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BEFORE THE  
ILLINOIS COMMERCE COMMISSION  
REGULAR OPEN MEETING  
PUBLIC UTILITY  
Wednesday, June 28, 2017  
Chicago, Illinois

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

- PRESENT:
- BRIEN J. SHEAHAN, Chairman
  - SADZI MARTHA OLIVA, Acting 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 CHAIRMAN SHEAHAN: Good morning. Are we ready to  
2 proceed in Springfield?

3 DEPUTY DIRECTOR MATRISCH: Yes, we are.

4 CHAIRMAN SHEAHAN: Pursuant to the Open Meetings  
5 Act, I call the June 28, 2017 Regular Open Meeting  
6 to order.

7 Commissioners del Valle, Edwards,  
8 Rosales, and Acting Commissioner Oliva are present  
9 with me in Chicago. We have a quorum.

10 There are no requests to speak this  
11 morning and, therefore, we are moving to our first  
12 item of Other Business, which is a report from the  
13 CEO of Southern Company Gas and the president of  
14 Nicor Gas on the status of compliance with the Order  
15 in Docket No. 15-0558.

16 With us this morning we have Andrew  
17 Evans, Chairman of the Board and CEO of Southern  
18 Company Gas, and Mr. Melvin Williams of Nicor Gas.

19 Welcome. Please join us at these two  
20 seats here, just make sure the button is on and the  
21 floor is yours.

22 MR. EVANS: Good morning.

1           CHAIRMAN SHEAHAN: Good morning.

2           MR. EVANS: Melvin and I have a few prepared  
3 comments and then we would love to take questions if  
4 that is satisfactory to you.

5           CHAIRMAN SHEAHAN: Sounds great.

6           MR. EVANS: So good morning, Commissioners, and  
7 I want to thank you for the opportunity to speak  
8 with you.

9                           This is the fifth time that the  
10 company has come before you and the second time that  
11 I have been in front of this body to report on how  
12 we are preparing relative to the merger agreement  
13 that was stipulated in 2011.

14                           As you know, on July 1st of last year  
15 AGL Resources was acquired by Southern Company, and  
16 our new name is Southern Company Gas. Despite  
17 changes in ownership of the company, I remain  
18 president of Southern Company Gas and join the  
19 management council -- management committee of  
20 Southern Company's parent.

21                           Further, our Board remains independent  
22 and well represented by members from Illinois --

1 citizens of Illinois, and Melvin continues his role  
2 as president of Nicor Gas.

3 I am also here to reinforce the  
4 commitments that were made to the ICC as part of the  
5 Southern Company merger approval process, and I want  
6 to assure the Commission that we will remain  
7 committed to our customers in Illinois and remain  
8 both citizens and servants in our community.

9 Since closing the Nicor merger in  
10 2011, we have maintained a focus on compliance with  
11 the merger conditions and we seek to insure clean,  
12 safe, reliable, and affordable service for our  
13 Illinois customers. That's a common set of four  
14 goals across our jurisdiction.

15 With respect to employment, we have  
16 met or exceeded all required employment thresholds,  
17 have total employment safety-related positions and  
18 executive management, and we will continue to do so.

19 With our substantial infrastructure  
20 programs under way in Illinois, we see an ongoing  
21 need for both skilled labor and corporate staff at  
22 Nicor Gas.

1                   We will also continue to meet or  
2   exceed our community commitments. Our customers,  
3   neighbors, and communities deserve to have this  
4   important strong corporate system like Nicor Gas.  
5   We continue to invest over \$2.2 million annually in  
6   our community funding, partnering with and  
7   volunteering to support a wide range of  
8   organizations in the community.

9                   Most importantly, we want our  
10   workforce and our purchasing to be reflective of the  
11   communities that we serve.

12                  The full details of our compliance  
13   with the merger conditions were provided in our  
14   recent report to the ICC.

15                  Let me just add that after five years  
16   of operating in Illinois, we have demonstrated I  
17   think a strong track record of operating  
18   successfully under the relevant conditions and we  
19   plan to continue this for many years to follow.

20                  Now with regard to the Southern  
21   Company merger, over the past 22 months we have been  
22   working diligently across Southern Company and the

1 legacy holding company of AGL Resources to insure  
2 efficient, effective integration of our businesses.

3           The vast majority of this integration  
4 is related to the reduction of corporate overlap in  
5 Atlanta, so two strong corporations in Atlanta. It  
6 allows us really to reduce inflation in our business  
7 and focus on investment and infrastructure which is  
8 our core goal.

9           To offer better employment,  
10 development, and opportunity, we currently are  
11 focused on harmonizing human resource functions and  
12 offerings such as compensation, benefits, and  
13 pensions, and, in many cases, this has resulted in  
14 even stronger programs for our employees, and  
15 luckily with the larger purchasing power generally  
16 better expense.

17           One particular change is that we have  
18 extended pension benefits to our employees. That's  
19 the first time since 1998 which will positively  
20 impact well over half of our workforce in Illinois,  
21 but, most importantly, we have done this in a  
22 cost-effective and sustainable manner because of

1 pensions being something difficult for corporations  
2 to manage.

3 We are excited about the expanding  
4 investments that we are making in our employees, and  
5 our goal is to promote a more secure financial  
6 future for them.

7 We expect the integration efforts to  
8 be ongoing for several years to come, but the bulk  
9 of our key initiatives will be completed by the end  
10 of 2018.

11 Southern Company, like Southern  
12 Company Gas, holds recruitment, development, and  
13 retention of its employees and top talent and top  
14 priorities for the company. This fits well within  
15 our initiatives in Illinois to maintain employment  
16 levels and hire and retain well-qualified, capable,  
17 and diverse workforces.

18 Some of you may have been at the MARC  
19 Conference earlier this month for Beth Reese. Our  
20 CFO and I both spoke on this topic. I thank  
21 Mr. Rosales. It was a great event last week and I  
22 hope that we represented ourselves well there.

1                   Following the Southern Company merger,  
2 we have adopted a common set of corporate values.  
3 We have some copies for you of them for you here.  
4 I will tell you that they really are a combination  
5 of the corporate values of both Southern and --  
6 Southern Company classic, we call it, and AGL  
7 Resources but very consistent with our mission and  
8 our focus going forward long term. I'll leave these  
9 with you to review, but the values, as part of the  
10 Southern Company family, are very similar to what we  
11 upheld as an independent entity.

12                   Now on pipeline, storage, and safety  
13 regulations, Melvin will provide additional details  
14 on our efforts to operate our systems safely and  
15 insure compliance within all pipeline and storage  
16 safety regulations.

17                   I thought I would provide a little bit  
18 of my perspective on how I think about these issues  
19 as a leader of a business.

20                   First and foremost, safety is about  
21 human beings and not about counts and statistics for  
22 me in particular. I focus on employees working



1 safely together to insure the safety of our  
2 infrastructure and the customers that we serve.

3 I will tell you that safety is  
4 probably the one thing that keeps me up at night as  
5 I think about the complexities of our business.

6 Even though Southern Company Gas has a  
7 strong history of effective compliance of safe  
8 operations, we don't stop at good enough and we  
9 strive to improve our performance in this area  
10 consistently over time.

11 In our compliance filing, we responded  
12 to a staff question about our plans to adopt  
13 voluntary recommended practice on complex safety  
14 processes. What that really means is that we are  
15 being asked to look at the length of activities,  
16 such as design, construction, operations, and  
17 maintenance of the pipeline system rather than just  
18 managing these areas discreetly.

19 We do agree that some of these -- that  
20 many of these practices are necessary across the  
21 industry to insure public safety, but what we would  
22 like to do in the early stages is pilot them, and

1 actually one of our sister utilities is Virginia  
2 Natural Gas. Because of its smaller size, we get a  
3 better sense of its effectiveness and cost benefit.

4 We plan to leverage the learning from  
5 that program to further augment safety practices  
6 across the company and we are committed to a  
7 significant multi-year undertaking that will involve  
8 the integration of the company's many safety and  
9 compliance management systems and processes.

10 I receive safety updates on nearly a  
11 daily basis. Each month our safety and compliance  
12 team provides a detailed review of our performance.  
13 We examine a host of safety-related initiatives,  
14 including our ongoing replacement of aging pipeline,  
15 a very important program for us, emergency response  
16 times, safety notification, enforcement actions, and  
17 any industry incidents that we can learn from, just  
18 to name a few of the things that we are measuring on  
19 a very frequent basis.

20 At every level we are committed to  
21 improving and ultimately to zero incidents across  
22 our operations, including Nicor Gas.

1                   In closing, the safety of our  
2 customers, our communities, our employees always  
3 remain my top concern coupled with a strong focus on  
4 customer service and constructive regulatory  
5 environments with a focus on providing efficient and  
6 effective natural gas services to the customers in  
7 the years ahead.

8                   Thank you again for your time and I  
9 look forward to taking any questions that you have  
10 after Melvin's comments.

11           MR. WILLIAMS: Thank you. Good morning,  
12 Commissioners.

13           CHAIRMAN SHEAHAN: Good morning.

14           MR. WILLIAMS: I am pleased to be here to give  
15 our annual update. It's been a year and a half  
16 since we met for this occasion and a lot has changed  
17 since then.

18                   As Andrew mentioned, we are now part  
19 of the Southern Company family and our parent  
20 company, AGL Resources, is now Southern Company Gas.  
21 We have a new look, a common set of values, and a  
22 new code of ethics that join our two companies.

1 What has not changed is our commitment to providing  
2 safe, reliable service to the 2.2 million customers  
3 here in the State of Illinois.

4 We remain focused on our four  
5 priorities: safety, reliability, growth, customer  
6 engagement, and employee engagement.

7 First and foremost, I would like to  
8 just take a few minutes to talk about the safety of  
9 our people, of our pipeline, and the public is  
10 always our number one priority.

11 To insure safety of our people, we  
12 continue to establish a culture of safety at Nicor  
13 Gas, and to insure the safety of our pipeline and  
14 public, we are committed to complying with all  
15 current and anticipated pipeline safety rules and we  
16 continue to communicate safety education to all of  
17 our customers.

18 Our qualified infrastructure program  
19 "Investing in Illinois" has been the cornerstone of  
20 our success in safety and reliability by allowing us  
21 to accelerate to the modernization of our natural  
22 gas infrastructure.

1                   In 2016, we replaced 147 miles of  
2 aging natural gas main, 24,100 natural gas services,  
3 and we are on target to replace 146 miles of main  
4 and 26,400 services in 2017.

5                   Upgrading our natural gas system also  
6 allows us to continue to meet the demand for our  
7 current customers to expand their businesses as well  
8 as potential customers looking to relocate their  
9 companies here in our state.

10                  We recognize that a stable, modern  
11 infrastructure with a foundation to a strong  
12 business environment in our state and we continue to  
13 work with economic development organizations to  
14 promote Illinois as a great state to do business in.

15                  In 2016 we added approximately 10,000  
16 new customers and we are eager to bring natural gas  
17 services to areas under Rider 33, which we will  
18 market as our neighborhood expansion program, to  
19 allow more residents an affordable option to convert  
20 to natural gas.

21                  We are proud of our consistent efforts  
22 around business diversity. In 2016 we achieved \$145

1 million in diverse spend. We remain committed to  
2 creating a customer-centric culture at Nicor Gas  
3 while enhancing our customers' overall experience.

4 We know that customers value personal  
5 engagement from their service providers and we are  
6 working hard to insure that our customers want to do  
7 business with us.

8 To-date, we engage more than 650,000  
9 residential business customers in our energy  
10 efficiency program. We are pleased to have assisted  
11 the state DCEO in the transition of  
12 income-qualifying energy efficiency programs serving  
13 the public sector in June of this year.

14 We recently expanded our sharing  
15 program in order to better serve veterans and  
16 at-risk customers and we will work what we consider  
17 a good faith payment to insure our customers have  
18 what they need.

19 Together these efforts will further  
20 our relationships with our customers. We also look  
21 to incorporate new technologies to support customer  
22 demand for more information and tools to support the

1 energy for the future.

2 Our total commitment extends beyond  
3 our customers, our communities as well. In 2016 we  
4 contributed more than \$2 million to 200  
5 organizations and our employees gave more than 2200  
6 volunteer hours to efforts within our communities.

7 Our employees are the most important  
8 resource we have for meeting the obligations of  
9 providing safe, reliable natural gas service. As  
10 such, workforce development will continue to be the  
11 key priority of our business.

12 We are well aware of -- the Center for  
13 Energy Workforce Development estimates that nearly  
14 50 percent of the energy workforce will retire in  
15 the next five to ten years. That, coupled with our  
16 accelerated infrastructure program, is resulting in  
17 new job creativity for a more qualified  
18 workforce.

19 We proudly support joint initiatives  
20 to increase the awareness of careers in the energy  
21 industry and we participate instilling that to  
22 promote Nicor Gas and to recruit new employees.

1                   In 2016 we held more than 50 events  
2                   reaching nearly 40,000 attendees. We are continuing  
3                   these efforts in 2017. In fact, we have already  
4                   completed over 40 events this year, and, of course,  
5                   we are focusing on training, development, and  
6                   retaining our workforce.

7                   We see significant opportunity for  
8                   growth and advancement in our organization and we  
9                   want to insure we are utilizing the diverse skills,  
10                  talents, and experiences that exist across our  
11                  organization.

12                  In summary, we have fully complied  
13                  with conditions established in our merger agreement  
14                  and we are pleased with our performance around the  
15                  key areas of our business focus areas, safety and  
16                  reliability, growth and economic development,  
17                  customer engagement and employment engagement.

18                  Thank you. We welcome the  
19                  opportunity.

20                  CHAIRMAN SHEAHAN: Thank you.

21                  Commissioners, any questions?

22                  COMMISSIONER ROSALES: I have one. Thank you,



1 both of you, for being here.

2                   Yesterday the power systems in the  
3 Ukraine were attacked through a cyber attack, and my  
4 question would be as you merge the two companies  
5 together, are you more vulnerable or less vulnerable  
6 if attacks were to occur?

7                   I'm not sure if, from a business  
8 perspective, your merging your systems together  
9 would be a benefit. But is it better or not to be  
10 separate in that situation?

11           MR. EVANS: It's a great question. It is  
12 something we are talking a lot about. In fact,  
13 there was some notice of a potential attack on  
14 U.S. power facilities just a couple of days ago.

15                   I will tell you -- a simple answer to  
16 your question is we are absolutely more secure as  
17 part of Southern. So, as a smaller business entity,  
18 we are just AGL Resources. We had very good  
19 disaster recovery and threat penetration controls in  
20 place.

21                   We have two very important party  
22 systems, one is SCADO (phonetic), which is control

1 of our pipeline infrastructure; the other one is  
2 protecting customers from aging systems and servers,  
3 and we have really focused in on those two areas.

4 Southern is a much -- Southern Company  
5 in total is a much more complex business that is  
6 dispatching their electric utilities every 8 or 12  
7 minutes, and so the entirety of their security  
8 around their infrastructure is actually  
9 significantly greater.

10 We know that we will spend in the  
11 millions of dollars more on technology security over  
12 the next couple of years as an entire family because  
13 of our integration at Southern.

14 I think we were best in class for a  
15 mid-cap utility. They're best in class for the  
16 Fortune 100, and our -- I should say our CEO is  
17 involved in national -- security on a national level  
18 and very active.

19 COMMISSIONER MAYE EDWARDS: Thank you. Welcome  
20 to the Commission and Chicago, Mr. Evans.

21 I have a question. I wonder what the  
22 total number of terminations and/or involuntary

1     retirees there were as a result of the merger at  
2     Nicor Gas.

3             MR. EVANS:   Commissioner, I don't know that I  
4     have an exact number for you, but if I had to put a  
5     number on it, it's less than 50.

6                     So, in general, we lost some senior  
7     corporate level executives that used their  
8     retirement because of the change of control  
9     agreements.   That was the treasurer and head of  
10    human resources, our CEO, John Somerhalder, who  
11    preceded me.   That really was the mass of it with  
12    pretty strong folks moving into those roles.   We're  
13    integrating some really basic things into Southern  
14    so that falls in the category of IT, to the  
15    Commissioner's question, a little bit of accounting  
16    and a little bit of human resources, but, in  
17    general, we don't see a lot of head count reduction.  
18    The benefits are related to coming on to common  
19    platforms, reducing costs with outside vendors,  
20    having better supply chains.   The other areas I  
21    don't think we have seen any losses in Illinois.

22             MR. WILLIAMS:   No, we have not seen any losses

1 here, and it was really around our corporate  
2 functions, and we certainly don't anticipate, as we  
3 continue through the integration, that there will be  
4 any additional reduction.

5 COMMISSIONER MAYE EDWARDS: So those reductions  
6 didn't have necessarily a negative impact around the  
7 city?

8 MR. WILLIAMS: No, not at all.

9 MR. EVANS: Southern is a more traditional  
10 holding company in that they operate large, strong  
11 electric utilities. Gas is a very unique business  
12 to them, so I think it requires expertise.

13 In their production, much like in this  
14 area, electricity from natural gas has grown from 20  
15 or 30 percent to something greater than 40, almost  
16 50 percent, and they needed some sophistication in  
17 the acquisition of natural gas for those facilities,  
18 and that's what they acquired from us.

19 COMMISSIONER MAYE EDWARDS: Just one more  
20 question, Mr. Chairman. I know -- I think Nicor has  
21 done a phenomenal job in the two years since I have  
22 been here. I have seen an increase in the amount of

1 programs in recent years in the area of diversity.

2           You mentioned your priority was  
3 safety, as ours. I was curious to know if there's  
4 any similar events that have occurred with Southern  
5 Gas and other subsidiaries over the last year.

6       MR. EVANS: Yes. I think -- I don't want to fall  
7 flat on your business and supplier diversity  
8 question, but safety is the other thing you asked  
9 about.

10           We do have incidents from time to time  
11 and we find them on the systems where our  
12 infrastructure is the oldest, and so that means  
13 generally for us New Jersey and a little bit in  
14 Illinois. In particular, I'm sure you are probably  
15 thinking about that was more of a customer premise  
16 issue, something that concerns me just as much,  
17 which is the maintenance of equipment within a  
18 customer's premise.

19           Our main goal is to remove the bare  
20 steel and cast iron components of our system that  
21 are most susceptible to problematic conditions maybe  
22 is a little bit to the utilities, but maybe we might

1 have safety events for consumers.

2 I think investing in Illinois is going  
3 to give us a really good head start, help us make  
4 really good progress very quickly on it.

5 In Georgia we had a lot of bare steel  
6 and cast iron in our system and that commission was  
7 very progressive in the late 90s and early 2000s and  
8 literally removed all their bare steel and cast iron  
9 over that period.

10 The New Jersey Commission is actually  
11 less progressive than what we have here, so our  
12 placement there is actually less but they do occur  
13 across the system.

14 COMMISSIONER MAYE EDWARDS: Thank you very much.

15 CHAIRMAN SHEAHAN: Mr. Evans, I want to add my  
16 congratulations and appreciation for the company's  
17 efforts in approving supplier diversity. In  
18 particular, Mr. Williams' leadership in that area  
19 has been extremely valuable for all utilities in  
20 Illinois.

21 As you know, Illinois is one of the  
22 most diverse states in the nation and this is the

1 most diverse Commission in the nation. It's an  
2 important priority for the Governor as it is for  
3 myself, but one area within that topic that we are  
4 trying to pay some closer attention to is  
5 improvement of supplier diversity in professional  
6 financing services.

7                   And I just want to ask what your  
8 thoughts were in terms of maybe some of challenges  
9 there and a way that the utilities can improve their  
10 record in those two areas in particular.

11           MR. EVANS: So it's an important area of focus.  
12 Diversity inclusion is an immensely important topic  
13 for me and my goal is to be a more modernized  
14 company.

15                   I think personally I have a  
16 responsibility and a commitment there. It relates  
17 to our employee base and focusing on the pools that  
18 we're drawing from and the panels that we use to  
19 interview, being as reflective of the community as  
20 we can, but on the business diversity side that you  
21 mentioned, we can't simply rely on custodial and  
22 food service as a means to be more diverse in our

1 supplier diversity, so we have been very deliberate  
2 about making sure construction services, engineering  
3 construction services and operating services that  
4 we're moving to more diverse vendors.

5           The same is true of financial  
6 services, and there are some hurdles related to it,  
7 because if you think about the traditional debt  
8 capital markets -- the debt capital markets, demand  
9 for the 401Ks and pension funds, demand for Visas,  
10 these have been dominated by large Wall Street  
11 institutions as opposed to what we would consider to  
12 be minority women, veteran-owned businesses.

13           What we've tried to do is make sure  
14 we are exposed to all companies that participate in  
15 those sectors and to be deliberate about selecting  
16 some of those folks that we would like to sort of  
17 mentor along in the process so they can move from  
18 being a second tier debt capital market provider to  
19 being a primary distributor of our bonds.

20           And in this last financial issuance  
21 that we did in Illinois private placement, we  
22 included two diverse vendors in that, and I will



1 tell you that they did work in the second tier of  
2 that facility, but they got great exposure to how  
3 the distribution of this private placement occurred.  
4 I think they'll be better vendors for us long term.  
5 We have got to do it there or we're not going to  
6 meet our goal long term. There's a lot of money  
7 moving in.

8 COMMISSIONER del VALLE: Mr. Chairman, I  
9 appreciate your statement, and I think the message  
10 has been clear from the Chairman and the other  
11 Members of the Commission that this is a priority  
12 and important for us, but I just want to point out,  
13 because I was not able to participate in the policy  
14 session that we had on our annual reports, that the  
15 spending and minority side appear to be heavily  
16 weighted towards out-of-state business vendors.

17 So I'm wondering -- I know you fully  
18 recognize that, because you have had the  
19 conversation, but what steps are you taking to  
20 generate more activity with Illinois businesses?

21 MR. WILLIAMS: Thank you, Commissioner. And,  
22 yes, we have had a very robust discussion regarding

1 that particular perspective in the last policy  
2 session, and our commitment is to insure that we  
3 continue to advance all efforts associated with our  
4 supplier diversity imperative.

5           You heard me say before that it's not  
6 a program. It's not an initiative. It's a value  
7 and imperative for us and where we have  
8 opportunities and insure we are supporting  
9 businesses here in Illinois and we will certainly  
10 continue to do.

11           There are some challenges, and one of  
12 the things that we said in the last policy session  
13 in the area of our business where we have scale and  
14 scope particularly around construction identifying  
15 those minority firms or minority partners that are  
16 of scale and designed to be able to do the type of  
17 work that we have done out there and we have a focus  
18 to insure and not only are we doing this on a tier  
19 two level but bringing those smaller contractors in  
20 to work with our larger contractors allowing them  
21 the opportunity to be able to get to the scale,  
22 experience, and exposure that will allow them to be

1 able to be tier one or prime partners is one of the  
2 areas of focus that we have.

3           The other is to be able to identify  
4 those companies that may not necessarily be doing  
5 business with Nicor Gas at this point in time. They  
6 may be doing business with other utilities that we  
7 may have an opportunity to potentially partner with  
8 them as well.

9           Now, again, the challenge around that  
10 is there's a lot of construction and a lot of  
11 business going on and we don't want to move them  
12 from one utility just to be able to meet our  
13 commitment which will place a challenge on that  
14 commitment because they're simply going from one to  
15 the other. It's a complex set of variables, as I  
16 said before, but it does not go without our  
17 commitment to insure we're continuing to focus on  
18 every opportunity for supporting diverse businesses  
19 in the State of Illinois.

20           I will say that our commitment is also  
21 to insure we are creating an environment that allows  
22 for businesses wanting to come to the State of

1 Illinois, particularly to insure that we're  
2 supporting economic development, and the opportunity  
3 to be able to grow those businesses here as well.

4 Finally, our diverse businesses we  
5 encourage them to be able to grow within our  
6 commitment with them and that partnership to be able  
7 to grow outside of Nicor and outside of Illinois as  
8 well, which, again, further supports the economic  
9 development for this state, and so this is an area  
10 of focus.

11 I welcome the opportunity to continue  
12 to be engaged with the Commissioners to make sure  
13 that we understand all the factors and variables  
14 associated with this particular dynamic.

15 CHAIRMAN SHEAHAN: Thank you, gentlemen. I don't  
16 think we have any other questions. You are  
17 dismissed.

18 MR. EVANS: Thank you for having us.

19 CHAIRMAN SHEAHAN: We are going to save the  
20 remaining items in our agenda on other business  
21 until the end of the meeting around our  
22 Transportation agenda.

1                   There are edits to the Minutes of our  
2 June 7, 2017 Regular Open Meeting.

3                   Are there any objections to approving  
4 the proposed edits?

5   (No response.)

6                   Hearing none, the Minutes are  
7 approved.

8                   Moving on to our Public Utility  
9 agenda, there are edits to the Minutes of our  
10 May 24th, and June 1st, and June 7 -- June 7, 2017  
11 meetings.

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

14   (No response.)

15                   Hearing none, the Minutes are  
16 approved.

17                   We also have our semi-annual review of  
18 closed meetings and transcripts.

19                   Are there any objections to approving  
20 the Office of General Counsel's recommendation that  
21 125 transcripts and meetings remain closed and none  
22 be released.

1 (No response.)

2 Hearing none, the recommendation is  
3 approved.

4 Moving on to our Electricity agenda,  
5 Item E-1 is a consumer complaint against ComEd.

6 Are there any objections to approving  
7 the Joint Motion to Dismiss?

8 (No response.)

9 Hearing none, the motion is granted.

10 Items E-2 and 3 concerns MidAmerican's  
11 petition to engage in transactions with an  
12 affiliated interest.

13 Are there objections to considering  
14 these items together and granting the motion to  
15 withdraw?

16 (No response.)

17 Hearing none, the motions are granted.

18 Item E-4 concerns Spark Energy's  
19 Application for pro forma changes.

20 Are there any objections to granting  
21 the motion to withdraw?

22 (No response.)

1                   Hearing none, the motion is granted.

2                   Item E-5 concerns Progressive Energy  
3 Consultants' petition for a protective order of its  
4 ABC Annual Recertification.

5                   Are there any objections to granting  
6 the Motion to Withdraw?

7                                   (No response.)

8                   Hearing none, the Motion is granted.

9                   Items E-6 and 7 concern applications  
10 for certificates.

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

14                                   (No response.)

15                   Hearing none, the Orders are approved.

16                   Item E-8 concerns Champion Energy's  
17 petition for confidential treatment of proprietary  
18 information.

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

21                                   (No response.)

22                   Hearing none, the petition is

1 granted.

2                   Item E-9 concerns ComEd's Order for  
3 Petition for Special Permission to file and place  
4 into effect tariff revisions on less than 45 days'  
5 notice.

6                   Are there any objections to this  
7 Special Permission?

8   (No response.)

9                   Hearing none, the Special Permission  
10 is granted.

11                   Items G-1 and 2 concerns  
12 reconciliation of revenues collected under riders  
13 associated with energy efficiency and ongoing  
14 financial programs.

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                   Item G-3 concern Spark Energy Gas'  
21 application for approval of pro forma changes.

22                   Are there any objections to granting



1 the Motion to Withdraw?

2 (No response.)

3 Hearing none, the motion is granted.

4 Item T-1 on our Telecommunications  
5 agenda concerns the joint application for approval  
6 of reorganization for a waiver of certain conditions  
7 imposed in Docket 10-1025.

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

10 (No response.)

11 Hearing none, the Order is approved.

12 Item T-2 concerns Alliant  
13 Technologies' Application for a Certificate of  
14 Non-Prepaid Wireless Authority.

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

17 (No response.)

18 Hearing none, the Order is approved.

19 Item T-3 through 5 concerns petitions  
20 to cancel various certificates.

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

1 proposed Orders canceling the certificates?

2 (No response.)

3 Hearing none, the Orders are approved.

4 Item T-6 concerns ACN Communication  
5 Services' petition for confidential treatment of  
6 certain proprietary information.

7 Are there any objections to approving  
8 the proposed Order granting the petition?

9 (No response.)

10 Hearing none, the petition is granted.

11 Under our Water and Sewer agenda, Item  
12 W-1 concerns Illinois-American Water's Application  
13 for a Certificate of Public Convenience and  
14 Necessity.

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

17 (No response.)

18 Hearing none, the Order is approved.

19 Moving on to our Miscellaneous agenda,  
20 Item M-1 concerns Illinois Statewide Technical  
21 Reference Manual for Energy Efficiency.

22 Are there any objections to approving

1 the proposed Order?

2 (No response.)

3 Hearing none, the Order is approved.

4 Moving back into our Other Business  
5 agenda, the second item is the Commission's Annual  
6 Report on Cable and Video Service Deployment.

7 Are there any objections to approving  
8 the Report?

9 (No response.)

10 Hearing none, the Report is approved.

11 The last item on our Other Business  
12 agenda concerns FERC Docket No. ER17-1016. This  
13 item involves potential litigation and, therefore,  
14 we will move into closed session for discussion.

15 Is there a motion to move into closed  
16 session?

17 COMMISSIONER ROSALES: So move.

18 CHAIRMAN SHEAHAN: Is there a second?

19 COMMISSIONER MAYE EDWARDS: Second.

20 CHAIRMAN SHEAHAN: All those in favor say aye.

21 (Chorus of ayes.)

22 The ayes have it and we'll ask our

1 public guests to leave the room.

2 (Whereupon, the following  
3 proceedings were held in  
4 closed session:)

5 \* \* \* \*

6  
7 (Whereupon, the following  
8 proceedings commenced in  
9 open session:)

10 We would like to open the doors and  
11 invite our public guests back into the hearing room.

12 We are back in open session. Are  
13 there any objections to approving the proposed  
14 settlement strategy in FERC Docket ER17-1016?

15 (No response.)

16 Hearing none, the settlement strategy  
17 is put through.

18 Judge Kimbrel, do you have any other  
19 matters to bring before the Commission.

20 JUDGE KIMBREL: No, Mr. Chairman.

21 CHAIRMAN SHEAHAN: Commissioners, do any of you  
22 have any other business you would like to discuss?

1 COMMISSIONER OLIVA: Yes, I do.

2 CHAIRMAN SHEAHAN: Commissioner Oliva.

3 COMMISSIONER OLIVA: Good morning, everyone. I  
4 would like to announce the Annual Policy Session  
5 immediately following the Commission's Regular Open  
6 Meeting on July 12th.

7 The policy session will consist of a  
8 morning and afternoon panel discussion on Renewable  
9 Energy in Illinois and the Future Energy Jobs Act.  
10 Dynamic panelists will address the possible and  
11 actual effects on the development of solar and wind  
12 in the State of Illinois, as well as the potential  
13 impact on the state's transmission and distribution  
14 systems.

15 To conclude, the panelists will  
16 examine the environmental policy in today's evolving  
17 energy landscape. We hope you will join us for this  
18 energetic and very current dialogue. Thank you.

19 CHAIRMAN SHEAHAN: Thank you.

20 I am also very pleased to introduce  
21 four summer interns, Ivy Bonner, Haley Bracken,  
22 Colleen Durkin, and Carlie Leoni. They're in the

1 back of the room.

2 Will you stand up just so that we can  
3 introduce you to the folks. Thank you for being  
4 here. We are glad to have you with us this summer.

5 I would also like to take this  
6 opportunity to just recognize all of the work that  
7 staff put in, that Commissioner Rosales put in in  
8 leading our hosting of MARC and Ann McCabe for all  
9 the work as a consultant and fundraising.

10 Ann handled, you know, what is a  
11 difficult transition with a lot of class, and John  
12 and his team and staff really took up the reigns and  
13 put on what I think is being discussed as maybe one  
14 of the best, if not the best, regional meetings  
15 that's ever been conducted.

16 So congratulations again, John.

17 COMMISSIONER ROSALES: Thank you, Mr. Chairman.

18 CHAIRMAN SHEAHAN: And staff as well. I know  
19 everyone put in a lot of time.

20 In addition to the staff, we had a lot  
21 of stakeholders from the utilities and others, and  
22 the sponsors, of course, who contributed to make it

1 really a terrific event.

2                   The final announcement I've got is  
3 that the next phase of our NextGrid Utility of the  
4 Future Study. The electric utilities are going  
5 through the process of selecting an independent  
6 facilitator for this important initiative.

7                   The utilities are going to issue an  
8 informal request for information at the end of this  
9 week and interested candidates are encouraged to  
10 respond promptly to the RFI.

11                   With that, unless there's any other  
12 comments, we will stand adjourned. Why don't we  
13 take ten minutes to kind of regroup before BP, so  
14 that would make it 11:20. We will be back at 11:20  
15 for the BP presentation. Thank you.

16   (Whereupon, the above matter  
17   was adjourned.)

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