

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION
3 PUBLIC UTILITIES REGULAR OPEN MEETING
4 Wednesday, November 18th, 2020
5 Chicago, Illinois

6
7 Met pursuant to notice via videoconference
8 at 10:30 a.m. at 160 North LaSalle Street, Chicago,
9 Illinois.

10 PRESENT:

11 CARRIE ZALEWSKI, Chairwoman
12 (via Chicago Office)

13 D. ETHAN KIMBREL, Commissioner
14 (via Chicago Office)

15 SADZI M. OLIVA, Commissioner
16 (via videoconference)

17 MARIA S. BOCANEGRA, Commissioner
18 (via videoconference)

19 MICHAEL T. CARRIGAN, Commissioner
20 (via Springfield Office)

21 BRIDGES COURT REPORTING
22 BY: Stephen Mortensen,
 Notary Public

1 CHAIRWOMAN ZALEWSKI: Under the Open Meetings
2 Act, and in accordance with the Governor's
3 executive orders, I call the November 18, 2020,
4 Regular Open Meeting to order.

5 Before we proceed, and for the
6 clarity of the record, I would ask everyone to
7 state their name before speaking and to speak
8 slowly and clearly so that the court reporter can
9 capture everything that is said.

10 I checked that all Commissioners
11 are with us and we have a quorum.

12 CHAIRWOMAN ZALEWSKI: Moving on to our Public
13 Utility Agenda: Item 0-2 concerns an annual
14 reorganization report by the president and vice
15 president of Liberty Utilities.

16 If there are no objections, for
17 logistical reasons, we will hear from them now.

18 (No verbal response.)

19 CHAIRWOMAN ZALEWSKI: Hearing no objections,
20 Mr. David Swain and Mr. Mike Beatty, you may
21 proceed. Before speaking, I would just state and
22 spell your name for the court reporter.

1 MR. SWAIN: This is David Swain, President of
2 the Central Region for Liberty.

3 CHAIRWOMAN ZALEWSKI: Okay. You may proceed.

4 Mr. Swain, are you still there?

5 MR. SWAIN: Yes. I'm sorry.

6 Thank you, Commissioners, for
7 allowing us to come today. We owed you an update
8 on the Creal Springs acquisition that was approved
9 a few months ago. I think that you probably know
10 there were quite a few operating issues in that
11 system and the -- this small community has been
12 struggling to bring those issues up to compliance.
13 Through negotiations over a couple of years, we
14 were able to acquire that system and wanted to give
15 you an update on the progress that we had made
16 there.

17 And I have Mike Beatty with me
18 today. Mike is the VP of Gas and Water Ops for the
19 central region of Liberty. Liberty Midstates
20 acquired several properties in Illinois several
21 years ago from Atmos Energy. And prior to that,
22 those properties were United Cities Gas Company's.

1 As a matter of fact, I was reminded today as I
2 looked back, I started my career 41 years ago in
3 Vandalia, Illinois, with United Cities Gas Company,
4 and we still operate those facilities today.

5 The Creal Springs operation that
6 we're looking at today -- we now operate out of
7 Harrisburg, Illinois. It's about 20 miles from
8 there. So we were already in the proximity and
9 operating a gas utility in that area, and I've
10 rolled the Creal Springs into that.

11 We felt we would also take just a
12 minute today and have Mike give you an update on
13 our COVID operations in Illinois and what we are
14 doing to address that. The central region of
15 Liberty, I believe, operates in six states, or
16 three regions, in the US: east, west and central.
17 Central is Iowa, Illinois, Missouri, Kansas,
18 Oklahoma, and Arkansas; so those six states. In
19 Illinois, we serve about 21,000 gas customers.
20 And, again, Mike has the operational leadership for
21 that.

22 So, Mike, I'm going to ask you to

1 -- if you would, to go ahead and cover the COVID
2 and update on Creal Springs.

3 You might be on mute, Mike.

4 MR. BEATTY: I was.

5 I'm Mike Beatty, B-E-A-T-T-Y. I'm
6 the Vice President of Gas and Water for Liberty
7 Central and I appreciate the time in front of the
8 Commission this morning. As David stated, I'd like
9 to give an update on COVID-19 and how we're dealing
10 with that.

11 I know that the Commission has
12 dealt with COVID-19 quite a bit and we were one of
13 the first companies to announce, you know, that we
14 stopped disconnection because of COVID-19, right
15 before the Commission, you know, asked for that
16 request. We've extended that moratorium to March
17 2021. I hope that gives our customers some peace
18 of mind. You know, we have the Illinois Bill
19 Payment Assistance Program, which there's \$125,000
20 in that fund to help the low-income residential
21 customers, and as of October 1st, we've dispensed
22 about \$42,000.

1 We've relaxed the requirements for
2 the deferred payment arrangements. Some of those
3 would be -- we waived the deposits and reconnection
4 fees. We waived the late fees. There is no
5 collection process even going on. We've extended
6 the special payment arrangements. Generally, we
7 can extend up to the following November, but can go
8 12 to 24 months. And there's no special
9 arrangement reset fees or special arrangement reset
10 caps. Those are some of the more favorable terms
11 for our deferred payment arrangements.

12 We're really proud of our
13 communication department and they are constantly
14 sending out e-mails to customers we have e-mail
15 addresses for, and also play heavily in the social
16 media arenas.

17 So any thoughts or questions on
18 COVID-19 before I go to the operations slide?

19 (No verbal response.)

20 MR. BEATTY: Thank you.

21 Next slide, please.

22 So before I started the Creal

1 Springs acquisition, you all probably remember that
2 Pittsburg, Illinois, a town just north of Creal
3 Springs, was the first acquisition that we went and
4 obtained, about 180 customers, in Pittsburg. We
5 have replaced all of the PVC pipe in Pittsburg.
6 We've installed a new interconnect with the
7 transmission company and odorizer. We have
8 installed all new automated meter reading meters in
9 Pittsburg. And if you talk to the city of
10 Pittsburg, or any of the customers within
11 Pittsburg, I would think you would find we have a
12 very healthy relationship with that community.

13 That kicked off -- looking at Creal
14 Springs, we knew that Creal Springs was a town that
15 had some natural gas distribution issues, with
16 approximately 160 natural gas customers in Creal
17 Springs. When we went down to meet with that city
18 and start the due diligence, we found that the
19 odorizer had not been working -- had not been
20 functioning for some time. And even before we
21 owned a system, we repaired that odorizer and
22 brought it up to speed.

1 Plus, they had a leak in a creek
2 crossing that they were having issues addressing,
3 and even before we had the system, we went in and
4 helped them address that leak. Since then, we've
5 replaced all of the meters in Creal Springs to an
6 automated meter -- reading meters. We had several
7 items before the ICC Safety Staff that we've been
8 working through and I'm happy to report that we
9 have a clean bill of health for Creal Springs from
10 the ICC Safety Staff. We turned all the valves,
11 worked on the cathodic protection system, in
12 addition to some other items.

13 Any thoughts or questions on either
14 Pittsburg or Creal Springs?

15 (No verbal response.)

16 MR. BEATTY: Thank you.

17 Next slide.

18 With that, David and I would take
19 any questions from the Commission.

20 CHAIRWOMAN ZALEWSKI: Are there any questions
21 for Mr. Swain and Mr. Beatty?

22 (No verbal response.)

1 MR. SWAIN: With that, I think that concludes
2 our report on Creal Springs and on COVID, if there
3 aren't any other questions.

4 CHAIRWOMAN ZALEWSKI: Do any Commissioners
5 have any questions?

6 (No verbal response.)

7 CHAIRWOMAN ZALEWSKI: Okay. Hearing none --
8 does this conclude your full report? Mr. Swain, is
9 this the conclusion of your report?

10 MR. SWAIN: It is.

11 CHAIRWOMAN ZALEWSKI: Okay. All right.
12 Great. Thank you. Thank you for presenting today.

13 We are now going to continue on to
14 our Public Utilities Agenda.

15 There are edits to the October
16 22nd, 2020, Policy Session Minutes and Special Open
17 Meeting Minutes. There are also edits to the
18 October 28, 2020, Regular Open Meeting Minutes.

19 Are there any objections to
20 approving the minutes as edited?

21 (No verbal response.)

22 CHAIRWOMAN ZALEWSKI: Hearing none, the

1 minutes are approved.

2 Under our Electric Items: Item E-1
3 concerns ComEd's filing to revise its Rider
4 Franchise Cost Additions, or Rider FCA. Rider
5 FCA's purpose is to recover franchise costs imposed
6 by municipalities. Proposed revisions clarify the
7 method and timing of recovery under the tariff.
8 The revisions update the Infrastructure Maintenance
9 Fee, or IMF, in accordance with the city of
10 Evanston's ordinance and move the IMF table to a
11 new tariff sheet. The revisions also add an
12 explanation for the recovery procedure in case an
13 authorizing ordinance expires or is repealed or
14 replaced. Commission Staff recommends not
15 suspending the filing.

16 Are there any objections to not
17 suspending the filing?

18 (No verbal response.)

19 CHAIRWOMAN ZALEWSKI: Hearing none, the
20 filing is not suspended.

21 Item E-2 concerns ComEd's filing to
22 propose revenue neutral tariff changes related to a

1 rate design of performance-based formula rates.
2 The Commission Staff recommends suspension of the
3 filing to ensure a full hearing and investigation
4 regarding the tariff changes. The order suspends
5 the filing.

6 Are there any objections to
7 approving the order?

8 (No verbal response.)

9 CHAIRWOMAN ZALEWSKI: Hearing none, the order
10 is approved.

11 Item E-3 concerns Docket 20-0393,
12 which is ComEd's petition to initiate annual
13 formula rate updates and revenue requirement
14 reconciliation. On November 9, 2020, in their
15 brief on exceptions, the Attorney General's Office
16 filed a request for an oral argument under Section
17 9-201(c) of the Public Utilities Act.

18 Before I call vote, are there any
19 comments?

20 (No verbal response.)

21 CHAIRWOMAN ZALEWSKI: Okay. I'm going to
22 call the vote on the request for the oral argument.

1 If you are in favor of granting the
2 request for the oral argument, please say "aye," if
3 you are opposed, and want to deny, please say
4 "nay."

5 Commissioner Bocanegra?

6 COMMISSIONER BOCANEGRA: Aye.

7 CHAIRWOMAN ZALEWSKI: Commissioner Carrigan?

8 COMMISSIONER CARRIGAN: Aye.

9 CHAIRWOMAN ZALEWSKI: Commissioner Kimbrel?

10 COMMISSIONER KIMBREL: Nay.

11 And I'd just like to state that I
12 do agree with the recommendation of the
13 administrative law judge, which was to deny oral
14 argument based on the fact -- that the topics upon
15 which the AG requests oral argument be granted.
16 That's been addressed at length, both in the
17 proposed order, and in the docket, and previous
18 years' dockets as well.

19 CHAIRWOMAN ZALEWSKI: Okay.

20 Commissioner Oliva?

21 COMMISSIONER OLIVA: Nay. For the same
22 reasons as outlined in the ALJ's proposed order.

1 CHAIRWOMAN ZALEWSKI: Okay.

2 I vote aye.

3 The three ayes have it and the
4 request for oral argument is granted. The notice
5 of the date and time of the oral argument will be
6 served on the parties shortly.

7 Item E-4 concerns SmartEnergy
8 Holdings' petition for permission to apply to ComEd
9 for a refund of Alternative Compliance Payments, or
10 ACP, for the compliance period ending on May 31st
11 of 2018. On September 12th of 2018, the petitioner
12 submitted its annual report demonstrating that it
13 has retired a quantity of Renewable Energy Credits,
14 or RECs, sufficient to meet its total RPS
15 requirements. Petitioner states that it remitted
16 ACP to ComEd due to error in its original analysis
17 and associated reporting. Upon recognition of the
18 error, SmartEnergy sought a refund from ComEd.

19 Because ComEd has not issued a
20 refund, the petitioner requests that the Commission
21 grants its petition for a full refund of the ACP
22 made to ComEd in error. ComEd does not contest the

1 petition and requests that the Commission accepts
2 the amended report attached to SmartEnergy's
3 petition. The order grants SmartEnergy's petition
4 and accepts the amended report.

5 Are there any objections to
6 approving the order?

7 (No verbal response.)

8 CHAIRWOMAN ZALEWSKI: Hearing none, the order
9 is approved.

10 Item E-5 concerns MidAmerican's
11 request for reconciliation of revenues under its
12 Rider Electric Utility Assessment, or Rider EUA,
13 for the period of August 2019 through July 2020.

14 The order approves the
15 reconciliation as set in the appendix to the order,
16 finding that the costs were prudently incurred.

17 Are there any objections to
18 approving the order?

19 (No verbal response.)

20 CHAIRWOMAN ZALEWSKI: Hearing none, the order
21 is approved.

22 Item E-6 concerns an application

1 for a license to operate as a retail electric
2 agent, broker or consultant in Illinois.

3 The order grants the license,
4 finding that the applicant meets the requirements.

5 Are there any objections to
6 approving the order?

7 (No verbal response.)

8 CHAIRWOMAN ZALEWSKI: Hearing none, the order
9 is approved.

10 Item E-7 concerns an application
11 for certification to install distributed generation
12 facilities in Illinois.

13 The order grants the certificate,
14 finding that the applicant meets the requirements.

15 Are there any objections to
16 approving the order?

17 (No verbal response.)

18 CHAIRWOMAN ZALEWSKI: Hearing none, the order
19 is approved.

20 Item E-8 and E-9 concern petitions
21 to cancel certificates to operate as a retail
22 electric agent, broker or consultant in Illinois.

1 The petitioners no longer transact business in
2 Illinois. The orders cancel the certificates and
3 direct petitioners to file outstanding Section 454
4 Reports.

5 Are there any objections to
6 considering these items together and approving the
7 orders?

8 (No verbal response.)

9 CHAIRWOMAN ZALEWSKI: Hearing none, the
10 orders are approved.

11 Item E-10 concerns a petition for
12 a certificate to install energy efficiency
13 measures. The applicant has failed to provide a
14 valid certificate of insurance and has not filed
15 any responses to address the deficiency in the
16 application. The order denies the petition.

17 Are there any objections to
18 approving the order?

19 (No verbal response.)

20 CHAIRWOMAN ZALEWSKI: Hearing none, the order
21 is approved.

22 Items E-11 through E-24 concern

1 petitions for certificates to install energy
2 efficiency measures in Illinois. The orders grant
3 the certificates, finding that the applicants meet
4 the requirements. Are there any objections to
5 considering these items together and approving the
6 orders?

7 (No verbal response.)

8 CHAIRWOMAN ZALEWSKI: Hearing none, the
9 orders are approved.

10 Under our Gas Items: Item G-1
11 concerns Nicor's filing to revise its Rider 1, or
12 Customer Charge Adjustments. The revisions provide
13 clarifications to information sheet and
14 reconciliation filings with respect to the Utility
15 Assistance Recovery Charge, or UARC. The
16 Commission Staff recommends not suspending the
17 filing.

18 Are there any objections to not
19 suspending the filing?

20 (No verbal response.)

21 CHAIRWOMAN ZALEWSKI: Hearing none, the
22 filing is not suspended.

1 Item G-2 concerns Nicor's petition
2 for authorization to use the eminent domain power
3 with respect to Wisconsin Central Limited's Right
4 of Way. Nicor and Wisconsin Central have reached
5 an agreement regarding the rights of way and Nicor
6 has filed a motion to withdraw the petition and
7 dismiss the proceeding without prejudice.

8 Are there any objections to
9 granting the motion to withdraw and dismissing the
10 proceeding without prejudice?

11 (No verbal response.)

12 CHAIRWOMAN ZALEWSKI: Hearing none, the
13 motion is granted.

14 Item G-3 concerns Nicor Gas'
15 request for reconciliation of revenues under its
16 Rider 26, or Uncollectible Expense Adjustment, for
17 the period of June 1st, 2017, to June 31st, 2018.
18 The Attorney General intervened in a proceeding and
19 made several recommendations for Nicor to improve
20 on its minimization of uncollectibles, deferred
21 payment arrangement practices, identifying
22 low-income consumers, and helping users reduce

1 usage. The order rejects all the recommendations,
2 finding that these issues are better addressed in a
3 broader forum on uncollectibles because they are
4 industry-wide issues. The order approves the
5 reconciliation as set in the appendix to the order,
6 finding that the costs were prudently incurred.

7 Are there any objections to
8 approving the order?

9 (No verbal response.)

10 CHAIRWOMAN ZALEWSKI: Hearing none, the order
11 is approved.

12 Item G-4 concerns Ameren's request
13 for reconciliation of revenues under its Rider
14 Volume Balancing Adjustment, or Rider VBA, for the
15 2019 calendar year. The order approves the
16 reconciliation as set in the appendix to the order,
17 finding that the costs were prudently incurred.

18 Are there any objections to
19 approving the order?

20 (No verbal response.)

21 CHAIRWOMAN ZALEWSKI: Hearing none, the order
22 is approved.

1 Item G-5 concerns MidAmerican's
2 request for reconciliation of revenues under its
3 Gas Utility Assessment, or Rider GUA, for the
4 period of July 1, 2019, through July 30th of 2020.
5 The order approves the reconciliation as set in the
6 appendix to the order, finding that the costs were
7 prudently incurred.

8 Are there any objections to
9 approving the order?

10 (No verbal response.)

11 CHAIRWOMAN ZALEWSKI: Hearing none, the order
12 is approved.

13 Item G-6 concerns North Shore Gas
14 Company and Peoples Gas' petition to initiate a
15 review of its energy savings and cost-effectiveness
16 results for its second Triennial Energy Efficiency
17 Plan, covering Program Years 4 through 6.

18 The Commission Staff has reviewed
19 the filings and recommends that the Commission
20 accept North Shore and Peoples Gas' filings and
21 that each utility cost effectively met its energy
22 savings goal. The order finds that each utility

1 has complied with its energy savings mandated by
2 the Public Utilities Act and implemented these
3 plans in a cost-effective manner.

4 Are there any objections to
5 approving the order?

6 (No verbal response.)

7 CHAIRWOMAN ZALEWSKI: Hearing none, the order
8 is approved.

9 Item G-7 concerns Liberty
10 Utilities' application for a Certificate of Public
11 Convenience and Necessity to provide natural gas
12 service to the Village of Tamms and its environs in
13 Alexander and Union Counties, Illinois. The order
14 finds that the issuance of the certificate will
15 promote public convenience and necessity and that
16 Liberty has met the statutory requirements.
17 Furthermore, the order finds that the Asset
18 Purchase Agreement between Liberty and the Village
19 of Tamms should be approved.

20 Are there objections to approving
21 the order?

22 (No verbal response.)

1 CHAIRWOMAN ZALEWSKI: Hearing none, the order
2 is approved.

3 Item G-8 concerns Nicor Gas' filing
4 of a revenue-neutral tariff to address issues
5 arising from its storage study presented in its
6 General Rate Increase Case in Docket No. 18-1775.
7 The order suspends the tariff for a further period
8 of six months to complete the Commission's
9 investigation.

10 Are there any objections to
11 approving the order?

12 (No verbal response.)

13 CHAIRWOMAN ZALEWSKI: Hearing none, the order
14 is approved.

15 Item G-9 concerns Nicor Gas'
16 application to amend its operating agreement that
17 governs transactions between Nicor and affiliated
18 interests and Nicor and AGL Gas.

19 Nicor Gas has provided evidence
20 that the amendments to the operating agreement and
21 AGL Services Agreement are just and reasonable, and
22 will benefit Nicor and its customers, and are in

1 the public interest. The order approves the
2 application.

3 Are there any objections to
4 approving the order?

5 (No verbal response.)

6 CHAIRWOMAN ZALEWSKI: Hearing none, the order
7 is approved.

8 Under our Telecommunications Items:
9 Items T-1 and T-2 concern requests for proprietary
10 treatment of information in the petitioners'
11 reports. The orders grant the protections, finding
12 that the information is highly proprietary and
13 confidential.

14 Are there any objections to
15 considering these items together and approving the
16 orders?

17 (No verbal response.)

18 CHAIRWOMAN ZALEWSKI: Hearing none, the
19 orders are approved.

20 Under our Waste and Sewer Items:
21 Item W-1 concerns Aqua's request for reconciliation
22 of revenues under its Purchased Water Surcharge for

1 the period of July 1st, 2019, through June 8th of
2 2020. The order approves the reconciliation as set
3 in the appendix to the order, finding that the
4 costs were prudently incurred.

5 Are there any objections to
6 approving the order?

7 (No verbal response.)

8 CHAIRWOMAN ZALEWSKI: Hearing none, the order
9 is approved.

10 We have no Miscellaneous Items.

11 Under our Petitions for Rehearing:
12 Item PR-1 concerns a complaint against Illinois
13 American Water Company regarding overbilling. The
14 complainant has filed a petition for rehearing,
15 alleging that the Commission wrongfully applied the
16 statute of limitations, wrongfully calculated the
17 amount of reimbursement, and wrongfully denied the
18 additional allegations of the complainant.
19 However, the complainant presents no new arguments
20 or evidence that warrants a rehearing. The
21 administrative law judge also recommends denying
22 the application for rehearing.

1 Are there any objections to denying
2 the application for rehearing?

3 (No verbal response.)

4 CHAIRWOMAN ZALEWSKI: Hearing none, the
5 application is denied.

6 Under our Other Business Items:
7 Item O-1 concerns approval of batches, contracts,
8 and confirmations under the Illinois Adjustable
9 Block Program.

10 Are there any objections to
11 approving the program administrator's submissions?

12 (No verbal response.)

13 CHAIRWOMAN ZALEWSKI: Hearing none, the
14 submissions are approved.

15 Under Item O-2, we already heard
16 the report at the beginning of this agenda, so this
17 concludes our Public Utilities Agenda.

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

20 JUDGE TEAGUE-KINGSLEY: No, Madam Chairman.

21 CHAIRWOMAN ZALEWSKI: Do any of the
22 Commissioners have any other business to discuss?

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(No verbal response.)

CHAIRWOMAN ZALEWSKI: Just a quick reminder that we have our Winter Preparedness Policy Session starting today at noon, and with no other items, and without objections, this meeting is adjourned.

Thank you.

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