STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	)	
On its Own Motion	)	Docket No. 15-0512
	)	
Amendment of 83 Ill. Adm. Code 412 and	)	
83 Ill. Adm. Code 453	)	

VERIFIED REPLY COMMENTS OF
THE RETAIL ENERGY SUPPLY ASSOCIATION

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The Retail Energy Supply Association ("RESA")[1], by and through its attorney, Gerard T. Fox, pursuant to the Administrative Law Judges' ("ALJ") Ruling, hereby submits its Verified Reply Comments in response to the Initial Comments of other parties on the First Notice Rules published in the *Illinois Register* on November 4, 2016. Those First Notice Rules were published pursuant to the September 22, 2016, Order of the Illinois Commerce Commission's ("Commission") in Docket 15-0512, its rule making proceeding to consider amendments to 83 Ill. Adm. Code Parts 412, Obligations of Retail Electric Suppliers, and 453, Internet Enrollment Rules (the "First Notice Order).

[1] The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

I. INTRODUCTION

On September 22, 2016, the Commission entered its First Notice Order which authorized the publication of First Notice Rules amending Parts 412 and 453 in the *Illinois Register*. On November 4, 2016, the First Notice Rules were published in the *Illinois Register*. On November 9, 2016, the ALJs issued their Ruling, setting the dates of December 20, 2016 for Initial Comments and January 17, 2017 for Reply Comments.

On December 20, 2016, Initial Comments were filed by RESA, the Commission Staff ("Staff") and the following other parties: the Illinois Competitive Energy Association ("ICEA"), Nicor Advanced Energy ("NAE"), the Coalition of Energy Suppliers ("CES"), the National Energy Marketers ("NEM"), Ameren Illinois Company, Commonwealth Edison Company, MidAmerican Energy Company, the Attorney General of Illinois ("AG"), the Citizens Utility Board ("CUB") and the Environmental Law and Policy Center ("ELPC"). RESA files these Verified Reply Comments in response to those Initial Comments.

II. GENERAL COMMENTS

A. Commission Authority to Modify Part 412

In its Initial Comments, RESA demonstrated that the Commission's authority to modify Part 412, Obligations of Retail Electric Suppliers, is limited. The authority to regulate RESs is found in Article XVI of the PUA. Consequently, the Commission must rely on its authority under Article XVI of the Public Utilities Act to enact proposed rules in this proceeding. RESA is not arguing that the Commission does not have authority to regulate RESs. However, clearly the General Assembly did not give the Commission the same authority over RESs that it gave the Commission over public utilities. The General Assembly did not intend for the Commission to

regulate RESs as if they were public utilities and, in particular, did not intend for the Commission to micro-manage RESs in the manner that some of the provisions of the First Notice Rules would do. It is important to keep in mind the limited authority of the Commission over RESs when the Commission proposes to adopt rules that conflict with existing statutes such as the Consumer Fraud and Deceptive Business Practices Act and the Automatic Contract Renewal Act. (RESA Initial Comments, pp. 3-7)

Both the AG and CUB claim, without any meaningful analysis, that the Commission has basically unlimited authority to regulate RESs. Like the Commission, the AG fails to recognize that the Commission's authority is found in Article XVI of the Public Utilities Act, not the remaining articles which give the Commission authority over public utilities. The AG cites Section 9-201 of the Public Utilities Act which clearly applies to public utilities, not to RESs. (AG Initial Comments, p. 11) To the extent the AG relies on Article XVI of the Public Utilities Act, its analysis is faulty. The AG references Section 16-101 which is merely the preamble to Article XVI and does not give the Commission authority to adopt rules. (*Id.*, p. 9) The AG relies on Section 16-117 (*Id.*, p. 10); however, Section 16-117, Commission Consumer Education Program, requires the Commission to maintain a consumer education program, which the Commission has basically done, with the exception of adopting a uniform disclosure statement, which the Commission is proposing to adopt in this proceeding. The AG also relies on various provisions of Section 16-115A which impose obligations on RESs and Section 16-115B which gives the Commission authority to hear complaints against RESs for certain specified potential violations of Article XVI. (*Id.*, pp. 10-11) Neither of those sections gives the Commission the authority to adopt rules.

CUB's analysis of the Commission's authority to adopt the First Notice Rules basically is without merit because it relies on the Commission's analysis which RESA demonstrated to be faulty in its Initial Comments. CUB does add the non-point that the Commission's authority to adopt the First Notice Rules "has not been challenged by any party other than RES representatives". (CUB Initial Comments, p. 2) This is hardly surprising because adoption of the First Notice Rules would create burdensome requirements for RESs which would be costly to implement. Moreover, for the most part, the proposed revisions to existing Part 412 would not provide any benefit to customers and, in fact, would be detrimental to maintaining a competitive electric marketplace to the benefit of customers.

In contrast to the cursory and erroneous analyses of the AG and CUB, Sperian devotes its entire Initial Comments to a comprehensive analysis of the Commission's authority in this proceeding. From this analysis, Sperian concludes that the Public Utilities Act does not provide the Commission with such authority or, at most, the Commission's authority is far more limited than that claimed by the Commission in its First Notice Order. (Sperian Initial Comments, pp. 1-16) RESA agrees with the analysis and conclusions of Sperian.

B. Competitive Parity

In its Initial Comments, RESA addressed the need for competitive parity. RESA believes that the presence of a robust and vibrant competitive retail electric market benefits all customers and encourages innovation. However, if the Commission continues to add requirements for RESs' products, and requires no corresponding efforts to create parity between RESs' products and default service provided by electric utilities, a situation could one day arise where RESs'

products are no longer able to compete in the market or against default service. Ultimately, this will greatly diminish the benefits competition has brought consumers in Illinois.

While not addressing the issue of competitive parity specifically, a number of parties expressed their concern that the First Notice Rules would negatively impact RESs' ability to offer competitive services in Illinois.

ICEA states that a number of the proposed revisions to Part 412 would severely impair a RES's ability to offer customer-beneficial products and services to customers and provide marginal to no customer benefit for the following reasons. First, the First Notice Rules contain new requirements that are impossible or commercially infeasible to implement. Second, the First Notice Rules impose several command and control, high cost solutions which would drive prices higher and create a worse customer experience. Third, the First Notice Rules impose several ambiguous mandates. Fourth, the First Notice Rules would require, in some instances, the RES to make a no-win choice between violating two conflicting legal requirements. (ICEA Initial Comments, pp. 3-4)

NAE states that the First Notice Rules would introduce new barriers and obstacles to competition which would harm RESs and their customers. The costs and burdens placed on RESs and customers by some of the revisions to the existing Part 412 rules would undermine the ability of the competitive marketplace to deliver the savings, benefits and value available through competitive supply offers and would drive a negative customer experience. Moreover, NAE points out that certain of the new requirements in the First Notice Rules are contrary to law and exceed the Commission's authority. (NAE Initial Comments, p. 2)

CES states that Illinois has a successful competitive electric market with millions of participating customers who have saved billions of dollars. For this market to continue to work effectively, there must be balanced Commission regulation. However, certain of the revisions to the current Part 412 and Part 453 are burdensome or unclear and would interfere with the market. (CES Initial Comments, pp. 1-2)

III. SPECIFIC COMMENTS

In its Initial Comments, RESA expressed particular concern with four sections of the First Notice Rules: 412.120, In-Person Solicitation; 412.140, In-Bound Enrollment Calls; 412.170[2], Rate Notice to Customers; and 412.240, Contract Renewal. A number of other parties shared RESA's concerns that the Commission's revisions to these existing provisions would be unduly burdensome and costly for RESs.

A. Section 412.120, In-person Solicitation

In its Initial Comments, RESA explains why Section 412.120 of the First Notice Rules should be revised by changing the heading back to the current one--Door-to-Door Solicitation--and making conforming changes throughout that section. Other types of face-to-face solicitations should be covered in a new Section 412.125, as proposed by RESA in its Sur-Reply Comments and modified in RESA's Brief on Exceptions. (RESA Initial Comments, pp. 9-14)

NEM's position is substantially similar to that of RESA. NEM states that it opposes the extension of the current door-to-door regulations to include other types of in-person solicitation.

[2] In Appendix A to the First Notice Order, Section 412.170 was titled "Rate Notices to Customers" and Section 412.175 was titled "Conduct, Training and Compliance of RES Agents". However, in the First Notice Rules published in the *Illinois Register* on November 4, 2016, Section 412.165 was titled "Rate Notices to Customers" and Section 412.170 was titled "Conduct, Training and Compliance of RES Agents". In these Reply Comments, RESA will use the section numbers used in the published First Notice Rules.

According to NEM, other types of in-person solicitation are not as susceptible to high pressure sales tactics because of the customer's ability to extract himself or herself from the discussion, the customer's decision to initiate the contact, and the public nature of the venues. The extensive requirements proposed to be applied to types of in-person solicitation, other than door-to-door, would be unnecessarily burdensome and costly and are not justified by customer protection concerns. (NEM Initial Comments, pp. 2-3)

CES requests that the Commission revisit the extension of regulations that have governed door-to-door sales to all in-person sales. Specifically, CES asks that the Commission create a distinction between door-to-door sales and other types of in-person solicitation. In the alternative, CES requests that the Commission clarify in the First Notice Rules that an in-person solicitation does not include a communication during which an enrollment does not occur. (CES Initial Comments, pp. 2-4)

ICEA also proposes revisions to Part 412.120 to reduce the unnecessary burdens which would result from implementation of the First Notice Rules. (ICEA, pp. 16-19) While RESA agrees that ICEA's proposed revisions would be helpful, RESA still supports the proposed revisions to Section 412.120 and the creation of a new Section 412.125 for the reasons stated in its Initial Comments. (RESA Initial Comments, pp. 9-14)

B. <u>Section 412.140, Inbound Enrollment Calls</u>

In its Initial Comments, RESA opposed the retention periods set forth in Section 412.140, Inbound Enrollment Calls, as unnecessary. RESA also opposed Proposed Section 412.140's requirement of a TPV for in-bound enrollment calls, which conflicts with Section 2EE of the Consumer Fraud and Deceptive Business Practices Act. (RESA Initial Comments, pp. 14-16)

ICEA and NAE expressed similar concerns with Proposed Section 412.140. NAE states that the proposed TPV requirement for inbound enrollment calls "is beyond the Commission's authority, illogical, and unreasonable, would add extensively to the time the customer must be on the phone to enroll with a RES, and would impose substantial additional costs on RES and their customers with no corresponding benefit". (NAE Initial Comments, pp. 18-21) NAE also opposes the retention periods set forth in the First Notice Rules for inbound calls. (*Id.*, p. 22) ICEA reaffirms its position that the Commission lacks the statutory authority to require a TPV for inbound enrollment calls. ICEA notes that the Staff has recommended removing the TPV requirement from Section 412.140. ICEA continues to urge the Commission to remove the TPV requirement from this section. (ICEA Initial Comments, p. 25)

C. <u>Section 412.165, Rate Notice to Customers</u>

In its Initial Comments, RESA opposed Proposed Section 412.165 as an example of an inappropriate attempt to over-regulate competitively priced services. The extensive requirements in Section 412.165, a section which does not exist in the current rules, make it appear that the Commission is attempting to accomplish indirectly what it does not have the authority to accomplish directly—regulate RESs' rates by effectively taking away the ability of RESs to offer variable rate products. RESA concluded that, given all of the problems with Proposed Section 412.165, it should be deleted in its entirety. In the alternative, RESA offered a more limited version in Attachment A to its Initial Comments. (RESA Initial Comments, pp. 16-20) However, if the Commission is concerned with RESA's proposal for a "reasonable" period of time for the disclosure of variable rates, the Commission should consider the rules that the Maryland Public Service Commission has regarding the disclosure of variable rates. Generally, those rules require disclosure at least 12 days prior to the close of the customer's billing period

and allow the supplier to provide an estimated rate; where the supplier utilizes an estimate rate, the supplier may not use a rate for billing purposes higher than the estimated rate. A copy of the Maryland Rule is attached as Attachment A to these Reply Comments.

Other parties also expressed serious concerns with Proposed Section 412.165. NEM also recommends that the Commission not adopt Section 412.165, stating that overly burdensome notice requirements that are not appropriately tailored to the nature of the product will not help customers because they will distort and diminish the competitive offerings available to them. Burdensome notice requirements impose upward pricing pressures on RESs to anticipate future market price increases and increase the need for RESs to hedge to avoid unanticipated price increases. RESs would have to factor these increased, unnecessary costs into their pricing in order to avoid the costly notice requirements contemplated by Section 412.165. (NEM Initial Comments, pp. 5-6)

Other parties stopped short of recommending elimination of Section 412.165, but proposed significant revisions to that section. ICEA states that Section 412.165 of the First Notice Rules could severely restrict or eliminate mass market access to variable products from RESs. (ICEA Initial Comments, pp. 27-31) NAE states that Section 412.165 would impose significant new information and notice requires on RESs with respect to variable rate changes and that some of these provisions would impose unnecessary costs or require RESs to perform impossible tasks. Therefore, NAE proposed modifications to Section 412.165. (NAE Initial Comments, pp. 25-29) CES requests that the Commission remove the requirement that RESs post online their competitively sensitive pricing formulas. (CES Initial Comments, pp. 5-6)

D. Section 412.240, Contract Renewal

In its Initial Comments, RESA noted that neither the Staff's Proposed Rules nor the Administrative Law Judges' Proposed Order's Proposed Rules modified Section 412.240 of the existing rules. Staff did not express any concerns regarding the manner in which RESs have handled contract renewals. Notwithstanding this, the First Notice Rules accept revisions to Section 412.240 proposed by the Attorney General and CUB—revisions which are unnecessary, costly to RESs while providing no benefit to customers, and conflict with the requirements of the Automatic Contract Renewal Act. (RESA Initial Comments, pp. 20-22)

Staff and other parties expressed concern with Section 412.240.

Other than responding to questions directed to parties by the Commission's First Notice Order, Staff only addressed one section of the First Notice Rules—Section 412.240. Staff states that the proposed requirement of telephonic notice may result in RESs running afoul of the rules of the Federal Communications Commission ("FCC") promulgated pursuant to the Telephone Consumer Protection Act ("TCPA"). Accordingly, Staff concludes that any rule that might require a RES to violate the TCPA should be "viewed circumspectly". (Staff Initial Comments, pp. 15-18)

NAE addresses the proposed revisions to Section 412.240 at length. NAE correctly asserts that the Commission lacks the authority to revise Section 412.240 in the manner contemplated in the First Notice Rules. NAE also explains how the proposed revisions would cause RESs to run afoul of the TCPA. NAE also expresses other concerns regarding the proposed revisions, including the ill-advised requirement of a side-by-side comparison. (NAE, pp. 31-50)

ICEA opposes the telephonic notice requirements of Section 412.240 of the First Notice Rules, noting the potential liability under the TCPA. (ICEA Initial Comments, pp. 47-51). ICEA also opposes the new requirement of a side-by-side comparison as being overly burdensome to RESs and confusing to customers. (*Id*., pp. 41-53)

CES also requests that the phone call mandate be removed from the First Notice Rules. (CES Initial Comments, p. 8) NEM also opposes the phone call mandate as unnecessary and excessive and recommends that it be deleted. (NEM Initial Comments, pp. 6-7)

IV. RESPONSES TO OTHER PARTIES' PROPOSALS WHICH WOULD MAKE THE FIRST NOTICE RULES MORE BURDENSOME AND COSTLY

As demonstrated in the Initial Comments of RESA, ICEA, NAE, CES and NEM, the First Notice Rules would be burdensome and costly to implement and would jeopardize the successful Illinois retail electric marketplace. However, some parties, in their Initial Comments, made proposals to make the First Notice Rules even more burdensome and costly. These proposals should be rejected.

A. Section 412.115, Uniform Disclosure Statement

The AG proposes that the Commission add a requirement to new Section 412.115, Uniform Disclosure Statement, that would require a RES to provide customers with a comparison between its price and the utility default price. (AG Initial Comments, pp. 3-6) The AG's proposal demonstrates an ignorance of the competitive marketplace. Such a requirement for a Uniform Disclosure Statement ("UDS") would be confusing and without value. The AG's proposed requirement ignores the fact that utilities' rates are subject to change periodically, including

possible monthly adjustments. Moreover, it ignores the fact that RESs offer many products including fixed rate products, variable rate products, fixed bill products, clean energy products, and various bundled offers. The UDS contemplated by the First Notice Rules is already a less than useful document because of the Commission's rejection of RES' proposals to expand to that document to explain pertinent features of their offers. The AG's proposal would make the UDS even less useful and more misleading.

B. Section 412.130, Telemarketing

CUB proposes to add to the burdens that would be imposed by the revisions to Section 412.130, Telemarketing, already included in the First Notice Rules. CUB proposes that RES agents be required to video record, or at least audio record, in-person solicitations. (CUB Initial Comments, pp. 8-9) The problems of CUB's proposal were fully demonstrated in this proceeding. It would be costly for RESs to implement and an invasion of customers' privacy rights. CUB questions RESs' concerns regarding the cost of implementing its proposal as "vague"; however, CUB is the proponent and did not even attempt to estimate how much its proposal would cost RESs, costs that would ultimately have to be passed on to customers. (*Id*., p. 9) CUB's proposal should continue to be rejected by the Commission.

C. Section 412.230, Early Termination of Sale Contracts

CUB argues that the Commission should reverse its rejection of CUB's proposal that customers whose enrollment resulted from an in-person solicitation should receive an additional grace period exempting them from early termination fees. CUB offers rhetoric, rather than rationale, in claiming that there are statements in the First Notice Order that "acknowledge the treacherous nature of in person solicitation". (CUB Initial Comments, pp. 10-11) However,

CUB offers nothing of merit to justify the Commission's reversal of its rejection of CUB's unsupported proposal. The Commission should continue to reject the proposal.

V. RESPONSES TO QUESTIONS RAISED BY THE COMMISSION IN THE FIRST NOTICE ORDER

The First Notice Order contained a number of questions for which the Commission requested comments by the parties. In its Initial Comments, RESA responded to those questions. A number of other parties also responded. RESA will limit its reply to those responses with which RESA has serious disagreement.

A. Section 412.10, Definition of "Variable rate"

The Commission, in its First Notice Order, adopted CUB's definition of "Variable rate" in Proposed Section 412.10: "'Variable rate' means the charge for electric service changes at any time during the term of the contract. The Commission then ordered the Parties "during the First Notice Period to provide comment on what effect this definition may have on dynamic or time of use rates". (First Notice Order, p. 18)

CUB responded that time of use and dynamic rates should fall under the definition of "variable rate" and should be subject to the consumer protections that accompany that definition. (CUB Initial Comments, p. 4) However, Staff stated that since the definition of "variable rate" states that a variable rate does not change more than once a month, the disclosure requirements associated with variable rates do not apply to contracts with dynamic or time of use rates. (Staff Initial Comments, p. 5) While RESA, in its Initial Comments, expressed its concern that considering dynamic or time of use rates as variable rates would make it impossible to offer such

rates, RESA agrees with Staff's analysis that time of use and dynamic rates are not included within the definition of variable rates.

B. Section 412.115, Uniform Disclosure Statement

The Commission ordered Parties to submit comments on whether Subsection 412.115 (b) (12) should "include language requiring that a new RES customer's first bill include information regarding the customer's right to cancel the contract". (First Notice Order, p. 43)

Staff stated that it does not oppose such a requirement, however, it will consider the initial comments of other parties and perhaps reconsider its position. (Staff Initial Comments, p. 6)

In its Initial Comments, RESA pointed out that there are a number of problems with such a requirement. First, Subsection 412.115 (b) (12) is erroneous and needs to be corrected. The right to terminate a contract within 10 business days after the date of the first bill only applies to contracts which contain an early termination fee (see Section 412.230, Early Termination of Sales Contract). Second, Subsection 412.115 (b) (12) sets forth what needs to be included in the UDS, it is not the appropriate place to set forth a requirement as to what must be included in the sales contract. Third, both the sales contract and the UDS inform the customer of his or her right, if the contract contains an early termination fee, of terminating the sales contract within 10 business days after the date of the first bill with the RES charges on it, without payment of the early termination fee. There is no need to include the same language on the utility bill, especially given the fact that other provisions of the First Notice Rules already interfere with RES's limited space on the electric utility's bill. (RESA Initial Comments, p. 24)

C. Section 412.120 (i), In-Person Solicitation—Multi-Unit Buildings

The Commission orders the Parties to provide comment on what type of consent is required under Proposed Subsection 412.120 (i) and who is authorized to provide consent. (First Notice Order, p. 62)

Staff responded that only the prospective customer should be authorized to give consent to any marketing at his or her premises within a multi-unit building. (Staff Initial Comments, p. 8) RESA disagrees. In its Initial Comments, RESA responded that Proposed Subsection 412.120 (i) is too vague for RESA to provide comments on the Commission's questions; rather the Commission's language begs additional questions. For example, is the multi-unit building an apartment building, a condominium, a strip mall? If it's an apartment building, is it a two-flat or a hundred-unit building? If it's a two flat, is there one access door that must be unlocked or can the RES agent walk up or down the stairs and knock on both doors. If it's a condominium unit, do the by-laws permit the condominium association to allow access to all of the units? If it's a strip mall, why can't the RES agent go into each business? (RESA Initial Comments, pp. 25-26) Staff's response does not address these ambiguities. In RESA's opinion, Section 412.120 (i) should be deleted.

D. Section 412.210 (a), Rescission of the Sales Contract

The Commission ordered the Parties to "explore ways to make it easier for customers to cancel contracts that were enrolled in error or were entered into without the requisite consent". (First Notice Order, p. 120)

Staff responded that this would be a good topic to be addressed in workshops. (Staff Initial Comments, p. 10) While RESA does not object to workshops to help understand and resolve issues, RESA does not see anything in the First Notice Order that suggests that it is difficult for

customers to cancel contracts that were enrolled in error or were unauthorized. Similarly, RESA is not aware of any evidence offered in this proceeding that makes such a suggestion.

E. Section 412.250, Assignment

The Commission ordered the parties to "submit comment on whether the information contained in subsection (e) should be provided to the customer before the assignment is effective". (*Id*., p. 123) Subsection (e) states: "Within 30 days after the assignment, the new RES provides the customer with a toll-free phone number for billing questions, disputes, and complaints."

Staff responded that it will consider the initial comments of other parties on this issue. (Staff Initial Comments, pp. 10-11) In its Initial Comments, RESA opposed such a requirement for the following reasons. The information required by Subsection 412.250 (e) should not be provided in advance of the assignment because, typically, the assignment is part of a business deal which most likely is confidential prior to execution. Moreover, the existing provision has been in effect since Part 412 was adopted and RESA is unaware of any complaints that the notice currently provided is inadequate. (RESA Initial Comments, p. 27)

F. Section 412.310 (b), Required RES Information

The Commission ordered Parties to "submit comment on whether subsection (b) should include language requiring that CSD be informed prior to any changes in the documents referenced in subsection (a). (*Id*., p. 124)

Staff responded that such notification should be required. (Staff Initial Comments, p. 11) RESA disagrees unless Subsection 412.310 (b) is further revised to require the CSD to inform the RES of any problems or concerns it has with the changed documents within 10 days after

receipt. Absent such a revision, the submission appears to be simply informational, and no change would be necessary.

G. Section 412.320, Dispute Resolution

The Commission ordered the Parties to "submit comment on when the RES must inform the complainant of his/her ability to file an informal complaint with CSD". (*Id*, p. 125)

Staff responded that while it will consider parties' initial comments on this subject, Staff considers the amended Subsection 412.310 (c) to be "suitable". (Staff Initial Comments, p. 14) RESA disagrees and notes that the current version of Subsection 412.310 (c), if left alone, would resolve this matter. The current version of Subsection 412.320 (c) provides for when the RES must inform the complainant of his/her ability to file an informal complaint with CSD—it is when the complainant expresses dissatisfaction with the results of a RES' complaint investigation. Deleting this language from Subsection 412.320 (c) makes no sense and the language should be restored. It makes no sense to advise RES customers who are satisfied with the RES' resolution of their complaint of the right to file an informal complaint with CSD. Moreover, comparable advise is not required of public utilities in an informal complaint situation.

VI. CONCLUSION

For the reasons set forth in these Verified Reply Comments and in RESA's Verified Initial Comments, the First Notice Rules should be modified in the manner described in RESA's Initial Comments. The First Notice Rules, as currently drafted, do not represent a fair balance of the interests of Retail Electric Suppliers and their customers. Rather, they would impose

significant financial burdens on Retail Electric Suppliers, without supplying any measurable benefit to their customers.

Respectfully submitted,

s/s GERARD T. FOX
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NOTICE OF FILING

Please take note that on January 17, 2017, I caused to be filed via e-docket with the Chief Clerk of the Illinois Commerce Commission, the attached Verified Initial Comments of the Retail Energy Supply Association in this proceeding.

/s/GERARD T. FOX
Gerard T. Fox

CERTIFICATE OF SERVICE

I, Gerard T. Fox, certify that I caused to be served copies of the foregoing Verified Initial Comments of the Retail Energy Supply Association upon the parties on the service list maintained on the Illinois Commerce Commission's eDocket system for Ill. C. C. Docket 15-0512 via electronic delivery on January 17, 2017.

/s/ GERARD T. FOX

Gerard T. Fox