no less than \$250 to
8 defray the cost of administration by the Commission.

9 (5) As part of the annual license application or
10 renewal, an energy services entity shall file a report
11 detailing: (1) a list of employees and contractors that are
12 energy services agents; and (2) a list, by agent, of
13 complaints filed against the entity's energy services
14 agents and the action taken to resolve such complaints.

15 A public redacted version of the verified report may be
16 submitted to the Commission along with a proprietary
17 version. The public redacted version may redact from the
18 verified report the name or names of the energy services
19 agents. The information shall be afforded proprietary
20 treatment for 2 years after the date of the filing of the
21 verified report.

22 (6) Failure to comply with the provisions of this
23 Section shall subject an energy services entity to the
24 discipline procedures of the Commission.

25 (7) Any energy services entity that knowingly allows an
26 employee or contractor to sell retail electricity supply,

1 retail natural gas supply, energy efficiency products, or
2 demand response services without a valid license, hides the
3 ownership of any individual that has been the subject of a
4 disciplinary action under this Section, or awards false
5 certificates or licenses to unqualified or suspended
6 energy services agents shall be subject to Commission
7 discipline.

8 (g) The Commission shall establish procedures for
9 licensure, course administration, course subject matter
10 approval, and licensure renewal by energy services course
11 providers.

12 The Commission may act as the energy services course
13 provider or establish a process to allow a separate entity to
14 act as an energy services course provider.

15 (1) Courses must be offered at a minimum online; an
16 energy services course provider may also establish a
17 physical location for training.

18 (2) Courses must not take more than one day to
19 complete.

20 (3) Courses shall separately present consumer
21 protection requirements and basic information about energy
22 products related to retail electricity supply, retail
23 natural gas supply, energy efficiency products, or demand
24 response services as applicable to that energy services
25 agent but need not contain specific products or services,
26 unless used as examples.

1 (4) A license shall only be issued for the specific
2 course. However, the Commission may issue a master license
3 which covers retail electricity supply, retail natural gas
4 supply, energy efficiency products, or demand response
5 services in total.

6 (5) Each course taken by an energy services agent or
7 applicant a unique identifier or pin number associated with
8 the applicant to verify completion.

9 (6) The Commission may delegate registration of course
10 completion certificates to energy services course
11 providers provided there is a master registry maintained by
12 the Commission.

13 (7) Payment to the Commission, or if the Commission
14 approves the use of an energy services course provider then
15 to the energy services course provider, an annual fee of no
16 more than \$50 per energy services agent license and \$50 per
17 renewal license to defray the cost of administration.

18 (8) Any energy services course provider that knowingly
19 awards licenses or gives a passing grade to unqualified or
20 suspended energy services agents shall be subject to
21 Commission discipline.

22 (h) The Commission jurisdiction over disciplinary
23 proceedings and complaints for violations of this Section. For
24 any energy services agent or energy services course provider,
25 the findings of a violation of this Section by the Commission
26 shall result in a progressive disciplinary scale. For a first

1 violation, the Commission may, in its discretion, suspend the
2 license of the person or entity so disciplined for a period of
3 no less than one month. For a second violation within a 5-year
4 period, the Commission shall suspend the license for the person
5 or entity so disciplined for a period of not less than 6
6 months. For a third or subsequent violation within a 5-year
7 period, the Commission shall suspend the license of the
8 disciplined person or entity for a period of not less than 2
9 years.

10 The Commission has jurisdiction over disciplinary
11 proceedings and complaints for violations of this Section. For
12 any energy services agent, energy services entity, or energy
13 services course provider, for a first violation, the Commission
14 may, in its discretion, suspend the license of the person or
15 entity so disciplined for a period of not less than one month.
16 For a second violation within a 5-year period, the Commission
17 shall suspend the license for the person or entity so
18 disciplined for a period of not less than 6 months. For a third
19 or subsequent violation within a 5-year period, the Commission
20 shall suspend the license of the disciplined person or entity
21 for a period of not less than 2 years.

22 The Commission shall maintain a list of disciplined and
23 suspended energy services agents and a list of all disciplined,
24 suspended, or revoked energy services entities. This list shall
25 be made available to any alternative retail electric supplier
26 or alternative gas supplier upon request.