

PRESS



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For Immediate Release
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*******CONSUMER ALERT*********CONSUMER ALERT*******

MADIGAN NOTIFIES CONSUMERS WHO SIGNED UP WITH ILLINOIS NATURAL GAS CORPORATION OF RIGHT TO CANCEL CONTRACT DURING JULY; CONSUMERS HAVE UNTIL JULY 29 TO CANCEL CONTRACTS

Chicago – Attorney General Lisa Madigan today informed consumers who received an allegedly confusing mailing and signed up for service with Illinois Natural Gas Savings Corporation, doing business as Illinois Natural Gas Corporation, that they have a right to cancel the service without penalty if they choose to do so by July 29 under a settlement her office has reached with the company.

Following the settlement agreement reached last week with Madigan's office, Illinois Natural Gas has agreed to honor all requests for cancellation of contracts for any consumer who signed up for its program prior to June 29, the agreement's filing date. The cancellation requests must be made within **30 days of the filing day -- by July 29.**

Consumers may cancel by:

- ✓ contacting Madigan's Consumer Protection Division at 1-800-386-5438;
- ✓ calling Illinois Natural Gas directly at 1-800-309-5160;
- ✓ faxing a written notice of cancellation to Illinois Natural Gas at 1-800-306-5016;
- or
- ✓ mailing a written notice of cancellation by registered mail to Illinois Natural Gas Corporation, PO Box 7336, Chicago, IL 60680

Illinois Natural Gas is an alternative natural gas supplier that earlier this year was certified by the Illinois Commerce Commission (ICC) to participate in a program that allows consumers in northern Illinois to choose a company to supply natural gas. Illinois Natural Gas is one of 11 suppliers that consumers can choose to supply their gas while regulated utilities continue to deliver the gas and provide service and billing.

In April 2005, Illinois Natural Gas began sending letters and two-sided forms to hundreds of thousands of Illinois consumers. These marketing materials urged consumers to sign up for Illinois Natural Gas' "Year 2005 Stable Price and Refund Program." However, Madigan's lawsuit, filed on April 26, alleged that this mailing used deceptive and unclear language to confuse consumers about the terms of the offer and the affiliation of the company.

For example, Madigan alleged in her lawsuit that Illinois Natural Gas led certain consumers to believe through its mailing that the natural gas supplier is actually a government entity and that consumers must sign up for this program to achieve stable pricing for their natural gas.

In addition, Madigan maintained that many terms laid out on the front of the two-sided form have conditions that were not clearly and conspicuously disclosed. Those conditions were typed in small print on a green background on the back of the form and were detailed using confusing language. The conditions often changed the actual terms listed on the front of the form or inserted additional terms that were never mentioned on the front of the form or in the letter.

Finally, Madigan's lawsuit alleged Illinois Natural Gas violated the Automatic Contract Renewal Act by failing to clearly and conspicuously disclose the automatic renewal clause, including the procedure for canceling the contract.

Madigan said Illinois Natural Gas Savings Corporation has agreed not to raise the price of natural gas during the course of its contracts. In addition, the natural gas supplier has agreed to clearly and conspicuously disclose in all future contracts and solicitations that it is not affiliated with any state agency or public utility and disclose the details of its consumer contracts.