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BEFORE THE
ILLINOIS COMMERCE COMMISSION
PUBLIC UTILITY REGULAR OPEN MEETING
Thursday, January 10, 2018
Chicago, Illinois

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

PRESENT:

- BRIEN J. SHEAHAN, Chairman
- SADZI M. OLIVA, Commissioner
- MIGUEL del VALLE, Commissioner
- JOHN R. ROSALES, Commissioner

- SULLIVAN REPORTING COMPANY, by
BRAD BENJAMIN, CSR
LICENSE NO. 084-004805

1 CHAIRMAN SHEAHAN: Good morning, are we ready
2 to proceed in Springfield?

3 DEPUTY DIRECTOR MATRISCH: We are.

4 CHAIRMAN SHEAHAN: Pursuant to the Open
5 Meetings Act, I call the January 10th, 2018, Regular
6 Open Meeting to Order. Commissioners del Valle,
7 Rosales, and Oliva are with me in Chicago. We have a
8 quorum.

9 We have 10 speakers from the public
10 this morning, as a reminder, you will each have three
11 minutes. We'll let you know when you have two
12 minutes left, one minute left, and when your time has
13 expired. Out of respect for the other speakers, we
14 would respectfully ask that you, in fact, limit your
15 comments to three minutes.

16 Please be aware that while the
17 Commission affords the public an opportunity to
18 comment, we will not respond directly to your
19 comments. Your comments will be made part of the
20 record. However, we cannot rely on them to resolve
21 disputed issues of fact in a contested case.

22 Our first speaker is Donna Carpenter.

1 Please join us up here. Make sure the microphone is
2 on.

3 MS. DONNA CARPENTER: Good morning.

4 CHAIRMAN SHEAHAN: Good morning.

5 MS. DONNA CARPENTER: My name is Donna
6 Carpenter, and I'm a paddle pop [sic] parent, and my
7 gas was disconnected to nonpayment. I went to -- to
8 CEDA. They paid a portion of the bill, but that
9 still wasn't quite enough. And the gas, they
10 disconnected from June to November, which was a
11 five-month period. And with -- the next time, when I
12 was able to get help and get it restored, I had to
13 pay the reconnection fee, also the bill, then the
14 next bill for that next month, and it was really a
15 difficult time for me.

16 CEDA, it helped, but they can only pay
17 so much. And if you -- if they continue to increase
18 the gas, impacts my -- not only my family, but the
19 families in my community, and it's really hard in the
20 neighborhood, on the people that live there.

21 So with that being said, I'm asking
22 that you all say no to this proposed in order. And

1 thank you have taking the time to listen to me.

2 CHAIRMAN SHEAHAN: Thank you, ma'am.

3 Our next speaker is Renee Collins.

4 MS. RENEE COLLINS: Good morning.

5 CHAIRMAN SHEAHAN: Good morning, ma'am.

6 MS. RENEE COLLINS: Good morning, and thank you
7 for allowing me to address this commission.

8 Peoples Gas has requested an \$8
9 billion increase to the consumer to replace aging gas
10 main pipes. The proposed rate increase will allow
11 for them to keep 10 percent of our money for profit
12 to their shareholders. Why are we, the public, being
13 asked to finance their maintenance and give profits
14 to their shareholders?

15 UNIDENTIFIED AUDIENCE MEMBER: Here here.

16 MS. RENEE COLLINS: The Public Utility Act of
17 2001 states that they shall regulate utilities. The
18 rate for utility services are affordable, and
19 therefore the availability of such services to all.

20 77,000 households have been
21 disconnected during the polar vortex years, and have
22 increased payouts to shareholders by more than 30

1 percent in one year. Every dollar of rate-payer pipe
2 replacement, they get to keep 10 percent profit?
3 This is the exact same program the Commerce
4 Commission stopped in March of 2017.

5 I live in Englewood, and I have seen
6 many single mothers living with no electricity
7 because of the cost. The average cost for gas is
8 over \$1,000. If you approve this budget, the costs
9 will skyrocket by 20, 30 -- to over \$2,000.

10 March 6th, 2017, nine children were
11 found living without gas and electricity. The
12 children ranged in ages three months to seventeen
13 years old.

14 November 28, 2016, a single mother and
15 three children were found in Englewood living without
16 gas and electricity.

17 Clara's House, a shelter for domestic
18 violence, women and children, was without heat in
19 October 2013 because of a \$21,000 gas bill. They had
20 to relocate 23 children and 19 women. Clara's House
21 had to relocate seven families last week because of
22 skyrocketing gas prices.

1 I do not understand why residents of
2 Chicago have to endure cost and rate hikes and pay
3 money to shareholders to maintain their
4 infrastructure. Residents of Chicago, we still need
5 to go to a property tax hike, water bills increase,
6 surcharge to dial 911, bag tax, sugar tax, CTA fare
7 increase, vehicle sticker price increase.

8 The increase requested by Peoples Gas
9 to replace its aging gas main pipes in Chicago should
10 be paid for by Peoples Gas and the shareholders --

11 (Chorus of yeses.)

12 MS. RENEE COLLINS: -- not the residents of
13 Chicago --

14 UNIDENTIFIED AUDIENCE MEMBER: Preach it.

15 MS. RENEE COLLINS: -- that have never, ever
16 received a piece of the pie.

17 UNIDENTIFIED AUDIENCE MEMBER: Preach.

18 MS. RENEE COLLINS: The residents of Chicago
19 have been priced out of a chance to live in a
20 beautiful city. Children and single mothers will be
21 forced to live with no heat or no food.

22 Thank you.

1 CHAIRMAN SHEAHAN: Thank you, ma'am.

2 (Applause.)

3 CHAIRMAN SHEAHAN: Next, we have Bridgit
4 Mallagher.

5 UNIDENTIFIED AUDIENCE MEMBER: Bridgit?

6

7 UNIDENTIFIED AUDIENCE MEMBER: Say again.

8 COMMISSIONER ROSALES: Bridgit?

9 MS. BRIDGIT MALLAGHER: Good morning.

10 CHAIRMAN SHEAHAN: Good morning.

11 MS. BRIDGIT MALLAGHER: Peoples Gas is asking
12 for an \$8 billion rate increase over the next 20
13 years. That comes out to \$400 million a year.
14 Considering \$624 million was paid out to shareholders
15 by their parent company last year, this increase is
16 absolutely unnecessary.

17 UNIDENTIFIED AUDIENCE MEMBER: Uh-huh.

18 UNIDENTIFIED AUDIENCE MEMBER: Yes.

19 MS. BRIDGIT MALLAGHER: The rate increase also
20 directly violates the Illinois Public Utilities Act
21 of 2001, which demands that utility rates be
22 affordable to all.

1 UNIDENTIFIED AUDIENCE MEMBER: That's right.

2 MS. BRIDGIT MALLAGHER: A rate increase was
3 denied last March due to concerns about
4 affordability. This time they're asking for more
5 money over a longer period of time, so why is this
6 increase even being entertained?

7 This rate increase will negatively
8 impact small business owners, single parents who
9 can't even afford winter coats for their kids, people
10 living on disability who are struggling to put food
11 on the table, and seniors on fixed incomes who have
12 to decide between medication and meals.

13 One of these would be my mother who is
14 70 years old and retired. She is very frugal, having
15 raised two children as a single parent, and
16 supporting both of her parents from the time she was
17 32. Despite being retired, she works part-time to
18 supplement her income. If this rate increase goes
19 through, she will have to possibly find full-time
20 work.

21 This is heartbreaking to me. She's
22 worked so hard her entire life, and she shouldn't be

1 struggling to pay bills. She should be enjoying her
2 retirement.

3 Not only will rate increase affect
4 people financially, but it will contribute to
5 freezing and alternative heating deaths. Often when
6 utilities are unaffordable or the heat gets shut off,
7 people turn to space heaters to heat their homes,
8 which can be extremely dangerous. One out of three
9 home-heating fires are attributed to space heaters as
10 are 80 percent of those deaths.

11 (Chorus of yeses.)

12 MS. BRIDGIT MALLAGHER: Space heaters also
13 contribute to carbon monoxide poisoning. It's
14 unknown how many people could die due to this rate
15 increase, but any and all of them will be the direct
16 result of your actions.

17 (Chorus of yeses.)

18 MS. BRIDGIT MALLAGHER: We do not support a
19 rate increase. Obey your own laws. Insist that
20 Peoples Gas repair their gas lines with their
21 profits, not with a rate increase that will cause our
22 citizens to struggle even more than they do.

1 Thank you.

2 CHAIRMAN SHEAHAN: Thank you.

3 (Applause.)

4 CHAIRMAN SHEAHAN: Next, we have Angelia Brown.

5 MS. ANGELIA BROWN: Good morning, everyone.

6 (Chorus of good mornings.)

7 MS. ANGELIA BROWN: Would you mind taking
8 these? Thank you.

9 I've been residing in Chicago all my
10 life. I'm speaking today on behalf of Cook County
11 Wellness Council and Delegate Body that represents
12 the needs and interests of some of its workers [sic]
13 and other low-paid workers and interests of the
14 fixed -- people on fixed income.

15 The Illinois Public Utilities Act of
16 2001 says, and I quote, The State shall regulate
17 rates to ensure the rates for utility services are
18 affordable and therefore preserve the availability of
19 such services to all. Yet, you continue to give rate
20 increases that enrich a tiny few like Wells Fargo and
21 Vanguard Group, who profit off of those of us who
22 work for a living or have worked all our lives and

1 retire on fixed incomes. You hurt us whom you are
2 legally mandated to protect.

3 Do you realize, Commissioners, that
4 our Social Security checks and wages buy less every
5 year, because the cost of living rises because of the
6 policies such as this that allow rate increases that
7 we can't afford?

8 This \$8 million [sic] proposal is for
9 the same program that this very body deferred in
10 March of 2017 because those who knew what you were
11 proposing came out and demanded you cease and desist
12 any plan to increase our utility rates.

13 Conditions have gotten worse since
14 then, especially because of the extreme cold weather.
15 Many people have suffered burst pipes in the last two
16 weeks alone. In 2016, 32 -- 32 people died from cold
17 in Cook County. That same year, the parent company
18 of Peoples Gas, WEC Energy Group, increased dividends
19 payouts by 30 percent to \$624 million; none of us
20 have seen a pay increase of even 5 percent.

21 (Disruption from the audience.)

22 MS. ANGELIA BROWN: Peoples Gas must fix the

1 pipes and pay for it out of those extremely high
2 profits they already made at our expense. Forcing
3 ratepayers to pay more for gas, which has increased
4 shutoffs over the 7- -- 77,000 who were shut off
5 during the year 2013 to 2014 polar vortex. The
6 ICC -- for the ICC to allow any rate increase
7 endangers lives. And now heating gas bills can be as
8 high as your rent or your house note, and this rate
9 increase would double the bills by 2030.

10 The ICC is continuing to violate its
11 own mandate if it -- if it grants this rate increase.
12 A government that won't follow its own law has no
13 legitimacy in the eyes of the people.

14 (Chorus of amens.)

15 MS. ANGELIA BROWN: On behalf of Cook County
16 Board of Benefit Council, we demand that you, the
17 Illinois Commerce Commission, stop prioritizing their
18 profits over our lives. We demand that you reject
19 all profiteering rates; direct Peoples Gas to replace
20 all high-risk, leaky gas mains at their expense;
21 direct Peoples Gas to reconnect service for all those
22 terminated for inability to pay; and roll back the

1 rates to a level that working people can afford.

2 (Chorus of yeses.)

3 MS. ANGELIA BROWN: Obey the Public Utility
4 Act.

5 Thank you.

6 (Applause.)

7 CHAIRMAN SHEAHAN: Thank you, ma'am.

8 Our next speaker is Jody Blaylock.

9 MS. JODY BLAYLOCK: Good morning --

10 CHAIRMAN SHEAHAN: Good morning.

11 MS. JODY BLAYLOCK: -- Commissioners.

12 Thank you for the opportunity to
13 comment today on the proposed order of the Peoples
14 Gas System Modernization Program, which would allow
15 Peoples Gas to continue as is with its multibillion
16 dollar projects to replace Chicago's gas pipes at the
17 expense of Chicago's residents.

18 My name is Jody Blaylock, and I lead
19 the Financial Empowerment policy work for Heartland
20 Alliance. Heartland Alliance is an organization that
21 provides healthcare, housing, safety, and support
22 services, while advancing policies that end poverty

1 and promote equity. I'm also a Chicago resident and
2 a Peoples Gas customer.

3 The proposed order, while ostensibly
4 aimed at improving public safety, will put the burden
5 of the improvements to the system on the people who
6 can afford it the least. We don't need to strip
7 resources from struggling families to improve our gas
8 main system. But this order doesn't build in any
9 protections to help avoid devastating rate increases
10 to low-income families. And when families can't
11 afford heat, their safety is also at risk.

12 This Peoples Gas program will double a
13 family's gas bill over the next 20 years. This rate
14 increase will disproportionately impact people
15 experiencing poverty and people of color. Our 2017
16 report on poverty in Illinois revealed that nearly
17 half of Chicagoans are considered low income or
18 living in poverty, and people of color and children
19 have the highest rates of poverty in Illinois.

20 The rate increase will take an
21 outsized portion of a family's income just to pay for
22 heat, one of the most basic human needs, and make it

1 much more difficult to make ends meet every month.
2 When families struggle to afford their gas bills, it
3 directly puts their health and wellbeing at risk. A
4 2011 study from the National Energy Assistance
5 Directors Association found that 23 percent of LIHEAP
6 recipients kept their homes at unsafe or unhealthy
7 temperatures in the past year due to not having
8 enough money to pay for their energy bills.

9 Under this proposed order, we're
10 likely to see more Chicago families adopt strategies
11 like these, not turning on their heat or keeping
12 their home at unsafe temperatures, just in an attempt
13 to manage their expensive gas bills.

14 I urge the Commission to ensure the
15 safety and wellbeing of all Chicago families by
16 rejecting the proposed order, slowing down the System
17 Modernization Program, and better prioritizing the
18 most at-risk pipes.

19 Thank you for the opportunity to
20 speak.

21 CHAIRMAN SHEAHAN: Thank you.

22 (Applause.)

1 CHAIRMAN SHEAHAN: Our next speaker is Raquel
2 Centena.

3 UNIDENTIFIED AUDIENCE MEMBER: Raquel?

4 UNIDENTIFIED AUDIENCE MEMBER: Raquel? She's
5 here.

6 MS. STACY BAUTISTA: If the Commissioners will
7 permit, she's having a little trouble.

8 Do you have a translator? Good.

9 MS. RAQUEL CENTENA: Buenos dias.

10 CHAIRMAN SHEAHAN: Good morning.

11 MS. RAQUEL CENTENA (through an interpreter): I
12 don't speak English, but I'm part of the midwest
13 organization, and they're working to help us --

14 MS. STACY BAUTISTA: To make sure Peoples Gas
15 doesn't get their rates higher.

16 THE INTERPRETER: Yeah.

17 MS. RAQUEL CENTENA (through an interpreter):
18 They want to ensure Peoples Gas doesn't raise the
19 cost.

20 CHAIRMAN SHEAHAN: Why don't you have her speak
21 in shorter sentences so that...

22

1 MS. RAQUEL CENTENA (through an interpreter):
2 We're here just trying to -- we're here trying to
3 work --

4 THE INTERPRETER: Sorry.

5 MS. RAQUEL CENTENA (through an interpreter):
6 -- with everyone to lower the cost of the bill.

7 And that's it. Thank you.

8 CHAIRMAN SHEAHAN: Thank you.

9 (Applause.)

10 CHAIRMAN SHEAHAN: Our next public speaker is
11 Dorothy Coats.

12 MS. DOROTHY COATS: My name is Dorothy Coats,
13 and I'm a senior. And I worked for the Tel- -- the
14 Illinois Bill [sic] and the University of Chicago.
15 And I don't want to worry about this because I worked
16 all my life. But an increased gas bill will affect
17 every bill I pay because my income is fixed. I have
18 zero additional money coming in. I have an
19 account -- I have to account for every penny in my
20 budget. And so -- so does everyone else that I know
21 in my age group. An eight billion rate increase will
22 harm me, my entire neighborhood, the people in my

1 senior group, my family members, and all will suffer.

2 (Chorus of yeses.)

3 MS. DOROTHY COATS: When a bill goes up, but
4 income doesn't, then that doesn't just affect the
5 person with the bill. Commissioners, I've had to
6 borrow money from my family to pay some of my bills.
7 And that means that they have less money in their
8 budget. And we all had to shop less, and so the
9 local grocer and accountant didn't get to -- didn't
10 get to be paid, leaving less money for their gas
11 bills.

12 UNIDENTIFIED AUDIENCE MEMBER: Absolutely.
13 Right.

14 MS. DOROTHY COATS: For elderly people with
15 high medical bills, choosing between Peoples Gas
16 bills and the medication can cost you your life. So
17 this bill's bad for the whole community. It will
18 make it harder for us to live. Peoples Gas claims
19 that this rate increase is supposed to help replace
20 old pipes, but a business is supposed to have already
21 set aside funds to repair and replace aging equipment
22 as part of their regular budget.

1 You, Commissioners, have no business
2 asking anyone to pay for Peoples Gas' failure to
3 budget --

4 (Disruption from the audience.)

5 MS. DOROTHY COATS: -- especially not when our
6 money is paid out as higher profits, the likes of
7 State Street Capital. Commissioners, you know that
8 approving this rate increase is a wrong decision --

9 (Disruption from the audience.)

10 MS. DOROTHY COATS: -- because last March, you
11 made the right ones, and did not give a rate increase
12 for the same program.

13 The ICC should be helping the
14 community because you're there to regulate the
15 utilities so working people who -- who get stuck with
16 such a high bill that -- won't get their gas shut
17 off. Do what your mandate, the Public Utilities Act
18 of 2001, requires: slash the utility company's rates
19 until we can afford our bills.

20 (Chorus of yeses.)

21 MS. DOROTHY COATS: Do not give them a higher
22 rate. Make Peoples Gas fix their pipes on their own

1 dime, not ours.

2 (Applause.)

3 MS. DOROTHY COATS: If even one person gets
4 shut off because of your decision, this is criminal.
5 This rate increase serves just one purpose, to enrich
6 shareholders by impoverishing the rest of us.

7 And thank you for hearing me out.

8 (Applause.)

9 CHAIRMAN SHEAHAN: Thank you, ma'am.

10 Our next speaker is Jim Jaroch. I'm
11 sorry, Tim. I apologize.

12 MR. TIM JAROCH: No problem.

13 I'm here today to talk about the
14 Peoples Gas SMP Program with respects of two separate
15 aspects: safety and employment jobs impact.

16 We have a gas main over a hundred
17 years old, and it's in bad shape. It does need to be
18 repaired, and it needs to be upgraded. And I know
19 this because I've been working for Peoples Gas for 27
20 years. I see it day in and day out. I'm familiar on
21 the street. We keep going back to the same places
22 where the old main is and keep repairing it, so it's

1 time to get upgraded on the infrastructure of the
2 City of Chicago.

3 We hired over 300 utility workers, a
4 large majority of which are veterans, through the
5 partnership of City of Chicago, Dawson Tech, and
6 Power for America. We hired over a hundred seasonal
7 workers over the last two years. And we're seeing
8 improvement of our training and workforce across the
9 state at the -- our training center in Little
10 Village. And Local 1877 looking forward to getting
11 this work done as soon as we can, and we'll sponsor
12 anything we have to with the company.

13 Thank you.

14 CHAIRMAN SHEAHAN: Thank you, sir.

15 Our next speaker is Erin Inman.

16 MS. ERIN INMAN: Good morning, Mr. Chairman,
17 Commissioners, and guests. I'm Erin Inman, President
18 and CEO of Primera Engineers. Thank you for the
19 opportunity to say a few words this morning.

20 As a firm of professional engineers
21 specializing in buildings, transportation, and
22 utilities, public safety is always our first

1 consideration. Whether we are designing buildings,
2 bridges, electrical distribution, or natural gas
3 lines, the public is working or walking in, on, or
4 over our projects every day. And it is our
5 responsibility to make sure those people and projects
6 are safe.

7 It is far less challenging to know
8 whether a bridge is safe than it is to know whether a
9 gas main is safe. For a bridge, we can inspect the
10 connection points, we can check the concrete for
11 spalling, we can check the steel for corrosion. Gas
12 mains are not as visible. They are under our
13 streets, sidewalks, and lawns. We cannot inspect
14 every inch of a gas main to know its condition. We
15 don't know how much corrosion there is. We don't
16 know if the welds are still good, and we don't know
17 the toll that the last 30 or 40 years of freeze-thaw
18 cycles have taken on those pipes and connections.

19 What we do know is that the life
20 expectancy of cast iron and steel is about 50 years,
21 and many of the gas lines in Chicago are well past
22 that mark.

1 Primera has been involved in the
2 Peoples Gas advance main replacement program for
3 almost a year. Thanks to the leadership of this
4 Commission along with Peoples commitment to minority-
5 and women-owned firms like ours, it has provided us a
6 unique opportunities to grow.

7 (Disruption from the audience.)

8 MS. ERIN INMAN: We were introduced to Peoples
9 Gas through work we have done with We Energies and
10 other prime firms. But their prime diversity program
11 has opened several new doors for us, specifically
12 allowing us to leverage our knowledge of designing
13 underground systems in Chicago to build stronger
14 resumé and gas distribution design.

15 Our utilities team has been able to
16 work on multiple gas design projects. Our
17 transportation team has worked on maintenance of
18 traffic projects, and our consulting team was able to
19 provide project control support to Peoples Gas.
20 These opportunities have enabled us to hire
21 additional talent to support that work. I strongly
22 believe without a robust supplier diversity program

1 like that of Peoples, it would have been much more
2 difficult for us to do the work we have.

3 At this point it is on us to deliver
4 best in quality client service to further grow our
5 partnership. As we continue to engrain ourselves in
6 the business of our clients, we look for ways to
7 support specific needs, both in service offerings and
8 in tier 2 partnerships. We believe in forming
9 lasting connections with our clients and our
10 communities, and we align ourselves with
11 organizations that value quality and diversity and
12 inclusion, as we have for years.

13 For that reason alone, our partnership
14 with Peoples Gas means a great deal to us. I
15 appreciate the Commission's continued support of this
16 program.

17 UNIDENTIFIED AUDIENCE MEMBER: Yeah. Kiss
18 kiss.

19 CHAIRMAN SHEAHAN: Thank you.

20 UNIDENTIFIED AUDIENCE MEMBER: Boo. Boo.

21 UNIDENTIFIED AUDIENCE MEMBER: Kiss kiss.

22 (Disruption from the audience.)

1 CHAIRMAN SHEAHAN: I would ask our guests to be
2 respectful of all of our speakers as they were
3 respectful of you.

4 Our final speaker is Marc Poulos.

5 MR. MARC POULOS: Good morning.

6 CHAIRMAN SHEAHAN: Good morning.

7 MR. MARC POULOS: Mr. Chairman, Commissioners,
8 Members of the public, I'm Marc Poulos, Executive
9 Director and Counsel of the Indiana, Illinois, and
10 Iowa Foundation for Fair Contracting. We are a
11 jointly trustee labor-management organization
12 representing thousands of contractors and the 23,000
13 hardworking men and women of the International Union
14 of Operating Engineers, Local 150.

15 I am here to encourage continued
16 investment in scheduling of Peoples Gas' SMP program.
17 Much like the ICC balances, the interest of consumers
18 and utilities, FFC balances the interests of labor
19 and management. Thus, we understand the sometimes
20 difficult intersection of competing interests when
21 making long-term decisions.

22 Nevertheless, the ICC is chartered

1 with insuring adequate, efficient, reliable, safe,
2 and least-cost public utility services while
3 promoting the development of an effectively
4 competitive energy supplier.

5 The first step in ensuring that this
6 mission is met was with the execution of a project
7 labor agreement ensuring locally trained trade
8 unionists perform the work at local wages and fringe
9 benefits that prevail in the area, while eliminating
10 any labor disruption during this critical long-term
11 program Thus, ensuring an adequate, efficient,
12 reliable, and safe system is built.

13 The second step in ensuring the
14 mission is met through the close -- is through the
15 close coordination between each trade union and
16 contractors performing the work on this important
17 project. Because of the nature of the work with
18 close proximity of other utilities, busy urban areas,
19 and other decaying infrastructures surrounding much
20 of Peoples infrastructure, proper training is
21 required to ensure adequate, efficient, and reliable
22 installation of the SMP program.

1 This is done through job-specific
2 training at Local 150's nearly thousand-acre site,
3 with \$100 million training facility in Wilmington,
4 Illinois.

5 In fact, in a recent study by the
6 Illinois Economic Policy Institute, the union workers
7 post a much higher productivity rate than their
8 counterparts. This is largely due to apprenticeship
9 training, which requires an individual to conduct
10 more hours of training in the classroom and out on
11 the construction site than an individual receiving a
12 bachelors degree from the University of Illinois.

13 In another report, the Institute
14 reports that projects such as SM- -- the SMP program
15 improves economic outcomes for veteran workers. The
16 fact of the matter is that across America, government
17 at all levels continue to face fiscal conditions that
18 limit their ability to provide more and better
19 services. In these tough budgeteering [sic] times,
20 however, governments need to spur long-term economic
21 growth, finding ways to increase, rather than curb,
22 internal investments. The SMP program does just

1 that.

2 While we hear much about unfunded
3 pension liability, we hear little about unfunded
4 infrastructure liability. Even though our unfunded
5 infrastructure liability nearly tops our unfunded
6 pension liability not only as a city, but as a state
7 and a nation as well.

8 Moreover, infrastructure investment
9 has a net positive effect on the overall economy.
10 Economic research and simulations reveal that
11 physical infrastructure investment and spending
12 enhances economic growth and boosts employment.

13 At the federal level, increased
14 infrastructure spending generates \$1.59 per every
15 dollar invested at the national level, according to
16 Moody's Economic Stimulus -- Simulations. Oil and
17 gas, nearly \$2.05 for per every dollar invested, Not
18 to mention the need to meet the mission of providing
19 an efficient, reliable, and safe system.

20 It is no secret that the nearly
21 2,000 miles, or 40 percent -- of over 40 percent of
22 the system, to be replaced in this program is

1 necessary because of the decaying nature of the aging
2 pipe. The SMP program is not only providing for an
3 efficient, reliable, and safe gas distribution
4 system, but an infrastructure investment that has
5 developed careers that sustain families.

6 UNIDENTIFIED AUDIENCE MEMBER: Time.

7 MR. MARC POULOS: We look forward to continue
8 to work with Peoples Gas to continuously improve the
9 long-term viability of the program and improve the
10 safety and modernization of the infrastructure of the
11 City of Chicago.

12 Thank you for your time.

13 CHAIRMAN SHEAHAN: Thank you, sir.

14 That concludes our Public Comments
15 Section. I'd like to thank all of our speakers for
16 making the effort to be here with us --

17 MR. PAUL LUKA: Mr. Chairman --

18 CHAIRMAN SHEAHAN: -- this morning. We'll --

19 MR. PAUL LUKA: -- I'd like to request that
20 you --

21 CHAIRMAN SHEAHAN: -- move on to our Regular
22 Agenda. Sir -- sir, we don't entertain dialogue with

1 people in the audience.

2 Thank you.

3 MR. PAUL LUKA: Given the large attendance in
4 this meeting, Section 1700-10 of the
5 Administrative Code allows the Commission to do so.

6 (Disruption from the audience.)

7 CHAIRMAN SHEAHAN: We move now into our Public
8 Utilities Agenda. There are edits to both the
9 December 6th and December 13th Regular Open Meetings.

10 Are there any objections to approving
11 the Minutes as edited?

12 (No response.)

13 CHAIRMAN SHEAHAN: Hearing none, the Minutes as
14 edited are approved.

15 Under -- Item E-1 concerns ComEd's
16 filing to revise its Rider Retail Assessment and
17 Residential Real-Time Pricing Program Rider.

18 Are there any objections to not
19 suspending the Filing?

20 (No response.)

21 CHAIRMAN SHEAHAN: Hearing none, the Filing is
22 not suspended.

1 Item E-2 and 3 concern Ameren --
2 Ameren's Energy Savings' findings in compliance with
3 its energy efficiency requirements.

4 Are there any objections to
5 considering these items together and approving the
6 Proposed Orders?

7 (No response.)

8 CHAIRMAN SHEAHAN: Hearing none, the Orders are
9 approved.

10 Item E-4 concerns ComEd's
11 reconciliation of revenues collected under power
12 procurement riders.

13 Are there any objections to approving
14 the Proposed Order approving the reconciliation?

15 (No response.)

16 CHAIRMAN SHEAHAN: Hearing none, the Order is
17 approved.

18 Item E-5 concerns MidAmerican's
19 Reconciliation of Revenues Collected under Transition
20 Service Rider.

21 Are there objections to approving the
22 Proposed Order approving Reconciliation?

1 (No response.)

2 CHAIRMAN SHEAHAN: Hearing none, the Order is
3 approved.

4 Item E-6 concerns a consumer complaint
5 against ComEd.

6 Are there any objections to approving
7 the Proposed Order dismissing the complaint?

8 (No response.)

9 CHAIRMAN SHEAHAN: Hearing none, the Order is
10 approved.

11 Items E-7 and 8 concern petitions to
12 cancel Authority to Operate as a Retail Electric
13 Supplier.

14 Are there any objections to
15 considering these items together and approving their
16 Proposed Orders?

17 (No response.)

18 CHAIRMAN SHEAHAN: Hearing none, the Order's
19 approved.

20 Item E-9 through 12 concern
21 applications for Certifications as Installers of
22 Distributed Generation Facilities.

1 Are there any objections to
2 considering these items together and approving the
3 Proposed Orders.

4 (No response.)

5 CHAIRMAN SHEAHAN: Hearing none, the Order is
6 approved.

7 Items E-13 through E-131 concern
8 applications for Certifications to Install Energy
9 Efficiency Measures.

10 Are there any objections to
11 considering these items together and approving the
12 Proposed Orders?

13 (No response.)

14 CHAIRMAN SHEAHAN: Hearing none, the Orders are
15 approved.

16 Moving on to our Gas Agenda. Item G-1
17 concerns the Peoples Gas Reconciliation of Revenues
18 under QIP Rider. We'll hold this item for
19 disposition at a future meeting in light of
20 forthcoming stipulated agreement between the Company
21 and potentially other parties.

22 Commissioner del Valle, I believe you

1 have -- that you would like to comment?

2 COMMISSIONER del VALLE: (Inaudible.)

3 CHAIRMAN SHEAHAN: Item G-2 concerns Ameren's
4 reconciliation of revenues collected under gas
5 adjustment charges.

6 Are there any objections to approving
7 the Proposed Order approving the reconciliation?

8 (No response.)

9 CHAIRMAN SHEAHAN: Hearing none, the Order is
10 approved.

11 Item G-3 concerns Spark Energy's
12 petition for the Confidential Treatment of part of
13 its Compliance Reports.

14 Are there any objections to approving
15 the Motion to Withdraw?

16 (No response.)

17 CHAIRMAN SHEAHAN: Hearing none, the Motion is
18 approved.

19 Item G-4 concerns the Peoples Gas
20 System Modernization Project. There are three items
21 that we need to deal with. The first is a Request
22 for Oral Argument. I move that we deny the Request

1 for Oral Argument.

2 Is there a second?

3 COMMISSIONER ROSALES: Second.

4 CHAIRMAN SHEAHAN: Any discussion?

5 (No response.)

6 CHAIRMAN SHEAHAN: All those in favor of
7 denying Oral Argument, say aye.

8 (Chorus of ayes.)

9 CHAIRMAN SHEAHAN: Opposed, say nay.

10 COMMISSIONER del VALLE: Nay.

11 CHAIRMAN SHEAHAN: The ayes have it, and Oral
12 Argument is denied.

13 There's a Motion to Deny -- I would
14 move that we deny the Motion for Interlocutory
15 Review.

16 Is there a second?

17 COMMISSIONER ROSALES: Second.

18 CHAIRMAN SHEAHAN: Any discussion?

19 (No response.)

20 CHAIRMAN SHEAHAN: All those in favor of
21 denying the Motion for Interlocutory Review, say aye.

22 (Chorus of ayes.)

1 CHAIRMAN SHEAHAN: Opposed, say nay.

2 COMMISSIONER del VALLE: Nay.

3 CHAIRMAN SHEAHAN: The ayes have it and the
4 ALJ's decision is affirmed.

5 There are substantive edits to the
6 Order.

7 Is there a motion to approve the
8 Proposed Edits?

9 COMMISSIONER ROSALES: So moved.

10 CHAIRMAN SHEAHAN: Is there a second?

11 COMMISSIONER OLIVA: Second.

12 CHAIRMAN SHEAHAN: Any discussion?

13 (No response.)

14 CHAIRMAN SHEAHAN: All those in favor of
15 approving the Proposed Edits, say aye.

16 (Chorus of ayes.)

17 CHAIRMAN SHEAHAN: Opposed, say nay.

18 (No response.)

19 CHAIRMAN SHEAHAN: The ayes have it and the
20 Proposed Edits are approved.

21 I would move that we approve the Order
22 as edited.

1 Is there a second?

2 COMMISSIONER ROSALES: Second.

3 CHAIRMAN SHEAHAN: Is there any discussion?
4 Commissioner del Valle?

5 (Laughter.)

6 UNIDENTIFIED AUDIENCE MEMBER: Why discuss it?

7 COMMISSIONER del VALLE: Yes. Thank you,
8 Mr. Chairman.

9 I would like to thank everyone for
10 their hard work and the work that's still to come
11 regarding this frustrating, to say the least, docket,
12 in particular, the AG and the Sargent Shriver Center.

13 These Commission edits, which were
14 just adopted, add additional metrics proposed by the
15 AG, among other things, they do improve the Order,
16 but unfortunately, they don't address the main
17 concern of how we can lessen the impact of this
18 unaffordable program on our vulnerable ratepayers.

19 Peoples Gas' struggles have a long
20 history. During its 2007 rate case, the Commission
21 rejected Peoples Gas' first proposal for an
22 accelerated main replacement program for a similar

1 reason. There was, quote, no quantitative --
2 quantitative evidence, no cost-benefit analysis, and
3 no plan.

4 After gaining approval in 2010, by
5 2013, while only in its third year of operation, the
6 accelerated program was found to be in significant
7 trouble due to mismanagement. At the same time, the
8 Company went to the Illinois General Assembly for
9 approval of the Rider QIP cost recovery mechanism.
10 To gain approval, the Company brought warnings of
11 grave dangers to safety, the promise of jobs, and
12 most importantly, an estimated total cost of the
13 program that was woefully out of date.

14 Liberty's audit tells us the Company
15 knew in 2012 that the program was at least twice as
16 expensive as the figure given to the General
17 Assembly. In fact, if you check the floor debates
18 that took place from when the QIP was approved, the
19 legislators thought, and were told, I guess, that the
20 impact would be only about \$1.14 a month. I could
21 tell you, I checked my own bill last month, it's up
22 to \$9; that's per the QIP.

1 This amount is going to continue to
2 increase, according to the AG, for more than two
3 decades. And further, later on, the Commission
4 learned that it, too, had also been misled about the
5 total cost of the program.

6 In the autumn of 2015, the ICC soundly
7 rejected the improvement plans Peoples submitted
8 after the WEC merger, and also suspended the program
9 at that time. But despite the suspension, spending
10 continued uninterrupted, and now the Commission is
11 approving the status quo we rejected more than two
12 years ago.

13 Further, the same program with the
14 same scope is graced leniency and insufficient
15 transparency because it has rebranded itself as the
16 new, and I might say more appropriately named "System
17 Modernization Program."

18 In 2015, Liberty warned that the
19 program's ballooning costs would raise profound
20 questions about, and I quote, the value proposition
21 of continuing to address pressure improvements and
22 meter relocations after a reasonably sound reflection

1 of their true costs becomes known, sometime down the
2 road.

3 Two years down the road and we still
4 don't know their true costs, but by now it should be
5 obvious, any efficiencies are probably more than
6 offset by the adverse impact to ratepayers from
7 paying for the full modernization at an accelerated
8 pace.

9 The Commission should have shown more
10 leadership in this docket.

11 (Applause.)

12 CHAIRMAN del VALLE: We should not have allowed
13 a two-year investigation into the SMP's cost, scope,
14 and schedule to abandon any meaningful quantification
15 of what it was investigating. The Commission has
16 allowed the Company to forego basic, crucial best
17 practices for project management and data collection,
18 while avoiding the issue of affordability.

19 And I do not believe any relief will
20 be found in QIP reconciliation dockets, which happen
21 after ratepayers are already paying for the
22 investments and are not ideal for regulating the

1 program's management or affordability.

2 There's no doubt in my mind that the
3 SMP as approved today is unaffordable and will
4 continue to significantly increase monthly ratepayer
5 bills. The ICC failed to make affordability a driver
6 in SMP planning as recommended by the AG and City
7 even though, in my opinion, the ICC has the authority
8 to determine the pace of investment and limit its
9 impacts on ratepayers.

10 Now, we heard today about jobs. We
11 heard today about contracts. You certainly would
12 expect folks who get jobs to be in favor. You
13 certainly would expect folks who get contracts to be
14 in favor. But let's not forget that the majority of
15 the people, the vast majority of the people who are
16 paying for this are going to be paying and are
17 already paying and heavily paying for a program that
18 is unaffordable and could very -- be very different
19 from what it is today.

20 For this reason, I will be voting no.

21 Thank you.

22 (Applause.)

1 CHAIRMAN SHEAHAN: Thank you, Commissioner.

2 Commissioner Oliva?

3 COMMISSIONER OLIVA: Good morning.

4 I join the Chairman in affirming that
5 the Commission must act within the bounds of its
6 authority to ensure safe, reliable, and
7 cost-effective Public Utility service. To this end,
8 the Commission must also ensure prudent spending by
9 People Gas in the execution of its System
10 Modernization Program.

11 The parties to this proceeding have
12 extensively described the complex factors involved in
13 this program and offered solution, which the
14 Commission has scrupulously reviewed.

15 As one of the largest infrastructure
16 improvement projects in the nation, a discerning eye
17 on cost is necessary, and affordability is of most
18 concern. The Order that will be issued today holds
19 Peoples Gas accountable going forward. To be prudent
20 in carrying out the objectives of the SMP so that
21 consumers continue to receive safe, reliable, and
22 cost-effective natural gas service.

1 Thank you.

2 CHAIRMAN SHEAHAN: Thank you, Commissioner.

3 (Disruption from the audience.)

4 CHAIRMAN SHEAHAN: This -- ladies and
5 gentlemen, please be respectful of everyone's
6 opportunity to speak.

7 This is a difficult case with
8 important implications for the safety of one of the
9 oldest natural gas systems and its customers. Some
10 background is essential to understanding our decision
11 today.

12 Peoples Gas, the city's first utility,
13 has served Chicago since 1850. In fact, significant
14 portions of the gas infrastructure buried underneath
15 Chicago streets was laid during the era of World
16 War I and subsequent building boom. During this
17 period, Americans began to live in cities more than
18 in rural areas, and to accommodate this growth,
19 utilities across the county used materials that were
20 readily available, but of limited durability,
21 including cast and ductile iron.

22 As these uncoated materials are buried

1 in the ground, exposed to moisture -- much of Chicago
2 was originally built on landfill -- and age -- they
3 deteriorate, they rust, they become brittle, and they
4 occasionally fail unpredictably and with catastrophic
5 effect. Some gas lines in Chicago have been in its
6 moist clay soil for more than a century.

7 Gas distribution systems, like all
8 physical infrastructure, whether they be water
9 systems like the one in Flint, Michigan, or the
10 subway in New York, or roads in Chicago require
11 significant investments to operate, maintain, and
12 eventually build. In fact, utilities in 35 states
13 across the country, in other major densely-populated
14 cities like New York; Baltimore; Washington, DC; and
15 Philadelphia are replacing cast and ductile iron gas
16 mains.

17 Nearly ten years ago, Peoples Gas
18 began the process of planning for and replacing its
19 aging infrastructure. The project literally entails
20 digging up half the streets in the City of Chicago
21 and replacing 2,000 miles of cast iron mains,
22 upgrading 3,000 customer service lines, and

1 relocating gas meters to the outside of homes and
2 businesses.

3 Over the past decade, gas system
4 safety has received national attention. In September
5 of 2010, a 30-inch gas pipeline located in San Bruno,
6 California, exploded, killing eight people and
7 injuring over 50, destroying 38 homes, and causing
8 billions of dollars in damage. Similar incidents
9 involving aging cast iron mains in cities such as
10 Allentown, Pennsylvania; Austin; Philadelphia; and
11 East Harlem have killed dozens of people and injured
12 many more.

13 In early 2011, the U.S. Secretary of
14 Transportation, Ray LaHood, announced a "Call to
15 Action" through the Pipeline and Hazardous Materials
16 Safety Administration, or PHMSA urging utilities to
17 accelerate the repair or replacement of high-risk
18 pipelines. The Call to Action engaged all the state
19 pipeline regulatory agencies, technical and subject
20 matter experts, and pipeline operators in
21 accelerating the repair, rehabilitation, and
22 replacement of the highest-risk pipeline

1 infrastructure.

2 In May of 2013, through legislation
3 introduced as Senate Bill 2266, the Illinois General
4 Assembly responded to PHMSA's Call to Action by
5 passing legislation that authorized utilities to use
6 a Qualifying Infrastructure Plant, or "QIP" Rider, a
7 surcharge to recover the costs of replacing mains
8 made of cast and ductile iron and other at-risk
9 materials. The General Assembly specifically tied
10 such work to the critical need to ensure safety and
11 reliability of natural gas delivery systems and
12 economic development.

13 The Attorney General and the Illinois
14 Commerce Commission, at the time, were involved in
15 negotiating the legislation, and in exchange for
16 withdrawing their opposition, agreed to a cap on
17 recovered qualified costs and investments, i.e.,
18 replacing at-risk materials, of up to 4 percent of
19 rate base delivery revenues or 5.5 percent in any
20 given year.

21 The Citizens Utility Board
22 consistently opposed the legislation because the

1 bill, in their view, did not offer the same ratepayer
2 and other protections as formula rates had for the
3 electrical utilities.

4 The newly enacted legislation, Public
5 Act 98-57, signed into law by Governor Quinn on
6 July 8, 2013, added Section 9-220.3 to the Illinois
7 Public Utilities Act. Under this section, natural
8 gas utilities are authorized to implement a rider or
9 surcharge to recover the costs of replacing qualified
10 infrastructure, which includes things like gas mains
11 constructed of cast iron, ductile iron, bare or
12 mechanically coupled steel, and certain types of
13 obsolete plastic.

14 Importantly, gas utilities, under the
15 law, could also recover the costs of upgrading
16 systems to medium pressure, which reduces outages due
17 to water infiltration and allows the utilities to
18 install excess flow valves to shut off gas to a
19 customer's premises if service lines are compromised.
20 It also allows companies to recover costs associated
21 with moving customer meters outside, which
22 facilitates inspections and ensure system safety and

1 provides additional reliability.

2 The Commission approved Peoples Gas'
3 Rider QIP, effective January 1, 2014. Approval of
4 the tariff has the same effect as a state law: it is
5 the law of the land. The Commission reviews QIP
6 expenditures on an annual basis for prudence, and we
7 currently have three years of QIP reviews at various
8 stages of review.

9 Concerned with its pace and cost, the
10 ICC ordered an audit of the program -- proposed by
11 Commissioner del Valle -- which culminated in a
12 report including 95 recommendations for improving its
13 planning and execution. The report was comprehensive
14 resulted in recommended changes to essentially all of
15 the processes and procedures underlying the work.
16 Peoples Gas accepted and has implemented the vast
17 majority of these recommendations.

18 In 2015, Peoples was acquired by the
19 WEC Energy Group. The company's new management
20 undertook a review of the program and agreed with the
21 concerns of the Commission and consumer advocates,
22 recognizing there was a significant need to improve

1 the project through better project management
2 practices.

3 Also, however, in response to
4 allegations uncovered during the Commission's audit,
5 it was determined that the ICC had been knowingly
6 misled by its previous owners regarding their
7 estimates of costs for the program. The Commission's
8 investigative proceeding resulted in two settlement
9 agreements, totaling \$18.5 million in penalties and
10 refunds.

11 For the past two years, the Commission
12 has been studying the company's plans, our staff's
13 analysis, the opinions of intervenors, and
14 recommendations for future action. We have felt it
15 was important to take the time to turn over every
16 stone to help ensure that the project is understood
17 and well managed. All parties essentially agree that
18 the project is critically important and necessary
19 work, but disagree on the pace among other things.
20 We have also explored, in depth, our authority to
21 affect the project's pace and budget, which brings us
22 to the present docket.

1 This case can be distilled into
2 basically one fundamental question. Can the Illinois
3 Commerce Commission, in contravention of the plain
4 language of the Public Utilities Act negotiated by
5 the Attorney General, adopted by the legislature,
6 signed by Governor Quinn, and approved by ICC tariff,
7 limit the utility's investment in statutorily defined
8 categories of work during the effectiveness of the
9 law? The answer, according to the career
10 professional staff of the Illinois Commerce
11 Commission is that we cannot. It is with reluctance
12 that I accept their opinion.

13 While the management of WEC and
14 Peoples Gas, under their leadership, have made
15 significant strides in improving the project
16 management of the System Modernization Program,
17 eliminated an artificial project deadline, and
18 voluntarily extended the project timeframe, I have
19 publicly expressed my disappointment with their
20 annual spending goals. I believe that even with a
21 ten year extension of the program, taking it out 30
22 years rather than the original 20, the long-term

1 annual costs that they have proposed will cause too
2 great a burden for too many households in Chicago.

3 I and this Commission care deeply
4 about the impact of our decisions on ratepayers and
5 the communities we serve. This is reflected in our
6 very intentional commitment to diversity and
7 inclusion at the Commission. No other Administration
8 in the history -- the more than 100-year history of
9 the Illinois Commerce Commission has been more
10 inclusive in diversifying upper management positions
11 to ensure we have the personal insight of people from
12 all walks of life and identity represented in our
13 agency.

14 But the Commission is not without
15 tools to ensure that the ratepayer's capital is spent
16 reasonably and prudently.

17 For the first time since Illinois
18 utilities were building nuclear power plants, the ICC
19 is going to employ outside independent accounting and
20 engineering firms to help ensure that every dollar of
21 this program is spent appropriately. It is also
22 important to note that our action today does not

1 change the law. This is not a rate case. The QIP
2 which will expire in 2023 and the manner in which WEC
3 and Peoples have managed expectations around their
4 intentions guarantee the law will not be renewed.

5 Estimates of the burden that this
6 important project will impose on ratepayers made by
7 simply extrapolating maximum spending under the law
8 for decades or on an indefinite basis are simply
9 mistaken. After 2023, recoupment of utility
10 investment in this program will revert to traditional
11 rate cases where the ICC will have greater leverage.
12 In the meantime, we welcome any opportunity to be
13 part of a discussion regarding legislative solutions
14 to give the ICC greater oversight of spending
15 underneath the QIP caps.

16 As a quasi-judicial administrative
17 agency, our role is to apply the law as it exists,
18 not to rewrite the law as we might wish it to be.
19 Our powers are limited by statute and well-settled
20 law. In this case, our role is limited to ensuring
21 that Peoples Gas invests ratepayer funds prudently
22 and within the statutory constraints of the Public

1 Utilities Act, and that's what we intend to do.

2 With that, I would move for the
3 adoption of the Order as edited.

4 Is there a second?

5 COMMISSIONER ROSALES: Second.

6 CHAIRMAN SHEAHAN: All those in -- is there any
7 discussion?

8 (No response.)

9 CHAIRMAN SHEAHAN: All those in favor, say aye.

10 (Chorus of ayes.)

11 CHAIRMAN SHEAHAN: Opposed, say nay.

12 COMMISSIONER del VALLE: Nay.

13 CHAIRMAN SHEAHAN: The vote is 4 -- pardon
14 me -- 3 to 1, and the Order, as edited, is adopted.

15 Item G-5 concerns TERM Energy's
16 petition to withdraw its Certificate of Authority to
17 Operate as an Alternative Gas Supplier.

18 Are there any objections to approving
19 the Proposed Order approving the Petition?

20 (No response.)

21 CHAIRMAN SHEAHAN: Hearing none, the Order is
22 approved.

1 Item T-1 concerns a complaint against
2 AT&T Illinois.

3 Are there any objections to approving
4 the Motion to Withdraw?

5 (No response.)

6 CHAIRMAN SHEAHAN: Hearing none, the Motion is
7 approved.

8 Item T-2 concerns an amendment to Code
9 Part 737.

10 Are there any objections to approving
11 the Proposed Order adopting the amendments?

12 (No response.)

13 CHAIRMAN SHEAHAN: Hearing none, the Order is
14 approved.

15 Item T-3 concerns a repeal of Code
16 Part 773.

17 Are there any objections to approving
18 the Proposed Order approving the repeal?

19 (No response.)

20 CHAIRMAN SHEAHAN: Hearing none, the Order is
21 repealed.

22 Item W-1 concerns Illinois American

1 Water's petition for consent to sell real estate in
2 Champaign County.

3 Are there any objections to approving
4 the Proposed Order granting the Petition.

5 (No response.)

6 CHAIRMAN SHEAHAN: Hearing none, the Order is
7 approved.

8 Item PR-1 concerns ComEd's petition to
9 implement a Microgrid.

10 Is there a motion to affirm the ALJ's
11 decision in regard to the Petition to Intervene?

12 COMMISSIONER ROSALES: So moved.

13 CHAIRMAN SHEAHAN: Is there second?

14 COMMISSIONER OLIVA: Second.

15 CHAIRMAN SHEAHAN: Any discussion?

16 (No response.)

17 CHAIRMAN SHEAHAN: All those in favor of
18 affirming the ALJ's decision, say aye.

19 (Chorus of ayes.)

20 CHAIRMAN SHEAHAN: Opposed, say nay.

21 COMMISSIONER del VALLE: Nay.

22 UNIDENTIFIED AUDIENCE MEMBER: Disgraceful.

1 CHAIRMAN SHEAHAN: The ayes have it, and the
2 ALJ's decision is affirmed.

3 Judge Kimbrel, do you have any other
4 matters to bring before the Commission this morning?

5 JUDGE KIMBREL: No, Mr. Chairman.

6 CHAIRMAN SHEAHAN: Thank you.

7 Commissioner del Valle, I believe this
8 is in your last meeting.

9 COMMISSIONER del VALLE: Thank you
10 Mr. Chairman.

11 (Disruption from the audience.)

12 UNIDENTIFIED AUDIENCE MEMBER: Very disgraceful
13 and illegal.

14 UNIDENTIFIED AUDIENCE MEMBER: Illegal.
15 Illegal.

16 CHAIRMAN SHEAHAN: Ladies -- ladies -- and
17 gentlemen.

18 UNIDENTIFIED AUDIENCE MEMBER: I don't care.
19 It's disgraceful and illegal.

20 UNIDENTIFIED AUDIENCE MEMBER: Illegal.

21 CHAIRMAN SHEAHAN: Ladies and gentlemen --

22 UNIDENTIFIED AUDIENCE MEMBER: Point blank.

1 CHAIRMAN SHEAHAN: In regard --

2 UNIDENTIFIED AUDIENCE MEMBER: Disgraceful.

3 Disgraceful and illegal.

4 CHAIRMAN SHEAHAN: We're at the end of our
5 meeting. This is Commissioner del Valle's last
6 meeting, and I believe that a number of Commissioners
7 have some things to say, in addition to
8 Commissioner del Valle.

9 COMMISSIONER del VALLE: Thank you, Mr.
10 Chairman.

11 UNIDENTIFIED AUDIENCE MEMBER: How much did
12 they contribute to your campaign fund? You've been
13 bought off.

14 COMMISSIONER del VALLE: It is, as I think I'm
15 certain, everybody at the Commission knows, but the
16 public may not be aware, my term on the Commission,
17 my 5-year term, is expiring next week, and so I will
18 be leaving the Commission. This is my last meeting,
19 and I want to take this opportunity to, first of all,
20 thank my staff.

21 I was able to thank Martin Klein a
22 couple weeks ago when he completed his time here.

1 Today, I want to thank Jeff Orcutt who's been my
2 right hand since joining the Commission, and has
3 worked hard here till the very end. I really
4 appreciate his dedication and the quality of his
5 work. His commitment has been there since day one,
6 and he's gained a tremendous amount of knowledge, and
7 that I think some of the folks here are certainly
8 going to miss him because he was, for a while there,
9 the guy you could go to for answers to some
10 questions. So I thank you, thank you for your work.

11 And I want to certainly thank my
12 fellow commissioners, and basically all I want to say
13 is that I wish them well. I won't, Mr. Chairman, be
14 here in 2023, obviously, when I guess there's an
15 opportunity to deal with Peoples again.

16 But the last thing I want to say is I
17 came here as an appointment. I remember when the
18 Governor announced his appointment at a State of the
19 State Address. He said he was appointing a strong
20 consumer advocate to the Commission.

21 The first committee that I chaired
22 when I was elected to the Illinois Senate, where I

1 served for 20 years, was The Consumer Protection
2 Committee. And so I've been on that track ever
3 since, and I have to say that while I'm disappointed,
4 very disappointed with the vote that was taken here
5 today, I am not disappointed with the folks who are
6 in this room here today.

7 (Applause.)

8 COMMISSIONER del VALLE: And as a member of the
9 Commission who in the past last 5 years, I've often
10 wondered why there isn't more public participation.
11 It's a regulatory body. We're kind of invisible most
12 of the time, but it is very important for the public
13 to keep track of everything that happens here and to
14 provide feedback, either through testimony or online,
15 showing up at public hearings, not just when there's
16 a rate case that's up or when there's an SMP, but on
17 an ongoing basis. It's very important that you
18 continue that involvement.

19 I also think it's very important that
20 the advocacy groups out here be more aggressive in
21 their actions. There have been many times as a
22 Commissioner that I have been disappointed in some of

1 the advocacy groups that certainly are there as a
2 result of -- of your hardship. They exist because of
3 your hardships, and so it's important that they not
4 lose sight of that, and that they aggressively and
5 consistently advocate on your behalf, on behalf of
6 ratepayers of the City of Chicago and the State of
7 Illinois.

8 So it has been an honor, it has been
9 an honor to serve these last five years as a public
10 servant in this role, in this capacity. The
11 Regulatory Sector was new to me, but I'm more
12 convinced today than ever before, having served as a
13 legislator for 20 years and now as a regulator for
14 five years, that if the public -- if the public does
15 not advocate for itself, you know, don't count -- you
16 shouldn't count on others to do it for you. You have
17 to fight for yourselves, and for that, I thank you.
18 And thank you for making my last day a memorable --
19 memorable day.

20 Thank you.

21 (Applause.)

22 CHAIRMAN SHEAHAN: Commissioner Rosales.

1 COMMISSIONER ROSALES: Thank you, Mr. Chairman.

2 Commissioner del Valle, it's been an
3 absolute honor to work with you in my term. In
4 private business, I used to call on you as a senator.
5 To work with you as a colleague has been a proud
6 moment. I'm very grateful to have been able to work
7 with you, and hold you in the highest respect for all
8 the work that you do in our community. I realize
9 that when you leave next week it's going to be up to
10 Commissioner Oliva and I together at the time in our
11 work, specifically with diversity, but it has truly
12 been an honor, and I wish you the best.

13 Congratulations.

14 COMMISSIONER OLIVA: I feel truly fortunate to
15 have sat beside the honorable Miguel del Valle.
16 You've put Latinos on the Illinois political and
17 policy map, and as the first Latina to serve on this
18 Commission, every time I'm sitting here next to you,
19 I feel not only honored, but completely in awe of
20 you. You taught me how to make a point with class,
21 passion, and diplomacy.

22 You've all witnessed his calm demeanor

1 and gentleman manners on the Bench, and this is
2 exactly how he is off the bench. You've been
3 generous with your advice, wisdom, and encouragement.

4 I will truly miss sitting next to you
5 and seeing you at the Commission. I wish you all the
6 best.

7 CHAIRMAN SHEAHAN: Thank you, Commissioner.

8 I would like to echo the comments from
9 Commissioner Rosales and Commissioner Oliva. It's
10 been an honor to serve with you, sir, and have
11 enormous respect for your historical career in
12 Illinois government. I have enormous respect for
13 your professionalism and your grace and your
14 preparation, and appreciate the opportunity to have
15 worked for you -- with you. So thank you.

16 With that, unless there are any other
17 issues Commissioners would like to raise, we will
18 stand adjourned.

19 We are adjourned. Thank you.

20 (Whereupon the above
21 matter was adjourned.)

22