



1 PRESENT (Cont'd):

2 CADE SIMMONS, Director of Liberty Utilities

3 Central Region

4 TEAGUE KINGSLEY, Judge

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P R O C E E D I N G S

MS. ZALEWSKI: We're moving on to our public utilities agenda.

Item O-1 concerns an annual reorganization report by Mike Beatty, the vice president of Liberty Utilities Central Region. If there are no objections for logistical reasons, we'll hear this item now.

Hearing no objection, Mr. Beatty, you may proceed. Before you speak, if you could please state your name -- I think the court reporter might have the spelling -- and then you can proceed, please.

MR. BRESNAHAN: Thank you, Madam Chair. This is Arthur Bresnahan; I am counsel for Liberty Midstates and I would just like to introduce Mike Beatty. He's the vice president of Liberty Utilities Central Region.

And also with us is Cade Simmons, who is the director of regulatory affairs for Liberty Utilities Central Region.

Thank you.

MR. BEATTY: Madam Chairman,

1 Commissioners, we do appreciate the opportunity to sit  
2 in front of you today and make this presentation. You  
3 have a hard copy we provided you.

4 So as an introduction, Art has  
5 introduced us. We're going to talk a little bit about  
6 our operating philosophies, we're going to give an  
7 acquisition update to you all, and we're going to talk  
8 a little bit about Public Act 102.

9 Obviously at any time, please, if you  
10 have questions, just interrupt me and we'll entertain  
11 those questions and at the end we will also have time  
12 for questions.

13 Liberty Utilities. So, as you all  
14 know, we're a pretty -- pretty small public utility.  
15 We've got 31 employees that work on the ground in  
16 Illinois but we serve a large area; right? We serve  
17 102 towns or villages throughout the state and we  
18 operate in 31 of 102 counties -- over 30 percent.

19 Our miles of main -- 753 miles of main.  
20 And I would note that that 28.1 customers per mile  
21 really demonstrates how rural we -- we are; right?

22 We have a little bit of transmission.

1 It's in the -- area, just under eight miles. We're  
2 pretty proud of our damage prevention rate.

3 It's -- last year it ended at 2.12. That's damages  
4 per 1000 tickets.

5 As I said, we've got 26 operating  
6 employees and we've got five customer service reps.

7 Now, I'm going to talk about a lot of  
8 good things in this presentation but I'll tell you one  
9 of the things that keeps me up at night is four -- no,  
10 two out of five employees are 55 or older; right?

11 There's a lot of us that are going to  
12 leave this industry in the next ten years. We do have  
13 a workforce management plan. We've worked through  
14 that workforce management plan but there's a lot of  
15 knowledge that's going to walk away from us.

16 I've got an example. I have a service  
17 tech in Harrisburg, Illinois. He's 66. Glen loves  
18 his customers; he believes they're his customers. We  
19 hired an employee to backfill him and he was going to  
20 leave in May but he was so excited to get the employee  
21 he said, "I'll stay till the end of the year to train  
22 this person and transfer that knowledge."

1           It's just the way that they feel about  
2 the customers. And we have driven almost 500,000  
3 miles last year. So you can see how much up and down  
4 we go -- a lot of pretty rural area.

5           So we take pride in those areas, you  
6 know; we have local leaderships on the ground. We  
7 also have what we call Liberty Days. Liberty gives  
8 employees three days to do something in the community.  
9 So it could be volunteering for a food bank -- and  
10 I've got an example in the slide deck I'll show you.

11           But as long as they go there, they wear  
12 a Liberty shirt, they participate -- we give them a  
13 day off to account for that day. So they get up to  
14 three days a year.

15           And then in the -- 2022, the last half  
16 of 2022, Liberty Midstates was in the top quartile of  
17 JD Powers. Very proud of that. We're 100 percent  
18 automated meter reading now across the -- Illinois.

19           And I have highlighted some  
20 issues -- or, not issues but highlighted -- as you  
21 know, Matt Smith, your staff on the safety  
22 side -- their employees come out and audit us on the

1 safety side every year; right?

2 And here's some examples that we had no  
3 issues, no notice of amendments, or no notice of  
4 proposed violations in all these areas. We're very  
5 proud of that.

6 And I might highlight the Harrisburg  
7 one -- that was actually an audit that covered five  
8 years of records. So our operations group are really  
9 spotlighted.

10 And I might add -- I mean, I'm going to  
11 talk about the acquisitions a little bit but those  
12 include the acquisitions that we had done in the last  
13 five years.

14 Here's an example of the Liberty Day.  
15 We had a Harrisburg group that did some bowling; it's  
16 called Bowling for -- they're bowling shoes for a good  
17 cause. And that cause went to the high school -- a  
18 fundraiser for the high school. So just a great group  
19 of employees.

20 I also want to highlight that in 2022  
21 the American Gas Association -- we were awarded  
22 the -- the Safety Achievement Award for all of

1 Liberty. Now that's electric, natural gas, water,  
2 wastewater -- all across the United States and we  
3 competed against combo utilities across the United  
4 States. It's a really, really good award. And we're  
5 very proud of that.

6           And then the safety metrics kind of  
7 shows where we're at. So just being totally  
8 transparent with you all on how that's going. We have  
9 had two OSHA reportables lagging indicator for us. So  
10 we're just being open and honest.

11           But the one that I would like to  
12 highlight is our lost-time injury. Obviously, it  
13 states we don't -- we have not had a lost time on this  
14 slide. And I will tell you that since March 19th of  
15 2019, we had experienced over -- almost 8.2 million  
16 hours without a lost-time in Liberty Central. And  
17 Liberty Central makes up six states.

18           But, unfortunately, in April, we did  
19 experience a lost-time. So it happened on the  
20 electric side; we're back to zero. But that's still a  
21 good record for us -- that we went that long and that  
22 many hours at the size that we are.



1           A little bit more about our operating  
2 philosophy with the energy assistance. You know,  
3 obviously we work with all the conventional aids  
4 throughout Illinois but there are -- there's one here  
5 that I'd really like to highlight and this is the  
6 Friendly Follow-Up Program.

7           So it's a voluntary program.  
8 Basically, a third party is contacted when a customer  
9 bill is late or a disconnect notice. It's really  
10 designed for seniors or disabled people that live  
11 alone, you know, so somebody else can go check on them  
12 to make sure everything's okay.

13           It's something that we're pretty proud  
14 of and actually we're trying to get the same programs  
15 across our footprint.

16           I want to talk a little bit about  
17 renewable natural gas. Currently within Liberty  
18 Central in Missouri we have three projects for  
19 renewable natural gas. And it says voluntary  
20 program -- we have voluntary programs right now in  
21 Missouri, New York, and New Hampshire.

22           And that's really -- the voluntary is

1 we come in and work with the commission and the staff  
2 to try to build these tariffs to make RNG viable for  
3 both company and the customers. We think RNG is a  
4 very good program to go after.

5           There are a lot of components to  
6 RNG -- there's interconnect agreements. You know,  
7 we've been hammering on those for a while; we think  
8 we've got a pretty good interconnect agreement with  
9 the companies -- say it's either a landfill or some  
10 sort of swine farm or dairy farm.

11           And then the gas supply agreements to  
12 work through those. And the main extension agreements  
13 to try to be equitable on both sides of the equation.

14           It's interesting to see the gas quality  
15 standards as opposed to what we see coming off a  
16 pipeline and see how that comes to renewable natural  
17 gas. It's a little different. So there's nuances  
18 we're trying to work but just wanted to offer that up.

19           You know, there's probably some  
20 opportunities are going to come up within the state of  
21 Illinois and we're waiting, available, and actually  
22 eager to work with the Commission and the staff to

1 make this happen when they do appear.

2 All right. Let's talk a little bit  
3 about the acquisitions. We've had three acquisitions  
4 within -- village of Pittsburg -- this acquisition was  
5 back in 2017 -- we replaced almost forty -- well, over  
6 44,000 feet of pipe.

7 As you may remember, the City of  
8 Pittsburg was a total PVC system. So we went in and  
9 replaced all of the PVC systems with polyethylene  
10 pipe. There's no active leaks; we changed all their  
11 meters out. They're all AMR now. And obviously a  
12 100 percent leak survey on the system -- no leaks  
13 today.

14 The next one was a village of Creal  
15 Springs which is directly south of the village of  
16 Pittsburg. That happened in 2020. They did not have  
17 PVC but they did have some issues on their system.

18 There was an odorizer issue; they had  
19 some leaks we needed to take care of. We changed out  
20 all their meters. Today there's no active leaks.  
21 100 percent AMR has been replaced.

22 As you may recall, there were some

1 outstanding safety staff issues and I've got a couple  
2 of pages here of issues. But everything's been  
3 cleaned up. We've worked with Mr. Smith and his group  
4 to get through that. Real happy on how that's turned  
5 out.

6           And then the last one is one when we  
7 just completed -- village of Tamms, probably straight  
8 east of Cape Girardeau. Again, we replaced almost  
9 50,000 feet of PVC in that system. Again, no active  
10 leaks today. All the meters were changed out. Tamms  
11 is up and running for us also.

12           So we do not have any other active  
13 acquisitions on the table. Those are the three that  
14 we have completed and finished and are now part of  
15 the -- you know, the rate basis within Illinois. All  
16 three turned out really well for us.

17           Then just a little bit of an update on  
18 the public light 102. Obviously, prior to the law,  
19 Liberty did maintain a robust ethics and compliance  
20 organization. You know, we met many of the statute  
21 requirements before May. We filed our first annual  
22 compliance report last May and we're preparing to file

1 the one this year also in May.

2 We complied with the prohibition on  
3 late fees. We've complied with the prohibition on  
4 late fees for low-income customers, no credit card  
5 convenience fees, and we currently submit the required  
6 monthly reports on disconnects, credits, and  
7 collections.

8 I got through that faster than I  
9 thought I would. We'll entertain any thoughts or  
10 questions or --

11 MS. ZALEWSKI: Thank you, Mr. Beatty.  
12 Are there any questions from commissioners?

13 MR. REDDICK: As one of the new guys  
14 here, I need a little education.

15 MR. BEATTY: Sure.

16 MR. REDDICK: Can you tell me -- I'm  
17 sorry; forgot to turn the mic on.

18 One of the new guys; I'm looking for a  
19 little education here. Can you talk about the  
20 renewable natural gas and you mentioned some quality  
21 difference. Can you talk about that?

22 MR. BEATTY: Sure. Our renewable

1 natural gases come from sources like a landfill or it  
2 could be dairy or swine. Both of those are the  
3 preferred renewable natural gas routes because the  
4 methane is so pure in those streams.

5 But they do bring some other  
6 constituents with them that have to go through a  
7 filtering process. Now, we would look to the farms  
8 first because those streams are easily cleaned up.  
9 Now, you can imagine going to a landfill facility and  
10 thinking about all the gases that may come out of the  
11 landfill -- that's a little bit more difficult. And  
12 there's a lot of instrumentation that's needed for  
13 them to analyze that gas coming across.

14 So working through those -- what is  
15 allowed to come across and what has to stay and then  
16 how do you make sure that none of that gets across.

17 So you've got, like, slam-shut valves  
18 when something triggers -- just a lot of nuances that  
19 we've found that we've had to work through. But it's  
20 been a really fun -- I'm just an engineer here so, you  
21 know, on the engineering side it's been really fun to  
22 work through those processes and see that.

1                   We've got one that we're actually in  
2 the build stage -- we're actually building the  
3 equipment now; it should go in later this year. So  
4 that'll be our first one to come online.

5                   The other two are -- are the farms. So  
6 they'll come out a little quicker but we're still  
7 working with those individuals to get those agreements  
8 in place. Been quite a --

9                   MR. REDDICK: I'll appeal to your  
10 engineering geek side -- what sort of filtration  
11 process do you use to get the impurities out and  
12 maintain the quality that you need for servicing?

13                   MR. BEATTY: Yes, it's really a  
14 pressure in membrane -- going through membranes to get  
15 them.

16                   MR. REDDICK: Okay. I had one more:  
17 You noted two OSHA incidents and they seem to be  
18 fairly rare so I'm sure you remember them well. What  
19 kind of incidents were those?

20                   MR. BEATTY: Okay. One of our  
21 employees actually slipped -- he was walking on a  
22 sidewalk, he slipped off the sidewalk, and tore his

1 quad.

2 Then the other one was unfortunately a  
3 dog bite.

4 MR. REDDICK: I'm sorry?

5 MR. BEATTY: A dog bite. He was  
6 actually -- we were doing an atmospheric  
7 corrosion -- you know, where we have to go out and  
8 look at the meter and analyze it to make sure no  
9 active corrosion there.

10 And he was reaching out to move some  
11 vegetation away so he could see the meter and the dog  
12 was behind there. And they happen just like that.

13 MR. REDDICK: But neither one of these  
14 had anything to do with the utility operation? They  
15 were just kind of --

16 MR. BEATTY: No, sir.

17 MR. REDDICK: Thank you.

18 MS. ZALEWSKI: Any other commissioner  
19 questions?

20 Thank you, Mr. Beatty. Thanks for  
21 presenting and answering our questions. We really  
22 appreciate your time.



1 MR. BEATTY: Thank you.

2 MS. ZALEWSKI: Okay. Now we're going  
3 to continue back to the Public Utilities Agenda. So  
4 Item E-1 concerns of filing by ComEd to revise its  
5 Carbon Free Resource Adjustment Rider or Rider CFRA.  
6 Commission staff recommends not suspending the filing.

7 Are there any objections to not  
8 suspending the filing?

9 Hearing no one, the filing is not  
10 suspended.

11 Item E-2 concerns a complaint against  
12 ComEd in Chicago. The order grants ComEd's motion to  
13 dismiss the complaint with prejudice finding that the  
14 complainant failed to state what part of the Public  
15 Utilities Act or commission rules ComEd violated. The  
16 order notes that the dismissal of prejudice only  
17 extends to the complaint filed at the commission.

18 Are there any objections to approving  
19 the order?

20 Hearing none, the order is approved.

21 Items E-3 through E-7 concern  
22 applications for certification to install, maintain,

1 or repair electric vehicle charging station facilities  
2 in Illinois. The order grant the certificates,  
3 finding that the applicants meet the requirements.

4 Are there any objections to considering  
5 these items together and improving the orders?

6 Hearing none, the orders are approved.

7 Items E-8 through E-16 concern  
8 applications for certification to operate as an  
9 installer of distributed generation facilities in  
10 Illinois. The orders grant the certificates, finding  
11 that the applicants meet the requirements.

12 Are there any objections to considering  
13 these items together and approving the orders?

14 Hearing none, the orders are approved.

15 Item E-17 concerns a request in Docket  
16 22-0749, the investigation to develop and adopt a  
17 renewable energy access plan, to vacate the schedule  
18 to allow parties sufficient time to file reply  
19 comments.

20 The ALJs recommend the commission  
21 permit the ALJs to set the remainder of the schedule  
22 to allow this matter to be completed in a fair and

1 expeditious manner.

2 Are there any objections to vacating  
3 the schedule and permitting the ALJs to set the  
4 remainder of the schedule?

5 Hearing none, the schedule is vacated  
6 and the ALJs are permitted to set the remainder of the  
7 schedule.

8 Item E-18 concerns an application for a  
9 license to operate as a retail electric agent, broker,  
10 or consultant in Illinois. The order grants the  
11 license, finding that the applicant meets the  
12 requirements.

13 Are there any objections to approving  
14 the order?

15 Hearing none, the order is approved.

16 Items E-19 and E-20 concern petitions  
17 to cancel certificates to operate as a retail electric  
18 agent, broker, or consultant and energy efficiency  
19 installer in Illinois. The orders cancel the  
20 certificates.

21 Are there any objections to considering  
22 these items together and approving the orders?

1                   Hearing none, the orders are approved.

2                   Item E-21 concerns a petition for a  
3 Certificate of Service Authority to act as an  
4 alternative retail electric supplier or ARES in  
5 Illinois. The order grants a certificate, finding  
6 that the applicant has met the necessary requirements.

7                   Are there any objections to approving  
8 the order?

9                   Hearing none, the order is approved.

10                  Items E-22 through E-24 concern  
11 requests for confidential or proprietary treatment of  
12 petitioners' reports. The order grant the  
13 protections, finding that the information is highly  
14 proprietary and confidential.

15                  Are there any objections to considering  
16 these items together and approving the orders?

17                  Hearing none, the orders are approved.

18                  Items E-25 through E-30 concern  
19 applications for certifications to install energy  
20 efficiency measures in Illinois. The order is to  
21 grant certificates, finding the applicants meet the  
22 requirements.

1           Are there any objections to considering  
2 these items together and approving the orders?

3           Hearing none, the orders are approved.

4           Moving on to our gas items. Item G-1  
5 concerns Peoples Gas's filing of its Producer of  
6 Renewable Natural Gas Transportation Rider or Rider  
7 PRG. Commission staff recommends not suspending the  
8 filing.

9           Are there any objections to not  
10 suspending the finding?

11           Hearing none, the filing is not  
12 suspended.

13           Items G-2 and G-3 concern requests for  
14 proprietary treatment of petitioners' reports. The  
15 orders grant the protection, finding that the  
16 information is highly proprietary and confidential.

17           Are there any objections to considering  
18 these items together and approving the orders?

19           Hearing none, the orders are approved.

20           Moving on to our telecommunications  
21 items. Items T-1 through T-5 concern proceedings  
22 initiated by the commission Against respondents for

1 failure to maintain the requisite managerial resources  
2 and abilities as required. Commission staff  
3 recommends that the respondents' Certificates of  
4 Service Authority be revoked and the orders revoke the  
5 certificates.

6 Are there any objections to considering  
7 these items together and approving the orders?

8 Hearing none, the orders are approved.

9 Item T-6 concerns application for a  
10 certificate as a reseller of telecommunications  
11 services in Illinois. The order grants the  
12 certificate, finding that the applicant meets  
13 requirements.

14 Are there any objections to approving  
15 the order?

16 Hearing none, the order is approved.

17 Item T-7 concerns a petition for an  
18 annual line charge determination. The order grants  
19 the petition.

20 Are there any objections to approving  
21 the order?

22 Hearing none, the order is approved.

1           Items T-8 through T-14 concern requests  
2 for proprietary treatment of the petitioners' reports.  
3 The orders grant the protections, finding that the  
4 information is highly proprietary and confidential.

5           Are there any objections to considering  
6 these items together and approving the orders?

7           Hearing none, the orders are approved.

8           Now moving on to our petitions for  
9 rehearing. Item PR-1 concerns a petition for  
10 rehearing in Docket Number 22-0499 which is Grain Belt  
11 Express's application to construct, operate, and  
12 maintain a high voltage direct current electric  
13 transmission line. On April 7th, the Landowners  
14 Alliance filed a petition for rehearing and a request  
15 for oral argument. The Landowners Alliance is seeking  
16 rehearing on several different issues.

17           The ALJ recommends denying the  
18 application for rehearing citing that the Landowners  
19 Alliance's requests do not present new information or  
20 evidence or the requests are unwarranted at all seven  
21 issues.

22           The ALJ also notes that the request for

1 oral argument does not satisfy Section.200.850(a)(3)  
2 of the commission's Rules of Practices and recommends  
3 denying the request for oral argument.

4 Are there any objections to denying the  
5 application for rehearing and for also denying  
6 requests for oral argument?

7 Hearing none, the application and  
8 requests are denied.

9 Moving on to other business. O-1 -- we  
10 already heard the report at the beginning of the  
11 agenda so we're moving on to Items O-2 and O-3, which  
12 concerns approval of batches, contracts, and  
13 confirmations under the Illinois Adjustable Block and  
14 Solar for All programs.

15 Are there any objections to hearing  
16 these items together and approving the program  
17 administrator's submissions?

18 Hearing none, the submissions are  
19 approved.

20 Item O-4 concerns April 2023  
21 solicitation of bids to sell standard energy products  
22 to Ameren, ComEd, MidAmerican.



1                   Are there any objections to approving  
2 the procurement administrator's recommendations on  
3 selection of winning bids?

4                   Hearing none, the recommendation is  
5 approved.

6                   This concludes our public utilities  
7 agenda. Judge Teague Kingsley, do we have other  
8 matters to come before the commission today?

9                   MS. KINGSLEY: No, Madam chairman.

10                  MS. ZALEWSKI: Do the commissioners  
11 have other business to discuss?

12                  MS. MCCABE: Madam chair, because this  
13 is an unprecedented time for Illinois and the ICC, on  
14 Monday questions from commissioners were submitted to  
15 three gas rate cases: Peoples/North Shore, Nicor, and  
16 Ameren.

17                  In January, the commission received six  
18 major rate increase requests including the largest gas  
19 companies.

20                  The state's regulated utilities and  
21 their customers face numerous challenges, including  
22 energy affordability and energy price volatility, as

1 well as complicating global, national, regional, and  
2 state conditions.

3 The Climate and Equitable Jobs Act  
4 mandates statewide power sector decarbonization an  
5 equitable, community-centered clean energy transition;  
6 and incremental electrification. The Qualified  
7 Investment Plant Rider for gas companies is due to  
8 sunset at the end of 2023.

9 Informed decision-making requires a  
10 record that addresses issues important to the  
11 commission. The questions indicate areas of interest.

12 Thank you.

13 MS. ZALEWSKI: Several great points,  
14 Commissioner. I just would echo and remind that it is  
15 important to get a full record and would encourage the  
16 parties to engage in robust discussion in these  
17 complex topics.

18 Any other comments from commissioners?

19 Okay. Without comments and without  
20 objection, the meeting is now adjourned. Thank you.

21 (Whereupon, the meeting concluded at  
22 12:00 p.m.)