

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

MidAmerican Energy Company,)
Nicor Energy, L.L.C.,)
AES New Energy, Inc., and the)
National Energy Marketers Association)
)
Request for Expedited Rulemaking)
Regarding Telephonic and Internet)
Enrollment Procedures Consistent with)
§ 2EE of the Consumer Fraud and)
Deceptive Business Practices Act)

Docket No. _____

**PETITION REQUESTING THE EXPEDITED PROMULGATION OF A RULE BY
MIDAMERICAN ENERGY COMPANY, NICOR ENERGY, L.L.C.,
AES NEW ENERGY, INC., AND THE
NATIONAL ENERGY MARKETERS ASSOCIATION**

Petitioners, MidAmerican Energy Company, Nicor Energy, L.L.C., AES New Energy, Inc., and the National Energy Marketers Association, hereinafter “Petitioners” or “Marketers,” under 83 Ill. Admin. Code §200.210, respectfully submit this Petition for expedited rulemaking regarding telephonic and Internet enrollment procedures, pursuant to the Illinois Public Utilities Act, 220 ILCS 5/1-101, *et. seq.* (“the Act”), as an alternative form and manner of the Letter of Agency, consistent with 815 ILCS 505/2EE of the Consumer Fraud and Deceptive Business Practices Act (“Fraud Act”). Specifically, the Marketers seek to implement telephonic and Internet enrollment procedures utilizing electronic signatures and electronic records to satisfy the requirement of verifiable authorization or consent of the customer as required by law. In addition to the request for rulemaking, Marketers urge this Commission to grant an expedited schedule for this proceeding, providing for a notice and comment period and foregoing hearings

and testimony. The reasons for approving this Petition for rulemaking and granting an expedited schedule providing for a notice and comment period are contained in the memorandum attached hereto and incorporated herein.

Respectfully submitted,

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**MEMORANDUM IN SUPPORT OF PETITION REQUESTING THE EXPEDITED
PROMULGATION OF A RULE BY MIDAMERICAN ENERGY COMPANY,
NICOR ENERGY, L.L.C., AES NEW ENERGY, INC., AND
THE NATIONAL ENERGY MARKETERS ASSOCIATION**

MidAmerican Energy Company, Nicor Energy, L.L.C., AES New Energy, Inc., and the National Energy Marketers Association, hereinafter “Petitioners” or “Marketers,” Petition Requesting The Expedited Promulgation Of A Rule should be approved pursuant to the Illinois Commerce Commission’s (“Commission”) Rules and Regulation contained in § 200.210 of the Illinois Administrative Code (83 Ill. Admin. Code § 200.210).

I. PETITIONERS’ INTEREST IN RULEMAKING

Petitioners are an *ad hoc* group of competitive retail electric suppliers that are either certified to do business in the state of Illinois or are a national trade association representing a diverse cross-section of wholesale and retail marketers of energy and energy-related products and services.

The proposed rules, attached as Exhibits A and B, directly affect how retail electric suppliers (RES) are permitted to enroll customers under the Electric Service Customer Choice and Rate Relief Law of 1997, 220 ILCS 5/16-101 et seq. (“Choice Act”). These alternative enrollment rules allow Marketers to enroll customers in a cost-effective manner, and thereby assist in the development of a robust competitive market while continuing to ensure that the interest of the customer is protected.

Marketers assert that the adoption of the attached telephonic and Internet enrollment rules will lower customer acquisition costs, allow for the provision of additional value-added products and services, reduce barriers to entry into the Illinois marketplace and provide the foundation for a true, competitive energy market in Illinois. Continued utilization of a physical or “wet” signature requirement increases Marketer costs and has an anticompetitive effect on the market, in that it provides a competitive advantage to the incumbent utility, which through existing regulation, permits customers to apply for service by telephone and, for some utilities, by Internet [See 83 Ill. Admin. Code § 280.50(d)] (Added at 6 Ill. Reg. 13723, effective November 8, 1982; amended at 18 Ill. Reg. 17974, effective December 15, 1994). This requirement ultimately raises the cost of service to consumers in addition to reducing the availability of competitive choices.

For the reasons stated above, Marketers have a real and substantial interest in the promulgation of telephonic and Internet enrollment rules consistent with § 2EE of the Consumer Fraud and Deceptive Business Practices Act (“Fraud Act”).

II. COMMISSION AUTHORITY TO APPROVE FORM AND MANNER OF LETTER OF AGENCY

The Commission has been vested with the authority by the Choice Act to approve the form and manner of the verifiable authorization from the customer, provided that form and

manner is consistent with § 2EE of the Fraud Act [220 ILCS 5/16-115A, (effective Dec. 16, 1997)]. Even more basic than the Commission's authority with respect to customer switching procedures is its authority to "act to promote the development of an effectively competitive electricity market that operates efficiently and is equitable to all consumers." [220 ILCS 5/16-101A(d)]

Lastly, no Commission policy exists that prohibits the use of telephonic and Internet enrollment. To the contrary, the Commission recently approved both enrollment methods in the gas choice pilot programs of Nicor Gas, Peoples Gas and North Shore Gas. [*Northern Illinois Gas Company d/b/a Nicor Gas Company*, Docket Nos. 00-0620/0621, 214 P.U.R. 4th 43 (July 5, 2001); *The Peoples Gas, Light and Coke Company*, Docket No. 01-0470, "Order" (March 5, 2002); and *North Shore Gas Company*, Docket No. 01-469, "Order" (March 5, 2002)] In this instant proceeding, Petitioners request that the Commission act to approve a form and manner of verifiable authorization consistent with § 2EE of the Fraud Act in order to promote the development of a competitive electric market that operates in an effective and efficient manner for all consumers.

III. PROMULGATED RULES SATISFY THE INTENT OF § 2EE OF THE CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT

A. Applicability of Illinois Electronic Commerce and Security Act

The issue of whether the federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-Sign") pre-empts the Illinois Electronic Commerce and Security Act ("ECSA") was raised in the Commonwealth Edison delivery service case [*Commonwealth Edison Company*, Docket No. 01-0423, Interim Order, pp. 147-148 (April 1, 2002)]. The issue of preemption arises as E-Sign provides that state statutes may modify, limit or supercede the requirements of 15 USCS § 7002, where the state

statute either adopts the Uniform Electronic Transactions Act requirements or provides alternative procedures consistent with the E-Sign Act requirements:

(a) In general

A State statute, regulation, or other rule of law may modify, limit, or supersede the provisions of section 7001 of this title with respect to State law only if such statute, regulation, or rule of law –

(1)

constitutes an enactment or adoption of the Uniform Electronic Transactions Act as approved and recommended for enactment in all the States by the National Conference of Commissioners on Uniform State Laws in 1999, except that any exception to the scope of such Act enacted by a State under section 3(b)(4) of such Act shall be preempted to the extent such exception is inconsistent with this subchapter or subchapter II of this chapter, or would not be permitted under paragraph (2)(A)(ii) of this subsection; or

(2)

(A)

specifies the alternative procedures or requirements for the use or acceptance (or both) of electronic records or electronic signatures to establish the legal effect, validity, or enforceability of contracts or other records, if –

(i)

such alternative procedures or requirements are consistent with this subchapter and subchapter II of this chapter; and

(ii)

such alternative procedures or requirements do not require, or accord greater legal status or effect to, the implementation or application of a specific technology or technical specification for performing the functions of creating, storing, generating, receiving, communicating, or authenticating electronic records or electronic signatures; and

(B)

if enacted or adopted after June 30, 2000, makes specific reference to this chapter. (15 USCS § 7002 et. seq. and 47 USCS § 231 note). . . (15 USCS § 7002).

The Government and Consumer Parties (City of Chicago, the People of the State of Illinois, the People of Cook County, and the Citizens Utility Board), hereinafter “Government”, argued in their Initial Brief, “There is no indication that the ECSA is inconsistent with E-Sign....While ESCA authorizes the Secretary of State to certify security procedures (5 ILCS 175/10-135), this does not rise to the level of requiring or according greater legal status to a specific technology or technical specification, as addressed in (a)(2)(A)(ii). [15 USCS §7002(a)(2)(A)(ii)].” (Initial Brief of Government and Consumer Parties, Commonwealth Edison Residential Delivery Service Tariff, ICC Docket 01-0423 at 96)

The General Assembly enacted ECSA on July 1, 1999, which provides for the use of “secure electronic signatures” as described in § 10-110, in lieu of “wet” signatures. The ECSA also outlines security measures and procedures to validate such “secure electronic signatures,” in order to prevent the use of unfair and deceptive acts or practices in the competitive market place. E-Sign went into effect on June 30, 2000, and provides:

“If a law that was enacted prior to this chapter expressly requires a record to be provided or made available by a specified method that requires verification or acknowledgment of receipt, the record may be provided or made available electronically only if the method used provides verification or acknowledgment of receipt (whichever is required).” [15 USC § 7001(c)(2)(B)]

This provision, as read in relation to the consumer disclosure requirements of the Letter Of Agency (LOA) in § 2EE of the Fraud Act, would permit that an electronic record be used to authorize a customer switch as long as the electronic record provides verification of the disclosure requirements stated in § 2EE of the Fraud Act.

This position has found support in Illinois case law as well. In *Just Pants v. Wagner*, 247 Ill. App. 3d 166, 173-174, 617 N.E.2d 246, Ill. App. LEXIS 702, 187 Ill. Dec. 38 (Ill. App. Ct. 3rd Dist. 1993), the Court states:

“In a variety of contexts, the law has consistently interpreted ‘signed’ to embody not only the act of subscribing a document, but also anything which can reasonably be understood to symbolize or manifest the signer’s intent to adopt a writing as his or her own and be bound by it. This may be accomplished in a multitude of ways, only one of which is a handwritten subscription.”

A similar analysis is found in *In Re RealNetworks, Inc.*, Privacy Litigation 00-C-1366, 2000 U.S. Dist. LEXIS 6584, (N.D. Ill. May 11, 2000), where the Court stated:

“According to the Intervenor, the License Agreement is an electronic agreement, and electronic agreements do not satisfy the “written” agreement provisions of the FAA [Federal Arbitration Act] and the WAA [Washington Arbitration Act].

Both the Intervenor and RealNetworks agree that Congress intended the Federal Arbitration Act to apply only to written contracts. Because the terms in the statute must be given their plain meaning and do not explicitly allow for an “electronic” agreement, Intervenor reasons that electronic communication cannot satisfy the writing requirement, but only a written one can. However, this only begs the question, what is a written agreement? Although contract terms must be given their plain and ordinary meaning, the Court is unconvinced that the plain and ordinary meaning of ‘writing’ or ‘written’ necessarily cannot include any electronic writings.... the Court does not now find that all electronic communications may be considered ‘written.’ Rather, the Court examines the contract at issue in this action and finds that its easily printable and storable nature is sufficient to render it ‘written.’”

Under the proposed rules, the customer’s intent to adopt a RES service contract and be bound by it is evidenced by their oral acceptance and acknowledgement of authorization to switch electric service providers under telephonic enrollment procedures and by the customer’s provision of a customer identification key, specific to that customer, under the Internet enrollment procedures, both of which are electronic records under the ECSA and E-Sign. The provision of the Illinois ECSA pertaining to “electronic records” may supercede E-Sign because it provides a broader definition of the term.

The definition of an electronic record under the ECSA is as follows: “Electronic Record” means a record generated, communicated, received or stored by electronic means for use in an information system or for transmission from one information system to another. “Electronic” under the ECSA includes electrical, digital, magnetic, optical, electromagnetic, or any other form of technology that entails capabilities similar to these technologies (5 ILCS 175/5-105). E-Sign defines an “Electronic Record” as, “a contract or other record created, generated, sent, communicated, received, or stored by electronic means,” and defines “Electronic” as, “relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.” [15 U.S.C. 7006(2) and (4)].

In fact, the Secretary of State, who by law is authorized to certify security procedures, in determining whether or not a security procedure has been generally accepted in the relevant information security or scientific community, must consider the opinion of independent experts in the applicable field and the published findings of such community. These include applicable standards organizations such as the American National Standards Institute, International Standards Organization, International Telecommunications Union, and the National Institute of Standards and Technology. [5 ILCS 175/10-135(b)]

B. E-Sign § 2EE and the ECSA Are Compatible

The Fraud Act outlines the content of the customer authorization required to effectuate the switch. (815 ILCS 505/2EE(1), effective December 16, 1997). Specifically, the alternative retail electric supplier must provide a LOA that is a separate document for the sole purpose of authorizing an electric service provider change. The LOA must contain clear and unambiguous language that confirms:

- The subscriber’s billing name and address;
- The decision to change the electric service provider from the current provider to the prospective provider;
- The terms, conditions, and nature of the service to be provided to the subscriber must be clearly and conspicuously disclosed, in writing, and an electric service provider must directly establish the rates for the service contracted for by the subscriber; and
- That the subscriber understands that any electric service provider selection the subscriber chooses may involve a charge to the subscriber for changing the subscriber’s electric service provider.

While some have argued that the Section appears to require a “wet” signature on the LOA [815 ILCS 505/2EE (2)], Petitioners assert that current federal and Illinois law permits electronic records and electronic signatures to validate a document that would otherwise require a “wet” signature. As the Government and Consumer Parties’ Initial Brief states, “In simple terms, the purpose of the Fraud Act is to prevent deception, misrepresentation or concealment. In terms of § 2EE, this translates into requiring that the LOA disclose the specific information describing to what the subscriber is agreeing, and regarding the subscriber itself. [815 ILCS 505/2EE(5)].” “Allowing a subscriber to attest this by secure electronic signature, in addition to a “wet” signature, is not “clearly inconsistent with the manifest intent” of the General Assembly nor “repugnant to the context” of the Fraud Act.” (5 ILCS 175/5-120), see also (815 ILCS 505/1 et seq.) “Where qualified security procedure is met, allowing an electronic signature is not inconsistent with the Fraud Act; rather it is in harmony with the disclosure and validation purposes of § 2EE.” (Initial Brief of the Government and Consumer Parties, Docket No. 01-0423, at 95). As such, it would therefore be appropriate for the Commission to approve the attached rules as a proper form and manner of obtaining verifiable authorization from the customer consistent with § 2EE.

The legal question regarding the use of electronic signatures in the context of Internet enrollment has been posed by the Commission Staff and found to be consistent with the intent of § 2EE of the Fraud Act, (Initial Brief of the Staff of the Commission, Docket No. 01-0423 at 117-119). The same result may be achieved with respect to the preserved electronic record created by an electronic recording of an oral authorization to switch electric service providers. Current technology provides the ability to digitally record the customer's authorization to switch electric service providers and to preserve that recording in a usable format to be stored in information systems and also be transferred between information systems. The transfer could be as simple as electronic mail with the recording attached for audio verification, which could be considered jointly with a transcription of the taped authorization for verification and audit purposes.

The following is a description of the electronic form and manner for which the Marketers are requesting approval from the Commission. The Marketers will first explore customer enrollment as it is accomplished telephonically, and will follow with a similar analysis of Internet customer enrollment. It is not the intent of the Marketers to limit the scope of electronic enrollment to one methodology but rather to establish the appropriateness of electronic enrollment utilizing any currently available technology. It is anticipated that these methods will change as the competitive market, consumer needs and technology continue to evolve.

1. Telephonic Enrollment Process

The Marketers may enroll via an electronically recorded oral authorization to switch electric providers. This process allows customer enrollment to occur quickly and efficiently without requiring the customer to do anything additional after the sales call. It also eliminates the costly "call back" by the Marketer to get

the “wet” signature form returned, prior to beginning the actual switching process with the utility. On average for non-residential customers, it may take up to two or three callbacks per customer. This presents additional steps for the customer, lengthens the enrollment process and delays the start of savings for the customer.

2. Verification and Security Procedure

The prospective customer is contacted and the decision maker is identified. Once the decision maker is identified, the sales representative discloses all the terms and conditions of the offer. This process allows the customer to proactively ask any questions about the offer and also ensures to the sales representative that the customer understands the offer. It is in the Marketer’s best interest and the customer’s best interest to ensure that the customer clearly understands the offer.

Once the customer acknowledges by verbal consent that he intends to accept the competitive offer, the sales representative informs the customer that the sale will be verified by a recorded “question and answer” or “call back” security procedure conducted by an independent, third-party verifier. The purpose of the recorded verification is to ensure: (a) the customer’s understanding of the terms and conditions, including the agreed upon price disclosed by the sales representative; and (b) the disclosures required by § 2EE, the LOA.

The recorded verification of the authorization to switch is generally recorded no later than within 2 business days after the initial sales call, depending on variables such as the availability of the decision maker to record and verify the enrollment with the RES provider. The customer is told that the call is being recorded and that the purpose of the call is to verify the customer’s understanding

of the offer and record their affirmative choice to switch service providers. If the customer acknowledges their understanding of the terms and conditions and agrees to the offer, the sale is complete and the switch process with the utility begins under the existing terms and conditions of each electric utility's tariffs.

If the Customer asks questions that indicate that the customer does not fully understand the terms and conditions of the offer, the Customer is told that the sale cannot be completed at that time and that a sales representative will contact them to review the questions, and the entire sales and verification process begins again.

The Electronic Enrollment Procedure outlined above conforms to the ECSA in the following ways: (a) the electronic signature in this instance is the ECSA security procedure of answer back or acknowledgement and identifying words that are recorded and stored by digital, electronic means for use in an information system (5 ILCS 175/5-105); and (b) the electronic record clearly shows that the LOA disclosure requirements are met and that the customer is acknowledging their understanding of the offer. As an additional security measure to meet the existing audit needs of both the Commission and electric utility companies, the electronic record may be transcribed or reduced to a writing upon request of the Commission Staff, the electric utility company or the customer.

These adopted rules do not require that a transcription be provided at the time the electronic record is created, rather they provide that a transcription of the original electronic record be made available in cases of audit, complaint resolution or upon customer request. Unless or until the need to provide the written

transcription, the electronically recorded information can be kept on an identical retention schedule as that used for written documents, a period of two years. The transcription thus satisfies the “in writing” language of § 2EE of the Fraud Act.

3. Internet Enrollment Process

Internet Enrollment is customer initiated. Marketers provide a website enrollment platform that consists of the offer of sale, as indicated by a version or identification number assigned to the contract, and the LOA disclosure in both a downloadable and printable format. Once the customer accepts the offer of service and chooses to authorize the switch of electric service providers, they simply provide the necessary information to effectuate the switch. The electronic signature in this instance may be as simple as providing an encrypted password or other customer identification key known only by that customer. The customer identification key may be developed by the technology available to the Marketer, but at a minimum will be provided through a secure website or otherwise as required by Illinois state law.

In order to authenticate the enrollment, Marketers may provide to the Commission, the electric utility company and even the customer, upon request, a printed text of the customer enrollment as preserved in the electronic form. These records are also preserved for the required record retention period of two years.

C. Expedited Procedural Schedule

An expedited schedule is appropriate in this instance for the following reasons:

1. The Commission recently, in each of the electric utility residential delivery service rate cases, entertained arguments for authorizing the use of

electronic signatures as satisfying the § 2EE requirements of the Consumer Fraud and Deceptive Business Practices Act. The issue in those cases was the same as in this instant proceeding, and the parties impacted by this rulemaking will likely be the same as those participating in the delivery service cases.

2. Pursuant to the Final Orders of the residential delivery service cases, a workshop is to be scheduled to establish procedures for the implementation of Internet enrollment. Approving this Petition for expedited rulemaking will not be inconsistent with the Final Orders, rather the upcoming workshop can be used for an informal discussion to help interested parties understand the technologies and processes proposed by Petitioners.
3. On December 27, 2001, MidAmerican Energy Company also filed for special permission to implement the use of a telephonic enrollment procedure consistent with § 2EE of the Consumer Fraud and Deceptive Business Practices Act. [*MidAmerican Energy Company*, Docket No. 01-0844 (Dec. 27, 2001)]. As a result of that filing, Commission Staff hosted a one-day workshop on March 11, 2002, for all interested parties to discuss the operational procedures and impact to the enrollment process between Marketers and electric utility companies. It was at this workshop that Staff prudently recognized the reasonableness of combining Internet and telephonic enrollment, for both commercial and residential customers into one rulemaking process. The findings of that workshop would not be

different if held today, thus providing notice and opportunity for comments would again allow sufficient opportunity for parties to participate in this proceeding without unnecessary delay and repetition. MidAmerican Energy Company formally withdrew its special permission request on April 2, 2002, so that the issue could be taken up in this Petition for Expedited Rulemaking to provide uniformity and consistency in the Illinois electric market.

WHEREFORE, Petitioners respectfully request that the Illinois Commerce Commission approve the Petition Requesting the Expedited Promulgation of a Rule by MidAmerican Energy Company, Nicor Energy, L.L.C., AES New Energy, Inc., and the National Energy Marketers Association for expedited rulemaking to establish operating rules for telephonic and Internet enrollment procedures consistent with § 2EE of the Consumer Fraud and Deceptive Business Practices Act. With the opening of the Illinois residential market on May 1, 2002, the facilitation of business processes provided by the implementation of Internet and telephonic enrollment could provide advantages to both the method and cost of doing business. Improvements such as these will allow and encourage Marketers to participate in this market and will increase access to competitive energy prices for Illinois customers.

The Electric Service Customer Choice and Rate Relief Law of 1997 supports Commission action that encourages customer choice and Marketer competition. Its purpose is to develop processes that establish a competitive energy market. Without support for business processes that allow Marketers to do business at a reasonable cost, consumers may find less than

optimal access to alternative energy providers. The procedures outlined above, if approved, will take significant steps toward the accomplishment of that goal.

Respectfully submitted,

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TELEPHONIC ENROLLMENT RULES

1. Definitions
 - a. “*Retail Electric Supplier (RES)*” shall mean either: (i) an Alternative Retail Electric Supplier (ARES) certified by the ICC pursuant to Section 16-115 of the Public Utilities Act (220 ILCS 5/16-115), meeting all obligations of ARES pursuant to Section 16-115A of the Public Utilities Act (220 ILCS 5/16-115A), and authorized to provide electric power and energy supply services in an LDC’s service territory; or (ii) an Illinois electric utility as defined in Section 16-102 of the Public Utilities Act (220 ILCS 5/16-102) meeting all obligations provided in Section 16-115A and 16-116 of the Public Utilities Act (220 ILCS 5/16-115A, 220 ILCS 5/16-116), other than the LDC.
 - b. “*Retail Customer (Customer)*” shall have the same meaning as that stated in Section 16-102 of the Public Utilities Act.
 - c. “*Independent Third Party*” shall mean (i) any third party not owned, managed, controlled, or directed by the RES or the RES’s marketing agent; (ii) who does not have any financial incentive to verify provider change orders; and (iii) who operates in a location physically separate from the RES or the RES’s marketing agent.
 - d. “*Telephonic Enrollment*” means any electronic recording of a Customer’s authorization to change electric service providers, which satisfies the disclosure requirements of the Letter of Agency prescribed in 815 ILCS 505/2EE.
 - e. “*Telephone Solicitation*” shall mean any communication through the use of a telephone by live operators for soliciting the sale of goods or services and as defined in the Telephone Solicitations Act (815 ILCS 413/1).
2. Telephone Solicitations and Telephonic Enrollments
 - a. All telephone solicitations for competitive electric service shall be made pursuant to state and federal law.
 - b. For all telephonic enrollments, a RES shall maintain a date and time stamped audio recording, verifying, at a minimum, the following:
 - i. Identity of the RES and purpose of call;
 - ii. Statement and the Customer’s acknowledgment that the call is being recorded;
 - iii. Question and the Customer’s acknowledgement that they are the customer of record at the local LDC or otherwise authorized to switch providers;
 - iv. Question and the Customer’s acknowledgement that they wish to enroll with RES for competitive electric service;

- v. Statement and the Customer's acceptance of each of the principal terms and conditions for the service that will be provided including, but not limited to:
 - (a) Service(s) to be provided;
 - (b) Price for each service being provided;
 - (c) Contract term;
 - (d) Any fees for cancellation prior to contract termination date;
 - (e) Any material limitations, conditions, or exclusions;
 - (f) Any fees or costs to the Customer;
 - (g) If applicable, whether a credit check and/or deposit will be required, including amount of deposit; and
 - (h) Identity of party who will bill for the RES provider's service(s).
 - vi. Statement and the Customer's acknowledgment that the RES will provide a written contract that details the terms and conditions that were summarized in the telephonic enrollment,
 - vii. For residential Customers a verbal statement and the Customer's acknowledgement that the Customer has 3 business days from the Telephonic Enrollment to rescind the contract without penalty and be placed in its original condition prior to the sale,
 - viii. Statement and the Customer's acknowledgement of the RES's Toll-free number or local number for customer service questions or inquiries.
 - ix. Request and the Customer's provision of the Customer's LDC account and meter numbers, if applicable;
 - x. Request and the Customer's provision of the Customer mailing and service addresses.
- c. Following Telephonic Enrollment, the RES shall:
- i. Provide to the Customer a written contract that details the terms and conditions summarized in the Telephone Enrollment;
 - ii. Retain the audio recording of the Telephonic Enrollment for a period of no less than two years.
 - iii. Provide a copy of a transcription of the audio recording and a copy of the audio recording to the ICC or its Staff and the Customer's LDC upon request, within a reasonable time.
- d. All telephonic enrollments, as described above, shall be conducted by an independent Third Party, and such third party shall not market any of the RES's services by providing additional information.

INTERNET ENROLLMENT RULES

1. Definitions

- a. “*Retail Electric Supplier (RES)*” shall mean either: (i) an Alternative Retail Electric Supplier (ARES) certified by the ICC pursuant to Section 16-115 of the Public Utilities Act (220 ILCS 5/16-115), meeting all obligations of ARES pursuant to Section 16-115A of the Public Utilities Act (220 ILCS 5/16-115A), and authorized to provide electric power and energy supply services in an LDC’s service territory; or (ii) an Illinois electric utility as defined in Section 16-102 of the Public Utilities Act (220 ILCS 5/16-102) meeting all obligations provided in Section 16-115A and 16-116 of the Public Utilities Act (220 ILCS 5/16-115A, 220 ILCS 5/16-116), other than the LDC.
- b. “*Retail Customer (Customer)*” shall have the same meaning as that stated in Section 16-102 of the Public Utilities Act.
- c. “*Internet Enrollment*” means any electronic record of a Customer’s authorization to change electric service providers, which satisfies the disclosure requirements of the Letter of Agency prescribed in 815 ILCS 505/2EE.

2. Internet Enrollments

- a. For all Internet Enrollments, authorization to switch electric service providers shall be obtained by encrypted customer input on a provider’s Internet website.
- b. The Internet Enrollment website shall at a minimum provide:
 - xi. A copy of the RES provider’s customer contract including all the terms and conditions of services being provided, which include;
 - (a) Price for each service being provided;
 - (b) Contract term;
 - (c) Any fees for cancellation prior to contract termination date;
 - (d) Any material limitations, conditions, or exclusions;
 - (e) Any fees or costs to the Customer;
 - (f) If applicable, whether a credit check and/or deposit will be required, including amount of deposit; and
 - (g) Identity of party who will bill for the RES provider’s service(s).

EXHIBIT B

- xii. A conspicuous statement, within the body of the electronic version of the contract that residential customers may cancel the enrollment within 3 business days of the Internet Enrollment.
 - xiii. A prompt for the customer to print or save a copy of the contract.
 - xiv. Any electronic version of the contract shall be identified by a version number, in order to ensure the ability to verify the particular contract to which the customer assents;
- c. Following the Internet Enrollment, the RES shall:
- i. Retain the Internet Enrollment for a period of no less than two years.
 - ii. Provide a copy of the Internet Enrollment information to the ICC or its Staff and the Customer's LDC upon request.