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BEFORE THE
ILLINOIS COMMERCE COMMISSION
PUBLIC UTILITIES REGULAR OPEN MEETING
Chicago, Illinois
September 4, 2013
Met pursuant to notice at 10:30 o'clock a.m.

- BEFORE:
- MR. DOUGLAS P. SCOTT, Chairman
 - MR. JOHN T. COLGAN, Commissioner
 - MS. ANN McCABE, Commissioner
 - MR. MIGUEL DEL VALLE, Acting Commissioner
 - MS. SHERINA E. MAYE, Acting Commissioner

MIDWEST LITIGATION SERVICES
By: Cheryl Lynn Moffett
Illinois CSR No. 084002218

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P R O C E E D I N G S

CHAIRMAN SCOTT: Pursuant to the provisions of the Open Meetings Act, we now convene the Regular Open Meeting of the Illinois Commerce Commission. In Chicago are Commissioner Colgan, Commissioner McCabe and Acting Commissioner Del Valle and Acting Commissioner Maye. I'm Chairman Scott. We have a quorum.

Before moving into the agenda according to Section 1700.10 of Title 2 of the Administrative Code, this is the time we allow members of the public to address the Commission. Members of the public wishing to address the Commission must notify the Chief Clerk's office at least 24 hours prior to the Commission meetings. According to the Chief Clerk's office we have no requests to speak at today's meeting.

The first item of business on today's agenda is the approval of minutes from our August 14 Bench session. I understand amendments have been forwarded. Is there a motion to amend the amendments?

Is there a second?

It's been moved and seconded. All in favor say aye.

Any opposed?

The vote is five to nothing and the amendments

1 are adopted.

2 Is there now a motion to approve the minutes as
3 amended?

4 Is there a second?

5 It's been moved and seconded. All in favor say
6 aye.

7 Any opposed?

8 The vote is five to nothing and the August 14
9 Bench session minutes as amended are approved.

10 Moving on to the electric portion of today's
11 agenda. Item E-1 is Docket Number 12-0441. This is
12 Ayana Nesbitt's complaint against Com Ed as to billing
13 and/or charges. ALJ Riley recommends entering an Order
14 denying the complaint.

15 Is there any discussion?

16 Is there a motion to enter the Order?

17 Is there a second?

18 It's been moved and seconded. Any further
19 discussion?

20 All in favor say aye.

21 Any opposed?

22 The vote is five to nothing. The Order is
23 entered and the complaint is denied.

24 We'll use this five to nothing vote for the

1 remainder of today's Regular Open Meeting unless
2 otherwise noted.

3 Item E-2 is Docket Number 12-0493. This is
4 Samuel Duthoy's complaint against ComEd as to billing
5 and/or charges. The parties have apparently settled
6 their differences and brought a Joint Motion to Dismiss
7 which ALJ Hilliard recommends be granted.

8 Is there any discussion?

9 Any objections?

10 Hearing none, the Joint Motion to Dismiss is
11 granted.

12 Item E-3 is Docket Number 13-0186. This is
13 Chet DeKing's complaint against ComEd as to removal of
14 Blue Spruce Evergreens on his property without proper
15 notice. ALJ Riley recommends entering an Order granting
16 ComEd's Motion to Dismiss. I believe Commission McCabe's
17 office has some evidence and comments. Commissioner.

18 COMMISSIONER McCABE: Yes, thank you. After
19 looking at the record we disagree with the proposed
20 Order's granting of ComEd's Motion to Dismiss. This case
21 concerns the removal of Blue Spruce Evergreen trees on
22 the complaint's property during non-emergency vegetation
23 management without proper notice.

24 The revised Order does the following: It

1 denies the Motion to Dismiss, grants the complainant
2 leave to file a Second Amended Complaint, requests
3 briefing from the parties and Commission staff on the
4 types of remedies that are available to the Commission in
5 this case, requests briefing on whether Circuit Courts
6 have jurisdiction over monetary damages.

7 ComEd argued both that the -- that only the
8 Circuit Court has jurisdiction over this claim and that
9 the Circuit Court has no jurisdiction over this claim.

10 I thank the Chairman's office for their edits
11 and move to accept the Amended Order.

12 CHAIRMAN SCOTT: Is there a second?

13 It's been moved and seconded to adopt the
14 revisions described by Commission McCabe. Is there any
15 discussion?

16 I appreciate you and your office, Commissioner,
17 digging into this matter further. I think the resolution
18 here that you suggested in your edits is a very good one,
19 and I look forward to not only the continued resolution
20 of this case but what it also means for cases continuing
21 on in the future that are of a similar nature. So,
22 appreciate that very much.

23 Further discussion?

24 All in favor of Commissioner McCabe's edits

1 vote aye.

2 Any opposed?

3 The vote is five to nothing and the edits are

4 adopted.

5 Is there now a motion to enter the Order as

6 amended?

7 Is there a second?

8 JUDGE WALLACE: Mr. Chairman?

9 CHAIRMAN SCOTT: Yes?

10 JUDGE WALLACE: Are we going to do an Interim

11 Order? You're wanting to send this back to the

12 Administrative Law Judge, correct?

13 CHAIRMAN SCOTT: That's correct?

14 JUDGE WALLACE: All right.

15 COMMISSIONER McCABE: Would that be -- Judge

16 Wallace, would that be the preferred course?

17 JUDGE WALLACE: I think so at this point

18 without seeing what the changes were because the Order

19 given you would be to dismiss it, and you're wanting to

20 send it back for further proceedings. So, I think we

21 should label it at least an Interim Order, although I

22 think -- I'm not great at thinking on my feet here, but

23 that would work.

24 CHAIRMAN SCOTT: So, label it an Interim Order

1 as amended?

2 JUDGE WALLACE: Yes.

3 CHAIRMAN SCOTT: Okay. So, is there a motion
4 to enter the Interim Order as amended?

5 JUDGE DOLAN: You're probably going to have to
6 change the language at the end, again not seeing your
7 edits. But, you know, if it says at the end of the Order
8 it's a Final Order then you've got to change that
9 language too at the bottom.

10 CHAIRMAN SCOTT: Okay. Very good. Thank you.
11 But that's something, Judge Dolan, that's something we
12 can do when we send it on after the meeting's over.

13 JUDGE DOLAN: That's correct.

14 CHAIRMAN SCOTT: So we would still need a
15 motion to enter the Interim Order as amended.

16 Is there a second?

17 It's been moved and seconded. Any further
18 discussion?

19 All in favor say aye.

20 Any opposed?

21 The vote is five to nothing on the Interim
22 Order as amended.

23 Judge Wallace, thank you for your help there.
24 Appreciate it.

1 Item E-4 is Docket Number 13-0421. This is
2 Whitney Cleveland's complaint against ComEd as to billing
3 and/or charges. The parties apparently settled their
4 differences and have brought a Joint Motion to Dismiss
5 which ALJ Riley recommends we grant.

6 Is there any discussion?

7 Any objections?

8 Hearing none the Joint Motion to Dismiss is
9 granted.

10 Item E-5 and E-6 can be taken together. These
11 items concern citations against Ecologistics and CRM
12 Marketing Group for failure to file a recertification
13 report required under 93 Illinois Administrative Code
14 454.110. In both cases ALJ Baker recommends entry of an
15 Order suspending respondents' certification of service
16 authority to operate as an agent, broker or consultant.
17 Is there any discussion?

18 Are there any objections?

19 Hearing none the Orders are entered.

20 Item E-7 is Docket Number 13-0115. This is
21 Ameren's petition for a certificate of public convenience
22 and necessity pursuant to Section 8-406.1 of the Act and
23 an Order pursuant to Section 8-503 of the Act to
24 construct, operate and maintain a new high voltage

1 electric service line in Peoria County. ALJ Von Qualen
2 recommends entry of the Order granting Ameren's request.

3 Is there any discussion?

4 Any objections?

5 Hearing none the Order is entered.

6 Item E-8 is Docket Number 13-0049. This is
7 Exelon Energy Company's Petition to Cancel its authority
8 to operate as an electric supplier. ALJ Baker recommends
9 entry of an Order granting the requested relief.

10 Is there any discussion?

11 Any objections?

12 Hearing none the Order is entered.

13 Item E-9 and E-10 can be taken together. These
14 items are petitions for the confidential or proprietary
15 treatment of various annual reports. In both cases the
16 ALJ recommends entry of an Order granting the requested
17 relief.

18 Is there any discussion?

19 Are there any objections?

20 Hearing none the Orders are entered.

21 Items E-811 and E-812 can be taken together.
22 These items are IDOT's petition for the approval of the
23 taking or damaging of certain properties owned by ComEd
24 and unknown owners in Will County. Both cases ALJ

1 Hilliard recommends entry of an Order granting the
2 requested relief.

3 Is there any discussion?

4 Any objections?

5 Hearing none the Orders are entered.

6 Item E-813 is Docket Number 13-0332. This is
7 Interstate Gas Supply's petition for the confidential
8 and/or proprietary treatment of its net metering report.
9 Petitioner has filed a Motion to Withdraw its request.
10 ALJ Teague recommends we grant this request and dismiss
11 the proceeding without prejudice.

12 Is there any discussion?

13 Are there any objections?

14 Hearing none the motion is granted and the
15 proceedings will be dismissed.

16 Item E-14 is Docket Number 13-0414. This is
17 Energy Browser's application for licensure as an agent,
18 broker, and consultant under Section 16-115C of the
19 Public Utilities Act. Petitioner has filed a Motion to
20 Withdraw its request. ALJ Kimbrel recommends we grant
21 the request and dismiss the proceeding without prejudice.

22 Is there any discussion?

23 Any objections?

24 Hearing none the motion is granted and the

1 proceeding is dismissed.

2 Item E-15 is Docket Number 13-0466. This is
3 American Power Partners' application for a certificate of
4 service authority to operate as an alternative retail
5 electric supplier under Section 16-115 of the Public
6 Utilities Act. Petitioner has filed a Motion to Withdraw
7 its request which ALJ Von Qualen recommends we grant.

8 Is there any discussion?

9 Are there any objections?

10 Hearing none the Motion to Dismiss is granted.

11 Item E-816 is our investigation into the
12 applicability of Section 16-122 and 16-108.6 of the
13 Public Utilities Act. Staff recommends entry of an Order
14 initiating the investigation.

15 Is there any discussion?

16 Are there any objections?

17 Hearing none the Initiating Order is entered.

18 Natural Gas, Item G-1 is Docket Number 12-0299.

19 This is North Shore and Peoples Gas' petition for an
20 Order approving an agreement for the provision of
21 facilities and services and the transfer of assets
22 between the affiliates pursuant to Section 7-101 and
23 7-102 of the Illinois Public Utilities Act. Petitioner
24 has filed a Motion to Withdraw its request. ALJ Teague

1 recommends we grant the request and dismiss the docket
2 without prejudice.

3 Is there any discussion?

4 Any objections?

5 Hearing none, the motion is granted and the
6 proceeding is dismissed.

7 Items G-2 and G-3 can be taken together. These
8 are petitions for emergency relief for the confidential
9 and/or proprietary treatment of various annual reports.
10 In those cases the ALJ recommends entry of the Orders
11 granting the requested relief.

12 Is there any discussion?

13 Are there any objections?

14 Hearing none the Orders are entered.

15 Item G-4 is Docket Number 13-0146. This is our
16 rulemaking proceeding to amend 83 Illinois
17 Administrative Code, Section 590, Minimum Safety
18 Standards for Transportation of Gas and for Gas Pipeline
19 Facilities.

20 The second notice period has now ended, thus
21 ALJ Wallace recommends entry of an Order adopting
22 proposed rules for the effective date of September 10,
23 2013.

24 Is there any discussion?

1 Are there any objections?

2 Hearing none the Order is entered.

3 On to telecommunications. Item T-1 is Docket
4 Number 13-0106. This is Sage Telecom's petition for
5 emergency relief for the confidential and/or proprietary
6 treatment of its annual report. ALJ Baker recommends
7 entry of the Order granting the requested relief for a
8 period of two years.

9 Is there any discussion?

10 Are there any objections?

11 Hearing none the Order is entered.

12 Item T-2 is Docket Number 13-0203. This is
13 Clotheslines' Petition to Cancel its certificate of paid
14 phone service authority. ALJ Baker recommends entry of
15 an Order granting the requested relief.

16 Is there any discussion?

17 Are there any objections?

18 Hearing none the Order is entered.

19 Item T-3 is Docket Number 13-0264. This is
20 360network's Petitions for Withdrawal of its certificate
21 of service authority and certificate of exchange service
22 authority. ALJ Baker recommends entry of an Order
23 granting the requested relief.

24 Is there any discussion?

1 Are there any objections?

2 Hearing none the Order is entered.

3 Item T-4 is Docket Number 13-0287. This is
4 Diane Wampler of Open Solutions' complaint against AT&T
5 as to billing and/or charges. AT&T filed a Motion to
6 Dismiss the proceeding on the grounds of nul tiel
7 corporation. ALJ Riley recommends entry of an Order
8 granting the Motion to Dismiss without prejudice.

9 Is there any discussion?

10 Are there any objections?

11 Hearing none, the Order is entered.

12 Item T-5 is Docket Number 13-0431. This is
13 AT&T and O1 Communications' joint petition for the
14 approval of the negotiated interconnection agreement.
15 ALJ Jorgenson recommends entry of an Order approving the
16 agreement.

17 Is there any discussion?

18 Any objections?

19 Hearing none the Order is entered.

20 On to water and sewer. Item W-1 is Docket
21 Numbers 12-0603 and 12-0604 consolidated. This is Apple
22 Canyon and Lake Wildwood's proposed general rate increase
23 for water service. The Commission's August 14, 2013
24 Order inadvertently stated that the company has filed

1 tariff sheets on November 8 rather than October 1st. ALJ
2 Haynes recommends entry of the Amendatory Order
3 correcting that error.

4 Is there any discussion?

5 Are there any objections?

6 Hearing none the Amendatory Order is entered.

7 Item W-2 is Docket Number 13-0124. This is
8 Cheryl M. Jordan's complaint against Illinois American
9 Water Company as to billing and/or charge. ALJ Hilliard
10 recommends entry of an Order denying the complaint.

11 Is there any discussion?

12 Are there any objections?

13 Hearing none the Order will be entered.

14 We have one Petition for Rehearing on today's
15 agenda, Item PR-1, Docket Number 13-0156. This is
16 Enrique Guzman's complaint against ComEd as to billing
17 and/or charges. ALJ Jorgenson recommends that the
18 Commission grant the request for rehearing.

19 Is there any discussion?

20 Any objections? Hearing none the request for
21 rehearing is granted.

22 We have two miscellaneous items on today's
23 agenda. Item M-1 is the Commission's own motion to
24 authorize the release of information and entry into an

1 interagency agreement with the Department of Revenue.
2 Staff recommends entry of an Order authorizing the
3 agreement and release of information.

4 Is there any discussion?

5 Are there any objections?

6 Hearing none, the Order is entered.

7 Item M-2 is our Resolution in support of
8 September 9th to 15th as Illinois Lifeline Awareness
9 Week.

10 Commissioner Colgan, did you want to make a few
11 comments about that?

12 COMMISSIONER COLGAN: Thank you, Chairman.

13 Many of us take for granted that we can pick up our phone
14 and dial our friends and family and stay connected with
15 the rest of the world. Phone service has become such a
16 routine part of our lives that we hardly think about it
17 anymore, but imagine what it would be like if you had
18 lost a job and couldn't afford to pay for a phone bill.
19 Imagine if you worked one or two jobs and did not make
20 enough money to be able to afford a telephone service.

21 Unfortunately too many people in the United
22 States and in Illinois face this problem every day and do
23 not have even basic telephone service. It's estimated
24 that in Illinois, 5.3 percent of housing units do not

1 have any kind of telephone service and are disconnected
2 from friends, family, and emergency services. These
3 consumers cannot even from their own premises dial a 911
4 service.

5 There is good news, though. Many of these
6 customers may qualify for an assistance program called
7 Lifeline that discounts a portion of their telephone
8 service. Lifeline provides savings to qualified
9 customers on basic monthly telephone service.

10 The FCC, UTAC, NARUC, NASUCA, the Governor's
11 office and other state and federal agencies, cities,
12 counties and organizations have committed to increasing
13 awareness about the availability of the Lifeline program
14 and are committed to encouraging eligible citizens to
15 sign up for the program.

16 As with any public benefit program, we are
17 aware that some take unfair advantage of a program like
18 this and, as a result, abuse the privileges. And in this
19 regard we encourage the FCC to continue its efforts to
20 prevent all abuse of this program.

21 Commissioner Del Valle and I are co-sponsoring
22 this Resolution stating that the Illinois Commerce
23 Commission supports the week of September 9th through the
24 15th of this year 2013 as Lifeline Awareness Week and

1 encourage all eligible customers to consider the Lifeline
2 program to insure that all residents have access to basic
3 telephone service in order to stay connected with
4 emergency services, community resources, friends and
5 family.

6 We're asking the Commission to support this
7 Resolution. And, Mr. Chairman, I move that the
8 Commission adopt the Resolution and support September 9th
9 through the 15th, 2013 as Illinois Lifeline Awareness
10 Week.

11 CHAIRMAN SCOTT: Is there a second?

12 It's been moved and seconded.

13 Further discussion? Commissioner Del Valle.

14 ACTING COMMISSIONER DEL VALLE: Yes, thank you,
15 Mr. Chairman. I want to thank Commissioner Colgan for
16 putting forth this Resolution. I understand that in
17 prior years he has sponsored the Resolution, and I
18 appreciate an opportunity this year to be involved
19 because I think that there are many folks out there who
20 are not aware of the Lifeline program, even though it's
21 been around for a long, long time, many years, long
22 before the Obama administration.

23 And, so, while there have been some problems I
24 think that this is a program that's essential, that's

1 needed. I would hope that it is expanded to reach all
2 the individuals out there who are eligible to participate
3 and are not participating today. That's why it's
4 important that the Commission fully participate in this
5 awareness week so that we can increase the number of
6 people participating. Thank you.

7 CHAIRMAN SCOTT: Further discussion?

8 The Resolution's been moved and seconded. All
9 in favor of adopting the Resolution vote aye.

10 Any opposed?

11 The vote is five to nothing and the Resolution
12 is adopted. Thank you, Gentlemen, for presenting that to
13 the Commission.

14 We have two items of other business today, the
15 first of which is a Memorandum of Understanding regarding
16 the partnership between NARUC, the ICC, and the Energy
17 and Water Utilities Regulatory Authority of Tanzania.

18 Commissioner Colgan recently visited Tanzania
19 along with Linda Wagner and Randy Rismiller from the
20 Commission, and he assures me he's got like four
21 carousels of slides he wants to show us today, but --

22 COMMISSIONER COLGAN: Not going to happen.

23 CHAIRMAN SCOTT: We appreciate your efforts
24 working on this project and look forward to hearing your

1 comments about it.

2 COMMISSIONER COLGAN: Thank you. On
3 September -- I'm sorry. We left Springfield on our epic
4 journey to Tanzania on the 9th of August and we arrived
5 in Dar es Salaam Tanzania at about 9:00 o'clock on the
6 following day. It was a 30-hour journey through eight
7 different time zones, and the adjustment to arriving in
8 Tanzania was nothing compared to the adjustment when we
9 came back from Tanzania in terms of the jet lag and time
10 differences that we encountered.

11 NARUC had done an excellent job of keying this
12 project up. The accommodations we had in Dar es Salaam
13 were very comfortable, the food was very good, the
14 transportation to and from the meetings were very well
15 coordinated.

16 In Tanzania traffic and transportation is not
17 unlike what we have here in the United States. There are
18 a lot of people who are on foot, so people are walking in
19 the street. There's lots of scooters, different vehicle
20 devices, some bicycles, cars. There's a lot of traffic
21 jams, and sometimes you can just sit. Well, you have
22 that happen here too as well, but there it seems like
23 it's a pretty common effort. But the transportation to
24 and from the meetings was well done.

1 By our standards, Tanzania would be considered
2 a very underdeveloped country, even though some of the
3 bordering countries to Tanzania are, I'm told, are much
4 more underdeveloped than even Tanzania. For example,
5 only 17 percent of the people in Tanzania have access to
6 electricity, and most of those who do have access live in
7 major urban areas like Dar es Salaam. And even the
8 people who have electricity are pretty accustomed to load
9 cutting and brown-outs on a fairly regular basis. But,
10 you know, when you think about it, if you don't have
11 electricity you don't have refrigeration, you don't have
12 heating and cooling, you don't have laundry facilities in
13 your home, you don't have TV, radio. Many places don't
14 even have running water.

15 So, one thing they do have is cell phones.
16 Just about everybody has a cell phone. You see people
17 just like here walking in the street talking on the cell
18 phone. But that said, I couldn't get my Blackberry to
19 work there. And I made a few efforts, but I didn't think
20 the State of Illinois would be interested in reimbursing
21 me for the roaming charges that I was going to have. I
22 had a personal iPad that I carried with me and used it to
23 take notes in meetings and took some pictures with it.
24 And whenever it was seen it was a big hit with a lot of

1 ouuuus and ahhhhs about, "Wow. What is that device?"

2 Our delegation consisted of seven people from
3 the ICC. It was Linda Wagner and Randy Rismiller and
4 myself. From Massachusetts we had a very capable
5 Commissioner David Cass came along with us from the
6 Vermont Public Service Board. We had a staff member Mary
7 Joe Krolewski who is a utility analyst there. And from
8 NARUC we had two program officers, Umida Hashimova and
9 Kristen Verclas.

10 A little bit about EWURA, which is the Electric
11 and Water Utility Regulatory Authority of Tanzania. This
12 was created by statute by the Tanzanian Parliament seven
13 years ago. Up to that time there had been no utility
14 regulation in the country of Tanzania.

15 And in some ways they have the same mission.
16 You can go through their mission statement. A lot of it
17 would sync up with the same mission that we have:
18 Promoting effective economic competition, protecting
19 consumers, protecting financial liability of efficient
20 suppliers, that sort of thing.

21 But in other ways they're organized differently
22 than us. Their commission, which would be the equivalent
23 of the five of us, there are seven Commissioners that are
24 called board members. They're part-time employees and

1 they meet on a regular basis to approve recommendations
2 that come from the staff. It consists of a chairman, who
3 was a very kind gentleman named Simon Sayore. He is
4 appointed by the president of the United Republic of
5 Tanzania.

6 There are five members of the Commission that
7 are appointed by the minister that is in charge of the
8 energy regulation in Tanzania, and there is a pretty
9 extensive process of application and screening and a
10 committee that makes recommendations from the
11 applications.

12 And then there's also another member of the
13 board who would be the equivalent to our executive
14 director, another very honorable person, Haruna Masebu,
15 who was very generous, polite, kind and worked with us
16 pretty closely in our time there. He's appointed by the
17 Board, the other Board members, and he runs the
18 day-to-day operation, and he is a voting member of the
19 Board.

20 The partnership that we have we've entered into
21 with Tanzania is a part of the initiative announced by
22 Barack Obama a couple of months ago while he was in Dar
23 es Salaam, and as you might imagine he's a really popular
24 person in Dar es Salaam these days. It's called Power

1 Africa. There are six countries involved in that
2 project: Ethiopia, Ghana, Kenya, Liberia and Nigeria as
3 well as Tanzania. That project is aimed at doubling
4 access to electricity in those countries over the next
5 ten years, to develop newly discovered resources.

6 For example, in Tanzania they have a very large
7 natural gas resource which is off shore and is going to
8 be used for power generation. They're building a
9 pipeline right now to get that resourced on shore into
10 the current power generating plants and the development
11 of new power plants.

12 The ICC's role here was to provide
13 regulator-to-regulator interface with Tanzania. There
14 have been a number of consultants from the United States
15 that have been there working with EWURA, but our visit
16 there was more of a case of us being regulators here and
17 having a hundred years of experience behind how we've
18 developed our regulatory process in this country to be
19 the sounding block for those regulators.

20 And it's a very new situation there. It's a
21 government regulatory authority, but they're regulating a
22 utility that is wholly owned by the government of
23 Tanzania which creates a different dynamic. And that
24 utility has been in function for a number of years and

1 they're not accustomed to being regulated, so there's a
2 lot of challenges as they move into this new era in
3 Tanzania.

4 We had a pretty big assignment. We were very
5 busy. We put in a full five days there with the
6 Tanzanians.

7 Just to give you an example of some of the work
8 assignments that we had, we were there, and each one of
9 us in this delegation had assigned a number of different
10 presentations and to lead discussions on some topics.
11 For example, a little flavor of those topics was they're
12 very interested in renewable energy and what our
13 experience is here in the United States. They wanted a
14 history of the developing renewable energy goals in the
15 United States and how current tariffs work on renewables.
16 They wanted us to share the regulatory framework that we
17 have here for natural gas which is extensive by
18 comparison.

19 They're just now starting to get into -- they
20 don't even really have a gas statute in Tanzania. It's
21 being debated in Parliament now. So, they're really
22 interested in how to bring about tariffs and creating
23 that regulatory framework. They wanted intensive
24 discussion about how to increase renewable energy with a

1 focus on net metering and interconnection tariffs.

2 Another topic was demonstration of developing a
3 pricing methodology for gas processing and transmission
4 and a discussion of the difference between how we do it
5 here in the United States and how it's done there, which
6 was kind of hard to deal with because they really don't
7 have -- they're just dealing in the abstract whereas we
8 ended up just doing a lot of sharing of how things are
9 done here.

10 There's a number of other topics that were
11 pretty substantive in nature, and all the members of the
12 delegation felt really challenged to get up to the task
13 of presenting to the Tanzanians.

14 The second phase of the partnership is now
15 beginning to take shape, and I think how that's going to
16 fall out is they're -- they've decided the best course
17 would be for them to send a delegation here. I'm sure
18 that the Illinois Commerce Commission would be one of the
19 places they would visit. And they have the option of
20 visiting either one or two different regulatory
21 authorities in the United States. And they would send
22 people who are in charge of the four basic divisions of
23 EWURA which is electricity, natural gas, regulatory
24 economics, and their legal department.

1 So, I think the way that would play out would
2 be that each one of those individuals would spend time
3 here with people at the Commission who have expertise in
4 those areas and just kind of maybe have a lot of
5 discussions and maybe follow them around and maybe go out
6 into the field and see a few things on how things work.

7 So, in short, I can say I can speak for the
8 whole delegation that we were very impressed with the
9 quality of the leadership and the staff of EWURA. In
10 general, we were very impressed with the Tanzanian
11 people. They were very kind, very open, very polite,
12 very friendly people. The staff at EWURA is very well
13 educated. Many of the people were educated here in the
14 United States and many of them have good regulatory
15 experience for working at utilities, either here in the
16 United States or other places around the globe.

17 They have a great opportunity to improve
18 electricity access in Tanzania. With only 17 percent of
19 the people having electricity, you know, there's a huge
20 opportunity here to expand that and to create an economic
21 engine that can propel their society into the future.

22 And they have a number of substantial
23 challenges that they face, and number one is just to be a
24 regulatory authority that regulates the industry in

1 Tanzania. They're trying to attract a lot of private
2 capital as it comes into the country. And I mentioned,
3 you know, the utility there is used to just making
4 decisions on what needs to be done and going out and
5 doing it without having to come through a regulatory
6 authority.

7 So, while I was there I signed a Memorandum of
8 Understanding with the Tanzanian government. It was a
9 very festive ceremony. It was set up as pretty much like
10 a news conference. There was the US Ambassador to
11 Tanzania, Alfonso Lenhardt, came to the ceremony and made
12 a speech. The Director General of EWURA made a speech.
13 I made comments about the ICC and our interest in our
14 partnership. The meeting was very well attended by many
15 different dignitaries from the Tanzanian government and
16 the event was fairly well covered in the news media
17 there.

18 So, Mr. Chairman and fellow Commissioners, I
19 can just say that it was an honor to go there and to able
20 to represent the ICC in this historic effort, and I'll be
21 happy to answer any questions that you might have. And I
22 ask for your support in the MOU which we will later get
23 to.

24 CHAIRMAN SCOTT: Thank you very much,

1 Commissioner Colgan. Thank you for representing us
2 there. Sounds like a fantastic not only opportunity for
3 them but for us as well to understand their processes,
4 and look forward to seeing them when they come to
5 Illinois and get a chance to interact with them here. I
6 think that's great and appreciate you and Linda and Randy
7 taking all of your time and getting ready and doing all
8 of those presentations. I think that's good for us at
9 the Commission here, and obviously is helpful to them.

10 We had -- obviously we had talked about this
11 before your trip, so we knew you were going and knew you
12 were going with the idea of working with them and so that
13 there would be a Memorandum of Understanding, but as I
14 think we just proforma we should approve the Memorandum
15 of Understanding anyway. So, Commissioner Colgan, if you
16 would like make the motion to --

17 COMMISSIONER COLGAN: I would move that we
18 adopt the MOU.

19 CHAIRMAN SCOTT: Is there a second?

20 Is there any further discussion?

21 All in favor of the memorandum of
22 understanding, vote aye.

23 Any opposed?

24 The vote is five to nothing and the memorandum

1 is adopted. Thank you again, Commissioner Colgan.

2 COMMISSIONER COLGAN: I have one other comment
3 I'd like to make, and that is that in preparing to go
4 there we did lean on the staff, the staff in Springfield
5 pretty heavily. There were a number of meeting of
6 substantive discussion about issues of power purchase
7 agreements and gas transmission and processing, and the
8 staff was very helpful. And I want to on behalf of Linda
9 and Randy extend to the staff a big thanks for the way
10 that -- they have busy jobs as well and they really went
11 out of their way to help us get ready to go there.

12 CHAIRMAN SCOTT: Appreciate that and appreciate
13 the comments, so thank you very much for that.

14 Before our last item of the day, I want to
15 welcome a new member of Commission staff, Denise Anderson
16 who is hiding in the back there. There she is waving.
17 Commissioner Maye's new policy adviser who started
18 yesterday. So already completely up to speed, so ask her
19 anything you want to about the process.

20 Denise has a BA from the University of Michigan
21 and a JD from Notre Dame, so she may be heavily
22 conflicted by the upcoming football game this weekend.
23 Commission Colgan has no such conflicting emotions.

24 COMMISSIONER COLGAN: Go Irish.

1 CHAIRMAN SCOTT: But we know Denise is going to
2 be a great asset not only to Commissioner Maye but also
3 to the rest of us at the Commission. So, glad you're
4 here. Welcome.

5 ACTING COMMISSIONER MAYE: I concur with
6 Chairman Scott and thank you. And I think we have a
7 dynamic team already it seems, but you will add to it, so
8 thanks for coming onboard.

9 CHAIRMAN SCOTT: Our last item on today's
10 agenda is a meeting to address various internal
11 administrative matters before the Commission. Beyond the
12 administrative meeting, Judge Wallace, are there any
13 other matters to come before the Commission today?

14 JUDGE WALLACE: No, that's all, Mr. Chairman.

15 CHAIRMAN SCOTT: Thank you, sir.

16 Seeing as there's no other business to come
17 before the Commission during this portion of the meeting
18 as we have done in the past we will take a short recess
19 and reconvene in just about five minutes in the video
20 conference room to discuss administrative matters, and we
21 need a little time for the court reporter to move down to
22 the video conference room so we can talk to Executive
23 Director Fiepel and actually look at him as we're talking
24 to him.

1 A D M I N I S T R A T I V E S E S S I O N

2 CHAIRMAN SCOTT: Let the record reflect we are
3 in back in session from our recess. The first item on
4 today's administrative meeting and agenda is a general
5 discussion of our policy meetings thus far and discussion
6 about possible meetings for the next quarter of the year.

7 In addition to that we sent around to folks
8 recently -- it's strange because the policy committee
9 meetings aren't found anywhere except in the employee
10 handbook. We're not really sure why, but that's where
11 they are. So, the prior language made reference to that
12 they were primarily for policy presentations and
13 discussions. We have general policy meetings,
14 transportation policy sessions, and also meetings of
15 various committees comprised of Commissioners for
16 electric, gas, telecommunications and water and policy.
17 But as we've been talking individually about these policy
18 committee meetings, committees don't have the same kind
19 of meaning that they have.

20 Like, Commissioner Del Valle, you and I know
21 from the legislature where it's a subset of the larger
22 body, here committees was everybody. So, it was almost
23 like a committee of the whole. So everybody was on every
24 committee, and it really didn't make -- you know, for the

1 way we do business and the way we've had committees it
2 really doesn't make a lot of sense because theoretically
3 we were just having the same kind of meetings as we would
4 be having in a general policy discussion on something on
5 the agenda.

6 So, what we wanted to do we wanted to continue
7 with the idea of have policy sessions, but we sent around
8 some very generic language that just said, "Policy
9 sessions are meetings intended primarily for policy
10 presentations and discussion," that part stays the same
11 from where it was before, but then the change is to get
12 rid of everything that came after that and just say,
13 "These meetings may be on any subject the Commission
14 deems relevant to its work and may be held on a frequency
15 determined by the Commission."

16 In the old days the idea, and I think it was in
17 practice for a while, although it predates all of us by a
18 lot, was that these committees actually did meet once a
19 month but sometimes, as we found out, with one
20 Commissioner there. A Commissioner would have a meeting
21 of whatever committee. I don't think that's really the
22 way that we've envisioned these things to go on or
23 necessarily what might be best for the Commission as a
24 whole. So, we left that particular language very

1 generic.

2 It's my understanding from Director Fiepel that
3 amending -- he has language that he knows that is
4 acceptable to us -- that amending the employee handbook
5 is something that he can do himself so we could have that
6 more accurately reflect what we're actually doing with
7 these committees.

8 In talking to Commissioner Colgan he suggested,
9 and I think this is a good idea, that we have at least
10 among us some general rules that we've developed that
11 would govern these kinds of things so we don't run into a
12 situation where somebody's doing their own committee work
13 and maybe four of us don't think that that's necessarily
14 the best thing because these do have the, A, the
15 imprimatur of the Commission on them because they're
16 labeled as committee meetings of the Commission, and,
17 second, the cost that's associated with them because our
18 meetings are transcribed, have to be, and then the
19 minutes made available to folks. And, so, we want to at
20 least have some kind of limits on what we're doing.

21 Commissioner Del Valle?

22 ACTING COMMISSIONER DEL VALLE: So, if we're
23 going to call them policy forums instead of policy
24 committees --

1 CHAIRMAN SCOTT: Policy sessions.

2 ACTING COMMISSIONER DEL VALLE: -- or policy
3 sessions, they still have to be recorded?

4 CHAIRMAN SCOTT: Yes. Yes.

5 ACTING COMMISSIONER DEL VALLE: So that if we
6 want to go out into the community and do a policy forum
7 regarding any subject that is relevant we would have to
8 have that recorded?

9 CHAIRMAN SCOTT: If it's our meeting and we're
10 doing it in another location, yes, it's my understanding
11 we would have to have that recorded.

12 COMMISSIONER McCABE: Even if it's only one or
13 two Commissioners?

14 CHAIRMAN SCOTT: Well, obviously not in that
15 case, but it depends if it's our meeting or not.

16 COMMISSIONER COLGAN: Officially noticed
17 meeting.

18 CHAIRMAN SCOTT: I think that's the distinction
19 between them. Director Fiepel, I don't know if you want
20 to weigh in on this as well.

21 DIRECTOR FIEPEL: The key is if we're calling
22 it an open meeting of the Commission, right, so I think
23 that's the distinction. If this is the Illinois Commerce
24 Commission's open meeting to discuss Lifeline and instead

1 of doing it at our building we go, I don't know, to one
2 of the other communities around the city, at that point
3 we would have full transcribed notes and everything.

4 If one of you goes to another forum, for
5 example, making a presentation at a workshop, making a
6 presentation with a group of people, that's not in the
7 rubric of an open meeting of the Illinois Commerce
8 Commission in that very formal sense.

9 CHAIRMAN SCOTT: Because that's not our meeting
10 in that case, that's just us appearing at someone else's
11 meeting.

12 DIRECTOR FIEPEL: Right. That said, you know,
13 we have our, and correct me if I'm wrong, we have our
14 contract for court reporting that would extend to if we
15 said, "No. We're going to go to this location instead,"
16 it's no problem to redirect the court reporter to the
17 other location, right?

18 ACTING COMMISSIONER MAYE: It's no problem, but
19 it is extra cost, but yes.

20 DIRECTOR FIEPEL: Right. So, we'd want to take
21 a look at costs and that kind of thing, but that's
22 something we could talk about in the future if that's the
23 kind of thing we want to do.

24 CHAIRMAN SCOTT: So, I think if the thought

1 would be that it might be good to do some of these
2 somewhere other than in here, I think the answer is yes,
3 but I think that would still be something that we would
4 need to notice up and have recorded.

5 ACTING COMMISSIONER MAYE: Like if CUB was
6 having an event or if somebody, some other party was
7 having an event and they asked that we attend, we could
8 do that.

9 CHAIRMAN SCOTT: Sure, just the way we do now.
10 I mean all of us do that.

11 ACTING COMMISSIONER MAYE: I don't believe we
12 have ever done it more than two, have we?

13 CHAIRMAN SCOTT: Well, no, but if there's more
14 than two of us then like we do with other educational
15 events, like IRPS, for example, where more than two of us
16 will show up at that, it's labeled as an educational
17 event and we have to get clearance from the Office of
18 General Counsel to be able to do that so that it's not an
19 open meeting. But, yes, if somebody else is -- if it's
20 somebody else's meeting and we're there, because that
21 happens fairly frequently. It happens at Harvard policy
22 forums, it happens at the IRPS meetings. Like you said,
23 it happens at a lot of other places.

24 COMMISSIONER COLGAN: And I always start out

1 with a disclaimer that everything that I'm saying at this
2 meeting is my opinion and should not be interpreted as
3 anything other than my point of view, especially not an
4 opinion of the Illinois Commerce Commission.

5 ACTING COMMISSIONER DEL VALLE: So, if I wanted
6 to schedule or organize a public meeting in Humbolt Park
7 to ask people about their experience as part of a pilot,
8 I can do that as an individual and that doesn't have to
9 be recorded?

10 CHAIRMAN SCOTT: Right.

11 ACTING COMMISSIONER DEL VALLE: So the
12 distinction here is the ICC as a group versus
13 Commissioner Del Valle?

14 ACTING COMMISSIONER MAYE: I think it's Miguel
15 Del Valle because once Commissioner Del Valle --

16 CHAIRMAN SCOTT: No, you can have, and if any
17 of the lawyers want to jump in here feel free, but you
18 could have, and we've all done this from time to time,
19 we've all gone -- we've all gone to meetings. But if you
20 wanted to have a meeting yourself and you knew community
21 organizers wherever, Humbolt Park or wherever you wanted
22 to do that and you wanted to invite people to come and
23 talk to you about that I don't see that as a meeting of
24 the Commission.

1 DIRECTOR FIEPEL: I would see that as no
2 different than if you -- if you invited a whole, you
3 know, a crew of people from Humbolt Park, if you said,
4 "Come to my office at the Illinois Commerce Commission
5 and brief me on what you're doing," that's no different
6 than going there and, I don't know, going to City Hall
7 and saying, "Hey, let's all show up here in the high
8 school gym," or whatever it is. That's your individual
9 meeting. It's not a, quote, meeting of the Illinois
10 Commerce Commission.

11 ACTING COMMISSIONER DEL VALLE: So I want to go
12 back to what you just said, Nicole. The distinction is
13 policy session or policy forum versus an individual
14 meeting or sponsored or organized by an individual
15 Commission?

16 CHAIRMAN SCOTT: Yes, I think what Director
17 Fiepel has said I think it's no different than if the
18 Humbolt Park folks came here to your office, which you
19 can do any time you wanted to. You could go to them and
20 talk to them about it, but if you're saying the ICC's
21 having a meeting at Humbolt Park and we all show up, then
22 we've got to come with a court reporter attached to it.

23 ACTING COMMISSIONER DEL VALLE: But if I did
24 that, that gathering, I organized that gathering and I

1 invited Commissioner Maye to participate and she's
2 there --

3 CHAIRMAN SCOTT: I think as long as you don't
4 have a quorum of us there it would be okay.

5 ACTING COMMISSIONER DEL VALLE: As long as we
6 don't have a quorum we're okay?

7 CHAIRMAN SCOTT: Yes.

8 ACTING COMMISSIONER DEL VALLE: If John shows
9 up then I'm in trouble, right?

10 CHAIRMAN SCOTT: Just in general principle, but
11 in this example, yes.

12 COMMISSIONER COLGAN: But I think, and this is
13 something that we talked about earlier today, was when we
14 have these meetings, I think it would be good to use a
15 lot of caution in terms of taking a personal position
16 publically on anything because we have to make our
17 decisions based on record evidence. And we could put
18 ourselves in a position to be prejudging a situation
19 outside of the record evidence, and that could become an
20 uncomfortable position.

21 CHAIRMAN SCOTT: And that's a fair point. And
22 the other part of that that follows up on that is that
23 unlike a group of people who come to your office and meet
24 with you here, if you go to a community center and meet

1 with a bunch of people, you may have press, you may have
2 other -- you are not necessarily controlling always who
3 the other people are in the room, and you may run into
4 those kinds of issues being raised at some point.

5 That's not to say not to do it because, I mean,
6 we all do outreach in the communities and we think it's
7 good and I think we all want to do more and I think that
8 that's a good thing, so we have to be a little bit
9 careful about how we do it.

10 ACTING COMMISSIONER DEL VALLE: Yes. I mean if
11 a docketed matter comes up then we have to say --

12 CHAIRMAN SCOTT: Just like in a private meeting
13 you have to say, "I can't talk about it." And I think
14 maybe that, you know, leaving the language kind of vague
15 like we talked about that we sent around to everybody I
16 think maybe working with OGC maybe Director Fiepel would
17 be good to develop kind of like a short check list, maybe
18 a one-page of rules or something so that we know where we
19 can go and where we can't go to follow up on examples
20 just like that would probably be a good idea.

21 ACTING COMMISSIONER MAYE: I think it's
22 important, Director Fiepel, I guess that -- I have never
23 actually sent an e-mail to OGC asking if I could. Maybe
24 I should have been. But I have found that when other

1 people have sent e-mails to OGC and we usually get the
2 response sent to all of us, I found that sometimes the
3 responses are inconsistent. So, perhaps, we should set
4 something across the board and have it be a check list,
5 you know, consistent with all occasions because I found
6 that, you know, one person asking for one thing you'll
7 get one response and then another question is asked a
8 couple months later and you get another response, but yet
9 they're the same event, or same type of event I should
10 say. So, I think it's important that we develop some
11 type of consistency. If it's an issue at one point it's
12 got to be an issue at all points. I think we need to be
13 very careful about that.

14 DIRECTOR FIEPEL: Absolutely. Let me follow up
15 on that and see what we can do to put together that kind
16 of list of examples of here are the kind of situations
17 and here is the way it works. Yes, that's a good point.

18 ACTING COMMISSIONER MAYE: And I have another
19 question, Chairman. So, I know that based on
20 Commissioner Del Valle's question if you individually are
21 going to, you know, do whatever, we all have -- we don't
22 necessarily have duties individually. So, you know, if
23 you want to do consumer outreach or if one office wants
24 to focus on something environmental and so forth and so

1 on, that's fine. However, is it not -- basically what
2 I'm trying to ask is is there a procedure for scheduling
3 individual meetings or if I were to go, let's say, and
4 partner with the Alderman of like the fifth and seventh
5 ward and say, "Okay. I want to talk about energy
6 efficiency and I want to talk about this and that," is
7 there any type of process? Can I just go do that or do I
8 need to give notice to the four of you and say this is
9 what I want to do? Is there any permission needed or
10 anything like that?

11 CHAIRMAN SCOTT: No permission needed. You may
12 want to just let us know because it may be good for all
13 of us to know who's talking in what groups. But
14 certainly not, there's no permission that would be needed
15 in something like that that I can think of.

16 ACTING COMMISSIONER MAYE: Okay.

17 CHAIRMAN SCOTT: You know, it might be good,
18 especially if we -- you know, like you've got a consumer
19 education piece that we want to get to here in a minute,
20 and, you know, talking about who can -- I know we talked
21 about this before about how many should go and we talked
22 about only having a couple of Commissioners there just to
23 make sure we don't disturb any rules but, you know, if
24 other people wanted to do that too and set up something

1 where everybody knew where everybody else was going I
2 think that would be great, but there's certainly no --
3 you don't have to ask anyone, do you?

4 COMMISSIONER COLGAN: I think you want to be
5 careful because the community organizer in me, you know,
6 wants to mobilize people to get things done. When you're
7 out there calling a meeting in the neighborhood and you
8 have people coming in, especially advocates coming in, I
9 don't think you'd want to create the perception that
10 you're trying to mobilize people to a point of view. If
11 you're educating people about, you know, like you said,
12 energy efficiency and demand response, if what you're
13 doing is inviting others to say what they think about it
14 and sharing the questions back and forth to get a better
15 understanding, for everybody there to get a better
16 understanding, I think that's -- that's pretty okay, but
17 you wouldn't want to create the perception that you're
18 trying to create like a group of people to push on the
19 Commission to impose your point of view to the rest of
20 the Commission. I think that would be probably
21 inappropriate, which is something I've had to wrestle
22 with as a Commissioner, you know. That's kind of my
23 background is organizing people to get collectively what
24 they can't get individually. So, if I was going to do

1 that sort of thing I would be really careful about that.
2 Am I communicating?

3 ACTING COMMISSIONER MAYE: Yes, I appreciate
4 it. Yes.

5 COMMISSIONER COLGAN: It's a different job, you
6 know. I've told people that before I had this job just
7 about every communication I had was an ex-party
8 communication. I was like, "Here. Let me tell you just
9 one-on-one exactly what you need to know here," and now
10 you just can't do that. You can hear people tell you
11 things, but if they're telling you something about a
12 docketed procedure it has to be recorded as an ex-party
13 communication. So, a very different world being a
14 Commissioner.

15 CHAIRMAN SCOTT: And the only part about that
16 is most of the things we go to are fairly controlled in
17 terms of we know who the audience is, and they are pretty
18 familiar also with the rules and they know not to go into
19 areas that we can't talk about. So most of the things
20 that we go to -- that's not always the case, but most of
21 the things we go to, they kind of get that, you know. Or
22 they'll know, "All right, when you go into -- give me a
23 high sign when you start talking about this so I can
24 leave so I can't hear this."

1 And you see the FERC Commissioners do that all
2 the time at meetings where half of the room will get up
3 and leave. The Commissioners and the FERC staff will get
4 up and go when they're going to talk about an issue. But
5 not all the meetings that we're talking about doing are
6 like that, you know, not necessarily.

7 Like John's saying, if you go out into the
8 community and different places and you're just inviting
9 people to come, they don't and we would have no reason
10 that they should know what those rules are. They would
11 expect us to be able to talk to them. Just like when
12 they write us letters, they don't know that that has to
13 be an ex-party communication recorded. And, so, you may
14 end up putting yourself in a difficult position of
15 organizing a meeting and then most of the answers to
16 questions would be, "I can't talk about that," which is
17 very unsatisfying to the people who come to the meetings
18 too. And we've all had that at different things we've
19 spoken at before.

20 ACTING COMMISSIONER DEL VALLE: What about our
21 assistants?

22 CHAIRMAN SCOTT: The rules apply to them just
23 the same as they do to us. Yup. So even -- so, you
24 know, things like, I know there's been some question over

1 the years, but things like being part of committees and
2 doing things just like we do for NARUC, for other groups,
3 other organization, they can do that, but the same rules
4 apply to them as apply to us.

5 FEMALE SPEAKER: With regard to ex-party.

6 CHAIRMAN SCOTT: Yes. Open meetings are
7 different, but the ex-party things are the same for them.

8 ACTING COMMISSIONER DEL VALLE: But if Jeff on
9 my behalf is doing a community education activity, if
10 someone in the audience brings up a matter that's
11 docketed then he has to also say, "I can't talk about
12 that"?

13 CHAIRMAN SCOTT: Yes, just like you.

14 ACTING COMMISSIONER DEL VALLE: But he can go
15 out there and do an information meeting on my behalf
16 representing me?

17 CHAIRMAN SCOTT: Well, yes. I mean, yes, I
18 mean I'm assuming, though, that would be the arrangement.

19 ACTING COMMISSIONER DEL VALLE: Right.

20 CHAIRMAN SCOTT: You wouldn't want him to be
21 out there just representing himself. I think you would
22 be wanting him to represent you.

23 No offense, Jeff, but you were just the one
24 being used as an example.

1 So, I think I'm kind of getting three things
2 out of this. One, we probably, you know, let me know
3 either today or -- and this can all be, you know, we
4 don't to have decide anything today. Let me know kind of
5 the generic language there that is satisfactory for at
6 least the employee handbook just in terms of --

7 ACTING COMMISSIONER DEL VALLE: Is that the
8 only place where we have to change language in the
9 employee handbook?

10 CHAIRMAN SCOTT: That's my understanding.

11 ACTING COMMISSIONER DEL VALLE: There's nothing
12 else required?

13 DIRECTOR FIEPEL: No, I haven't found that
14 language anyplace else.

15 ACTING COMMISSIONER DEL VALLE: And this is an
16 internal matter then?

17 DIRECTOR FIEPEL: Yes.

18 ACTING COMMISSIONER DEL VALLE: And it's not a
19 problem. So, I agree with the proposed new language
20 because I think that calling these things committees is
21 confusing.

22 CHAIRMAN SCOTT: Right.

23 ACTING COMMISSIONER DEL VALLE: And I mean you
24 make reference to the General Assembly where in a

1 committee you could establish a subcommittee, and the
2 subcommittee could be made up of three members.

3 CHAIRMAN SCOTT: I saw less than that
4 sometimes.

5 ACTING COMMISSIONER DEL VALLE: Or sometimes
6 only two show up, but it's still a subcommittee. But
7 that's not what we're doing here. And, so, rather than
8 calling them committees I think that we should call
9 them --

10 CHAIRMAN SCOTT: We should review it generally.

11 ACTING COMMISSIONER DEL VALLE: We're leaving
12 it vague enough so we can call them policy forums or --

13 CHAIRMAN SCOTT: Yes, policy sessions.

14 ACTING COMMISSIONER DEL VALLE: Policy
15 sessions.

16 CHAIRMAN SCOTT: Yes.

17 ACTING COMMISSIONER DEL VALLE: Are we going to
18 come to a consensus on whether we're going to call them
19 forums or sessions?

20 CHAIRMAN SCOTT: I'm open.

21 ACTING COMMISSIONER DEL VALLE: So we can be
22 consistent.

23 CHAIRMAN SCOTT: It says sessions in here, but
24 it doesn't really matter.

1 COMMISSIONER COLGAN: I also have the same
2 point of view. Just a couple of points there. I think
3 that the way that you worded that in your recommendation
4 I think is fine. I wouldn't be opposed to agreeing to
5 that here today.

6 CHAIRMAN SCOTT: Okay.

7 COMMISSIONER COLGAN: But I also think that,
8 well, number one, it's kind of an odd place for anything
9 like this to be recorded because the five of us are not
10 employees of the Illinois Commerce Commission.

11 ACTING COMMISSIONER MAYE: That's what I was
12 thinking.

13 COMMISSIONER COLGAN: Sometimes I wonder what
14 we are, but we're not employees of the Commerce
15 Commission. But for the benefit of the staff so that
16 there are some internal guidelines for how things are
17 done at the Commission, it's important I think for it to
18 be there. But I think that we should probably pay some
19 attention to embellishing that very basic statement in
20 terms of who can call a meeting, how a meeting is called
21 because we don't want -- the example I used this morning
22 is we don't want somebody to -- like, for example, I
23 might want to have a meeting and call for testimony as to
24 whether the sky is blue and the four of you are like,

1 "No. What are you talking about?" It's, "No, I can do
2 any meeting I want to do."

3 So, I think, you know, I think amongst the five
4 of us I think we have some pretty good relationships
5 between us and understandings, but if we're going to
6 create policy let's create policy that can be used by
7 people who come after us.

8 ACTING COMMISSIONER DEL VALLE: Well, in
9 addition to that, I agree with the colleague, we need to
10 add a little more language, particularly around the area
11 of how you organize the sessions or forums. And I use
12 the diversity one as an example. We've had discussions
13 about the agenda, about who we'd like to hear from. And
14 then at your level there have been discussions, and I
15 talked to John about it, I talked with you about it, I
16 talked to Commissioner Maye about it, and so I don't know
17 that we need to spell out the process there.

18 CHAIRMAN SCOTT: I'm thinking maybe a second
19 piece of paper.

20 ACTING COMMISSIONER DEL VALLE: A second piece
21 of paper that says this is how we're going to proceed
22 because my understanding from the very beginning has been
23 that we as Commissioners can shape the agendas.

24 CHAIRMAN SCOTT: Yes, yes. In fact, the last

1 one, the AMI one, the agenda we sent out originally to
2 you guys asked that people be added to that, and we did.

3 ACTING COMMISSIONER DEL VALLE: Right.

4 CHAIRMAN SCOTT: So, that's kind of how we
5 envision that work. We can spell that out in a
6 separate --

7 ACTING COMMISSIONER DEL VALLE: Right. So an
8 agenda doesn't get finalized until we've all signed off
9 on it.

10 COMMISSIONER COLGAN: At least three people
11 agree to it.

12 ACTING COMMISSIONER DEL VALLE: Exactly, three
13 people agree to it.

14 CHAIRMAN SCOTT: I think that's fine. So, I
15 think in addition to whatever language we have, whether
16 it's this or something else, that the two things that I
17 think we're talking today takeaways are that a piece of
18 paper that kind of has some kind of rules as to how
19 things happen. And then what you were asking for from
20 Director Fiepel, Commission Maye, kind of the situational
21 things and getting something down from OGC as to how
22 these things -- how things work and what we can and can't
23 do.

24 I've seen things like that in the past, but

1 I'll agree with you that those rulings have seemed to
2 change from time to time. So, I saw one when I first
3 came on, but I can't honestly say everything I've
4 experienced in the two years since then was consistent
5 with what I saw when I first came on here. So, I think
6 that's all good for us to have.

7 ACTING COMMISSIONER DEL VALLE: So, for another
8 example.

9 ACTING COMMISSIONER MAYE: You like picking on
10 me, don't you.

11 ACTING COMMISSIONER DEL VALLE: Because we had
12 the conversation. I talked with Doug too, and with John.
13 But on the diversity issue, we agree that we're going to
14 need more than one session.

15 CHAIRMAN SCOTT: Okay. Okay.

16 ACTING COMMISSIONER DEL VALLE: So that I don't
17 want the language, and the reason I bring this up is
18 because I don't want the language to limit us to one-shot
19 deals.

20 CHAIRMAN SCOTT: No, I don't. Absolutely not.

21 ACTING COMMISSIONER DEL VALLE: Because
22 otherwise we're having policy forums all over the place
23 and no follow-up.

24 CHAIRMAN SCOTT: And take last week's for

1 example. As that continues to unfold and as we can fit
2 things in so that we don't have docketed things in front
3 of us we know there are going to be more issues that go
4 along with AMI or further expansion of certain things
5 that we started talking about last week that are going to
6 need to come up that we're going to want to have. So,
7 never an idea that you'd only have one shot on anything.

8 ACTING COMMISSIONER MAYE: Does it need to
9 be -- I know the actual, you know, definition of policy
10 forums or whatever we're going to call it is going to be
11 in the employee handbook. Is it absolutely necessary
12 that we then have a -- I mean I think once we have
13 something in writing it's kind of like you're pretty much
14 stuck to it, and it's specifically with cases where we
15 are going to have -- where we do want to have follow up.

16 You know, I don't necessarily know that it's in
17 our best interest to put something down saying we're
18 going to have these types of meetings on these subjects.
19 What if there's something that comes up outside of those
20 parameters? Or what if there's something where you do
21 want to do a thing with AMI or diversity or what have
22 you? Perhaps it might be best to have more -- and
23 technically this really doesn't apply to employees
24 because maybe, correct me if I'm wrong, but employees are

1 not on their own having policy meetings or cannot call
2 any type of a policy forum.

3 So, I agree with Commissioner Colgan. I'm not
4 sure why it's in the employee handbook. I don't know
5 that that needs to be in that portion of the sub -- you
6 know, kind of the fleshing out of the idea it needs to be
7 in the employee handbook as well. Perhaps that's
8 something we can discuss and agree on with each other.

9 CHAIRMAN SCOTT: I think it would be separate.
10 I don't know why it's in there, but it is in there so we
11 at least ought to make the language that we're actually
12 doing, and then we can do other things on our own. But
13 our schedule, you know, to get to that piece of it, our
14 schedule is ours.

15 So, for example, the one that we did last
16 Friday we did because, you know, there was an issue that
17 arose about that report that was the basis of it, and the
18 staff wanted to get the report out by a certain date so
19 we did the -- I mean we can decide to do that. And if we
20 decide we want to do something, as long as we can notice
21 it up, ten days from now we can do a hearing on anything
22 we want.

23 ACTING COMMISSIONER DEL VALLE: And really
24 that's what should be in the employee handbook is a

1 statement regarding staff responding to requests by the
2 Commission to conduct policy sessions and being available
3 and that type of thing.

4 CHAIRMAN SCOTT: And I think that's the reason
5 why it's there originally just as some kind of a
6 guideline to staff about, you know, what our meetings are
7 because they are expected to be responsive to us when
8 we're having meetings. I think that's -- my guess is
9 that that's why it's there, it's just a reflection of
10 that sentiment. But I think maybe just on this maybe --

11 COMMISSIONER COLGAN: To be clear about the
12 staff being responsive to us. I think the executive
13 director needs to be responsive to us, but I don't think
14 that -- the staff do not work for us.

15 CHAIRMAN SCOTT: Right.

16 COMMISSIONER COLGAN: I mean we have good
17 relationships with the staff and with the executive
18 director and some latitude in terms of, you know, if I
19 want to talk about a specific issue I might contact the
20 staff person I know that has expertise in that area. I
21 would probably let Jonathan know that I did that, but I
22 would also expect that that person would let Jonathan
23 know that he was meeting with me about that because he
24 doesn't --

1 CHAIRMAN SCOTT: Or at least that person's
2 direct boss.

3 COMMISSIONER COLGAN: Yes. He or she does not
4 report to me. And, so, we can't be calling on staff to
5 put something together. We would work with the executive
6 director, and the executive director by association with
7 at least the staff director would then put whatever he
8 felt was important.

9 ACTING COMMISSIONER DEL VALLE: So, we don't
10 need anything in the employee handbook, all we need to do
11 is put it in the director's job description.

12 CHAIRMAN SCOTT: I think it's already there.
13 Perform -- you know, respond to us as required. As long
14 as he's got three of us on his side he's okay.

15 COMMISSIONER COLGAN: Yes, right. I'd agree.

16 CHAIRMAN SCOTT: So, I think -- and anybody who
17 wants to take a shot at the straw man of the rules for
18 these things to send around I'm open to that. It
19 certainly doesn't have to be me. So, anybody who wants
20 to take a shot at that feel free. And you'll let me know
21 by -- what's today? Wednesday. Let me know by the end
22 of the week or something, and if nobody volunteers then
23 we'll put something together.

24 And, Jonathan, you're good with the situational

1 kind of --

2 DIRECTOR FIEPEL: Yes.

3 CHAIRMAN SCOTT: What meetings we can go to,
4 what the rules are? I think that's good anyway just as a
5 refresher for all of us and to try to build consistency
6 in.

7 Okay. So, the other thing to talk about is
8 maybe just in terms of -- and, again, we don't have to do
9 this today but maybe by the end of the week if you want
10 to send kind of your ideas on what the next few should be
11 because I think one of the things that would be nice to
12 do would be to set out a little bit in advance for the
13 people that come to these and respond to it some kind of
14 a, you know, taking into mind what you said, Commissioner
15 Maye, that these things can change and morph, but some
16 kind of idea of maybe the next quarter or something of
17 what we want to do with these meetings, what timing we
18 want to do, which meetings should come next.

19 There are two of them. I'll tell you that
20 diversity is one, and we've individually talked about
21 that, as well as the RPS one, just going off the original
22 list that we have that we've been working our way
23 through, that there are legislative initiatives that are
24 happening with them. And, so, maybe be mindful of doing

1 things at a time that would make sense given whatever
2 legislative schedule they're on, whether it's a veto
3 session or next year.

4 So, I mean obviously you don't want to --
5 legislation is going to take a particular course. You
6 want to try to -- and you know that there are sponsors
7 out there. You want to try to work with them as much as
8 you can just to let them know that we're doing things
9 that are out there and invite them to participate if they
10 want to and things like that. So, there are a couple of
11 those; the RPS and the diversity one.

12 Are there others from our original list,
13 Jonathan, that you think can fit into that category?

14 DIRECTOR FIEPEL: There was the, oh, the --
15 like the coal plant response and climate change.

16 CHAIRMAN SCOTT: Yes.

17 DIRECTOR FIEPEL: And kind of posting that,
18 post what FERC's doing with the way the EPA rules apply
19 to coal plants.

20 CHAIRMAN SCOTT: So the EPA is doing something.
21 They're coming out with some original initial guidelines
22 later this month. It's September already. Later this
23 month they're coming out with some guidelines on what
24 they want to do with existing coal plants which will have

1 a major impact. Since we're having coal generation here
2 in the state, it will have a major impact potentially on
3 reliability of electricity here. So, that one has some
4 timing issues as well.

5 But I think maybe in addition by the end of the
6 week, you know, let me know your thoughts on what
7 subjects, either from the original list or other ones.
8 And then the beauty of doing this in a more generic way
9 is that anybody can take responsibility for putting
10 together the sessions, anybody can chair them. It really
11 doesn't matter at that point. And, frankly, I won't
12 speak for my office, but they probably would like other
13 offices to put together some of the programs and things.
14 But, you know, again, just send them around and work with
15 people so we've got an agenda that we're all pretty happy
16 with.

17 Does that sort of makes sense as a way to go
18 forward with this?

19 ACTING COMMISSIONER MAYE: I agree that,
20 perhaps, we should schedule it on a quarterly basis. I
21 think that would be good.

22 CHAIRMAN SCOTT: Recognizing things can change.

23 ACTING COMMISSIONER MAYE: Absolutely. And as
24 far as our schedule, especially you, and it's probably

1 good to give notice.

2 My recommendation is that because we are such a
3 powerful body, particularly with the utilities, I think
4 that we should try to stay away from holidays. I
5 personally don't think it's fair. You know, I feel like
6 as a powerful body, you know, to have an event that you
7 pretty much -- we're not requiring but, I mean, come on,
8 they were required to be there because we are a powerful
9 body. And I think on a holiday weekend I personally felt
10 that was a little unfair. But I do know that for that
11 particular meeting there were reasons we needed to have
12 it on that Friday, but I think it's fair that we stay
13 away from holidays in the future.

14 CHAIRMAN SCOTT: I agree, and we would have
15 loved to have done that last week too.

16 COMMISSIONER COLGAN: If you see what's coming
17 up in front of us there's a number of deadlines that are
18 like very squarely in the middle of the holidays.

19 CHAIRMAN SCOTT: We've got that too, so we've
20 got to be mindful of our own schedule too in terms of
21 where the big cases are and those kinds of things.

22 ACTING COMMISSIONER MAYE: Those are
23 unpreventable.

24 CHAIRMAN SCOTT: No, I agree. But that one was

1 a -- because the one utility was going to start this week
2 doing their roll out, and that was the only day that we
3 could get everybody in the room last week.

4 FEMALE SPEAKER: I think because of Tanzania.

5 ACTING COMMISSIONER MAYE: Oh, so it was
6 Commissioner Colgan.

7 CHAIRMAN SCOTT: Did you want to talk,
8 Commissioner Maye, about the consumer?

9 COMMISSIONER COLGAN: Before we do that, let me
10 just -- you know, this is a noticed open meeting, right?

11 CHAIRMAN SCOTT: Uh-huh.

12 COMMISSIONER COLGAN: Well, I don't think this
13 is on the agenda for this open meeting.

14 CHAIRMAN SCOTT: What's that?

15 COMMISSIONER COLGAN: What --

16 CHAIRMAN SCOTT: This is a policy meeting. I
17 was considering that under the policy meeting discussion.

18 COMMISSIONER COLGAN: Well, I'm just -- you
19 know, if we have rules about what, you know, is going to
20 happen we can't put items on our bench session agenda
21 without 48 hours notice that it's going to be discussed.

22 CHAIRMAN SCOTT: No, I was just considering
23 that to be part of the policy meeting discussion.

24 COMMISSIONER COLGAN: Okay.

1 ACTING COMMISSIONER MAYE: We can table it.
2 It's fine.

3 CHAIRMAN SCOTT: It doesn't matter.

4 COMMISSIONER COLGAN: I would love to talk
5 about it, but I'm just bringing it up.

6 CHAIRMAN SCOTT: I'm actually really
7 comfortable with that. I agree. I consider it part of
8 the discussion on the sessions that we're having. It's
9 just an example as we brought up the diversity, supplier
10 diversity. This is just another example. I'm
11 comfortable.

12 ACTING COMMISSIONER MAYE: So, a few -- I guess
13 a few months ago Megan and I at the time met with CUB.
14 We've been meeting with the different entities and we met
15 with CUB. And in hearing kind of what it is that they do
16 it was kind of -- earlier on when I started they were
17 explaining what they do and how they go about doing an
18 outreach. I actually thought that was something that
19 Commissioners did, not on a daily basis but part of our
20 consistent duties were kind of consumer outreach and
21 allowing them to understand. Basically educating. And
22 then I realized it wasn't per se.

23 And, so, the last few policy meetings, I think
24 the first two, the energy efficiency ones, specifically

1 an issue that came up all the time was the lack of
2 education of the consumer, the lack of education. Even
3 with the AMI and Smart Meters, there are so many
4 different people who protest the deployment of the Smart
5 Meter because they don't know the full benefits.

6 And, again, it goes to lack of consumer
7 education. And I felt at that point along with my
8 meeting with CUB I said, okay, perhaps we can do
9 something where we are going out and speaking to the
10 consumers and just educate them. And not even the ICC or
11 ICC Commissioner who'll be there would have very little,
12 you know, very little input, very little participation.
13 I thought it would be great to have -- first, I thought
14 energy efficiency, but now the big thing is the AMI Smart
15 Meters and the fact that they are so still uneducated to
16 the point where some are considering not allowing, you
17 know, ComEd or Ameren or whatever to install a meter.

18 I think it would be good to give them the
19 education to have, possibly starting in the northern
20 territory where ComEd is deploying, have kind of a
21 somewhat of a town hall meeting. I know we wouldn't call
22 it that for many different reasons, but a format of a
23 town hall meeting to allow consumers to come in, to ask
24 questions or to get not necessarily -- the focus would

1 not be for them to ask questions, but the focus would
2 definitely be for ComEd to kind of talk about the
3 benefits. And that would include, you know, of course
4 the saving of money, which is the number one thing that
5 people look for, particularly in low income areas. They
6 tend to perk up or their ears tend to perk up, which was
7 stated in our meeting on Friday, when they can determine
8 savings or if they possibly see that insight. And, also,
9 to give some examples of real customers saving money from
10 the pilot program that has already been started in
11 addition to reliability benefits.

12 So, again, when this was first brain stormed it
13 was more focused on energy efficiency, but I agree we
14 should stay relevant, and the relevant topic right now is
15 the, you know, the AMI Smart Meter deployment, and I
16 thought this would be a good avenue for, you know, us to
17 allow or to be a part of that education process.

18 And I made a comment at the meeting on Friday
19 and stick to it a hundred percent that I think that
20 there's so many different entities working in a vacuum.
21 You have the utilities on the left, you have CUB on the
22 right, you have all of the consumer education entities
23 like -- or consumer advocacies like ANT and so forth and
24 so on working somewhat in a vacuum. I just feel this is

1 a way to come together and also show, you know, the
2 consumer then, of course, even the media that we can come
3 together when our goal is to provide the education at the
4 end of the day.

5 CHAIRMAN SCOTT: Are they doing -- are CUB and
6 ComEd doing these meetings with respect to the Smart
7 Meters anyway?

8 ACTING COMMISSIONER MAYE: Yes.

9 CHAIRMAN SCOTT: Is this part of their --

10 ACTING COMMISSIONER MAYE: Yes.

11 CHAIRMAN SCOTT: Are they doing a road show
12 together? No?

13 ACTING COMMISSIONER MAYE: No, they're not
14 partnering. No.

15 CHAIRMAN SCOTT: Because I thought that was
16 part of the plan at one point in time.

17 ACTING COMMISSIONER MAYE: I don't know if
18 they -- do you mean part of our plan or if that's what
19 they were doing?

20 CHAIRMAN SCOTT: Part of their plan is outreach
21 in conjunction with the whole Smart Meter roll out.

22 ACTING COMMISSIONER MAYE: That was part of the
23 plan. They are working in a vacuum. I'm not sure what
24 the delay is or what -- if there's any hesitancy of them

1 working together to do this, but I do know that they are
2 doing this separately at the current time.

3 CHAIRMAN SCOTT: Okay. And, so, the role -- I
4 think when I looked at it first we were looking at energy
5 efficiency first. So, our -- I mean I, you know, I mean
6 a couple things. One is I think us going out and doing
7 things in the community is a good idea. Go back to what
8 we were talking about before. I think that's good. I
9 think it's good if you can partner with other folks to do
10 that. I think that's all very positive. With this
11 particular one, we just have to be a little careful with
12 that subject matter just because we're going to have --

13 ACTING COMMISSIONER MAYE: Adopt a procedure.

14 CHAIRMAN SCOTT: Yes. So that one, that's my
15 only -- that's my only hesitation there. The energy
16 efficiency, to talk about generic benefits of energy
17 efficiency and what you can do with light bulbs and all
18 that, those kinds of things, that's pretty good all the
19 time unless we've got -- unless they're talking about a
20 particular program that's up in front of us at, you know,
21 the uniquely docketed times. That's never much of a
22 problem. This one might be more of an issue now.

23 So, I'm not saying that we shouldn't do it, I'm
24 just saying I would want to be really careful about what

1 the last part of that looked like because you wouldn't
2 want to be in a position where you've got to opt out.
3 You know, you've got issues -- or, I'm sorry, customer
4 refusal. Not opt out, meter refusal. We've got that
5 coming before us on a docketed proceeding. You wouldn't
6 want to be in there. And there are lots of different
7 issues with that. Not just money but legally can they do
8 it, all of those different things that we'd just have to
9 be very careful with that.

10 ACTING COMMISSIONER MAYE: Yes, I understand
11 that. And this would be something that if -- you know,
12 if that was an open docket then that probably would have
13 to either be tabled or would die. I wouldn't personally
14 feel comfortable holding this type of event about that
15 because that is obviously something that's going to come
16 up in maybe the most subtle of ways and you wouldn't want
17 to jeopardize that type of situation.

18 I thought with energy efficiency it was
19 something that's discussed a lot. I don't know that
20 consumers are that, you know -- I didn't think it was
21 something that would really draw people. I thought right
22 now that it's relevant, this is something that they're
23 very concerned about, and we could provide the education
24 on this. So, that's why I -- but we can easily do energy

1 efficiency just the same. I don't think it would have as
2 great of a turnout.

3 CHAIRMAN SCOTT: Probably right.

4 COMMISSIONER COLGAN: Are you thinking about
5 having this be like a policy meeting like we've been
6 having, only have it out in the neighborhood somewhere?

7 ACTING COMMISSIONER MAYE: No, I wasn't
8 considering this to be a policy meeting, although --
9 because I don't remember why we had said that it wouldn't
10 fall under the policy meeting realm. This is why I was
11 thinking it would be held in the evening so consumers
12 could actually attend. And, yes, like out in the
13 community. At one point in time we considered having it
14 over at the Thompson Center or even now maybe upstairs.
15 But to me if this is AMI related then out in the
16 communities. But we did discuss that only two
17 Commissioners probably still be there even though it
18 wasn't a policy meeting.

19 CHAIRMAN SCOTT: Unless we were calling it
20 that. Then we'd want a court reporter.

21 ACTING COMMISSIONER MAYE: That's what it was.
22 We said we wouldn't have a court reporter because of
23 additional expense. That's why we couldn't call it a
24 policy meeting.

1 CHAIRMAN SCOTT: Unless you wanted to. What I
2 think maybe probably the best thing to do is for me
3 anyway is maybe get a better handle on what they want to
4 talk about in that last part and then see if we --
5 because, you know, this idea of -- you know, there are
6 commissions where, you know, the Commissioners themselves
7 are on the circuit all the time and, you know, advocate.
8 I know in Pennsylvania, for example, they are actually
9 advocating for people to switch or to shop. One guy used
10 to throw dollar bills down and say, "You wouldn't leave
11 that money in the street. Why aren't you switching?"
12 And that was a Commissioner. So, why aren't you
13 switching, you know.

14 COMMISSIONER COLGAN: I think the Commission
15 sponsored fairs. The different area providers are set up
16 and they can go shop around.

17 CHAIRMAN SCOTT: And we're not probably going
18 to get to that point, but the idea of going out and
19 telling people, you know, highlighting important issues
20 of the day and telling people what the Commission does I
21 think is always really good because people are really --
22 they don't really know what we do for the most part. So,
23 I think the idea of going out and doing that is always
24 good.

1 ACTING COMMISSIONER MAYE: And to stress your
2 point, I think another thing that came up was a lot of
3 people I don't think know what the ICC is.

4 CHAIRMAN SCOTT: Yes.

5 ACTING COMMISSIONER MAYE: And, so, a lot of
6 consumers, I think that they feel like -- even some that
7 I've spoken to are very educated individuals. It's kind
8 of like, "Okay. The utilities want a rate increase and
9 they just get one." They don't understand there's a
10 process or anything like that. So, we thought we could
11 do a brief instruction at the beginning, kind of overview
12 of the ICC and the role, you know, that balancing role.

13 CHAIRMAN SCOTT: Yes.

14 ACTING COMMISSIONER MAYE: And to kind of give
15 that explanation. Also Megan just stressed to me
16 something that was most important when we were talking to
17 both CUB and the utilities on that was that we didn't
18 want the, you know, executives or the whoever of their
19 world. We want it to be outreach people, the people who
20 are actually out there dealing with consumer issues
21 because it makes a difference because utilities tend to
22 be intimidating and they bring a lot of anger and they
23 just tend to bring a lot of angst and anxiety, and we
24 didn't want that. We wanted those people that are out in

1 the field dealing with consumers at street festivals.

2 COMMISSIONER COLGAN: Like the folks who were
3 over here last week.

4 ACTING COMMISSIONER MAYE: Precisely. We made
5 that clear that we did not want it to be a utility show,
6 we want it to be --

7 CHAIRMAN SCOTT: I think it can work. I think
8 it would be good. It's something that I would like to
9 do, just make sure what the message is.

10 ACTING COMMISSIONER MAYE: And being an
11 attorney I'm very cognizant of not violating any ex-party
12 issues. I would be sure. Again, I would not -- we
13 either would not hold it or we would just switch it back
14 to energy efficiency. But once that was filed, I would,
15 you know, we would do that.

16 CHAIRMAN SCOTT: And I think, Jonathan, they
17 haven't filed that yet I am assuming, but it sounds like
18 something this week?

19 DIRECTOR FIEPEL: Imminent, yes.

20 CHAIRMAN SCOTT: So, before we leave, anything
21 else on that?

22 ACTING COMMISSIONER MAYE: No.

23 CHAIRMAN SCOTT: Before we leave policy
24 meetings then, if you've got subject matters for the next

1 three or four we can try to draft up a tentative schedule
2 of dates knowing that we're working around holidays. And
3 then anybody who wants to raise their hand and take a
4 shot at the straw man rules for doing this let me know.

5 COMMISSIONER COLGAN: I'll give it some thought
6 and bounce it off of you. I think we need to be careful
7 too about -- I don't think I could send that to
8 everybody.

9 CHAIRMAN SCOTT: No, you can't. Just one at a
10 time you can do it. Or you can have Linda send it to the
11 other offices through the normal channels too. Okay.

12 COMMISSIONER COLGAN: Well, I'll probably do
13 that and maybe just have an open discussion with you and
14 then maybe with other people too.

15 CHAIRMAN SCOTT: That's fine. However it
16 works.

17 COMMISSIONER COLGAN: Because you don't want it
18 to be a big -- I don't want it to be a specific real
19 elaborate policy. I think it could be very general and
20 yet still have some basic --

21 CHAIRMAN SCOTT: We want to give ourselves
22 flexibility to do what we need to do.

23 Okay. All right. That was a bit of a
24 discussion.

1 Jonathan, can you do a budget in like three
2 minutes?

3 DIRECTOR FIEPEL: Absolutely. I know some
4 people got to get out of here too.

5 Really this is-- -- we talked about this
6 before. This is the agency's proposal to fix the public
7 utility side of the budget. Remember something about a
8 \$9, \$10 million structure deficit we're running now, that
9 continues to get worse over time.

10 Remember we talked about too the way that this
11 proposal is structured is it's not just a simple raise
12 all of the fees by some percentage point that we've got
13 currently. So, if the current tax is five percent, raise
14 it to five and a half or six. To get a more timeless
15 proposal and get at something that had a little bit more,
16 I don't know, political ability to move a bit, instead
17 what we've done is modeled this after what a couple of
18 other big states have done, California, New York, et
19 cetera, where the Commission actually would create an
20 estimate of what our cost is on the public utility side.
21 That estimate then gets put through a formula that would
22 be written in the statute that would set out, you know,
23 the biggest causers of work here at the Commission pay
24 the lion's share of the funding. Then we've got it

1 broken down into a couple other tiers based on how much
2 work they cause. And then as that money then flows
3 through the formula all of those companies would be
4 noticed on how much they would have to provide as their
5 share over the course of the year to the Commission.

6 The purpose behind this is that as obviously
7 those cost indicators fluctuate year over year, we'd have
8 some ability to respond to that. Plus this isn't just
9 willy nilly we set up how much money we want. We're
10 still going through the standard appropriation process
11 through the General Assembly working with the
12 Government's Office of Management and Budget and finally
13 approved or not by the governor.

14 So this is really the way the cash flow
15 operates. I have a feeling the piece of paper that
16 you've got is the one I sent out this morning. You can
17 take time to look at that more. Really what it does is
18 walks through how we came to the percentages, how we came
19 to the formula. And then on the second page it's the
20 Tier 1, 2 and 3 breakdowns of how the dollars flow.

21 You can also see on that what those industries
22 used to pay, or currently pay I should say, under the
23 current regime and then what they moved to under the
24 structure of the proposal.

1 That's kind of the overall. What I wanted to
2 make sure is if anybody had any questions on any of this
3 because now that the actual legislative language we've
4 sent it around to those parties that would be affected by
5 the legislation, also sent it around to folks in the
6 House and the Senate in case you get questions or in case
7 somebody stops you in the hall, utility, whatever, says,
8 "Hey, what do you think about this," I wanted to make
9 sure you got all the background.

10 So, with that are there questions in terms of
11 how it works or where we're at?

12 ACTING COMMISSIONER DEL VALLE: A quick
13 question. The Tier 3. We've excluded them in the past
14 and now we're going to include them?

15 DIRECTOR FIEPEL: Right.

16 ACTING COMMISSIONER DEL VALLE: And you have
17 two unknowns there. How are we dealing with the
18 unknowns? Are we projecting or are we excluding them in
19 this legislative proposal?

20 DIRECTOR FIEPEL: That Tier 3 section, those
21 are the -- when we got down to -- let me back up just for
22 a little bit, and I think we'll get to this and I think
23 it will make a little more sense.

24 If you look at the top part, the Tier 1 and

1 Tier 2, what we did is go back and say, okay, over 2010
2 to 2012, over that period of time, what were the number
3 of cases and then within those cases the number of actual
4 filings to get at this idea of who's driving the most
5 work.

6 So, you see, for example, there alternative gas
7 suppliers get like 1.8 percent of the total filings
8 whereas electric and transmission utilities get to
9 37.6 percent of the amount of filings as an indicator of
10 how much work they generate. When you get down to this
11 bottom section, the Tier 3, the AVCs, electric vehicles,
12 911 providers, the amount of work that these were
13 creating is so small that we basically put them all into
14 this bottom Tier 3 category. They send us a check every
15 year for \$250. So, they're not formulaic in terms of
16 like we did the above, it's the idea that they create
17 work around there and there's things that we do to
18 respond to these industries, but it was small, much
19 smaller compared to the other Tier 1 and Tier 2 groups.
20 So, all of them just if you're a licensed AVC you've got
21 to give us \$250 a year.

22 ACTING COMMISSIONER DEL VALLE: So, what's the
23 proposed change for them?

24 DIRECTOR FIEPEL: The proposed change is now

1 they'll have to pay the \$250. Currently they don't pay
2 anything. That's what they excluded, that discrepancy
3 there.

4 ACTING COMMISSIONER DEL VALLE: So, the \$250 is
5 what they'll pay in the future?

6 DIRECTOR FIEPEL: Right.

7 ACTING COMMISSIONER DEL VALLE: And that's a
8 flat fee across the board for everyone here?

9 DIRECTOR FIEPEL: That's right. For each of
10 those groups, they'll do -- if you flip to Page 2, the
11 top of the -- the Tier 3 calculation there by industry,
12 you've got the estimated numbers in each of those
13 categories. Each of those entities would just send us a
14 check for \$250 on an annual basis.

15 ACTING COMMISSIONER DEL VALLE: Okay.

16 CHAIRMAN SCOTT: Director Fiepel, can I ask one
17 quick question here? You kind of make the statement that
18 the people that have more filings have the more complex
19 filings, but I think we can all agree there's massive
20 complexity in some places, a lot of work in some things
21 that aren't very complex. I mean was there an effort
22 made to try to -- because this almost looks just like
23 more based on the filings that's there. Was there an
24 effort to try to separate the kinds of filings and the

1 amount of work that goes into each and try to --

2 DIRECTOR FIEPEL: Right. The number of filings
3 was actually the second step down. The first thing we
4 did was take a look at how many docketed cases were there
5 for each. And dockets, as we all know, doesn't really
6 work. The docketed case for giving a license to an AVC
7 is much different than a docketed case for, you know --

8 CHAIRMAN SCOTT: A rate case.

9 DIRECTOR FIEPEL: An Ameren rate case. So, the
10 number of filings within each of those cases, that's what
11 we're using as the proxy to say, okay, in that first one
12 there's maybe three. In the gas rate case there are
13 thousands. So, that was really the way to drive down to
14 that idea of which dockets are more complex than others.

15 CHAIRMAN SCOTT: So, the filings are the number
16 of things that are filed with respect to that, not just
17 the individual cases?

18 DIRECTOR FIEPEL: That's right. That's right.
19 So, there you get the idea for --

20 CHAIRMAN SCOTT: Yes.

21 DIRECTOR FIEPEL: You know, there might be two
22 filings in a Circ case.

23 CHAIRMAN SCOTT: I get it now. I was reading
24 the filings as something different than the way you

1 described it. So, no, that works. Thanks.

2 DIRECTOR FIEPEL: Okay, okay.

3 CHAIRMAN SCOTT: So, if anybody has questions
4 or concerns about this just ask, let you know?

5 DIRECTOR FIEPEL: Absolutely. Please. And I
6 think, because the overall -- the message that we're
7 conveying with this is it's kind of, you know, the multi
8 step. We absolutely have a serious problem on our hands
9 with the Public Utilities Fund. We've cut everything
10 that there's possible to cut, and you've all got personal
11 anecdotes about the kind of things we don't let people do
12 and things we can't do as an agency because of the budget
13 situation.

14 So the budget is in a serious mess. From there
15 it needs to be fixed. We didn't like necessarily just
16 raising a bunch of these fees on an ad hoc basis. Even
17 if it was targeted to now it's never going to be right.
18 This way, this estimated way, allows us to fix this
19 permanently going forward. At the same time, though, it
20 lets us also streamline, and this is the key for the
21 optics perspective. What it allows us to do is eliminate
22 the three, four different fee structures that we've got
23 currently and replace it with one single fee for
24 administrative efficiency.

1 I mean obviously everybody's got to understand
2 that this one fee is going to generate more money than
3 the other ones did, but still there's a nice balance of
4 we're eliminating three or four fees and replacing it
5 with just one.

6 So, that's the overall kind of message that
7 we're going through. The goal is to absolutely try to
8 get this passed in veto session. That's like the second
9 to last week in October, first week in November this
10 year. It's going to be tight. And we're starting to get
11 some initial feedback from the different utilities,
12 interest groups. And, of course, the first question
13 they're all asking is, "How much money do I pay now and
14 how much do I pay under the new proposal?"

15 CHAIRMAN SCOTT: Sure.

16 ACTING COMMISSIONER DEL VALLE: Well, it's the
17 winners and losers question, right?

18 DIRECTOR FIEPEL: Right.

19 ACTING COMMISSIONER DEL VALLE: I want to ask
20 who the --

21 DIRECTOR FIEPEL: And that's a good point. You
22 know, when we did our time study there are some of these
23 like, oh, the big pipe line companies like the Amocos and
24 that, their contribution after we looked at how much work

1 they generate goes down quite a bit, whereas some of the
2 other industries that we haven't taken any money from in
3 the past that drives some work here we'd be adding to it.
4 So, there's -- in terms of that winners and losers, yes,
5 there's a little bit of a shift.

6 ACTING COMMISSIONER DEL VALLE: But it's fair
7 to say that this is -- this proposed structure is much
8 more equitable than the current structure?

9 CHAIRMAN SCOTT: Yes.

10 DIRECTOR FIEPEL: Right, right. That's a key
11 point.

12 ACTING COMMISSIONER DEL VALLE: And fairer.

13 CHAIRMAN SCOTT: And more sustainable too. So
14 we're not dipping out of seemingly unrelated funds to
15 fund public utility function work which is what we've
16 been doing for the last few years.

17 COMMISSIONER COLGAN: Do we have a sponsor?

18 DIRECTOR FIEPEL: Not yet because the first
19 question we're going to get on sponsor is what does
20 everybody else think? There's no way this moves if it's
21 not an agreed bill, so we're trying to gage -- before we
22 call a sponsor and say, "Hey, look, we've got this," we
23 want a better sense for whether we're dead in the water
24 or not.

1 CHAIRMAN SCOTT: Okay. All right. Thank you
2 very much.

3 Anything else we need to come before us?

4 Seeing no other business to come before us the
5 meeting stands adjourned. Thanks everyone.

6 (WHEREUPON, the hearing concluded
7 at 12:20 p.m.)

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