BEFORE THE

ILLINOIS COMMERCE COMMISSION

BENCH MEETING

PUBLIC UTILITY

Tuesday, January 5, 2016

Chicago, Illinois

Met, pursuant to notice, at 10:30 A.M., at 160 North La Salle Street, Chicago, Illinois.

PRESENT:

BRIEN J. SHEAHAN, Chairman

ANN MCCABE, Commissioner

SHERINA E. MAYE EDWARDS, Commissioner

MIGUEL DEL VALLE, Commissioner

JOHN R. ROSALES, Commissioner

SULLIVAN REPORTING COMPANY, by
PATRICIA WESLEY
CSR NO. 084-002170

CHAIRMAN SHEAHAN: Good morning. Are we ready to proceed in Springfield?

CHIEF CLERK: Yes, we are.

CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call to order the January 5, 2016 Bench Meeting of the Illinois Commerce Commission.

Commissioners McCabe, del Valle, Edwards and Rosales are present with me in Chicago. We have a quorum.

We have no requests to speak and will, therefore, move into our Public Utility Bench Meeting Agenda.

There are edits to the minutes of our December 9th Bench Meeting.

Are there any objections to approving the Minutes of December 9th as edited?

(No response.)

Hearing none, the minutes as edited are approved.

Items E-1 through 4 concern various complaints filed against Commonwealth Edison.

Are there any objections to

considering these items together and granting the Joint Motions to Dismiss?

(No response.)

Hearing none, the motions are granted and the complaints are dismissed.

Item E-5 concerns Ameren's petition seeking approval of its proposed reconciliations under riders for uncollectible electric and gas adjustments.

Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Items E-6 and 7 are Applications for Licensure to Operate as Agents, Brokers and Consultants.

Are there any objections to considering these items together and granting the proposed Orders?

(No response.)

Hearing none, the Orders are approved.

Items E-8 and 9 are petitions

requesting Cancellation of Certificates of Service Authority.

Are there any objections to considering these items together and granting the proposed Orders cancelling certificates?

(No response.)

Hearing none, the Orders are approved.

Items G-1 and 2 concern North Shore and Peoples Gas tariff filings to clarify the demarcation between the two companies' gas piping.

Is there any objections to considering these items together and not suspending the filing?

(No response.)

Hearing none, the filings are not suspended.

Item G-3 concerns the approval of Atmos Energy's Reconciliation of Revenues Collected under Gas Adjustment Charges.

Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item G-4 concerns the approval of Ameren's Reconciliation of Revenues Collected under its Gas Adjustment Charges.

Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item G-5 --

COMMISSIONER del VALLE: Mr. Chairman.

CHAIRMAN SHEAHAN: Sure.

COMMISSIONER del VALLE: Mr. Chairman, happy New Year to everyone.

On the lost gas issue, the Order states that in response to requests for invoices it has provided only one invoice. As I see it, that indicates that there were 1,199 excavation damages in 2012. Is that 1,199 or is that one invoice for that 1,199 amount?

CHAIRMAN SHEAHAN: Let's make sure.

Gene, are you in Springfield?

(No response.)

Do we have other Staff in Springfield

who are prepared to answer this?

MR. BEYER: This is Gene and Eric Lounsberry.

COMMISSIONER del VALLE: Did you hear my question?

MR. BEYER: To my understanding, it's one invoice for one event.

COMMISSIONER del VALLE: To one event?

Now we have instructed Staff to work with Ameren to develop a policy, is that correct --

MR. BEYER: Yes.

COMMISSIONER del VALLE: -- to deal with lost gas?

MR. BEYER: Yes.

COMMISSIONER del VALLE: Is this something new to us in an area that's new? Is there any history of us addressing this issue as a Commission in prior dockets?

MR. BEYER: I'm not aware of this issue being brought to the Commission's attention in the past.

COMMISSIONER del VALLE: Okay. So can you explain why we are seeing it now?

MR. BEYER: I'm aware that the topic has been

part of our review and reconciliations for several years. I expect you are seeing it now because we don't like what is going on at Ameren at the moment.

COMMISSIONER del VALLE: Okay. And so we haven't done or required any calculations of costs that is passed on to ratepayers to be done in the past?

MR. BEYER: Would you repeat that. I'm not sure if I caught that.

COMMISSIONER del VALLE: In the past we have not done or required any calculations of the cost of the lost gas due to excavation damages that ends up paid through the PGA?

MR. BEYER: I'll have to check into that and get back to you.

COMMISSIONER del VALLE: Okay. The reason I'm asking these questions is because we are requesting that that policy be developed here and the first question that came to my mind, and I agree with that.

Of course, I agree with Staff on this because I don't think that these folks who do the damage should walk away from their responsibility of

covering that cost of lost gas, and I know in some cases -- in many cases it doesn't amount to a lot, but when I look at the figure and I look at 1200 excavation damages, I think that that could add up, but I see that we are dealing specifically, of course, with Ameren here, but my question is are we going to develop a policy and a price to all the gas companies in the same way?

MR. BEYER: Usually the way we have done things in the past on topics like this is we develop a policy for one company and we'll make sure it's applied to all of them or we will review the other companies for consistency.

COMMISSIONER del VALLE: Okay. Thank you.

COMMISSIONER MAYE EDWARDS: Mr. Chairman.

CHAIRMAN SHEAHAN: Commissioner Edwards.

COMMISSIONER MAYE EDWARDS: Thank you, Mr. Chairman.

Thank you and good morning to both of you, Eric and Gene. I have a question.

Just based on something in response to Commissioner del Valle's question, you stated that

we are seeing this now because of some concerns of Staff, and you don't necessarily like what you have seen, yet the Order was approving the reconciliation.

So is there no -- does that go hand in hand? You are not seeing -- you think there's some cause for concern. Is it still appropriate for you to recommend the reconciliation?

MR. BEYER: Okay. The witness to the case does not define issues -- what reconciliation they had issues with. They had concern about lack of policy in the fact there's only one adjustment for all the noted hits.

I can't really speak to why that resulted in the reconciliation being approved. I would have to look into it a little bit more.

COMMISSIONER MAYE EDWARDS: Thank you.

CHAIRMAN SHEAHAN: Commissioner McCabe.

COMMISSIONER McCABE: Any sense of -- there were a lot of third-party hits in the gas utilities. What percentage of those resulted in diminutive gas loss versus when these invoices will be relevant

versus how many are just diminutive?

MR. BEYER: I have no information along that line.

COMMISSIONER McCABE: Any sense of other states that may have a practice or model to look at best practice?

MR. BEYER: I'm not aware of that either.

COMMISSIONER McCABE: Thank you.

CHAIRMAN SHEAHAN: Okay. Moving back to our agenda Item G-5 concerns North Shore and Peoples' Petition to Determine the Adequacy of their Volume Balancing Adjustment Riders, are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item G-6 is a complaint filed against Peoples Gas regarding billing in Chicago.

Are there any objections to approving the parties' Joint Motion to Dismiss?

(No response.)

Hearing none, the motion is granted and the complaint is dismissed.

Item 7 concerns Glacial Natural Gas' Petition for Requesting Cancellation of a Certificate of Service Authority.

Are there any objections to approving the proposed Order canceling the certificate?

(No response.)

Hearing none, the Order is approved.

Item G-8 concerns Future Now Energy's Application for a Certificate of Service Authority.

Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item T-1 concerns Talk America's Application for an Amended Certificate of Service Authority.

Are there any objections to approving the Amendatoty Order?

(No response.)

Hearing none, the Amendatoty Order is approved.

Item W-1 is a complaint filed against

Illinois-American Water regarding billing.

Are there any objections to approving the parties' Joint Motion to Dismiss?

(No response.)

Hearing none, the motion is granted and the complaint is dismissed.

Item PR-1 concerns an Application for Rehearing filed in the proceeding granted in Ameren Transmission Company's request for authority.

Is there a motion to deny the Application for Rehearing.

COMMISSIONER McCABE: So move.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER ROSALES: Second.

CHAIRMAN SHEAHAN: All those in favor, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

The ayes have it and the request for rehearing is denied.

JUDGE VON QUALEN: Chairman, this is ALJ Von Qualen in Springfield.

CHAIRMAN SHEAHAN: Yes, Judge.

JUDGE VON QUALEN: Excuse me, Chairman, did you speak on Item G-4, which was Ameren?

CHAIRMAN SHEAHAN: We did and it was approved by unanimous consent.

JUDGE VON QUALEN: Thank you.

CHAIRMAN SHEAHAN: We just happened to have some questions after it was approved.

JUDGE VON QUALEN: All right. Thank you.

CHAIRMAN SHEAHAN: We have one other item of business this morning concerning the status of a transmission cost allocation proceeding before the FERC in Docket EL05-121-009. This item involves potential litigation, and so we'll enter into closed session for our discussion.

Is there a motion to enter into closed session?

COMMISSIONER ROSALES: So move.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE EDWARDS: Second.

CHAIRMAN SHEAHAN: All those in favor, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

The ayes have it and we will move into closed session and we will ask for the hearing room in Chicago and Springfield to be cleared.

(Whereupon, Pages 15 to 26 the following proceedings were held in Closed Session:)

(Open Session.)

We are back in open session.

Judge Kimbrel, do we have any other matters to come before the Commission today?

JUDGE KIMBREL: No, nothing further, Mr. Chairman.

CHAIRMAN SHEAHAN: Commissioners, do we have any other business to discuss this morning?

(No response.)

Hearing none, we stand adjourned. Thank you.

(Whereupon, the above matter was adjourned.)