

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION
3 PUBLIC UTILITIES SPECIAL OPEN MEETING
4 Wednesday, September 8, 2021
5 Chicago, Illinois

6
7 Met pursuant to notice at
8 160 North LaSalle Street, Suite C-800,
9 Chicago, Illinois 60601 at 2:00 p.m.

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11 PRESENT:

- 12 CARRIE ZALEWSKI, Chairwoman
13 D. ETHAN KIMBREL, Commissioner.
14 MARIA S. BOCANEGRA, Commissioner.
15 MICHAEL T. CARRIGAN, Commissioner
16 (Via Springfield office)

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20 BRIDGES COURT REPORTING

21 BY: STEPHEN MORTENSEN,
22 Notary Public

1 CHAIRWOMAN ZALEWSKI: Good afternoon. Are we
2 ready to proceed in Springfield?

3 COMMISSIONER CARRIGAN: Good afternoon, Madam
4 Chair. I -- we are ready.

5 CHAIRWOMAN ZALEWSKI: Great.

6 Under the Open Meetings Act, I call
7 the September 8th, 2021, Special Open Meeting to
8 order. Commissioners Bocanegra and Kimbrel are
9 with me in Chicago. Commissioner Carrigan is in
10 the Springfield Office.

11 We have a quorum. There are no
12 requests to speak. There is no Transportation
13 Agenda today. We only have one item on our Public
14 Utilities Agenda.

15 Item 1 concerns Docket 20-0810, which
16 is North Shore Gas Company's proposed increase in
17 rates for gas distribution service.

18 North Shore Gas petitioned for a
19 return on equity of 10 percent on a common equity
20 value of 52.50 percent for a rate of return of 6.91
21 percent. The order, however, approves a 6.63
22 percent rate of return for North Shore, which

1 incorporates a return in equity of 9.67 percent
2 with a common equity of 51.58 percent. This rate
3 of return, which matches the 6.63 percent ROR
4 requested by CUB, results in base rate operating
5 revenues of \$95 million and net annual operating
6 income of \$23,462,000 based on the test year
7 approved in the order.

8 The order finds that an ROE of 9.67
9 percent is reasonable, supported by the record,
10 consistent with the governing legal standard and is
11 in line with recent ROEs the Commission has
12 approved in recent years.

13 The ROE estimate is calculated using
14 Staff's methodology with adjustments to the DCF and
15 CAPM models used by Staff.

16 The calculation includes an
17 adjustment of the risk-free rate used in Staff's
18 CAPM analysis from the spot rate to the forecasted
19 rate provided by the company and an adjustment to
20 remove outliers from Staff's proxy group used in
21 its DCF analysis.

22 Are there any objection to approving

1 the order?

2 (No verbal response.)

3 CHAIRWOMAN ZALEWSKI: Hearing none, the order
4 is approved.

5 This concludes our Public Utilities
6 Agenda.

7 Judge Teague-Kingsley, do we have
8 other matters to come before the Commission today?

9 ALJ TEAGUE-KINGSLEY: No, Madam Chair.

10 CHAIRWOMAN ZALEWSKI: Do other Commissioners
11 have business to discuss?

12 (No verbal response.)

13 CHAIRWOMAN ZALEWSKI: Hearing nothing, and
14 without objection, the meeting is adjourned.

15 Thank you.

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

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