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BEFORE THE
ILLINOIS COMMERCE COMMISSION
REGULAR OPEN MEETING
PUBLIC UTILITY
Wednesday, May 25, 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 (via telephonically)
 - 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

1 COMMISSIONER ROSALES: Good morning, everyone.

2 (No response.)

3 Good morning, everyone.

4 (Audience responded.)

5 Are we ready to proceed in

6 Springfield?

7 MR. MATRISCH: Yes, we are.

8 COMMISSIONER ROSALES: I am Commissioner John

9 Rosales.

10 Pursuant to the Open Meetings Act, I

11 call the May 25, 2016 Regular Open Meeting of the

12 Illinois Commerce Commission to order.

13 Commissioner McCabe, Commissioner

14 del Valle, and Commissioner Edwards are present with

15 me in Chicago. We have a quorum. Commissioner

16 Sheahan is participating by phone.

17 Are you with us, Mr. Chairman?

18 CHAIRMAN SHEAHAN: I am. Thank you.

19 COMMISSIONER ROSALES: I move to allow

20 Chairman Sheahan to participate by phone. Is there

21 a second?

22 COMMISSIONER MAYE EDWARDS: Seconded.

1 COMMISSIONER ROSALES: All those in favor, say
2 aye.

3 (Chorus of ayes.)

4 Opposed, say nay.

5 (No response.)

6 The ayes have it, and Chairman Sheahan
7 is granted permission to participate by phone.

8 We have no requests to speak.

9 Under Public Utilities, there are
10 edits to the Minutes of our April 26, 2016 Regular
11 Open Meeting, April 26, 2016 Policy Session, and
12 April 29, 2016 Special Open Meeting.

13 Are there any objections to approving
14 the Minutes as edited?

15 (No response.)

16 Hearing none, the Minutes as edited
17 are approved.

18 Item E-1 concerns ComEd's filing
19 modifying its Rider Parallel Operation of Retail
20 Customer Generating Facilities ("Rider POG").

21 Are there any objections to not
22 suspending the filing?

1 (No response.)

2 Hearing none, the filing is not
3 suspended.

4 Item E-2 concerns Mt. Carmel Public
5 Utility's filing modifying its Rider D, Parallel
6 Generation.

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

9 (No response .)

10 Hearing none, the filing is not
11 suspended.

12 Item E-3 concerns the ICC's own motion
13 to adopting Staff's Report on Ameren Illinois' 2014
14 Annual Reliability Report.

15 Are there any objections to approving
16 the proposed Order?

17 (No response.)

18 Hearing none, the Order is approved.

19 Items E-4 through E-6 concern various
20 customer complaints against ComEd.

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

1 proposed Orders?

2 (No response.)

3 Hearing none, the Orders are approved.

4 Item E-7 concerns Southeastern
5 Illinois Electric and Ameren Illinois' Joint
6 Petition for Approval of a Commercial Customer
7 Release.

8 Are there any objections to approving
9 the proposed Order?

10 (No response.)

11 Hearing none, the Order is approved.

12 Items E-8 through 12 concern various
13 Petitions for Confidential Treatment of Certain
14 Reports.

15 Are there any objections to
16 considering these items together and approving the
17 proposed Orders?

18 (No response.)

19 Hearing none, the Orders are approved.

20 Items E-13 and E-14 concern
21 Applications Requesting Certificates of Service
22 Authority to Operate as Installers of Distributed

1 Generation Facilities.

2 Are there any objections to
3 considering these items together and approving the
4 proposed Orders?

5 (No response.)

6 Hearing none, the Orders are approved.

7 Item E-15 concerns Gulf Plains
8 Energy's Application for a Certificate of Service
9 Authority to Operate as Agents, Brokers, and
10 Consultants.

11 Are there any objections to approving
12 the proposed Order?

13 (No response.)

14 Hearing none, the Order is approved.

15 Item E-16 concerns Ravinia Plumbing
16 and Heating's Application for a Certificate of
17 Service Authority to Install, Maintain, or Repair
18 Electric Vehicle Charging Stations.

19 Are there any objections to approving
20 the proposed Order?

21 (No response.)

22 Hearing none, the Order is approved.

1 Items E-17 and 18 concern Applications
2 for Cancellation of Certificates of Service
3 Authority to Operate as Agents, Brokers, and
4 Consultants.

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

8 (No response.)

9 Hearing none, the Orders are approved.

10 Moving on to our Gas Agenda, Item G-1
11 concerns Ameren Illinois' Filing to Update its
12 Customer-Requested Discontinuance of Service Charges
13 and to Modify its Rider Q.I.P., to Exclude Certain
14 Revenue from Rate Base Revenue.

15 Are there any objections to not
16 suspending the filing?

17 (No response .)

18 Hearing none, the filing is not
19 suspended.

20 Item G-2 will be postponed to a future
21 meeting.

22 Item G-3 concerns the Approval of a

1 Stipulation and Settlement Agreement Concerning an
2 Investigation of Peoples Gas.

3 Commissioner del Valle, do you have
4 something to say.

5 COMMISSIONER del VALLE: Thank you,
6 Commissioner.

7 When this investigation was initiated,
8 I objected and attempted to expand its scope. I
9 still believe that we have failed to ask the real
10 question that needed to be answered, whether the
11 Commission was knowingly misled in the 11-month,
12 \$6 billion Integrys and WEC merger proceeding last
13 year.

14 This question was not asked in this
15 investigation; and, as a result of this vote today,
16 will never be asked. At stake is whether the
17 Commission and the public can trust that when a
18 company comes before us, the Commission will have
19 all the necessary information to fulfill its
20 statutory duty to protect the public interest. I do
21 not believe this investigation and settlement
22 provides that assurance.

1 This investigation was structured from
2 the beginning to frustrate the on-the-record,
3 fact-finding necessary to get to the truth. For
4 reasons never adequately explained, the Commission
5 dismissed a petition filed by the AG and CUB seeking
6 a full investigation and initiated this expedited
7 and limited investigation focused only on a
8 May 20, 2015, 30-minute meeting. That meeting
9 consisted of a short presentation from executives
10 who were not under oath, nor giving testimony as
11 part of a formal proceeding.

12 In addition to the constrained scope,
13 which excluded the merger, the Commission's
14 expedited, self-imposed deadline was also used to
15 deny the parties the opportunity to conduct a full,
16 proper investigation.

17 The Commission's desire for an
18 expedited result was used as a rationale to block
19 subpoenas of the executives, but the request to
20 review the ALJ decision was ignored by the
21 Commission without explanation for three months,
22 even though this request had halted all work in the

1 docket.

2 The parties' options, given this
3 investigation, were limited. First, the Commission
4 ensured the merger proceeding was off limits and out
5 of this investigation's scope.

6 Second, the very executives at the
7 center of the omission were excluded by the
8 Commission from the investigation and could not be
9 questioned.

10 Third, this investigation had been
11 paused at its initial stages since February waiting
12 for the Commission to vote on an interlocutory
13 review concerning whether to subpoena those
14 executives, but the Commission did not consider the
15 petition.

16 And, finally, though the investigation
17 sat idle, the deadline, which has now passed, was
18 still in effect, and instead of engaging in
19 fact-finding, everyone started negotiating.
20 Given these circumstances, how could this
21 investigation come out any other way?

22 Ultimately, this investigation and the

1 settlements are yet another lost opportunity by the
2 Commission to more aggressively protect the public
3 interest in asserting oversight into the ways
4 Peoples Gas and its modernization program is
5 managed, and, more broadly, to demonstrate to all
6 the utilities and their affiliates that we will
7 fully investigate any and all alleged deception.

8 Some will characterize this
9 investigation and these settlements as a deterrent
10 to others, but I strongly disagree. If one of the
11 first things WEC did at the ICC was to knowingly
12 mislead the Commission in their merger proceeding,
13 they should be brought before the Commission and
14 questioned about it.

15 I believe that to deter executives
16 from this kind of conduct, they must know that the
17 Commission will aggressively and transparently seek
18 out the truth on the record. The Commission will
19 scrutinize their conduct and how it affects the
20 culture of its employees; and, in the end, the
21 Commission will make a finding of fact. That is
22 deterrence that serves the public interest, but

1 that's not what the Commission has done.

2 Instead, the public interest has been
3 reduced to a dollar amount in exchange for
4 Commission agreement to not ask the difficult
5 questions of executives. The companies will agree
6 to pay \$18.5 million; ratepayers and the government
7 get a one-time payment; the shareholders buy their
8 way out of further scrutiny of their \$6 billion
9 merger and 8 billion project; and the executives
10 walk away with their \$61 million and more. This
11 does not sound like a deterrence to me. It sounds
12 like the cost of doing business in Illinois.

13 Accordingly, I will be voting no on
14 this settlement. Thank you.

15 COMMISSIONER ROSALES: Thank you, Commissioner.

16 Commissioner McCabe.

17 COMMISSIONER McCABE: I would like to point out
18 that this stipulation agreement does not preclude
19 adjustments and findings in future rate case and
20 Q.I.P. dockets regarding possible pre-merger cost
21 overruns and mismanagement. Thank you.

22 COMMISSIONER ROSALES: Thank you.

1 Mr. Chairman.

2 CHAIRMAN SHEAHAN: Thank you. I would like to
3 begin by thanking the Commission Staff for all their
4 hard work to bring the settlement to a close. I
5 would also like to thank the Attorney General and
6 her staff for their advocacy on behalf of
7 ratepayers.

8 It's also notable that we are here
9 today because of an enforcement tool written and
10 advocated for by the Citizens Utility Board to
11 ensure that individuals and entities that appear
12 before the Commission can be held accountable when
13 they undermine the process.

14 The settlement represents, we are
15 told, perhaps the only enforcement action in the
16 country ever based on a company's omissions. It
17 sends a strong signal to all parties who appear
18 before the Commission that threats to the integrity
19 of the process will not be tolerated and the conduct
20 of employees, who were involved in this matter, is
21 deplorable.

22 The Commission expects in the future

1 that the employees of entities that appear before
2 the Commission will do so with honesty and
3 integrity, and when they do not, there will be
4 significant consequences. Thank you.

5 Commissioner Rosales.

6 COMMISSIONER ROSALES: Thank you, Mr. Chairman.

7 Any other discussion?

8 (No response.)

9 I move to approve the proposed Order.

10 Is there a second?

11 COMMISSIONER MAYE EDWARDS: Seconded.

12 CHAIRMAN SHEAHAN: Seconded.

13 COMMISSIONER ROSALES: All those in favor, say
14 aye.

15 COMMISSIONER MAYE EDWARDS: Aye.

16 COMMISSIONER McCABE: Aye.

17 CHAIRMAN SHEAHAN: Aye.

18 COMMISSIONER ROSALES: Opposed, say nay.

19 COMMISSIONER del VALLE: Nay.

20 COMMISSIONER ROSALES: The vote is 4 to 1, and
21 the Order is approved, and I also voted aye.

22 Item G-4 concerns Ameren Illinois'

1 Petition for a Certificate of Public Convenience and
2 Necessity to Construct, Operate, and Maintain a
3 Natural Gas Distribution Main.

4 Are there any objections to approving
5 the proposed Order?

6 (No response.)

7 Hearing none, the Order is approved.

8 Items G-5 and 6 concern Applications
9 for Certificates of Service Authority to Operate as
10 Alternative Gas Suppliers.

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

14 (No response.)

15 Hearing none, the Orders are approved.

16 Items G-7 and 8 concern various
17 Petitions for Confidential Treatment of certain
18 reports.

19 Are there any objections to
20 considering these items together and approving the
21 proposed Orders?

22 (No response.)

1 Hearing none, the Orders are approved.

2 Item G-9 concerns a customer complaint
3 against Ambit Illinois.

4 Are there any objections to approving
5 the proposed Order?

6 (No response.)

7 Hearing none, the Order is approved.

8 Under Telecommunications, Items T-1
9 through 3 concern the Initiation of Rulemaking
10 Proceedings and Authorizing First-Notice Periods.

11 Are there any objections to entering
12 the Orders Initiating Rulemaking Proceedings and
13 Authorizing First-Notice Periods?

14 (No response.)

15 Hearing none, the Orders are entered.

16 Item T-4 concerns Ignition Wireless'
17 Application for a Certificate of Wireless Authority
18 to Operate as a Reseller of Telecommunications
19 Services.

20 Are there any objections to approving
21 the proposed Order?

22 (No response.)

1 Hearing none, the Order is approved.

2 Item T-5 concerns Etrali North
3 America's Application for a Certificate of
4 Interexchange Service Authority to Operate as a
5 Reseller of Telecommunications Services.

6 Are there any objections to approving
7 the proposed Order?

8 (No response.)

9 Hearing none, the Order is approved.

10 Item T-6 concerns WirelessCo., LLC's
11 Joint Petition to Withdraw WirelessCo. L.P's
12 Certificate of Service Authority and to issue a new
13 Certificate of Service Authority to WirelessCo.,
14 LLC.

15 Are there any objections to approving
16 the proposed Order?

17 (No response.)

18 Hearing none, the Order is approved.

19 Items T-7 and 8 concern various
20 Petitions for Confidential Treatment of certain
21 reports.

22 Are there any objections to

1 considering these items and approving the proposed
2 Orders?

3 (No response.)

4 Hearing none, the Orders are approved.

5 In other business, we have a matter
6 concerning the Transmission Cost Allocation
7 Settlement Agreement in FERC No. Docket No.
8 EL05-121-009. We also have a matter concerning the
9 Illinois Supreme Court case Zahn v. North American
10 Power and Gas LLC which addresses the question of
11 whether the Commission has exclusive jurisdiction
12 over a reparation claim brought by a residential
13 customer against an ARES.

14 These involve potential litigation and
15 so we will enter into closed session for our
16 discussion.

17 Is there a motion to enter closed
18 session?

19 COMMISSIONER McCABE: So moved.

20 COMMISSIONER ROSALES: Is there a second?

21 COMMISSIONER MAYE EDWARDS: Seconded.

22 COMMISSIONER ROSALES: All those in favor, say

1 nay.

2 (Chorus of ayes.)

3 Opposed, say nay.

4 (No response.)

5 We now move to closed session.

6 (Whereupon, closed session

7 consisted of Pages 20 to

8 30.)

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1 (Whereupon, the following
2 proceedings were held
3 in open session:)

4 Are there any objections to approving
5 the Transmission Cost Allocation Settlement
6 Agreement in FERC Docket No. ELO5-121-009?

7 (No response.)

8 Hearing none, the settlement agreement
9 is approved.

10 Are there any objections to approving
11 OGC's recommendation that the Commission authorize
12 OGC to file an amicus curiae brief addressing the
13 question presented in the Zahn case?

14 (No response.)

15 Hearing none, the OGC's recommendation
16 is adopted.

17 MR. HINES-SHAH: I am sorry to interrupt,
18 Commissioner. I just wanted to clarify on the PJM
19 docket I think, just for purposes of clarity, the
20 Commission is joining the FERC settlement before the
21 FERC. We're not approving the settlement. I think
22 there might have been a mistake in the language of

1 the script.

2 COMMISSIONER ROSALES: I agree. I agree. Would
3 you say that again.

4 MR. HINES-SHAH: Certainly. The language in the
5 motion is for the Commission to join the FERC
6 settlement in FERC Docket EL05-121-009.

7 COMMISSIONER MAYE EDWARDS: We already voted. Do
8 we need to rescind that?

9 MR. HINES-SHAH: I don't think you need to
10 rescind that, but that's a clarification. I think
11 you can offer the motion. So if you agree with that
12 language, then I think if you accept the
13 clarification, we are clear on the record.

14 COMMISSIONER ROSALES: I accept the
15 clarification, but I would like to go back and say,
16 once again, are there any objections to approving
17 the Transmission Cost Allocation Agreement and
18 joining the FERC docket -- joining the
19 decision --

20 MR. HINES-SHAH: Joining the settlement --

21 COMMISSIONER ROSALES: -- not approving but
22 joining the settlement --

1 MR. HINES-SHAH: -- in FERC.

2 COMMISSIONER ROSALES: -- in FERC

3 EL05-121-009?

4 Would that be acceptable?

5 MR. HINES-SHAH: Absolutely.

6 COMMISSIONER ROSALES: Okay.

7 Any objections?

8 (No response.)

9 Hearing none, that's been approved.

10 Thank you.

11 MR. HINES-SHAH: Thank you.

12 COMMISSIONER ROSALES: Judge Kimbrel.

13 JUDGE KIMBREL: Nothing further.

14 COMMISSIONER ROSALES: I need to ask you do you

15 have any other matters?

16 JUDGE KIMBREL: No, Mr. Commissioner.

17 COMMISSIONER ROSALES: I have someone in the

18 audience who's spent 30 years working with ComEd.

19 Claudia, everyone here agrees how your

20 work has been helpful to our agency. I just wanted

21 to put that of record that we really appreciate all

22 the work that you have done for us in terms of

1 working with us -- working with us I think is the
2 appropriate word, so I want to thank you and wish
3 you the best, and I'm sure all of my fellow
4 Commissioners agree.

5 MS. CHEVERE: Thank you.

6 COMMISSIONER ROSALES: Commissioners, anything
7 else to discuss?

8 COMMISSIONER MAYE EDWARDS: Yes. Commissioner,
9 thank you very much. Just two quick announcements.

10 On behalf of the Chairman,
11 Commissioners, and Executive Director, I would like
12 to welcome our new Director of Community Affairs,
13 Lisa Williams.

14 Lisa, if you would just stand and let
15 everyone know who you are.

16 Lisa's coming to us from many years
17 with state government. She was previously the head
18 of Work Force Diversity for the Illinois Tollway, as
19 well as its CEO officer, ADA coordinator, and ethics
20 officer. She brought rich diversity programs and
21 was honored with five awards for her
22 accomplishments.

1 On behalf of her work in Africans With
2 Disabilities, she received the Chicago Defender's
3 Excellence Award, among others. We are excited to
4 have her. Welcome, Lisa.

5 On behalf of my office, I am very
6 excited to introduce my summer intern, Lisa Wiggin.
7 She's a third-year student at Loyola University
8 School of Law.

9 Upon earning an engineering degree
10 from the University of Illinois, she began her
11 career in manufacture management at a large consumer
12 goods company. She has subsequently worked in
13 market research after obtaining an MBA from
14 Northwestern University.

15 She's also received her Certificate in
16 Liberal Arts at the University of Chicago Graham
17 School where one of her instructors encouraged her
18 to study law, which she did.

19 She hopes to work after graduation in
20 the field of legislation and policy and look forward
21 to learning more about the administrative process at
22 the state level of our agency.

1 Welcome, Lisa. We are delighted to
2 have you.

3 MS. WIGGIN: Thank you.

4 COMMISSIONER ROSALES: Thank you, Commissioner.

5 Any other business?

6 (No response.)

7 We stand adjourned. Thank you.

8 (Whereupon, the above

9 matter was adjourned.)

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