

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

BEFORE THE
ILLINOIS COMMERCE COMMISSION
PUBLIC UTILITY SPECIAL OPEN MEETING
Monday, September 11, 2017
Chicago, Illinois

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

PRESENT:

- BRIEN J. SHEAHAN, Chairman
- SADZI M. OLIVA, Acting Commissioner (Telephonically)
- SHERINA MAYE EDWARDS, Commissioner
- MIGUEL del VALLE, Commissioner
- JOHN R. ROSALES, Commissioner

SULLIVAN REPORTING COMPANY, by
BRAD BENJAMIN, CSR
LICENSE NO. 084-004805

1 CHAIRMAN SHEAHAN: Good morning.

2 Are we ready to proceed in
3 Springfield?

4 ACTING COMMISSIONER OLIVA: Yeah.

5 CHAIRMAN SHEAHAN: Pursuant to the Open
6 Meetings Act, I call the September 11th, 2017,
7 Special Open Meeting to order.

8 Commissioners del Valle, Edwards, and
9 Rosales are present with me in Chicago. Acting
10 Commissioner Oliva's present in Springfield. We have
11 a quorum.

12 We have one request to speak. As a
13 reminder, you only have three minutes. We'll let you
14 know when you have two minutes, one minute, and when
15 your time has expired.

16 Please be aware that while the
17 Commission affords the public an opportunity to
18 comment, we will not directly respond to your
19 comments.

20 Your comments will be made part of the
21 record. However, they cannot be used to resolve
22 disputed issues of fact in a contested case.

1 Our first and only speaker is Annika
2 Kolasa.

3 MS. ANNIKA KOLASA: That's me.

4 CHAIRMAN SHEAHAN: Okay. Annika, come on up.

5 MS. ANNIKA KOLASA: Is now my opportunity to
6 speak?

7 CHAIRMAN SHEAHAN: This is it.

8 MS. ANNIKA KOLASA: All right.

9 CHAIRMAN SHEAHAN: Have a seat right here.
10 Make sure the microphone is on.

11 MS. ANNIKA KOLASA: Hello? Testing?

12 CHAIRMAN SHEAHAN: Yeah. We got you.

13 MS. ANNIKA KOLASA: All right. Do I just start
14 then?

15 CHAIRMAN SHEAHAN: Go ahead.

16 MS. ANNIKA KOLASA: All right.

17 Good morning. It's clear from the
18 number of members of the public here today to offer
19 their support, how much this proceeding is occurring
20 in their best interest.

21 As an Illinois electricity consumer,
22 I, for one, do not support paying extra to subsidize

1 unprofitable nuclear plants.

2 The additional cost will create
3 hardship for the many Illinois residents currently
4 struggling to make ends meet. The Illinois Commerce
5 Commission is here to evaluate whether this surcharge
6 will, in fact, provide for a cost-effective
7 procurement. The standard of review is a
8 preponderance of the evidence.

9 The IPA has not presented evidence
10 that, as a whole, nuclear energy is environmentally
11 beneficial. Nuclear energy has negative
12 environmental effects such as tritium leakage, spent
13 fuel, and meltdown and terrorism risks, which do not
14 appear to have been considered by the legislature,
15 the IPA, the IEPA, in the HR 1146 Report, or any
16 other analysis pertinent to this proceeding. Any
17 decision to create more irradiated fuel should
18 consider the environmental effects and costs of
19 storing this hazardous material in state
20 indefinitely.

21 A true analysis of the environmental
22 benefits of nuclear energy should include a

1 discussion of all its potential effects on the
2 environment, not only the positive ones. The
3 suggested environmental benefit is narrow and
4 arbitrary and benefits primarily the nuclear
5 generator's own, primarily by one corporation.

6 Additionally, increased reliance on
7 federally-regulated nuclear energy means less local
8 control over health and safety issues related to our
9 energy supply, as these are preempted by federal
10 regulations.

11 Second, the IPA has not provided
12 evidence that the ZES will be cost-effective.
13 Rather, "cost-effective" is redefined to mean
14 something other than its plain language: 1.675
15 percent or less of 2009's rate. Although the ZES
16 could remain within these parameters, it would not be
17 cost-effective compared to the alternative of
18 retiring the nuclear plants.

19 Even the ICC's own study in the 1146
20 Report found that a concerted effort to develop
21 energy efficiency and renewable resources could, in
22 the long term, overcome hypothetical rate increases

1 caused by the cost of decommissioning.

2 And I call them "hypothetical" because
3 the rate increases caused by decommissioning will
4 not, in fact, be shouldered by rate payers. An
5 analysis grounded in reality would thus have shown
6 rate decreases both over the long term and for the
7 sample year of 2019, even though Exelon is not being
8 accurate in its reports to shareholders.

9 The proposed plan will also not create
10 a procurement, which implies competitive bidding.
11 Despite a recent Supreme Court ruling that demand
12 response be treated the same as power, and the Future
13 Energy Jobs Act's insistence that demand response be
14 used when cost-effective, the IPA provides no pathway
15 for the demand response resources to participate in
16 this procurement process; although, they would
17 provide the same alleged benefits as nuclear: no
18 carbon dioxide or other designated emissions,
19 enhances grid reliability, and it costs less than
20 energy generation. ComEd has even done a study on
21 demand response where they found an important subset
22 of consumers were responsive.

1 Rather, this protectionist plan is
2 intended to save Exelon's nuclear plants from
3 retirement that they were facing due to fair
4 competition from wind and natural gas. Although
5 utilities are entitled to a return on their
6 investment sufficient to attract capital, this is --

7 CHAIRMAN SHEAHAN: Thank you, Miss. If you
8 could wrap it up, please.

9 MS. ANNIKA KOLASA: -- this is precisely
10 because investors, and not the public, shoulder the
11 risk for these investments. Supreme Court precedent
12 enshrined in Market Street Railway and Duquesne Power
13 and Light holds that utilities are not entitled to
14 ask the public to reimburse them for values lost in
15 the operation of economic forces.

16 CHAIRMAN SHEAHAN: Thank you. Thank you.

17 That concludes our public comments.
18 We have no minutes to approve this morning, so we'll
19 move into our regular electricity agenda.

20 Item E-1 concerns Ameren's Energy
21 Efficiency Transition Rider.

22 Are there any objections to approving

1 the Resuspension Order?

2 (No response.)

3 CHAIRMAN SHEAHAN: Hearing none, the Order is
4 approved.

5 Item E-2 concerns a consumer complaint
6 against ComEd.

7 Are there any objections to granting
8 the Joint Motion to Dismiss?

9 (No response.)

10 CHAIRMAN SHEAHAN: Hearing none, the Joint
11 Motion is granted.

12 Item E-3 concerns Ameren's Energy
13 Efficiency and Demand Response Plan. There are
14 substantive edits to the Order that change the Order
15 to comply with Staff's recommendations in the case.
16 I would move that we adopt the proposed edits.

17 Is there a second?

18 COMMISSIONER ROSALES: Second.

19 CHAIRMAN SHEAHAN: Is there any discussion?

20 (No response.)

21 CHAIRMAN SHEAHAN: All those in favor of
22 approving the proposed edits, say aye.

1 (Chorus of ayes.)

2 CHAIRMAN SHEAHAN: Opposed, say nay.

3 COMMISSIONER del VALLE: Nay.

4 CHAIRMAN SHEAHAN: The ayes have it, and the
5 edits are approved.

6 I would move that we approve the Order
7 as edited.

8 Is there a second?

9 COMMISSIONER ROSALES: Second.

10 CHAIRMAN SHEAHAN: Any discussion?
11 Commissioner del Valle?

12 COMMISSIONER del VALLE: Thank you,
13 Mr. Chairman.

14 I would like to first thank
15 Administrative Law Judge Von Qualen for the admirable
16 work managing this complicated docket in yet another
17 accelerated schedule mandated by the General
18 Assembly.

19 In order to be eligible for a
20 reduction in goals, the law requires that Ameren show
21 additional measures wouldn't be cost effective, or
22 demonstrate by a preponderance of the evidence,

1 including evaluated historical performance, that the
2 company cannot satisfy the statutory goals without
3 exceeding the cost cap. The record is clear that
4 Ameren did not meet its burden, provided project
5 costs that are unreasonably high, and did not make a
6 reasonable effort to produce a plan that could meet
7 the statutory goals.

8 The Future Energy Jobs Act, after
9 Ameren's insistence, already requires lower energy
10 goals for the company, and now this order reduces
11 those goals again. In so doing, the majority does
12 not describe in detail the reasons for the changes,
13 does not set an actual level for the new goals, nor
14 does it provide an adequate path to meet the concerns
15 raised in this Order satisfactorily.

16 In fact, rather than properly engage
17 with Ameren's plan, the edited Order only does two
18 things. While finding the statutory savings goals
19 should be reduced to some unspecified level, the
20 majority also actively reduces the funding and
21 programming for low income customers and communities
22 of color.

1 The ALJ's Proposed Order increased
2 Ameren's spending on low and moderate income
3 programming to over \$20 million, which the company
4 accepted in briefs. The edited Order reduces that
5 total to \$15 million.

6 The ALJ's Proposed Order increased the
7 available funding for developing a diverse workforce
8 and pool of diverse trade allies. The edited Order
9 removes these dollars for communities of color and
10 reallocates them to the existing business programs.

11 To be clear to everyone following this
12 case, Ameren's assertions that a higher goal means
13 low income programming will suffer, have been proven
14 false. These edited order [sic] lowers the goals and
15 lowers or removes funding for these programs.

16 I will be filing a dissent further
17 explaining my reasoning, and I will be voting "No" on
18 this order.

19 Thank you.

20 CHAIRMAN SHEAHAN: Thank you, Commissioner.

21 Any other discussion?

22 (No response.)

1 CHAIRMAN SHEAHAN: All those in favor of
2 approving the Order as edited, say aye.

3 (Chorus of ayes.)

4 CHAIRMAN SHEAHAN: Opposed, say nay.

5 COMMISSIONER del VALLE: Nay.

6 CHAIRMAN SHEAHAN: The ayes are 4, the nays, 1,
7 and the Order, as edited, is approved.

8 Item E-4 concerns ComEd's Energy
9 Efficiency and Demand Response Plan and Update to its
10 Energy Efficiency Formula Rate Costs.

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

13 (No response.)

14 CHAIRMAN SHEAHAN: Hearing none, the Order is
15 approved.

16 Item E-5 concerns IPA's Petition for
17 Approval on the Zero Emission Standard Procurement
18 Plan.

19 Are there any objections to approving
20 the proposed order and the Plan as modified?

21 (No response.)

22 CHAIRMAN SHEAHAN: Hearing none, the Order is

1 approved.

2 Moving on to our Gas agenda. Items
3 G-1 through 3 concern orders to create Invested
4 Capital Tax Adjustments riders for North Shore,
5 Peoples, and Ameren.

6 Are there any objections to combining
7 and approving these orders?

8 (No response.)

9 CHAIRMAN SHEAHAN: Hearing no objections, the
10 Orders are approved.

11 Item G-4 concerns Nicor's
12 Reconciliation of revenues collected under its coal
13 tar riders.

14 Are there any objection to approving
15 the proposed order approving the reconciliation?

16 (No response.)

17 CHAIRMAN SHEAHAN: Hearing none, the Order is
18 approved.

19 Item G-5 concerns a consumer complaint
20 against Spark Energy.

21 Are there any objections to granting
22 the Joint Motion to Dismiss?

1 (No response.)

2 CHAIRMAN SHEAHAN: Hearing none, the Joint
3 Motion is granted.

4 Item G-6 concerns North Shore Gas and
5 Peoples' Energy Efficiency Plans.

6 Are there any objections to the
7 proposed order approving the plans?

8 (No response.)

9 CHAIRMAN SHEAHAN: Hearing none, the Order is
10 approved.

11 Item G-7 concerns Nicor Gas -- Gas's
12 Energy Efficiency Plan.

13 Are there any objections to the
14 proposed order approving the plan?

15 (No response.)

16 CHAIRMAN SHEAHAN: Hearing none, the Order is
17 approved. Moving on to our Water and Sewer agenda.
18 Item W-1 concerns Aqua Illinois' Proposed Rate
19 Increase.

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

22 (No response.)

1 CHAIRMAN SHEAHAN: Hearing none, the Order is
2 approved.

3 Under Petitions for Rehearing, Item
4 PR-1 concerns applications for rehearing regarding
5 ComEd's tariff changes related to rate design.

6 Are there any objections to accepting
7 the ALJ's recommendations?

8 (No response.)

9 CHAIRMAN SHEAHAN: Hearing none, the ALJ's
10 recommendations are accepted.

11 Judge Kimbrel, do you have any other
12 matters to bring before the Commission this morning?

13 JUDGE KIMBREL: No, Mr. Chairman.

14 CHAIRMAN SHEAHAN: Commissioners, do any of you
15 have any other business you would like to bring
16 before the Commission?

17 COMMISSIONER EDWARDS: No.

18 CHAIRMAN SHEAHAN: Hearing then -- hearing
19 none, and without objection, then we're adjourned.

20 Thank you.

21 (Whereupon the above
22 matter was adjourned.)