| 1 | BEFORE THE |
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| 2 | ILLINOIS COMMERCE COMMISSION |
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| 5 | BENCH SESSION |
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| 8 | Springfield, Illinois Wednesday, July 29, 2009 |
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| LO | |
| L1 | Met, pursuant to notice, at 10:30 a.m. in |
| L2 | Hearing Room A, First Floor, Leland Building, 527 |
| L3 | East Capitol Avenue, Springfield, Illinois |
| L4 | |
| L5 | PRESENT: |
| L6 | MR. CHARLES E. BOX, Chairman |
| L7 | MS. LULA M. FORD, Commissioner |
| L8 | MS. ERIN M. O'CONNELL-DIAZ, Commissioner |
| L9 | MR. SHERMAN J. ELLIOTT, Commissioner |
| 20 | |
| 21 | |
| 22 | SULLIVAN REPORTING COMPANY, by |
| | Carla J. Boehl, Reporter |

| 1 | CSR | #084-002710 |
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1 PROCEEDINGS

- 2 CHAIRMAN BOX: Pursuant to the provisions of
- 3 the Illinois Open Meetings Act, I now convene a
- 4 regularly scheduled bench session of the Illinois
- 5 Commerce Commission. With me in Springfield are
- 6 Commissioners Ford, O'Connell-Diaz and Elliott, and I
- 7 am Chairman Box. We do have a quorum.
- 8 Before moving into the agenda, this is
- 9 the time we allow members of the public to address
- 10 the Commission. Members of the public wishing to
- 11 address the Commission must notify the Chief Clerk's
- office at least 24 hours prior to the bench session.
- 13 According to the Chief Clerk's office, there are no
- 14 requests to speak.
- We will begin with the Transportation
- 16 agenda. First we have minutes to approve from the
- 17 July 8, 2009, bench session. Is there a motion to
- 18 approve the minutes?
- 19 COMMISSIONER FORD: So moved.
- 20 CHAIRMAN BOX: Is there a second?
- 21 COMMISSIONER O'CONNELL-DIAZ: Second.
- 22 CHAIRMAN BOX: It is moved and seconded. All

- 1 in favor say aye.
- 2 COMMISSIONERS: Aye.
- 3 CHAIRMAN BOX: Any opposed?
- 4 The vote is 4-0 approving the minutes.
- 5 We will be holding Item RR-1 which is
- 6 Docket T07-0073 and T08-0154 Consolidated.
- 7 Items RR-2 through RR-7 and RR-9
- 8 through RR-16 will be taken together. These matters
- 9 are stipulated agreements to make numerous rail
- 10 crossing improvements throughout the State of
- 11 Illinois. Over \$2.5 million in the Grade Crossing
- 12 Protection Fund will be used. Staff recommends
- 13 entering the orders granting the stipulated
- 14 agreements.
- Is there a motion to enter the order?
- 16 COMMISSIONER O'CONNELL-DIAZ: So moved.
- 17 CHAIRMAN BOX: Is there a second?
- 18 COMMISSIONER ELLIOTT: Second.
- 19 CHAIRMAN BOX: Moved and seconded. All in
- 20 favor say aye.
- 21 COMMISSIONERS: Aye.
- 22 CHAIRMAN BOX: Any opposed? Vote is 4 to 0.

- 1 The stipulated agreements are entered.
- We will use this 4-0 roll call for the
- 3 remainder of the Transportation agenda unless
- 4 otherwise noted.
- 5 Item RR-8 is Docket T09-0060. This
- 6 matter is a petition to installed an at-grade
- 7 pedestrian crossing over tracks owned by the Illinois
- 8 Central Railroad Company in the village of Savoy,
- 9 Champaign County. No Grade Crossing Protection Funds
- 10 will be used. Administrative Law Judge Jackson
- 11 recommends entering the order granting the petition.
- 12 Is there any discussion? Any objections? Hearing
- 13 none, the order is entered.
- 14 Items RR-17 and RR-18 will be taken
- 15 together. These are requests for an extension of
- 16 time to complete railway crossing improvements.
- 17 Administrative Law Judge Jackson and Staff recommend
- 18 entering the third supplemental orders. Is there any
- 19 discussion? Any objections? Hearing none, the third
- 20 supplemental orders are entered.
- 21 Moving on to the Motor Carrier
- 22 Section, Items MC-1 through MC-4 will be taken

- 1 together. These are stipulated settlement agreements
- 2 with for-hire motor carriers operating without
- 3 Commission authority. Staff recommends accepting the
- 4 stipulated settlement agreements. Is there any
- 5 discussion? Any objections? Hearing none, the
- 6 stipulated agreements are accepted.
- 7 Item MC-5 is an application by
- 8 Jonathan MacIntyre for renewal of his operator's
- 9 employment permit. Administrative Law Judge Jackson
- 10 recommends entering the order granting the
- 11 application. Is there any discussion? Any
- objections? Hearing none, the order is entered.
- 13 Items MC-6 through MC-8 will be taken
- 14 together. These are applications for renewal of
- 15 commercial relocator's licenses. Staff recommends
- 16 granting the renewals. Is there any discussion? Any
- 17 objections? Hearing none, the renewals are granted.
- 18 There is one administrative matter on
- 19 today's agenda. AM-1 is a Revised 5-year plan for
- 20 rail crossing improvements. Staff recommends
- 21 approving the plan. Is there any discussion?
- 22 Objections? Hearing none, the plan is approved.

| 1 | And that concludes the Transportation |
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| 2 | portion of today's agenda. Ms. Kelly, is there |
| 3 | anything else to come before us today? |
| 4 | MS. KELLY: That's all. Thank you. |
| 5 | (Whereupon the meeting |
| 6 | concluded matters pertaining to |
| 7 | Transportation.) |
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- 1 (Whereupon the meeting
- 2 turned to Public Utility
- 3 matters.)
- 4 CHAIRMAN BOX: Now moving on to the Public
- 5 Utility agenda. We have minutes to approve from the
- 6 June 4 and July 8, 2009, bench sessions and the June
- 7 29, 2009, special open meeting. Is there a motion to
- 8 approve the minutes?
- 9 COMMISSIONER ELLIOTT: So moved.
- 10 CHAIRMAN BOX: Is there a second?
- 11 COMMISSIONER O'CONNELL-DIAZ: Second.
- 12 CHAIRMAN BOX: It's been moved and seconded.
- 13 All in favor say aye.
- 14 COMMISSIONERS: Aye.
- 15 CHAIRMAN BOX: Any opposed? The vote is 4-0
- 16 approving the minutes.
- We are holding Item E-10, and Item T-4
- 18 has been withdrawn.
- 19 We will begin with the Electric
- 20 agenda. E-1 (09-0342) concerns implementation of the
- 21 new Section 16-115D of the Public Utilities Act which
- 22 applies to renewable portfolio standards for ARES.

- 1 The Commission is required to establish alternative
- 2 compliance payment rates. The order establishes the
- 3 rates based on the recently-concluded REC procurement
- 4 for Commonwealth Edison Company and the Ameren
- 5 Illinois Utilities. Staff recommends entering the
- 6 order. Is there a motion to enter the order?
- 7 COMMISSIONER ELLIOTT: So moved.
- 8 CHAIRMAN BOX: Is there a second?
- 9 COMMISSIONER O'CONNELL-DIAZ: Second.
- 10 CHAIRMAN BOX: It's been moved and seconded.
- 11 All in favor say aye.
- 12 COMMISSIONERS: Aye.
- 13 CHAIRMAN BOX: Any opposed? The vote is 4-0.
- 14 The order is entered. We will use this 4-0 roll call
- vote for the remainder of the Public Utility agenda
- 16 unless otherwise noted.
- 17 Items E-2 and E-3 will be taken
- 18 together. These are QF buy-back rates for Mt. Carmel
- 19 Public Utility Company and MidAmerican Energy Company
- 20 under PURPA. Staff recommends not suspending the
- 21 filings. Is there any discussion? Any objections?
- 22 Hearing none, the filings are not suspended.

- 1 Item E-4 is Docket 08-0174. This
- 2 concerns a proposal by Ameren Illinois Transmission
- 3 Company and the three Ameren Illinois utilities
- 4 engaged in borrowing from corporate parent Ameren
- 5 Corporation and/or pursuant to the Ameren Utility
- 6 Money Pool Agreement. Petitioners have moved to
- 7 withdraw the portion of the request involving the
- 8 money pool arrangement. Administrative Law Judge
- 9 Albers recommends entering the order granting the
- 10 motion to withdraw. Any discussion? Any objections?
- 11 Hearing none, the order is entered.
- 12 Items E-5 and E-8 will be taken
- 13 together. These cases involve storm damage
- 14 Commonwealth Edison experienced in 2008. Recent
- 15 changes in the statutes have rendered these cases
- 16 moot and the utility has moved to dismiss.
- 17 Administrative Law Judge Hilliard recommends granting
- 18 the motions to dismiss without prejudice. Is there
- 19 any discussion? Any objections? Hearing none, the
- 20 motions are granted without prejudice.
- 21 Item E-6 is Docket 08-0481. This
- 22 matter concerns interconnection standards for

- 1 generators larger than 10 MVA but smaller than or
- 2 equal to 20 MVA. The Commission entered a second
- 3 notice order on April 22, 2009, but the Joint
- 4 Committee on Administrative Rules has yet to act.
- 5 Administrative Law Judge Sainsot recommends entering
- 6 the order to extend the Commission's internal
- 7 deadline to February 10, 2010. Is there any
- 8 discussion? Any objections? Hearing none, the order
- 9 is entered.
- 10 Item E-7 is Docket 08-0509. This is
- 11 the complaint by Jim Fischer against AmerenCILCO.
- 12 The order finds that the complainant did not prove
- 13 his case. Administrative Law Judge Tapia recommends
- 14 entering the order denying the complaint. Is there
- 15 any discussion? Any objections? Hearing none, the
- 16 order is entered.
- 17 Item E-9 is Docket 08-0548. This is a
- 18 rulemaking to implement Section 16-115C of the Act
- 19 which requires agents, brokers and consultants, also
- 20 known as the ABCs, to be licensed. Administrative
- 21 Law Judge Yoder recommends entering the order
- 22 authorizing the submission of the second notice

- 1 period to the Joint Committee on Administrative
- 2 Rules.
- I have circulated various amendments
- 4 to this order and I think all of the Commissioners
- 5 have recommended certain changes and amendments, and
- 6 these modifications go to the definitions of attempts
- 7 to procure and attempts to sell, taking into account
- 8 the concerns of the suppliers and Blue Star Energy,
- 9 and the revised definitions also are more in keeping
- 10 with the plain language and the purpose of the Act.
- 11 And on behalf of all of the Commissioners I offer
- 12 these revisions toward that end. Is there any
- 13 discussion on the proposed revisions? Is there a
- 14 motion?
- 15 COMMISSIONER FORD: So moved.
- 16 CHAIRMAN BOX: Is there a second?
- 17 COMMISSIONER O'CONNELL-DIAZ: Second.
- 18 CHAIRMAN BOX: It has been moved and seconded.
- 19 All in favor say aye.
- 20 COMMISSIONERS: Aye.
- 21 CHAIRMAN BOX: Any opposed? The vote is 4-0
- 22 approving the amendments.

- 1 COMMISSIONER O'CONNELL-DIAZ: Chairman, I would
- 2 just like to thank all of our staff.
- 3 CHAIRMAN BOX: Okay, before you do that, is
- 4 there a motion to enter the order as amended?
- 5 COMMISSIONER ELLIOTT: So moved.
- 6 CHAIRMAN BOX: Is there a second?
- 7 COMMISSIONER O'CONNELL-DIAZ: Second.
- 8 CHAIRMAN BOX: It has been moved and seconded
- 9 to enter the order as amended. All in favor say aye.
- 10 COMMISSIONERS: Aye.
- 11 CHAIRMAN BOX: Any opposed? The vote is 4-0 to
- 12 enter the order as amended and the second notice
- 13 period is initiated and the rule will be sent to the
- 14 Joint Committee on Administrative Rules.
- Commissioner O'Connell-Diaz.
- 16 COMMISSIONER O'CONNELL-DIAZ: I just would like
- 17 to note that our staff worked very hard on these
- 18 edits. I think it clarifies the order as the
- 19 Commission received it and approved it, and I know
- 20 they all worked in concert on it. So I would like to
- 21 thank all of our staff assistants for doing that for
- 22 us.

- 1 CHAIRMAN BOX: Further comments?
- 2 As indicated, we are holding Item
- 3 = E 10.
- 4 Item E-11 is Docket 09-0065. This
- 5 matter concerns a request by FirstEnergy Solutions
- 6 Corporation for proprietary treatment of its 2008
- 7 kilowatt hour report. The Commission originally
- 8 granted a request for five years although recent
- 9 practice has been to allow confidentiality for only
- 10 two years. Administrative Law Judge Yoder recommends
- 11 that the Commission consider reopening this docket to
- 12 direct the administrative law judge to gather
- 13 additional information regarding the correct time
- 14 limit for confidentiality. Is there any discussion?
- 15 Is there a motion to reopen Docket 09-0065?
- 16 COMMISSIONER ELLIOTT: So moved.
- 17 CHAIRMAN BOX: Is there a second?
- 18 COMMISSIONER O'CONNELL-DIAZ: Second.
- 19 CHAIRMAN BOX: It's been moved and seconded.
- 20 All in favor say aye.
- 21 COMMISSIONERS: Aye.
- 22 CHAIRMAN BOX: Opposed? Vote is 4-0 to reopen

- 1 Docket 09-0065. The administrative law judge is
- 2 directed to gather additional information regarding
- 3 the appropriate time limit for confidentiality of
- 4 FirstEnergy's annual 2008 kilowatt hour report.
- Item E-12 is Docket 09-0257. This is
- 6 an uncontested service territory adjustment between
- 7 Illinois Rural Electric Cooperative and AmerenCIPS.
- 8 Administrative Law Judge Yoder recommends entering
- 9 the order granting the petition. Is there any
- 10 discussion? Any objections? Hearing none, the order
- 11 is entered.
- 12 That concludes the Electric portion of
- 13 today's agenda.
- 14 Turning to the Natural Gas portion,
- 15 Item G-1 is Docket 08-0390. This matter is a billing
- 16 dispute between Norma Hines against Peoples Gas,
- 17 Light and Coke Company. The order sustains the
- 18 complaint in part and denies the complaint in part.
- 19 Administrative Law Judge Gilbert recommends entering
- 20 the order. Is there any discussion? Any objections?
- 21 Hearing none, the order is entered.
- 22 Item G-2 is Docket 08-0596. Albert

- 1 Zamora alleged that the Illinois Northern Gas Company
- 2 improperly shut off his service. The complainant did
- 3 not appear at two of the four status hearings and his
- 4 service has been restored. Administrative Law Judge
- 5 Benn recommends dismissing this docket for want of
- 6 prosecution with prejudice. Is there any discussion?
- 7 Any objections? Hearing none, the docket is
- 8 dismissed with prejudice.
- 9 Item G-3 is Docket 09-0253. This is a
- 10 complaint by Saul Diaz against Illinois Energy
- 11 Savings Corporation. The parties have settled and
- 12 move to dismiss. Administrative Law Judge Kimbrel
- 13 recommends dismissing this docket with prejudice. Is
- 14 there any discussion? Any objections? Hearing none,
- 15 the docket is dismissed with prejudice.
- 16 That concludes the Natural Gas portion
- of today's agenda.
- Turning to the Telecommunications
- 19 portion, Item T-1 concerns a filing by Illinois Bell
- 20 Telephone Company. Petitioners are seeking to extend
- 21 the effectiveness of the grandfathered service to
- 22 December 31, 2009. These filings are competitive for

- 1 retail and non-competitive for wholesale. Staff
- 2 recommends not investigating or suspending the
- 3 filings. Is there any discussion? Any objections?
- 4 Hearing none, the filings will not be investigated or
- 5 suspended.
- 6 Items T-2 and T-3 will be taken
- 7 together. Verizon North, Inc., and Verizon South,
- 8 Inc., are introducing a new business package service.
- 9 These are classified as non-competitive. Staff
- 10 recommends not suspending the filings. Is there any
- 11 discussion? Any objections? Hearing none, the
- 12 filings are not suspended.
- 13 Item T-4 has been withdrawn.
- 14 Items T-5 through T-7 and T-9 will be
- 15 taken together. These are petitions for
- 16 certifications for modifications to existing
- 17 certificates of various telecommunications providers.
- 18 The administrative law judge is recommending entering
- 19 the orders granting the certificates or modifications
- 20 to existing certificates. Is there any discussion?
- 21 Any objections? Hearing none, the orders are
- 22 entered.

- 1 Item T-8 is Docket 09-0278. This
- 2 matter is a petition by Public Wireless, Inc., to
- 3 withdraw its application for authority to provide
- 4 various telecommunication services. Administrative
- 5 Law Judge Benn recommends granting the motion to
- 6 withdraw without prejudice. Is there any discussion?
- 7 Any objections? Hearing none, the motion to withdraw
- 8 is granted.
- 9 Items T-10 and T-11 will be taken
- 10 together. These matters concern petitions to
- 11 withdraw or cancel certificates of authority.
- 12 Administrative Law Judge Benn recommends entering the
- 13 orders granting the request. Is there any
- 14 discussion? Any objections? Hearing none, the
- 15 orders are entered.
- 16 Item T-12 is Docket 06-0119. This is
- 17 a complaint by Annette Amelkovich against AT&T
- 18 Illinois which has already addressed most of the
- 19 complainant's concerns. However, the complaint also
- 20 sought financial restitution for time, aggravation
- 21 and credit damage. The Commission has no authority
- 22 to award such damages. Therefore, the order is to

- 1 dismiss this complaint with prejudice.
- 2 Administrative Law Judge Riley recommends entering
- 3 the order. Is there any discussion? Any objections?
- 4 Hearing none, the order is entered.
- 5 Item T-13 is Docket 09-0284. The
- 6 County of Randolph, Illinois, seeks to modify its
- 7 9-1-1 system. Administrative Law Judge Jones
- 8 recommends entering the order granting the petition.
- 9 Is there any discussion? Any objections? Hearing
- 10 none, the order is entered.
- 11 Item T-14 is Docket 09-0298. This is
- 12 a petition by the Universal Telephone Assistance
- 13 Corporation to determine the amount and form of
- 14 supplemental assistance provided to LECs.
- 15 Administrative Law Judge Yoder recommends entering
- 16 the order granting the requested relief. Is there
- 17 any discussion? Any objections? Hearing none, the
- 18 order is entered.
- 19 Item T-15 is Docket 09-0300. Illinois
- 20 Bell Telephone Company is seeking to require new
- 21 customers with unsatisfactory credit to make an
- 22 advance payment instead of a security deposit. To do

- 1 so the petitioner has requested waiver of the
- 2 Commission regulations. Staff and the Attorney
- 3 General have indicated a desire to investigate this
- 4 matter. Administrative Law Judge Sainsot recommends
- 5 entering the order commencing an investigation. Is
- 6 there any discussion? Any objections? Hearing none,
- 7 the order is entered.
- 8 Item T-16 is Docket 09-0255. This is
- 9 a new interconnection agreement between Illinois Bell
- 10 Telephone Company and Midwestern Telecommunications,
- 11 Inc. Administrative Law Judge Benn recommends
- 12 entering the order approving the agreement. Is there
- 13 any discussion? Any objections? Hearing none, the
- 14 order is entered.
- That concludes the Telecommunications
- 16 portion of today's agenda.
- 17 Turning to the Water and Waste Water
- 18 portion, W-1 is Docket 09-0289. Sundale Utilities,
- 19 Inc., has a petition for authority to issue \$367,752
- in new debt to refinance existing debt.
- 21 Administrative Law Judge Tapia recommends entering
- 22 the order approving the request. Is there any

- 1 discussion? Any objections? Hearing none, the order
- 2 is entered.
- Item W-2 is Docket 08-0439.
- 4 Illinois-American Water Company has petitioned for a
- 5 certificate of public convenience and necessity to
- 6 serve certain parts of Champaign County that it is
- 7 not already serving. Administrative Law Judge Jones
- 8 recommends entering the order granting the
- 9 certificates. Is there any discussion? Any
- 10 objections? Hearing none, the order is entered.
- 11 That concludes the Water and Waste
- 12 Water portion of the agenda.
- 13 Under Miscellaneous on today's agenda
- 14 Item M-1 is Docket 09-0081. This is a rulemaking to
- implement minimum safety standards for transportation
- 16 of gas and for gas pipeline facilities. The Joint
- 17 Committee on Administrative Rules has issued a
- 18 certificate of no objection. It is entering the
- 19 second notice period. The rule may now go into
- 20 effect. Administrative Law Judge Benn recommends
- 21 entering the order adopting the rule's amendment with
- 22 an effective date of August 15, 2009. Is there any

- discussion? Any objections? Hearing none, the order
- 2 is entered.
- 3 Under Petitions for Rehearing, Item
- 4 PR-1 is Docket 09-0569 in which AT&T Illinois seeks
- 5 to reclassify as competitive several of its MSAs
- 6 outside of MSA-1. The Attorney General has
- 7 petitioned to rehear the Commission's decision on
- 8 measured services. Administrative Law Judge Yoder
- 9 recommends denying the AG's petition. Is there any
- 10 discussion? Is there a motion to deny the Attorney
- 11 General's petition?
- 12 COMMISSIONER O'CONNELL-DIAZ: So moved.
- 13 CHAIRMAN BOX: Is there a second?
- 14 COMMISSIONER FORD: Second.
- 15 CHAIRMAN BOX: It's been moved and seconded.
- 16 All in favor say aye.
- 17 COMMISSIONERS: Aye.
- 18 CHAIRMAN BOX: Opposed? The vote is 4-0. The
- 19 Attorney General's petition for rehearing is denied.
- 20 AT&T Illinois has petitioned for
- 21 rehearing of the Commission's decision to condition
- 22 its approval on AT&T Illinois expanding the

- 1 availability of DSL services in the greater Illinois
- 2 MSAs. Administrative Law Judge Hilliard recommends
- 3 either eliminating the condition by issuing an
- 4 amended order or granting AT&T's petition to rehear
- 5 the issue on the DSL conditions. Is there any
- 6 discussion? Is there a motion to grant AT&T's
- 7 petition for rehearing on the conditions?
- 8 COMMISSIONER O'CONNELL-DIAZ: So moved.
- 9 CHAIRMAN BOX: Is there a second?
- 10 COMMISSIONER ELLIOTT: Second.
- 11 CHAIRMAN BOX: It's been moved and seconded.
- 12 All in favor say aye.
- 13 COMMISSIONERS: Aye.
- 14 CHAIRMAN BOX: Opposed? The vote is 4-0.
- 15 AT&T's petition for rehearing on the conditions is
- 16 granted.
- 17 The last item on the agenda is a
- 18 second quarter report by Liberty Consulting Group on
- 19 the People's Gas Pipeline Safety Program. The report
- 20 addresses People's Gas' progress in addressing 66
- 21 recommendations for improvement. Staff recommends
- 22 that the Commission accept the report and direct

- 1 staff to post the report on the Commission's website.
- 2 Is there a motion to accept the report and post it on
- 3 the Commission's website?
- 4 COMMISSIONER ELLIOTT: So moved.
- 5 CHAIRMAN BOX: Is there a second?
- 6 COMMISSIONER FORD: Second.
- 7 CHAIRMAN BOX: It has been moved and seconded.
- 8 All in favor say aye.
- 9 COMMISSIONERS: Aye.
- 10 CHAIRMAN BOX: Any opposed? The vote is 4-0
- 11 the report accepted and will be posted on the
- 12 website.
- 13 Judge Wallace, anything else to come
- 14 before us today?
- 15 COMMISSIONER FORD: Actually, I wanted to hear
- 16 the report summary.
- 17 CHAIRMAN BOX: You have a summary of the
- 18 report? I am sorry.
- 19 MR. BURK: Good morning. I am Darin Burk, the
- 20 manager of the Pipeline Safety Department, and I have
- 21 prepared a summary of what's going on in the Liberty
- 22 report. I am going to cover the months March through

- 1 May. Liberty verifications are completed for three
- of the 66 recommendations, primarily developing an
- 3 implementation of the procedure for sealing these
- 4 joints, approved inside safety inspection procedures
- 5 and training, and modified pre-qualifications.
- 6 Liberty confirmed progress towards implementation of
- 7 22 recommendations, although they are not completed.
- 8 They have unacceptable progress towards three of the
- 9 recommendations. Now, Liberty has not determined the
- 10 progress towards the implementation of 38
- 11 recommendations.
- 12 Upon completion of the first quarter
- 13 report I met with People's Gas, mainly because
- 14 Commissioner Ford expressed concerns of the pace of
- their implementation. People's Gas now considers 29
- 16 recommendations complete. Liberty has not completed
- 17 their assessment and will not consider those complete
- 18 until they have verified the implementation and that
- 19 the processes are in fact working. They do report
- 20 significant progress towards 31 recommendations.
- 21 This is People's Gas stating this. Pipeline safety
- 22 staff, along with People's Gas, is in the process of

- 1 field verifying, checking on the records.
- 2 They admit little or no progress
- 3 towards six of the recommendations, but we will be
- 4 following up on that as we go forward.
- 5 CHAIRMAN BOX: I have one question for you.
- 6 When you say six little or no progress, is there a
- 7 reason for that? Is it timing or what is it?
- 8 MR. BURK: Part of it is working with the City
- 9 of Chicago and the digger. That covers two of them.
- 10 Training for municipal employees as far as damage
- 11 prevention, that's another one that they have offered
- 12 the training but they have had no one attend. So far
- 13 it's slow. That's kind of out of their control. We
- 14 are looking into maybe methods of persuading the
- 15 City, meaning the CDOT and the water department, to
- 16 encourage them to participate in that.
- 17 Others are related to methodic
- 18 protection issues on testing and electrical isolation
- 19 of carrier pipe from casing pipe. And then others
- 20 are just training guidelines that need to be
- 21 developed and implemented. So overall the true
- 22 safety-related issues as we find critical are being

- 1 addressed.
- 2 COMMISSIONER ELLIOTT: What are the three
- 3 unacceptable progress that Liberty pointed out? Do
- 4 you know those?
- 5 MR. BURK: Okay, unacceptable progress was cast
- 6 iron replacement policies. They need to rewrite
- 7 their policies as far as how they choose their cast
- 8 iron replacement projects. Development and implement
- 9 of training for the Chicago municipal workers and
- 10 contractors, and development and implement of a
- 11 procedure for monitoring directional boring
- 12 activities. Again, they have to work with the City
- and the digger on that issue as well.
- 14 CHAIRMAN BOX: On the first one you said the
- whole thing of, would that be so much prioritizing
- 16 cast iron replacement?
- 17 MR. BURK: Yes.
- 18 CHAIRMAN BOX: Because that was one of the
- 19 issues, I think, in a former rate case where they
- 20 asked for a rider to recoup that money. One of the
- 21 reasons we said no was the fact that there was no
- 22 schedule or design or layout of when those

- 1 improvements or replacements would be made in order
- 2 for that rider to be put into effect. So you would
- 3 think they would comply with that one above and
- 4 beyond any of the others.
- 5 MR. BURK: We are hoping they make some
- 6 improvements. But the current method is using a main
- 7 ranking index system along with public improvement
- 8 projects in the city of Chicago. Unfortunately, I
- 9 have been told that the downturn in the economy is
- 10 going to require them to reduce their replacement
- 11 progress from 46 miles a year to down around 16.
- 12 They just don't have the money to invest in the
- 13 system, according to what I have been told in these.
- 14 I am working with a vice president of operations to
- 15 see if we can alter that schedule.
- 16 COMMISSIONER O'CONNELL-DIAZ: Darin, is there a
- 17 schedule that the company is aware that we want
- 18 compliance by and that you have had how many audits
- 19 with other companies and we have gotten a schedule
- 20 and pretty well stuck with the schedule?
- 21 MR. BURK: We have an outline for compliance of
- 22 each recommendation that People's has committed to.

- 1 Of course, things come up and they fall behind. But
- 2 it is implemented based on this schedule agreed to
- 3 between our department, Liberty and People's Gas.
- 4 COMMISSIONER FORD: But most of the problems
- 5 occur when they have collaborated with the City.
- 6 MR. BURK: That's where most of the delays are
- 7 right now, yes.
- 8 COMMISSIONER FORD: The next time I see the
- 9 mayor, I will tell him that.
- 10 MR. BURK: I would appreciate that.
- 11 CHAIRMAN BOX: Can I be notified when you are
- 12 about to make that statement?
- 13 Anything further? Any other
- 14 questions? Thank you very much.
- Judge Wallace, anything else to come
- 16 before us today?
- 17 COMMISSIONER FORD: Thank you, Mr. Burk.
- MR. WALLACE: No, Mr. Chairman.
- 19 CHAIRMAN BOX: We have an eleven o'clock today.
- 20 That's about a five-minute break. We have the
- 21 electric policy committee meeting to address the
- 22 pending applications by Commonwealth Edison Company

| 1 | and the Ameren Illinois Utilities for the stimulus |
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| 2 | funding under the American Recovery and Investment |
| 3 | Act. If nothing further here, we will adjourn for |
| 4 | about five minutes. We will reconvene at that time. |
| 5 | COMMISSION BENCH SESSION ADJOURNED |
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